

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

*The prices across India remained steady to low today at Rs.3140/q in Delhi and Rs.3820 in Vijayawada. Also the prices in Khatauli, UP remained low at Rs.3225/q today due to lower demand. While the prices in Chennai stood at Rs. 3800/q.*

**Weather Forecast:**

*Thunderstorm accompanied with lightning, hail & squall (speed reaching 50-60 kmph) very likely at isolated places over Assam & Meghalaya and Nagaland, Manipur, Mizoram & Tripura. Thunderstorm accompanied with lightning, hail & gusty winds (speed reaching 30-40 kmph) very likely at isolated places over Sub-Himalayan West Bengal & Sikkim; with lightning & gusty winds (speed reaching 30-40 kmph) at isolated places over Jammu, Kashmir, Ladakh, Gilgit, Baltistan, Muzaffarabad, Arunachal Pradesh, Odisha and Marathwada and with lightning over Vidarbha, Chhattisgarh, Gangetic West Bengal, Himachal Pradesh, Bihar and Jharkhand.*

**Previous Updates:**

***DFPD has asked the sugar mills to submit the quarterly report of sugar export by April 20 extended by 17 days which was supposed to be submitted by April 3<sup>rd</sup>. The ministry also warned that if mills fail to export the quota by 31<sup>st</sup> Mar'20, they would not be entitled for their claim for their quota of fourth quarter under the MAEQ scheme and also for maintenance of buffer stock of 40 LT notified by DFPD earlier in the previous year.***

***Sugar mills in UP would continue operations till the entire sugarcane crop is harvested for this season.***

*Around 100 mills are still crushing out of the total 119 operational mills this sugar season. So far this year till 10<sup>th</sup> Apr'20, around 932 LT of sugarcane has been harvested by producing 105.41 LT of sugar up by 2.66% compared to the previous year sugar production during the same period. Only around 15 per cent sugarcane is left to be supplied to the sugar mills.*

***In many states, the mills are facing difficulty in the crushing operations as many labourers have returned to their homes after the lockdown. Sugarcane is lying in the fields in many states because of lack of cane harvesting labourers to cut it. The Bardoli district in Gujarat has an area of 8000 ha spread over 1.25 lakh tonnes of sugarcane is not being harvested. The area needs around 10,000 labours but only 3000 farm labours are working to harvest 1.25 lakh tonnes of cane.***

***As the poor families and daily wage workers are suffering a lot after the covid-19 lockdown in every state, the Gujarat government has decided to provide free ration to around 60 lakh families who were not getting food under National Food Security Act. They would be given 10 kg wheat grains, 3 kg rice, 1 Kg pulse grain and 1 kg sugar all free of cost. As the sugar piles in the godowns after the lockdown due to the lack of availability of labour and disruption in transport, now the mills are able to liquidate the stocks.***

***Oman to import 10,000 tonnes of white sugar to ensure the ample supply of basic commodities in the market amid the ongoing Coronavirus outbreak. Oman is also ensuring that they should face no sugar shortage in the country. Public Authority for Stores and Food Reserves has contracted to purchase 10,000 tonnes of white sugar, with the aim of strengthening the stockpile of basic food commodities. India could gain this opportunity of exporting some amount of sugar if the trade operations gets smoother.***

*The sugarcane in UP is being harvested as directed by the government and the mills are supporting the farmers in transportation of the harvested cane to the mills. As the mills in UP would continue the crushing operations till the cane is harvested from the fields so as to avoid the loss in yield and sugar recovery of the cane. Sugar mill's sugar production and supply are coming back on track gradually from the last 3-4 days.*

*Across India, the mills are facing from the sharp drop in demand for ethanol from the OMCs due to the significant decline in usage of petrol and diesel in the country because of lockdown in the country. Now, the mills are having difficulties in storing the large amount of ethanol. The mills have requested the OMCs to reallocate the ethanol in different depots so that all the ethanol contracted for in the year is supplied on time without facing in storing the ethanol in the mills for which the OMCs have agreed upon.*

*The global raw sugar prices have fallen by around 20% since last month from 14.46 cents/lbs to 11.40 cents/lbs by the end of March month and similarly the white sugar have plunged to \$327.5/tonne by the end of March from \$384/tonne during the same period due to the pandemic effect globally. The fall in prices due to weak crude oil prices, growing risk and on expectation of a decline in demand amid outbreak of coronavirus. The downfall in crude oil prices is encouraging one of the largest sugar producing countries Brazil and a major competitor of India to divert the sugarcane crushing to sugar production instead of ethanol production in the coming sugar year in Brazil.*

*In February, when the prices spiked, the industry was expecting to reach the target of exporting 5 million tonnes of sugar this year. Despite the downfall in the international sugar prices in the last one week, the Indian sugar industry hopes that the export demand might rise once the pandemic subsides due to the global sugar deficit. Although the sugar trade has been disrupted due to the spread of coronavirus and over the last 10-15 days, no new sugar contracts have been signed so far as the contractors need to cut down the prices and due to the closure of Indian ports since 20th March. Also, the incoming ships are being kept in quarantine at ports as a measure to check the virus spread. Some ships are also stuck at the ports. As per ISMA, sugar mills have dispatched almost 30 lakh tons of sugar for export till 15th Mar'20.*

