

## Sugar & Gur Domestic & International Fundamentals

- Steady sentiments recorded in key sugar spot markets today. Lackluster trade and sluggish demand led the prices steady to weak.
- Derived by the positive assurance by govt.; millers in U.P agreed upon starting repair and maintenance operation for the upcoming crushing season 2013-14. On a similar move, govt. had also extended the deadline (from Sep-30 to Nov-15) for granting additional rebate of Rs6/quintal to the millers in state.
- A fire broke out in a warehouse (capacity of 110 thousand tons) at Santos port of Brazil, storing almost 50 thousand tons of sugar at time. However, the actual cost of destruction will be evaluated out soon.
- As per the USDA report, Indian sugar production forecast for marketing year 2014-15 has been estimated at 25.3 million tons, which was 0.06 million tons less than the previous estimate. The revision had been primarily made considering less than expected cane acreage area in U.P and adjoining areas for 2014-15.
- Total around 74000 bags of gur stored in cold storages till 13<sup>th</sup> 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   |
|----------|--------|---------|---------|---------|---------|
| Dec-14   | -10.00 | 2798.00 | 2800.00 | 2785.00 | 2786.00 |

### NCDEX Gur Future Quotes:

| Contract | +/-   | Open   | High   | Low    | Close  |
|----------|-------|--------|--------|--------|--------|
| Nov-14   | 7.50  | 964.50 | 974.50 | 963.50 | 967.50 |
| Dec-14   | 11.00 | 964.00 | 978.00 | 964.00 | 970.50 |

| Contract | Volume | Change | OI    | Change |
|----------|--------|--------|-------|--------|
| Dec-14   | 530    | 410    | 15140 | 13480  |

| Contract | Volume | Change | OI   | Change |
|----------|--------|--------|------|--------|
| Nov-14   | 1530   | 250    | 1710 | 10     |
| Dec-14   | 1910   | 800    | 2410 | 180    |

| Spread | Oct-14 | Dec-14 |
|--------|--------|--------|
| Basis  | 114    |        |
| Oct-14 |        |        |
| Dec-14 |        |        |

| Spread | Nov-14 | Dec-14 |
|--------|--------|--------|
| Basis  | 182.5  |        |
| Nov-14 |        | 3      |
| Dec-14 |        |        |

### NCDEX Stock & Fed Position

| Stocks     | Demat    | In-Process | Total    | FED      |
|------------|----------|------------|----------|----------|
|            | 20.10.14 | 20.10.14   | 20.10.14 | 20.10.14 |
| Kolhapur M | 1649     | 0          | 1649     | 1649     |
| 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 20.10.14)

| Commodity               | Place       | Price  | Change |
|-------------------------|-------------|--------|--------|
| Raw Sugar FOB (\$/MT)   | Santos Port | 349.00 | -      |
| Raw Sugar C&F (\$/MT)   | Black Sea   | 378.50 | -      |
| Sugar White FOB (\$/MT) | Santos Port | 434.00 | -      |

## 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 | 427.70         | 0.50   |

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

| Contract | Open   | High   | Low   | Close | +/- |
|----------|--------|--------|-------|-------|-----|
| 14-Dec   | 427.8  | 432.00 | 427.3 | 427.7 | 1.7 |
| 15-Mar   | 433.00 | 436.6  | 431.4 | 432.7 | 1.5 |
| 15-May   | 442.8  | 446.6  | 441.8 | 443   | 1.2 |

## ICE Raw Sugar Futures (In cents/Pound)

| Contract | Open  | High  | Low   | Close | +/-  |
|----------|-------|-------|-------|-------|------|
| 15-Mar   | 16.69 | 16.89 | 16.6  | 16.68 | 0.06 |
| 15-May   | 16.94 | 17.11 | 16.88 | 16.92 | 0.04 |
| 15-Jul   | 17.18 | 17.35 | 17.13 | 17.16 | 0.01 |

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

| Commodity | Centre                      | Prices (Rs/Qtl) |           | Change |
|-----------|-----------------------------|-----------------|-----------|--------|
|           |                             | 21-Oct-14       | 20-Oct-14 |        |
| Sugar     | Delhi - Grade M             | 3100            | 3110      | -10    |
|           | Delhi - Grade S             | 3070            | NA        | -      |
|           | Delhi - Grade L             | NA              | NA        | -      |
|           | UP- Khatauli Grade M        | 3210            | 3210      | Unch   |
|           | UP- Ramala Grade M          | NA              | NA        | -      |
|           | UP- Dhampur Grade M Ex-Mill | NA              | NA        | -      |
|           | UP- Dhampur Grade S Ex-Mill | NA              | NA        | -      |
|           | UP- Dhampur Grade L Ex-Mill | NA              | NA        | -      |
|           | Mumbai –Grade M             | 3162            | 3160      | 2      |
|           | Mumbai –Grade S             | 3040            | 3040      | Unch   |
|           | Kolhapur – Grade M          | 2900            | 2900      | Unch   |
|           | Kolhapur – Grade S          | 2800            | 2800      | Unch   |
|           | Guhawati – Grade S          | 3106            | 3106      | Unch   |
|           | Shillong – Grade S          | 3120            | 3120      | Unch   |
|           | Vijayawada – Grade M        | 3480            | 3480      | Unch   |
|           | Vijayawada- Grade S         | 3380            | 3380      | Unch   |
|           | Nagpur – Grade M            | 3300            | 3300      | Unch   |

|  |   |        |      |      |
|--|---|--------|------|------|
|  | Nagpur – Grade S                                | 3100   | 3100 | Unch |
|  | Kolkata – Grade M                               | NA     | NA   | -    |
|  | Chennai - Grade S                               | Closed | 2950 | -    |
|  | Ambikapur (Chattisgarh)- Grade M (Without Duty) | 3161   | 3161 | Unch |
|  | Ambikapur (Chattisgarh)- Grade S (Without Duty) | 3135   | 3135 | Unch |
| <b>Sugar Prices are in INR/Quintal. (1 Quintal=100 kg)</b> |   |        |      |      |

| Jaggery(Gur) Spot Prices (Rs/Qtl) |                   |           |           |        |
|-----------------------------------|-------------------|-----------|-----------|--------|
|                                   |                   | 21-Oct-14 | 20-Oct-14 | Change |
| Muzaffar Nagar                    | Chaku             | 2875      | 3075      | -200   |
|                                   | Arrivals          | 5000      | 10000     | -5000  |
|                                   | Khurpa            | 2500      | 2575      | -75    |
|                                   | Laddu             | 2750      | 2825      | -75    |
|                                   | Rascut            | 2375      | 2375      | Unch   |
| Seyana                            | Chaurasa          | 2600      | Closed    | -      |
| Hapur                             | Balti             | 2563      | Closed    | -      |
| Maharashtra                       | Lal Variety       | 3000      | 3000      | Unch   |
| Bangalore                         | Achhu             | NA        | NA        | -      |
|                                   | Mudde             | 4200      | 4200      | Unch   |
| Belgaum                           | Mudde             | NA        | NA        | -      |
| Belthangadi                       | Yellow (Average)  | NA        | 3200      | -      |
| Bijapur                           | Achhu             | 2900      | 2900      | Unch   |
| Gulbarga                          | Other (Average)   | 3050      | 3050      | Unch   |
| 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)   | 3200      | 3200      | Unch   |

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