

Sugar & Gur Domestic & International Fundamentals

- Sugar prices rallied due to good summer demand and expectation of increase in import duty on raw sugar to 40% from current 15%.
- A rake business loaded with sugar has been reported from Belgaum to Delhi at FOR 3315 per quintal as reported.
- 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.
- Gur prices improved today in key benchmark market Muzaffar nagar due to good demand. In addition to it, fresh arrivals are also not coming which improve the prices.
- 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	13.00	3063.00	3069.00	3030.00	3055.00B
July-14	30.00	3010.00	3038.00	2998.00	3028.00A
Aug-14	40.00	3050.00	3059.00	3018.00	3052.00A

Contract	Volume	Change	OI	Change
June-14	3,660	-	35160	-
July-14	8,430	-	26880	-
Aug-14	3,050	-	17890	-

Spread	July-14	Sept-14	Nov-14
Basis			
July-14			
Sept-14			

NCDEX Stock & Fed Position

Stocks		Demat	In-Process	Total	FED
		5.6.14	5.6.14	5.6.14	2.6.14
Kolhapur M		8765	0	8765	8765
Delhi M		2376	0	2376	2376
Belgaum M		100	0	100	100
Kolhapur S		7057	0	7057	7347
Sholapur S		1149	0	1149	1519
Sangli S		501	0	501	501
Belgaum S		9920	0	9920	9838
Delhi S		1133	0	1133	1133

NCDEX Gur Future Quotes:

Contract	+/-	Open	High	Low	Close
Jul-14	14.50	1189.00	1197.00	1181.50	1195.00A
Sep-14	13.50	1198.00	1209.00	1192.50	1207.50
Nov-14	13.00	1118.50	1118.50	1093.50	1109.50

Contract	Volume	Change	OI	Change
Jul-14	6,370	-	7120	-
Sep-14	5,370	-	6020	-
Nov-14	70	-	160	-

Spread	July-14	Sept-14	Nov-14
Basis			
July-14			
Sept-14			

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	360.50	-5.25
Raw Sugar C&F (\$/MT)	Black Sea	388.50	-5.25
Sugar White FOB (\$/MT)	Santos Port	456.50	-6.25

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	467.5	-1.00

LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
14- Aug	465.50	466.10	460.00	460.10	-5.30
14-Oct	474.10	474.60	468.70	468.70	-5.40
14-Dec	484.20	484.80	479.50	479.50	-5.50

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
14-July	17.02	17.10	16.81	16.83	-0.21
14-Oct	17.93	17.97	17.64	17.66	-0.27
15-Mar	18.97	19.02	18.70	18.71	-0.27

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

Commodity	Centre	Prices (Rs/Qtl)		Change
		6-Jun-2014	5-Jun-2014	
Sugar	Delhi - Grade M	3260	3220	40
	Delhi - Grade S	3220	3130	90
	Delhi - Grade L	3325	3270	55
	UP- Khatauli Grade M	3350	3320	30
	UP- Ramala Grade M	3260	3250	10
	UP- Dhampur Grade M Ex-Mill	3220	3210	10
	UP- Dhampur Grade S Ex-Mill	3200	3190	10
	UP- Dhampur Grade L Ex-Mill	3270	3260	10
	Mumbai –Grade M	3242	3243	-1
	Mumbai –Grade S	3122	3116	6
	Kolhapur – Grade M	3075	3075	Unch
	Kolhapur – Grade S	2925	2925	Unch
	Guhawati – Grade S	3233	3233	Unch
	Shillong – Grade S	3245	3245	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	3320	3325	-5
	Chennai - Grade S	3050	3050	Unch
	Ambikapur (Chattisgarh)- Grade M (Without Duty)	3050	3050	Unch

	Ambikapur (Chattisgarh)- Grade S (Without Duty)	3025	3025	Unch
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Gur Spot Prices (Rs/Qtl)				
		6-Jun-2014	5-Jun-2014	Change
Muzaffar Nagar	Chaku	3063	3000	63
	Arrivals	NA	NA	-
	Khurpa	2700	2700	Unch
	Laddu	3000	3000	Unch
	Rascut	2313	2313	Unch
Seyana	Chaurasa	NA	NA	-
Hapur	Balti	NA	NA	-
Maharashtra	Lal Variety	2950	2950	Unch
Bangalore	Achhu	NA	NA	-
	Mudde	3500	3500	Unch
Belgaum	Mudde	3000	3000	Unch
Belthangadi	Yellow (Average)	NR	3250	-
Bijapur	Achhu	NR	2775	-
Gulbarga	Other (Average)	3300	3150	150
Mahalingapura	Penti (Average)	NR	2880	-
Mandya	Achhu (Medium)	NR	NR	-
	Kurikatu (Medium)	NR	NR	-
	Other (Medium)	NR	NR	-
	Yellow (Medium)	NR	NR	-
Shimoga	Achhu (Average)	NR	3350	-

Maharashtra Cooperative Mills Tender Prices		
Centre	Origin/Grade	5-Jun-2014
BHAIRAVNATH VIHAR	S1.PP	2885
	S.JB	2900
BHAIRAVNATH SONERI	S.PP	2860
	S.JB	2885
GHODGANGA	S.PP	2840
	S1.PP	2890
ADINATH	S.PP	2827
TUKARAM	S.PP	2942
BHIMA SHANKAR	S.PP-S.JB	29202942
	M.PP	3025
VRIDESHWAR	S.PP	2875
	S1.PP	2950
AKLUJ	S.JK	2853

	S1.JK	2910
SIDDHANATH	S1.PP	2910
	M.PP	2990
BIDAR	S/30	2750
SOMESHWAR	S1.PP	2908
	M.PP	3018
UDGIRI	S1.PP-S2.PP	2895-2885
	M/30	3000
MADHA	S.PP	2880
AMBALIKA	S.PP	2870
	M.PP	2970
SHREEPUR	S1.PP	2960
	M.PP	3010
WATEGAON	S1.PP	2928
	S2.PP	2918
WALWA	OLD S.PP	2888
	S1.PP	2918
BIDRI	S1.PP-S2.PP	2902-2913
	M.PP-JK	3028-3035

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