

Sugar & Gur Domestic & International Fundamentals

Recent updates.

- Wholesale sugar prices were noticed steady to weak across the major markets in country on Saturday
- Sugar prices ruled unchanged on routine demand, supply and volume. Prices at the Vashi wholesale market remained under thin volatility as per quality. *Naka* and mill tender rates were steady as bulk demand eased. As producers continued selling at prevailing rates, the undercurrent of the market remained weak.

Previous 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.
- 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.

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

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
		4-May-18	4-May-18	4-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 4th May,2018

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
July-18	11.74	11.75	11.48	11.51	-0.18
Oct-18	11.99	11.99	11.77	11.79	-0.16
Mar-19	13.10	13.10	12.88	12.90	-0.15

LCE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
Aug-18	323.40	325.10	320.00	321.10	-2.40
Oct-18	321.90	323.50	318.90	319.50	-3.00
Dec-18	327.40	329.50	325.30	326.00	-3.30

Commodity	Price (\$/Ton)	Change
Thai Sugar FOB 45 Icumsa	327.40	-2.00

Sugar Prices at Key Spot Markets:					
Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
Sugar			5-May-18	4-May-18	
Delhi	Delhi	M-Grade	2960	2980	-20
	Delhi	S-Grade	2940	2960	-20
Uttar Pradesh	Khatauli	M-Grade	2780	2790	-10
	Ramala	M-Grade	NA	NA	-
	Dhampur	M-Grade Ex-Mill	2650	2660	-10
	Dhampur	S-Grade Ex-Mill	2630	2640	-10
	Dhampur	L-Grade Ex-Mill	2700	2710	-10
Maharashtra	Mumbai	M-Grade	2996	2996	Unch
	Mumbai	S-Grade	2730	2730	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	3060	3100	-40
	Vijayawada	S-Grade	3000	3040	-40
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)			5-May-18	4-May-18	
Uttar Pradesh	Muzaffarnagar	Chaku Sukha(Cold)	2800	2790	10
	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	2500	3000	-500
	Muzaffarnagar	Khurpa (Fresh)	2538	2500	38
	Muzaffarnagar	Laddoo (Fresh)	2675	2688	-13
	Muzaffarnagar	Rascut (Fresh)	2125	2113	13
	Hapur	Chaurasa	2450	2375	75
	Hapur	Balti	2500	2400	100
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	3000	-
	Gulbarga/Kalaburgi	Other (Average)	NA	2750	-
	Mahalingapura	Penti (Average)	NA	2870	-
	Mandya	Achhu (Medium)	3450	3450	Unch
	Mandya	Kurikatu (Medium)	3200	3200	Unch
	Mandya	Other (Medium)	3250	3250	Unch
	Mandya	Yellow (Medium)	3300	NA	-
	Shimoga/Shivamogga	Achhu (Average)	NA	3750	-

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