

Sugar & Gur Domestic & International Fundamentals

- Market sentiment remained subdued and is expected to follow the same trend in subsequent weeks. A flimsy and sloppy demand conjuncted with an out-bound supply structure could be cited responsible.
- Corrective-diversion in production policy (from gasoline to ethanol) is expected post election in Brazil which could have an augmenting effect on sugar prices globally.
- A seminar was organized by STAI (Sugar Technologists' Association of India) on 'Diminishing Sugarcane Productivity and Sugar Recovery in Northern India: Opportunities & Challenges' with an objective to enhance sugar productivity in the nation.
- Medium grade sugar price softened amidst slacking demand in the domestic market. However, small variety sugar market witnessed moderate to steady activity in the same period.
- Brazilian cane crushing is picking up thanks to dry weather conditions. Meanwhile demand is intact for sugar globally due to Ramadan season which help millers to recover some losses.
- Thailand may undergo a major shift in its production policy as the subsidy program allowed for rice production lapsed few months back entailing domestic farmers to diverge their investment towards sugar industry. As a result, the country's sugar production is likely to boost by 0.71 million metric tons for 2014-15 from 11.29 million tons sugar produced last year.
- Indonesian sugar market remained buoyant with output surging up to 2.5 million tons this year. However, the market was expected to climb further if not back lashed by El Nino effect.
- 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 (Market closed)

Contract	+/-	Open	High	Low	Close
July-14	-28.00	2999.00	3015.00	2980.00	2980.00
Aug-14	-6.00	3045.00	3056.00	3045.00	3050.00
Sept-14	-15.00	3131.00	3138.00	3130.00	3131.00

Contract	Volume	Change	OI	Change
July-14	530	10	1860	-620
Aug-14	1870	-1530	22640	-690
Sept-14	550	-2400	8760	-320

Spread	July-14	Aug-14	Sept-14
Basis	120		
July-14		70	151
Sept-14			81

NCDEX Stock & Fed Position

Stocks	Demat	In-Process	Total	FED
	18.7.14	18.7.14	18.7.14	14.7.14
Kolhapur M	461	0	461	461
Delhi M	0	0	0	0
Belgaum M	100	0	100	100
Kolhapur S	12614	0	12614	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	9.00	1178.00	1185.00	1178.00	1185.00
Sep-14	2.00	1218.00	1218.00	1205.50	1209.50
Nov-14	-6.00	1091.00	1093.00	1078.00	1090.00

Contract	Volume	Change	OI	Change
Jul-14	230	-10	30	-220
Sep-14	1270	-1510	6180	-90
Nov-14	360	-700	1800	150

Spread	July-14	Sept-14	Nov-14
Basis	35		
July-14		24.5	-95
Sept-14			-119.5

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

Brazil Sugar Quotes (Kingsman US\$/MT) Upto 18th July

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	359.75	Unch
Raw Sugar C&F (\$/MT)	Black Sea	387.75	Unch
Sugar White FOB (\$/MT)	Santos Port	445.75	Unch

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	450.20	-2.60

LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
14-Oct	451	456	449	449.6	-0.6
14-Dec	465.2	468	462	462.8	-1.5
15-Mar	478.1	482.6	477	478	-0.9

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
14-Oct	17.01	17.20	16.93	16.97	0.05
15-Mar	18.35	18.55	18.31	18.34	0.02
15-May	18.54	18.68	18.45	18.47	-0.02

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

Commodity	Centre	Prices (Rs/Qtl)		Change
		19-Jul-14	18-Jul-14	
Sugar	Delhi - Grade M	3370	3350	20
	Delhi - Grade S	3250	3250	Unch
	Delhi - Grade L	NA	NA	-
	UP- Khatauli Grade M	3435	3430	5
	UP- Ramala Grade M	3290	3290	Unch
	UP- Dhampur Grade M Ex-Mill	3225	3330	-105
	UP- Dhampur Grade S Ex-Mill	3205	3310	-105
	UP- Dhampur Grade L Ex-Mill	3275	3380	-105
	Mumbai –Grade M	3346	3346	Unch
	Mumbai –Grade S	3190	3190	Unch
	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	3150	3200	-50
	Kolkata – Grade M	NA	NA	-
	Ambikapur (Chattisgarh)- Grade M (Without Duty)	3125	3125	Unch
	Ambikapur (Chattisgarh)- Grade S (Without Duty)	NA	NA	-

	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)				
		19-Jul-14	18-Jul-14	Change
Muzaffar Nagar	Chaku	3050	3050	Unch
	Chaku(Arrival)	NA	NA	-
	Khurpa(New)	2975	3000	-25
	Laddoo(New)	3213	3225	-12
	Rascut	2925	2875	50
Hapur	Chaurasa	NA	NA	-
	Balti	NA	NA	-
Maharashtra	Lal Variety	3100	3150	-50
Bangalore	Achhu	NA	NA	-
	Mudde	3800	3700	100
Belgaum	Mudde	2900	3050	-150
Belthangadi	Yellow (Average)	3300	3300	Unch
Bijapur	Achhu	2950	2900	50
Gulbarga	Other (Average)	NA	NA	-
Mahalingapura	Penti (Average)	NA	NA	-
Mandya	Achhu (Medium)	2450	2450	Unch
	Kurikatu (Medium)	2350	2350	Unch
	Other (Medium)	2400	2400	Unch
	Yellow (Medium)	2450	2450	Unch
Shimoga	Achhu (Average)	3500	3400	100

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