

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

- *Sugar mills in Uttar Pradesh, the country's largest sugar and sugarcane producing state, have been put on a 15-day notice to settle cane dues of over Rs 123 billion, failing which stringent action will be taken against them.*
- *Over a week, after the sugar package was notified, sugar prices have improved across the country. In Maharashtra, the ex-mill price is above Rs 30a kg while in UP 02it's is around Rs 32.*
- *India is likely to export around 500,000 tonnes, or just a quarter of the volume mandated by the government for overseas sales in the 2017-18 season amid higher prices at home industry officials told Reuters.*
- *Australian sugar production is forecast to increase by 2.8% to 4.830 million tonnes in 2018/19 from 4.700 mln a year ago, the Australian Bureau of Agricultural and Resource Economics and Sciences (ABARES) said in its quarterly update in June.*
- *Mexico's 2017/18 sugarcane crush is close to completion as another six mills concluded operations in the week to June 16, leaving just two out of 51 operational, official data showed.*

Monsoon Update:

- *There has been steady influx of rain clouds into the interior of South Peninsula from the Bay of Bengal across the Andhra Pradesh-Odisha coasts. Convective clouds have been formed across central and peninsular Indian bringing much rain for the farm sector. Agricultural operation in these regions is expected to start rapidly in these areas.*
- *Current influx is expected to drive the monsoon further interior with US model showing development of low pressure in central Indian which might extend upto northwest propelling SW monsoon to reach north west much before the normal date.*

Previous updates.

- *Sugar prices remained unchanged as prices at physical market neared the floor price. US Sugar futures opened with gap up post that is trading weak till the time report was written.*
- *The Directorate of sugarcane development Lucknow has kept sowing unchanged at 50.05 lakh hectares this sugar season against 49.48 lakh hectares last season as on 22nd June . The sowing is at par to the normal sowing of 50.05 lakh hectares. The sowing is almost complete.*
- *The sugar price in China is at \$750 per ton whereas Indian sugar will be at \$540 per ton including freight, import duty of 50% and export subsidy of \$122 per ton which will be much cheaper. India has compete with Brazil and Thailand for price advantage at Chines ports. As export subsidy has been effective till 2017-18 season govt has to be prudent in extending to the nest season too.*
- *However since Brazil origin and Thailand origin attracts import duty of 95% in China India is expected to have an edge over its competitors in China. The landed cost in China Thai in origin is at \$560 per ton whereas Brazili is at \$580 per ton.*
- *India is expected to export 1-1.5 million tons of raw sugar to China in many years. With the Chinese local prices are high an import duty of 50% on Indian sugar still seems to be viable. The annual Chinese Imports is 1.5 to 2 million tons. The Indian shipments is expected t start from mid of Oct. With India in the developing nation category no additional duty is applied in China except the import duty.*

NCDEX Sugar (M grade) Future Quotes (At 05:00 p.m. as on 26-06-2018)

Contract	+/-	Open	High	Low	Close	Volume	O.I
Cont. (Jul)	-	2925	2925	2925	2925	-	-
Spread	Cont Jul (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
		25-Jun-18	25-Jun-18	25-Jun-18	25-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 25th June,2018

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
July-18	12.09	12.16	11.96	12.00	-0.05
Oct-18	12.41	12.49	12.27	12.32	-0.09
Mar-19	13.00	13.08	12.89	12.95	-0.03

LCE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
Aug-18	345.00	349.50	344.40	345.10	0.60
Oct-18	342.40	345.30	341.00	341.30	-0.60
Dec-18	342.40	345.30	341.30	341.60	-0.40

Sugar Prices at Key Spot Markets:					
Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
Sugar			26-Jun-18	25-Jun-18	
Delhi	Delhi	M-Grade	3300	3230	70
	Delhi	S-Grade	3280	3210	70
Uttar Pradesh	Khatauli	M-Grade	3200	3200	Unch
	Ramala	M-Grade	NA	NA	-
	Dhampur	M-Grade Ex-Mill	3100	3100	Unch
	Dhampur	S-Grade Ex-Mill	3080	3080	Unch
	Dhampur	L-Grade Ex-Mill	3150	3150	Unch
Maharashtra	Mumbai	M-Grade	3330	3340	-10
	Mumbai	S-Grade	3060	3092	-32
	Nagpur	M-Grade	3025	3025	Unch
	Nagpur	S-Grade	3025	3025	Unch
	Kolhapur	M-Grade	2900	2900	Unch
	Kolhapur	S-Grade	2900	2900	Unch
Assam	Guhawati	S-Grade	3207	3207	Unch
Meghalaya	Shillong	S-Grade	3220	3220	Unch
Andhra Pradesh	Vijayawada	M-Grade	3660	3660	Unch
	Vijayawada	S-Grade	3600	3600	Unch
West Bengal	Kolkata	M-Grade	3350	3300	50
Tamil Nadu	Chennai	S-Grade	3300	3300	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)			26-Jun-18	25-Jun-18	
Uttar Pradesh	Muzaffarnagar	Chaku Sukha(Cold)	NA	NA	-
	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	NA	NA	-
	Muzaffarnagar	Khurpa (Fresh)	2690	NA	-
	Muzaffarnagar	Laddoo (Fresh)	3250	NA	-
	Muzaffarnagar	Rascut (Fresh)	2500	NA	-
	Hapur	Chaurasa	2675	Closed	-
	Hapur	Balti	NA	Closed	-
Maharashtra	Latur	Lal Variety	NR	NR	-
Karnataka	Bangalore	Mudde (Average)	4300	4300	Unch
	Belgaum	Mudde (Average)	NA	2900	-
	Belthangadi	Yellow (Average)	NA	NA	-
	Bijapur/Vijayapura	Achhu	NA	3000	-

	Gulbarga/Kalaburgi	Other (Average)	NA	2850	-
	Mahalingapura	Penti (Average)	2957	2951	6
	Mandya	Achhu (Medium)	3300	3350	-50
	Mandya	Kurikatu (Medium)	3100	3100	Unch
	Mandya	Other (Medium)	2900	3000	-100
	Mandya	Yellow (Medium)	3400	3350	50
	Shimoga/Shivamogga	Achhu (Average)	NA	NA	-

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