

Sugar & Gur Domestic & International Fundamentals

Recent updates

- On Friday, cooperative and private millers from Maharashtra held a meeting to discuss the various issues plaguing the sector. BB Thombare, president of the Western India Sugar Mills Association (WISMA) - the apex body of private millers in Maharashtra - said they have decided to meet the chief minister early in January to discuss the issues. In view of the falling prices, payment of the fair and remunerative price (FRP) to the growers is becoming a major issue for us. Unless there are some policy level tweaks, the mills will soon not be in a position to pay the growers.
- Raw sugar futures on ICE were slightly lower on Friday, putting the market on course for an annual loss of around 23 percent, weighed down by rising global production.

Previous updates

- Sugar prices at mill level further dropped by ₹20 a quintal on normal bulk demand. At the Vashi market, prices ruled flat but *naka* rates declined by ₹70 as old stocks were resold with heavy discount.
- Sugar prices dropped by Rs 50 per quintal at the wholesale market in the national capital today following mounting of stocks on relentless supplies from mills amid selective buying.
- Despite removal of stock limit on sugar on Tuesday, sugar prices have not improved much. Lack of demand due to winter season and expectations of higher production are keeping prices subdued. Sugar prices have declined by Rs 3-4 per kg during past two months.
- Ethanol supplies by sugar mills and by ethanol producers finalised for the supply period 2017-2018 [December to November] will be 140 crore litres. This is 26% higher than the supply of 111 crore litres in 2015-2016. Ethanol supplies finalised last year were 66.5 crore litres.
- 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)

NCDEX Sugar (M grade) Future Quotes (At 05:00 p.m. as on 02-01-2018)

Contract	+/-	Open	High	Low	Close
C1	0	3270	3260	3173	3180
Volume					

Contract
Mar-18
Spread
Basis
Mar-18

NCDEX Stock & Fed Position					
Stocks	Grade	Demat	In-Process	Total	FED
		27-Dec-17	27-Dec-17	27-Dec-17	23-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 29 th December,2017					
ICE Sugar Futures (In Cents/Pound)					
Contract	Open	High	Low	Close	+/-
Mar-18	14.90	15.18	14.89	15.16	0.16
May-18	14.79	15.04	14.77	15.02	0.15
July-18	14.87	15.05	14.81	15.04	0.13
LCE Sugar Futures (In US\$/MT)					
Contract	Open	High	Low	Close	+/-
Mar-18	393.00	395.00	392.70	394.70	0.90
May-18	391.50	393.70	391.30	393.20	0.90
Aug-18	393.30	395.10	393.30	394.70	0.60

Commodity	Price (\$/Ton)	Change
Thai Sugar FOB 45 Icumsa	393.50	2.6

Sugar Prices at Key Spot Markets:					
Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
Sugar			2-Jan-18	30-Dec-17	
Delhi	Delhi	M-Grade	3500	3490	10
	Delhi	S-Grade	3480	3470	10
Uttar Pradesh	Khatauli	M-Grade	3395	3384	11
	Ramala	M-Grade	NA	NA	-
	Dhampur	M-Grade Ex-Mill	3290	3250	40
	Dhampur	S-Grade Ex-Mill	3270	3230	40
	Dhampur	L-Grade Ex-Mill	3340	3300	40
Maharashtra	Mumbai	M-Grade	3550	3570	-20
	Mumbai	S-Grade	3290	3270	20
	Nagpur	M-Grade	3275	3225	50
	Nagpur	S-Grade	3175	3125	50
	Kolhapur	M-Grade	3150	3100	50
	Kolhapur	S-Grade	3050	3000	50
Assam	Guhawati	S-Grade	3360	3309	51
Meghalaya	Shillong	S-Grade	3370	3320	50
Andhra Pradesh	Vijayawada	M-Grade	3700	3700	Unch
	Vijayawada	S-Grade	3640	3640	Unch
West Bengal	Kolkata	M-Grade	3670	3650	20
Tamil Nadu	Chennai	S-Grade	3650	3500	150
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)			2-Jan-18	30-Dec-17	
Uttar Pradesh	Muzaffarnagar	Chaku Sukha(Cold)	2703	2678	25
	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	6000	5000	1000
	Muzaffarnagar	Khurpa (Fresh)	2550	2540	10
	Muzaffarnagar	Laddoo (Fresh)	2825	2763	63
	Muzaffarnagar	Rascut (Fresh)	2213	2175	38
	Hapur	Chaurasa	2500	2450	50
	Hapur	Balti	2550	2500	50
Maharashtra	Latur	Lal Variety	NR	NR	-
Karnataka	Bangalore	Mudde (Average)	4850	4900	-50
	Belgaum	Mudde (Average)	NA	3400	-
	Belthangadi	Yellow (Average)	NA	NA	-
	Bijapur/Vijayapura	Achhu	NA	NA	-

	Gulbarga/Kalaburgi	Other (Average)	3540	3440	100
	Mahalingapura	Penti (Average)	3309	NA	-
	Mandya	Achhu (Medium)	NA	3350	-
	Mandya	Kurikatu (Medium)	NA	3200	-
	Mandya	Other (Medium)	NA	3200	-
	Mandya	Yellow (Medium)	NA	3350	-
	Shimoga/Shivamogga	Achhu (Average)	NA	NA	-

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