

Sugar & Gur Domestic & International Fundamentals

- Steady sentiments recorded in key sugar spot markets on Tuesday
- Govt. might increase ethanol blending into petrol to 15% from 5% currently. It is notable that if decision implemented than it would help mills to cover losses and able to make pending payments to farmers. Apart from it, govt also likely to consider industry demand to increase in import duty upto 40% from existing 15%.
- India is offering 100 ICUMSA sugar at \$500-510 per ton FOB basis, according to London based sugar trader.
- Consecutive fall in sugar prices can be seen as rumors of ban on essential commodities like Wheat, Sugar, Chana etc from futures platforms spreads fear in the market.
- Farmers in UP are sowing less cane for 2014-15 season due to delay in cane payment. However, situation is totally opposite in case of Maharashtra and Karnataka as reported.
- Various mills in Brazil as closing down for the current season as Brazilian govt curb fuel price hike concerning rising inflation rate. With over production of sugar and lesser demand of fuel urge Brazilian millers to sell sugar in the global markets to get some capital and minimize their losses.
- Weak demand of sugar and oversupply of sugar by mills led the prices down in UP as reported.
- Gur prices declined today in key benchmark market Muzaffar nagar.
- Total around 1061000 bags of 40 kg each of gur stored in warehouses presently which are lower compared to 1233000 bags stored last year at same period in warehouses. Out of total gur stocks, 560000 bags of Chaku, 61000 bags of Raskut, 202000 bags of Papdi and 230000 bags of Khurpa gur stored in cold storages. It is notable that lower gur stock stored in cold storages would support the prices of gur in the medium term.

Outlook: Sugar prices are presently in a profit booking state. However, overall sentiments remained bullish for medium term due to lower production. Sugar may trade steady in the short term.

NCDEX Sugar Future Quotes

Contract	+/-	Open	High	Low	Close
June-14	11	2986	3007	2985	3005
July-14	7	2956	2972	2956	2970
Aug-14	9	2975	2989	2975	2988

Contract	Volume	Change	OI	Change
June-14	4870	1670	39300	-2590
July-14	3630	2250	24980	-210
Aug-14	2110	1720	15570	1610

Spread	July-14	Sept-14	Nov-14
Basis	95		
July-14		-35	-17
Sept-14			18

NCDEX Gur Future Quotes:

Contract	+/-	Open	High	Low	Close
Jul-14	13.5	1169	1177	1157	1175
Sep-14	17	1172	1188	1172	1188
Nov-14	10.5	1094.5	1094.5	1091.5	1091.5

Contract	Volume	Change	OI	Change
Jul-14	5030	430	8950	-860
Sep-14	3100	-500	5710	690
Nov-14	20	0	150	10

Spread	July-14	Sept-14	Nov-14
Basis	5		
July-14		13	-83.5
Sept-14			-96.5

NCDEX Stock & Fed Position

Stocks	In-		Total	FED
	Demat	Process		
	2.6.14	2.6.14	2.6.14	2.6.14
Kolhapur M	8765	0	8765	8765
Delhi M	2376	0	2376	2376
Belgaum M	100	0	100	100
Kolhapur S	7347	0	7347	7347
Sholapur S	1519	0	1519	1519
Sangli S	501	0	501	501
Belgaum S	9820	0	9820	9820
Delhi S	1133	0	1133	1133

Gur Stock Position	Chaku	Raskut	Papdi	Total
2014	560000	61000	202000	1061000
2013	752000	135000	197000	1233000

Brazil Sugar Quotes (Kingsman US\$/MT)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	368.75	-
Raw Sugar C&F (\$/MT)	Black Sea	396.75	-
Sugar White FOB (\$/MT)	Santos Port	463.75	-

Brazil White Sugar Premium (US\$/MT)

Contract	Close	+/-
May'14/May'14	NR	-
Aug'14/Jul'14	NR	-
Oct'14/Oct'14	NR	-

Brazil Sugar/ Ethanol Prices (In Cents/lb)

Contract	Close	+/-
Brazil Domestic Sugar	NR	-
Brazil Anhydrous	NR	-
Brazil Hydrous	NR	-

Commodity	Price (\$/Ton)	Change
Thai Sugar FOB 45 Icumsa	468.5	-

LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
14- Aug	472.2	474.2	466.4	468	-3.4
14-Oct	480	482	474.5	476	-3.3
14-Dec	490.2	491.5	484.5	486	-2.9

