

Sugar & Gur Domestic & International Fundamentals

Recent updates.

- Sugar wholesale market Prices were witnessed steady across the country on Tuesday.
- Gur prices climbed by Rs 50 per quintal at the wholesale market in the national capital today largely on the back of speculative buying stockiests.

Previous updates.

- 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.
- 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 01-05-2018)

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 30th April,2018

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
May-18	11.29	11.52	11.25	11.52	0.30
July-18	11.60	11.79	11.52	11.75	0.23
Oct-18	11.84	12.03	11.79	11.99	0.20

LCE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
Aug-18	329.90	331.30	326.70	330.80	3.20
Oct-18	326.90	328.60	323.80	327.80	2.70
Dec-18	331.50	334.50	329.10	333.70	3.30

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

Sugar Prices at Key Spot Markets:					
Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
Sugar			1-May-18	30-Apr-18	
Delhi	Delhi	M-Grade	2910	2910	Unch
	Delhi	S-Grade	2890	2890	Unch
Uttar Pradesh	Khatauli	M-Grade	2785	2785	Unch
	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	Closed	3012	-
	Mumbai	S-Grade	Closed	2746	-
	Nagpur	M-Grade	Closed	2775	-
	Nagpur	S-Grade	Closed	2675	-
	Kolhapur	M-Grade	Closed	2650	-
	Kolhapur	S-Grade	Closed	2550	-
Assam	Guhawati	S-Grade	Closed	2852	-
Meghalaya	Shillong	S-Grade	Closed	2870	-
Andhra Pradesh	Vijayawada	M-Grade	3100	3100	Unch
	Vijayawada	S-Grade	3040	3040	Unch
West Bengal	Kolkata	M-Grade	Closed	NA	-
Tamil Nadu	Chennai	S-Grade	Closed	3000	-
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)			1-May-18	30-Apr-18	
Uttar Pradesh	Muzaffarnagar	Chaku Sukha(Cold)	2655	2653	3
	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	2500	3000	-500
	Muzaffarnagar	Khurpa (Fresh)	2450	2430	20
	Muzaffarnagar	Laddoo (Fresh)	2655	2640	15
	Muzaffarnagar	Rascut (Fresh)	2113	2105	8
	Hapur	Chaurasa	2313	Closed	-
	Hapur	Balti	2288	Closed	-
Maharashtra	Latur	Lal Variety	NR	NR	-
Karnataka	Bangalore	Mudde (Average)	NA	4400	-
	Belgaum	Mudde (Average)	NA	NA	-
	Belthangadi	Yellow (Average)	NA	NA	-
	Bijapur/Vijayapura	Achhu	NA	3030	-
	Gulbarga/Kalaburgi	Other (Average)	NA	NA	-
	Mahalingapura	Penti (Average)	NA	2917	-
	Mandya	Achhu (Medium)	NA	3250	-
	Mandya	Kurikatu (Medium)	NA	3200	-
	Mandya	Other (Medium)	NA	3200	-
	Mandya	Yellow (Medium)	NA	NA	-
	Shimoga/Shivamogga	Achhu (Average)	NA	NA	-

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