

## 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 for the day. .
- Sugarcane commissions of Maharashtra, U.P and Karnataka estimated a sugar production of 9.1, 6.2 and 4.2 million tons this marketing year 2014-15. Also, the total Indian production for the same period is evaluated as more than 25 million tons by the commissions.
- As per the UNICA report, Brazilian sugar production paced up in the first half of October as the central south region produced 2.37 million tons of sugar compared to 1.64 million tons in late September. This was due to the hot and dry weather condition prevailing in the country which favors better cane crushing in the country. In addition to it lower cane yield urges millers to fasten their crushing operation to curb for the loss of cane recovery.
- China's sugar import declined 39% y-o-y from 0.59 million tons to 0.36 million tons in the month of September. Similarly, a depreciating domestic currency and ample stock build up within the nation caused total imports to fall by 17.8% to 2.4 million tons in 2014(Jan-Sep).
- Total around 14538 bags of gur stored in cold storages till 27<sup>th</sup> Oct, 2014 lower compared to 21599 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, lower expected yield in Brazil due to persistent dry weather condition and lengthening of intra-harvest period could stimulate prices in near future.

### NCDEX Sugar Future Quotes (At 05:30 p.m.)

| Contract | +/-   | Open    | High    | Low     | Close   |
|----------|-------|---------|---------|---------|---------|
| Dec-14   | -5.00 | 2806.00 | 2809.00 | 2801.00 | 2806.00 |

### NCDEX Gur Future Quotes:

| Contract | +/-   | Open   | High    | Low    | Close   |
|----------|-------|--------|---------|--------|---------|
| Nov-14   | 16.00 | 999.00 | 1012.00 | 998.00 | 1009.00 |
| Dec-14   | 10.00 | 979.00 | 987.00  | 979.00 | 986.00  |

| Contract | Volume | Change | OI    | Change |
|----------|--------|--------|-------|--------|
| Dec-14   | 130    | -770   | 14470 | -50    |

| Contract | Volume | Change | OI   | Change |
|----------|--------|--------|------|--------|
| Nov-14   | 2570   | 670    | 2180 | 30     |
| Dec-14   | 1690   | 190    | 2830 | 530    |

| Spread | Oct-14 | Dec-14 |
|--------|--------|--------|
| Basis  | 94.00  |        |
| Oct-14 |        |        |
| Dec-14 |        |        |

| Spread | Nov-14 | Dec-14 |
|--------|--------|--------|
| Basis  | 151    |        |
| Nov-14 |        | -23    |
| Dec-14 |        |        |

### NCDEX Stock & Fed Position

| Stocks     | Demat    | In-Process | Total    | FED      |
|------------|----------|------------|----------|----------|
|            | 29.10.14 | 29.10.14   | 29.10.14 | 27.10.14 |
| Kolhapur M | 969      | 0          | 969      | 969      |
| Delhi M    | -        | -          | -        | -        |
| Belgaum M  | -        | -          | -        | -        |
| Kolhapur S | -        | -          | -        | -        |
| Sholapur S | -        | -          | -        | -        |
| Sangli S   | -        | -          | -        | -        |
| Belgaum S  | -        | -          | -        | -        |
| Delhi S    | -        | -          | -        | -        |

| Gur Stock Position | Chaku | Raskut | Papdi | Total |
|--------------------|-------|--------|-------|-------|
| 2014               | 6089  | 1242   | 6566  | 14538 |
| 2013               | 2440  | 17915  | 1000  | 21599 |

## Brazil Sugar Quotes (Kingsman US\$/MT)(As on 29.10.14)

| Commodity               | Place       | Price  | Change |
|-------------------------|-------------|--------|--------|
| Raw Sugar FOB (\$/MT)   | Santos Port | 335.50 | -      |
| Raw Sugar C&F (\$/MT)   | Black Sea   | 365.50 | -      |
| Sugar White FOB (\$/MT) | Santos Port | 422.75 | -      |

