

## Sugar & Gur Domestic & International Fundamentals

### Recent updates

- There are indications that the government may allow export of raw sugar under Duty Free Import Authorization (DFIA) scheme, which was withdrawn in May 2015. These two measures have become necessary to ensure that the Indian sugar mills are able to pay the sugarcane arrears of farmers.
- Sugar market ruled steady on Friday fear of higher supplies weighed on normal activities. Prices at Vashi were higher-lower by ₹2-5 a quintal, while *naka* and mill trade took place at steady prices
- Sugar mills' cane arrears for the 2017-18 season stand at Rs 7,826 crore, down 13% from a year ago, according to the food ministry. As on date, cane price arrears in the current season on SAP (state-advised price) basis are at Rs 7,826 crore in comparison with Rs 8,982 crore in the corresponding period of the last sugar season.
- Brazil exported only 1.592 mln tonnes, raw value, of sugar in January 2018, down further from 1.937 mln a month earlier and significantly below 2.251 mln in the same month last year

### Previous updates.

- Raw sugar futures edged up on Thursday, steadying after falling sharply in the prior session when speculative short covering came to a sudden halt. March raw sugar was up 0.02 cent, or 0.2 percent, at 13.25 cents per lb by 1150 GMT. Prices tumbled more than 3 percent on Wednesday, as a recent bout of speculative short covering petered out, giving way to long liquidation.
- US domestic consumption of ethanol has eaten through close to a million barrels of ethanol in the week ending January 26, with production falling slightly, data from the USDA has shown Wednesday. Ethanol production remained comfortably above the million barrel mark at 1.04 million barrels a day, a fall of 22,000 barrels per day from the previous week, according to the data.
- Government of Pakistan has increased the volume of sugar eligible for an export subsidy from 500,000 metric tons to 2.0 million metric tons. The subsidy is categorized as a freight subsidy of up to \$97 per metric ton, for total potential subsidy expenditures of \$194 million. Pakistan has utilized export subsidies to move sugar off its domestic market during four of the past five marketing years.
- March raw sugar was off 0.08 cents, or 0.6 percent, to 13.59 cents per lb by 1302 GMT after rising to a peak of 13.71 cents, its highest in almost two weeks. Dealers said the market rose on Monday on data that showed speculators held a sharply increased net short position, a possible signal that the selling spree was about to end.
- Cuba canceled sugar exports this month and is struggling to meet local demand after rain all but washed out harvesting, the head of the state sugar monopoly said over the weekend.
- India's sugar mills produced 3.211 mln tonnes of sugar, white value, in the first half of January, down from 3.386 mln in the previous fortnight but sharply above 2.289 mln in the same period last year.
- Sugar mills' cane arrears for the 2017-18 season stand at Rs 7,826 crore, down 13% from a year ago, according to the food ministry. As on date, cane price arrears in the current season on SAP (state-advised price) basis are at Rs 7,826 crore in comparison with Rs 8,982 crore in the corresponding period of the last sugar season

## NCDEX Sugar (M grade) Future Quotes (At 05:00 p.m. as on 03-02-2018)

Contract	+/-	Open	High	Low	Close
C1	0	2873	2873	2873	2873

Contract	Volume
C1	-

Spread
Basis

## NCDEX Stock & Fed Position

Stocks	Grade	Demat	In-Process	Total	FED
		2-Feb-18	2-Feb-18	2-Feb-18	29-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 2<sup>nd</sup> February,2018

### ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
Mar-18	13.40	13.66	13.36	13.63	0.26
May-18	13.54	13.72	13.47	13.68	0.19
July-18	13.82	13.94	13.75	13.90	0.12

### LCE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
Mar-18	356.00	359.00	354.40	358.10	2.50
May-18	358.20	361.60	356.90	360.80	3.30
Aug-18	363.00	364.90	361.20	364.10	1.80

Commodity	Price (\$/Ton)	Change
Thai Sugar FOB 45 Icumsa	355.60	-

Sugar Prices at Key Spot Markets:					
Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
Sugar			3-Feb-18	2-Feb-18	
Delhi	Delhi	M-Grade	3201	3162	39
	Delhi	S-Grade	3181	3142	39
Uttar Pradesh	Khatauli	M-Grade	3200	3200	Unch
	Ramala	M-Grade	NA	NA	-
	Dhampur	M-Grade Ex-Mill	3070	3070	Unch
	Dhampur	S-Grade Ex-Mill	3050	3050	Unch
	Dhampur	L-Grade Ex-Mill	3120	3120	Unch
Maharashtra	Mumbai	M-Grade	3300	3300	Unch
	Mumbai	S-Grade	3060	3052	8
	Nagpur	M-Grade	3125	3125	Unch
	Nagpur	S-Grade	3025	3025	Unch
	Kolhapur	M-Grade	3000	3000	Unch
	Kolhapur	S-Grade	2900	2900	Unch
Assam	Guhawati	S-Grade	3207	3207	Unch
Meghalaya	Shillong	S-Grade	3220	3220	Unch
Andhra Pradesh	Vijayawada	M-Grade	3460	3500	-40
	Vijayawada	S-Grade	3400	3440	-40
West Bengal	Kolkata	M-Grade	NA	NA	-
Tamil Nadu	Chennai	S-Grade	3500	3500	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)			3-Feb-18	2-Feb-18	
Uttar Pradesh	Muzaffarnagar	Chaku Sukha(Cold)	2570	2563	8
	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	6000	4000	2000
	Muzaffarnagar	Khurpa (Fresh)	2628	2653	-25
	Muzaffarnagar	Laddoo (Fresh)	2578	2558	20
	Muzaffarnagar	Rascut (Fresh)	2188	2175	13
	Hapur	Chaurasa	2288	2313	-25

	Hapur	Balti	2250	2275	<b>-25</b>
<b>Maharashtra</b>	Latur	Lal Variety	NR	NR	-
<b>Karnataka</b>	Bangalore	Mudde (Average)	4800	4800	<b>Unch</b>
	Belgaum	Mudde (Average)	NA	NA	-
	Belthangadi	Yellow (Average)	NA	NA	-
	Bijapur/Vijayapura	Achhu	NA	2600	-
	Gulbarga/Kalaburgi	Other (Average)	3000	NA	-
	Mahalingapura	Penti (Average)	NA	NA	-
	Mandya	Achhu (Medium)	3200	NA	-
	Mandya	Kurikatu (Medium)	3100	NA	-
	Mandya	Other (Medium)	3000	NA	-
	Mandya	Yellow (Medium)	3100	NA	-
	Shimoga/Shivamogga	Achhu (Average)	NA	NA	-

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