

## Sugar &Gur Domestic & International Fundamentals

### Recent Update:

**Steady to weak tone was witnessed in Sugar physical markets today in India.** Sugar prices closed lower in Guhawati and Kolhapur by Rs. 100- 180 at Rs. 3309/q and 3000/q respectively. Prices were steady at Rs. 3240/q in Delhi and other markets.

**Sugar mills in Shamli are asked to clear cane dues.** The sugar mills in the district have paid Rs. 922.53 crore against due of Rs. 1216.58 crore. The mills are asked to clear cane dues to the farmer at their earliest. Where else, the sugar mills are claiming that they are suffering from crisis and are unable to pay cane dues.

### Weather Forecast:

Heavy rainfall/ snowfall very likely at isolated places over Jammu & Kashmir, Ladakh, Gilgit- Balistan & Muzaffarabad. Thunderstorm with lightning likely at isolated places over Soth Coastal Andhra Pradesh, Lakshadweep, Kerela & Mahe & Tamilnadu, Puducherry & Karaikal.

### Previous Updates:

**Sugar recovery percentage reaches 10 percent in Kolhapur.** About 161 sugar mills are currently operating in Maharashtra, and by crushing 205.17 lakh tonnes of sugarcane, mills have produced about 179.82 lakh quintals of sugar. The higher production is because of the earlier start of crushing operations and higher availability of sugarcane in this season. Average sugar recovery percentage of the state is 8.76 percent; Kolhapur has recorded 10.13 percent average sugar recovery for the crushing season 2020-21.

**Sugarcane crop gets completely damaged in Tamilnadu.** Cyclone Burevi has caused damage to sugarcane crop in Tiruvarur district of Tamilnadu, the crop was ready to be harvested in next 2-3 weeks but now has damaged completely due to cyclone. The cyclone has brought incessant rainfall to the delta district. According to IMD, the deep depression weakened into a depression over the Gulf of Mannar and is likely to remain practically stationary over the same region and weaken into a well-marked low- pressure area.

**Department of cane development has started encouraging 'young sugarcane farmers' through state level cane competitions.** The Department of cane development, Lucknow is working to motivate the young sugarcane farmers of the state for sugarcane cultivation and to infuse competitive spirit in them for increasing per hectare yield of sugarcane. A new category of 'young sugarcane farmers' has been included in the cane competition awards for the year 2021-22.

**Egypt has extended import ban for 3 months.** The Egypt's trade and industry ministry has extended the ban on white and raw sugar for three more months. The decision was taken to have a control over imported products and to control spread of corona virus.

**Congress demands hike in sugar prices.** The Uttar Pradesh congress committee has demanded immediate payment of cane arrears of around Rs 14,000 crore. They also urged to hike sugarcane price up to Rs 450 per quintal. The farmers are reeling under a financial crisis due to non- payment of the bill. Although some sugar mills have started clearing cane dues of farmers in the state.

**Sugar prices slip in Indian market.** According to Indian Sugar Mills Association, the average ex-mill sugar prices in most of the major sates are reported to be declining. In Maharashtra and Karnataka , the ex mill prices were around Rs 3200- 3250 per quintal for last couple of months but has declined to Rs 50-100 per quintal now. Similarly, in northern states the prices were more or less steady. This indicates pressure in the domestic market due to high opening balance, expected increase in production for the current season, delayed export policy announcement by government and no decision yet on increasing the minimum support price of sugar.

**Sugar prices fixed at Rs 83 per kg in Pakistan.** The district administration in Faisalabad has fixed the prices of sugar at Rs 84 per kg. Due to shortage of the commodity, the government was forced to import sugar earlier to meet the domestic supply. The prices of the sugar are being regulated by the government to ensure that the consumers get sugar at affordable rates.

**Crushing season is at its peak in Maharashtra.** About 157 sugar mills have started cane crushing and by crushing 175.18 lakh tonnes of sugarcane have produced around 150.92 lakh quintals sugar with a recovery rate of 8.62 percent.

