

**Recent Update:**

***A firm tone was witnessed in Sugar physical markets today in India.*** Sugar prices were higher in Delhi by Rs.10-50 at Rs. 3330/q. Prices were higher in Kolhapur at Rs. 3100/q.

***Domestic Sugar prices have increased after 7 months.*** The domestic sugar prices have seen an uptrend since last 3 days by aggressive offerings and lifting. Demand is expected to increase with the dawn of the most auspicious Hindu month Shravan, the ease in many states imposed lockdown has also brought in demand. Prices have witnessed an upswing of average Rs. 80-100 per quintal nationwide after depressed prices for 7 constant months. Sugar prices in Maharashtra were at Rs. 3120 per quintal to Rs. 3155 per quintal for S grade whereas for M grade it was Rs. 3180 to Rs. 3250 per quintal.

**Weather Forecast:**

Thunderstorm with lightening very likely at isolated places over Tamil Nadu, Pondicherry & Karikal. Heavy rain falls at isolated places over East Rajasthan, West Madhya Pradesh heavy to very heavy rainfalls at isolated places over Himachal Pradesh, Uttar Pradesh, Uttarakhand, Haryana, West Bengal, West Rajasthan, West Bengal & Sikkim, Odisha, Konkan & Goa.

**Previous Updates:**

***Madhya Pradesh government is planning to boost ethanol production in the state.*** The state government along with the Central government is planning to boost ethanol production in Madhya Pradesh. The Private players are setting up 20 ethanol units in the state. Currently India's ethanol blending rate with petrol is 8 percent. Also, the central government with an aim to lower the expenditure on foreign exchange has set a target of blending 20 per cent ethanol with petrol by 2025.

***The Odisha government has approved seven industrial projects worth Rs 2083.88 crore, including three grain-based ethanol plants.*** The State Level Single Window Clearance Authority (SLSWCA) headed by Chief Secretary Suresh Chandra Mahapatra have approved the proposals. As per the reports, the Indian Oil Corporation Limited (IOCL) will invest Rs 870 crore to set up a 500 KLPD grain based ethanol plant and 8MW power plant at Balgopalpur near Balasore. The SLSWCA has also given permission to the Hindustan Petroleum Corporation Limited (HPCL) to set up a 500 KLPD capacity ethanol plant at Umerkote in Nabarangpur. HPCL will invest Rs 500 crore for setting up the plant. Similarly, another 100 KLPD plant along with a biogas plant and co-gen power plant by Mumbai-based Newalt Energy Private Limited at Nuakheta near Bantala in Angul district was also approved.

***Government has fixed 21 lakh MT as the monthly sugar sales quota for August 2021:*** The Department of Food & Public Distribution has allocated 21 lakh MT monthly sugar sales quota for August which is 0.50 lakh MT higher than that of August 2020. In the previous month, July 2021 the government had released a 22 lakh MT sugar sales quota.

***Brazil Sugar Production have decreased in July 2021.*** According to data released by the trade association, UNICA Sugar production in the center-south region of Brazil has lowered by 2.8 percent in the first half of July compared with last year. The mills in the region have produced 2.94 million tonnes of sugar. As per the information shared by the 24 mills, agriculture yield of sugarcane was 14% lower in the first half of July

compared to last year. The mills have in the first half of July crushed 45.6 million tonnes of cane which was 2.3% less compared to last year. At the same time, ethanol production increased by 1.1% to 2.16 billion litres.

**Over 2.5 lakh hectares area is estimated to be damaged in Maharashtra due to rains and Floods.** The recent spate of rains and floods which have ravaged Maharashtra over past few days, has seen over 2.5 lakh hectares of crop area bearing the brunt of it. Many parts of Maharashtra have faced torrential rains, which have led to more than 100 deaths across the state. Konkan, Kolhapur, Sangli, Satara, Parbhani, Akola, Washim, Nagpur and Wardha are some of the districts which have reported damage to the crop. By far, the cane capital of Kolhapur has seen the maximum damage with 50,000 hectares of cropped area reportedly destroyed. Sangli, Pune and Satara have reported around 4,000 hectares each damaged, while Washim, Akola, Nagpur and few other districts in Vidharbha have reported 30,000 hectares of damage. As per the Sugar industry experts, unlike crops like soybean, groundnut and vegetables, chances of complete crop loss is minimal in cane due to the physiology of the crop, which allows it to survive extremes in terms of drought and floods better than any other crop, as even if the top portion of the crop is submerged in flood waters for 10 day, the crop can regenerate and revive. Also, the final figure is expected to raise as more flood waters recede, allowing officials to reach remote areas that have been cut off so far.

**Brazil Sugarcane crop may get affected due to upcoming new polar air mass.** The sugarcane crop in Brazil was affected due to frost in Brazil last week and is likely to get affected further due to new polar air mass that will move over the country's agricultural areas this week, this is the third cold wave that will impact the crops in Brazil. According to the forecast, the air mass will reach southern Brazil by Wednesday.

**Uttar Pradesh leads in ethanol production in India.** The state has produced 58 crore litres of ethanol and the total operated distillers were 54, the average ethanol blending rate has reached 7.93 percent. Ethanol output is likely to increase in the upcoming season 2021-22 as government has emphasized its production.

