

Sugar & Gur Domestic & International Fundamentals

- Sugar prices improved today due to good spot sugar demand at lower levels.
- Central govt. is trying to restore its decision to give the incentive on raw sugar exports to Rs 3300 per ton which govt earlier lower down to Rs 2770 per ton for exports during April and May.
- India has imported around 6 lac ton of sugar till May 2014 starting from October 2014.
- 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 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	6.00	3050.00	3064.00	3039.00	3044.00
July-14	22.00	3024.00	3061.00	3024.00	3044.00
Aug-14	30.00	3078.00	3100.00	3072.00	3075.00

Contract	Volume	Change	OI	Change
June-14	5050	1390	32980	-2180
July-14	6490	-1940	27580	700
Aug-14	3950	900	18800	910

Spread	July-14	Sept-14	Nov-14
Basis	106		
July-14		0	31
Sept-14			31

NCDEX Stock & Fed Position

Stocks		In-			
		Demat	Process	Total	FED
		7.6.14	7.6.14	7.6.14	2.6.14
Kolhapur M		8765	0	8765	8765
Delhi M		1658	0	1658	2376
Belgaum M		100	0	100	100
Kolhapur S		6497	0	6497	7347
Sholapur S		1149	0	1149	1519
Sangli S		451	0	451	501
Belgaum S		9920	0	9920	9838
Delhi S		1133	0	1133	1133

NCDEX Gur Future Quotes:

Contract	+/-	Open	High	Low	Close
Jul-14	-13.00	1208.00	1208.00	1179.00	1180.50
Sep-14	-11.00	1213.50	1219.00	1191.00	1193.00
Nov-14	-7.00	1114.50	1114.50	1098.00	1098.00

Contract	Volume	Change	OI	Change
Jul-14	5510	-860	7220	100
Sep-14	4420	-950	5930	-90
Nov-14	40	-30	170	10

Spread	July-14	Sept-14	Nov-14
Basis	19.5		
July-14		12.5	-82.5
Sept-14			-95

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

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	-	-

LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
14- Aug	460.50	461.00	457.00	460.20	+0.10
14-Oct	469.10	469.90	465.60	469.40	+0.70
14-Dec	480.70	480.70	476.90	480.00	+0.50

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
14-July	16.85	16.99	16.77	16.92	+0.09
14-Oct	17.64	17.78	17.56	17.72	+0.06
15-Mar	18.73	18.82	18.59	18.76	+0.05

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

Commodity	Centre	Prices (Rs/Qtl)		Change
		9-Jun-2014	7-Jun-2014	
Sugar	Delhi - Grade M	3280	3240	40
	Delhi - Grade S	3240	3200	40
	Delhi - Grade L	3390	3350	40
	UP- Khatauli Grade M	3350	3350	Unch
	UP- Ramala Grade M	3210	3250	-40
	UP- Dhampur Grade M Ex-Mill	3300	3250	50
	UP- Dhampur Grade S Ex-Mill	3280	3230	50
	UP- Dhampur Grade L Ex-Mill	3350	3300	50
	Mumbai –Grade M	3262	3250	12
	Mumbai –Grade S	3116	3122	-6
	Kolhapur – Grade M	3150	3150	Unch
	Kolhapur – Grade S	3000	3000	Unch
	Guhawati – Grade S	3309	3309	Unch
	Shillong – Grade S	3320	3320	Unch
	Vijayawada – Grade M	3580	3550	30
	Vijayawada- Grade S	3460	3420	40
	Nagpur – Grade M	3350	3250	100
	Nagpur – Grade S	3150	3100	50
	Kolkata – Grade M	NR	NR	-
	Chennai - Grade S	3075	3050	25
	Ambikapur (Chattisgarh)- Grade M (Without Duty)	3050	3050	Unch

	Ambikapur (Chattisgarh)- Grade S (Without Duty)	2985	3025	-40
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Gur Spot Prices (Rs/Qtl)				
		9-Jun-2014	7-Jun-2014	Change
Muzaffar Nagar	Chaku	3000	3025	-25
	Arrivals	NA	NA	-
	Khurpa	2900	NA	-
	Laddu	3125	NA	-
	Rascut	NA	NA	-
Seyana	Chaurasa	NA	NA	-
Hapur	Balti	NA	NA	-
Maharashtra	Lal Variety	3050	2950	100
Bangalore	Achhu	NA	NA	-
	Mudde	3500	3500	Unch
Belgaum	Mudde	3100	3100	Unch
Belthangadi	Yellow (Average)	3250	3250	Unch
Bijapur	Achhu	2750	2700	50
Gulbarga	Other (Average)	3150	3350	-200
Mahalingapura	Penti (Average)	2910	2940	-30
Mandya	Achhu (Medium)	2300	2300	Unch
	Kurikatu (Medium)	2200	2200	Unch
	Other (Medium)	2300	2300	Unch
	Yellow (Medium)	2200	2200	Unch
Shimoga	Achhu (Average)	3300	3400	-100

Maharashtra Cooperative Mills Tender Prices		
Centre	Origin/Grade	6-Jun-2014
DAUND	S.PP-S1.PP	2905-2930
	M.PP	3020
BHAWANI	OLD S.PP	2898
	OLD S.JB	2913
SAMARTH	S.PP-S1.PP	2921-2960
	M.PP	3050
NEERA BHIMA	S.PP	2928
	M.PP	3023
LOKNETE	OLD S.PP	2798
	OLD M.PP	2878
KOLPEWADI	S.PP	2960
	M.PP	3105
BHENDA	S1.PP	3000
	M.PP	3070

KRANTI	S1.PP	3000
	M.PP	3100
MULA	S.PP-S1.PP	2943-3040
	M.PP	3077
PRAWARA	S1.PP	2985-2990
	M.PP	3045-3050
DATT SHIROL	S1.PP-S2.PP	2955-2950
	M.PP	3063OPEN
SAHYADRI	S1.PP	2905-2915

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