#### 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)	-0.08	14.45	14.50	14.34	14.45	5041	406913
Spread							
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 Icmsa	397.30	-6.30

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

Daily Futures Price Listing Monday December 07 <sup>th</sup> , 2020									
Most Recent Information							Previous Day		
Mth	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
Sugar #11(ICE)									
<a href="#">21-Mar</a>	201207	14.40	14.66	14.30	14.45	+0.01	37,185	408,173	-4,830
<a href="#">21-May</a>	201207	13.84	14.03	13.74	13.86	+0.02	14,901	221,764	-1,423
<a href="#">21-Jul</a>	201207	13.38	13.56	13.30	13.44	+0.07	9,388	133,254	-322
<a href="#">21-Oct</a>	201207	13.25	13.50	13.25	13.39	+0.08	6,609	105,799	+73
<a href="#">22-Mar</a>	201207	13.69	13.83	13.64	13.74	+0.08	2,531	65,665	+699
<a href="#">22-May</a>	201207	13.29	13.40	13.25	13.36	+0.10	804	42,743	+14
<a href="#">22-Jul</a>	201207	13.03	13.17	13.03	13.15	+0.12	461	36,080	+105
<a href="#">22-Oct</a>	201207	13.06	13.14	13.06	13.12	+0.13	251	32,398	+59
Total Volume and Open Interest							72,204	1,069,923	-5,635

Source: MRCI

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

Daily Futures Price Listing Monday December 07 <sup>th</sup> , 2020									
Most Recent Information							Previous Day		
Mth	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
London Sugar(LCE)									
<a href="#">20-Dec</a>	201207	396.90	401.00	394.00	397.70	+0.40	2,431	41,202	+100
<a href="#">21-Mar</a>	201207	392.80	396.60	390.00	393.40	+0.90	673	24,553	+21
<a href="#">21-May</a>	201207	385.90	390.70	384.40	387.90	+0.90	241	12,957	-57
<a href="#">21-Aug</a>	201207	379.80	384.10	379.60	382.20	+0.70	54	4,388	+5
<a href="#">21-Oct</a>	201207	379.50	382.80	379.00	381.70	+0.50	28	3,031	+10
Total Volume and Open Interest							3,455	88,395	+100

Source: MRCI

DOMESTIC PRICES AND ARRIVAL

Sugar Prices at Key Spot Markets:					
Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
Sugar			08-Dec-20	07-Dec-20	
Delhi	Delhi	M-Grade	3260	3260	Unch
	Delhi	S-Grade	3240	3240	Unch
Uttar Pradesh	Khatauli	M-Grade	Closed	3200	-
	Ramala	M-Grade	Closed	NA	-
	Dhampur	M-Grade Ex-Mill	Closed	3145	-
	Dhampur	S-Grade Ex-Mill	Closed	3125	-
	Dhampur	L-Grade Ex-Mill	Closed	3195	-
Maharashtra	Mumbai	M-Grade	Closed	3420	-
	Mumbai	S-Grade	Closed	3240	-
	Nagpur	M-Grade	3195	3225	-30
	Nagpur	S-Grade	3125	3225	-100
	Kolhapur	M-Grade	3070	3100	-30
	Kolhapur	S-Grade	3000	3100	-100
Assam	Guhawati	S-Grade	3309	3410	-102
Meghalaya	Shillong	S-Grade	3320	3420	-100
Andhra Pradesh	Vijayawada	M-Grade (With Duty)	3560	3560	Unch
	Vijayawada	S-Grade (With Duty)	3620	3620	Unch
West Bengal	Kolkata	M-Grade	3650	3650	Unch
Tamil Nadu	Chennai	S-Grade (With GST)	3560	3560	Unch
	Dindigul	M-Grade (DCA)	3600	3780	-180
	Coimbatore	M-Grade (DCA)	3570	3570	Unch
Chattisgarh	Ambikapur	M-Grade (Without Duty)	3600	3600	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)			08-Dec-20	07-Dec-20	
Uttar Pradesh	Muzaffarnagar	Chaku Fresh	Closed	2700	-

	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	Closed	12000	-
	Muzaffarnagar	Khurpa (Fresh)	Closed	2400	-
	Muzaffarnagar	Laddoo (Fresh)	Closed	2763	-
	Muzaffarnagar	Rascut (Fresh)	Closed	2363	-
	Hapur	Chaurasa	Closed	Closed	-
	Hapur	Balti	Closed	Closed	-
Andhra Pradesh	Chittur	Gold	NR	NR	-
		White	NR	NR	-
		Black	NR	NR	-
Maharashtra	Latur	Lal Variety	NR	NR	-
Karnataka	Bangalore	Mudde (Average)	4400	4400	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)	2950	3000	-50
	Mandya	Kurikatu (Medium)	2950	2950	Unch
	Mandya	Other (Medium)	2850	2900	-50
	Mandya	Yellow (Medium)	3000	2970	30
	Shimoga/Shivamogga	Achhu (Average)	3600	3600	Unch

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