

## Sugar & Gur Domestic & International Fundamentals

- Sugar prices improved sharply today in key markets over increase in raw sugar imports by central govt.
- In a major turnaround, Food and Civil Supplies minister Mr. Ram Vilas Paswan increase sugar import duty to 40% from current 15%. This move will give huge respite to sugar mills. In addition to it, Food minister also assure cash starved mills to provide interest free loan of Rs 4400 crore to make payments of cane arrears to farmers. Govt. will also extend sugar export subsidy on raws of Rs 3300 per ton till September 2014.
- Prices of sugar likely to move up in the coming days keeping in view increasing sugar prices in International markets and increase in freight by central govt.
- Sugar exports from India likely to surge with increase in demand and prices of sugar due to upcoming Ramzan season. Also, Government also give some respite to millers after increasing raw sugar export incentive to Rs 3300 per ton for June-July month.
- Gur prices improved 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 (Till 6.00 PM)

| Contract | +/-   | Open    | High    | Low     | Close   |
|----------|-------|---------|---------|---------|---------|
| July-14  | 56.00 | 3050.00 | 3100.00 | 3049.00 | 3100.00 |
| Aug-14   | 62.00 | 3075.00 | 3141.00 | 3057.00 | 3135.00 |
| Sept-14  | 69.00 | 3075.00 | 3142.00 | 3057.00 | 3142    |

| Contract | Volume | Change | OI    | Change |
|----------|--------|--------|-------|--------|
| July-14  | 5200   | 3690   | 380   | -5520  |
| Aug-14   | 4410   | 410    | 34450 | -1240  |
| Sept-14  | 1950   | -380   | 21390 | 90     |

| Spread  | July-14 | Aug-14 | Sept-14 |
|---------|---------|--------|---------|
| Basis   | 70      |        |         |
| July-14 |         | 5      | 39      |
| Sept-14 |         |        | 34      |

### NCDEX Gur Future Quotes:

| Contract | +/-   | Open    | High    | Low     | Close   |
|----------|-------|---------|---------|---------|---------|
| Jul-14   | 11.00 | 1165.00 | 1177.50 | 1162.50 | 1177.00 |
| Sep-14   | 16.50 | 1186.50 | 1203.00 | 1185.50 | 1203.00 |
| Nov-14   | 4.00  | 1105.00 | 1106.00 | 1105.00 | 1105.00 |

| Contract | Volume | Change | OI   | Change |
|----------|--------|--------|------|--------|
| Jul-14   | 1340   | -460   | 4720 | -20    |
| Sep-14   | 2450   | -790   | 6850 | -30    |
| Nov-14   | 20     | -20    | 220  | 10     |

| Spread  | July-14 | Sept-14 | Nov-14 |
|---------|---------|---------|--------|
| Basis   | 49.5    |         |        |
| July-14 |         | 19      | -72.5  |
| Sept-14 |         |         | -91.5  |

### NCDEX Stock & Fed Position

| Stocks     | Demat | In-Process |         | FED     |
|------------|-------|------------|---------|---------|
|            |       | 21.6.14    | 21.6.14 |         |
|            |       | 21.6.14    | 21.6.14 | 16.6.14 |
| Kolhapur M |       | 5497       | 230     | 5727    |
| Delhi M    |       | 1088       | 0       | 1088    |
| Belgaum M  |       | 100        | 0       | 100     |
| Kolhapur S |       | 10028      | 230     | 10258   |
| Sholapur S |       | 1149       | 0       | 1149    |
| Sangli S   |       | 451        | 0       | 451     |
| Belgaum S  |       | 9940       | 0       | 9940    |
| Delhi S    |       | 139        | 0       | 139     |

| 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 | 393.50 | -      |
| Raw Sugar C&F (\$/MT)   | Black Sea   | 423.50 | -      |
| Sugar White FOB (\$/MT) | Santos Port | 479.75 | -      |

## 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 | -              | -      |

## LIFFE Sugar Futures (In US\$/MT)

| Contract       | Open   | High   | Low    | Close  | +/-          |
|----------------|--------|--------|--------|--------|--------------|
| <b>14- Aug</b> | 488.60 | 492.50 | 488.10 | 491.50 | <b>+3.00</b> |
| <b>14-Oct</b>  | 492.80 | 496.00 | 492.10 | 495.30 | <b>+2.50</b> |
| <b>14-Dec</b>  | 503.10 | 505.20 | 501.70 | 504.80 | <b>+1.80</b> |

