

## Sugar & Gur Domestic & International Fundamentals

### Recent updates.

- After 2.1 million tonnes for June, the government on 29<sup>th</sup> June allowed mills to sell **1.6 million tonnes** of sugar in July against traders' expectations of over 2 million tonnes, which is equivalent to the monthly average release of nearly 2.13 million tonnes.
- The current month quota is insufficient to meet consumers' demand despite being lean season, with lack of festivals and wedding or any other such occasions in this month. **The release quantity is 23 per cent lower than the average monthly consumption of 2.13 million tonnes,**
- In June, sugar mills in Maharashtra could not finish sale of their allotted quota **at Rs 2,900 a quintal.** The quantity of their unsold stocks is estimated to be **200,000 tonnes,**" said Praful Vithalani, Chairman, All India Sugar Trade Association (AISTA).

### Monsoon Update:

- In its latest weather update, the India Meteorological Department on Monday predicted heavy to very heavy rainfall in large parts of India, including several places in **Jammu and Kashmir, Tamil Nadu, Assam and Gujarat,** over the next few days till Friday.

### Previous updates.

- The United States Department of Agriculture is expecting **sugar beet production to be reduced about 4 percent** and **sugarcane about 3 percent** from 2017-18 levels for the 2018-19 crop years, said LSU AgCenter economist Michael Deliberto.
- Pakistan's sugar exports hit a new peak of **1.359 million tonnes fetching \$474m in July-May 2017-18** as **compared to 302,268 tonnes earning \$158m in the same period last fiscal.** The average per tonne price dropped to \$348 in 11 months of 2017-18 against \$524 per tonne average price earned in the same period last fiscal. Sugar exports were made to **African countries, the Middle East, Nepal, Myanmar, etc.**
- The government on Wednesday hiked **the price of ethanol produced from C molasses by Rs 2.85 per litre to Rs 43.70 for the new season starting December.** In a first, it also fixed the price of ethanol produced from B heavy molasses at Rs 47.49 per litre in its bid to encourage sugar mills to divert cane for producing ethanol over the sweetener to bail out for the sugar mills.
- Sugar industry demanded that the sugar MSP be revised to almost Rs **35/kg for Uttar Pradesh,** the country's top producer, and **Rs 33/kg for mills located in the western and southern regions,** notably Maharashtra, Karnataka and Tamil Nadu.
- The share of cane allocated to sugar production in Brazil's Centre/South (CS) was only **36.47%** in the first half of June, down from **49.37%** a year ago, the latest Unica data showed.
- 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.
- 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.

## NCDEX Sugar (M grade) Future Quotes (At 05:00 p.m. as on 02-07-2018)

Contract	+/-	Open	High	Low	Close	Volume	O.I
Cont. (Jul)	-	3091	3091	3091	3091	-	-
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
		30-Jun-18	30-Jun-18	30-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 29<sup>th</sup> June,2018

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

Contract	Open	High	Low	Close	+/-
July-18	11.88	11.88	11.76	11.86	-0.02
Oct-18	12.25	12.29	12.05	12.25	Unch
Mar-19	12.90	13.00	12.74	12.95	0.03

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

Contract	Open	High	Low	Close	+/-
Aug-18	349.20	350.30	346.20	349.50	-0.70
Oct-18	343.00	344.50	340.00	343.90	-0.10
Dec-18	340.30	344.40	339.30	343.90	0.80

Sugar Prices at Key Spot Markets:					
Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
Sugar			2-Jul-18	30-Jun-18	
Delhi	Delhi	M-Grade	3400	3300	100
	Delhi	S-Grade	3380	3280	100
Uttar Pradesh	Khatauli	M-Grade	3500	3300	200
	Ramala	M-Grade	NA	NA	-
	Dhampur	M-Grade Ex-Mill	3400	3200	200
	Dhampur	S-Grade Ex-Mill	3380	3180	200
	Dhampur	L-Grade Ex-Mill	3450	3250	200
Maharashtra	Mumbai	M-Grade	3520	3350	170
	Mumbai	S-Grade	3326	3160	166
	Nagpur	M-Grade	3625	3325	300
	Nagpur	S-Grade	3425	3225	200
	Kolhapur	M-Grade	3500	3200	300
	Kolhapur	S-Grade	3300	3100	200
Assam	Guhawati	S-Grade	3613	3410	203
Meghalaya	Shillong	S-Grade	3620	3420	200
Andhra Pradesh	Vijayawada	M-Grade	3740	3580	160
	Vijayawada	S-Grade	3680	3560	120
West Bengal	Kolkata	M-Grade	NA	3400	-
Tamil Nadu	Chennai	S-Grade	NA	NA	-
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)			2-Jul-18	30-Jun-18	
Uttar Pradesh	Muzaffarnagar	ChakuSukha(Cold)	NA	NA	-
	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	NA	NA	-
	Muzaffarnagar	Khurpa (Fresh)	NA	2850	-
	Muzaffarnagar	Laddoo (Fresh)	NA	3300	-
	Muzaffarnagar	Rascut (Fresh)	2650	2625	25
	Hapur	Chaurasa	Closed	2750	-
	Hapur	Balti	Closed	NA	-
Maharashtra	Latur	Lal Variety	NR	NR	-

Karnataka	Bangalore	Mudde (Average)	NA	4300	-
	Belgaum	Mudde (Average)	NA	2900	-
	Belthangadi	Yellow (Average)	NA	NA	-
	Bijapur/Vijayapura	Achhu	NA	3000	-
	Gulbarga/Kalaburgi	Other (Average)	NA	NA	-
	Mahalingapura	Penti (Average)	NA	NA	-
	Mandya	Achhu (Medium)	NA	3050	-
	Mandya	Kurikatu (Medium)	NA	2900	-
	Mandya	Other (Medium)	NA	2850	-
	Mandya	Yellow (Medium)	NA	2950	-
	Shimoga/Shivamogga	Achhu (Average)	NA	NA	-