

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. 3150/q.

Around 250 sugar mills are non operational in India. According to the Minister of State and Rural Development, around 250 sugar mills are closed in India due to financial crunch and poor recovery from sugarcane. The highest numbers of closed sugar mill are from Maharashtra followed by Karnataka and Uttar Pradesh.

Weather Forecast:

Thunderstorm accompanied with lightening very likely at isolated places over Coastal Andhra Pradesh, Rayalseema, Telangana, Madhya Maharashtra, Marathwada, Madhya Pradesh, Vidarbha and Chhattisgarh. Heavy rain falls at isolated places over Odisha, Sub-Himalayana West Bengal & Sikkim, Assam & Meghalaya, Andaman & Nicobar Islands, Telangana, Jharkhand, Chhattisgarh, Coastal Andhra Pradesh & Yanam.

Previous Updates:

Brazil Sugar Production may fall to 32.5 million tonnes in 2021-22 season. Sugar production in the center-south region of Brazil is likely to fall to 32.5 million tonnes from an earlier estimate of 34.1 million tonnes due to drought and frost. Also, this provides opportunities for India to export raw sugar.

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.

Sugar mills in Maharashtra have paid 99 percent of the FRP. As the crushing season is 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.

International Sugar Futures ICE(US Cent/lb)

Daily Futures Price Listing Friday, Aug 13th, 2021									
Most Recent Information							Previous Day		
Mth	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
Sugar #11(ICE)									
Oct-21	210813	19.60	20.10	19.53	19.95	+0.41	55,011	406,935	-7,163
Mar-22	210813	20.13	20.64	20.09	20.52	+0.41	32,843	237,074	+289
May-22	210813	19.13	19.54	19.12	19.46	+0.31	11,167	117,491	+2,336
Jul-22	210813	18.10	18.40	18.08	18.32	+0.20	6,427	93,127	+1,050
Oct-22	210813	17.48	17.75	17.47	17.70	+0.19	1,964	63,106	+567
Mar-23	210813	17.33	17.59	17.31	17.54	+0.18	951	29,945	+133
May-23	210813	16.44	16.67	16.42	16.62	+0.15	542	14,023	+209
Jul-23	210813	15.59	15.77	15.56	15.76	+0.13	554	17,924	+294
Total Volume and Open Interest							109,741	996,300	-2,208

Source: MRCI

International Sugar Futures LIFFE(US \$/MT)

Daily Futures Price Listing Friday, Aug 13th, 2021									
Most Recent Information							Previous Day		
Mth	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
London Sugar(LCE)									
Aug-21	210813	477.00	492.70	477.00	491.10	+15.00	4,790	31,181	-979
Oct-21	210813	497.50	510.80	497.00	508.80	+12.90	3,553	17,103	+567
Dec-21	210813	504.10	515.90	503.80	514.20	+12.00	955	12,614	+77
Mar-22	210813	500.00	509.40	500.00	507.70	+9.60	281	8,275	-11
May-22	210813	489.00	495.90	488.80	488.80	+6.50	192	5,621	+170
Total Volume and Open Interest							9,791	78,770	-164

Source: MRCI

DOMESTIC PRICES AND ARRIVAL

Sugar Prices at Key Spot Markets:					
Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
Sugar			14-Aug-21	13-Aug-21	
Delhi	Delhi	M-Grade	3420	3415	5
	Delhi	S-Grade	3400	3395	5
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	3500	3500	Unch
	Mumbai	S-Grade	3350	3350	Unch
	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 (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)			14-Aug-21	13-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)	NA	4500	-
	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)	3200	3200	Unch
	Mandya	Kurikatu (Medium)	3100	3100	Unch
	Mandya	Other (Medium)	3100	3120	-20
	Mandya	Yellow (Medium)	3160	3160	Unch
	Shimoga/Shivamogga	Achhu (Average)	NA	3650	-

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