

Sugar & Gur Domestic & International Fundamentals

- A cabinet meeting is scheduled on Thursday, in which the govt. could implement raw sugar export subsidy at a tone of Rs 4,000/ton up to a limit of 1.4 million tons.
- Indian sugar millers particularly in western and southern India continued to make distress sale of their white refined sugar amid delay in govt. announcing the raw sugar export subsidy for this season.
- Sugar market condition worsens in Tamil Nadu as the neighboring state Karnataka, dumped its excessive production on to the state leading to a huge accumulation of buildup stock.
- The widening divergence between the production cost and revenue caused the Indian sugar industry to accumulate pending cane arrears worth Rs 12,300 crore for 2014-15 (1st Oct, 2014-15th Feb, 2015). Notably the sugar industry faced a double stroke off of higher sugarcane FRP on one hand and a lower sugar prices on the other which are the primary reason for the non-payment.
- Sugar production declined 37.50% in Tamil Nadu which produced 3.25 lakh tons of sugar in 2014-15 (1st Oct, 2014- 15th Feb, 2015) compared to 5.2 lakh tons in 2013-14 (1st Oct, 2013- 15th Feb, 2014).
- 518 sugar mills in India had produced 167.08 lakh tons of sugar till 15th Feb, 2015 for MY 2014-15 which was 15.01% higher than the production made last year during the same interval.
- The largest sugar producer, Maharashtra had churned around 65 lakh tons of sugar this season (till 15th Feb, 2015) compared to 49.8 lakh tons of sugar last year during the same corresponding period. The state also saw a surge in number of sugar mills operating from 146 last year (till 15th Feb, 2014) to 178 mills (till 15th Feb, 2015) this year.

Outlook: Sugar prices are expected to improve as the major producer Brazil had entered the intra harvest period.

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

Contract	+/-	Open	High	Low	Close
Mar-15	-18.00	2700.00	2704.00	2674.00	2677.00
May-15	-12.00	2800.00	2800.00	2776.00	2777.00
Jul-15	-12.00	2856.00	2856.00	2821.00	2821.00

Contract	Volume	Change	OI	Change
Mar-15	1,360.00	-1,010.00	23,040.00	400.00
May-15	1,130.00	-1,870.00	18,640.00	3,970.00
Jul-15	210.00	-970.00	3,090.00	-110.00

Spread	Mar-15	May-15	Jul-15
Basis	-97.00		
Mar-15		100.00	144.00
May-15			44.00

NCDEX Stock & Fed Position

Stocks	Demat	In-Process	Total	FED
	18.02.15	18.02.15	18.02.15	17.02.15
Kolhapur M	0	919	919	-
Delhi M	-	-	-	-
Belgaum M	-	-	-	-
Kolhapur S	1040	919	1959	590
Sholapur S	-	-	-	-
Sangli S	100	150	250	100
Belgaum S	1519	0	1519	470
Delhi S	-	-	-	-

NCDEX Gur Future Quotes:

Contract	+/-	Open	High	Low	Close

Contract	Volume	Change	OI	Change

Spread

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

Brazil Sugar Quotes (Kingsman US\$/MT)(As on 18.02.15)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	334.25	-
Raw Sugar C&F (\$/MT)	Black Sea	357.75	-
Sugar White FOB (\$/MT)	Santos Port	400.00	-

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	395.00	4.00

LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
15-May	396.40	397.10	391.70	395.00	-0.70
15-Aug	402.00	402.60	397.90	400.80	-0.90
15-Oct	409.20	409.40	405.60	408.40	-0.90

ICE Raw Sugar Futures (In cents/Pound)

Contract	Open	High	Low	Close	+/-
15-Mar	15.12	15.19	14.96	15.09	-0.05
15-May	15.07	15.09	14.86	15.01	-0.06
15-Jul	15.27	15.28	15.07	15.20	-0.07

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

Commodity	Centre	Prices (Rs/Qtl)		Change
		19-Feb-15	18-Feb-15	
Sugar	Delhi - Grade M	2835	2800	35
	Delhi - Grade S	2750	2720	30
	Delhi - Grade L	NA	NA	-
	UP- Khatauli Grade M	NA	NA	-
	UP- Ramala Grade M	2770	2770	Unch
	UP- Dhampur Grade M Ex-Mill	2750	2750	Unch
	UP- Dhampur Grade S Ex-Mill	2730	2730	Unch
	UP- Dhampur Grade L Ex-Mill	2800	2800	Unch
	Mumbai –Grade M	Closed	2912	-
	Mumbai –Grade S	Closed	2712	-
	Kolhapur – Grade M	Closed	2580	-
	Kolhapur – Grade S	Closed	2480	-
	Guhawati – Grade S	Closed	2781	-
	Shillong – Grade S	Closed	2800	-
	Vijayawada – Grade M	3070	3070	Unch
	Vijayawada- Grade S	2970	2970	Unch
	Nagpur – Grade M	3000	3000	Unch
	Nagpur – Grade S	2750	2800	-50

	Kolkata – Grade M	2860	2860	Unch
	Chennai - Grade S	2625	2625	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)				
		19-Feb-15	18-Feb-15	Change
Muzaffar Nagar	Chaku	2375	2375	Unch
	Arrivals	8000	7000	1000
	Khurpa	2150	2188	-38
	Laddu	2375	2350	25
	Rascut	NA	NA	-
Hapur(Seyana)	Chaurasa	2138	2130	8
	Balti	2113	2135	-22
Maharashtra	Lal Variety	2400	2400	Unch
BANGALORE	Mudde	4000	NA	-
Belgaum	Mudde	NA	NA	-
Belthangadi	Yellow (Average)	3100	3100	Unch
Bijapur	Achhu	NA	NA	-
KALABURGI/GULBARGA	Other (Average)	2700	NA	-
Mahalingapura	Penti (Average)	2493	NA	-
Mandya	Achhu (Medium)	NA	2400	-
	Kurikatu (Medium)	NA	2200	-
	Other (Medium)	NA	2250	-
	Yellow (Medium)	NA	2400	-
Shimoga	Achhu (Average)	2900	2800	100

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