

Sugar & Gur Domestic & International Fundamentals

- Market sentiments remained bearish for the day as price tilted down marginally to the lower end amid supply pressure by millers in the open market.
- In addition, dry weather condition in Brazil gave its way to the millers for making optimum and efficient utilization of the available cane.
- Moreover, inclination towards sweetener production was observed in the country (Brazil) indicating a gradual shift from ethanol production. It is notable that millers are diverting their cane by upto 54.4 % to make ethanol and rest for sugar due to lucrative demand of ethanol globally and less profit margins for making sugar at present.
- Stockists are looking to stock piles accumulation of sugar in the near future at lower levels considering lower sugar production estimation for 2014-15 and surge in sugar demand in upcoming festive season.
- Rake business has been reported from Kolhapur to Kolkata at Rs 2950 per quintal (Ex-mill).
- Thai sugar premium are now offering at discount for the first time since 2009. Thai hipol sugar premium were trading at 50-55 points below New York July future contract.
- Kingsman raised its global sugar deficit forecast to 2.094 million tons from 239000 tons for 2014-15. Deteriorating cane crop condition in Center South Region of Brazil due to drought conditions urge various forecasters to raised its sugar deficit estimates for 2014-15.
- Sugar prices normally move in a negative zone in July period historically due to weak demand and moisture condition due to humid conditions.
- Prices of gur improved today in key benchmark market Muzaffar nagar due to good demand at lower levels. It is notable that gur stock is less this year in cold storage compared to last year which likely to give bullish sentiments in the long run.

Outlook: Sugar prices are currently moving in a range with weaker tone due to lackluster trade. However, upcoming festive demand likely to increase sugar prices in the medium term as expected.

NCDEX Sugar Future Quotes (As on 5.35 pm)

Contract	+/-	Open	High	Low	Close
July-14	-15.00	2974.00	2983.00	2943.00	2970.00
Aug-14	1.00	3076.00	3094.00	3076.00	3091.00
Sept-14	18.00	3164.00	3185.00	3155.00	3179.00

Contract	Volume	Change	OI	Change
July-14	4590	-1180	9010	-1350
Aug-14	4410	1100	22740	1300
Sept-14	640	-850	9200	540

Spread	July-14	Aug-14	Sept-14
Basis	180		
July-14		121	209
Sept-14			88

NCDEX Stock & Fed Position

Stocks		Demat	In-Process	Total	FED
		10.7.14	10.7.14	10.7.14	7.7.14
Kolhapur M		461	350	811	461
Delhi M		0	0	0	0
Belgaum M		100	0	100	100
Kolhapur S		11155	350	11505	11105
Sholapur S		100	0	100	100
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	10.50	1175.00	1182.00	1174.00	1180.50
Sep-14	14.50	1203.00	1214.50	1198.50	1212.00
Nov-14	8.50	1108.00	1118.00	1108.00	1112.50

Contract	Volume	Change	OI	Change
Jul-14	920	-100	860	-540
Sep-14	4000	1710	5700	-590
Nov-14	440	400	980	60

Spread	July-14	Sept-14	Nov-14
Basis	19.5		
July-14		31.5	-68
Sept-14			-99.5

Gur Stock Position	Chaku	Raskut	Papdi	Total
2014	511000	54000	199000	1147000
2013	712000	124000	180000	940000

Brazil Sugar Quotes (Kingsman US\$/MT)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	364.25	-10.00
Raw Sugar C&F (\$/MT)	Black Sea	393.50	-10.00
Sugar White FOB (\$/MT)	Santos Port	453.50	-10.00

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	457.8	458.2	451.5	453.5	-5.5
14-Oct	461.5	462	455.3	459.1	-3.3
14-Dec	474.6	475.8	469.7	473.1	-2.4

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
14-Oct	17.45	17.45	17.15	17.29	-0.13
15-Mar	18.93	19.02	18.8	18.95	+0.02
15-May	19.05	19.15	18.94	19.07	+0.02

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

Commodity	Centre	Prices (Rs/Qtl)		Change
		11-Jul-14	10-Jul-14	
Sugar	Delhi - Grade M	3400	3400	Unch
	Delhi - Grade S	3300	3310	-10
	Delhi - Grade L	NA	NA	-
	UP- Khatauli Grade M	3420	3450	-30
	UP- Ramala Grade M	3310	3350	-40
	UP- Dhampur Grade M Ex-Mill	3340	3340	Unch
	UP- Dhampur Grade S Ex-Mill	3320	3320	Unch
	UP- Dhampur Grade L Ex-Mill	3390	3390	Unch
	Mumbai -Grade M	3336	3332	4
	Mumbai -Grade S	3196	3186	10
	Kolhapur - Grade M	3150	3125	25
	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	NR	NR	-
	Chennai - Grade S	3200	3200	Unch
	Ambikapur (Chattisgarh)- Grade M (Without Duty)	3150	3150	Unch

	Ambikapur (Chattisgarh)- Grade S (Without Duty)	2985	2985	Unch
--	---	------	------	------

Sugar Prices are in INR/Quintal. (1 Quintal=100 kg)

Gur Spot Prices (Rs/Qtl)				
		11-Jul-14	10-Jul-14	Change
Muzaffar Nagar	Chaku	3000	3025	-25
	Arrivals	NA	NA	-
	Khurpa	2900	2900	Unch
	Laddu	3175	3225	-50
	Rascut	2925	2900	25
Seyana	Chaurasa	NA	NA	-
Hapur	Balti	NA	NA	-
Maharashtra	Lal Variety	3150	3150	Unch
Bangalore	Achhu	NR	NR	-
	Mudde	3750	3800	-50
Belgaum	Mudde	NR	2900	-
Belthangadi	Yellow (Average)	NR	3300	-
Bijapur	Achhu	2900	2800	100
Gulbarga	Other (Average)	NR	NR	-
Mahalingapura	Penti (Average)	2960	2900	60
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	3600	-100

Maharashtra Cooperative Mills Tender Prices		
Centre	Origin/Grade	10-Jul-14
SHARAD	S.PP	3001
	M.PP	3100
DATT SHIROL	S1.PP	3058
	M.PP	3198
KUMBHI	S1.PP-S2.PP	3028.00-3018.00
	M.PP	3168
BHAIRAVNATH SONERI	S.PP	2975
	M.PP	3025
BHAIRAVNATH VIHAR	S1.PP	2980
BHIMA PATAS	S.PP	2975.00-2985.00
	M.JB	3068
CHANDRABHAGA	S1.PP	2988
MALINAGAR	S.PP	2963
	S1.PP	3018

GEMS	S1.PP-S2.PP	3093.00-3068.00
	S.JB	3118
NIRANI	S1.PP	3028
	S2.PP	3008
SOMESHWAR	S1.PP	2998
	M.PP	3105
WATEGAON	S1.PP	3028
	S2.PP	2998
WALWA	S.PP	3023
	M.PP	3088
SARVODAY	S1.PP	3003
	M.PP	3118.00-3120.00
SHREEPUR	S.PP	2965
	S1.PP	3025
GHODGANGA	S.PP	2985
	M.PP	3075
MULA	S.PP	3000
	M.PP	3070
RENA	S1.PP	3048
	M.PP	3153
AMBEDKAR	S.PP	2960
	M.PP	3060
SANT DAMAJI	S.PP	2973
	S.JB	3058

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.php>

© 2014 Indian Agribusiness Systems Pvt Ltd.