## ICE Sugar Futures (In Cents/Pound)

| Contract       | Open  | High  | Low   | Close | +/-          |
|----------------|-------|-------|-------|-------|--------------|
| <b>14-July</b> | 17.93 | 17.96 | 17.83 | 17.92 | <b>-0.02</b> |
| <b>14-Oct</b>  | 18.61 | 18.79 | 18.58 | 18.75 | <b>+0.06</b> |
| <b>15-Mar</b>  | 19.60 | 19.74 | 19.54 | 19.71 | <b>+0.06</b> |

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

| Commodity | Centre                      | Prices (Rs/Qtl) |           | Change |
|-----------|-----------------------------|-----------------|-----------|--------|
|           |                             | 23-Jun-14       | 21-Jun-14 |        |
| Sugar     | Delhi - Grade M             | 3350            | 3300      | 50     |
|           | Delhi - Grade S             | 3250            | 3200      | 50     |
|           | Delhi - Grade L             | 3370            | 3370      | Unch   |
|           | UP- Khatauli Grade M        | 3375            | 3330      | 45     |
|           | UP- Ramala Grade M          | 3245            | 3250      | -5     |
|           | UP- Dhampur Grade M Ex-Mill | 3300            | 3230      | 70     |
|           | UP- Dhampur Grade S Ex-Mill | 3280            | 3210      | 70     |
|           | UP- Dhampur Grade L Ex-Mill | 3350            | 3280      | 70     |
|           | Mumbai –Grade M             | 3270            | 3256      | 14     |
|           | Mumbai –Grade S             | 3120            | 3102      | 18     |
|           | Kolhapur – Grade M          | 3150            | 3150      | Unch   |
|           | Kolhapur – Grade S          | 3000            | 2975      | 25     |
|           | Guhawati – Grade S          | 3309            | 3284      | 25     |
|           | Shillong – Grade S          | 3320            | 3295      | 25     |
|           | Vijayawada – Grade M        | 3580            | 3580      | Unch   |
|           | Vijayawada- Grade S         | 3440            | 3440      | Unch   |
|           | Nagpur – Grade M            | 3300            | 3300      | Unch   |
|           | Nagpur – Grade S            | 3150            | 3150      | Unch   |
|           | Kolkata – Grade M           | 3350            | 3350      | Unch   |
|           | Chennai - Grade S           | 3075            | 3075      | Unch   |

|  |   |      |      |      |
|--|---|------|------|------|
|  | Ambikapur (Chattisgarh)- Grade M (Without Duty) | 3005 | 3005 | Unch |
|  | Ambikapur (Chattisgarh)- Grade S (Without Duty) | 2985 | 2985 | Unch |

| Gur Spot Prices (Rs/Qtl) |                   |           |           |        |
|--------------------------|-------------------|-----------|-----------|--------|
|                          |                   | 23-Jun-14 | 21-Jun-14 | Change |
| Muzaffar Nagar           | Chaku             | 3050      | 3050      | Unch   |
|                          | Arrivals          | 10000     | NA        | -      |
|                          | Khurpa            | 2925      | 2750      | 175    |
|                          | Laddu             | 3225      | 3175      | 50     |
|                          | Rascut            | 2900      | 2813      | 87     |
| Seyana                   | Chaurasa          | NA        | NA        | -      |
| Hapur                    | Balti             | NA        | NA        | -      |
| Maharashtra              | Lal Variety       | 3000      | NR        | -      |
| Bangalore                | Achhu             | NA        | NR        | -      |
|                          | Mudde             | 3700      | 3750      | -50    |
| Belgaum                  | Mudde             | 2800      | 2800      | Unch   |
| Belthangadi              | Yellow (Average)  | 3100      | 3100      | Unch   |
| Bijapur                  | Achhu             | 2750      | 2600      | 150    |
| Gulbarga                 | Other (Average)   | 3150      | 3100      | 50     |
| Mahalingapura            | Penti (Average)   | 3010      | 3040      | -30    |
| Mandya                   | Achhu (Medium)    | 2300      | 2300      | Unch   |
|                          | Kurikatu (Medium) | 2200      | 2200      | Unch   |
|                          | Other (Medium)    | 2300      | 2300      | Unch   |
|                          | Yellow (Medium)   | 2250      | 2250      | Unch   |
| Shimoga                  | Achhu (Average)   | 3400      | 3350      | 50     |

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