

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

*The prices across India showed mixed trend today. The prices in Delhi stood very low, down by Rs.100/q while UP showed mixed trend. The prices were steady in Kolhapur and Vijaywada at Rs.3250/q and Rs.3740/q.*

***According to the trade sources, India exported around 4 LT of total sugar (including White refined and raw sugar) in May month almost same quantity was shipped during April this year. As most of the mills has started refining sugar, therefore, more than 1.5 LT of refined sugar has been exported out of the total sugar exports. Sudan, Syria, Jordan, China, Tanzania, Afghanistan, Yemen, UAE, Qatar, Somalia were the major importers for refined sugar. Whereas Indonesia and Bangladesh were the largest importer of raw sugar purchasing around 77,000 tonnes and 27,000 tonnes respectively in May month.***

**Weather Forecast:**

*Heavy to very heavy rainfall at a few places with extremely heavy falls at isolated places very likely over Sub-Himalayan West Bengal & Sikkim; heavy to very heavy rainfall at isolated places with extremely heavy falls at isolated places over Bihar and Assam & Meghalaya; heavy to very heavy rainfall at isolated places over Arunachal Pradesh, Nagaland, Manipur, Mizoram & Tripura, South Interior Karnataka and Kerala & Mahe and heavy rainfall at isolated places over Jammu & Kashmir, Ladakh, Gilgit-Baltistan & Muzaffarabad, Himachal Pradesh, Uttarakhand, Punjab, Haryana, Chandigarh & Delhi, East Uttar Pradesh, East Rajasthan, Coastal Karnataka, Tamilnadu, Puducherry & Karaikal and Lakshadweep.*

**Previous Updates:**

***The sugar domestic prices increased in last 10 days, up by around Rs.30 to 150/q across India. Amid the ministry is likely to announce a surge minimum support price sooner by Rs.2/kg to Rs.33/kg and a raise the fair and remunerative price (FRP) of sugarcane by Rs 10 a quintal to Rs 285 for 2020-21 in the next coming days. This has made a positive impact on the sugar market. The demand has increased after the unlocking of lockdown in phased manner and the bulk purchases has been increased slightly.***

***Sugar mills in Muzaffarnagar district have produced more sugar this season. According to the district official, mills register 116.75 lakh quintals sugar production, which is 11 lakh quintals more than last year. The sugar mills from Khatoli, Mansurpur, Khaikheri, Bhudhana, Tikola, Morna, Titawi and Rohana produced the 116.75 lakh quintal sugar by purchasing 1058.10 lakh quintal sugarcane from farmers during this season. All the sugar mills have stopped cane crushing as of now.***

***According to ISO, the global sugar demand-supply scenario indicating a sugar deficit of 6.9 million tonnes globally, although India again being surplus. Due to Covid-19, the prices of sugar have gone down in the global markets and during the sugar year 2019-20 (October 2019-September 2020), more than 2.3 million tonnes of sugar consumption has been lost till now and the future is uncertain. Due to the fall in crude oil prices, Brazil may prefer for production of sugar from sugarcane rather than ethanol. The main buyers of sugar shall be Egypt, Saudi Arabia and Indonesia and looking to the fact Thailand, the main exporting country from Asia, expected to be down by 40% in sugar production. India may take advantage of the same by exporting sugar to these countries.***

***Uttar Pradesh alone has put a record of producing 126.5 LT of sugar this year in the current season that crushed 1,116 lakh tons of sugarcane. And a record cane price payment of more than Rs. 1,00,000 crores***

has been paid between 2017 and 2020 to the 47.20 lakh sugarcane farmers in the state. The demand across UP has seen a significant rise in prices in last one week to 10 days. The lifting up of restriction on lockdown picked up the demand supported the sugar prices. The prices stood between Rs.3255/q and Rs.3400/q in last 10 days.

**After the lockdown from first week of June, the sugar markets are witnessing a good demand in sugar.** The prices are gradually increasing in last 3-5 days by Rs.20-150/q across India within 5 days. The sugar industry feel a relief after a long stagnant demand amid COVID-19 lockdown for more than 2.5 months.

**In order to help sugar mills improve their cash flow, the Food ministry has planned to liquidate stocks worth Rs 30,000 crore in 4 months.** It will help sugar mills to improve cash flow and pay cane arrears to farmers. The sugar sales in March and April'20, was lower by about 10 lakh tonnes. Due to low sales, mills are under deep financial crisis and are unable to pay cane dues. Apart from that, the ministry is releasing assistance of Rs. 1,100 crore on account of export and buffer subsidy to sugar mills this month itself. This would facilitate sugar mills in clearance of their balance arrears, which have crossed Rs. 22,000 crore.

**According to UNICA, a huge surge in the second two weeks of May'20 was by around 36% producing 25.48 LT of sugar and a total of 8 million tonnes in two months.** The mills allocated 47.35% of the cane to produce sugar in 2nd half of May'20, compared to 35.28% at this time last year. Brazilian producers are expected to continue to maximize their sugar production, given the increased profitability of sugar production over ethanol production. The amount of sugarcane crushed was around 144 million tonnes so far till May end in 2 months up by around 12% compared to the same time previous year.

