

Sugar & Gur Domestic & International Fundamentals**Recent updates**

- Spot prices of M 30-grade sugar in New Delhi had tumbled by 6% between January 10 and 31. However, during the past week, prices recovered by more than 3%, responding to two policy decisions.
- Sugar mills in Maharashtra state had revised their estimate of sugarcane crushing in the current season to 800 lakh tonnes by April this year from the earlier estimate of 700 lakh tonnes.

Previous updates.

- India is considering scrapping the 20 percent export duty on sugar, the country's food minister said on Friday, as the government tries various ways to lift prices of the sweetener amid expectations of a surge in production this marketing year.
- Thailand's sugarcane crush continued at a record pace in early February with daily cane crushing rates of 1.05-1.17 mln tonnes, industry data showed.
- India's Sugar production estimate has been recently revised upwards by 4 per cent to 26.1 million tonnes (MT) in the current 2017-18 marketing year (October-September) as against 20.3 MT in 2016-17, as per industry data. The consumption is pegged at 25 MT for this year.
- The central government has put a ceiling on the amount of sugar mills can sell by imposing significant minimum stocks for the next two months to check falling prices. Millers have welcomed the decision, saying it will help further improve sugar prices, which have already jumped 3.5% since the government doubled import duty on sugar to 100% on Tuesday.
- U.S. ethanol exports set a new record in 2017, with an astonishing 1.37 billion gallons shipped to more than 60 countries around the world. The 2017 export total was up 17 percent from 2016 and beat the previous record set in 2011 by some 174 million gallons (mg).
- There has been an increase in the import duty of sugar to nearly 100 percent, and now according to government sources, government is likely to ask the sugar mills to hold 83 percent of their January stocks by February end. This would be increased to 88 percent of February stocks to be held until the end of March. In an interview to CNBC-TV18, Praful Vithlani, Chairman of All India Sugar Trade Association (AISTA), spoke about the impact on the sugar prices.
- The government on last week doubled import duty on all types of sugar (raw sugar, refined or white sugar) from the present 50% to 100%.
- The Cooperative sugar mills in Haryana have crushed 205.18 lakh quintal of sugarcane and produced over 19.42 lakh quintals of sugar so far during the ongoing crushing season.
- The Maharashtra state government would soon procure sugar from mills at the rate of Rs 3,200 a quintal to arrest the slide in sugar prices. Minister for Cooperation Subhash Deshmukh, speaking to The Indian Express, said that around 25 per cent of total production in the state can thus be procured in the months to come.
- 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.

- 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 12-02-2018)

Contract	+/-	Open	High	Low	Close
Feb(c1)	118	2959	3077	3047	3077
	Contract	Volume			
	C1	20			
	Spread (Basis)				

NCDEX Stock & Fed Position

Stocks	Grade	Demat	In-Process	Total	FED
		10-Feb-18	10-Feb-18	10-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 9th February,2018

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
Mar-18	13.62	13.88	13.56	13.67	0.09
May-18	13.63	13.77	13.49	13.55	-0.04
July-18	13.82	13.92	13.65	13.70	-0.08

LCE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
Mar-18	351.30	359.00	350.80	354.70	3.90
May-18	357.70	362.80	357.10	358.50	1.40
Aug-18	361.90	365.60	360.00	361.20	Unch

Commodity	Price (\$/Ton)	Change
Thai Sugar FOB 45 Icumsa	357.60	-0.50

Sugar Prices at Key Spot Markets:					
Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
Sugar			12-Feb-18	10-Feb-18	
Delhi	Delhi	M-Grade	3477	3325	152
	Delhi	S-Grade	3457	3305	152
Uttar Pradesh	Khatauli	M-Grade	3490	3300	190
	Ramala	M-Grade	NA	NA	-
	Dhampur	M-Grade Ex-Mill	3230	3070	160
	Dhampur	S-Grade Ex-Mill	3210	3050	160
	Dhampur	L-Grade Ex-Mill	3280	3120	160
Maharashtra	Mumbai	M-Grade	3500	3420	80
	Mumbai	S-Grade	3240	3170	70
	Nagpur	M-Grade	3325	3225	100
	Nagpur	S-Grade	3225	3125	100
	Kolhapur	M-Grade	3200	3100	100
	Kolhapur	S-Grade	3100	3000	100
Assam	Guhawati	S-Grade	3410	3309	102
Meghalaya	Shillong	S-Grade	3420	3320	100
Andhra Pradesh	Vijayawada	M-Grade	3660	3620	40
	Vijayawada	S-Grade	3600	3560	40
West Bengal	Kolkata	M-Grade	3780	NA	-
Tamil Nadu	Chennai	S-Grade	3500	3300	200
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)			12-Feb-18	10-Feb-18	
Uttar Pradesh	Muzaffarnagar	Chaku Sukha(Cold)	2630	2605	25
	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	10000	8000	2000
	Muzaffarnagar	Khurpa (Fresh)	2613	2600	13
	Muzaffarnagar	Laddoo (Fresh)	2655	2605	50

	Muzaffarnagar	Rascut (Fresh)	2200	2200	Unch
	Hapur	Chaurasa	Closed	2213	-
	Hapur	Balti	Closed	2200	-
Maharashtra	Latur	Lal Variety	NR	NR	-
Karnataka	Bangalore	Mudde (Average)	4800	NA	-
	Belgaum	Mudde (Average)	NA	NA	-
	Belthangadi	Yellow (Average)	NA	NA	-
	Bijapur/Vijayapura	Achhu	NA	NA	-
	Gulbarga/Kalaburgi	Other (Average)	3150	3000	150
	Mahalingapura	Penti (Average)	NA	NA	-
	Mandya	Achhu (Medium)	3200	3200	Unch
	Mandya	Kurikatu (Medium)	3000	3000	Unch
	Mandya	Other (Medium)	2900	3000	-100
	Mandya	Yellow (Medium)	3100	3100	Unch
	Shimoga/Shivamogga	Achhu (Average)	NA	NA	-

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