

Sugar & Gur Domestic & International Fundamentals

- Range –bound to firm tone noticed in various sugar markets on Thursday.
- The government of Tamil Nadu has kept the State Advised Price (SAP) for sugarcane unchanged at Rs.2850/ton in 2016 -17 same as that of previous year. The Sugar industry including farmers and the mill owners are not happy of the same as the decision was taken without consulting them. According to sources, the State government has to call for a tripartite meeting to arrive at viable cane pricing.
- The Kolhapur division in Maharashtra state comprising Kolhapur and Sangli districts, which accounts for 40% of total sugar production in the state is expecting around 30% decline in sugar production this year. In 2016 -17 crushing is expected to decline to 175-180 lakh metric tonnes compared to 227 lakh metric tonnes in 2015 -16 following lack of sufficient rainfall.
- India is likely to produce 23.4 million tonnes of sugar in 2016/17, down by around 7 per cent compared to previous year amid droughts in the top –producing western state of Maharashtra.
- The Egyptian government has increased the purchase price of sugar by 25 per cent according to the Ministry of Supplies. Sugar companies belonging to the Ministry of Supplies will buy local sugar cane from farmers for 500 Egyptian pounds (\$26.11) per tonne compared to 400 Egyptian pounds during the previous season.
- According to the industry group Unica, Brazil center-south cane belt produced 1.13 million tonnes of sugar in the second half of November compared with 1.37 million tonnes in the previous two –week period.

NCDEX Sugar (M grade) Future Quotes (As on 29th December, 2016)

| Contract | +/- | Open | High | Low | Close |
|----------|-----|------|------|------|-------|
| Dec-16 | - | - | - | - | - |
| Mar-17 | -7 | 3730 | 3735 | 3705 | 3725 |

| Contract | Volume | Change | OI | Change |
|----------|--------|--------|-----|--------|
| Dec-16 | - | - | - | - |
| Mar-17 | 190 | 4900 | 610 | 5030 |

| Spread | Dec-16 | Mar-17 |
|--------|--------|---------|
| Basis | - | - 25.00 |
| Dec-16 | - | - |

NCDEX Stock & Fed Position

| Stocks | Grade | Demat | In-Process | Total | FED |
|----------|-------|-----------|------------|-----------|-----------|
| | | 28-Dec-16 | 28-Dec-16 | 28-Dec-16 | 26-Dec-16 |
| Delhi | M | - | - | - | - |
| Sangli | M | - | - | - | - |
| Sholapur | M | - | - | - | - |
| Kolhapur | M | - | - | - | 30 |
| Belgaum | M | - | - | - | - |
| Delhi | S | - | - | - | - |
| Sangli | S | - | - | - | - |
| Sholapur | S | - | - | - | - |
| Kolhapur | S | 270 | 0 | 270 | 270 |
| Belgaum | S | - | - | - | - |

| ICE Sugar Futures (In Cents/Pound) | | | | | |
|------------------------------------|-------|-------|-------|-------|------|
| Contract | Open | High | Low | Close | +/- |
| Mar-17 | 18.65 | 19.13 | 18.57 | 18.99 | 0.45 |
| May-17 | 18.40 | 18.84 | 18.32 | 18.74 | 0.44 |
| Jul-17 | 18.03 | 18.48 | 18.02 | 18.39 | 0.36 |

| LIFFE Sugar Futures (In US\$/MT) | | | | | |
|----------------------------------|--------|--------|--------|--------|-------|
| Contract | Open | High | Low | Close | +/- |
| Mar-17 | 500.00 | 511.30 | 499.50 | 509.20 | 18.20 |
| May-17 | 496.40 | 505.70 | 494.90 | 503.80 | 16.30 |
| Aug-17 | 489.60 | 498.10 | 489.00 | 496.30 | 14.20 |

| Commodity | Price (\$/Ton) | Change |
|--------------------------|----------------|--------|
| Thai Sugar FOB 45 Icumsa | 509.20 | +18.20 |

