

## Sugar & Gur Domestic & International Fundamentals

### Recent updates

- Indian Sugar Mills Association (ISMA) has asked the government preferential duty structure from Bangladesh and Sri Lanka for Indian sugar. Sugar is expected to be surplus in India this year on account of higher output estimates in 2017 -18. Bangladesh levys import duty of USD 150 per tonne on sugar, Sri Lanka imposes USD 100 per tonne. The two neighbours import about 25-30 lakh tonnes of sweetener annually according to ISMA.

### Previous updates

- Sugarcane crushing in Maharashtra has risen to 166.55 lakh tonnes against previous season's 104.11 Lakh tonnes. Sugar production increased to 154.99 lakh quintals from 99.11 lakh quintals registered last year.
- According to Sugar Mills Association (ISMA) has projected increase in sugar off take and improvement in market sentiments in next few weeks as it believes that the government has decided not to continue with stock holding limit on traders beyond December 31, 2017 which was implemented in April 2016.
- Due to good monsoon rain this year, sugar mills in Maharashtra have reported about 60 per cent increase in sugarcane crushing and a 56 per cent jump in sugar production over last year.
- The Indian Sugar Mills Association (ISMA) estimates the average cost of producing sugar in the 2017-18 season at Rs 3,300-3,350 a quintal.
- Private mills in Uttar Pradesh are selling sugar in distress to clear their cane arrears to farmers.
- Crushing units in Maharashtra have sold their new season's output at low prices to meet their daily expenses. The benchmark M-30 variety of sugar has declined by over 3 per cent in November to trade now at Rs 3,694 per quintal in the Vashi Agricultural Produce Market Committee wholesale market.
- As per the latest UNICA report Brazil's main C.S region produced 1.88 MMT of sugar in the second half of October, 2017 which was 4.80 per cent lower than the sugar crushed in the first half of October, 2017.
- India's sugar production in first 45 days of the crushing season rose by 79.01% as the country produced 13.73 LT of sugar in 2017-18( 01<sup>st</sup> October,2017-15<sup>th</sup> November,2017) compared to 7.67 LT of production made in 2016-17(01<sup>st</sup> October,2016-15<sup>th</sup> November,2016).
- Sugar production in Maharashtra rose by 69.8% as the state produced 3.26 LT of sugar in 2017-18(01<sup>st</sup> October,2017-15<sup>th</sup> November,2017) compared to 1.92 LT in the period 01<sup>st</sup> October,2016 to 15<sup>th</sup> November,2016.
- Karnataka has produced 3.76 LT of sugar in current year (01<sup>st</sup> October,2017-15<sup>th</sup> November,2017) which is the same as last year during the same period.
- As per the Agriwatch estimate India is expected to produce 252 lakh tonnes (LT) of sugar in 2017-18 (01<sup>st</sup> October, 2017 – 30<sup>th</sup> September, 2018).

### NCDEX Sugar (M grade) Future Quotes (At 05:00 p.m. as on 13-12-2017)

Contract	+/-	Open	High	Low	Close
Dec-17	-101	3368	3368	3267	3267

Contract		Volume
Dec-17		
<b>Spread</b>		
Basis		
Dec-17	-18	

NCDEX Stock & Fed Position					
Stocks	Grade	Demat	In-Process	Total	FED
		13-Dec-17	13-Dec-17	13-Dec-17	11-Dec-17
Delhi	M	-	-	-	-
Sangli	M	-	-	-	-
Sholapur	M	-	-	-	-
Kolhapur	M	-	-	-	-
Belgaum	M	-	-	-	-
Delhi	S	-	-	-	-
Sangli	S	-	-	-	-
Sholapur	S	-	-	-	-
Kolhapur	S	-	-	-	-
Belgaum	S	-	-	-	-

Sugar Futures ICE& LIFFE as on 8 <sup>th</sup> December,2017					
ICE Sugar Futures (In Cents/Pound)					
Contract	Open	High	Low	Close	+/-
Mar-18	13.93	14.02	13.75	13.85	0.08
May-18	13.83	13.90	13.64	13.70	0.01
July-18	13.89	13.93	13.68	13.73	-0.02
LCE Sugar Futures (In US\$/MT)					
Contract	Open	High	Low	Close	+/-
Mar-18	364.50	367.20	362.30	363.90	2.00
May-18	365.80	367.40	362.10	363.60	1.00
Aug-18	371.40	371.80	365.80	367.20	-0.20

Commodity	Price (\$/Ton)	Change
Thai Sugar FOB 45 Icumsa	363.90	+2.00

Sugar Prices at Key Spot Markets:					
Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
Sugar			14-Dec-17	13-Dec-17	
Delhi	Delhi	M-Grade	3455	3460	-5
	Delhi	S-Grade	3435	3440	-5
Uttar Pradesh	Khatauli	M-Grade	3523	3523	Unch
	Ramala	M-Grade	NA	NA	-
	Dhampur	M-Grade Ex-Mill	3375	3375	Unch
	Dhampur	S-Grade Ex-Mill	3355	3355	Unch
	Dhampur	L-Grade Ex-Mill	3425	3425	Unch
Maharashtra	Mumbai	M-Grade	3610	3610	Unch
	Mumbai	S-Grade	3360	3370	-10
	Nagpur	M-Grade	3375	3375	Unch
	Nagpur	S-Grade	3275	3275	Unch
	Kolhapur	M-Grade	3250	3250	Unch
	Kolhapur	S-Grade	3150	3150	Unch
Assam	Guhawati	S-Grade	3461	3461	Unch
Meghalaya	Shillong	S-Grade	3470	3470	Unch
Andhra Pradesh	Vijayawada	M-Grade	3720	3700	20
	Vijayawada	S-Grade	3660	3660	Unch
West Bengal	Kolkata	M-Grade	3740	3775	-35
Tamil Nadu	Chennai	S-Grade	3650	3650	Unch
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)			14-Dec-17	13-Dec-17	
Uttar Pradesh	Muzaffarnagar	Chaku Sukha(Cold)	2855	2855	Unch
	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	4000	6000	-2000
	Muzaffarnagar	Khurpa (Fresh)	2680	2675	5
	Muzaffarnagar	Laddoo (Fresh)	2988	2963	25
	Muzaffarnagar	Rascut (Fresh)	2200	2213	-13
	Hapur	Chaurasa	2500	2550	-50
	Hapur	Balti	2500	2500	Unch
Maharashtra	Latur	Lal Variety	NR	NR	-
Karnataka	Bangalore	Mudde (Average)	4900	4900	Unch
	Belgaum	Mudde (Average)	NA	NA	-
	Belthangadi	Yellow (Average)	NA	NA	-

Bijapur/Vijayapura	Achhu	3365	NA	-
Gulbarga/Kalaburgi	Other (Average)	3540	3350	190
Mahalingapura	Penti (Average)	NA	3475	-
Mandya	Achhu (Medium)	3450	3500	-50
Mandya	Kurikatu (Medium)	3300	3300	Unch
Mandya	Other (Medium)	3250	3300	-50
Mandya	Yellow (Medium)	3650	3700	-50
Shimoga/Shivamogga	Achhu (Average)	NA	3800	-

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