

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

*The prices across India showed mixed trend in prices today prices at Rs.3100/q in Delhi and Rs.3150 in Khatauli, UP. The prices in Vijaywada remained steady at Rs.3740/q today. While Chennai sugar was steady at Rs.3350/q.*

***According to the trade sources, India exported 4.98 LT of total sugar (including white, refined and raw sugar) in March month. Out of the total sugar exports, largest quantity of raw sugar has been exported to Yemen exporting 1,04,900 tonnes at an average FOB of \$296/MT followed by Malaysia of 77,624 MT of sugar and at an average FOB \$335.64/MT and only 756 tonnes of refined sugar (\$374.76/MT). In March, Iran imported large quantity of raw around 40,720 tonnes (\$350.89/MT) and 1728 tonnes of white sugar at an average FOB of \$353/MT.***

***India exported around 43,590 tonnes of white sugar to Somalia and only 7,000 tonnes of white refined sugar at an average FOB of \$364/MT and \$366/MT respectively. India also exported to Sudan and Sri Lanka around 37,000 tonnes each at \$353.9/MT and \$356.39/MT to the respective country. Thailand preferred importing white sugar in March month 9,180 tonnes at an average FOB of \$385/MT. According to the contract signed with Indonesia, the raw sugar exports to Indonesia also resumed and India shipped around 6000 tonnes in March at an average FOB of \$309/MT.***

**Weather Forecast:**

*Thunderstorm accompanied with lightning, hail & squall (speed reaching 50-60 kmph) very likely at isolated places over Punjab and Haryana, Chandigarh & Delhi; with lightning, hail & gusty winds (speed reaching 30-40 kmph) at isolated places over Muzaffarabad, Uttarakhand, Telangana and Madhya Pradesh; with lightning & gusty winds (speed reaching 30-40 kmph) at isolated places over Himachal Pradesh, East Uttar Pradesh, Chhattisgarh, Bihar, Jharkhand, Sub Himalayan West Bengal & Sikkim, Odisha, and Coastal Andhra Pradesh & Yanam and with lightning at isolated places over Arunachal Pradesh, Coastal & South Interior Karnataka and Kerala & Mahe.*

**Previous Updates:**

***India has produced around 258 LT of sugar till 30<sup>th</sup> Apr'20, down by 20% from last year and reached near the target of 2019-20 which is around 262 LT. In all the states, the crushing operations are completed so far except in UP. The mills in UP would continue crushing till the last week of May this year. According to Agriwatch estimates, as the disruption caused amid lockdown in the last few days due to which the cane that used to be delivered to the jaggery units are now moved to the sugar mills in UP. Also, some cane is crushed in special season later in the year in Karnataka and Tamil Nadu. Considering all, the sugar production might increase by around 2-3 LT to reach around 265 LT this year from the previous estimate of 262.***

***As on 30<sup>th</sup> April'20, 112 mills were operational in UP while only 90 sugar mills that were still crushing sugarcane last year. In UP, sugar mills have produced 116.52 LT of sugar at 11.36% sugar recovery compared to 112.9 LT of sugar production at 11.46% sugar recovery with 75 mills operational mills till 30th April'20 and 68 mills were operational last year. In Maharashtra, 143 mills have closed their operations with only 3 mills operating at this time with producing 60.67 LT compared with 107.15 LT produced year on year.***

**The monthly sales quota has been released at 17 LT for May'20 which is 3.99 LT lower** compared to the previous year quota during the same time. After the lockdown in India, the sugar sales have declined and the unsold sugar is piling in the warehouses. The domestic consumption declined by around 40-50% due to the unavailability of demand from the bulk buyers. It was 18 LT sales quota for the April month and the unsold sugar is carry forwarded in the coming month till 31<sup>st</sup> May'20 by DFPD. As the summer season has arrived in the country, therefore, a slight increase in sugar sales can be expected in the coming month.

**The sugar production in UP might increase from the expected production of 123 LT after the lockdown.** Till 26<sup>th</sup> Apr'20, around 1005 LT of sugarcane is crushed by producing 114.06 LT of sugar while sugar production in Maharashtra reached around 60.65 LT by crushing 539 LT of cane this year till 26<sup>th</sup> April'20. Many sugarcane producers in UP give their produce to the sugar mills and few producers sell to the jaggery units. But, currently the small jaggery units are non-operational as the labour is not available. Therefore, farmers are forced to sell their produced cane to the sugar mills. Also, after the lockdown a fall in demand is reported in jaggery.

**UP is producing 61,000 liters of sanitizer per day as a result producing around 21 lakh liters of sanitizer till 20<sup>th</sup> Apr'20.** Sugar mills have continued crushing during the lockdown. So far this year till 26<sup>th</sup> Apr'20, around 1005 LT of sugarcane is crushed by producing 114.06 LT of sugar up by 2.72% compared to the previous year sugar production during the same period. The sugar recovery rate reached at 11.35% compared to 11.46% in last year during the same period.

**The sugarcane crop harvesting is in its peak in Punjab, Haryana and UP. Sugarcane harvesting has been completed** in Maharashtra, Karnataka, Gujarat, Andhra Pradesh and Punjab. The maximum area is left for harvesting is in Uttar Pradesh with 15-20%. For the states of Tamil Nadu, Bihar, Haryana and Uttarakhand, 92-98% harvesting has been completed.

