

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

*The prices across India showed steady to weak trend. Today prices in Delhi was slightly weaker at Rs.3150/q and at Rs.3155 in Khatauli, UP. The prices in Vijayawada stood steady at Rs.3600/q today. While Chennai sugar was steady at Rs.3350/q. The prices in Kolhapur stood steady at Rs.3150/q.*

***According to ISMA, 268.21 lakh tonnes of sugar have been produced till 31<sup>st</sup> May 2020 across India as against 327.53 lakh tonnes produced in the same time last year. As on 31<sup>st</sup> May 2020, 10 sugar mills are crushing sugarcane compared 18 sugar mills which were crushing sugarcane in the same time last year. In UP, sugar mills have produced 125.46 LT of sugar compared to 117.81 LT of sugar with only 14 mills operational mills till 31<sup>st</sup> May'20. In Maharashtra, all the mills have closed their operations that have produced 60.98 LT compared with 107.20 LT produced year on year.***

**Weather Forecast:**

*Thunderstorm accompanied with lightning, hail & squall (speed reaching 50-60 kmph) at isolated places very likely over Rajasthan; with lightning & squall (speed reaching 50-60 kmph) at isolated places over Gangetic West Bengal; with lightning & gusty winds (speed reaching 40-50 kmph) at isolated places over Interior Karnataka, Telangana, West Madhya Pradesh; gusty winds (speed reaching 30-40 kmph) at isolated places over Coastal Andhra Pradesh & Yanam, Rayalaseema, East Madhya Pradesh, Vidarbha, Sub-Himalayan West Bengal & Sikkim, Odisha, Andaman & Nicobar Islands, Bihar, Assam & Meghalaya, Nagaland, Manipur, Mizoram & Tripura and Uttar Pradesh; with lightning at isolated places over Tamilnadu, Puducherry & Karaikal, Chhattisgarh, Jharkhand, Jammu & Kashmir, Ladakh, Gilgit-Baltistan & Muzaffarabad, Haryana, Chandigarh & Delhi and Arunachal Pradesh.*

**Previous Updates:**

***The crushing season is almost completed in Uttar Pradesh but few mills are still crushing this year. This year UP is going to produce record sugar production to around 125 LT of sugar due to the diversion of cane from jaggery units to sugar mills. The sugar mills from Muzaffarnagar district have set a record by purchasing 10 crore quintal sugarcane this season. This year western UP has witnessed bumper production including Muzaffarnagar where sugar recovery stood around 11.73%.***

***Mexico is likely to increase sugar production by 19 percent to 6.5 million tons on a return to normal weather and growing conditions. Consumption is also projected higher only slightly as it faces many challenges due to fall in economy that would affect consumer purchasing power. Exports are also forecasted 717,000 tons higher, are projected at the expected level of U.S. needs, as defined in the amended Suspension Agreements and exports to other markets.***

***According to the trade sources, India exported around 4 LT of total sugar (including white refined and raw sugar) in April month only a slight decline compared to the exports in March. Out of the total sugar exports, largest quantity of raw sugar has been exported to China 87,935 tonnes at an average FOB of \$306/MT followed by Indonesia 83,680 MT of raw sugar and at an average FOB \$320.49/MT and imported few quantity of white sugar of around 25,000 tonnes from India. Iran imported 26,420 tonnes of raw sugar (\$316.72/MT) and 1080 tonnes of white sugar at \$349/MT. India exported large amount raw sugar in April'20 of around 2LT followed by refined sugar (1.68 LT) and white sugar (69,000 tonnes).***

**Brazilian sugar mills produced around 54.92 LT of sugar in the South-Central region up by 83.8% y-o-y.** A huge surge in the first two weeks of May'20 was by around 56% producing 25 LT. The mills allocated 47.23% of the cane to produce sugar in 1<sup>st</sup> half of May'20, compared to 36.02% at this time last year. While during the same time, Brazil reduced the percentage of cane diversion to ethanol production to 52.7% compared to 63.9% last year. The amount of sugarcane crushed from the beginning of the current season (2020-21) till 1<sup>st</sup> half of May'20 103 million tonnes up by 21.67% compared to the same time previous year.

**Telangana produced around 75 million litres of hand sanitizer till 20<sup>th</sup> May'20** followed by UP which is making sanitizers in full speed by producing around 5,000-7,000 liters per day. In UP, total production of 6,509,030 litres sanitizer has been done till 20<sup>th</sup> of May in the state and 56,24,313 litres of sanitizer have been supplied in the market so far.

**Maharashtra sugar mills are paying off the arrears despite the sugar sales pressure.** Mills have managed to clear 95 per cent dues of sugarcane farmers. Sugar mills have paid Rs 12548.30 crore out of Rs 13232.69 crore to the cane farmers till May 15. In Maharashtra, sugar production till 15<sup>th</sup> May'20 was 60.87 lakh tonnes, compared with 107.15 lakh tonnes produced in 2018-19 Sugarcane Season, almost 46.3 lakh tons less than last year. According to Agriwatch, Maharashtra is likely to produce around 61.5LT of sugar in 2019-20 season.

