

Sugar & Gur Domestic & International Fundamentals

- Sugar prices continue its bear run today also due to weak sentiments.
- Sugar prices normally move in a negative zone in July period historically due to weak demand and moisture condition due to humid conditions.
- 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 Rascut, 202000 bags of Papdi and 23000 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	-34	3058	3058	3015	3028
Aug-14	-2	3120	3137	3101	3119
Sept-14	2	3185	3201	3175	3186

Contract	Volume	Change	OI	Change
July-14	4970	-450	18530	-1340
Aug-14	10130	5190	25430	4440
Sept-14	860	360	8030	230

Spread	July-14	Aug-14	Sept-14
Basis	122		
July-14		91	158
Sept-14			67

NCDEX Stock & Fed Position

Stocks		In-		Total	FED
		Demat	Process		
		3.7.14	3.7.14	3.7.14	30.6.14
Kolhapur M		2899	1399	4298	3639
Delhi M		0	0	0	0
Belgaum M		100	0	100	100
Kolhapur S		10806	1399	12205	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

NCDEX Gur Future Quotes:

Contract	+/-	Open	High	Low	Close
Jul-14	1	1192	1192	1183	1189
Sep-14	2.5	1233	1233	1224	1228.5
Nov-14	4.5	1119.5	1119.5	1119.5	1119.5

Contract	Volume	Change	OI	Change
Jul-14	1350	560	2690	-680
Sep-14	2810	160	6450	270
Nov-14	10	-30	530	0

Spread	July-14	Sept-14	Nov-14
Basis	31		
July-14		39.5	-69.5
Sept-14			-109

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	375.5	-
Raw Sugar C&F (\$/MT)	Black Sea	404.75	-
Sugar White FOB (\$/MT)	Santos Port	467.25	-

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	470.10	+2.60

LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
14- Aug	467.2	470.9	464.9	470.1	2.6
14-Oct	473.7	473.8	469.3	472.7	-1.9
14-Dec	486.8	486.9	483.6	486.1	-2.6

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
14-Oct	17.9	17.93	17.73	17.81	-0.06
15-Mar	19.3	19.32	19.14	19.21	-0.07
15-May	19.35	19.35	19.21	19.29	-0.03

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

Commodity	Centre	Prices (Rs/Qtl)		Change
		4-Jul-14	3-Jul-14	
Sugar	Delhi - Grade M	3425	3440	-15
	Delhi - Grade S	3330	3340	-10
	Delhi - Grade L	NA	NA	-
	UP- Khatauli Grade M	3445	3445	Unch
	UP- Ramala Grade M	NA	NA	-
	UP- Dhampur Grade M Ex-Mill	3300	3300	Unch
	UP- Dhampur Grade S Ex-Mill	3280	3280	Unch
	UP- Dhampur Grade L Ex-Mill	3350	3350	Unch
	Mumbai –Grade M	3326	3332	-6
	Mumbai –Grade S	3176	3176	Unch
	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	NA	NA	-
	Ambikapur (Chattisgarh)- Grade M (Without Duty)	3150	3150	Unch
	Ambikapur (Chattisgarh)- Grade S (Without Duty)	2985	2985	Unch

	Chennai - Grade S	3200	3200	Unch
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Sugar Prices are in INR/Quintal. (1 Quintal=100 kg)

Jaggery(Gur) Spot Prices (Rs/Qtl)				
		4-Jul-14	3-Jul-14	Change
Muzaffar Nagar	Chaku	3050	3025	25
	Chaku(Arrival)	NA	NA	-
	Khurpa(New)	2925	2925	Unch
	Laddoo(New)	3200	3025	175
	Rascut	3000	2900	100
Hapur	Chaurasa	NA	NA	-
	Balti	NA	NA	-
Maharashtra	Lal Variety	3150	NA	-
Bangalore	Achhu	NA	NA	-
	Mudde	3600	3600	Unch
Belgaum	Mudde	NA	2600	-
Belthangadi	Yellow (Average)	3250	3250	Unch
Bijapur	Achhu	2900	2780	120
Gulbarga	Other (Average)	3225	3150	75
Mahalingapura	Penti (Average)	3040	3040	Unch
Mandya	Achhu (Medium)	2450	2450	Unch
	Kurikatu (Medium)	2200	2200	Unch
	Other (Medium)	2300	2300	Unch
	Yellow (Medium)	2350	2350	Unch
Shimoga	Achhu (Average)	3400	3400	Unch

Maharashtra Cooperative Mills Tender Prices		
Centre	Origin/Grade	3-Jul-14
HUTATMA	S1.PP	3038
	M.PP	3138
SOMESHWAR	S1.PP	3008
	M.PP	3118
SHRIGONDA	S.PP	2985
	M.PP	3075
SHREEPUR	S.PP	3060
	M.PP	3125
MADHA	S.PP	2980
AMBALIKA	S.PP	2970
	M.PP	3080
GHODGANGA	S1.PP	2985
	M.PP	3075

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