**The sugar exports have been resumed from India few days back in the week.** Around 1.34 LT of raw sugar is in line waiting for loading at the Kandla port by this week end. All the major contracts are being sent to Kandla port because the port is known for following good safety measure required for exports. Also, few shipments are in line in Jaigad and Kakinada port of around 28,000 tonnes in each port for loading. Mostly the sugar from Maharashtra is being transported to Kandla port by train at the price of around Rs.2300-2400/q.

**The sugar production in Thailand is estimated to recover to 12.9 MMT in 2020-21 season, up by 56% in 2019-20 year, according to USDA report.** Sugar production in 2019-20 is forecast to decline to 8.3 MMT due to reduced sugarcane acreage and reduced average yields caused by drought. Sugar exports in marketing year 2020-21 are expected to increase to around 11 MMT, up 3 percent from exports in MY 2019-20. Also, in MY 2020-21 sugar consumption is expected to be at around 2.5 MMT. As, Non-alcoholic beverage manufacturers in the country are likely to further reduce production of beverages with high-sugar content. However, the demand for sugar from household consumption and food-processing manufacturers will likely continue to increase slightly.

**India has permitted the exports of 745 tonnes of raw sugar up to 30<sup>th</sup> Sep'20 to USA under TRQ (Tariff Rate Quota)** i.e., exporting under relatively low tariff. India has permitted the exports of 9,169 tonnes of raw sugar for the export to the USA under TRQ up to Sep'20. Till 3<sup>rd</sup> Sep'19, India permitted 8,424 tonnes of sugar and the rest of the quantity would be shipped up till 30<sup>th</sup> Sep this year. India enjoys the duty free sugar exports to US under TRQ annually. India has this preferential quota with the European nations as well.

## 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	336.2	15

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

Daily Futures Price Listing Thu April 30, 2020									
Most Recent Information							Previous Day		
Mth	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
Sugar #11(ICE)									
<a href="#">20-Jul</a>	200501	10.5	11.01	10.25	10.97	0.6	73,554	367,824	3,156
<a href="#">20-Oct</a>	200501	10.71	11.24	10.52	11.2	0.57	25,421	208,647	1,733
<a href="#">21-Mar</a>	200501	11.42	11.92	11.2	11.88	0.56	11,839	136,156	2,405
<a href="#">21-May</a>	200501	11.39	11.87	11.19	11.82	0.51	3,831	64,613	-20
<a href="#">21-Jul</a>	200501	11.39	11.79	11.18	11.74	0.43	3,799	46,980	-186
<a href="#">21-Oct</a>	200501	11.56	11.95	11.38	11.89	0.39	3,826	42,046	1197
<a href="#">22-Mar</a>	200501	12.01	12.39	11.88	12.38	0.39	2,695	22,056	390
<a href="#">22-May</a>	200501	11.86	12.31	11.8	12.31	0.42	2,082	8,455	739
Total Volume and Open Interest							138,061	954,244	3,296

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

Daily Futures Price Listing Thu April 30, 2020									
Most Recent Information							Previous Day		
Mth	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
London Sugar(LCE)									
<a href="#">20-Aug</a>	200501	337	353.1	333	351.3	15.1	5,771	53,454	1,436
<a href="#">20-Oct</a>	200501	330.2	341.8	324.5	341	13	1,852	18,459	73
<a href="#">20-Dec</a>	200501	324.9	338.8	322	338.2	13	582	10,692	-212
<a href="#">21-Mar</a>	200501	325.8	339	323.1	338.3	12	415	9,620	-180
<a href="#">21-May</a>	200501	330.9	344.3	329	343.5	11.7	133	3,876	-15
Total Volume and Open Interest							8,912	101,553	1,254

## DOMESTIC PRICES AND ARRIVAL

Sugar Prices at Key Spot Markets:					
Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
Sugar			2-May-20	1-May-20	
Delhi	Delhi	M-Grade	3100	3100	Unch
	Delhi	S-Grade	3080	3080	Unch
Uttar Pradesh	Khatauli	M-Grade	3150	3155	-5
	Ramala	M-Grade	3110	3110	Unch
	Dhampur	M-Grade Ex-Mill	3130	3130	Unch
	Dhampur	S-Grade Ex-Mill	3110	3110	Unch
	Dhampur	L-Grade Ex-Mill	3180	3180	Unch
Maharashtra	Mumbai	M-Grade	3560	3510	50
	Mumbai	S-Grade	3420	3370	50
	Nagpur	M-Grade	3275	3325	-50
	Nagpur	S-Grade	3225	3225	Unch
	Kolhapur	M-Grade	3150	3200	-50
	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	3740	3740	Unch
	Vijayawada	S-Grade	3680	3680	Unch
West Bengal	Kolkata	M-Grade	3750	3750	Unch

Tamil Nadu	Chennai	S-Grade (With GST)	Closed	Closed	-
	Dindigul	M-Grade	4250	4250	Unch
	Coimbatore	M-Grade	4150	4150	Unch
Chattisgarh	Ambikapur	M-Grade (Without Duty)	3700	3700	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)			2-May-20	1-May-20	
Uttar Pradesh	Muzaffarnagar	Chaku Fresh	2838	2875	-38
	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	12000	5000	7000
	Muzaffarnagar	Khurpa (Fresh)	2780	2838	-58
	Muzaffarnagar	Laddoo (Fresh)	2975	2975	Unch
	Muzaffarnagar	Rascut (Fresh)	2550	2550	Unch
	Hapur	Chaurasa	2788	2863	-75
	Hapur	Balti	2725	2750	-25
Andhra Pradesh	Chittur	Gold	4600	4600	Unch
		White	NA	NA	-
		Black	4000	4000	Unch
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	-

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