

Sugar & Gur Domestic & International Fundamentals

- Market sentiments traded between mixed to negative zone on Thursday, 18th July 2014. Weak demand, higher supplies and lack of fresh export order could be cited responsible.
- U.P govt. purported to increase molasses sale quota from 20% to 35% with effect from the next marketing session, 2014-15. The move propounded at increasing state revenue by facilitating net growth in liquor industry. However, the amendment is expected to confront some resistance especially from millers, who were demanding decontrol in molasses policy since a very long time.
- Indonesian sugar market remained buoyant with output surging up to 2.5 million tonnes this year. However, the market was expected to climb further if not back lashed by El Nino effect.
- The spread between white and raw sugar traded below its refining cost i.e. \$80/ton as on 18th July, 2014. It was due to subdued demand for white sugar globally,
- Soft loan by Sugar Development Fund (SDF) rose up to a tone of 40% to support ethanol production in the country.
- Favorable weather condition in Brazil further added volume to the total output, thus exerting a downward pressure in the global market for the shorter period.
- Chinese sugar import is expected to decline around 50% from 4.54 million metric tons in 2013-14 to 2.2 million metric tons in 2014-15. This is because of an expected surge in domestic sugar production (to 13 million metric tons) this year coupled with sufficient in house stock availability in the nation. Moreover, improvised subsidy policy and weak sugar prices in international market further served as a deterrent to Chinese import.
- 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.
- Total around 1147000 bags of gur stored in cold storages till 7th July 2014 higher compared to 940000 bags at same period last year.

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 06:00 pm)

Contract	+/-	Open	High	Low	Close
July-14	0.00	3049.00	3049.00	2971.00	2999.00
Aug-14	4.00	3059.00	3065.00	3047.00	3064.00
Sept-14	-4.00	3147.00	3154.00	3128.00	3149.00

Contract	Volume	Change	OI	Change
July-14	520	-1,820	2480	-2260
Aug-14	3400	-800	23330	480
Sept-14	2950	2030	9080	-480

Spread	July-14	Aug-14	Sept-14
Basis	101		
July-14		65	150
Sept-14			85

NCDEX Stock & Fed Position

Stocks	Demat	In-Process	Total	FED
	16.7.14	16.7.14	16.7.14	14.7.14
Kolhapur M	461	200	661	461
Delhi M	0	0	0	0
Belgaum M	100	0	100	100
Kolhapur S	12464	200	12664	11565
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	3.00	1177.00	1180.00	1175.00	1180.00
Sep-14	-3.00	1216.00	1216.00	1204.50	1207.50
Nov-14	-10.50	1138.50	1138.50	1090.00	1095.00

Contract	Volume	Change	OI	Change
Jul-14	240	220	250	-240
Sep-14	2780	1710	6270	-450
Nov-14	1060	550	1650	450

Spread	July-14	Sept-14	Nov-14
Basis	40		
July-14		27.5	-85
Sept-14			-112.5

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	359.75	-6.25
Raw Sugar C&F (\$/MT)	Black Sea	387.75	-6.50
Sugar White FOB (\$/MT)	Santos Port	451.50	-5.75

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	452.80	-1.50

LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
14-Oct	455.2	455.5	451.6	452.8	-1.5
14-Dec	470.2	470.6	466.7	467.4	-2.3
15-Mar	485	485.7	482	482.4	-2.5

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
14-Oct	17.24	17.31	17.02	17.07	-0.14
15-Mar	18.68	18.72	18.48	18.55	-0.13
15-May	18.81	18.84	18.65	18.7	-0.12

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

Commodity	Centre	Prices (Rs/Qtl)		Change
		17-Jul-14	16-Jul-14	
Sugar	Delhi - Grade M	3380	3350	30
	Delhi - Grade S	3280	3250	30
	Delhi - Grade L	NA	NA	-
	UP- Khatauli Grade M	3430	3450	-20
	UP- Ramala Grade M	3290	3310	-20
	UP- Dhampur Grade M Ex-Mill	3330	3325	5
	UP- Dhampur Grade S Ex-Mill	3310	3305	5
	UP- Dhampur Grade L Ex-Mill	3380	3375	5
	Mumbai -Grade M	3350	3370	-20
	Mumbai -Grade S	3190	3196	-6
	Kolhapur - Grade M	3100	3100	Unch
	Kolhapur - Grade S	2975	2975	Unch
	Guhawati - Grade S	3284	3284	Unch
	Shillong - Grade S	3295	3295	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	3320	3320	Unch
	Chennai - Grade S	3150	3150	Unch
	Ambikapur (Chattisgarh)- Grade M (Without Duty)	3125	3125	Unch

	Ambikapur (Chattisgarh)- Grade S (Without Duty)	NA	3000	-
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Sugar Prices are in INR/Quintal. (1 Quintal=100 kg)

Gur Spot Prices (Rs/Qtl)				
		17-Jul-14	16-Jul-14	Change
Muzaffar Nagar	Chaku	3050	3050	Unch
	Arrivals	NA	NA	-
	Khurpa	2950	2975	-25
	Laddu	3225	3200	25
	Rascut	2850	2975	-125
Seyana	Chaurasa	NA	NA	-
Hapur	Balti	NA	NA	-
Maharashtra	Lal Variety	3150	3150	Unch
Bangalore	Achhu	NA	NA	-
	Mudde	3700	3700	Unch
Belgaum	Mudde	3050	3050	Unch
Belthangadi	Yellow (Average)	3300	3300	Unch
Bijapur	Achhu	2980	NA	-
Gulbarga	Other (Average)	NA	NA	-
Mahalingapura	Penti (Average)	2980	2940	40
Mandya	Achhu (Medium)	2450	2450	Unch
	Kurikatu (Medium)	2350	2350	Unch
	Other (Medium)	2400	2400	Unch
	Yellow (Medium)	2450	2450	Unch
Shimoga	Achhu (Average)	3400	3500	-100

Maharashtra Cooperative Mills Tender Prices		
Centre	Origin/Grade	16-Jul-14
BHAIRAVNATH VIHAR	S.JB	2980
BHAIRAVNATH SONERI	S.JB	2975
	M/30	3025
VIKAS	S.PP	3020.00-3023.00
	M.PP	3141
KRISHNA ATHNI	S1.PP	3000
	S2.PP	2970
SHRIRAM PHALTAN	S.PP	2955
	S1.PP	2985
SANGAMNER	S.PP	2975.00-2985.00
	M.PP	3140
SHARAD	S1.PP	3003
	S2.PP	2988
DALIMIYA	M2.PP	3070
VENKATESH	S.PP	3000
	M.PP	3125

BHIMA PATAS	S.PP	2965
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