

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

- Sugar wholesale prices were noticed weak tone across all markets in the country on Friday.
- Bumper production of sugar cane across the country this season has led to sugar prices dropping by Rs 900 per quintal or around 23% in Gujarat compared to last year.
- The government today pegged the sugar production estimate at 27.2 million tonnes for the ongoing 2017-18 marketing year ending September, lower than the industrys projection of 29.5 million tonnes for the period.

**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 28<sup>th</sup> 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 28<sup>th</sup> 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
		15-Mar-18	15-Mar-18	15-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 15<sup>th</sup> March,2018

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

Contract	Open	High	Low	Close	+/-
May-18	12.84	12.87	12.56	12.74	-0.02
July-18	13.05	13.08	12.8	12.95	-0.02
Oct-18	13.4	13.45	13.17	13.33	Unch

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

Contract	Open	High	Low	Close	+/-
May-18	354.90	355.80	348.20	349.00	-4.90
Aug-18	350.30	352.30	346.30	347.80	-1.90
Oct-18	351.40	354.20	348.00	349.20	-1.50

Commodity	Price (\$/Ton)	Change
Thai Sugar FOB 45 Icmsa	349.00	-4.70

Sugar Prices at Key Spot Markets:					
Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
Sugar			16-Mar-18	15-Mar-18	
Delhi	Delhi	M-Grade	3055	3085	-30
	Delhi	S-Grade	3035	3065	-30
Uttar Pradesh	Khatauli	M-Grade	3085	3220	-135
	Ramala	M-Grade	NA	NA	-
	Dhampur	M-Grade Ex-Mill	2970	3250	-280
	Dhampur	S-Grade Ex-Mill	2950	3230	-280
	Dhampur	L-Grade Ex-Mill	3020	3300	-280
Maharashtra	Mumbai	M-Grade	3380	3390	-10
	Mumbai	S-Grade	3140	3150	-10
	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	3500	3500	Unch
	Vijayawada	S-Grade	3440	3440	Unch
West Bengal	Kolkata	M-Grade	3335	3280	55
Tamil Nadu	Chennai	S-Grade	3300	3300	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)			16-Mar-18	15-Mar-18	
Uttar Pradesh	Muzaffarnagar	Chaku Sukha(Cold)	2505	2510	-5
	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	5000	5000	Unch
	Muzaffarnagar	Khurpa (Fresh)	2213	2205	8
	Muzaffarnagar	Laddoo (Fresh)	2413	2388	25
	Muzaffarnagar	Rascut (Fresh)	2063	2063	Unch
	Hapur	Chaurasa	2105	2113	-8

	Hapur	Balti	2100	2113	-13
<b>Maharashtra</b>	Latur	Lal Variety	NR	NR	-
<b>Karnataka</b>	Bangalore	Mudde (Average)	NA	4400	-
	Belgaum	Mudde (Average)	NA	NA	-
	Belthangadi	Yellow (Average)	NA	NA	-
	Bijapur/Vijayapura	Achhu	NA	2480	-
	Gulbarga/Kalaburgi	Other (Average)	3600	3650	-50
	Mahalingapura	Penti (Average)	3198	3201	-3
	Mandya	Achhu (Medium)	NA	3700	-
	Mandya	Kurikatu (Medium)	NA	3500	-
	Mandya	Other (Medium)	NA	3450	-
	Mandya	Yellow (Medium)	NA	3750	-
	Shimoga/Shivamogga	Achhu (Average)	NA	NA	-

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