

Sugar & Gur Domestic & International Fundamentals**Recent Update:**

Indian sugar prices were down by Rs.20-30 today in almost all markets. The prices are expected to remain firm in the month of August. Kolhapur sugar prices increased at Rs.3180 and in U.P's Khatauli market stood at Rs. 3420 INR.

According to trade sources, 3 Sugar vessels are lined up in the Kandla port for loading and is expected for departure in coming days. Estimated time of completion of loading the vessel (ALLIANCE) with 26804 tonnes and vessel (ASSOSA) with 25000 tonnes is on 6th Aug'19 and 10th Aug'19. Loading in vessel (NEGAR) has already completed on 5th Aug'19.

Brazil Sugar exports reached 1.82 mln tonnes in July according to the Ministry of trade (Brazil) up from previous month since the beginning of the season from April'19. Total exports so far this season at 6.38 mln tonnes down from 6.89 mln tonnes.

Weather Forecast:

During the next 24 hours, moderate to heavy rains will be seen over Konkan and Goa, Coastal Karnataka, parts of Kerala, North Coastal Andhra Pradesh and parts of Odisha. Light to moderate rainfall with one or two heavy spells would be affecting East Rajasthan, many parts of Madhya Pradesh, Chhattisgarh, South Gujarat, Madhya Maharashtra, parts of Vidarbha, Telangana, Jharkhand, Gangetic West Bengal, Haryana, parts of Punjab, Himachal Pradesh, Uttarakhand and Jammu and Kashmir and some parts of West Uttar Pradesh. Short spells of rain will be seen over Delhi and Interior Karnataka. Light rain with one or two moderate spells can be seen over Northeast India, and rest Gujarat with isolated rains over Bihar and Tamil Nadu.

Previous Updates:

According to Australian Sugar report released by Australian sugar milling council, the weekly crush in the week ending on 28th July'19 jumped to 1.473 lakh tonnes reaching 6.82 lakh tonnes (21.7%) total crush from the beginning of the season. The crush as on 29th July'18, was around 3 lakh tonnes higher at 9.82 lakh tonnes compared to 2019-20 crushing.

The Agriculture Ministry has released the sugarcane sowing data on 2nd Aug'19. Sugarcane acreage remained same at 52.30 lakh ha from last week. The area is higher by 4.56 lakh ha compared to the normal area and lagging behind by 3.15 lakh ha from that in corresponding period previous year. Largest decrease in acreage is seen in Maharashtra, Tamil Nadu, UP and Gujarat by 2.6 lakh ha, 0.81 lakh ha, 0.56 lakh ha and 0.47 lakh ha respectively from last year.

Maharashtra millers demanded the central government's nod to convert existing sugar to ethanol, an alternate to C- Heavy Molasses, B Heavy Molasses and juice into ethanol. As oil companies are expecting 110 crore liters of ethanol from Maharashtra to meet E10 fuel (gasoline containing 10 percent ethanol). The crop in 2019-20 season is estimated lower in Maharashtra due to unavailability of water, therefore, the shortfall of B- heavy molasses may occur. The availability of ethanol will get restricted to 70 crore litre, 5 crore litre totalling 75 crore litre through the B Heavy Molasses and Juice routes separately.

Heavy rains in Maharashtra filled up the existing desiccated dams and received a surplus rainfall of 7% whereas Marathwada region is still deficit of rain by around 27 to 30%. Heavy rains in Satara and Sangli districts have ensured a healthy water stock in dams. The Koyana dam the largest source of water of the state has filled up to 74.89 TMC of its 105 TMC capacity.

Farmers are more likely to send the cane for fodder as they are getting better prices instead of selling to the sugar mills. A lot of dried cane in the last month is sent for fodder. In Maharashtra, the Marathwada regions rainfall since June has been 29% lower than normal, while Vidarbha saw rains that were 19% below average, according to IMD. But the arrival of monsoon has brought some relief but several area are still suffering from scanty rainfall.

Brazilian Sugar exports has slumped down to 21% in the first half of the new season (2019-20) compared to the same period of 2018-19 season. Demand continues to be weaker as the buyers have already enough unsold stock. Due to which the departure of sugar from the ports of Brazil is slacking at the time when the exports increases as Brazil is approaching in its peak season.

August month's sugar quota have been fixed at 19 LT to each 535 mills in India along with added incentivised quota to those mills who have completed their export targets under MIEQ Quota. The government has increased the buffer stock to 40 LT that would help to maintain the supply and demand. Also, the festive demand will help the sugar mills to liquidate the stocks in the August month.

Weekly Outlook:

Indian Sugar markets remained weak during last week. We expect sugar prices may trade steady due to no demand in the market. As per the Agriwatch estimate, spot sugar prices (M grade) in benchmark Kolhapur market are likely to range between Rs 2900–Rs 3150 per quintal for next week.

NCDEX Sugar (M grade) Future Quotes (At 05:00 p.m. as on 20-12-2018)

Contract	+/-	Open	High	Low	Close	Volume	O.I
Cont. (DEC)	-	2989	2989	2989	2989	-	-
Spread	Cont Dec(C1)						
Spot							

Note: There is no trade volume in near month future contract. Market participants are advised to wait until trade in volume start.

