

Sugar & Gur Domestic & International Fundamentals

Recent updates

- Mexico's sugar mills produced 197,425 tonnes of sugar, tel quel, in the week to December 16, up sharply from 149,390 in the same week last year.
- A surge in EU sugar production this year after the scrapping of output quotas will tail off in the coming decade as the market faces lower prices, consumer health concerns and competition from rival sweetener isoglucose, the EU Commission said.
- The government's Commodity Supply Corporation (Conab) raised its estimate for the Brazil's total sugar production in the current 2017/18 crop year fractionally to 39.46 mln tonnes, tel quel, from 39.39 mln in August, which would be up 2.0% from 38.6.
- Thailand's 2017/18 sugarcane crush continues to ramp up fast with 42 mills operational as of December 15, up from 30 a week earlier and compared with 35 at the same time last year, industry data showed. Total cane crushing has now reached 6.366 mln tonnes, up sharply from 2.248 mln crushed by the same time last year. Sugar output has reached 496,414 tonnes, raw value, compared with only 138,948 tonnes produced by the same day a year ago.(www.agra-net.com)

Previous updates

- The total sugar production this year is estimated to be around 249 lakh tonnes against estimated consumption requirement of about 250 lakh tonnes, an official statement said on Tuesday.
- Given the current comfortable position of production and in order to further smoothen the supply chain for easy availability of sugar in all regions, the government has withdrawn stock holding and turnover limits on dealers of sugar with immediate effect.
- 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.
- 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.

NCDEX Sugar (M grade) Future Quotes (At 05:00 p.m. as on 22-12-2017)

Contract	+/-	Open	High	Low	Close
Mar-18	0	3270	3270	3270	3270

Contract	Volume
Mar-18	
Spread	
Basis	
Mar-18	

NCDEX Stock & Fed Position					
Stocks	Grade	Demat	In-Process	Total	FED
		21-Dec-17	21-Dec-17	21-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 21 th December,2017					
ICE Sugar Futures (In Cents/Pound)					
Contract	Open	High	Low	Close	+/-
Mar-18	14.59	14.82	14.41	14.77	0.20
May-18	14.41	14.65	14.24	14.61	0.21
July-18	14.47	14.70	14.30	14.68	0.20
LCE Sugar Futures (In US\$/MT)					
Contract	Open	High	Low	Close	+/-
Mar-18	382.50	387.60	378.90	386.90	5.60
May-18	381.00	385.60	377.20	384.90	4.60
Aug-18	384.80	388.20	380.70	387.80	4.00

Commodity	Price (\$/Ton)	Change
Thai Sugar FOB 45 Icumsa	383.00	-

Sugar Prices at Key Spot Markets:					
Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
Sugar			22-Dec-17	21-Dec-17	
Delhi	Delhi	M-Grade	3420	3438	-18
	Delhi	S-Grade	3400	3418	-18
Uttar Pradesh	Khatauli	M-Grade	3420	3430	-10
	Ramala	M-Grade	NA	NA	-
	Dhampur	M-Grade Ex-Mill	3350	3350	Unch
	Dhampur	S-Grade Ex-Mill	3330	3330	Unch
	Dhampur	L-Grade Ex-Mill	3400	3400	Unch
Maharashtra	Mumbai	M-Grade	3576	3576	Unch
	Mumbai	S-Grade	3300	3300	Unch
	Nagpur	M-Grade	3325	3325	Unch
	Nagpur	S-Grade	3225	3225	Unch
	Kolhapur	M-Grade	3200	3200	Unch
	Kolhapur	S-Grade	3100	3100	Unch
Assam	Guhawati	S-Grade	3410	3410	Unch
Meghalaya	Shillong	S-Grade	3420	3420	Unch
Andhra Pradesh	Vijayawada	M-Grade	3700	3700	Unch
	Vijayawada	S-Grade	3640	3640	Unch
West Bengal	Kolkata	M-Grade	3670	3670	Unch
Tamil Nadu	Chennai	S-Grade	3580	3580	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)			22-Dec-17	21-Dec-17	
Uttar Pradesh	Muzaffarnagar	ChakuSukha(Cold)	2803	2850	-48
	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	4000	7000	-3000
	Muzaffarnagar	Khurpa (Fresh)	2713	2700	13
	Muzaffarnagar	Laddoo (Fresh)	2963	2963	Unch
	Muzaffarnagar	Rascut (Fresh)	2225	2225	Unch
	Hapur	Chaurasa	2550	2550	Unch
	Hapur	Balti	2525	2525	Unch
Maharashtra	Latur	Lal Variety	NR	NR	-
Karnataka	Bangalore	Mudde (Average)	4900	4900	Unch
	Belgaum	Mudde (Average)	3700	3700	Unch
	Belthangadi	Yellow (Average)	NA	NA	-

Bijapur/Vijayapura	Achhu	3330	3295	35
Gulbarga/Kalaburgi	Other (Average)	NA	3550	-
Mahalingapura	Penti (Average)	NA	3414	-
Mandya	Achhu (Medium)	3300	3300	Unch
Mandya	Kurikatu (Medium)	3300	3300	Unch
Mandya	Other (Medium)	3150	3150	Unch
Mandya	Yellow (Medium)	3300	3450	-150
Shimoga/Shivamogga	Achhu (Average)	3900	3900	Unch

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