

Sugar & Gur Domestic & International Fundamentals

- Steady to weak sentiments recorded in key sugar spot markets on Wednesday. Dull demand and decreasing sugar prices in International markets led the prices downwards.
- ICE raw sugar delivery smallest for July futures since 2000. It is notable that about 38660 tons of raw sugar will be delivered to settle against July futures that expired in ICE yesterday.
- 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.
- 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 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
July-14	-8.00	3090.00	3104.00	3075.00	3085.00
Aug-14	-6.00	3121.00	3152.00	3053.00	3134.00
Sept-14	-6.00	3206.00	3206.00	3186.00	3194.00

Contract	Volume	Change	OI	Change
July-14	5420	-840	19870	-1210
Aug-14	4940	-2790	20990	-1360
Sept-14	500	-930	7800	-170

Spread	July-14	Aug-14	Sept-14
Basis	45		
July-14		49	109
Sept-14			60

NCDEX Gur Future Quotes:

Contract	+/-	Open	High	Low	Close
Jul-14	-4.50	1187.00	1187.50	1182.50	1183.50
Sep-14	-5.00	1219.00	1220.50	1215.00	1216.00
Nov-14	-2.50	1115.00	1116.00	1115.00	1116.00

Contract	Volume	Change	OI	Change
Jul-14	790	-1790	3370	-210
Sep-14	2650	-2790	6180	-160
Nov-14	40	-210	530	50

Spread	July-14	Sept-14	Nov-14
Basis	46.5		
July-14		32.5	-67.5
Sept-14			-100

NCDEX Stock & Fed Position

Stocks		In-		Total	FED
		Demat	Process		
		1.7.14	1.7.14	1.7.14	30.6.14
Kolhapur M		3639	640	4279	3639
Delhi M		0	0	0	0
Belgaum M		100	0	100	100
Kolhapur S		10866	640	11506	10666
Sholapur S		1149	0	1149	1149
Sangli S		451	0	451	451
Belgaum S		9670	0	9670	9670
Delhi S		40	0	40	40

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	371.50	-
Raw Sugar C&F (\$/MT)	Black Sea	400.50	-
Sugar White FOB (\$/MT)	Santos Port	466.25	-

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	466.10	-

LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
14- Aug	471.4	471.7	464.8	466.1	-6.1
14-Oct	476.8	478.2	472	473.9	-4
14-Dec	489.4	490.2	485.6	487.2	-2.3

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
14-Oct	18.04	18.04	17.71	17.8	-0.21
15-Mar	19.22	19.28	19.09	19.16	-0.06
15-May	19.25	19.31	19.15	19.2	-0.05

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

Commodity	Centre	Prices (Rs/Qtl)		Change
		2-Jul-14	1-Jul-14	
Sugar	Delhi - Grade M	3450	3450	Unch
	Delhi - Grade S	3300	3350	-50
	Delhi - Grade L	NA	3365	-
	UP- Khatauli Grade M	3445	3465	-20
	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	3346	3356	-10
	Mumbai –Grade S	3176	3186	-10
	Kolhapur – Grade M	3130	3150	-20
	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	3430	3390	40
	Ambikapur (Chattisgarh)- Grade M (Without Duty)	3150	3150	Unch
	Ambikapur (Chattisgarh)- Grade S (Without Duty)	2985	2985	Unch

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

Jaggery(Gur) Spot Prices (Rs/Qtl)				
		2-Jul-14	1-Jul-14	Change
Muzaffar Nagar	Chaku	3075	3050	25
	Chaku(Arrival)	NA	NA	-
	Khurpa(New)	2950	2900	50
	Laddoo(New)	3188	3075	113
	Rascut	2900	2900	Unch
Hapur	Chaurasa	NA	NA	-
	Balti	NA	NA	-
Maharashtra	Lal Variety	NA	3150	-
Bangalore	Achhu	NA	NA	-
	Mudde	3600	3600	Unch
Belgaum	Mudde	2600	NA	-
Belthangadi	Yellow (Average)	3250	3200	50
Bijapur	Achhu	NA	2800	-
Gulbarga	Other (Average)	3200	3100	100
Mahalingapura	Penti (Average)	3040	2990	50
Mandya	Achhu (Medium)	2450	2450	Unch
	Kurikatu (Medium)	2200	2200	Unch
	Other (Medium)	2300	2300	Unch
	Yellow (Medium)	2350	2350	Unch
Shimoga	Achhu (Average)	3350	3500	-150

Maharashtra Cooperative Mills Tender Prices		
Centre	Origin/Grade	1-Jul-14
KRISHNA	OLD S.PP	2958
DAUND	S1.PP	3030
	M.PP	3130
KOLPEWADI	S.PP	2995
	M.PP	3181
NIRANI	S1.PP-S2.PP	3025.00-3005.00
	M.PP	3155
AMBEDKAR	OLD S1.PP	2960.00-2970.00
MULA	S1.PP	3090
	M.PP	3175
BHOGAWATI	S1.PP-S2.PP	3035.00-3025.00
	M.PP	3198
KANNAD	S.PP	3040
	M.PP	3160
BARAMATI	S.PP	3040
JAWAHAR	S.PP	3035
	M.PP	3145

SHRIRAM PHALTAN	S1.PP	3035
	S2.PP	3005
VISHWAS	S1.PP	3036
	M.PP	3161
SIDDHESHWAR	S1.PP	2968
BHIMA SHANKAR	S.PP-S.JB	3020.00-3040.00
	M.PP	3175
MALINAGAR	S.PP	2988
	M.PP	3048
BHENDA	S.PP-S1.PP	2995.00-3090.00
	M.PP	3155
SANGAMNER	S.PP	3000.00-3005.00
	M.PP	3160.00-3165.00
ASHOK NAGAR	S.PP	2990

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