

## Sugar & Gur Domestic & International Fundamentals

### Recent updates.

- Sugar wholesale market Prices were witnessed steady to weak across the country on Monday.
- India's Domestic sugar production for sugar year 2018 (SY2018) is set to cross 31.5 million tonnes, an increase of around 45% - 50%, from 20.3 million tonnes in the previous year. This has been driven principally by a recovery in production in Maharashtra, North Karnataka and Uttar Pradesh (UP).
- Sugar mills in Brazil's Centre/South crushed 22.214 million tonnes of cane in the first half of April, up from 7.758 mln in the second half of March and also above 17.681 mln in the same period a year ago, Unica data showed.
- Sugar production in Brazil's Centre/South during the current 2018/19 (Apr/Mar) season further to 30.8 mln tonnes, tel quel, from 31.6 mln previously, president Plinio Nastari said in an online briefing, according to Reuters.

### Previous updates.

- According to data from brokerage and consultancy INTL FCS tone, compiled by Reuters, Brazilian exportable surplus would fall from 30 million tonnes in the 2016-17 global crop year (October/September) to 22.2 million tonnes in the current crop year.
- The world's biggest and second biggest sugar producers, Brazil and Thailand, as well as Australia, Asia's second biggest sugar exporter, are working together to raise awareness of the issue at a meeting of the Global Sugar Alliance in May, with the aim of stopping India and Pakistan from subsidizing sugar exports, said Sirivuth Siamphakdee, chairman of the Thai Sugar Millers Corporation (TSMC).
- The International Sugar Organization projected the global sugar surplus in 2017/18 (October/September) would be 5.15 million tons, up from a previous forecast of 5.03 million tons
- 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.

## NCDEX Sugar (M grade) Future Quotes (At 05:00 p.m. as on 30-04-2018)

Contract	+/-	Open	High	Low	Close	Volume	O.I
Cont. (C1)	-	2711	2711	2711	2711	-	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
		28-Apr-18	28-Apr-18	28-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 27<sup>th</sup> April,2018

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

Contract	Open	High	Low	Close	+/-
May-18	10.99	11.38	10.82	11.22	0.25
July-18	11.39	11.68	11.18	11.52	0.14
Oct-18	11.71	11.94	11.51	11.79	0.09

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

Contract	Open	High	Low	Close	+/-
Aug-18	322.70	329.90	318.20	327.60	5.90
Oct-18	321.70	327.40	316.20	325.10	5.40
Dec-18	328.10	332.40	323.00	330.40	4.10

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			30-Apr-18	28-Apr-18	
Delhi	Delhi	M-Grade	2910	3010	-100
	Delhi	S-Grade	2890	2990	-100
Uttar Pradesh	Khatauli	M-Grade	2785	2764	21
	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	3012	3016	-4
	Mumbai	S-Grade	2746	2740	6
	Nagpur	M-Grade	2775	2775	Unch
	Nagpur	S-Grade	2675	2675	Unch
	Kolhapur	M-Grade	2650	2650	Unch
	Kolhapur	S-Grade	2550	2550	Unch
Assam	Guhawati	S-Grade	2852	2852	Unch
Meghalaya	Shillong	S-Grade	2870	2870	Unch
Andhra Pradesh	Vijayawada	M-Grade	3100	3100	Unch
	Vijayawada	S-Grade	3040	3040	Unch
West Bengal	Kolkata	M-Grade	NA	NA	-
Tamil Nadu	Chennai	S-Grade	3000	3000	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)			30-Apr-18	28-Apr-18	
Uttar Pradesh	Muzaffarnagar	Chaku Sukha(Cold)	2653	2625	28
	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	3000	2500	500
	Muzaffarnagar	Khurpa (Fresh)	2430	2425	5
	Muzaffarnagar	Laddoo (Fresh)	2640	2613	28
	Muzaffarnagar	Rascut (Fresh)	2105	2100	5
	Hapur	Chaurasa	Closed	2250	-
	Hapur	Balti	Closed	2250	-
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	3030	3040	-10
	Gulbarga/Kalaburgi	Other (Average)	NA	NA	-
	Mahalingapura	Penti (Average)	2917	NA	-
	Mandya	Achhu (Medium)	3250	3300	-50
	Mandya	Kurikatu (Medium)	3200	3100	100
	Mandya	Other (Medium)	3200	3150	50
	Mandya	Yellow (Medium)	NA	NA	-
	Shimoga/Shivamogga	Achhu (Average)	NA	NA	-

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