

Sugar & Gur Domestic & International Fundamentals

- Steady to weak sentiments recorded in key markets owing to arrival pressure and weak demand.
- An early start of crushing this season (Oct, 2014- Sep, 2015) led India to produce 42.25 lakh tons of sugar (till 15th Dec, 2014) which was 46.9% higher than the figure achieved last year during the same period. Reportedly, 442 Indian sugar mills participated in the crushing process as against 426 mills last year.
- 166 sugar mills in Maharashtra had churned around 20.73 lakh tons of sugar this season (up to 15th Dec, 2014) as compared to 12.96 lakh tons sugar for the same duration in 2013. However, it is the state of Karnataka which showed a marginal decline of 0.57 lakh tons in production from 7.57 in 2013-14 (Oct, 1 - Dec, 15) to 7 lakh tons in 2014-15 (Oct, 1 – Dec, 15).
- Crushing operation matched up a speedy recovery with U.P producing 7.94 lakh tons of sugar in 2014-15 (till 15th Dec, 2014) compared to a mere production of 3 lakh tons in 2013-14(till 15th Dec, 2013). Interestingly, 114 sugar mills had participated in the crushing process so far which is the sole reason for higher production this year.
- Owing to lower cane availability for the season, Brazil's main centre south region had churned only 0.7 million tons of sugar in the last two weeks of November (2014) which was 46.7% lower than the figure achieved last year (2013) during the same period.
- The govt. of India gave its approval for procurement of ethanol at a rate of Rs 48.50 - 49.50 per liter for blending with petrol. The move is likely to benefit both the millers and cane farmers in the country who can now demand more money for their product.

Outlook: Ample supply, subdued demand and falling crude prices mainly kept pressure on sugar prices. However, the situation is expected to improve soon as Brazil is almost done with the cane crushing and is likely to divert the remaining cane towards ethanol production.

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

Contract	+/-	Open	High	Low	Close
Mar-15	-28.00	2660.00	2672.00	2645.00	2666.00
May-15	-28.00	2725.00	2752.00	2722.00	2738.00

Contract	Volume	Change	OI	Change
Mar-15	1,750	70	1750	-16310
May-15	520	-120	520	-3140

Spread	Dec-14	Mar-15	May-15
Basis	9		
Mar-15		72	
May-15			

NCDEX Stock & Fed Position

Stocks	Demat	In-Process	Total	FED
	16.12.14	16.12.14	16.12.14	16.12.14
Kolhapur M	90	0	90	969
Delhi M	-	-	-	-
Belgaum M	-	-	-	-
Kolhapur S	-	-	-	-
Sholapur S	-	-	-	-
Sangli S	-	-	-	-
Belgaum S	-	-	-	-
Delhi S	-	-	-	-

NCDEX Gur Future Quotes:

Contract	+/-	Open	High	Low	Close
Jan-15	-2.50	961.00	963.50	959.00	961.00

Contract	Volume	Change	OI	Change
Jan-15	880	-610	880	-1540

Spread	Dec-14	Jan-15
Basis	-51	
Jan-15		

Gur

Stock Position	Chaku	Raskut	Papdi	Total
2014	-	-	-	-
2013	-	-	-	-

Brazil Sugar Quotes (Kingsman US\$/MT)(As on 16.12.14)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	314.75	-
Raw Sugar C&F (\$/MT)	Black Sea	345.75	-
Sugar White FOB (\$/MT)	Santos Port	397.50	-

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	383.70	-

LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
15-Mar	387.5	389.4	383.5	383.7	-5.0
15-May	398.0	399.9	394.0	394.2	-5.2
15-Aug	411.2	411.2	406.6	406.6	-5.6

ICE Raw Sugar Futures (In cents/Pound)

Contract	Open	High	Low	Close	+/-
15-Mar	14.96	14.98	14.67	14.71	-0.25
15-May	15.39	15.39	15.05	15.08	-0.27
15-Jul	15.62	15.62	15.30	15.33	-0.29

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

Commodity	Centre	Prices (Rs/Qtl)		Change
		17-Dec-14	16-Dec-14	
Sugar	Delhi - Grade M	2875	2920	-45
	Delhi - Grade S	2855	2900	-45
	Delhi - Grade L	NA	NA	-
	UP- Khatauli Grade M	2950	2900	50
	UP- Ramala Grade M	2800	2800	Unch
	UP- Dhampur Grade M Ex-Mill	2850	2860	-10
	UP- Dhampur Grade S Ex-Mill	2830	2840	-10
	UP- Dhampur Grade L Ex-Mill	2900	2910	-10
	Mumbai –Grade M	2970	2972	-2
	Mumbai –Grade S	2796	2796	Unch
	Kolhapur – Grade M	2675	2675	Unch
	Kolhapur – Grade S	2550	2550	Unch
	Guhawati – Grade S	2852	2852	Unch
	Shillong – Grade S	2870	2870	Unch
	Vijayawada – Grade M	3250	3250	Unch
	Vijayawada- Grade S	3050	3050	Unch
	Nagpur – Grade M	3000	3050	-50
	Nagpur – Grade S	2800	2850	-50
	Kolkata – Grade M	3050	NA	-
	Chennai - Grade S	2800	2800	Unch

	Ambikapur (Chattisgarh)- Grade M (Without Duty)	3035	3035	Unch
	Ambikapur (Chattisgarh)- Grade S (Without Duty)	3035	3035	Unch

Sugar Prices are in INR/Quintal. (1 Quintal=100 kg)

Gur Spot Prices (Rs/Qtl)				
		17-Dec-14	16-Dec-14	Change
Muzaffar Nagar	Chaku	2275	2375	-100
	Arrivals	2500	1500	1000
	Khurpa	2325	2350	-25
	Laddu	2425	2600	-175
	Rascut	NA	NA	-
Seyana	Chaurasa	2200	2250	-50
Hapur	Balti	2275	2300	-25
Maharashtra	Lal Variety	NA	NA	-
BANGALORE Belgaum	Mudde	4250	4200	50
	Mudde	2900	NA	-
Belthangadi	Yellow (Average)	3150	NA	-
Bijapur	Achhu	NA	2600	-
Gulbarga	Other (Average)	2650	2600	50
Mahalingapura	Penti (Average)	2550	2550	Unch
Mandya	Achhu (Medium)	2550	2550	Unch
	Kurikatu (Medium)	2250	2250	Unch
	Other (Medium)	2300	2350	-50
	Yellow (Medium)	2500	2550	-50
Shimoga	Achhu (Average)	2700	2700	Unch

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