

Sugar & Gur Domestic & International Fundamentals

- Mixed sentiments recorded in key sugar spot markets on Saturday despite of raw sugar export subsidy announced by Indian government. Market has not react much over this news.
- The Indian govt. approved the much awaited raw sugar export subsidy for this season 2014-15 i.e. 1st Oct, 2014- 30th Sep, 2015. Notably, the subsidy was given at a rate of Rs 4,000/ton up to a limit of 1.4 million tons to help the cash starved sugar industry in the country.
- Cyclone Marcia is expected to hit Australia today which could destruct more than 10 per cent of the Australian sugarcane crop. Notably, Australia is the third largest sugar exporter in the world after Brazil and Thailand.
- Owing to the ethanol demand by OMC's (Oil Marketing Companies), 35 sugar mills in Maharashtra had placed bid to supply 21 crore liters of ethanol in 2014-15 catering almost 65% of the total demand by firms.
- 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.
- 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.

Outlook: Sugar prices are expected to improve as the govt. announced export subsidy on raw sugar. In addition the major producer Brazil had also entered the intra harvest period and is no more left with enough sugarcane to crush.

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

Contract	+/-	Open	High	Low	Close
Mar-15					
May-15					
Jul-15					

Contract	Volume	Change	OI	Change
Mar-15				
May-15				
Jul-15				

Spread	Mar-15	May-15	Jul-15
Basis			
Mar-15			
May-15			

NCDEX Stock & Fed Position

Stocks	Demat	In-Process	Total	FED
	20.02.15	20.02.15	20.02.15	17.02.15
Kolhapur M	0	919	919	-
Delhi M	-	-	-	-
Belgaum M	0	100	100	-
Kolhapur S	1240	0	1240	590
Sholapur S	-	-	-	-
Sangli S	250	0	250	100
Belgaum S	3068	0	3038	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 20.02.15)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	326.75	-
Raw Sugar C&F (\$/MT)	Black Sea	350.25	-
Sugar White FOB (\$/MT)	Santos Port	386.00	-

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	385.40	388.20	379.10	381.00	-6.30
15-Aug	392.50	393.90	385.30	387.00	-6.40
15-Oct	399.00	399.90	393.00	395.00	-6.10

ICE Raw Sugar Futures (In cents/Pound)

Contract	Open	High	Low	Close	+/-
15-Mar	14.70	14.72	14.32	14.39	-0.29
15-May	14.60	14.68	14.25	14.32	-0.32
15-Jul	14.86	14.92	14.53	14.62	-0.27

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

Commodity	Centre	Prices (Rs/Qtl)		Change
		21-Feb-15	20-Feb-15	
Sugar	Delhi - Grade M	2830	2820	10
	Delhi - Grade S	2750	2780	-30
	Delhi - Grade L	NA	NA	-
	UP- Khatauli Grade M	2900	NA	-
	UP- Ramala Grade M	2770	2770	Unch
	UP- Dhampur Grade M Ex-Mill	2660	2660	Unch
	UP- Dhampur Grade S Ex-Mill	2640	2640	Unch
	UP- Dhampur Grade L Ex-Mill	2710	2710	Unch
	Mumbai –Grade M	2906	2910	-4
	Mumbai –Grade S	2706	2712	-6
	Kolhapur – Grade M	2575	NA	-
	Kolhapur – Grade S	2475	NA	-
	Guhawati – Grade S	2776	NA	-
	Shillong – Grade S	2795	NA	-
	Vijayawada – Grade M	3070	3070	Unch
	Vijayawada- Grade S	2970	2970	Unch

	Nagpur – Grade M	3000	3000	Unch
	Nagpur – Grade S	2750	2750	Unch
	Kolkata – Grade M	NA	2880	-
	Chennai - Grade S	2600	2600	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)				
		21-Feb-15	20-Feb-15	Change
Muzaffar Nagar	Chaku	2250	2413	-163
	Arrivals	10000	10000	Unch
	Khurpa	2100	2113	-13
	Laddu	2288	2300	-13
	Rascut	NA	NA	-
Hapur(Seyana)	Chaurasa	2125	2140	-15
	Balti	2075	2125	-50
Maharashtra	Lal Variety	2400	2400	Unch
BANGALORE	Mudde	3900	4000	-100
Belgaum	Mudde	NA	2600	-
Belthangadi	Yellow (Average)	3100	3100	Unch
Bijapur	Achhu	NA	NA	-
KALABURGI/GULBARGA	Other (Average)	2600	2525	75
Mahalingapura	Penti (Average)	NA	2380	-
Mandya	Achhu (Medium)	2400	2400	Unch
	Kurikatu (Medium)	2200	2200	Unch
	Other (Medium)	2250	2250	Unch
	Yellow (Medium)	2400	2400	Unch
Shimoga	Achhu (Average)	NA	2900	-

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