| Sugar Prices at Key Spot Markets: | | | | | |
|-----------------------------------|------------|-----------------|-----------------|-----------|--------|
| Commodity | Centre | Variety | Prices (Rs/Qtl) | | Change |
| Sugar | | | 29-Dec-16 | 28-Dec-16 | |
| Delhi | Delhi | M-Grade | 3770 | 3770 | Unch |
| | Delhi | S-Grade | 3750 | 3750 | Unch |
| Uttar Pradesh | Khatauli | M-Grade | 3762 | 3765 | -3 |
| | Ramala | M-Grade | NA | NA | - |
| | Dhampur | M-Grade Ex-Mill | 3720 | 3600 | 120 |
| | Dhampur | S-Grade Ex-Mill | 3600 | 3600 | Unch |
| | Dhampur | L-Grade Ex-Mill | 3770 | 3650 | 120 |
| Maharashtra | Mumbai | M-Grade | 3862 | 3865 | -3 |
| | Mumbai | S-Grade | 3676 | 3680 | -4 |
| | Nagpur | M-Grade | 3825 | 3775 | 50 |
| | Nagpur | S-Grade | 3725 | 3675 | 50 |
| | Kolhapur | M-Grade | 3700 | 3650 | 50 |
| | Kolhapur | S-Grade | 3600 | 3550 | 50 |
| Assam | Guhawati | S-Grade | 3918 | 3867 | 51 |
| Meghalaya | Shillong | S-Grade | 3920 | 3870 | 50 |
| Andhra Pradesh | Vijayawada | M-Grade | 4000 | 4000 | Unch |
| | Vijayawada | S-Grade | 3900 | 3900 | Unch |

| | | | | | |
|-------------|-----------|------------------------|------|------|------|
| West Bengal | Kolkata | M-Grade | 3930 | 3930 | Unch |
| Tamil Nadu | Chennai | S-Grade | 3530 | 3500 | 30 |
| Chattisgarh | Ambikapur | M-Grade (Without Duty) | NR | NR | - |
| | Ambikapur | S-Grade (Without Duty) | NR | NR | - |

Sugar Prices are in INR/Quintal. (1 Quintal=100 kg)

| Jaggery (Gur) Prices at Key Spot Markets: | | | | | |
|---|---------------|--------------------------|-----------------|-----------|--------|
| Commodity | Centre | Variety | Prices (Rs/Qtl) | | Change |
| Jaggery(Gur) | | | 29-Dec-16 | 28-Dec-16 | |
| Uttar Pradesh | Muzaffarnagar | ChakuSukha(Cold) | 2975 | 2975 | Unch |
| | Muzaffarnagar | Chaku(Arrival)(40kg Bag) | 8000 | 8000 | Unch |
| | Muzaffarnagar | Khurpa (Fresh) | 2900 | 2763 | 137 |
| | Muzaffarnagar | Laddoo (Fresh) | 3075 | 3047 | 28 |
| | Muzaffarnagar | Rascut (Fresh) | 2500 | 2495 | 5 |
| | Hapur | Chaurasa | 2625 | 2600 | 25 |
| | Hapur | Balti | 2750 | 2800 | -50 |
| Maharashtra | Latur | Lal Variety | NR | NR | - |
| Karnataka | Bangalore | Mudde (Average) | 4550 | NA | - |
| | Belgaum | Mudde (Average) | 3200 | NA | - |
| | Belthangadi | Yellow (Average) | NA | NA | - |
| | Bijapur | Achhu | NA | NA | - |
| | Gulbarga | Other (Average) | NA | 3240 | - |
| | Mahalingapura | Penti (Average) | NA | 3636 | - |
| | Mandya | Achhu (Medium) | NA | 3500 | - |
| | Mandya | Kurikatu (Medium) | NA | 3400 | - |
| | Mandya | Other (Medium) | NA | 3350 | - |
| | Mandya | Yellow (Medium) | NA | 3500 | - |
| | Shimoga | Achhu (Average) | NA | NA | - |

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.php>
© 2016 Indian Agribusiness Systems Pvt Ltd.