

Sugar & Gur Domestic & International Fundamentals

Recent updates.

- Sugar output in the 2017-18 (October-September) season is estimated at over 310 lt against an estimated domestic consumption of about 240 lt. A similar surplus is expected in the coming season. Sugar prices have dropped to Rs 28 a kg, against a cost of production of Rs35. Mills' overdues to sugarcane farmers is pegged at about Rs 18,000 crore.
- The Council is expected to take up a proposal to impose a 5 per cent levy on sugar. This is expected to translate into an increase in retail price of up to Rs 3 a kg. Money collected through cess will be used to provide financial support to the sugarcane farmers.
- Sugar July raw sugar was down 0.09 cents, or 0.8 percent, at 11.66 cents per lb by 1122 GMT. Prices fell sharply in the prior session in tandem with white sugar, after India approved plans to subsidise its cane farmers, which could pave the way for exports to the world market.

Previous updates.

- Till April 30, 2018, sugar mills have produced 31.03 MT sugar in the current season. With 130 sugar mills still operating, majorly in Uttar Pradesh, it is expected that sugar production during the current season might end up between 31.5-32 MT," Indian Sugar Mills Association (ISMA) said in a statement.
- India, the world's top sugar producer after Brazil, will spend 15.4 billion rupees (\$231 million) this year to subsidize a part of cane payments made by mills to farmers amid falling prices of the sweetener. India's cabinet approved a payment of 5.5 rupees per 100 kilograms of sugar cane to the farmers in the year that began on Oct. 1, Ravi Shankar Prasad, law and information technology minister, said on Wednesday.
- Running against the principles of the Goods and Services Tax, the Council's 27th meeting being held via video-conferencing on Friday may clear the imposition of a 5% Sugar cess. Currently, the government levies GST Compensation cess to compensate States that may incur losses in the first five years of GST implementation.
- Thailand's sugarcane crush continues to decelerate though 30 mills were still operational on the last day of April, meaning that just four mills ended crushing operations during the past week.
- In order to provide relief to sugarcane farmers, the government is preparing to give direct subsidy of Rs 55 per tonne to the farmers. Union Cabinet can grant this proposal to the Ministry of Agriculture on Wednesday. In the year 2015, the government provided subsidy of Rs 45 per tonne to the farmers. It is believed that in view of the Karnataka elections, the government is stepping up its pace.
- The ICE May raw sugar delivery totaled 21,021 lots, about 1.07 million tonnes, down from 29,947 lots a year prior, ICE Futures U.S. data showed on Tuesday, confirming a Reuters report.
- 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.

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

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
		3-May-18	3-May-18	3-May-18	1-May-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 3rd May,2018

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
July-18	11.70	11.78	11.60	11.69	-0.06
Oct-18	11.96	12.00	11.87	11.95	-0.06
Mar-19	13.05	13.10	12.96	13.05	-0.06

LCE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
Aug-18	323.00	326.10	321.80	323.50	-0.30
Oct-18	323.10	324.40	320.80	322.50	-1.00
Dec-18	329.50	330.40	327.50	329.30	-0.90

Commodity	Price (\$/Ton)	Change
Thai Sugar FOB 45 Icumsa	325.40	-

Sugar Prices at Key Spot Markets:					
Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
Sugar			4-May-18	3-May-18	
Delhi	Delhi	M-Grade	2980	3000	-20
	Delhi	S-Grade	2960	2980	-20
Uttar Pradesh	Khatauli	M-Grade	2790	2785	5
	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	2996	3000	-4
	Mumbai	S-Grade	2730	2736	-6
	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	3100	3100	Unch
	Vijayawada	S-Grade	3040	3040	Unch
West Bengal	Kolkata	M-Grade	3000	3000	Unch
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)			4-May-18	3-May-18	
Uttar Pradesh	Muzaffarnagar	Chaku Sukha(Cold)	2790	2778	13
	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	3000	1200	1800
	Muzaffarnagar	Khurpa (Fresh)	2500	2500	Unch
	Muzaffarnagar	Laddoo (Fresh)	2688	2700	-13
	Muzaffarnagar	Rascut (Fresh)	2113	2115	-3
	Hapur	Chaurasa	2375	2325	50
	Hapur	Balti	2400	2375	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	3000	3000	Unch
	Gulbarga/Kalaburgi	Other (Average)	2750	NA	-
	Mahalingapura	Penti (Average)	2870	2858	12
	Mandya	Achhu (Medium)	3450	3300	150
	Mandya	Kurikatu (Medium)	3200	3200	Unch
	Mandya	Other (Medium)	3250	2950	300
	Mandya	Yellow (Medium)	NA	3200	-
	Shimoga/Shivamogga	Achhu (Average)	NA	3750	-

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