

Sugar & Gur Domestic & International Fundamentals

- Steady sentiments recorded in key sugar spot markets on Monday. Lackluster trade and sluggish demand led the prices steady to weak.
- Tenders are invited by ANDHRA PRADESH STATE CIVIL SUPPLIES CORPORATION LIMITED (APSCSC) for purchase of iss grade sugar. Opening date for the tenders has been fixed at 24th Oct, 2014.
- On the wake of finding minimal/no solution to the centre and state cane pricing policy, farmers in U.P started selling off their cane to the alternative jaggery units called Kolhus in the state. Reportedly, farmers are selling one of the premium quality cane at a price of Rs 180/quintal when the FRP had been fixed at Rs.220/quintal for 2014-15.
- Rabobank raised its global sugar supply deficit from an earlier estimate of 0.9 million tons to 3.2 million tons for 2014-15. The revision had been made considering prevalent draught like condition in major producing areas and an expected diversion of cane toward ethanol production in Brazil.
- Contrary to the production estimates by leading trading houses, Platts Kingman predicted a 2% surge in Centre-South Brazilian cane output from 562 million tons in 2014/15 to 575 million tons in 2015/16.
- Total around 74000 bags of gur stored in cold storages till 13th Oct, 2014 lower compared to 75800 bags at same period last year.
- Gur prices fell down and are expected to scroll down further amidst 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 currently hovering in a range with weaker tone due to lackluster trade. However, upcoming festive demand likely to increase sugar prices in the medium term as expected.

NCDEX Sugar Future Quotes (At 05:10 p.m.)

| Contract | +/- | Open | High | Low | Close |
|----------|-------|---------|---------|---------|---------|
| Oct-14 | 31.00 | 2960.00 | 2960.00 | 2936.00 | 2936.00 |
| Dec-14 | -6.00 | 2822.00 | 2824.00 | 2815.00 | 2815.00 |

NCDEX Gur Future Quotes:

| Contract | +/- | Open | High | Low | Close |
|----------|------|--------|--------|--------|--------|
| Nov-14 | 2.00 | 968.00 | 970.50 | 967.50 | 969.00 |
| Dec-14 | 0.00 | 958.00 | 965.00 | 958.00 | 963.50 |

| Contract | Volume | Change | OI | Change |
|----------|--------|--------|-------|--------|
| Oct-14 | 450 | 220 | 1970 | -550 |
| Dec-14 | 710 | -380 | 14830 | 1030 |

| Contract | Volume | Change | OI | Change |
|----------|--------|--------|------|--------|
| Nov-14 | 460 | -1020 | 2170 | -90 |
| Dec-14 | 400 | -570 | 3050 | 200 |

| Spread | Oct-14 | Dec-14 |
|--------|--------|---------|
| Basis | 14.00 | |
| Oct-14 | | -121.00 |
| Dec-14 | | |

| Spread | Nov-14 | Dec-14 |
|--------|--------|--------|
| Basis | 181 | |
| Nov-14 | | -5.5 |
| Dec-14 | | |

NCDEX Stock & Fed Position

| Stocks | Demat | In-Process | Total | FED |
|------------|-------|------------|---------|----------|
| | | 12.10.14 | 1.10.14 | 13.10.14 |
| Kolhapur M | 0 | 550 | 550 | - |
| Delhi M | - | - | - | - |
| Belgaum M | - | - | - | - |
| Kolhapur S | - | - | - | - |
| Sholapur S | - | - | - | - |
| Sangli S | - | - | - | - |
| Belgaum S | - | - | - | - |
| Delhi S | - | - | - | - |

| Gur Stock Position | Chaku | Raskut | Papdi | Total |
|--------------------|-------|--------|-------|-------|
| 2014 | 40000 | 3000 | 28000 | 74000 |
| 2013 | 58000 | 35000 | 30000 | 75800 |

Brazil Sugar Quotes (Kingsman US\$/MT)(As on 14.10.14)

| Commodity | Place | Price | Change |
|-------------------------|-------------|--------|--------|
| Raw Sugar FOB (\$/MT) | Santos Port | 344.75 | 8.00 |
| Raw Sugar C&F (\$/MT) | Black Sea | 375.25 | 8.00 |
| Sugar White FOB (\$/MT) | Santos Port | 436.00 | 1.50 |