**China produced only 197,400 tonnes of sugar, white value, in May 2020, down from 398,000 a month earlier but above 78,900 in the same month last year, according to China Sugar Association (CSA).** As of May 31, Guangxi of China had a total of 45.79 million tons of sugarcane, a decrease of 8.92 million tons year-on-year and produced 6 million tons of mixed sugar, a year-on-year decrease of 340,000 tons. The sugar production rate was 13.11%, an increase of 1.52 percentage points year-on-year and cumulative sales 3.74 million tons of sugar, with a decrease of 4 million tons.

## 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	362.6	-1.9

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

Daily Futures Price Listing Tue June 23, 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>	200623	11.95	11.96	11.76	11.79	-0.13	25,629	81,323	-5,046
<a href="#">20-Oct</a>	200623	12.09	12.1	11.91	11.92	-0.14	55,926	406,381	7,854
<a href="#">21-Mar</a>	200623	12.68	12.7	12.54	12.57	-0.09	20,253	189,487	1,037
<a href="#">21-May</a>	200623	12.4	12.45	12.31	12.34	-0.05	12,190	81,916	204
<a href="#">21-Jul</a>	200623	12.15	12.21	12.1	12.14	-0.01	4,856	70,931	123
<a href="#">21-Oct</a>	200623	12.11	12.22	12.1	12.15	0.04	2,282	61,565	501
<a href="#">22-Mar</a>	200623	12.49	12.57	12.46	12.52	0.07	1,880	38,566	469
<a href="#">22-May</a>	200623	12.29	12.38	12.27	12.33	0.08	1,629	15,366	369
Total Volume and Open Interest							126,618	979,121	6,344

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

Daily Futures Price Listing Tue June 23, 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>	200623	365.4	365.8	359.3	362.6	-1.9	6,706	36,083	-1,881
<a href="#">20-Oct</a>	200623	357.1	359.6	354.1	356.4	-1.3	7,424	31,606	1,073
<a href="#">20-Dec</a>	200623	357	358.1	353.6	355.9	-0.3	4,437	17,770	687
<a href="#">21-Mar</a>	200623	356.9	358	353.6	356	-0.1	2,123	13,390	660
<a href="#">21-May</a>	200623	357.7	359.8	357.4	358.8	-0.3	270	5,550	47
Total Volume and Open Interest							21,257	110,917	680

DOMESTIC PRICES AND ARRIVAL

Sugar Prices at Key Spot Markets:					
Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
Sugar			24-Jun-20	23-Jun-20	
Delhi	Delhi	M-Grade	3320	3420	-100
	Delhi	S-Grade	3300	3400	-100
Uttar Pradesh	Khatauli	M-Grade	3370	3400	-30
	Ramala	M-Grade	3320	3320	Unch
	Dhampur	M-Grade Ex-Mill	3300	3200	100
	Dhampur	S-Grade Ex-Mill	3280	3180	100
	Dhampur	L-Grade Ex-Mill	3350	3250	100
Maharashtra	Mumbai	M-Grade	3562	3560	2
	Mumbai	S-Grade	3362	3360	2
	Nagpur	M-Grade	3375	3375	Unch
	Nagpur	S-Grade	3275	3275	Unch
	Kolhapur	M-Grade	3250	3250	Unch
	Kolhapur	S-Grade	3150	3150	Unch
Assam	Guhawati	S-Grade	3461	3461	Unch
Meghalaya	Shillong	S-Grade	3470	3470	Unch
Andhra Pradesh	Vijayawada	M-Grade	3740	3740	Unch
	Vijayawada	S-Grade	3680	3680	Unch
West Bengal	Kolkata	M-Grade	3580	3580	Unch
Tamil Nadu	Chennai	S-Grade	Closed	Closed	-
	Dindigul	M-Grade (DCA)	3640	3640	Unch
	Coimbatore	M-Grade (DCA)	3620	3620	Unch
Chattisgarh	Ambikapur	M-Grade (Without Duty)	NA	NA	-

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)			24-Jun-20	23-Jun-20	
Uttar Pradesh	Muzaffarnagar	Chaku Fresh	NA	NA	-
	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	NA	NA	-
	Muzaffarnagar	Khurpa (Fresh)	NA	3288	-
	Muzaffarnagar	Laddoo (Fresh)	NA	NA	-

	Muzaffarnagar	Rascut (Fresh)	2750	2775	-25
	Hapur	Chaurasa	NR	NR	-
	Hapur	Balti	NR	NR	-
Andhra Pradesh	Chittur	Gold	Closed	Closed	-
		White	Closed	Closed	-
		Black	Closed	Closed	-
Maharashtra	Latur	Lal Variety	NR	NR	-
Karnataka	Bangalore	Mudde (Average)	4300	4300	Unch
	Belgaum	Mudde (Average)	NA	NA	-
	Belthangadi	Yellow (Average)	NA	NA	-
	Bijapur/Vijayapura	Achhu	3400	3450	-50
	Gulbarga/Kalaburgi	Other (Average)	4000	4050	-50
	Mahalingapura	Penti (Average)	NA	3410	-
	Mandya	Achhu (Medium)	3400	3550	-150
	Mandya	Kurikatu (Medium)	3250	3300	-50
	Mandya	Other (Medium)	3450	3200	250
	Mandya	Yellow (Medium)	3570	3550	20
	Shimoga/Shivamogga	Achhu (Average)	3750	3750	Unch

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