

Sugar & Gur Domestic & International Fundamentals

Recent updates.

- The sugar market continued its weak trend on selling pressure. Prices at Vashi declined by Rs10-20 as Maharashtra's mills sold commodity at Rs 10-20 lower previous adding pressure on spot market.
- Sugar prices dragged down by Rs 80 per quintal at the wholesale market in the national capital following bumper stocks on steady inflow of supplies amid weak demand.

Previous updates.

- Ethiopian Sugar Corporation (ESC) bought 100,000 metric tons of sugar this past November. A few months later, in February, ESC announced its intention to buy an additional 100,000 metric tons. Bids for this tender are due March 20 and the shipment delivery date is June - August.
- 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.
- 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.
- 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 14-03-2018)

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
		13-Mar-18	13-Mar-18	13-Mar-18	12-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 13th March,2018

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
May-18	12.93	12.95	12.53	12.62	-0.31
July-18	13.16	13.19	12.8	12.89	-0.27
Oct-18	13.51	13.53	13.18	13.27	-0.24

LCE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
May-18	359.00	359.10	351.60	353.70	-5.70
Aug-18	354.80	354.80	347.20	349.60	-4.90
Oct-18	355.20	355.60	348.80	351.00	-4.50

Commodity	Price (\$/Ton)	Change
Thai Sugar FOB 45 Icumsa	353.70	-5.70

Sugar Prices at Key Spot Markets:					
Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
Sugar			14-Mar-18	13-Mar-18	
Delhi	Delhi	M-Grade	3135	3176	-41
	Delhi	S-Grade	3115	3156	-41
Uttar Pradesh	Khatauli	M-Grade	3220	3220	Unch
	Ramala	M-Grade	NA	NA	-
	Dhampur	M-Grade Ex-Mill	3250	3220	30
	Dhampur	S-Grade Ex-Mill	3230	3200	30
	Dhampur	L-Grade Ex-Mill	3300	3270	30
Maharashtra	Mumbai	M-Grade	3400	3410	-10
	Mumbai	S-Grade	3160	3180	-20
	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	3560	3560	Unch
	Vijayawada	S-Grade	3500	3500	Unch
West Bengal	Kolkata	M-Grade	NA	NA	-
Tamil Nadu	Chennai	S-Grade	3300	3510	-210
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)			14-Mar-18	13-Mar-18	
Uttar Pradesh	Muzaffarnagar	Chaku Sukha(Cold)	2325	2513	-188
	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	4000	4000	Unch
	Muzaffarnagar	Khurpa (Fresh)	2213	2175	38
	Muzaffarnagar	Laddoo (Fresh)	2388	2400	-13
	Muzaffarnagar	Rascut (Fresh)	2080	2075	5
	Hapur	Chaurasa	2138	2150	-13

	Hapur	Balti	2125	2125	Unch
Maharashtra	Latur	Lal Variety	NR	NR	-
Karnataka	Bangalore	Mudde (Average)	4400	4500	-100
	Belgaum	Mudde (Average)	NA	NA	-
	Belthangadi	Yellow (Average)	NA	NA	-
	Bijapur/Vijayapura	Achhu	NA	2600	-
	Gulbarga/Kalaburgi	Other (Average)	3600	3750	-150
	Mahalingapura	Penti (Average)	NA	NA	-
	Mandya	Achhu (Medium)	3700	3900	-200
	Mandya	Kurikatu (Medium)	3500	3700	-200
	Mandya	Other (Medium)	3300	3770	-470
	Mandya	Yellow (Medium)	3600	3850	-250
	Shimoga/Shivamogga	Achhu (Average)	NA	4100	-

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