**Mawana Sugar Mill has cleared cane dues of Rs. 102 crore.** The sugar mill has crushed 202.08 and 104.78 lakh quintals of sugarcane respectively in the crushing season 2020-21 in their 2 sugar mills Mawana sugar mill and Mawana & Nanglamal sugar complex. The sugar mill on 24<sup>th</sup> July'21 has cleared cane dues of Rs. 102 crore which include Rs. 50.19 crore by Mawana sugar works and Rs. 51.81 crore by the Nanglamal sugar complex.

**Bijnor sugar mill will focus on ethanol production.** Around five sugar mills in the district have accelerated ethanol production. The mills have produced around 9,60,40,000 litres of ethanol, out of which 8,86,94,000 litres of ethanol have been sold, mills have paid 55 per cent of the money earned by selling ethanol to sugarcane farmers. The mills from the district have sold ethanol worth Rs 504.72 crore. Currently, for the coming season 2021-22 ethanol output is likely to increase as the government has emphasized its production.

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

Daily Futures Price Listing Monday, Aug 02nd, 2021									
Most Recent Information							Previous Day		
Mth	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
Sugar #11(ICE)									
<a href="#">Oct-21</a>	210802	17.86	18.15	17.86	17.95	+0.04	55,830	441,376	+6,206
<a href="#">Mar-22</a>	210802	18.43	18.67	18.43	18.50	+0.07	36,762	227,572	+8,548
<a href="#">May-22</a>	210802	17.46	17.71	17.46	17.62	+0.15	7,462	99,955	+336
<a href="#">Jul-22</a>	210802	16.68	16.93	16.68	16.88	+0.19	7,490	85,885	+896
<a href="#">Oct-22</a>	210802	16.32	16.55	16.32	16.52	+0.18	3,222	60,839	+881
<a href="#">Mar-23</a>	210802	16.35	16.57	16.35	16.55	+0.18	1,062	27,353	+243
<a href="#">May-23</a>	210802	15.53	15.78	15.53	15.75	+0.21	361	12,499	+85
<a href="#">Jul-23</a>	210802	14.89	15.10	14.88	15.05	+0.22	400	15,143	+160
Total Volume and Open Interest							113,080	984,251	+17,754

Source: MRCI

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

Daily Futures Price Listing Monday, Aug 02nd, 2021									
Most Recent Information							Previous Day		
Mth	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
London Sugar(LCE)									
<a href="#">Aug-21</a>	210802	446.00	450.00	445.20	447.30	+1.60	2,677	35,347	-251
<a href="#">Oct-21</a>	210802	465.00	468.90	464.20	466.20	+1.40	628	12,627	+3
<a href="#">Dec-21</a>	210802	474.00	476.10	472.80	475.20	+1.00	437	10,924	+97
<a href="#">Mar-22</a>	210802	471.70	473.00	470.30	472.80	+1.00	350	7,485	-26
<a href="#">May-22</a>	210802	461.90	463.30	461.00	463.30	+1.30	242	4,843	-36
Total Volume and Open Interest							4,354	74,988	-199

Source: MRCI

DOMESTIC PRICES AND ARRIVAL

Sugar Prices at Key Spot Markets:					
Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
Sugar			03-Aug-21	02-Aug-21	
Delhi	Delhi	M-Grade	3350	3350	Unch
	Delhi	S-Grade	3330	3330	Unch
Uttar Pradesh	Khatauli	M-Grade	NR	NR	-
	Ramala	M-Grade	NR	NR	-
	Dhampur	M-Grade Ex-Mill	NR	NR	-
	Dhampur	S-Grade Ex-Mill	NR	NR	-
	Dhampur	L-Grade Ex-Mill	NR	NR	-
Maharashtra	Mumbai	M-Grade	3416	3416	Unch
	Mumbai	S-Grade	3376	3376	Unch
	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 (With Duty)	3560	3560	Unch
	Vijayawada	S-Grade (With Duty)	3640	3640	Unch
West Bengal	Kolkata	M-Grade	3480	3480	Unch
Tamil Nadu	Chennai	S-Grade (With GST)	3750	3750	Unch
	Dindigul	M-Grade (DCA)	3520	3520	Unch
	Coimbatore	M-Grade (DCA)	3540	3540	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)			03-Aug-21	02-Aug-21	
Uttar Pradesh	Muzaffarnagar	Chaku Fresh	NA	NA	-

	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	NA	NA	-
	Muzaffarnagar	Khurpa (Fresh)	NA	NA	-
	Muzaffarnagar	Laddoo (Fresh)	NA	NA	-
	Muzaffarnagar	Rascut (Fresh)	NA	NA	-
	Hapur	Chaurasa	NA	Closed	-
	Hapur	Balti	NA	Closed	-
Andhra Pradesh	Chittur	Gold	NR	NR	-
		White	NR	NR	-
		Black	NR	NR	-
Maharashtra	Latur	Lal Variety	NR	NR	-
Karnataka	Bangalore	Mudde (Average)	4600	4600	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)	NA	3150	-
	Mandya	Kurikatu (Medium)	NA	3100	-
	Mandya	Other (Medium)	NA	3100	-
	Mandya	Yellow (Medium)	NA	3150	-
	Shimoga/Shivamogga	Achhu (Average)	3650	3650	Unch

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