

Recent Update:

A firm tone was witnessed in Sugar physical markets today in India. Sugar prices were lower in Delhi by Rs.10-20 at Rs. 3560/q. Prices were higher in Kolhapur at Rs. 3250/q.

Sugarcane farmers from Punjab may launch a protest on 20th August 2021. According to the market sources, Punjab sugarcane farmers may launch protest as the sugar mills had not yet cleared their pending cane dues. The sugar mills including private and cooperative owe arrears worth Rs. 200 crore from the last crushing season. The private mills owe Rs. 145 crore and cooperative mills Rs. 55 crore.

Weather Forecast:

Thunderstorm accompanied with lightening very likely at isolated places over Himachal Pradesh, Uttarakhand, Punjab, Haryana, Chandigarh, Delhi, Uttar Pradesh, East Rajasthan, Jharkhand, Coastal Andhra Pradesh, and Yanam. Heavy rain falls at isolated places over Uttarakhand, Madhya Pradesh, Uttar Pradesh, Jharkhand, Bihar, Vidarbha, Chhattisgarh, Gujarat region, Konkan & Goa, Odisha, West Bengal & Sikkim.

Previous Updates:

Indian Sugar Mills Association has urged the government to increase the minimum selling price of sugar. ISMA has urged the government to immediately increase the MSP of sugar from the current Rs. 31 per kg to at least Rs. 34-35 per kg. According to ISMA this will not only improve the revenue realization of sugar mills from sale of sugar but also will help in clearing the cane arrears of the farmers. Minimum selling price was last increased in 2019.

Domestic sugar prices have increased up by Rs.300-400 per quintal in the last two weeks of August 2021. With the dawn of 'Shravan' month which brings in many auspicious days and prominent festivals across India and easing of state-wise lockdown across the country. The market has changed drastically and the country has started witnessing aggressive demand. Within the first 15 days of the announcement of August month sugar sales quota, sugar sales accounted for over 75 to 80 percent of the quota sale in Maharashtra and roughly 70-75 percent in Uttar Pradesh, leading to supply tightness in the market.

Area under sugarcane has increased in Purvanchal. According to the government officials, area under sugarcane has increased by 1.34 lakh hectares in the past four years, the cane cultivation in Purvanchal has was 4.39 lakh hectares which has increased to 5.37 lakh hectares. Farmer's income has also increased by Rs. 22,000 per hectares. The Average yield of sugarcane has also improved to 722 quintals per hectare from 652.72 quintals per hectare as compared to the past 4 years.

According to the Ministry of Agriculture advance estimate for 2020-21 season. Total production of Sugarcane during 2020-21 season is estimated at 399.25 million tonnes. The production of sugarcane during 2020-21 is higher by 37.18 million tonnes than the average sugarcane production of 362.07 million tonnes.

Sugarcane farmers from Saharanpur are demanding hike in sugarcane price. Sugarcane farmers under the banner of Bhartiya Kisan Sangh have demanded a hike in the sugarcane purchase price to Rs 400 per quintal. The farmers also demanded clearance of the cane dues of the previous crushing season with interest on it.

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.

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.

International Sugar Futures ICE(US Cent/lb)

Daily Futures Price Listing Tuesday, Aug 17th, 2021									
Most Recent Information							Previous Day		
Mth	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
Sugar #11(ICE)									
Oct-21	210817	20.02	20.37	19.93	20.02	-0.01	51,703	404,272	-3,474
Mar-22	210817	20.62	20.62	20.53	20.63	Unch	35,852	35,852	+8,718
May-22	210817	19.51	19.76	19.44	19.57	+0.06	17,868	17,868	-1,903
Jul-22	210817	18.28	18.50	18.25	18.39	+0.08	12,175	12,175	+1,580
Oct-22	210817	17.75	17.90	17.66	17.87	+0.09	3,830	3,830	+1,114
Mar-23	210817	17.63	17.75	17.50	17.73	+0.07	1,214	1,214	+174
May-23	210817	16.65	16.80	16.59	16.78	+0.02	476	476	+54
Jul-23	210817	15.74	15.90	15.70	15.88	unch	610	610	+211
Total Volume and Open Interest							124,108	124,108	+6,610

Source: MRCI

International Sugar Futures LIFFE(US \$/MT)

Daily Futures Price Listing Tuesday, Aug 17th, 2021									
Most Recent Information							Previous Day		
Mth	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
London Sugar(LCE)									
Aug-21	210817	498.20	505.60	497.10	501.40	+5.10	6,721	30,469	-235
Oct-21	210817	514.80	519.90	510.40	514.20	+1.30	4,150	19,053	+639
Dec-21	210817	521.00	524.70	516.80	520.40	+0.70	2,212	14,006	+753
Mar-22	210817	512.00	515.00	508.80	512.40	+1.30	1,219	8,694	+243
May-22	210817	495.40	498.00	493.10	496.50	+1.30	504	5,880	+261
Total Volume and Open Interest							15,045	82,276	+1,815

Source: MRCI

DOMESTIC PRICES AND ARRIVAL

Sugar Prices at Key Spot Markets:					
Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
Sugar			18-Aug-21	17-Aug-21	
Delhi	Delhi	M-Grade	3580	3600	-20
	Delhi	S-Grade	3560	3580	-20
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	3650	3640	10
	Mumbai	S-Grade	3570	3540	30
	Nagpur	M-Grade	3475	3475	Unch
	Nagpur	S-Grade	3375	3375	Unch
	Kolhapur	M-Grade	3350	3350	Unch
	Kolhapur	S-Grade	3250	3250	Unch
Assam	Guhawati	S-Grade	3563	3563	Unch
Meghalaya	Shillong	S-Grade	3570	3570	Unch
Andhra Pradesh	Vijayawada	M-Grade (With Duty)	3740	3700	40
	Vijayawada	S-Grade (With Duty)	3840	3800	40
West Bengal	Kolkata	M-Grade	3480	3480	Unch
Tamil Nadu	Chennai	S-Grade (With GST)	3670	3550	120
	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)			18-Aug-21	17-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)	4650	4650	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)	3400	3441	-41
	Mandya	Achhu (Medium)	NA	3160	-
	Mandya	Kurikatu (Medium)	NA	3140	-
	Mandya	Other (Medium)	NA	3120	-
	Mandya	Yellow (Medium)	NA	3280	-
	Shimoga/Shivamogga	Achhu (Average)	3650	3650	Unch

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