

Sugar & Gur Domestic & International Fundamentals

Recent updates.

- Sugar prices went down by Rs 30 per quintal at the wholesale market in the national capital today following bumper stocks amid weak demand.
- Brazilian sugar exports are expected to fall to 21.3 mln tonnes in the new 2018/19 (Apr/Mar) crop year, down 6.5 mln from 27.8 mln a year earlier due to a smaller cane crush and falling sugar production in both the Centre/South and Northeast regions, according to local consultancy JOB Economia.
- Uganda's sugar output may climb 17% this year to 428,000 tonnes as improved rainfall is likely to boost cane output, said Wilberforce Mubiru, secretariat manager at the Uganda Sugar Manufacturers' Association (USMA), according to Bloomberg.

Previous updates.

- Despite government making it mandatory for sugar mills to export 2 million tonne sugar in 2017-18 marketing year as per the quota allocated to individual mills, India has not started sugar export due to lack of export parity. While mills are hopeful that the central government may announce export incentives, domestic market sugar prices have slid to Rs 26/kg, a new low for the year
- Sugar production in Maharashtra has almost reached its past record and mills produced 10.49 million tonnes up to April 15, 2018. Mills in Uttar Pradesh produced record 10.48 million tonnes of sugar. Crushing operations are almost over in Karnataka and only one sugar mill was operational as on April 15, 2018. The state has so far produced 3.63 million tonnes of sugar.
- On bumper production, ISMA said sugar prices have been under severe pressure in the last 4-5 months and have fallen by Rs 9 per kg across the country. As compared to the cost of production, the current ex-mill sugar prices are around Rs 8 per kg lower and the sugar mills are incurring substantial losses.
- Indian Sugar Mills Association (Isma), has forecast the country's production at 29.5 million tonnes for the current season; it estimates consumption of 25.5-26 mt. With four mt of carryover stock from the previous year, the overall surplus might jump to 7.5-8 mt. The government has, to reduce this surplus, also directed mills to export a cumulative two mt by September. The industry says this is impossible, as global prices have also been falling. Excess supply from Brazil and the European Union has led to a big slide in these; any exports would mean losses.
- The area sown under cane in UP has been growing consistently over the years. This year, too, it is estimated to increase by 100,000 hectares.
- As per the latest update on sugarcane arrears across the country, as on April 15, total cane arrears have touched Rs 20,683.35 crore. The maximum arrears are from Uttar Pradesh (Rs 8,976.59 crore), Maharashtra (Rs 2,457.55 crore), Karnataka (Rs 2,643.21 crore) and Tamil Nadu (Rs 2,007.27 crore). The cane arrears have occurred mainly because of steep slide in sugar realisation, which is almost lower than Rs 500-600 per quintal when compared with its production cost.
- Centre was in no mood to compromise with sugar mills over farmers' dues, which stood at over Rs 160 billion as on March 31. Food Minister Ram Vilas Paswan instructed states to take necessary action against sugar mills that have defaulted on their payment to farmers.
- Mexico produced 253,596 tonnes of sugar, in the week to April 7, down a bit from 256,177 in the previous week and also below 256,860 in the same week a year ago, official data showed.

NCDEX Sugar (M grade) Future Quotes (At 05:00 p.m. as on 21-04-2018)

Contract	+/-	Open	High	Low	Close	Volume	O.I
Cont. (C1)	-	2801	2801	2801	2801	-	-
Spread	Cont Mar (C1)						
Spot	-	-	-	-	-	-	-
	-	-	-	-	-	-	-

Note: There is no trade volume in near month future contract. Market participants are advised to wait until trade in volume starts

NCDEX Stock & Fed Position

Stocks	Grade	Demat	In-Process	Total	FED
		20-Apr-18	20-Apr-18	20-Apr-18	16-Apr-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 20th April,2018

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
May-18	11.74	11.78	11.57	11.64	-0.11
July-18	11.92	12.00	11.78	11.87	-0.08
Oct-18	12.17	12.25	12.05	12.13	-0.06

LCE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
Aug-18	341.80	345.00	340.20	342.40	-0.80
Oct-18	336.10	337.70	332.50	335.20	-2.00
Dec-18	340.20	341.40	336.90	339.60	-1.20

Commodity	Price (\$/Ton)	Change
Thai Sugar FOB 45 Icumsa	341.10	5.30

Sugar Prices at Key Spot Markets:					
Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
Sugar			21-Apr-18	20-Apr-18	
Delhi	Delhi	M-Grade	3000	3030	-30
	Delhi	S-Grade	2980	3010	-30
Uttar Pradesh	Khatauli	M-Grade	2823	2821	2
	Ramala	M-Grade	NA	NA	-
	Dhampur	M-Grade Ex-Mill	2700	2800	-100
	Dhampur	S-Grade Ex-Mill	2680	2780	-100
	Dhampur	L-Grade Ex-Mill	2750	2850	-100
Maharashtra	Mumbai	M-Grade	3100	3080	20
	Mumbai	S-Grade	2752	2752	Unch
	Nagpur	M-Grade	2725	2725	Unch
	Nagpur	S-Grade	2625	2625	Unch
	Kolhapur	M-Grade	2600	2600	Unch
	Kolhapur	S-Grade	2500	2500	Unch
Assam	Guhawati	S-Grade	2801	2801	Unch
Meghalaya	Shillong	S-Grade	2820	2820	Unch
Andhra Pradesh	Vijayawada	M-Grade	3320	3320	Unch
	Vijayawada	S-Grade	3260	3260	Unch
West Bengal	Kolkata	M-Grade	NA	NA	-
Tamil Nadu	Chennai	S-Grade	3200	3200	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)			21-Apr-18	20-Apr-18	
Uttar Pradesh	Muzaffarnagar	Chaku Sukha(Cold)	2625	2625	Unch
	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	4000	4000	Unch
	Muzaffarnagar	Khurpa (Fresh)	2430	2345	85
	Muzaffarnagar	Laddoo (Fresh)	2600	2575	25

	Muzaffarnagar	Rascut (Fresh)	2050	2000	50
	Hapur	Chaursa	2175	2150	25
	Hapur	Balti	2150	2125	25
Maharashtra	Latur	Lal Variety	NR	NR	-
Karnataka	Bangalore	Mudde (Average)	4400	4400	Unch
	Belgaum	Mudde (Average)	NA	NA	-
	Belthangadi	Yellow (Average)	NA	NA	-
	Bijapur/Vijayapura	Achhu	NA	2800	-
	Gulbarga/Kalaburgi	Other (Average)	NA	NA	-
	Mahalingapura	Penti (Average)	NA	3056	-
	Mandya	Achhu (Medium)	3300	3300	Unch
	Mandya	Kurikatu (Medium)	3200	3200	Unch
	Mandya	Other (Medium)	2900	3100	-200
	Mandya	Yellow (Medium)	3250	3350	-100
	Shimoga/Shivamogga	Achhu (Average)	NA	3700	-

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