

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

- Sugar wholesale market prices were witnessed steady to firm across the country on Friday.
- The wholesale gur (jaggery) market settled quiet in the national capital today with prices after moving both ends on little bouts of buying and selling. Muzaffarnagar and Muradnagar gur markets too remained steady on little doing.

**Previous updates.**

- Benchmark physical market under a week review at Kolhapur and Muzaffar Nagar traded negative on the back of poor sugar demand on higher sugar production coupled with panic sugar selling from millers to minimize cane arrears.
- Farmer's cane arrear issue is likely to adding up pressure on govt and sugar mills as well which is expected to direct centre governing body to maintain/ revise upward domestic sugar prices in medium term.
- Looking at current juncture, ambiguous govt policy towards sugar economy, normal S-W monsoon forecasts, depressed global sugar market, panic sugar selling from millers, hand to mouth sugar demand, piling of cane dues, and surging sugar output directs prices to trade on negative note in moving forward.
- Production updates from world's largest sugar producer and exporter (Brazil), in the end of crushing season 2017-18, its mills crushed 596.31 mln ton cane with resulted sugar output of 36.05 mln ton which is marginally up (1.21%) compared to previous season's 35.62 mln ton.
- There is a ₹ 8 gap between sugar price and the cost of production which is about ₹ 34 a kg. Mills can only support a sugarcane price of about ₹2,100 a tonne whereas they are expected to shell out ₹ 2,800 assuming an average 10 per cent recovery.
- According to Government officials, The Goods and Services Tax (GST) Council, headed by finance minister Arun Jaitley, will likely take up as early as in its next meeting, a proposal for the imposition of a cess on sugar to create a fund that will help mills clear cane dues owed to farmers.
- Sugar prices have declined to their lowest level in 28 months owing to distress sales by mills on account of storage problems. Storage problems are because of a production glut this season. With the output being 30 million tonnes by mid-April and 227 mills still in operation, the industry is now forecasting production at a record 31.5 million tonnes for the season 2017-18 as against 20.3 million tonnes during last season (October-September).
- The Centre is considering various options to help sugarcane farmers whose arrears have ballooned. The options include giving a production subsidy to sugarcane farmers, slapping a sugar cess on sales, reducing GST on ethanol being procured from sugar mills, and increasing the purchase price of ethanol for sugar mills.

## NCDEX Sugar (M grade) Future Quotes (At 05:00 p.m. as on 27-04-2018)

Contract	+/-	Open	High	Low	Close	Volume	O.I
Cont. (C1)	-	2743	2743	2743	2743	-	10
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
		26-Apr-18	26-Apr-18	26-Apr-18	23-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 26<sup>th</sup> April,2018

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

Contract	Open	High	Low	Close	+/-
May-18	10.82	11.05	10.78	10.97	0.11
July-18	11.12	11.45	11.06	11.38	0.26
Oct-18	11.44	11.78	11.38	11.70	0.27

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

Contract	Open	High	Low	Close	+/-
Aug-18	312.30	322.60	311.70	321.70	9.40
Oct-18	311.50	320.60	311.00	319.70	8.30
Dec-18	319.10	327.10	317.70	326.30	8.10

Commodity	Price (\$/Ton)	Change
Thai Sugar FOB 45 Icumsa	312.30	-12.20

Sugar Prices at Key Spot Markets:					
Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
Sugar			27-Apr-18	26-Apr-18	
Delhi	Delhi	M-Grade	3000	3000	Unch
	Delhi	S-Grade	2980	2980	Unch
Uttar Pradesh	Khatauli	M-Grade	2764	2770	-6
	Ramala	M-Grade	NA	NA	-
	Dhampur	M-Grade Ex-Mill	2660	2660	Unch
	Dhampur	S-Grade Ex-Mill	2640	2640	Unch
	Dhampur	L-Grade Ex-Mill	2710	2710	Unch
Maharashtra	Mumbai	M-Grade	3016	3016	Unch
	Mumbai	S-Grade	2720	2720	Unch
	Nagpur	M-Grade	2775	2725	50
	Nagpur	S-Grade	2675	2625	50
	Kolhapur	M-Grade	2650	2600	50
	Kolhapur	S-Grade	2550	2500	50
Assam	Guhawati	S-Grade	2852	2801	51
Meghalaya	Shillong	S-Grade	2870	2820	50
Andhra Pradesh	Vijayawada	M-Grade	3100	3100	Unch
	Vijayawada	S-Grade	3040	3040	Unch
West Bengal	Kolkata	M-Grade	3050	3050	Unch
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)			27-Apr-18	26-Apr-18	
Uttar Pradesh	Muzaffarnagar	Chaku Sukha(Cold)	2575	2553	23
	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	2500	2500	Unch

	Muzaffarnagar	Khurpa (Fresh)	2415	2325	90
	Muzaffarnagar	Laddoo (Fresh)	2603	2613	-10
	Muzaffarnagar	Rascut (Fresh)	2063	2063	Unch
	Hapur	Chaurasa	2250	2225	25
	Hapur	Balti	2250	2250	Unch
<b>Maharashtra</b>	Latur	Lal Variety	NR	NR	-
<b>Karnataka</b>	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)	2680	2750	-70
	Mahalingapura	Penti (Average)	2962	3013	-51
	Mandya	Achhu (Medium)	3250	3200	50
	Mandya	Kurikatu (Medium)	3100	2900	200
	Mandya	Other (Medium)	3150	3100	50
	Mandya	Yellow (Medium)	3200	3000	200
	Shimoga/Shivamogga	Achhu (Average)	NA	3550	-

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