

Sugar & Gur Domestic & International Fundamentals

- Sugar market remained subdued amid ample sugar supply in the domestic market.
- Brazilian agency, CONAB forecasted central south cane production to 582.9 million tons (2014-15) which is 2.8% less than the previous estimate made by it. Notably, the agency attributed the severe draught weather condition in the country for the estimation cut.
- On the wake of rising refinery demand, the Indonesian govt. had approved an import quota of 0.6 million tons of raw sugar for the first quarter of 2015-16. The move was largely welcomed by the local refiners and food industry in particular who were affected hard by the supply constraint.
- Cane association UNICA predicted a production of 567 million tons of sugarcane in Brazil's Central South region for 2014-15; which was 4% higher than its previous estimate of 546 million tons. The up gradation has been primarily made due to an increase in area and productivity in the regions (centre-south Brazil) affected least by the drastic draught.
- 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.
- Gur prices traded steady to strong amidst restricted arrival from major sources.

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 (As on 19th Dec, 2014)

Contract	+/-	Open	High	Low	Close
Mar-15	-19.00	2670.00	2676.00	2665.00	2670.00
May-15	-22.00	2741.00	2741.00	2731.00	2735.00
Jul-15	-9.00	2760.00	2764.00	2760.00	2764.00

Contract	Volume	Change	OI	Change
Mar-15	320	-1,540	17820	30
May-15	50	-500	3770	-20
Jul-15	20	20	1180	1180

Spread	Dec-14	Mar-15	May-15
Basis	5		
Mar-15		65	94
May-15			29

NCDEX Stock & Fed Position

Stocks	Demat	In-Process	Total	FED
	19.12.14	19.12.14	19.12.14	16.12.14
Kolhapur M	90	0	90	969
Delhi M	-	-	-	-
Belgaum M	969	0	969	-
Kolhapur S	-	-	-	-
Sholapur S	-	-	-	-
Sangli S	-	-	-	-
Belgaum S	-	-	-	-
Delhi S	-	-	-	-

NCDEX Gur Future Quotes:

Contract	+/-	Open	High	Low	Close
Jan-15	-1.00	972.00	972.00	964.00	964.00

Contract	Volume	Change	OI	Change
Jan-15	420	150	2540	-90

Spread	Dec-14	Jan-15
Basis	-14	
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	391.6	394.3	389.2	390.9	Unch
15-May	400.90	403.00	398.80	400.60	Unch
15-Aug	410.30	412.60	409.80	412.00	-1

ICE Raw Sugar Futures (In cents/Pound)

Contract	Open	High	Low	Close	+/-
15-Mar	14.94	15.10	14.88	14.98	-0.01
15-May	15.35	15.44	15.22	15.33	-0.02
15-Jul	15.7	15.70	15.49	15.60	Unch

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

Commodity	Centre	Prices (Rs/Qtl)		Change
		20-Dec-14	19-Dec-14	
Sugar	Delhi - Grade M	2870	2890	-20
	Delhi - Grade S	2850	2870	-20
	Delhi - Grade L	NA	NA	-
	UP- Khatauli Grade M	2900	2900	Unch
	UP- Ramala Grade M	2770	2780	-10
	UP- Dhampur Grade M Ex-Mill	2820	2840	-20
	UP- Dhampur Grade S Ex-Mill	2800	2820	-20
	UP- Dhampur Grade L Ex-Mill	2870	2890	-20
	Mumbai -Grade M	2960	2960	Unch
	Mumbai -Grade S	2786	2766	20
	Kolhapur - Grade M	2650	2675	-25
	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	NA	3050	-
Chennai - Grade S	2750	2750	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)				
		20-Dec-14	19-Dec-14	Change
Muzaffar Nagar	Chaku	2375	2375	Unch
	Arrivals	3500	4000	-500
	Khurpa	2375	2350	25
	Laddu	2650	2375	275
	Rascut	NA	NA	-
Seyana	Chaurasa	2375	2325	50
Hapur	Balti	2250	2200	50
Maharashtra	Lal Variety	2400	2400	Unch
BANGALORE	Mudde	4250	4250	Unch
	Belgaum Mudde	2800	2900	-100
Belthangadi	Yellow (Average)	3150	3150	Unch
Bijapur	Achhu	2724	2600	124
Gulbarga	Other (Average)	2700	2640	60
Mahalingapura	Penti (Average)	NA	2610	-
Mandya	Achhu (Medium)	2500	2500	Unch
	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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