

## Sugar & Gur Domestic & International Fundamentals

- For the current marketing season 2015-16 (October – September); sugar mills in India owed somewhat around Rs 5,368 crore as the pending cane arrears till 31<sup>st</sup> July, 2016.
- As per the weekly planting report by Ministry of Agriculture, the total sown area under sugarcane cultivation in India had reached 46.87 lakh hectares in 2016-17 (till 05<sup>th</sup> Aug, 2016) compared to 46.11 lakh hectares in 2015-16 (till 05<sup>th</sup> Aug, 2015).
- The Indian govt. extended the subsidy benefit to the sugar millers in the country even if they exports 50% of their sugar export quota. Notably, the govt. had earlier announced to pay a direct cane subsidy of Rs 4.50/quintal to the farmers provided the millers exports 80% of their export quota sugar.
- Indian sugar exports fell by 32% as the country exported 51.4 thousand tons of sugar this week (ending on 31<sup>st</sup> July, 2016) compared to 75.7 thousand tons of exports last week.
- Brazil's C.S region churned around 2.83 MT of sugar in the first half of July, 2016 which was 1.36% higher than the sugar crushed in the second half of June, 2016.
- Brazil's raw sugar export rose by 5.49% as the country exported 2.45 MT of sugar in July, 2016 compared to 2.32 MT of exports in June, 2016.
- In order to curb a surge in sugar prices the Indian government is planning to levy monthly release quota on the sugar millers in the country.
- The Indian govt. had cut down its export duty exemption on organic sugar to 2,500 tons for MY 2015-16. Notably, the govt. had earlier exempted export duty on 10,000 ton of organic sugar in March, 2011.

### NCDEX Sugar (M grade) Future Quotes (At 05:00 p.m.)

| Contract | +/-    | Open    | High    | Low     | Close   |
|----------|--------|---------|---------|---------|---------|
| Oct-16   | -12.00 | 3710.00 | 3716.00 | 3660.00 | 3713.00 |
| Dec-16   | -8.00  | 3705.00 | 3734.00 | 3681.00 | 3742.00 |

| Contract | Volume   | Change   | OI        | Change   |
|----------|----------|----------|-----------|----------|
| Oct-16   | 5,380.00 | 3,470.00 | 26,650.00 | 1,270.00 |
| Dec-16   | 710.00   | 230.00   | 13,750.00 | 280.00   |

| Spread | Oct-16 | Dec-16 |
|--------|--------|--------|
| Basis  | -63    | -92    |
| Oct-16 |        | -29    |

### NCDEX Stock & Fed Position

| Stocks   | Grade | Demat     | In-Process | Total     | FED       |
|----------|-------|-----------|------------|-----------|-----------|
|          |       | 06-Aug-16 | 06-Aug-16  | 06-Aug-16 | 01-Aug-16 |
| Delhi    | M     | -         | -          | -         | 210       |
| Sangli   | M     | -         | -          | -         | -         |
| Sholapur | M     | -         | -          | -         | -         |
| Kolhapur | M     | 1839      | 0          | 1839      | 2288      |
| Belgaum  | M     | -         | -          | -         | -         |
| Delhi    | S     | -         | -          | -         | -         |
| Sangli   | S     | -         | -          | -         | -         |
| Sholapur | S     | -         | -          | -         | -         |
| Kolhapur | S     | -         | -          | -         | -         |
| Belgaum  | S     | -         | -          | -         | -         |

| ICE Sugar Futures (In Cents/Pound) |       |       |       |       |      |
|------------------------------------|-------|-------|-------|-------|------|
| Contract                           | Open  | High  | Low   | Close | +/-  |
| Oct-16                             | 19.80 | 20.47 | 19.61 | 20.35 | 0.65 |
| Mar-17                             | 20.25 | 20.81 | 20.02 | 20.71 | 0.64 |
| May-17                             | 19.40 | 20.09 | 19.35 | 20.02 | 0.64 |

| LIFFE Sugar Futures (In US\$/MT) |        |        |        |        |       |
|----------------------------------|--------|--------|--------|--------|-------|
| Contract                         | Open   | High   | Low    | Close  | +/-   |
| Oct-16                           | 545.40 | 554.30 | 541.20 | 551.40 | 8.70  |
| Dec-16                           | 545.70 | 555.70 | 540.80 | 553.50 | 11.80 |
| Mar-17                           | 544.00 | 555.00 | 540.00 | 553.60 | 12.80 |

