

Sugar & Gur Domestic & International Fundamentals

Recent updates.

- Sugar Wholesale market prices were witnessed **steady to weak** across the country on Thursday.
- The directorate of sugar under the food ministry has allocated total **sales quota of 11.60 lakh tonnes** to mills in Uttar Pradesh for June and July, while Maharashtra **has got 15.77 lakh tonnes** for these two months, leaving the mills in the largest producer befuddled.
- Brazil exported **only 1.946 million tonnes of sugar**, raw value, in June 2018, **down from 2.120 mln a month earlier** and significantly below 3.128 mln in the same month last year, Trade Ministry data showed.

Monsoon Update:

- The India Met Department (IMD) has indicated that the monsoon is bracing for another revival phase from the South Peninsula and Central India, **from July 6 and 8, respectively.**
- This will come about with the likely formation of a cyclonic circulation over the **North-West Bay of Bengal and adjoining Bengal coast around Friday (July 6).** The US Climate Prediction Centre hinted that the 'buzz' due to the churn off the Andhra Pradesh-Odisha coast would continue to hold until July 19.

Previous updates.

- In the current season 2017-18, the **total production of molasses stood at over 5.32 million tonnes (MT).** However, only 2.97 MT of the stock was lifted, leaving unsold stock of almost 2.55 MT with mills (total stock includes the opening stock from the previous sugar season).
- The UP Sugar Cane Authority has written to the central government to increase the quota of sugar that mills can sell to **10 lakh tonnes per month** in view of the pending dues of farmers accounting Rs 12000 crores. As per quota fixed by the central government, mills in the state can sell sugar worth **Rs 1,650 crore every month**, thereby making it all more difficult for them to clear dues.
- The total sugarcane sown area as on 29th June 2018, as per reports received from States, stands at **50.01 lakh hectares** as compared to **49.48 lakh hectares** at this time last year.
- The government is considering a proposal to raise the fair and remunerative price (FRP) of cane to **Rs 275 per quintal for the marketing year** starting October, against Rs255 this year.
- After 2.1 million tonnes for June, the government on 29th 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).

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

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
		04-July-18	04-July-18	04-July-18	02-July-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 04th July,2018

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
Oct-18	11.65	11.69	11.24	11.39	-0.17
Mar-19	12.38	12.43	12.01	12.12	-0.21
May-19	12.52	12.55	12.13	12.21	-0.23

LCE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
Aug-18	340.50	343.30	335.00	336.60	-3.10
Oct-18	332.10	334.90	325.50	328.40	-3.10
Dec-18	331.80	334.40	324.50	327.00	-4.00

Sugar Prices at Key Spot Markets:					
Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
Sugar			5-Jul-18	4-Jul-18	
Delhi	Delhi	M-Grade	3300	3350	-50
	Delhi	S-Grade	3280	3330	-50
Uttar Pradesh	Khatauli	M-Grade	3420	3450	-30
	Ramala	M-Grade	NA	NA	-
	Dhampur	M-Grade Ex-Mill	3500	3450	50
	Dhampur	S-Grade Ex-Mill	3480	3430	50
	Dhampur	L-Grade Ex-Mill	3550	3500	50
Maharashtra	Mumbai	M-Grade	3600	3620	-20
	Mumbai	S-Grade	3280	3330	-50
	Nagpur	M-Grade	3225	3425	-200
	Nagpur	S-Grade	3125	3325	-200
	Kolhapur	M-Grade	3100	3300	-200
	Kolhapur	S-Grade	3000	3200	-200
Assam	Guhawati	S-Grade	3309	3512	-203
Meghalaya	Shillong	S-Grade	3320	3520	-200
Andhra Pradesh	Vijayawada	M-Grade	3740	3740	Unch
	Vijayawada	S-Grade	3680	3680	Unch
West Bengal	Kolkata	M-Grade	3700	3550	150
Tamil Nadu	Chennai	S-Grade	3500	3500	Unch
	Dindigul	M-Grade	3700	3700	Unch
	Coimbatore	M-Grade	3700	3700	Unch
Chattisgarh	Ambikapur	M-Grade (Without Duty)	3300	3300	Unch

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)			5-Jul-18	4-Jul-18	
Uttar Pradesh	Muzaffarnagar	ChakuSukha(Cold)	2900	2875	25
	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	NA	NA	-
	Muzaffarnagar	Khurpa (Fresh)	NA	NA	-
	Muzaffarnagar	Laddoo (Fresh)	NA	NA	-
	Muzaffarnagar	Rascut (Fresh)	2600	2600	Unch
	Hapur	Chaurasa	2750	2750	Unch
	Hapur	Balti	NA	NA	-
Maharashtra	Latur	Lal Variety	NR	NR	-

Karnataka	Bangalore	Mudde (Average)	4300	4300	Unch
	Belgaum	Mudde (Average)	3000	3000	Unch
	Belthangadi	Yellow (Average)	NA	NA	-
	Bijapur/Vijayapura	Achhu	3000	3050	-50
	Gulbarga/Kalaburgi	Other (Average)	2880	2950	-70
	Mahalingapura	Penti (Average)	3188	3188	Unch
	Mandya	Achhu (Medium)	3100	3000	100
	Mandya	Kurikatu (Medium)	2900	2900	Unch
	Mandya	Other (Medium)	3000	3000	Unch
	Mandya	Yellow (Medium)	3150	3150	Unch
	Shimoga/Shivamogga	Achhu (Average)	3800	3800	Unch

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