

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 18-12-2017)

Contract	+/-	Open	High	Low	Close
Dec-17	0	3328	3328	3328	3328

Contract		Volume
Dec-17		
Spread		
Basis		
Dec-17	-18	

NCDEX Stock & Fed Position					
Stocks	Grade	Demat	In-Process	Total	FED
		16-Dec-17	16-Dec-17	16-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			18-Dec-17	16-Dec-17	
Delhi	Delhi	M-Grade	3458	3445	13
	Delhi	S-Grade	3438	3425	13
Uttar Pradesh	Khatauli	M-Grade	3484	3523	-39
	Ramala	M-Grade	NA	NA	-
	Dhampur	M-Grade Ex-Mill	3400	3375	25
	Dhampur	S-Grade Ex-Mill	3380	3355	25
	Dhampur	L-Grade Ex-Mill	3450	3425	25
Maharashtra	Mumbai	M-Grade	3580	3596	-16
	Mumbai	S-Grade	3340	3342	-2
	Nagpur	M-Grade	3300	3375	-75
	Nagpur	S-Grade	3200	3275	-75
	Kolhapur	M-Grade	3175	3250	-75
	Kolhapur	S-Grade	3075	3150	-75
Assam	Guhawati	S-Grade	3385	3461	-76
Meghalaya	Shillong	S-Grade	3395	3470	-75
Andhra Pradesh	Vijayawada	M-Grade	3700	3720	-20
	Vijayawada	S-Grade	3640	3660	-20
West Bengal	Kolkata	M-Grade	3700	3750	-50
Tamil Nadu	Chennai	S-Grade	3550	3600	-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)			18-Dec-17	16-Dec-17	
Uttar Pradesh	Muzaffarnagar	ChakuSukha(Cold)	2855	2813	42
	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	6000	5000	1000
	Muzaffarnagar	Khurpa (Fresh)	2655	2670	-15
	Muzaffarnagar	Laddoo (Fresh)	2913	2910	3
	Muzaffarnagar	Rascut (Fresh)	2225	2225	Unch
	Hapur	Chaurasa	Closed	2450	-
	Hapur	Balti	Closed	2425	-
Maharashtra	Latur	Lal Variety	NR	NR	-
Karnataka	Bangalore	Mudde (Average)	4900	4900	Unch
	Belgaum	Mudde (Average)	3800	3800	Unch

Belthangadi	Yellow (Average)	NA	NA	-
Bijapur/Vijayapura	Achhu	NA	NA	-
Gulbarga/Kalaburgi	Other (Average)	NA	3500	-
Mahalingapura	Penti (Average)	NA	NA	-
Mandya	Achhu (Medium)	3300	3400	-100
Mandya	Kurikatu (Medium)	3300	3300	Unch
Mandya	Other (Medium)	3200	3250	-50
Mandya	Yellow (Medium)	3500	3700	-200
Shimoga/Shivamogga	Achhu (Average)	NA	3800	-

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