## 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	nt 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 Icumsa	345.2	-3.3



### International Sugar Futures ICE (US Cent/lb)

Daily Futures Price Listing Tue April 14, 2020									
Most Recent Information							Previous Day		
Mth	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
Sugar #11(ICE)									
<a href="#">20-May</a>	200414	10.23	10.25	9.99	10.05	-0.12	70,603	239,396	-17,738
<a href="#">20-Jul</a>	200414	10.37	10.38	10.12	10.25	-0.04	69,307	295,781	16,673
<a href="#">20-Oct</a>	200414	10.64	10.66	10.41	10.49	-0.07	37,659	200,503	550
<a href="#">21-Mar</a>	200414	11.39	11.39	11.14	11.2	-0.08	21,484	117,174	2,202
<a href="#">21-May</a>	200414	11.5	11.5	11.25	11.31	-0.06	7,167	53,630	859
<a href="#">21-Jul</a>	200414	11.63	11.63	11.4	11.44	-0.08	9,665	42,010	740
<a href="#">21-Oct</a>	200414	12.07	12.07	11.67	11.7	-0.11	4,540	40,225	1095
<a href="#">22-Mar</a>	200414	12.23	12.28	12.19	12.21	-0.13	1048	18,618	237
Total Volume and Open Interest							222,237	1,023,228	5,054

### International Sugar Futures LIFFE(US \$/MT)

Daily Futures Price Listing Tue April 14, 2020									
Most Recent Information							Previous Day		
Mth	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
London Sugar(LCE)									
<a href="#">20-May</a>	200414	347.9	354.5	342	345.2	-3.3	7,540	14,985	-1,700
<a href="#">20-Aug</a>	200414	328.6	332.5	327.4	331.2	-0.1	8,767	47,264	562
<a href="#">20-Oct</a>	200414	318.2	322	317	321.4	-0.1	2,180	16,884	376
<a href="#">20-Dec</a>	200414	321.1	324	319.5	323.4	-0.7	396	10,030	-84
<a href="#">21-Mar</a>	200414	324	325.2	322.2	325.1	-1.7	259	9,297	115
Total Volume and Open Interest							19,198	105,055	-715

DOMESTIC PRICES AND ARRIVAL

Sugar Prices at Key Spot Markets:					
Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
Sugar			15-Apr-20	14-Apr-20	
Delhi	Delhi	M-Grade	3140	3150	-10
	Delhi	S-Grade	3120	3130	-10
Uttar Pradesh	Khatauli	M-Grade	3225	3245	-20
	Ramala	M-Grade	3120	3120	Unch
	Dhampur	M-Grade Ex-Mill	3145	3160	-15
	Dhampur	S-Grade Ex-Mill	3125	3140	-15
	Dhampur	L-Grade Ex-Mill	3195	3210	-15
Maharashtra	Mumbai	M-Grade	Closed	Closed	-
	Mumbai	S-Grade	Closed	Closed	-
	Nagpur	M-Grade	3325	3325	Unch
	Nagpur	S-Grade	3225	3225	Unch
	Kolhapur	M-Grade	3200	3200	Unch
	Kolhapur	S-Grade	3100	3100	Unch
Assam	Guhawati	S-Grade	3410	3410	Unch
Meghalaya	Shillong	S-Grade	3420	3420	Unch
Andhra Pradesh	Vijayawada	M-Grade	3820	3820	Unch
	Vijayawada	S-Grade	3760	3760	Unch
West Bengal	Kolkata	M-Grade	3750	3750	Unch
Tamil Nadu	Chennai	S-Grade (With GST)	3800	Closed	-
	Dindigul	M-Grade	4160	4160	Unch
	Coimbatore	M-Grade	4020	4020	Unch
Chattisgarh	Ambikapur	M-Grade (Without Duty)	3600	3600	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)			15-Apr-20	14-Apr-20	
Uttar Pradesh	Muzaffarnagar	Chaku Fresh	2788	2765	23
	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	7000	10000	-3000
	Muzaffarnagar	Khurpa (Fresh)	2763	2703	60

	Muzaffarnagar	Laddoo (Fresh)	2988	2975	13
	Muzaffarnagar	Rascut (Fresh)	2450	2475	-25
	Hapur	Chaurasa	2575	2590	-15
	Hapur	Balti	2588	2475	113
Andhra Pradesh	Chittur	Gold	5500	Closed	-
		White	5200	Closed	-
		Black	NA	Closed	-
Maharashtra	Latur	Lal Variety	NR	NR	-
Karnataka	Bangalore	Mudde (Average)	NA	NA	-
	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)	NA	NA	-
	Mandya	Kurikatu (Medium)	NA	NA	-
	Mandya	Other (Medium)	NA	NA	-
	Mandya	Yellow (Medium)	NA	NA	-
	Shimoga/Shivamogga	Achhu (Average)	NA	NA	-

## Disclaimer

Information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or delete any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/disclaimer.php> © 2019 Indian Business Systems Ltd.