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 | 422.40 | -7.70 |

LIFFE Sugar Futures (In US\$/MT)

| Contract | Open | High | Low | Close | +/- |
|----------|-------|-------|-------|-------|-----|
| 14-Dec | 423.8 | 427.5 | 422.6 | 424.3 | 1.9 |
| 15-Mar | 432.8 | 435.2 | 431.2 | 433.5 | 1.5 |
| 15-May | 442.6 | 444.9 | 442.5 | 444 | 2.3 |

ICE Raw Sugar Futures (In cents/Pound)

| Contract | Open | High | Low | Close | +/- |
|----------|-------|-------|-------|-------|------|
| 15-Mar | 16.57 | 16.72 | 16.52 | 16.67 | 0.12 |
| 15-May | 16.84 | 17 | 16.81 | 16.96 | 0.13 |
| 15-Jul | 17.22 | 17.29 | 17.1 | 17.27 | 0.13 |

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

| Commodity | Centre | Prices (Rs/Qtl) | | Change |
|-----------|-----------------------------|-----------------|-----------|--------|
| | | 14-Oct-14 | 13-Oct-14 | |
| Sugar | Delhi - Grade M | 3130 | 3145 | -15 |
| | Delhi - Grade S | 3080 | 3080 | Unch |
| | Delhi - Grade L | NA | NA | - |
| | UP- Khatauli Grade M | 3225 | 3230 | -5 |
| | UP- Ramala Grade M | 3040 | 3040 | Unch |
| | UP- Dhampur Grade M Ex-Mill | NA | 3050 | - |
| | UP- Dhampur Grade S Ex-Mill | NA | 3030 | - |
| | UP- Dhampur Grade L Ex-Mill | NA | 3100 | - |
| | Mumbai –Grade M | 3156 | 3156 | Unch |
| | Mumbai –Grade S | 3040 | 3040 | Unch |
| | Kolhapur – Grade M | 2950 | 2950 | Unch |
| | Kolhapur – Grade S | 2850 | 2850 | Unch |
| | Guhawati – Grade S | 3157 | 3157 | Unch |
| | Shillong – Grade S | 3170 | 3170 | Unch |
| | Vijayawada – Grade M | 3480 | 3480 | Unch |
| | Vijayawada- Grade S | 3380 | 3380 | Unch |
| | Nagpur – Grade M | 3350 | 3350 | Unch |

| | | | | |
|--|---|------|------|------|
| | Nagpur – Grade S | 3150 | 3150 | Unch |
| | Kolkata – Grade M | NA | 3270 | - |
| | Chennai - Grade S | 2950 | 2950 | Unch |
| | Ambikapur (Chattisgarh)- Grade M (Without Duty) | 3161 | 3161 | Unch |
| | Ambikapur (Chattisgarh)- Grade S (Without Duty) | 3135 | 3135 | Unch |
| Sugar Prices are in INR/Quintal. (1 Quintal=100 kg) | | | | |

| Jaggery(Gur) Spot Prices (Rs/Qtl) | | | | |
|--|-------------------|------------------|------------------|---------------|
| | | 14-Oct-14 | 13-Oct-14 | Change |
| Muzaffar Nagar | Chaku | 2875 | 2600 | 275 |
| | Arrivals | NA | NA | - |
| | Khurpa | 2800 | 2750 | 50 |
| | Laddu | 3100 | 3100 | Unch |
| | Rascut | 2500 | 2375 | 125 |
| Seyana | Chaurasa | 2553 | Closed | - |
| Hapur | Balti | 2550 | Closed | - |
| Maharashtra | Lal Variety | 3000 | 3000 | Unch |
| Bangalore | Achhu | NA | NA | - |
| | Mudde | 4250 | 4200 | 50 |
| Belgaum | Mudde | NA | NA | - |
| Belthangadi | Yellow (Average) | 3250 | NA | - |
| Bijapur | Achhu | 2978 | 2870 | 108 |
| Gulbarga | Other (Average) | 3125 | 3150 | -25 |
| Mahalingapura | Penti (Average) | NA | NA | - |
| Mandya | Achhu (Medium) | NA | NA | - |
| | Kurikatu (Medium) | NA | NA | - |
| | Other (Medium) | NA | NA | - |
| | Yellow (Medium) | NA | NA | - |
| Shimoga | Achhu (Average) | 3100 | 3400 | -300 |

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