

Sugar & Gur Domestic & International Fundamentals

- Steady to weak sentiments recorded in key markets owing to arrival pressure and weak demand.
- Millers and traders are doing forward contracts for March at a discount of Rs 100/ quintal compared to present quotes. Notably, sugar prices are trading at Rs2600/ quintal for Kolhapur M grade. Millers are presently selling their output at discount to fetch liquidity for their working capital and timely payments of cane arrears to farmers.
- 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.

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	-31.00	2710.00	2710.00	2665.00	2670.00
May-15	6.00	2774.00	2781.00	2737.00	2738.00

Contract	Volume	Change	OI	Change
Mar-15	1,860	110	17790	16040
May-15	550	30	3790	3270

Spread	Dec-14	Mar-15	May-15
Basis	5		
Mar-15		68	
May-15			

NCDEX Stock & Fed Position

Stocks	Demat	In-Process	Total	FED
	17.12.14	17.12.14	17.12.14	16.12.14
Kolhapur M	90	0	90	969
Delhi M	-	-	-	-
Belgaum M	0	969	969	-
Kolhapur S	-	-	-	-
Sholapur S	-	-	-	-
Sangli S	-	-	-	-
Belgaum S	-	-	-	-
Delhi S	-	-	-	-

NCDEX Gur Future Quotes:

Contract	+/-	Open	High	Low	Close
Jan-15	6.50	965.00	967.00	961.00	967.00

Contract	Volume	Change	OI	Change
Jan-15	270	-610	2630	1750

Spread	Dec-14	Jan-15
Basis	-23	
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	387.70	4.00

LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
15-Mar	383.60	387.60	383.00	384.70	1.00
15-May	394.00	397.70	393.20	395.00	0.80
15-Aug	406.20	409.60	405.80	407.70	1.10

ICE Raw Sugar Futures (In cents/Pound)

Contract	Open	High	Low	Close	+/-
15-Mar	14.70	14.87	14.62	14.72	0.01
15-May	15.08	15.22	14.98	15.10	0.02
15-Jul	15.30	15.45	15.23	15.36	0.03

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

Commodity	Centre	Prices (Rs/Qtl)		Change
		18-Dec-14	17-Dec-14	
Sugar	Delhi - Grade M	2900	2875	25
	Delhi - Grade S	2880	2855	25
	Delhi - Grade L	NA	NA	-
	UP- Khatauli Grade M	2950	2950	Unch
	UP- Ramala Grade M	2800	2800	Unch
	UP- Dhampur Grade M Ex-Mill	2850	2850	Unch
	UP- Dhampur Grade S Ex-Mill	2830	2830	Unch
	UP- Dhampur Grade L Ex-Mill	2900	2900	Unch
	Mumbai –Grade M	2970	2970	Unch
	Mumbai –Grade S	2766	2796	-30
	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	3000	Unch
	Nagpur – Grade S	2800	2800	Unch
	Kolkata – Grade M	3050	3050	Unch
	Chennai - Grade S	2750	2800	-50

	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)				
		18-Dec-14	17-Dec-14	Change
Muzaffar Nagar	Chaku	2350	2275	75
	Arrivals	2000	2500	-500
	Khurpa	2338	2325	13
	Laddu	2438	2425	13
	Rascut	NA	NA	-
Seyana	Chaurasa	2200	2200	Unch
Hapur	Balti	2238	2275	-37
Maharashtra	Lal Variety	2400	NA	-
BANGALORE Belgaum	Mudde	4250	4250	Unch
	Mudde	2900	2900	Unch
Belthangadi	Yellow (Average)	3150	3150	Unch
Bijapur	Achhu	2515	NA	-
Gulbarga	Other (Average)	2575	2650	-75
Mahalingapura	Penti (Average)	2610	2550	60
Mandya	Achhu (Medium)	2500	2550	-50
	Kurikatu (Medium)	2250	2250	Unch
	Other (Medium)	2300	2300	Unch
	Yellow (Medium)	2500	2500	Unch
Shimoga	Achhu (Average)	2700	2700	Unch

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