

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

- UP's sugar production has increased by about 36 per cent from 87.73 lakh tonnes in the previous year to 119.12 lakh tonnes, and still counting, in the current year. The state's sugar production is expected to go up further in the 2018-19 crushing season.
- India's sugar output is likely to scale record highs in the next marketing season, with farmers choosing to plant the crop despite falling prices and around 200 billion rupees (\$2.96 billion) in delayed payments from mills for the current harvest.
- The Centre may create a 3-million-tonne sugar buffer stock to help sugar mills to tide over the crisis triggered by overproduction, Union Food Minister Ram Vilas Paswan said on Thursday.
- The glut in sugar production during the current 2017-18 season (September-October) has led to the sweetener price crashing to levels below cost of production.. This has resulted in ballooning sugarcane arrears to farmers to ₹22,000 crore. Sugar production this year is expected to be around 32 mt , 60 per cent higher than that in the last season.

Previous updates.

- The cooperative sugar mills in Haryana has crushed 443.13 lakh quintal of sugarcane producing 44.15 lakh quintal sugars according to Haryana Sugarfed.
- Ongoing sugar campaign is sowing increased area this year. The cultivated area of sugarcane has increased by 1.6 per cent over that of the previous year. Till 25th of May 48.67 lakh hectares has been brought under sugar.
- With policy support from government sugar mills in Maharashtra are planning to sign export contracts with neighboring countries before the start of the next season. Mills are targeting 3-3.5 million tonnes (mt) exports of raw sugar to Bangladesh and China and another 2-2.5 mt of white sugar to Sri Lanka.
- Maharashtra's current sugar season officially ended on Wednesday with the last of the 187 mills ceasing operations. The state has produced 10.7 mt of sugar, the highest in the last 10 years. Last year Maharashtra produced just 4.2 mt of sugar.
- Millers are planning to start the new season crushing a month early as compared to beginning in post Diwali and plan to produce only raw sugar for exports. The total export of raw sugar is expected to be 5-6 mt, in coming season. As the international prices has firmed up indian ugar has gained parity for exports.
- The Ministry Consumer Affairs, Food and Public Distribution has moved a draft Cabinet note on creating a sugar buffer stock of three million tonnes and fixing a minimum ex-mill price to help cash-starved millers clear cane arrears which have surged to about Rs 22,000 crore.
- In Punjab with the bumper production of Sugar the molasses prices has also crashed with the prices tumbled to INR 120 .per quintal against the prices of INR 600 per quintal last year.

NCDEX Sugar (M grade) Future Quotes (At 05:00 p.m. as on 04-06-2018)

Contract	+/-	Open	High	Low	Close	Volume	O.I
Cont. (C1)	-	2861	2861	2861	2861	-	-
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

Commodity	Price (\$/Ton)	Change
Thai Sugar FOB 45 Icumsa	354.60	5.70

NCDEX Stock & Fed Position					
Stocks	Grade	Demat	In-Process	Total	FED
		2-Jun-18	2-Jun-18	2-Jun-18	28-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 1 st June,2018					
ICE Sugar Futures (In Cents/Pound)					
Contract	Open	High	Low	Close	+/-
July-18	12.79	12.97	12.43	12.52	-0.27
Oct-18	13.01	13.18	12.70	12.81	-0.21
Mar-19	13.78	13.94	13.48	13.59	-0.21
LCE Sugar Futures (In US\$/MT)					
Contract	Open	High	Low	Close	+/-
Aug-18	355.50	360.00	351.20	353.00	-1.60
Oct-18	352.20	355.40	346.60	348.50	-2.50
Dec-18	354.80	358.00	349.50	351.90	-2.00

Sugar Prices at Key Spot Markets:					
Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
Sugar			4-Jun-18	2-Jun-18	
Delhi	Delhi	M-Grade	3200	3150	50
	Delhi	S-Grade	3180	3130	50
Uttar Pradesh	Khatauli	M-Grade	3100	3125	-25
	Ramala	M-Grade	NA	NA	-
	Dhampur	M-Grade Ex-Mill	2950	2950	Unch
	Dhampur	S-Grade Ex-Mill	2930	2930	Unch
	Dhampur	L-Grade Ex-Mill	3000	3000	Unch
Maharashtra	Mumbai	M-Grade	3080	3076	4
	Mumbai	S-Grade	2930	2930	Unch
	Nagpur	M-Grade	3025	3025	Unch
	Nagpur	S-Grade	2925	2925	Unch
	Kolhapur	M-Grade	2900	2900	Unch
	Kolhapur	S-Grade	2800	2800	Unch
Assam	Guhawati	S-Grade	3106	3106	Unch
Meghalaya	Shillong	S-Grade	3120	3120	Unch
Andhra Pradesh	Vijayawada	M-Grade	3200	3200	Unch
	Vijayawada	S-Grade	3140	3140	Unch
West Bengal	Kolkata	M-Grade	3270	3340	-70
Tamil Nadu	Chennai	S-Grade	3200	3200	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-Jun-18	2-Jun-18	
Uttar Pradesh	Muzaffarnagar	Chaku Sukha(Cold)	2625	2800	-175
	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	550	250	300
	Muzaffarnagar	Khurpa (Fresh)	2500	2625	-125
	Muzaffarnagar	Laddoo (Fresh)	2885	2950	-65
	Muzaffarnagar	Rascut (Fresh)	2225	2288	-63
	Hapur	Chaurasa	Closed	2313	-
	Hapur	Balti	Closed	2450	-
Maharashtra	Latur	Lal Variety	NR	NR	-
Karnataka	Bangalore	Mudde (Average)	4400	4400	Unch
	Belgaum	Mudde (Average)	NA	2900	-
	Belthangadi	Yellow (Average)	NA	NA	-
	Bijapur/Vijayapura	Achhu	NA	2700	-

	Gulbarga/Kalaburgi	Other (Average)	2875	NA	-
	Mahalingapura	Penti (Average)	2862	2849	13
	Mandya	Achhu (Medium)	NA	3500	-
	Mandya	Kurikatu (Medium)	NA	3100	-
	Mandya	Other (Medium)	NA	3350	-
	Mandya	Yellow (Medium)	NA	3450	-
	Shimoga/Shivamogga	Achhu (Average)	NA	NA	-

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