

Sugar & Gur Domestic & International Fundamentals

- Market sentiments continued to trade in a firmer to normal zone with price improving a slight for the day. However, the market is expected to fall down in medium run on back of ample stock availability and deficient demand in the country.
- The Allahabad HC had ordered millers to pay off their pending cane arrears by selling 15% of their sugar stock in local market. It is further sentenced that 30% of the proceeds will be directly accredited to the farmers while the balance 70% will be utilized through a separate bank account.
- UP govt is planning to raise its molasses reserve quota from 20% to 34% for the year 2014-15. The move is likely to negatively affect the non-captive sugar millers who in the absence of distillery units are compelled to sell their molasses under reserved category.
- Tenders are invited for procurement of 3,60,000 kgs of diamond sugar candy (special grade with c) by **TIRUMALA TIRUPATI DEVASTHANAMS (TTD)**. Tenders are opening up on 11th Sep, 2014.
- Centre finally came out with the decision of settling the past dues worth Rs 5000 crore in conjunction by both the millers and state govt of U.P. It should be reported that a meeting was held on 14th Aug, 2014 to discuss the current issues and concerns of sugar millers and growers in U.P.
- Total around 730000 bags of gur stored in cold storages till 11th August 2014 lower compared to 906000 bags at same period last year.
- Gur prices witness artificial firmness at present and likely move down in the coming days due to good stock availability in the Maharashtra markets. It is notable that cane has diverted more towards gur production in Pune and Sangli area this year. In addition to it, market participants is expecting early arrivals of gur for the next marketing year which drive the prices southwards in the medium term.

Outlook: Sugar prices are trading up due to strong market demand outlook in the country. In addition, upcoming festive demand is also likely to increase sugar prices in the medium term as expected.

NCDEX Sugar Future Quotes (At 05:15 p.m.)

Contract	+/-	Open	High	Low	Close
Aug-14	3.00	3098.00	3098.00	3080.00	3080.00
Sept-14	-15.00	3105.00	3114.00	3080.00	3085.00

Contract	Volume	Change	OI	Change
Aug-14	620	580	4750	-1050
Sept-14	5150	3900	13650	1900

Spread	Aug-14	Sept-14
Basis	-5.00	
Aug-14		5.00
Sept-14		

NCDEX Stock & Fed Position

Stocks	Demat	In-Process	Total	FED
	13.8.14	13.8.14	13.8.14	4.8.14
Kolhapur M	201	220	421	201
Delhi M	-	-	-	-
Belgaum M	100	0	100	100
Kolhapur S	10287	220	10507	10351
Sholapur S	50	0	50	50
Sangli S	-	-	-	-
Belgaum S	7034	0	7034	7034
Delhi S	-	-	-	-

NCDEX Gur Future Quotes:

Contract	+/-	Open	High	Low	Close
Sep-14	-7.50	1148.00	1155.50	1138.50	1139.00
Nov-14	-4.50	1007.00	1008.00	998.00	998.00
Dec-14	-8.00	987.00	993.50	981.00	981.00

Contract	Volume	Change	OI	Change
Sep-14	2990	-570	6350	-1160
Nov-14	620	-290	2550	-270
Dec-14	270	-350	1000	90

Spread	Sept-14	Nov-14	Dec-14
Basis	41		
Sept-14		-141	-158
Nov-14			-17

Gur Stock Position	Chaku	Raskut	Papdi	Total
2014	429000	39000	167000	730000
2013	583000	104000	135000	906000

Brazil Sugar Quotes (Kingsman US\$/MT)(As on 14.08.14)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	339.50	-
Raw Sugar C&F (\$/MT)	Black Sea	369.00	-
Sugar White FOB (\$/MT)	Santos Port	427.25	-

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	432.60	0.20

LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
14-Oct	431.8	435.4	431.1	432.6	0.2
14-Dec	446.5	450	445.8	448.4	1.4
15-Mar	465.7	468.7	465	468	1.6

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
14-Oct	16.03	16.23	16.0	16.0	-0.03
15-Mar	17.73	17.94	17.7	17.8	0.06
15-May	18.05	18.23	18.03	18.1	0.07

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

Commodity	Centre	Prices (Rs/Qtl)		Change
		14-Aug-14	13-Aug-14	
Sugar	Delhi - Grade M	3245	3300	-55
	Delhi - Grade S	3195	3220	-25
	Delhi - Grade L	NA	NA	-
	UP- Khatauli Grade M	3330	3350	-20
	UP- Ramala Grade M	3250	3250	Unch
	UP- Dhampur Grade M Ex-Mill	3260	3270	-10
	UP- Dhampur Grade S Ex-Mill	3240	3250	-10
	UP- Dhampur Grade L Ex-Mill	3310	3320	-10
	Mumbai -Grade M	3336	3336	Unch
	Mumbai -Grade S	3172	3166	6
	Kolhapur - Grade M	3075	3075	Unch
	Kolhapur - Grade S	2975	2975	Unch
	Guhawati - Grade S	3284	3284	Unch
	Shillong - Grade S	3295	3295	Unch
	Vijayawada - Grade M	3550	3550	Unch
	Vijayawada- Grade S	3450	3450	Unch
	Nagpur - Grade M	3350	3350	Unch
	Nagpur - Grade S	3150	3150	Unch
	Kolkata - Grade M	3320	3300	20
	Ambikapur (Chattisgarh)- Grade M (Without Duty)	3125	3125	Unch

	Ambikapur (Chattisgarh)- Grade S (Without Duty)	NA	NA	-
	Chennai - Grade S	3100	3100	Unch

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

Jaggery(Gur) Spot Prices (Rs/Qtl)				
		14-Aug-14	13-Aug-14	Change
Muzaffar Nagar	Chaku	2950	2950	Unch
	Chaku(Arrival)	NA	NA	-
	Khurpa(New)	2725	2750	-25
	Laddoo(New)	2825	3025	-200
	Rascut	2725	2750	-25
Hapur	Chaurasa	NA	NA	-
	Balti	NA	NA	-
Maharashtra	Lal Variety	3150	3200	-50
Bangalore	Achhu	NA	NA	-
	Mudde	4200	4200	Unch
Belgaum	Mudde	2900	2900	Unch
Belthangadi	Yellow (Average)	3400	3400	Unch
Bijapur	Achhu	2915	NA	-
Gulbarga	Other (Average)	3235	3150	85
Mahalingapura	Penti (Average)	3010	3040	-30
Mandya	Achhu (Medium)	2450	2450	Unch
	Kurikatu (Medium)	2200	2200	Unch
	Other (Medium)	2400	2400	Unch
	Yellow (Medium)	2450	2450	Unch
Shimoga	Achhu (Average)	3500	3500	Unch

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