

Sugar & Gur Domestic & International Fundamentals

Recent updates

- Sugar futures fell hard in 2017, proving the worst performance of the major agricultural commodity contracts. New York-traded raw sugar futures tumbled by 22% - reversing 2016's gains almost exactly - while London white sugar plunged by 25%, undermined by the prospect of a return to a world production surplus. Besides unexpectedly strong output estimates for many major producers, such as the European Union and India, consumption ideas took a dent from health concerns – largely, but not universally, in Western nations.
- The Mexican sugar industry stands to lose almost US \$543 million annually as a result of a trade pact Mexico signed with the United States, according to an estimate by the CEO of a domestic sugar refinery. The two countries reached an agreement last June that on one hand avoided punishing tariffs but on the other reduced the quota of refined sugar that Mexico can export to its northern trade partner. The director of Sucroliq said the quota requirement, coupled with a provision that requires sugar producers to export their unrefined product to refineries by sea instead of directly over the border to end users, will have a significant impact on growers' bottom lines.
- Ukraine has almost completed the 2017/18 sugar season, processing 2.1 million tonnes of white sugar from the 2017 sugar beet harvest, the agriculture ministry said on Tuesday. It said 46 sugar refineries had processed 13.7 million tonnes of sugar beet so far this season out of the 13.8 million tonnes that have been harvested. Ukraine consumes about 1.5 million tonnes of sugar a year and produced 2 million tonnes of white sugar from beet in 2016. The country produced about 5 million tonnes of white beet sugar a year during Soviet times but has cut production sharply due to a lack of export markets in the face of competition from cheaper cane sugar

Previous updates.

- Sugar production in Uttar Pradesh recorded a growth of 24.54% to 4.1 million tonnes until January 12 on the back of higher recovery and increased crushing. Last year, mills produced 3.32 million tonnes Sugar in the corresponding period.
- The price of sugar in the retail markets in major cities have dipped Rs 1-4 per kg in the last one month while the rates have slumped by up to Rs 9 in some cities in the northeastern states, according to government data. While industry sources claimed the retail prices would not to go beyond Rs 40-42 per kg till the 2017-18 sugar season ends in September, the government said the price trend of will be clear by February.
- The cooperative sugar mills in Haryana have crushed 149.40 lakh quintal of sugarcane and produced over 13.72 lakh quintals of sugar so far during the ongoing crushing season.
- March raw sugar was down 0.45 cents, or 3.1 percent, at 14.20 cents per lb by 1437 GMT. It hit a low of 14.17 cents, the weakest price since Dec.
- During a meeting with Chinese Premier Li Keqiang yesterday, Prime Minister Hun Sen asked China to increase imports of Cambodian sugarcane.
- South Korea's ethanol imports increased 39% year on year to 261,584 mt in 2017, according to data released Thursday by Korea Customs Service. Imports of denatured ethanol surged by 238% over the year to 117,782 mt in 2017. The US remained the key import origin last year, accounting for 78% of total imports, followed by Pakistan at 10% and South Africa at 6%.
- Select sugar millgate prices declined by Rs 10 per quintal at the wholesale market in the national capital today due to persistent selling by mills amid negligible buying by stockists and bulk consumers.

NCDEX Sugar (M grade) Future Quotes (At 05:00 p.m. as on 18-01-2018)

Contract	+/-	Open	High	Low	Close
C1	0	3215	3215	3215	3215

Contract	Volume
	10

Spread
Basis

NCDEX Stock & Fed Position					
Stocks	Grade	Demat	In-Process	Total	FED
		17-Jan-18	17-Jan-18	17-Jan-18	8-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 15 th January 2018					
ICE Sugar Futures (In Cents/Pound)					
Contract	Open	High	Low	Close	+/-
Mar-18	13.64	13.74	13.35	13.42	-0.17
May-18	13.90	13.90	13.53	13.58	-0.19
July-18	14.07	14.08	13.74	13.78	-0.22
LCE Sugar Futures (In US\$/MT)					
Contract	Open	High	Low	Close	+/-
Mar-18	364.10	366.90	359.50	360.90	-2.50
May-18	365.90	368.50	361.50	362.70	-3.20
Aug-18	370.70	372.40	365.60	366.40	-3.80

Commodity	Price (\$/Ton)	Change
Thai Sugar FOB 45 Icmsa	362.60	-1.10

Sugar Prices at Key Spot Markets:					
Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
Sugar			18-Jan-18	17-Jan-18	
Delhi	Delhi	M-Grade	3325	3349	-24
	Delhi	S-Grade	3305	3329	-24
Uttar Pradesh	Khatauli	M-Grade	3354	3354	Unch
	Ramala	M-Grade	NA	NA	-
	Dhampur	M-Grade Ex-Mill	3240	3240	Unch
	Dhampur	S-Grade Ex-Mill	3220	3220	Unch
	Dhampur	L-Grade Ex-Mill	3290	3290	Unch
Maharashtra	Mumbai	M-Grade	3430	3440	-10
	Mumbai	S-Grade	3232	3236	-4
	Nagpur	M-Grade	3175	3175	Unch
	Nagpur	S-Grade	3075	3075	Unch
	Kolhapur	M-Grade	3050	3050	Unch
	Kolhapur	S-Grade	2950	2950	Unch
Assam	Guhawati	S-Grade	3258	3258	Unch
Meghalaya	Shillong	S-Grade	3270	3270	Unch
Andhra Pradesh	Vijayawada	M-Grade	3660	3660	Unch
	Vijayawada	S-Grade	3600	3600	Unch
West Bengal	Kolkata	M-Grade	3650	NA	-
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)			18-Jan-18	17-Jan-18	
Uttar Pradesh	Muzaffarnagar	Chaku Sukha(Cold)	2650	2663	-13
	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	7000	7000	Unch
	Muzaffarnagar	Khurpa (Fresh)	2513	2525	-13
	Muzaffarnagar	Laddoo (Fresh)	2813	2838	-25
	Muzaffarnagar	Rascut (Fresh)	2225	2225	Unch
	Hapur	Chaurasa	2413	2413	Unch
	Hapur	Balti	2475	2475	Unch

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/Kalabur gi	Other (Average)	3450	3495	-45
	Mahalingapura	Penti (Average)	NA	3252	-
	Mandya	Achhu (Medium)	3100	3250	-150
	Mandya	Kurikatu (Medium)	3100	3200	-100
	Mandya	Other (Medium)	3000	3150	-150
	Mandya	Yellow (Medium)	3300	3300	Unch
	Shimoga/Shivamo gga	Achhu (Average)	NA	3650	-

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