

Recent Update:

A firm tone was witnessed in Sugar physical markets today in India. Sugar prices were higher in Delhi by Rs.05-10 at Rs. 3400/q. Prices were higher in Kolhapur at Rs. 3140/q.

Sugarcane crop in Haryana get affected due to pest attack. The Top Borer has affected the sugarcane crop in Yamunanagar, Karnal and Kurukshetra districts. Pest attack has currently been observed in Co-0238 variety of sugarcane. The farmers have grown CO 0238 variety of sugarcane in over 40 percent of the area, farmers are spending on pesticides to protect their crop.

Sugar mills in Dhampur will start operating from 18th October 2021. The Dhampur sugar mill will start its cane crushing season from 19th October 2021 around 10 days earlier compared to the previous season. The sugar mill has already cleared 100 percent of the cane dues of the farmers amounting Rs. 764.30 crore.

Weather Forecast:

Thunderstorm accompanied with lightening very likely at isolated places over Jammu & Kashmir, Gigit-Baltistan & Muzzafarabad, Himachal Pradesh, Uttarakhand, East Uttar Pradesh, Chhattisgarh, Coastal Andhra Pradesh, Yanam, Rayalaseema, Tamil Nadu, and Pondicherry & Karikal. Heavy rain falls at isolated places over Jammu & Kashmir, Gigit- Baltistan & Muzzafarabad, Himachal Pradesh, Uttarakhand, East Uttar Pradesh, East Uttar Pradesh, Bihar, Gangetic West Bengal, Arunachal Pradesh, Sub-Himalayana West Bengal & Sikkim, Assam & Meghalaya, Arunachal Pradesh, Tamil Nadu, Pondicherry & Karikal.

Previous Updates:

Sugar mills in Maharashtra have paid 99 percent of the FRP. As the crushing season in over in Maharashtra the sugar mills have started clearing cane dues till 31st July 2021 sugar mills in Maharashtra have paid Rs. 30,418.01 crore net fair and remunerative price (FRP) to sugarcane farmers compared to the last year this year's FRP is 222 percent higher with an overall rise of Rs. 16,689 crore. According to the Maharashtra Sugar Commissioner Report, in July 2020 last year the sugar mills had paid Rs.13,728.94 crore net FRP that was about 95 per cent of the total payable FRP. However, this year, mills have set a record by paying 99 per cent of the total Rs.30,809.91 crore payable FRP. Only 1.28 per cent, that is Rs.391.90 crore FRP arrears are pending.

Under the Ethanol Blending Program, Ethanol suppliers have contracted to supply 343.16 crore litres of ethanol for 2020-21 seasons. According to the Minister of State for Petroleum and Natural gas, the Oil Marketing Companies are selling 10 percent ethanol blended petrol which contains 90 percent petrol and 10 percent ethanol from their retail outlets. Under the Ethanol Blended Petrol Program, ethanol suppliers have contracted to supply 343.16 crore litre of ethanol to Public Sector OMC for the ongoing Ethanol Supply Year 2020-21, against which 209.67 crore litres has been received till 02nd August 2021.

According to the report on Socio-economic vulnerability to climate change, 11 out of 36 districts area are prone to extreme weather events. As per the study, Nandurbar is the most vulnerable district to cyclones, floods, droughts, changing rainfall patterns and extreme temperatures. The other districts include Parbhani, Jalna, Hingoli, Amravati, Buldhana, Beed, Aurangabad, Nanded, Akola, and Washim.

Fiji sugar production has reached 24,000 tonnes till 1st August 2021. According to the Fiji Sugar Corporation (FSC) sugar mills have crushed around 283,000 tonnes of cane and produced 24,000 tonnes of sugar till 1st August 2021. The mills have crushed the sugarcane with an average TCTS (tonnes cane to tonnes sugar) of 11.91. As per National Farmer Union, all the three sugar mills are under performing due to mechanical and processing problems that are hampering the performance of the mills. This is causing huge loss to farmers and the sugar industry as a whole. Whereas on the other hand Fiji Sugar Corporation said that there is an issue of cane supply at Labasa sugar mill and there were minor issues at the Lautoka and Rarawai mills in the first 2 weeks of the season which have been resolved and all mills are operating well now.

Assam has approved ethanol production policy. The Assam government has approved ethanol production promotion policy, 2021 and it shall be valid up to 31st March 2021. The policy will increase ethanol production in the state; also the standalone green field ethanol producing industrial units will be provided incentives under the policy.

