

Sugar & Gur Domestic & International Fundamentals

- Market sentiments traded between firmer to normal zone with price trending up for the day.
- Confronting to the states' plea, centre is planning to refrain itself from fixing sugar prices for PDS in the country. Reportedly, sugar prices for PDS remained unchanged at Rs13.50/kg since 2002 while the same quality sugar is purchased at a rate of Rs32/kg by the states.
- Tenders are invited by **SHRI CHHATRAPATI RAJARAM SAHAKARI SAKHAR KARKHANA LIMITED** for modernization cum expansion of sugar plant from 3500TCD to 6500TCD. Opening date of tender is 22nd Sep, 2014.
- 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.
- Total around 604000 bags of gur stored in cold storages till 25th August 2014 lower compared to 649000 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
Sept-14	-14.00	3070.00	3070.00	3044.00	3045.00

Contract	Volume	Change	OI	Change
Sept-14	1,420	-2,400	14290	-350

Spread Sept-14

Basis 5.00

Sept-14

NCDEX Stock & Fed Position

Stocks	Demat	In-Process	Total	FED
	23.8.14	23.8.14	23.8.14	18.8.14
Kolhapur M	852	0	852	852
Delhi M	-	-	-	-
Belgaum M	0	0	0	0
Kolhapur S	9528	0	9528	10507
Sholapur S	0	0	0	50
Sangli S	-	-	-	-
Belgaum S	4829	0	4829	5987
Delhi S	-	-	-	-

NCDEX Gur Future Quotes:

Contract	+/-	Open	High	Low	Close
Sep-14	-8.00	1130.50	1138.00	1123.00	1125.00
Nov-14	8.50	1012.00	1022.00	1012.00	1017.00
Dec-14	4.50	991.00	1002.00	991.00	996.50

Contract	Volume	Change	OI	Change
Sep-14	3440	650	6530	-50
Nov-14	710	470	2500	80
Dec-14	510	340	1240	220

Spread Sept-14 Nov-14 Dec-14

Basis	35		
Sept-14		-108	-128.5
Nov-14			-20.5

Gur Stock Position	Chaku	Raskut	Papdi	Total
2014	364000	32000	139000	604000
2013	590000	90000	109000	649000

Brazil Sugar Quotes (Kingsman US\$/MT)(As on 25.08.14)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	336.75	-
Raw Sugar C&F (\$/MT)	Black Sea	366.25	-
Sugar White FOB (\$/MT)	Santos Port	432.75	-

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	-

LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
14-Oct	431	434.4	425	425.7	-7.0¢
14-Dec	447.1	449.9	440.7	441.1	-7.4¢
15-Mar	467.5	469.3	460.4	460.9	-7.0¢

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
14-Oct	15.99	16.05	15.61	15.64	-0.35
15-Mar	17.82	17.83	17.43	17.51	-0.32
15-May	18.14	18.17	17.81	17.89	-0.29

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

Commodity	Centre	Prices (Rs/Qtl)		Change
		25-Aug-14	23-Aug-14	
Sugar	Delhi - Grade M	3265	3280	-15
	Delhi - Grade S	3190	3200	-10
	Delhi - Grade L	NA	NA	-
	UP- Khatauli Grade M	3300	3330	-30
	UP- Ramala Grade M	3220	3230	-10
	UP- Dhampur Grade M Ex-Mill	3225	3225	Unch
	UP- Dhampur Grade S Ex-Mill	3205	3205	Unch
	UP- Dhampur Grade L Ex-Mill	3275	3275	Unch
	Mumbai –Grade M	3340	3332	8
	Mumbai –Grade S	3176	3172	4
	Kolhapur – Grade M	3050	3040	10
	Kolhapur – Grade S	2950	2940	10
	Guhawati – Grade S	3258	3248	10
	Shillong – Grade S	3270	3260	10
	Vijayawada – Grade M	3540	3540	Unch
	Vijayawada- Grade S	3450	3450	Unch
	Nagpur – Grade M	3350	3350	Unch
	Nagpur – Grade S	3150	3150	Unch
	Kolkata – Grade M	3380	NA	-
	Chennai - Grade S	3100	3100	Unch
	Ambikapur (Chattisgarh)- Grade M (Without Duty)	3151	3171	-20

	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)				
		25-Aug-14	23-Aug-14	Change
Muzaffar Nagar	Chaku	2900	2875	25
	Arrivals	NA	NA	-
	Khurpa	2750	2750	Unch
	Laddu	NA	2850	-
	Rascut	2750	2625	125
Seyana	Chaurasa	NA	NA	-
Hapur	Balti	NA	NA	-
Maharashtra	Lal Variety	3300	3200	100
Bangalore	Achhu	NA	NA	-
	Mudde	4200	NA	-
Belgaum	Mudde	2800	NA	-
Belthangadi	Yellow (Average)	NA	NA	-
Bijapur	Achhu	NA	NA	-
Gulbarga	Other (Average)	NA	NA	-
Mahalingapura	Penti (Average)	2940	NA	-
Mandya	Achhu (Medium)	3070	NA	-
	Kurikatu (Medium)	NA	NA	-
	Other (Medium)	2789	NA	-
	Yellow (Medium)	3017	NA	-
Shimoga	Achhu (Average)	3500	NA	-

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