

Sugar & Gur Domestic & International Fundamentals

- Domestic sugar prices rose up as there are cues that the Indian government could consider debt restructuring for the sugar sector.
- The Central government is unlikely to lower import duty on sugar. The export duty imposed this year in June has been able to contain exports and ensure adequate availability of sugar in the domestic market according to government sources. With estimated domestic production of 22-23 million tonnes in the 2016-17 season (starting October), the likely shortfall of 2-3 million tonnes could be managed by carryover stocks if exports do not take place.
- 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.
- 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.

NCDEX Sugar (M grade) Future Quotes (At 05:15 p.m.)

Contract	+/-	Open	High	Low	Close
Mar-17	+13.00	3850.00	3878.00	3800.00	3787.00
May-17	+5.00	3802.00	3802.00	3795.00	3790.00

Contract	Volume	Change	OI	Change
Mar-17	1,360.00	110.00	5,170.00	210.00
May-17	30.00	20.00	50.00	0.00

Spread	Dec-16	Mar-17
Basis	13	10
Dec-16		-3

NCDEX Stock & Fed Position

Stocks	Grade	Demat	In-Process	Total	FED
		2-Jan-17	2-Jan-17	2-Jan-17	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	19.58	19.69	19.40	19.51	0.02
May-17	19.23	19.41	19.13	19.25	0.03
Jul-17	18.75	18.99	18.75	18.85	0.04

LIFFE Sugar Futures (In US\$/MT)					
Contract	Open	High	Low	Close	+/-
Mar-17	521.30	524.70	520.00	524.20	3.30
May-17	516.10	518.30	514.00	518.00	2.70
Aug-17	508.20	509.50	506.90	509.50	2.70

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			3-Jan-17	2-Jan-17	
Delhi	Delhi	M-Grade	3900	3875	25
	Delhi	S-Grade	3880	3855	25
Uttar Pradesh	Khatauli	M-Grade	3850	3850	Unch
	Ramala	M-Grade	NA	NA	-
	Dhampur	M-Grade Ex-Mill	3800	NA	-
	Dhampur	S-Grade Ex-Mill	3800	NA	-
	Dhampur	L-Grade Ex-Mill	3850	NA	-
Maharashtra	Mumbai	M-Grade	3980	3920	60
	Mumbai	S-Grade	3710	3742	-32
	Nagpur	M-Grade	3925	3840	85
	Nagpur	S-Grade	3825	3740	85
	Kolhapur	M-Grade	3800	3715	85
	Kolhapur	S-Grade	3700	3615	85
Assam	Guhawati	S-Grade	4019	3933	86
Meghalaya	Shillong	S-Grade	4020	3935	85
Andhra Pradesh	Vijayawada	M-Grade	4000	4000	Unch
	Vijayawada	S-Grade	3900	3900	Unch
West Bengal	Kolkata	M-Grade	4010	NA	-

Tamil Nadu	Chennai	S-Grade	3575	3550	25
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)			3-Jan-17	2-Jan-17	
Uttar Pradesh	Muzaffarnagar	ChakuSukha(Cold)	3020	3005	15
	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	6000	10000	-4000
	Muzaffarnagar	Khurpa (Fresh)	2825	2755	70
	Muzaffarnagar	Laddoo (Fresh)	3093	3075	18
	Muzaffarnagar	Rascut (Fresh)	2523	2503	21
	Hapur	Chaurasa	2725	Closed	-
	Hapur	Balti	2850	Closed	-
Maharashtra	Latur	Lal Variety	NR	NR	-
Karnataka	Bangalore	Mudde (Average)	4400	NA	-
	Belgaum	Mudde (Average)	NA	3300	-
	Belthangadi	Yellow (Average)	NA	NA	-
	Bijapur	Achhu	3525	3580	-55
	Gulbarga	Other (Average)	3620	NA	-
	Mahalingapura	Penti (Average)	3651	NA	-
	Mandya	Achhu (Medium)	NA	3500	-
	Mandya	Kurikatu (Medium)	NA	3400	-
	Mandya	Other (Medium)	NA	3400	-
	Mandya	Yellow (Medium)	NA	3550	-
	Shimoga	Achhu (Average)	NA	NA	-

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