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
14-July	17.45	17.54	17.12	17.18	Unch
14-Oct	18.2	18.33	17.99	18.06	-0.13
15-Mar	19.14	19.2	18.9	19	-0.07

Sugar and Jaggery (Gur) Prices at Key Spot Markets:

Commodity	Centre	Prices (Rs/Qtl)		Change
		3-Jun-14	2-Jun-14	
Sugar	Delhi - Grade M	3250	3250	Unch
	Delhi - Grade S	3200	3200	Unch
	Delhi - Grade L	3300	3300	Unch
	UP- Khatauli Grade M	3330	3330	Unch
	UP- Ramala Grade M	3260	3260	Unch
	UP- Dhampur Grade M Ex-Mill	3200	3205	-5
	UP- Dhampur Grade S Ex-Mill	3180	3185	-5
	UP- Dhampur Grade L Ex-Mill	3250	3255	-5
	Mumbai -Grade M	3270	3270	Unch
	Mumbai -Grade S	3152	3162	-10
	Kolhapur - Grade M	3100	3100	Unch
	Kolhapur - Grade S	2950	2950	Unch
	Guhawati - Grade S	3258	3258	Unch
	Shillong - Grade S	3270	3270	Unch
	Vijayawada - Grade M	3500	3500	Unch
	Vijayawada- Grade S	3400	3400	Unch
	Nagpur - Grade M	3250	3250	Unch
	Nagpur - Grade S	3100	3100	Unch
	Kolkata - Grade M	NR	NR	-
	Chennai - Grade S	3050	3050	Unch

	Ambikapur (Chattisgarh)- Grade M (Without Duty)	3150	3150	Unch
	Ambikapur (Chattisgarh)- Grade S (Without Duty)	3125	3125	Unch

Gur Spot Prices (Rs/Qtl)				
		3-Jun-14	2-Jun-14	Change
Muzaffar Nagar	Chaku	2950	3050	-100
	Arrivals	NA	300	-
	Khurpa	2700	2713	-13
	Laddu	3000	3000	Unch
	Rascut	2313	2313	Unch
Seyana	Chaurasa	NA	NA	-
Hapur	Balti	NA	NA	-
Maharashtra	Lal Variety	2950	2900	50
Bangalore	Achhu	NA	NA	-
	Mudde	3300	3300	Unch
Belgaum	Mudde	NA	2600	-
Belthangadi	Yellow (Average)	3200	3200	Unch
Bijapur	Achhu	2600	NR	-
Gulbarga	Other (Average)	3200	3150	50
Mahalingapura	Penti (Average)	2910	2880	30
Mandya	Achhu (Medium)	2300	2300	Unch
	Kurikatu (Medium)	2200	2200	Unch
	Other (Medium)	2300	2300	Unch
	Yellow (Medium)	2350	2350	Unch
Shimoga	Achhu (Average)	3400	3400	Unch

Maharashtra Cooperative Mills Tender Prices		
Centre	Origin/Grade	2-Jun-14
ANURAJ	S.PP	2873
	M.PP	3018
SAMARTH	S.PP	2875
	M.PP	3021
NEERA BHIMA	S.PPP	2898
	M.PP	3003
SHANKESHWAR	S1.PP	2810
	S2.PP	2800
MANJARA	S.PP	2845.00-2855.00
	M.PP	2953.00-2963.00
SIDDHESHWAR	S.PP	2818
	S1.PP	2850
VITTHAL PANDHARPUR	S.PP-S1.PP	2850.00-2910.00
	M.PP	2980
SANGAMNER	S.PP-S1.PP	2891.00-2970.00
	M.PP	3042

MAHAKALI	S1.PP	2998
	M.PP	3098
GHODGANGA	S.PP	2870
	M.PP	3005
AMBALIKA	S.PP	2870
	M.PP	2970
MADHA	S.PP	2878
RENA	S.PP	2845
	S1.PP	2885
AKLUJ	OLD S.PP	2842
	S.JK	2867
SHREEPUR	S.PP-S1.PP	2880.00-2950.00
PRAWARA	S.PP-S1.PP	2885.00-2935.00
	M.PP	2990
SATISH	S1.PP	2910
	M.PP	2990
SOMESHWAR	S1.PP	2898
	M.PP	3018

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