

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

- The sugar industry expects the government to take a call this week to scrap export duty on the commodity in the wake of forecast of a record output for the second consecutive year.
- The ISMA said that the yield per hectare was higher in Maharashtra and north Karnataka this year. Uttar Pradesh, Maharashtra and Karnataka were expected to produce 105.13 lakh tonnes, 101.3 lakh tonnes and 35.45 lakh tonnes respectively. Till the end of February, total sugar production was 230.5 lakh tonnes and 479 mills continued to crush cane. Hence, the total production estimate had been revised upwards.
- U.S. cane sugar production is increased 10,000 short tons, raw value (STRV) to 4.021 million based on a processor report from Texas. Re-export imports for 2017/18 are increased by 150,000 STRV to 400,000 based on pace to date. Exports for 2017/18 are increased by 50,000 STRV to 150,000. Ending stocks for 2017/18 are residually projected at 1.953 million STRV, implying a stocks-to-use ratio of 15.5 percent, up from last month's 14.6 percent.
- Mexico sugar production for 2017/18 is decreased by 50,000 metric tons (MT) to 6.050 million due to lower sugarcane area. Imports are increased 35,000 MT to 170,000 based on increased pace to date reported by the Comité Nacional Para El Desarrollo Sustentable de la Caña de Azúcar (CONADESUCA) through the end of January 2018.

Previous updates.

- Sugar production of 29.5 million tons in the current season will be 4.5 million tonnes higher than the 25 million tonnes of estimated domestic consumption.
- Larger sugar production in the current sugar season as also expected in the next season (2018-19), there is a need to be export at least 1.5 million tonne in the current season itself over the next 6-7 months. This will give extra cash flows to the sugar mills, which in turn, will improve cane price payments to the sugarcane farmers and will reduce the cane price arrears, which is accumulating very fast to uncomfortable levels, said Indian Sugar Mills' Association (ISMA) in a release on last week. And Sources said that Sugar mills owed nearly Rs 14,000 crore to sugarcane farmers at the end of January in the ongoing marketing season.
- Brazilian sugar mills looking to grow the world's first variety of genetically modified (GM) sugarcane have planted an initial area of 400 hectares (988 acres), according to the research firm behind the project. Developed by Centro de Tecnologia Canavieira (CTC) with Bt (*Bacillus thuringiensis*) genes that make it resistant to the cane borer, around 100 mills are working with the GM cane, company Chief Executive Gustavo Leite told Reuters.
- 522 sugar mills across the country were crushing sugarcane in the current season. As on 28th February 2018, 479 sugar mills were still working i.e., 43 sugar mills have shut crushing operations in the current season.
- Production among major sates, Uttar Pradesh has produced 73.95 lac tons whereas Maharashtra has produced 84.24 lac tons and Karnataka has produced 33.44 lac tons till 28th February 2018. Sugar mills have still not started closing in Uttar Pradesh, but have started shutting their operations in Maharashtra and Karnataka.

NCDEX Sugar (M grade) Future Quotes (At 05:00 p.m. as on 12-03-2018)

Contract	+/-	Open	High	Low	Close	Volume	O.I
Cont. (C1)	-	3070	3070	3070	3070	-	-
Spread	Cont Mar (C1)						
Spot	-	-	-	-	-	-	
	-	-	-	-	-	-	

NCDEX Stock & Fed Position

Stocks	Grade	Demat	In-Process	Total	FED
		10-Mar-18	10-Mar-18	10-Mar-18	5-Mar-18
Delhi	M	-	-	-	-
Sangli	M	-	-	-	-
Sholapur	M	-	-	-	-
Kolhapur	M	-	-	-	-
Belgaum	M	-	-	-	-
Delhi	S	-	-	-	-
Sangli	S	-	-	-	-
Sholapur	S	-	-	-	-
Kolhapur	S	50	0	50	50
Belgaum	S	-	-	-	-

Sugar Futures ICE& LIFFE as on 9th March,2018

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
May-18	12.92	12.97	12.75	12.84	-0.05
July-18	13.15	13.16	12.97	13.06	-0.04
Oct-18	13.54	13.54	13.35	13.44	-0.04

LCE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
May-18	358.10	358.90	355.00	357.30	0.6
Aug-18	353.60	353.80	350.00	352.50	0.2
Oct-18	354.00	354.80	351.90	353.90	-0.2

Commodity	Price (\$/Ton)	Change
Thai Sugar FOB 45 Icumsa	357	0.3

Sugar Prices at Key Spot Markets:					
Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
Sugar			12-Mar-18	10-Mar-18	
Delhi	Delhi	M-Grade	3206	3277	-71
	Delhi	S-Grade	3186	3257	-71
Uttar Pradesh	Khatauli	M-Grade	3229	3270	-41
	Ramala	M-Grade	NA	NA	-
	Dhampur	M-Grade Ex-Mill	3250	3250	Unch
	Dhampur	S-Grade Ex-Mill	3230	3230	Unch
	Dhampur	L-Grade Ex-Mill	3300	3300	Unch
Maharashtra	Mumbai	M-Grade	3410	3410	Unch
	Mumbai	S-Grade	3180	3200	-20
	Nagpur	M-Grade	3175	3350	-175
	Nagpur	S-Grade	3075	3175	-100
	Kolhapur	M-Grade	3050	3225	-175
	Kolhapur	S-Grade	2950	3050	-100
Assam	Guhawati	S-Grade	3258	3360	-102
Meghalaya	Shillong	S-Grade	3270	3370	-100
Andhra Pradesh	Vijayawada	M-Grade	3580	3640	-60
	Vijayawada	S-Grade	3520	3580	-60
West Bengal	Kolkata	M-Grade	3650	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)			12-Mar-18	10-Mar-18	
Uttar Pradesh	Muzaffarnagar	Chaku Sukha(Cold)	2528	2538	-10
	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	6000	6000	Unch
	Muzaffarnagar	Khurpa (Fresh)	2175	2175	Unch
	Muzaffarnagar	Laddoo (Fresh)	2388	2375	13
	Muzaffarnagar	Rascut (Fresh)	2075	2088	-13
	Hapur	Chaurasa	Closed	2188	-
	Hapur	Balti	Closed	2175	-
Maharashtra	Latur	Lal Variety	NR	NR	-
Karnataka	Bangalore	Mudde (Average)	4500	4500	Unch
	Belgaum	Mudde (Average)	NA	NA	-

Belthangadi	Yellow (Average)	NA	NA	-
Bijapur/Vijayapura	Achhu	2970	2650	320
Gulbarga/Kalaburgi	Other (Average)	3700	3450	250
Mahalingapura	Penti (Average)	NA	NA	-
Mandya	Achhu (Medium)	3900	3550	350
Mandya	Kurikatu (Medium)	3600	3400	200
Mandya	Other (Medium)	3700	3350	350
Mandya	Yellow (Medium)	3680	3550	130
Shimoga/Shivamogga	Achhu (Average)	NA	NA	-

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