**Brazilian sugar mills produced around 29.83 LT of sugar in the South-Central region up by 115% y-o-y,** and a huge surge in the last two weeks of April'20 by around 93%. The mills allocated 43.78% of the cane to produce sugar in the period, compared to 28.66% at this time last year. And the amount of sugarcane crushed in the last half of April'20 is expected to total 41.5 MMT, up 6.35% year on year. Still the demand for ethanol is weaker due to which Brazil will produce more sugar than ethanol. In the last half of April'20, 1575 million litres of ethanol is produced which is still higher than the previous year but the production of hydrous ethanol declined by 3% in the last 15 days of April month. The total ethanol production of 2,556 million litres that rose by only 14% compared to the percentage increase in sugar production y-o-y.

## 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	USD (\$/Tonne)	Change
Thai Sugar FOB 45 lcumsa	364.8	2.6



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

Daily Futures Price Listing Mon June 01, 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>	200601	10.97	11.13	10.83	11	0.09	40,234	291,679	-3,864
<a href="#">20-Oct</a>	200601	11.04	11.19	10.92	11.08	0.11	25,729	266,444	918
<a href="#">21-Mar</a>	200601	11.68	11.84	11.59	11.73	0.09	13,567	171,049	182
<a href="#">21-May</a>	200601	11.58	11.73	11.51	11.62	0.07	3,840	76,490	-845
<a href="#">21-Jul</a>	200601	11.56	11.63	11.43	11.53	0.07	2,744	62,095	808
<a href="#">21-Oct</a>	200601	11.58	11.65	11.45	11.55	0.06	573	50,487	149
<a href="#">22-Mar</a>	200601	11.93	11.99	11.82	11.91	0.06	411	28,087	106
<a href="#">22-May</a>	200601	11.78	11.8	11.69	11.75	0.04	55	13,010	-35
Total Volume and Open Interest							87,446	985,332	-2,439

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

Daily Futures Price Listing Mon June 01, 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>	200601	366.3	368.6	360.9	364.8	2.6	8,223	43,726	-394
<a href="#">20-Oct</a>	200601	350	350.7	345.4	348.9	2.9	4,797	23,331	732
<a href="#">20-Dec</a>	200601	341.8	342	337.2	341.1	2.8	1,407	10,220	225
<a href="#">21-Mar</a>	200601	339.8	340	335.8	339.1	2.4	493	9,625	89
<a href="#">21-May</a>	200601	342.4	342.4	339.2	342	1.9	91	4,020	-13
Total Volume and Open Interest							15,074	96,763	664

## DOMESTIC PRICES AND ARRIVAL

Sugar Prices at Key Spot Markets:					
Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
Sugar			2-Jun-20	1-Jun-20	
Delhi	Delhi	M-Grade	3150	3160	-10
	Delhi	S-Grade	3130	3140	-10
Uttar Pradesh	Khatauli	M-Grade	3155	3155	Unch
	Ramala	M-Grade	NA	NA	-
	Dhampur	M-Grade Ex-Mill	3110	3110	Unch
	Dhampur	S-Grade Ex-Mill	3090	3090	Unch
	Dhampur	L-Grade Ex-Mill	3160	3160	Unch
Maharashtra	Mumbai	M-Grade	3520	3520	Unch
	Mumbai	S-Grade	3350	3350	Unch
	Nagpur	M-Grade	3275	3275	Unch
	Nagpur	S-Grade	3225	3225	Unch
	Kolhapur	M-Grade	3150	3150	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	3600	3600	Unch
	Vijayawada	S-Grade	3540	3540	Unch
West Bengal	Kolkata	M-Grade	3530	3530	Unch
Tamil Nadu	Chennai	S-Grade	3650	3650	Unch
	Dindigul	M-Grade (DCA)	3640	3640	Unch
	Coimbatore	M-Grade (DCA)	3650	3650	Unch
Chattisgarh	Ambikapur	M-Grade (Without Duty)	3700	3700	Unch
Sugar Prices are in INR/Quintal. (1 Quintal=100 kg)					
*DCA: Department of consumer affairs					

Jaggery (Gur) Prices at Key Spot Markets:					
Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
Jaggery(Gur)			2-Jun-20	1-Jun-20	
Uttar Pradesh	Muzaffarnagar	Chaku Fresh	3303	3250	53
	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	4000	4000	Unch

	Muzaffarnagar	Khurpa (Fresh)	3050	2988	63
	Muzaffarnagar	Laddoo (Fresh)	3188	3113	75
	Muzaffarnagar	Rascut (Fresh)	2518	2613	-95
	Hapur	Chaurasa	NR	NR	-
	Hapur	Balti	NR	NR	-
Andhra Pradesh	Chittur	Gold	4900	4900	Unch
		White	4500	4500	Unch
		Black	4200	4200	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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