

Sugar & Gur Domestic & International Fundamentals

- Market sentiments traded between firmer to normal zone with price trending up on Wednesday.
- Owing to multiple crisis and disputes, sugarcane acreage in U.P is expected to decline 10% from 23.60 lakh hectares to 21.24 lakh hectares in 2014-15.
- Thailand reduced its sugar consumption quota from 2.4 million tons to 2.5 million tons for 2013-14. The move was taken in an attempt to increase sugar export from the country at a tone of 8.8 million tons for marketing year 2014.
- Raw sugar export from Brazil declined 8.46% from 2.04 million tons in July to 1.86 million tons this month. The situation is much graving when compared on y-o-y basis, where sugar export turned around 2.68 million tons in Aug, 2013.
- U.P govt announced an additional rebate of Rs6/quintal (on sugarcane) as a spurring step to promote crushing in the state. Reportedly, the millers are now supposed to pay their pending cane arrears at a rate of Rs 280/quintal by end of September.
- As of 28th Aug, 2014, total area occupied under cane cultivation has been reached to 4.72 million hectare, down by 6.2% on y-o-y comparison.
- 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 05:30 p.m.)

Contract	+/-	Open	High	Low	Close
Sept-14	-14.00	3012.00	3012.00	3005.00	3005.00

Contract	Volume	Change	OI	Change
Sept-14	950	-50	10690	-900

Spread Sept-14

Basis	20.00
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Sept-14

NCDEX Stock & Fed Position

Stocks	Demat	In-Process	Total	FED
	2.9.14	2.9.14	2.9.14	1.9.14
Kolhapur M	191	0	191	191
Delhi M	-	-	-	-
Belgaum M	0	0	0	0
Kolhapur S	5321	0	5321	5321
Sholapur S	0	0	0	-
Sangli S	-	-	-	-
Belgaum S	3971	0	3971	3971
Delhi S	-	-	-	-

NCDEX Gur Future Quotes:

Contract	+/-	Open	High	Low	Close
Sep-14	2.50	1116.00	1120.00	1111.50	1120.00
Nov-14	13.50	958.50	971.00	952.50	971.00
Dec-14	13.50	945.00	960.00	942.50	960.00

Contract	Volume	Change	OI	Change
Sep-14	1760	-1610	5910	-370
Nov-14	2190	140	2990	-230
Dec-14	360	-650	1580	10

Spread Sept-14 Nov-14 Dec-14

Basis	0		
Sept-14		-149	-160
Nov-14			-11

Gur Stock Position	Chaku	Raskut	Papdi	Total
2014	325000	28000	124000	532000
2013	445000	82000	94000	671000

Brazil Sugar Quotes (Kingsman US\$/MT)(As on 03.09.14)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	345.50	-
Raw Sugar C&F (\$/MT)	Black Sea	375.50	-
Sugar White FOB (\$/MT)	Santos Port	448.75	-

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	428.80	4.20

LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
14-Oct	425.2	429.0	423.8	428.8	4.2
14-Dec	441.5	445.4	438.9	445.1	4.5
15-Mar	458.7	463.1	456.9	462.8	5.0

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
14-Oct	15.55	15.86	15.54	15.82	0.33
15-Mar	17.52	17.76	17.49	17.73	0.29
15-May	17.92	18.18	17.92	18.15	0.27

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

Commodity	Centre	Prices (Rs/Qtl)		Change
		3-Sep-14	2-Sep-14	
Sugar	Delhi - Grade M	3260	3240	20
	Delhi - Grade S	3280	NA	-
	Delhi - Grade L	NA	NA	-
	UP- Khatauli Grade M	3270	3280	-10
	UP- Ramala Grade M	3200	NA	-
	UP- Dhampur Grade M Ex-Mill	3220	3220	Unch
	UP- Dhampur Grade S Ex-Mill	3200	3200	Unch
	UP- Dhampur Grade L Ex-Mill	3270	3270	Unch
	Mumbai –Grade M	3200	3200	Unch
	Mumbai –Grade S	3166	3166	Unch
	Kolhapur – Grade M	3025	3025	Unch
	Kolhapur – Grade S	2925	2925	Unch
	Guhawati – Grade S	3233	3233	Unch
	Shillong – Grade S	3245	3245	Unch
	Vijayawada – Grade M	3540	3540	Unch
	Vijayawada- Grade S	3440	3440	Unch
	Nagpur – Grade M	3350	3350	Unch

	Nagpur – Grade S	3200	3200	Unch
	Kolkata – Grade M	NA	NA	-
	Ambikapur (Chattisgarh)- Grade M (Without Duty)	3161	3161	Unch
	Ambikapur (Chattisgarh)- Grade S (Without Duty)	3135	3135	Unch
	Chennai - Grade S	3080	3080	Unch

Jaggery(Gur) Spot Prices (Rs/Qtl)				
		3-Sep-14	2-Sep-14	Change
Muzaffar Nagar	Chaku	2800	2775	25
	Chaku(Arrival)	NA	NA	-
	Khurpa(New)	2800	2625	175
	Laddoo(New)	2950	2813	137
	Rascut	2500	2600	-100
Hapur	Chaurasa	NA	NA	-
	Balti	NA	NA	-
Maharashtra	Lal Variety	3250	3250	Unch
Bangalore	Achhu	NA	NA	-
	Mudde	4200	4150	50
Belgaum	Mudde	2800	NA	-
Belthangadi	Yellow (Average)	NA	3400	-
Bijapur	Achhu	NA	3040	-
Gulbarga	Other (Average)	3175	3150	25
Mahalingapura	Penti (Average)	3160	3180	-20
Mandya	Achhu (Medium)	NA	NA	-
	Kurikatu (Medium)	NA	NA	-
	Other (Medium)	NA	NA	-
	Yellow (Medium)	NA	NA	-
Shimoga	Achhu (Average)	3300	3400	-100

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