| Commodity                | Price (\$/Ton) | Change |
|--------------------------|----------------|--------|
| Thai Sugar FOB 45 Icumsa | 542.70         | -      |

| Sugar Prices at Key Spot Markets: |            |                 |                 |          |        |
|-----------------------------------|------------|-----------------|-----------------|----------|--------|
| Commodity                         | Centre     | Variety         | Prices (Rs/Qtl) |          | Change |
|                                   |            |                 | 8-Aug-16        | 6-Aug-16 |        |
| Delhi                             | Delhi      | M-Grade         | 3825            | 3810     | 15     |
|                                   | Delhi      | S-Grade         | 3805            | 3770     | 35     |
| Uttar Pradesh                     | Khatauli   | M-Grade         | 3870            | 3875     | -5     |
|                                   | Ramala     | M-Grade         | NA              | NA       | -      |
|                                   | Dhampur    | M-Grade Ex-Mill | 3800            | 3800     | Unch   |
|                                   | Dhampur    | S-Grade Ex-Mill | 3780            | 3780     | Unch   |
|                                   | Dhampur    | L-Grade Ex-Mill | 3850            | 3850     | Unch   |
| Maharashtra                       | Mumbai     | M-Grade         | 3876            | 3876     | Unch   |
|                                   | Mumbai     | S-Grade         | 3720            | 3716     | 4      |
|                                   | Nagpur     | M-Grade         | 3775            | 3800     | -25    |
|                                   | Nagpur     | S-Grade         | 3675            | 3700     | -25    |
|                                   | Kolhapur   | M-Grade         | 3650            | 3675     | -25    |
|                                   | Kolhapur   | S-Grade         | 3550            | 3575     | -25    |
| Assam                             | Guhawati   | S-Grade         | 3867            | 3893     | -25    |
| Meghalaya                         | Shillong   | S-Grade         | 3870            | 3895     | -25    |
| Andhra Pradesh                    | Vijayawada | M-Grade         | 4080            | 4080     | Unch   |
|                                   | Vijayawada | S-Grade         | 3940            | 3940     | Unch   |
| West Bengal                       | Kolkata    | M-Grade         | 3885            | 3880     | 5      |
| Tamil Nadu                        | Chennai    | S-Grade         | 3525            | 3525     | Unch   |

|             |           |                        |      |      |      |
|-------------|-----------|------------------------|------|------|------|
| Chattisgarh | Ambikapur | M-Grade (Without Duty) | 2935 | 2935 | Unch |
|             | Ambikapur | S-Grade (Without Duty) | 2935 | 2935 | Unch |

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)                              |               |                          | 8-Aug-16        | 6-Aug-16 |        |
| Uttar Pradesh                             | Muzaffarnagar | ChakuSukha(Cold)         | 3600            | 3550     | 50     |
|   | Muzaffarnagar | Chaku(Arrival)(40kg Bag) | NA              | NA       | -      |
|   | Muzaffarnagar | Khurpa (Fresh)           | NA              | NA       | -      |
|   | Muzaffarnagar | Laddoo (Fresh)           | NA              | NA       | -      |
|   | Muzaffarnagar | Rascut (Fresh)           | 3500            | 3475     | 25     |
|   | Hapur         | Chaurasa                 | Closed          | NA       | -      |
|   | Hapur         | Balti                    | Closed          | NA       | -      |
| Maharashtra                               | Latur         | Lal Variety              | NR              | NR       | -      |
| Karnataka                                 | Bangalore     | Mudde (Average)          | 4400            | 4400     | Unch   |
|   | Belgaum       | Mudde (Average)          | 3500            | 3500     | Unch   |
|   | Belthangadi   | Yellow (Average)         | NA              | NA       | -      |
|   | Bijapur       | Achhu                    | NA              | NA       | -      |
|   | Gulbarga      | Other (Average)          | 3600            | 3675     | -75    |
|   | Mahalingapura | Penti (Average)          | 3886            | NA       | -      |
|   | Mandya        | Achhu (Medium)           | 3750            | 3700     | 50     |
|   | Mandya        | Kurikatu (Medium)        | 3400            | 3400     | Unch   |
|   | Mandya        | Other (Medium)           | 3300            | 3300     | Unch   |
|   | Mandya        | Yellow (Medium)          | 3700            | 3600     | 100    |
|   | Shimoga       | Achhu (Average)          | NA              | 4500     | -      |

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