

## Sugar & Gur Domestic & International Fundamentals

- Market sentiments remained buoyant with price trending up for the day. However, the briskness is expected to fade soon with the prevailing glut and absence of export orders from the country.
- The govt had raised sugar import duty from 15% to 25% on both raw as well as refined sugar. The move was taken to relieve the ailing sugar industry which was struggling hard to match up with the higher cane prices and lower market price for their product. Meanwhile, it is also expected to resolve the problem of accumulated cane arrears in the country which stands at about Rs 6800 crores.
- CACP advocated a 4.3% rise in FRP (to Rs 230/quintal) for sugarcane possessing an average recovery rate of 9.5% for the cropping year 2015-16. It is notable, that the current FRP for cane yield has been fixed at Rs220/quintal (for 9.5% average recovery) and Rs243/quintal (for 10.5% average recovery) for 2014-15 seasons.
- U.P millers had started evacuating contractual and seasonal labors out of work on the verge of reducing compensated losses to them. Reportedly, the millers' association had decided to suspend operation for this crushing month if govt did not agree to their demand of adopting cane linkage formula.
- Total around 675000 bags of gur stored in cold storages till 19<sup>th</sup> August 2014 lower compared to 827000 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 05:30 p.m.)

Contract	+/-	Open	High	Low	Close
Sept-14	13.00	3028.00	3079.00	3027.00	3055.00

Contract	Volume	Change	OI	Change
Sept-14	3,820	2,980	14640	12760

### Spread Sept-14

Basis	-5.00
Sept-14	

### NCDEX Stock & Fed Position

Stocks	Demat	In-Process	Total	FED
	21.8.14	21.8.14	21.8.14	18.8.14
Kolhapur M	852	100	952	852
Delhi M	-	-	-	-
Belgaum M	100	0	100	100
Kolhapur S	9528	100	9628	10507
Sholapur S	50	0	50	50
Sangli S	-	-	-	-
Belgaum S	5737	0	5737	5987
Delhi S	-	-	-	-

### NCDEX Gur Future Quotes:

Contract	+/-	Open	High	Low	Close
Sep-14	-3.00	1134.00	1141.00	1131.50	1134.00
Nov-14	5.50	1009.50	1010.50	1005.00	1009.00
Dec-14	1.00	989.50	996.00	989.00	991.00

Contract	Volume	Change	OI	Change
Sep-14	2790	-450	6580	40
Nov-14	240	40	2420	70
Dec-14	170	-60	1020	-20

### Spread Sept-14

Spread	Sept-14	Nov-14	Dec-14
Basis	46		
Sept-14		-125	-143
Nov-14			-18

Gur Stock Position	Chaku	Raskut	Papdi	Total
2014	403000	36000	154000	675000
2013	536000	96000	124000	827000

## Brazil Sugar Quotes (Kingsman US\$/MT)(As on 22.08.14)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	344.25	3.75
Raw Sugar C&F (\$/MT)	Black Sea	375.75	3.75
Sugar White FOB (\$/MT)	Santos Port	437.75	3.75

## 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	432.70	7.80

## LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
14-Oct	426	433.9	425.1	432.7	7.8
14-Dec	441.7	449.6	441.7	448.5	5.8
15-Mar	462.8	469.2	461.5	467.9	5

## ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
14-Oct	15.7	16.05	15.66	15.99	0.29
15-Mar	17.6	17.87	17.56	17.83	0.23
15-May	17.99	18.24	17.94	18.18	0.19

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

Commodity	Centre	Prices (Rs/Qtl)		Change
		22-Aug-14	21-Aug-14	
Sugar	Delhi - Grade M	3280	3280	Unch
	Delhi - Grade S	3200	3200	Unch
	Delhi - Grade L	NA	NA	-
	UP- Khatauli Grade M	3340	3350	-10
	UP- Ramala Grade M	3220	3220	Unch
	UP- Dhampur Grade M Ex-Mill	3215	3230	-15
	UP- Dhampur Grade S Ex-Mill	3195	3210	-15
	UP- Dhampur Grade L Ex-Mill	3265	3280	-15
	Mumbai –Grade M	3332	3332	Unch
	Mumbai –Grade S	3172	3166	6
	Kolhapur – Grade M	3050	3060	-10
	Kolhapur – Grade S	2950	2950	Unch
	Guhawati – Grade S	3258	3258	Unch
	Shillong – Grade S	3270	3270	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	3360	NA	-
	Chennai - Grade S	3100	3100	Unch
	Ambikapur (Chattisgarh)- Grade M (Without Duty)	3171	3171	Unch

	Ambikapur (Chattisgarh)- Grade S (Without Duty)	3135	3135	Unch
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**Sugar Prices are in INR/Quintal. (1 Quintal=100 kg)**

Gur Spot Prices (Rs/Qtl)				
		22-Aug-14	21-Aug-14	Change
Muzaffar Nagar	Chaku	2950	2950	Unch
	Arrivals	NA	NA	-
	Khurpa	2750	2750	Unch
	Laddu	2975	2975	Unch
	Rascut	2750	2750	Unch
Seyana	Chaurasa	NA	NA	-
Hapur	Balti	NA	NA	-
Maharashtra	Lal Variety	3200	3200	Unch
Bangalore	Achhu	NA	NA	-
	Mudde	4200	4200	Unch
Belgaum	Mudde	NA	2900	-
Belthangadi	Yellow (Average)	3400	3400	Unch
Bijapur	Achhu	NA	-	-
Gulbarga	Other (Average)	3250	3110	140
Mahalingapura	Penti (Average)	2980	2960	20
Mandya	Achhu (Medium)	NA	NA	-
	Kurikatu (Medium)	NA	NA	-
	Other (Medium)	NA	NA	-
	Yellow (Medium)	NA	NA	-
Shimoga	Achhu (Average)	3400	3400	Unch

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