

## Sugar & Gur Domestic & International Fundamentals

- Brazilian centre south region had churned around 28 thousand tons of sugar in the first two weeks of January (2015) which was 76.2% less than the production made in previous two weeks of December. However, an y-o-y comparison shows that the region had produced mere 8 thousand tons of sugar during the same period last year in 2014.
- The govt. in Brazil is planning to raise percentage share of ethanol in blending with gasoline from 25 per cent at present to 27.5 per cent. However, it also need to consider the probable ill effects of the policy to automobile sector as a higher mix of ethanol deteriorates motor performance of vehicles.
- Tenders are invited by MINISTRY OF DEFENCE for supply of sugar S30 at supply depot Asc Trimulgherry. Opening date for tender has been fixed at 27<sup>th</sup> January, 2015.
- As an outcome for the meeting held on Wednesday, CCEA had agreed upon the states' demand for granting flexibility in fixation of sugar retail issue prices (RIP) under PDS. Notably, the RIP of sugar under PDS had been last updated in 2002 at Rs13.50/kg and has been continuing the same so far. However, as per the new decision made by govt., the sugar subsidy rate for state purchase has now been modified to Rs 18.50/kg.
- A positive breakthrough is expected in Brazilian ethanol industry where the govt. announced a fuel tax, called Cide on gasoline and diesel that makes the alternative fuel, ethanol more competitive in comparison. Reportedly, the tax is expected to get enforced with effect from Feb 1, 2015 and could raise the price of gasoline and diesel by 0.22 reais and 0.15 reais per liter respectively. Meanwhile, a wider diversification of domestic cane towards ethanol production could also support the cash starved sugar industry to bloom well.

**Outlook:** Sugar prices are expected to improve as the major producer Brazil is about to enter its interharvest period and the govt. there is diverting most of the remaining cane towards ethanol production.

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

Contract	+/-	Open	High	Low	Close
Mar-15	8.00	2696.00	2705.00	2690.00	2704.00
May-15	13.00	2795.00	2815.00	2795.00	2815.00
Jul-15	17.00	2871.00	2895.00	2871.00	2889.00

Contract	Volume	Change	OI	Change
Mar-15	2,110.00	-1,560.00	20,980.00	-660.00
May-15	1,450.00	900.00	7,610.00	90.00
Jul-15	140.00	10.00	2,040.00	10.00

Spread	Mar-15	May-15	Jul-15
Basis	-54.00		
Mar-15		111.00	185.00
May-15			74.00

### NCDEX Stock & Fed Position

Stocks	Demat	In-Process	Total	FED
	22.1.15	22.1.15	22.1.15	19.1.15
Kolhapur M	-	-	-	-
Delhi M	-	-	-	-
Belgaum M	-	-	-	-
Kolhapur S	590	0	590	360
Sholapur S	-	-	-	-
Sangli S	-	-	-	-
Belgaum S	70	0	70	160
Delhi S	-	-	-	-

### NCDEX Gur Future Quotes:

Contract	+/-	Open	High	Low	Close
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Contract	Volume	Change	OI	Change
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Spread
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Gur Stock Position	Chaku	Raskut	Papdi	Total
2014	-	-	-	-
2013	-	-	-	-

## Brazil Sugar Quotes (Kingsman US\$/MT)(As on 21.01.15)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	348.00	-
Raw Sugar C&F (\$/MT)	Black Sea	376.00	-
Sugar White FOB (\$/MT)	Santos Port	422.25	-

## 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	408.30	1.00

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

Contract	Open	High	Low	Close	+/-
15-Mar	407.50	408.30	402.20	407.90	-0.40
15-May	415.90	417.10	411.20	416.50	-0.10
15-Aug	426.70	427.90	422.20	427.40	0.60

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

Contract	Open	High	Low	Close	+/-
15-Mar	15.82	15.95	15.62	15.91	-0.01
15-May	16.06	16.17	15.86	16.16	0.05
15-Jul	16.22	16.38	16.08	16.37	0.08

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

Commodity	Centre	Prices (Rs/Qtl)		Change
		23-Jan-15	22-Jan-15	
Sugar	Delhi - Grade M	2890	2880	10
	Delhi - Grade S	2800	2850	-50
	Delhi - Grade L	NA	NA	-
	UP- Khatauli Grade M	2925	2900	25
	UP- Ramala Grade M	2870	2870	Unch
	UP- Dhampur Grade M Ex-Mill	2830	2830	Unch
	UP- Dhampur Grade S Ex-Mill	2810	2810	Unch
	UP- Dhampur Grade L Ex-Mill	2880	2880	Unch
	Mumbai –Grade M	2950	2950	Unch
	Mumbai –Grade S	2750	2750	Unch
	Kolhapur – Grade M	2650	2650	Unch
	Kolhapur – Grade S	2550	2550	Unch
	Guhawati – Grade S	2852	2852	Unch
	Shillong – Grade S	2870	2870	Unch
	Vijayawada – Grade M	3180	3180	Unch
	Vijayawada- Grade S	3050	3050	Unch
	Nagpur – Grade M	2950	2950	Unch

	Nagpur – Grade S	2800	2800	Unch
	Kolkata – Grade M	2900	NA	-
	Chennai - Grade S	2700	2700	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)				
		23-Jan-15	22-Jan-15	Change
Muzaffar Nagar	Chaku	2563	2375	188
	Arrivals	500	200	300
	Khurpa	2375	2350	25
	Laddu	2625	2613	13
	Rascut	NA	NA	-
Hapur(Seyana)	Chaurasa	2500	2500	Unch
	Balti	2375	2400	-25
Maharashtra	Lal Variety	2450	2450	Unch
BANGALORE	Mudde	4150	4100	50
Belgaum	Mudde	NA	NA	-
Belthangadi	Yellow (Average)	3100	3100	Unch
Bijapur	Achhu	NA	NA	-
KALABURGI/GULBARGA	Other (Average)	2600	NA	-
Mahalingapura	Penti (Average)	NA	NA	-
Mandya	Achhu (Medium)	2500	2500	Unch
	Kurikatu (Medium)	2300	2300	Unch
	Other (Medium)	2400	2400	Unch
	Yellow (Medium)	2500	2500	Unch
Shimoga	Achhu (Average)	2700	2700	Unch

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