## 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 | 427.80         | -      |

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

| Contract | Open  | High  | Low   | Close | +/- |
|----------|-------|-------|-------|-------|-----|
| 14-Dec   | 428.2 | 433.4 | 428.2 | 431.2 | 3.4 |
| 15-Mar   | 425.6 | 430.9 | 425.2 | 428.7 | 4.3 |
| 15-May   | 434.3 | 439.2 | 434.1 | 437.3 | 3.7 |

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

| Contract | Open  | High  | Low   | Close | +/-  |
|----------|-------|-------|-------|-------|------|
| 15-Mar   | 16.20 | 16.40 | 16.18 | 16.30 | 0.17 |
| 15-May   | 16.48 | 16.67 | 16.46 | 16.60 | 0.17 |
| 15-Jul   | 16.74 | 16.92 | 16.73 | 16.87 | 0.16 |

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

| Commodity | Centre                      | Prices (Rs/Qtl) |           | Change |
|-----------|-----------------------------|-----------------|-----------|--------|
|           |                             | 30-Oct-14       | 29-Oct-14 |        |
| Sugar     | Delhi - Grade M             | 3095            | 3095      | Unch   |
|           | Delhi - Grade S             | 3070            | 3070      | Unch   |
|           | Delhi - Grade L             | NA              | NA        | -      |
|           | UP- Khatauli Grade M        | 3180            | 3180      | Unch   |
|           | UP- Ramala Grade M          | 3010            | 3005      | 5      |
|           | UP- Dhampur Grade M Ex-Mill | 3060            | NA        | -      |
|           | UP- Dhampur Grade S Ex-Mill | 3040            | NA        | -      |
|           | UP- Dhampur Grade L Ex-Mill | 3110            | NA        | -      |
|           | Mumbai –Grade M             | 3172            | 3172      | Unch   |
|           | Mumbai –Grade S             | 3026            | 3026      | 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            | 3250            | 3250      | Unch   |

|  |   |      |      |      |
|--|---|------|------|------|
|  | Nagpur – Grade S                                | 3100 | 3100 | Unch |
|  | Kolkata – Grade M                               | NA   | 3180 | -    |
|  | Chennai - Grade S                               | 2950 | 2950 | Unch |
|  | 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) |                   |           |           |        |
|-----------------------------------|-------------------|-----------|-----------|--------|
|                                   |                   | 30-Oct-14 | 29-Oct-14 | Change |
| Muzaffar Nagar                    | Chaku             | 2900      | 2845      | 55     |
|                                   | Arrivals          | 5000      | 6000      | -1000  |
|                                   | Khurpa            | 2600      | 2500      | 100    |
|                                   | Laddu             | 2675      | 2675      | Unch   |
|                                   | Rascut            | NA        | NA        | -      |
| Seyana                            | Chaurasa          | 2450      | 2425      | 25     |
| Hapur                             | Balti             | 2450      | 2425      | 25     |
| Maharashtra                       | Lal Variety       | 3050      | Closed    | -      |
| Bangalore                         | Achhu             | NA        | NA        | -      |
|                                   | Mudde             | 4225      | 4225      | Unch   |
| Belgaum                           | Mudde             | 2800      | 2800      | Unch   |
| Belthangadi                       | Yellow (Average)  | 3250      | 3250      | Unch   |
| Bijapur                           | Achhu             | 2800      | NA        | -      |
| Gulbarga                          | Other (Average)   | 3050      | 3000      | 50     |
| Mahalingapura                     | Penti (Average)   | 3010      | 2940      | 70     |
| Mandya                            | Achhu (Medium)    | 3250      | 3150      | 100    |
|                                   | Kurikatu (Medium) | 2550      | 2550      | Unch   |
|                                   | Other (Medium)    | 2700      | 2750      | -50    |
|                                   | Yellow (Medium)   | 3100      | 3050      | 50     |
| Shimoga                           | Achhu (Average)   | 3200      | 3200      | Unch   |

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