

Sugar & Gur Domestic & International Fundamentals

- Steady to weak sentiments recorded in key sugar spot markets today. Lackluster trade and sluggish demand led the prices steady to weak for the day.
- Raw sugar price surges high in the international market amid lower productivity from the largest cane producer, Brazil which is facing the dual problem of draught and early closure of mills in the country. Reportedly, Brazil's main central south region produced only 2.05 MMT of sugar in the second half of October compared to 2.47 MMT last year in 2013.
- Brazilian govt. furnished an export of 2.1 million tons of raw sugar in October, 2014 compared to 1.7 million tons last month. Also there saw a rise of 0.03 million tons of raw export when made comparison on y-o-y basis.
- Tamil Nadu govt. had exempted purchase tax on sugarcane but imposed an additional 5% VAT on sugar. The act is likely to hurt the local millers who are already facing a stiff price competition from the adjoining areas (amid better recovery and lower cost of production) and draught condition in the state. Reportedly, sugar production in the state declined 43% from 25.99 lakh tons in 2006-07 to 14.73 lakh tons in 2013-14.
- Total around 14538 bags of gur stored in cold storages till 27th 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 05:05 p.m.)

Contract	+/-	Open	High	Low	Close
Dec-14	25.00	2746.00	2799.00	2713.00	2768.00

Contract	Volume	Change	OI	Change
Dec-14	3,120	2,850	13830	-620

Spread	Dec-14	Jan-15	Feb-15
Basis	132		
Dec-14			
Jan-15			

NCDEX Stock & Fed Position

Stocks	Demat	In-Process	Total	FED
	11.11.14	11.11.14	11.11.14	10.11.14
Kolhapur M	969	0	969	969
Delhi M	-	-	-	-
Belgaum M	-	-	-	-
Kolhapur S	-	-	-	-
Sholapur S	-	-	-	-
Sangli S	-	-	-	-
Belgaum S	-	-	-	-
Delhi S	-	-	-	-

NCDEX Gur Future Quotes:

Contract	+/-	Open	High	Low	Close
Nov-14	7.00	950.00	969.50	950.00	965.50
Dec-14	6.00	962.50	975.00	962.50	969.50
Jan-15	12.00	989.00	1001.00	989.00	1001.00

Contract	Volume	Change	OI	Change
Nov-14	420	-120	310	-130
Dec-14	1840	240	3480	540
Jan-15	300	300	280	280

Spread	Nov-14	Dec-14	Jan-15
Basis	55.7		
Nov-14		4	35.50
Dec-14			31.50

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 11.11.14)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	324.00	-
Raw Sugar C&F (\$/MT)	Black Sea	350.50	-
Sugar White FOB (\$/MT)	Santos Port	413.25	-

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	432.10	11.20

LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
14-Dec	413.7	427.2	413	425	11.5
15-Mar	423	435.7	422.5	434.0	10.9
15-May	435.9	446.5	434	444.9	10.0

ICE Raw Sugar Futures (In cents/Pound)

Contract	Open	High	Low	Close	+/-
15-Mar	15.66	16.35	15.60	16.23	0.57
15-May	16.00	16.60	15.98	16.50	0.47
15-Jul	16.30	16.81	16.25	16.69	0.37

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

Commodity	Centre	Prices (Rs/Qtl)		Change
		12-Nov-14	11-Nov-14	
Sugar	Delhi - Grade M	3000	3050	-50
	Delhi - Grade S	2980	2980	Unch
	Delhi - Grade L	NA	NA	-
	UP- Khatauli Grade M	3125	3130	-5
	UP- Ramala Grade M	2940	2970	-30
	UP- Dhampur Grade M Ex-Mill	3000	NA	-
	UP- Dhampur Grade S Ex-Mill	2980	2920	60
	UP- Dhampur Grade L Ex-Mill	3050	2990	60
	Mumbai –Grade M	2952	2956	-4
	Mumbai –Grade S	3166	3176	-10
	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	3450	3450	Unch
	Vijayawada- Grade S	3350	3350	Unch
	Nagpur – Grade M	3150	3150	Unch

	Nagpur – Grade S	2960	3000	-40
	Kolkata – Grade M	NA	NA	-
	Chennai - Grade S	2925	2925	Unch
	Ambikapur (Chattisgarh)- Grade M (Without Duty)	NA	NA	-
	Ambikapur (Chattisgarh)- Grade S (Without Duty)	NA	NA	-
Sugar Prices are in INR/Quintal. (1 Quintal=100 kg)				

Jaggery(Gur) Spot Prices (Rs/Qtl)				
		12-Nov-14	11-Nov-14	Change
Muzaffar Nagar	Chaku	2553	2375	178
	Arrivals	NA	5000	-
	Khurpa	2278	2250	28
	Laddu	2475	2450	25
	Rascut	NA	NA	-
Seyana	Chaurasa	2175	2175	Unch
Hapur	Balti	2088	2150	-62
Maharashtra	Lal Variety	2800	2800	Unch
Bangalore	Achhu	NA	NA	-
	Mudde	4100	4100	Unch
Belgaum	Mudde	NA	NA	-
Belthangadi	Yellow (Average)	3250	3250	Unch
Bijapur	Achhu	NA	2800	-
Gulbarga	Other (Average)	3125	3050	75
Mahalingapura	Penti (Average)	2840	2810	30
Mandya	Achhu (Medium)	2800	2950	-150
	Kurikatu (Medium)	2400	2450	-50
	Other (Medium)	2400	2450	-50
	Yellow (Medium)	2800	2800	Unch
Shimoga	Achhu (Average)	3200	NA	-

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