Commodity		Change
Thai Sugar FOB 45 Icmsa	323.5	0.9



International Sugar Futures ICE (US Cent/lb)

Daily Futures Price Listing Mon August 05, 2019									
Most Recent Information							Previous Day		
Mth	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
Sugar #11(ICE)									
19-Oct	190805	11.97	12.04	11.69	11.82	-0.2	46,090	499,749	1,270
20-Mar	190805	13	13.07	12.75	12.86	-0.17	21,261	266,310	-1,666
20-May	190805	13.14	13.2	12.91	13	-0.17	8,002	66,885	207
20-Jul	190805	13.27	13.3	13.04	13.11	-0.17	4,652	51,838	-884
20-Oct	190805	13.45	13.47	13.25	13.31	-0.17	945	39,987	-160
21-Mar	190805	14	14	13.78	13.82	-0.18	162	23,625	17
21-May	190805	13.8	13.83	13.8	13.83	-0.16	49	3,839	6
21-Jul	190805	13.8	13.83	13.8	13.83	-0.15	2	3,545	0
Total Volume and Open Interest							81,163	957,811	-1,210

International Sugar Futures LIFFE (US \$/MT)

Daily Futures Price Listing Mon August 05, 2019									
Most Recent Information							Previous Day		
Mth	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
London Sugar(LCE)									
19-Oct	190805	323.1	324.1	317.2	317.8	-5.9	6,833	53,559	-882
19-Dec	190805	332	332.7	326.7	327.7	-4.5	3,352	26,051	499
20-Mar	190805	342.5	343.1	338.1	339.3	-3.8	1,768	17,448	409
20-May	190805	349.8	349.8	345.3	346.4	-3.4	287	5,269	81
20-Aug	190805	357.1	357.1	353.7	354.4	-3.3	47	2,685	17
Total Volume and Open Interest							12,295	106,370	126

DOMESTIC PRICES AND ARRIVAL

Sugar Prices at Key Spot Markets:					
Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
Sugar			6-Aug-19	5-Aug-19	
Delhi	Delhi	M-Grade	3350	3300	50
	Delhi	S-Grade	3330	3280	50
Uttar Pradesh	Khatauli	M-Grade	3420	3450	-30
	Ramala	M-Grade	NA	NA	-
	Dhampur	M-Grade Ex-Mill	3325	3325	Unch
	Dhampur	S-Grade Ex-Mill	3305	3305	Unch
	Dhampur	L-Grade Ex-Mill	3375	3375	Unch
Maharashtra	Mumbai	M-Grade	3520	3396	124
	Mumbai	S-Grade	3290	3246	44
	Nagpur	M-Grade	3305	3325	-20
	Nagpur	S-Grade	3245	3225	20
	Kolhapur	M-Grade	3180	3200	-20
	Kolhapur	S-Grade	3120	3100	20
Assam	Guhawati	S-Grade	3431	3410	20
Meghalaya	Shillong	S-Grade	3440	3420	20
Andhra Pradesh	Vijayawada	M-Grade	3600	3600	Unch
	Vijayawada	S-Grade	3540	3540	Unch
West Bengal	Kolkata	M-Grade	3650	3640	10
Tamil Nadu	Chennai	S-Grade	3600	3600	Unch
	Dindigul	M-Grade	3590	3590	Unch
	Coimbatore	M-Grade	3520	3520	Unch
Chattisgarh	Ambikapur	M-Grade (Without Duty)	3350	3350	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)			6-Aug-19	5-Aug-19	
Uttar Pradesh	Muzaffarnagar	Chaku Fresh	NA	NA	-
	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	NA	NA	-
	Muzaffarnagar	Khurpa (Fresh)	NA	NA	-
	Muzaffarnagar	Laddoo (Fresh)	NA	NA	-
	Muzaffarnagar	Rascut (Fresh)	NA	NA	-

	Hapur	Chaurasa	NA	NA	-
	Hapur	Balti	NA	NA	-
Andhra Pradesh	Chittur	Gold	4300	4300	Unch
		White	NA	NA	-
		Black	4000	4000	Unch
Maharashtra	Latur	Lal Variety	NR	NR	-
Karnataka	Bangalore	Mudde (Average)	4650	4650	Unch
	Belgaum	Mudde (Average)	NA	NA	-
	Belthangadi	Yellow (Average)	NA	NA	-
	Bijapur/Vijayapura	Achhu	NA	NA	-
	Gulbarga/Kalaburgi	Other (Average)	NA	NA	-
	Mahalingapura	Penti (Average)	NA	NA	-
	Mandya	Achhu (Medium)	3250	3300	-50
	Mandya	Kurikatu (Medium)	3000	3000	Unch
	Mandya	Other (Medium)	2900	2900	Unch
	Mandya	Yellow (Medium)	3250	3250	Unch
	Shimoga/Shivamogga	Achhu (Average)	NA	3650	-

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