

Sugar & Gur Domestic & International Fundamentals

Recent updates

- Sugar Mills have produced 69.40 lakh tonne of sugar till December 15 of the 2017-18 marketing year as compared to 53.46 lakh tonne in the corresponding period of the previous year.
- Sugar millers want a reduction of export duty on sugar to zero as well as a total import ban on the sweetener. These, the millers said, were necessary in view of the decision of Pakistan to provide export subsidy to 15 lakh tones of sugar, which they say, will eat up India's traditional market of Bangladesh.

Previous 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.
- 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).

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
		18-Dec-17	18-Dec-17	18-Dec-17	18-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 18 th December,2017					
ICE Sugar Futures (In Cents/Pound)					
Contract	Open	High	Low	Close	+/-
Mar-18	13.76	13.96	13.71	13.76	0.10
May-18	13.63	13.8	13.61	13.64	0.12
July-18	13.64	13.84	13.64	13.71	0.14
LCE Sugar Futures (In US\$/MT)					
Contract	Open	High	Low	Close	+/-
Mar-18	363.80	365.20	361.40	362.00	1.50
May-18	363.90	365.60	361.90	362.20	1.60
Aug-18	366.90	369.10	366.00	366.10	2.70

Commodity	Price (\$/Ton)	Change
Thai Sugar FOB 45 Icumsa	362.60	-0.80

Sugar Prices at Key Spot Markets:					
Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
Sugar			19-Dec-17	18-Dec-17	
Delhi	Delhi	M-Grade	3448	3458	-10
	Delhi	S-Grade	3428	3438	-10
Uttar Pradesh	Khatauli	M-Grade	3464	3484	-20
	Ramala	M-Grade	NA	NA	-
	Dhampur	M-Grade Ex-Mill	3400	3400	Unch
	Dhampur	S-Grade Ex-Mill	3380	3380	Unch
	Dhampur	L-Grade Ex-Mill	3450	3450	Unch
Maharashtra	Mumbai	M-Grade	3580	3580	Unch
	Mumbai	S-Grade	3320	3340	-20
	Nagpur	M-Grade	3300	3300	Unch
	Nagpur	S-Grade	3200	3200	Unch
	Kolhapur	M-Grade	3175	3175	Unch
	Kolhapur	S-Grade	3075	3075	Unch
Assam	Guhawati	S-Grade	3385	3385	Unch
Meghalaya	Shillong	S-Grade	3395	3395	Unch
Andhra Pradesh	Vijayawada	M-Grade	3700	3700	Unch
	Vijayawada	S-Grade	3640	3640	Unch
West Bengal	Kolkata	M-Grade	3700	3700	Unch
Tamil Nadu	Chennai	S-Grade	3580	3550	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)			19-Dec-17	18-Dec-17	
Uttar Pradesh	Muzaffarnagar	ChakuSukha(Cold)	2888	2855	33
	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	5000	6000	-1000
	Muzaffarnagar	Khurpa (Fresh)	2683	2655	28
	Muzaffarnagar	Laddoo (Fresh)	2945	2913	33
	Muzaffarnagar	Rascut (Fresh)	2225	2225	Unch
	Hapur	Chaurasa	2550	Closed	-
	Hapur	Balti	2525	Closed	-
Maharashtra	Latur	Lal Variety	NR	NR	-
Karnataka	Bangalore	Mudde (Average)	4900	4900	Unch
	Belgaum	Mudde (Average)	NA	3800	-
	Belthangadi	Yellow (Average)	NA	NA	-

Bijapur/Vijayapura	Achhu	NA	NA	-
Gulbarga/Kalaburgi	Other (Average)	3540	NA	-
Mahalingapura	Penti (Average)	3465	NA	-
Mandya	Achhu (Medium)	3350	3300	50
Mandya	Kurikatu (Medium)	3300	3300	Unch
Mandya	Other (Medium)	3250	3200	50
Mandya	Yellow (Medium)	3500	3500	Unch
Shimoga/Shivamogga	Achhu (Average)	3900	3900	Unch

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