

## Sugar & Gur Domestic & International Fundamentals

### Recent updates

- All India sugar output is expected to rise 25 per cent this year, sugar mills in south India are reeling from low production and very low utilization.
- The Indian sugar mills association data shows in Andhra Pradesh and Telangana, 21 sugar mills produced 190,000 tonnes of sugar till December 31 and this is 16,000 less than what was produced by 25 mills in 2016-17 sugar season till December 31 2016.
- Tamil Nadu, 20 Sugar mills are in operation as compared to 34 mills on December 31 last year Mills in Tamil Nadu produced 170,000 tonnes of sugar till December 31, 2017 as against 186,600 produced last year on corresponding date. Sources said that Tamil Nadu was impacted due to three years of drought, and this year they will see the weakest crop ever

### Previous 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
- 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.

### NCDEX Sugar (M grade) Future Quotes (At 05:00 p.m. as on 11-01-2018)

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
		10-Jan-18	10-Jan-18	10-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 10 <sup>th</sup> January 2018					
ICE Sugar Futures (In Cents/Pound)					
Contract	Open	High	Low	Close	+/-
Mar-18	14.70	14.85	14.53	14.65	-0.08
May-18	14.77	14.86	14.58	14.72	-0.05
July-18	14.84	14.92	14.68	14.83	-0.03
LCE Sugar Futures (In US\$/MT)					
Contract	Open	High	Low	Close	+/-
Mar-18	389.10	392.00	385.30	387.60	-2.00
May-18	389.00	390.80	385.00	388.80	-0.40
Aug-18	393.00	394.70	388.70	392.50	-0.30

Commodity	Price (\$/Ton)	Change
Thai Sugar FOB 45 Icumsa	385.30	-3.1

Sugar Prices at Key Spot Markets:					
Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
Sugar			11-Jan-18	10-Jan-18	
Delhi	Delhi	M-Grade	3401	3349	52
	Delhi	S-Grade	3381	3329	52
Uttar Pradesh	Khatauli	M-Grade	3395	3395	Unch
	Ramala	M-Grade	NA	NA	-
	Dhampur	M-Grade Ex-Mill	3290	3290	Unch
	Dhampur	S-Grade Ex-Mill	3270	3270	Unch
	Dhampur	L-Grade Ex-Mill	3340	3340	Unch
Maharashtra	Mumbai	M-Grade	3526	3526	Unch
	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	NA	3700	-
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)			11-Jan-18	10-Jan-18	
Uttar Pradesh	Muzaffarnagar	Chaku Sukha(Cold)	2688	2675	13
	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	7000	5000	2000
	Muzaffarnagar	Khurpa (Fresh)	2525	2575	-50
	Muzaffarnagar	Laddoo (Fresh)	2750	2813	-63
	Muzaffarnagar	Rascut (Fresh)	2205	2205	Unch
	Hapur	Chaurasa	2425	2463	-38
	Hapur	Balti	2500	2525	-25
Maharashtra	Latur	Lal Variety	NR	NR	-
Karnataka	Bangalore	Mudde (Average)	4850	4850	Unch
	Belgaum	Mudde (Average)	3600	3600	Unch

Belthangadi	Yellow (Average)	NA	NA	-
Bijapur/Vijayapura	Achhu	NA	NA	-
Gulbarga/Kalaburgi	Other (Average)	3650	NA	-
Mahalingapura	Penti (Average)	3210	3354	-144
Mandya	Achhu (Medium)	3250	3250	Unch
Mandya	Kurikatu (Medium)	3200	3200	Unch
Mandya	Other (Medium)	3100	3100	Unch
Mandya	Yellow (Medium)	3300	3200	100
Shimoga/Shivamogga	Achhu (Average)	NA	3750	-

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