

Sugar & Gur Domestic & International Fundamentals

Recent updates.

- Wholesale sugar prices were witnessed steady to weak across the major markets in country on Wednesday.
- It is not just sugarcane prices that have tumbled, the prices of molasses have also dipped, creating problems for both sugar mills and farmers. Till April last year, molasses fetched a price of Rs 450 a quintal. This year, it has fallen to just Rs 10-20 a quintal.
- The global sugar price for sugar has fallen from US 13.51 cents/pound in April to 12.98 cent in ma.

Previous updates.

- Expectations of a bumper sugarcane crop this year have led to falling prices and caused financial losses for sugar mills, which are seeking federal and state government support to cover what they owe farmers.
- Sugar production in Philippines the week ended April 22 amounted to 68,912 tonnes, raw value, compared with 78,639 tonnes produced in the same period a year ago, SRA data show.
- Sugar output in the 2017-18 (October-September) season is estimated at over 310 It 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.

NCDEX Sugar (M grade) Future Quotes (At 05:00 p.m. as on 09-05-2018)

Contract	+/-	Open	High	Low	Close	Volume	O.I
Cont. (C1)	-	2712	2712	2712	2712	-	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
		8-May-18	8-May-18	8-May-18	7-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 8th May,2018

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
July-18	11.36	11.59	11.32	11.56	0.24
Oct-18	11.70	11.94	11.66	11.92	0.24
Mar-19	12.79	12.99	12.76	12.98	0.20

LCE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
Aug-18	320.00	328.30	318.30	327.60	6.50
Oct-18	318.20	323.60	317.30	321.90	2.40
Dec-18	324.80	330.40	324.00	329.60	3.60

Commodity	Price (\$/Ton)	Change
Thai Sugar FOB 45 Icumsa	321.10	-

Sugar Prices at Key Spot Markets:					
Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
Sugar			9-May-18	8-May-18	
Delhi	Delhi	M-Grade	2900	2875	25
	Delhi	S-Grade	2880	2855	25
Uttar Pradesh	Khatauli	M-Grade	2780	2780	Unch
	Ramala	M-Grade	NA	NA	-
	Dhampur	M-Grade Ex-Mill	2650	2650	Unch
	Dhampur	S-Grade Ex-Mill	2630	2630	Unch
	Dhampur	L-Grade Ex-Mill	2700	2700	Unch
Maharashtra	Mumbai	M-Grade	2962	2982	-20
	Mumbai	S-Grade	2720	2730	-10
	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	3060	Unch
	Vijayawada	S-Grade	3000	3000	Unch
West Bengal	Kolkata	M-Grade	NA	3000	-
Tamil Nadu	Chennai	S-Grade	2800	3000	-200
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)			9-May-18	8-May-18	
Uttar Pradesh	Muzaffarnagar	ChakuSukha(Cold)	2803	2813	-10
	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	4000	2500	1500
	Muzaffarnagar	Khurpa (Fresh)	2513	2525	-13
	Muzaffarnagar	Laddoo (Fresh)	2655	2675	-20
	Muzaffarnagar	Rascut (Fresh)	2113	2125	-13
	Hapur	Chaurasa	2450	2450	Unch
	Hapur	Balti	2575	2500	75
Maharashtra	Latur	Lal Variety	NR	NR	-
Karnataka	Bangalore	Mudde (Average)	4400	4400	Unch
	Belgaum	Mudde (Average)	3300	NA	-
	Belthangadi	Yellow (Average)	NA	NA	-
	Bijapur/Vijayapura	Achhu	NA	2850	-
	Gulbarga/Kalaburgi	Other (Average)	2730	2725	5
	Mahalingapura	Penti (Average)	2797	2802	-5
	Mandya	Achhu (Medium)	3550	3500	50
	Mandya	Kurikatu (Medium)	3200	3200	Unch
	Mandya	Other (Medium)	3000	2950	50
	Mandya	Yellow (Medium)	3300	3300	Unch
	Shimoga/Shivamogga	Achhu (Average)	3750	3750	Unch

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