

Sugar & Gur Domestic & International Fundamentals

- Steady sentiments recorded in key sugar spot markets on Tuesday.
- Food Ministry has sought approval from Cabinet to end the subsidy for raw sugar exports.
- There are rumors of making buffer stock of 40 lac tons by govt.
- International prices are moving downwards with increasing pace of cane crush by Brazilian mills.
- UP millers wants govt to atleast not increase cane prices so that they can reduce losses and can make payments to farmers.
- Center South region Brazilian mills crush 16.3% more cane in the first half of June than in the same period last year. This news give some strength to the bears to pull the market down. However, overall sentiments are bullish due to lower sugar production estimates from Brazil as reported.
- Millers now make a hue and cry situation over the issue of increase in sugarcane prices for 2014-15. Mills gives warning for total shut down for next marketing year if govt. increases sugarcane prices.
- 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.
- Gur prices traded higher today in key markets.
- 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 Rascut, 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
July-14	-21.00	3127.00	3130.00	3097.00	3110.00
Aug-14	-13.00	3163.00	3175.00	3149.00	3160.00
Sept-14	-14.00	3225.00	3231.00	3201.00	3212.00

Contract	Volume	Change	OI	Change
July-14	6260	-950	21080	-3670
Aug-14	7730	3800	22350	-2890
Sept-14	1430	880	7970	280

Spread	July-14	Aug-14	Sept-14
Basis			
July-14			
Sept-14			

NCDEX Stock & Fed Position

Stocks	Demat	In-Process		FED
		30.6.14	30.6.14	
Kolhapur M	3639	719	4358	3639
Delhi M	0	0	0	0
Belgaum M	100	0	100	100
Kolhapur S	10666	719	11385	10666
Sholapur S	1149	0	1149	1149
Sangli S	451	0	451	451
Belgaum S	9670	0	9670	9670

NCDEX Gur Future Quotes:

Contract	+/-	Open	High	Low	Close
Jul-14	-4.50	1204.00	1204.00	1176.50	1186.00
Sep-14	-5.00	1229.00	1229.00	1216.50	1220.00
Nov-14	-5.00	1121.00	1124.00	1114.00	1117.00

Contract	Volume	Change	OI	Change
Jul-14	2580	760	3580	-180
Sep-14	5440	160	6340	730
Nov-14	250	70	480	60

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	397	-
Raw Sugar C&F (\$/MT)	Black Sea	426	-
Sugar White FOB (\$/MT)	Santos Port	501	-

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	487.40	-

LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
14- Aug	479.1	481.7	471.6	472.2	-8.9
14-Oct	484.5	485.4	476.6	477.9	-8.1
14-Dec	496.8	497.3	487.6	489.5	-7.6

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
14-July	16.9	17.21	16.49	16.62	-0.23
14-Oct	18.2	18.29	17.98	18.01	-0.31
15-Mar	19.35	19.48	19.19	19.22	-0.27

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

Commodity	Centre	Prices (Rs/Qtl)		Change
		1-Jul-14	30-Jun-14	
Sugar	Delhi - Grade M	3450	3450	Unch
	Delhi - Grade S	3350	3350	Unch
	Delhi - Grade L	3365	3365	Unch
	UP- Khatauli Grade M	3465	3430	35
	UP- Ramala Grade M	NA	NA	-
	UP- Dhampur Grade M Ex-Mill	3200	3200	Unch
	UP- Dhampur Grade S Ex-Mill	3180	3180	Unch
	UP- Dhampur Grade L Ex-Mill	3250	3250	Unch
	Mumbai –Grade M	3356	3336	20
	Mumbai –Grade S	3186	3176	10
	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	3620	3620	Unch
	Vijayawada- Grade S	3480	3480	Unch
	Nagpur – Grade M	3350	3350	Unch
	Nagpur – Grade S	3200	3200	Unch
	Kolkata – Grade M	3390	3430	-40
	Ambikapur (Chattisgarh)- Grade M (Without Duty)	3150	3150	Unch
	Ambikapur (Chattisgarh)- Grade S (Without Duty)	2985	2985	Unch

	Chennai - Grade S	3150	3180	-30
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Sugar Prices are in INR/Quintal. (1 Quintal=100 kg)

Jaggery(Gur) Spot Prices (Rs/Qtl)				
		1-Jul-14	30-Jun-14	Change
Muzaffar Nagar	Chaku	3050	3025	25
	Chaku(Arrival)	NA	NA	-
	Khurpa(New)	2900	2900	Unch
	Laddoo(New)	3075	3150	-75
	Rascut	2900	2775	125
Hapur	Chaurasa	NA	NA	-
	Balti	NA	NA	-
Maharashtra	Lal Variety	3150	3100	50
Bangalore	Achhu	NA	NA	-
	Mudde	3600	3600	Unch
Belgaum	Mudde	NA	2700	-
Belthangadi	Yellow (Average)	3200	3100	100
Bijapur	Achhu	2800	NA	-
Gulbarga	Other (Average)	3100	NA	-
Mahalingapura	Penti (Average)	NA	2990	-
Mandya	Achhu (Medium)	2450	2450	Unch
	Kurikatu (Medium)	2200	2200	Unch
	Other (Medium)	2300	2300	Unch
	Yellow (Medium)	2350	2350	Unch
Shimoga	Achhu (Average)	3500	3400	100

Maharashtra Cooperative Mills Tender Prices		
Centre	Origin/Grade	30-Jun-14
GURUDATT	S1.PP-S2.PP	3200.00-3150.00
	M.PP	3300.00 OPEN
MAHESGAON	S.PP	3000
	M.PP	3090
RENA	S.PP	2998
	S1.PP	3048
SIDDHI	S.PP	3013
BHIMA PATAS	S.PP	2988.00-2998.00
	M.PP	3098
VENKATESH	S.PP	3050
	M.PP	3200
SATISH	S.PP	3030
	M.PP	3100
LOKNETE	OLD M.PP	2948
	OLD L/30	2998
MAKAI	M.PP	3108
UDGIRI	S1.PP	3010
	S2.PP	3000

PRAWARA	S.PP-S1.PP	3020.00-3055.00
	M.PP	3145
SHREEPUR	S.PP-S1.PP	3033.00-3093.00
	M.PP	3140
AKLUJ	S.PP	2947
	S1.JK	2975
MADHA	S.PP	2988.00-2993.00
NEERA BHIMA	S.PP	3018
	M.PP	3123
SITARAM	OLD M.PP	2940
CHANDRABHAGA	OLD S.PP	2938
	S.PP	3000
SAHYADRI	S1.PP	3048
SHARAD	S1.PP	3028
	S2.PP	3018
SARVODAY	S.PP	3023
	M.PP	3187

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