

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

- *Prices had risen by Rs 100 to 150 across the country, after the government cleared a Rs 8,500 crore bailout package for sugar mills and farmers.*
- *Thailand's sugar production increased by 54% in raw value, industry data showed, as its season comes to an end.*

**Previous updates.**

- *The Rs 7,000 crore bailout package for the sugar sector announced by the government earlier this week will help clear over 40% of the payment sugar mills owe farmers.*
- *As per the sowing data released by the Agriculture Ministry, as on 1 June 2018, sugarcane has been planted in around 49.32 lakh hectares (lh) across the country, higher than 48.72 lh in the corresponding week last year and normal of 45.02 lh till date.*
- *India has last week made a strong pitch to export 1.5 mn tons of sugar to China under the 50% tariff category to reduce surplus. China imports 4-5 mn tonnes sugar annually but India's sugar export to China has been thus far very small. The deal is expected to be finalised by August & exports to China might begin after September this year.*
- *Concerned over rising farmers discontent over lower payments and the build up of cane arrears, the government has approved a Rs 7000 crore package that aims to increase farmers income by creating a buffer stock for sugar and enhancing ethanol production capacity allowing additional outlet for sugarcane produce in a bumper season.*
- *As per the Cabinet decision, a sum of Rs 4,440 crore will be provided as soft loan to the sector for building ethanol production capacity to absorb the cane and a buffer stock of 3 million tonnes. In addition, for the first time Rs 29 per kg has been fixed as the minimum price below which mills cannot sell the sweetener. These decisions are aimed at helping mills in clearing part of over Rs 22,000-crore arrears to cane farmers.*
- *Sugar stocks rose by up to 7 percent on Tuesday amid reports that the government is likely to announce a bailout package of over Rs 7,000 crore to ensure cash-starved mills clear dues to farmers at the earliest.*
- *The decline in local sugar prices has further increased the economic crisis of sugar mills. Local sugar prices have come down to the lowest level of 28 months. Referring to their poor financial situation, mills have said that they are unable to pay sugarcane farmers at the time. Now there is a loan of about 220 billion rupees on mills, which can rise to the record level of Rs. 250 billion in the current 2017-18 season.*
- *The Government is likely to announce a bailout package of over ₹7,000 crore to ensure cash-starved mills clear dues to farmers at the earliest, according to sources. A decision in this regard is expected to be taken in the meeting of the Cabinet Committee on Economic Affairs (CCEA) scheduled Tomorrow.*
- *The package is likely to include a set minimum price for sugar, creation of a 30 lakh tonne buffer stock and a scheme to increase ethanol capacity, said a senior government official.*
- *Sugar production has hit a record high of more than 315 lakh tonnes this year, crossing the amounts needed for domestic consumption, and leading to a crash in prices.*

## NCDEX Sugar (M grade) Future Quotes (At 05:00 p.m. as on 09-06-2018)

Contract	+/-	Open	High	Low	Close	Volume	O.I
Cont. (C1)	-	2908	2908	2908	2908	-	-
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-Jun-18	8-Jun-18	8-Jun-18	4-Jun-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 8<sup>th</sup> June,2018

### ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
July-18	11.80	12.27	11.60	12.25	0.52
Oct-18	12.07	12.54	11.91	12.52	0.50
Mar-19	12.84	13.21	12.68	13.19	0.40

### LCE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
Aug-18	337.00	347.40	335.00	346.50	10.90
Oct-18	333.60	344.30	331.20	343.70	10.40
Dec-18	335.80	345.60	332.70	345.20	9.70

Commodity	Price (\$/Ton)	Change
Thai Sugar FOB 45 Icmsa	347.30	-

Sugar Prices at Key Spot Markets:					
Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
Sugar			9-Jun-18	8-Jun-18	
Delhi	Delhi	M-Grade	3450	3400	50
	Delhi	S-Grade	3430	3380	50
Uttar Pradesh	Khatauli	M-Grade	3500	3350	150
	Ramala	M-Grade	NA	NA	-
	Dhampur	M-Grade Ex-Mill	3300	3100	200
	Dhampur	S-Grade Ex-Mill	3280	3080	200
	Dhampur	L-Grade Ex-Mill	3350	3150	200
Maharashtra	Mumbai	M-Grade	3410	3350	60
	Mumbai	S-Grade	3220	3092	128
	Nagpur	M-Grade	3425	3275	150
	Nagpur	S-Grade	3325	3175	150
	Kolhapur	M-Grade	3300	3150	150
	Kolhapur	S-Grade	3200	3050	150
Assam	Guhawati	S-Grade	3512	3360	152
Meghalaya	Shillong	S-Grade	3520	3370	150
Andhra Pradesh	Vijayawada	M-Grade	3540	3360	180
	Vijayawada	S-Grade	3480	3300	180
West Bengal	Kolkata	M-Grade	3700	3580	120
Tamil Nadu	Chennai	S-Grade	3500	3150	350
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-Jun-18	8-Jun-18	
Uttar Pradesh	Muzaffarnagar	ChakuSukha(Cold)	2930	2813	118
	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	400	500	-100
	Muzaffarnagar	Khurpa (Fresh)	2813	2750	63
	Muzaffarnagar	Laddoo (Fresh)	3075	3063	13
	Muzaffarnagar	Rascut (Fresh)	2388	2350	38
	Hapur	Chaurasa	2350	2350	Unch
	Hapur	Balti	2450	2450	Unch

<b>Maharashtra</b>	Latur	Lal Variety	NR	NR	-
<b>Karnataka</b>	Bangalore	Mudde (Average)	NA	4300	-
	Belgaum	Mudde (Average)	NA	2800	-
	Belthangadi	Yellow (Average)	NA	NA	-
	Bijapur/Vijayapura	Achhu	NA	2745	-
	Gulbarga/Kalaburgi	Other (Average)	NA	2780	-
	Mahalingapura	Penti (Average)	NA	NA	-
	Mandya	Achhu (Medium)	NA	3450	-
	Mandya	Kurikatu (Medium)	NA	3150	-
	Mandya	Other (Medium)	NA	3250	-
	Mandya	Yellow (Medium)	NA	3200	-
	Shimoga/Shivamogga	Achhu (Average)	NA	3650	-

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