

Sugar & Gur Domestic & International Fundamentals

Recent updates

- Millers from Maharashtra have been demanding that the government create a buffer stock of 2 million tonnes (mt) to arrest the slide in prices of the sweetener. Sugar mills have also urged the government not to consider any imports from Pakistan, which had earlier this year, allowed export of 1.5 mt sugar with a freight subsidy of 10.70 Pakistani rupee per kg (1 Pakistani rupee is 0.61 Indian rupee). During the meeting, the industry may seek removal of export duty of 20 per cent on sugar.

Previous updates

- The sugar sector seems to be heading back into troubled waters in 2018. A record increase in sugar production during the current season has steadily depressed prices in the domestic market.
- Figures from the Indian Sugar Mills Association show that the country's sugar output increased by a sharp 26 per cent to 10.33 million tonnes in the October-December period of the current season compared to 8.19 million tonnes in the corresponding period of last year.
- Domestic wholesale prices were trading 8-10 per cent lower than October-November 2017 average prices at Rs 34.5 a kg mainly due to higher availability of sugar in initial months of crushing against lower consumption demand during winter.
- There was no improvement in sugar prices after the removal existing stock limits by the government in December last year.
- Sugar output in Uttar Pradesh has increased to 38.80 lakh tonnes in October-December of this season from 26.78 lakh tonnes in the year-ago period. The average recovery rate of the sweetener remained higher in the state at 10.15 per cent.
- In Maharashtra, the output rose to 38.24 lakh tonnes from 25.35 lakh tonnes in the said period. The sugar recovery stood at 10.23 per cent.
- Production in Karnataka, the third biggest producer, rose to 16.17 lakh tonnes in October-December this year from 15.43 lakh tonnes last year.

NCDEX Sugar (M grade) Future Quotes (At 05:00 p.m. as on 08-01-2018)

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

Contract	Volume
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Spread
Basis

NCDEX Stock & Fed Position					
Stocks	Grade	Demat	In-Process	Total	FED
		6-Jan-18	6-Jan-18	6-Jan-18	1-Jan-18
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 5 th January 2018					
ICE Sugar Futures (In Cents/Pound)					
Contract	Open	High	Low	Close	+/-
Mar-18	15.18	15.24	14.98	15.08	-0.17
May-18	15.09	15.15	14.91	15.02	-0.14
July-18	15.15	15.18	14.96	15.08	-0.11
LCE Sugar Futures (In US\$/MT)					
Contract	Open	High	Low	Close	+/-
Mar-18	396.00	399.70	394.70	396.70	-2.00
May-18	393.70	397.10	392.40	394.80	-1.90
Aug-18	396.70	399.50	395.70	397.60	-2.00

Commodity	Price (\$/Ton)	Change
Thai Sugar FOB 45 Icumsa	396.40 394.80	-1.6

Sugar Prices at Key Spot Markets:					
Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
Sugar			8-Jan-18	6-Jan-18	
Delhi	Delhi	M-Grade	3349	3420	-71
	Delhi	S-Grade	3329	3400	-71
Uttar Pradesh	Khatauli	M-Grade	3410	3410	Unch
	Ramala	M-Grade	NA	NA	-
	Dhampur	M-Grade Ex-Mill	3300	3300	Unch
	Dhampur	S-Grade Ex-Mill	3280	3280	Unch
	Dhampur	L-Grade Ex-Mill	3350	3350	Unch
Maharashtra	Mumbai	M-Grade	3542	3542	Unch
	Mumbai	S-Grade	3276	3276	Unch
	Nagpur	M-Grade	3275	3275	Unch
	Nagpur	S-Grade	3175	3175	Unch
	Kolhapur	M-Grade	3150	3150	Unch
	Kolhapur	S-Grade	3050	3050	Unch
Assam	Guhawati	S-Grade	3360	3360	Unch
Meghalaya	Shillong	S-Grade	3370	3370	Unch
Andhra Pradesh	Vijayawada	M-Grade	3660	3700	-40
	Vijayawada	S-Grade	3600	3640	-40
West Bengal	Kolkata	M-Grade	NA	3670	-
Tamil Nadu	Chennai	S-Grade	3650	3650	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)			8-Jan-18	6-Jan-18	
Uttar Pradesh	Muzaffarnagar	Chaku Sukha(Cold)	2758	2758	Unch
	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	5000	4000	1000
	Muzaffarnagar	Khurpa (Fresh)	2578	2600	-23
	Muzaffarnagar	Laddoo (Fresh)	2895	2900	-5
	Muzaffarnagar	Rascut (Fresh)	2203	2213	-10
	Hapur	Chaurasa	Closed	2563	-
	Hapur	Balti	Closed	2575	-
Maharashtra	Latur	Lal Variety	NR	NR	-
Karnataka	Bangalore	Mudde (Average)	4850	4850	Unch
	Belgaum	Mudde (Average)	NA	3700	-

Belthangadi	Yellow (Average)	NA	NA	-
Bijapur/Vijayapura	Achhu	NA	NA	-
Gulbarga/Kalaburgi	Other (Average)	3625	3450	175
Mahalingapura	Penti (Average)	3324	NA	-
Mandya	Achhu (Medium)	3300	3250	50
Mandya	Kurikatu (Medium)	3200	3200	Unch
Mandya	Other (Medium)	3150	3150	Unch
Mandya	Yellow (Medium)	3350	3350	Unch
Shimoga/Shivamogga	Achhu (Average)	NA	3600	-

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