

## Sugar & Gur Domestic & International Fundamentals

- Market sentiments traded between firmer to normal zone with price trending up for the day.
- With a 29% surge in import, Indonesia is likely to emerge as the top raw sugar importer in the world by 2015. Moreover, import shipment of 3.6 million metric tons of sugar to the country is expected in 2015 as compared to 2.8 million tons this year.
- ISO estimated a global surplus in sugar market with production (183.8 million tons) outpacing consumption (182.4 million tons) by 1.3 million tons for 2014-15.
- Brazilian cane production estimate for center-south region declined 6% from 580 million tons to 546 million tons for 2014-15. Fluctuating weather condition coupled with lengthening of intra-harvest period could be cited responsible for the change in estimation.
- 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.
- Total around 604000 bags of gur stored in cold storages till 25<sup>th</sup> 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 05:05 p.m.)

Contract	+/-	Open	High	Low	Close
Sept-14	-1.00	3052.00	3052.00	3037.00	3043.00

Contract	Volume	Change	OI	Change
Sept-14	1,880	460	12910	-1380

### Spread Sept-14

Basis	7.00
Sept-14	

### NCDEX Stock & Fed Position

Stocks	Demat	In-Process	Total	FED
	26.8.14	26.8.14	26.8.14	25.8.14
Kolhapur M	852	0	852	852
Delhi M	-	-	-	-
Belgaum M	0	0	0	0
Kolhapur S	9528	0	9528	9528
Sholapur S	0	0	0	-
Sangli S	-	-	-	-
Belgaum S	4829	0	4829	4829
Delhi S	-	-	-	-

### NCDEX Gur Future Quotes:

Contract	+/-	Open	High	Low	Close
Sep-14	2.00	1127.50	1128.50	1121.00	1126.00
Nov-14	-2.50	1017.00	1017.00	1013.00	1013.00
Dec-14	0.00	995.50	997.00	995.50	996.00

Contract	Volume	Change	OI	Change
Sep-14	1260	-2180	6120	-410
Nov-14	180	-530	2680	180
Dec-14	40	-470	1200	-40

### Spread Sept-14 Nov-14 Dec-14

Basis	-26		
Sept-14		-113	-130
Nov-14			-17

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 26.08.14)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	333	-
Raw Sugar C&F (\$/MT)	Black Sea	363	-
Sugar White FOB (\$/MT)	Santos Port	429	-

## 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	428.70	3.00

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

Contract	Open	High	Low	Close	+/-
14-Oct	422.1	428.8	421	429	3
14-Dec	437.3	443.9	437	444	2.5
15-Mar	457.5	463.9	455.9	463	2.4

## ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
14-Oct	15.4	15.75	15.35	15.71	0.35
15-Mar	17.33	17.66	17.33	17.63	0.3
15-May	17.69	18.02	17.69	17.99	0.3

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

Commodity	Centre	Prices (Rs/Qtl)		Change
		27-Aug-14	26-Aug-14	
Sugar	Delhi - Grade M	3250	3260	-10
	Delhi - Grade S	3175	3200	-25
	Delhi - Grade L	NA	NA	-
	UP- Khatauli Grade M	3300	3300	Unch
	UP- Ramala Grade M	3235	3235	Unch
	UP- Dhampur Grade M Ex-Mill	3215	3215	Unch
	UP- Dhampur Grade S Ex-Mill	3195	3195	Unch
	UP- Dhampur Grade L Ex-Mill	3265	3265	Unch
	Mumbai –Grade M	3340	3340	Unch
	Mumbai –Grade S	3172	3172	Unch
	Kolhapur – Grade M	3050	3050	Unch
	Kolhapur – Grade S	2950	2950	Unch
	Guhawati – Grade S	3258	3258	Unch
	Shillong – Grade S	3270	3270	Unch
	Vijayawada – Grade M	3540	3540	Unch
	Vijayawada- Grade S	3440	3440	Unch

	Nagpur – Grade M	3350	3350	Unch
	Nagpur – Grade S	3150	3150	Unch
	Kolkata – Grade M	3310	3330	-20
	Chennai - Grade S	3100	3100	Unch
	Ambikapur (Chattisgarh)- Grade M (Without Duty)	3161	3151	10
	Ambikapur (Chattisgarh)- Grade S (Without Duty)	3135	3135	Unch

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

Gur Spot Prices (Rs/Qtl)				
		27-Aug-14	26-Aug-14	Change
Muzaffar Nagar	Chaku	2750	2875	-125
	Arrivals	NA	NA	-
	Khurpa	2700	2950	-250
	Laddu	2875	3000	-125
	Rascut	2700	2700	Unch
Seyana	Chaurasa	NA	NA	-
Hapur	Balti	NA	NA	-
Maharashtra	Lal Variety	3250	3250	Unch
Bangalore	Achhu	NA	NA	-
	Mudde	4150	4100	50
Belgaum	Mudde	2900	NA	-
Belthangadi	Yellow (Average)	3400	NA	-
Bijapur	Achhu	NA	2950	-
Gulbarga	Other (Average)	3100	3050	50
Mahalingapura	Penti (Average)	2960	2870	90
Mandya	Achhu (Medium)	3158	3129	29
	Kurikatu (Medium)	2831	NA	-
	Other (Medium)	NA	2794	-
	Yellow (Medium)	3070	3030	40
Shimoga	Achhu (Average)	3500	NA	-

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