NFCSF demands hike in minimum Selling Price of sugar. The National Federation of Cooperative Sugar Factories Limited (NFCSF) has demanded that the government to rise the minimum selling price of sugar from Rs. 31 per kg to above Rs. 37.50. They have also demanded grade wise pricing of sugar (small, medium and large size) to remove the current anomaly.

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.

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.

International Sugar Futures ICE(US Cent/lb)

Daily Futures Price Listing Wednesday, Aug 11th, 2021									
Most Recent Information							Previous Day		
Mth	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
Sugar #11(ICE)									
Oct-21	210811	19.66	19.67	19.30	19.47	-0.12	32,961	416,685	-3,890
Mar-22	210811	19.94	20.03	19.77	19.96	+0.02	24,294	239,710	+2,284
May-22	210811	18.88	19.00	18.75	18.95	+0.06	11,686	111,620	+2,707
Jul-22	210811	17.82	17.98	17.77	17.94	+0.08	6,267	90,989	+370
Oct-22	210811	17.20	17.38	17.14	17.34	+0.10	1,097	61,839	+60
Mar-23	210811	17.00	17.24	16.92	17.20	+0.12	645	29,370	+108
May-23	210811	16.15	16.37	16.03	16.33	+0.11	204	13,648	+128
Jul-23	210811	15.35	15.53	15.20	15.49	+0.11	362	17,316	+162
Total Volume and Open Interest16.00							77,768	997,463	+2,054

Source: MRCI

International Sugar Futures LIFFE(US \$/MT)

Daily Futures Price Listing Wednesday, Aug 11th, 2021									
Most Recent Information							Previous Day		
Mth	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
London Sugar(LCE)									
Aug-21	210811	467.20	472.00	466.10	471.20	+3.00	3,160	33,851	-829
Oct-21	210811	486.90	489.40	484.00	488.80	+1.60	1,707	15,228	+473
Dec-21	210811	493.30	496.00	491.10	495.50	+2.00	701	11,943	+40
Mar-22	210811	489.70	491.50	487.90	491.40	+1.40	152	8,132	+32
May-22	210811	478.70	480.70	476.80	480.70	+1.50	74	5,348	-12
Total Volume and Open Interest							5,821	78,422	-306

Source: MRCI

DOMESTIC PRICES AND ARRIVAL

Sugar Prices at Key Spot Markets:					
Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
Sugar			12-Aug-21	11-Aug-21	
Delhi	Delhi	M-Grade	3420	3320	100
	Delhi	S-Grade	3400	3300	100
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	3510	3490	20
	Mumbai	S-Grade	3346	3326	20
	Nagpur	M-Grade	3375	3345	30
	Nagpur	S-Grade	3275	3245	30
	Kolhapur	M-Grade	3250	3220	30
	Kolhapur	S-Grade	3150	3120	30
Assam	Guhawati	S-Grade	3461	3431	30
Meghalaya	Shillong	S-Grade	3470	3440	30
Andhra Pradesh	Vijayawada	M-Grade (With Duty)	3640	3640	Unch
	Vijayawada	S-Grade (With Duty)	3740	3740	Unch
West Bengal	Kolkata	M-Grade	3480	3480	Unch
Tamil Nadu	Chennai	S-Grade (With GST)	3550	3550	Unch
	Dindigul	M-Grade (DCA)	3520	3520	Unch
	Coimbatore	M-Grade (DCA)	3600	3600	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)			12-Aug-21	11-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	NA	-
	Hapur	Balti	NA	NA	-
Andhra Pradesh	Chittur	Gold	NR	NR	-
		White	NR	NR	-
		Black	NR	NR	-
Maharashtra	Latur	Lal Variety	NR	NR	-
Karnataka	Bangalore	Mudde (Average)	4500	4500	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)	3250	3180	70
	Mandya	Kurikatu (Medium)	3150	3100	50
	Mandya	Other (Medium)	3140	3120	20
	Mandya	Yellow (Medium)	3180	3150	30
	Shimoga/Shivamogga	Achhu (Average)	3650	3650	Unch

Disclaimer

Information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness, and correctness. The use of data and information contained in this report is at your own risk. This document is not, and should be construed as an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed, or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors, and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or remove any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/disclaimer.php> © 2021 Indian Business Systems Ltd.