

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(01st October,2017-15th November,2017) compared to 7.67 LT of production made in 2016-17(01st October,2016-15th November,2016).
- Sugar production in Maharashtra rose by 69.8% as the state produced 3.26 LT of sugar in 2017-18(01st October,2017-15th November,2017) compared to 1.92 LT in the period 01st October,2016 to 15th November,2016.
- Karnataka has produced 3.76 LT of sugar in current year (01st October,2017-15th 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 (01st October, 2017 – 30th September, 2018).

NCDEX Sugar (M grade) Future Quotes (At 05:00 p.m. as on 15-12-2017)

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

Contract		Volume
Dec-17		

Spread	
Basis	
Dec-17	-18

NCDEX Stock & Fed Position					
Stocks	Grade	Demat	In-Process	Total	FED
		15-Dec-17	15-Dec-17	15-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 15 th December,2017					
ICE Sugar Futures (In Cents/Pound)					
Contract	Open	High	Low	Close	+/-
Mar-18	13.81	13.94	13.64	13.66	-0.11
May-18	13.66	13.76	13.49	13.52	-0.10
July-18	13.73	13.76	13.54	13.57	-0.11
LCE Sugar Futures (In US\$/MT)					
Contract	Open	High	Low	Close	+/-
Mar-18	362.60	364.90	360.30	360.50	-1.00
May-18	362.90	364.80	360.30	360.60	-1.20
Aug-18	365.80	367.40	363.10	363.40	-1.20

Commodity	Price (\$/Ton)	Change
Thai Sugar FOB 45 Icumsa	361.50	-2.40

Sugar Prices at Key Spot Markets:					
Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
Sugar			16-Dec-17	15-Dec-17	
Delhi	Delhi	M-Grade	3445	3455	-10
	Delhi	S-Grade	3425	3435	-10
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	3596	3610	-14
	Mumbai	S-Grade	3342	3350	-8
	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	3720	Unch
	Vijayawada	S-Grade	3660	3660	Unch
West Bengal	Kolkata	M-Grade	3750	3740	10
Tamil Nadu	Chennai	S-Grade	3600	3650	-50
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)			16-Dec-17	15-Dec-17	
Uttar Pradesh	Muzaffarnagar	ChakuSukha(Cold)	2813	2820	-7
	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	5000	5000	Unch
	Muzaffarnagar	Khurpa (Fresh)	2670	2675	-5
	Muzaffarnagar	Laddoo (Fresh)	2910	2950	-40
	Muzaffarnagar	Rascut (Fresh)	2225	2275	-50
	Hapur	Chaurasa	2450	2500	-50
	Hapur	Balti	2425	2500	-75
Maharashtra	Latur	Lal Variety	NR	NR	-
Karnataka	Bangalore	Mudde (Average)	4900	4900	Unch
	Belgaum	Mudde (Average)	3800	3700	100
	Belthangadi	Yellow (Average)	NA	NA	-
	Bijapur/Vijayapura	Achhu	NA	3220	-

	Gulbarga/Kalaburgi	Other (Average)	NA	NA	-
	Mahalingapura	Penti (Average)	NA	3478	-
	Mandya	Achhu (Medium)	3400	3450	-50
	Mandya	Kurikatu (Medium)	3300	3300	Unch
	Mandya	Other (Medium)	3250	3300	-50
	Mandya	Yellow (Medium)	3700	3650	50
	Shimoga/Shivamogga	Achhu (Average)	NA	3800	-

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