

## Sugar & Gur Domestic & International Fundamentals

### Recent updates

- India will consider initiating preliminary talks with neighbouring Sri Lanka and Bangladesh to seek lower import duties for its sugar exports to prevent a glut next season, a top government official said.
- The government has assured that it would consider hiking import duty on sugar from the current 50 per cent to check any cheaper shipments from neighbouring Pakistan, the Indian Sugar Mills Association

### Previous 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.
- 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.

### NCDEX Sugar (M grade) Future Quotes (At 05:00 p.m. as on 10-01-2018)

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

Contract	Volume

  

Spread
Basis

NCDEX Stock & Fed Position					
Stocks	Grade	Demat	In-Process	Total	FED
		9-Jan-18	9-Jan-18	9-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 9 <sup>th</sup> January 2018					
ICE Sugar Futures (In Cents/Pound)					
Contract	Open	High	Low	Close	+/-
Mar-18	14.74	14.77	14.42	14.73	-0.05
May-18	14.73	14.81	14.46	14.77	-0.01
July-18	14.84	14.90	14.58	14.86	Unch
LCE Sugar Futures (In US\$/MT)					
Contract	Open	High	Low	Close	+/-
Mar-18	388.80	390.00	382.50	389.60	-1.30
May-18	387.70	389.50	382.10	389.20	-1.10
Aug-18	390.70	393.10	385.80	392.80	-0.50

Commodity	Price (\$/Ton)	Change
Thai Sugar FOB 45 Icumsa	388.40	-7.5

Sugar Prices at Key Spot Markets:					
Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
			10-Jan-18	9-Jan-18	
Sugar					
Delhi	Delhi	M-Grade	3349	3339	10
	Delhi	S-Grade	3329	3319	10
Uttar Pradesh	Khatauli	M-Grade	3395	3410	-15
	Ramala	M-Grade	NA	NA	-
	Dhampur	M-Grade Ex-Mill	3290	3300	-10
	Dhampur	S-Grade Ex-Mill	3270	3280	-10
	Dhampur	L-Grade Ex-Mill	3340	3350	-10
Maharashtra	Mumbai	M-Grade	3526	3542	-16
	Mumbai	S-Grade	3270	3270	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	3660	Unch
	Vijayawada	S-Grade	3600	3600	Unch
West Bengal	Kolkata	M-Grade	3700	3700	Unch
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
			10-Jan-18	9-Jan-18	
Jaggery(Gur)					
Uttar Pradesh	Muzaffarnagar	Chaku Sukha(Cold)	2675	2750	-75
	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	5000	7000	-2000
	Muzaffarnagar	Khurpa (Fresh)	2575	2578	-3
	Muzaffarnagar	Laddoo (Fresh)	2813	2853	-40
	Muzaffarnagar	Rascut (Fresh)	2205	2188	18
	Hapur	Chaurasa	2463	2500	-38
	Hapur	Balti	2525	2563	-38
Maharashtra	Latur	Lal Variety	NR	NR	-
Karnataka	Bangalore	Mudde (Average)	4850	4850	Unch
	Belgaum	Mudde (Average)	NA	NA	-
	Belthangadi	Yellow (Average)	NA	NA	-

Bijapur/Vijayapura	Achhu	NA	NA	-
Gulbarga/Kalaburgi	Other (Average)	NA	3650	-
Mahalingapura	Penti (Average)	3354	3283	71
Mandya	Achhu (Medium)	3250	3300	-50
Mandya	Kurikatu (Medium)	3200	3200	Unch
Mandya	Other (Medium)	3100	3100	Unch
Mandya	Yellow (Medium)	3200	3350	-150
Shimoga/Shivamogga	Achhu (Average)	3750	3800	-50

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