

Sugar &Gur Domestic & International Fundamentals**Recent updates.**

- The industry hopes the government will create a buffer stock, have a fixed minimum support price for sugar and push exports.
- The Agriwatch Agri Commodities Index dipped 0.14% to 101.19 during the week ended May 19, 2018 from 101.33 during the previous week as plunging sugar prices offset gains in cereals, pulses and edible oils. The Sugar Index is now at its lowest since November 2015. The base for the Index and all sub-Indices is 2014 (= 100). Four of the nine commodity group sub-Indices and 15 of the 29 individual commodity sub-Indices ended the week lower.

Previous updates.

- Maharashtra's sugar season is nearing its end and only four sugar mills are continuing their crushing operations. With production crossing 107 lakh tonnes, the 2017-18 season has seen the highest production of sugar in the state. Of the 187 mills functional this season, 183 have ceased crushing operations. Two mills in Ahmednagar and one each in Pune and Satara districts are continuing operations.
- Record sugar production in India and Thailand is weighing heavily on millers in Brazil, the world's top producer. As many as nine mills may not process sugar cane in 2018-19 due to financial problems, joining a group of about 80 that have stopped production since 2008, according to Unica, Brazil's sugar industry group.
- While sugar prices have fallen by 30% in past few months owing to bumper sugarcane production across India, including Punjab, rates for molasses, a by-product of sugarcane, has also now crashed by 85 per cent.
- Sugar prices tumbled down by Rs 90 per quintal at the wholesale market in the national capital during the week as supplies exceeded the demand due to record production.
- Sugar exports have not started even after centre gave cane farmers a Rs 1,540-crore financial assistance package, seeking to flush out last year's surplus stock in the world's biggest consumer market of the natural sweetener.
- The wholesale gur (jaggery) market in the national capital today as prices remained to be continuously enquired at previous levels in the absence of any worthwhile moving factors. sluggish demand due to off season along with adequate stocks managed to keep gur prices unmoved. Following are today's rates (in Rs per quintal): Gur chakku Rs 2,900-3,000, pedi Rs 2,900-3,000, dhayya Rs 3,100-3,200 and shakkar Rs 3,200-3,300.
- India imported 1,908 tn sugar or 1.6 percent of the country's total import of the sweetener from Pakistan during April-May of the current financial year, the commerce ministry said.
- Thailand's sugarcane crush continues to wind down as daily sugar production has fallen to about 10,000 tonnes over the past week.
- Thailand, the world's second-biggest sugar exporter after Brazil, has decided to cut its exports of raw sugar by at least 500,000 tonnes this year, as a swelling global surplus and falling prices make it less worthwhile to export it, according to Japan's Nikkei newspaper.
- Raw-sugar futures have already fallen 26 percent this year, the biggest drop among 34 commodities tracked by Bloomberg. Record output in India and Thailand is driving the enormous glut. Hedge funds are positioning for more losses and have held wagers on prices declines for five straight months.

NCDEX Sugar (M grade) Future Quotes (At 05:00 p.m. as on 21-05-2018)

Contract	+/-	Open	High	Low	Close	Volume	O.I
Cont. (C1)	-	2610	2610	2610	2610	-	-
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
		19-May-18	19-May-18	19-May-18	14-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 18th May,2018

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
July-18	11.57	11.71	11.46	11.66	0.10
Oct-18	11.86	12.01	11.76	11.97	0.10
Mar-19	12.74	12.85	12.66	12.85	0.08

LCE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
Aug-18	325.30	332.00	323.70	330.20	3.50
Oct-18	322.00	327.10	320.80	325.80	2.00
Dec-18	327.80	331.60	326.40	331.20	1.50

Sugar Prices at Key Spot Markets:					
Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
Sugar			21-May-18	19-May-18	
Delhi	Delhi	M-Grade	2860	2820	40
	Delhi	S-Grade	2840	2800	40
Uttar Pradesh	Khatauli	M-Grade	2650	2660	-10
	Ramala	M-Grade	NA	NA	-
	Dhampur	M-Grade Ex-Mill	2540	2540	Unch
	Dhampur	S-Grade Ex-Mill	2520	2520	Unch
	Dhampur	L-Grade Ex-Mill	2590	2590	Unch
Maharashtra	Mumbai	M-Grade	2896	2890	6
	Mumbai	S-Grade	2650	2642	8
	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	2930	2930	Unch
Tamil Nadu	Chennai	S-Grade	2800	2785	15
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)			21-May-18	19-May-18	
Uttar Pradesh	Muzaffarnagar	ChakuSukha(Cold)	2588	2610	-23
	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	3000	2000	1000
	Muzaffarnagar	Khurpa (Fresh)	2350	2325	25
	Muzaffarnagar	Laddoo (Fresh)	2570	2600	-30
	Muzaffarnagar	Rascut (Fresh)	2225	2213	13
	Hapur	Chaurasa	Closed	2250	-
	Hapur	Balti	Closed	2288	-
Maharashtra	Latur	Lal Variety	NR	NR	-
Karnataka	Bangalore	Mudde (Average)	4400	4400	Unch
	Belgaum	Mudde (Average)	NR	NR	-
	Belthangadi	Yellow (Average)	NR	NR	-

	Bijapur/Vijayapura	Achhu	NA	NA	-
	Gulbarga/Kalaburgi	Other (Average)	NA	2875	-
	Mahalingapura	Penti (Average)	NA	NA	-
	Mandya	Achhu (Medium)	3500	3500	Unch
	Mandya	Kurikatu (Medium)	3250	3100	150
	Mandya	Other (Medium)	3300	3300	Unch
	Mandya	Yellow (Medium)	3400	3450	-50
	Shimoga/Shivamogg a	Achhu (Average)	NR	NR	-

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