

## Sugar & Gur Domestic & International Fundamentals

### Recent updates.

- The prices of M-30 and S-30 grades of sugar have remained firm in Kolhapur market on Monday to **Rs 3150 to 3100 and Rs 3050 to 3000 per quintal.**
- The total sugarcane sown area **as on 06<sup>th</sup> July 2018**, as per reports received from States, stands at **50.44 lakh hectares as compared to 49.64 lakh hectares at this time last year.**
- Sugar prices have firmed **up about 10% over last week** after the central government kept the quantity of sweetener sugar mills can sell in open market in July lower than normal monthly limits and industry expectations

### Monsoon Update:

- Mumbai's rain has again recovered and heavy rain will continue in the next 24 hours. There is a possibility of heavy rains in Konkan Goa, Vidarbha, Madhya Pradesh and Chhattisgarh too. In some parts flood conditions can also be seen. - Meanwhile, in south Gujarat and in southeastern Rajasthan, light to moderate rainfall is expected. If you go north, there will be light to moderate rainfall in Uttarakhand and West Uttar Pradesh, while there may be slight rainfall in two places in Himachal Pradesh, Uttar Pradesh and Haryana. However, the weather in Delhi and North Rajasthan will remain hot and dry.

### Previous updates.

- With the minimum selling prices (MSP) of sugar in the domestic market set at Rs 29/kg, mills had to bear **losses of Rs 1-2/kg when they exported.** Now, with domestic prices rising to **Rs 32/kg, the losses on exports** have increased to Rs 4-5/kg.
- The European Commission has cut its forecast for sugar production in the bloc in 2018/19 to **20.1 mln tonnes** from a previous projection of **20.4 mln**, according to its quarterly short-term agricultural outlook report.
- 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.
- 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.

## NCDEX Sugar (M grade) Future Quotes (At 05:00 p.m. as on 09-07-2018)

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
		05-July-18	05-July-18	05-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 06<sup>th</sup> July,2018

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

Contract	Open	High	Low	Close	+/-
Oct-18	11.47	11.55	11.34	11.51	0.03
Mar-19	12.12	12.19	11.99	12.19	0.05
May-19	12.21	12.28	12.07	12.27	0.06

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

Contract	Open	High	Low	Close	+/-
Aug-18	341.90	342.40	339.20	340.90	-0.80
Oct-18	330.00	332.50	327.20	331.30	1.10
Dec-18	328.00	330.10	325.00	328.70	0.30

Sugar Prices at Key Spot Markets:					
Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
Sugar			7-Jul-18	6-Jul-18	
Delhi	Delhi	M-Grade	3290	3270	20
	Delhi	S-Grade	3270	3250	20
Uttar Pradesh	Khatauli	M-Grade	3380	3380	Unch
	Ramala	M-Grade	NA	NA	-
	Dhampur	M-Grade Ex-Mill	3300	3400	-100
	Dhampur	S-Grade Ex-Mill	3280	3380	-100
	Dhampur	L-Grade Ex-Mill	3350	3450	-100
Maharashtra	Mumbai	M-Grade	3572	3440	132
	Mumbai	S-Grade	3276	3276	Unch
	Nagpur	M-Grade	3275	3225	50
	Nagpur	S-Grade	3175	3125	50
	Kolhapur	M-Grade	3150	3100	50
	Kolhapur	S-Grade	3050	3000	50
Assam	Guhawati	S-Grade	3360	3309	51
Meghalaya	Shillong	S-Grade	3370	3320	50
Andhra Pradesh	Vijayawada	M-Grade	3740	3680	60
	Vijayawada	S-Grade	3680	3620	60
West Bengal	Kolkata	M-Grade	3650	3650	Unch
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)	3450	3450	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)			7-Jul-18	6-Jul-18	
Uttar Pradesh	Muzaffarnagar	ChakuSukha(Cold)	2850	2875	-25
	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	NA	NA	-
	Muzaffarnagar	Khurpa (Fresh)	NA	NA	-
	Muzaffarnagar	Laddoo (Fresh)	NA	NA	-
	Muzaffarnagar	Rascut (Fresh)	2600	2613	-13
	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)	NA	3000	-
Belthangadi	Yellow (Average)	NA	NA	-
Bijapur/Vijayapura	Achhu	NA	3000	-
Gulbarga/Kalaburgi	Other (Average)	2880	2860	20
Mahalingapura	Penti (Average)	NA	3160	-
Mandya	Achhu (Medium)	2950	3100	-150
Mandya	Kurikatu (Medium)	2900	2900	Unch
Mandya	Other (Medium)	2900	3000	-100
Mandya	Yellow (Medium)	3100	3150	-50
Shimoga/Shivamogga	Achhu (Average)	NA	3800	-

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