

Recent Update:

A firm tone was witnessed in Sugar physical markets today in India. Sugar prices were higher in Delhi by Rs.10-20 at Rs. 3580/q. Prices were higher in Kolhapur at Rs. 3500/q.

Bangladesh has fixed the Maximum retail price of sugar at TK 75 per kg. The prices of packed sugar were fixed at TK 75 per kg and loose sugar at TK 74 per kg. Despite the government has fixed the maximum retail price of sugar the prices of sugar in the domestic market continue to increase, the sugar is sold at TK 80-88 per kg in the retail market.

Weather Forecast:

Thunderstorm accompanied with lightening & gusty winds very likely at isolated places over Gangetic West Bengal and with lightening at isolated places over Uttarakhand, Uttar Pradesh, East Rajasthan, Marathwada, Coastal Andhra Pradesh & Yanam, Kerala & Mahe, Tamilnadu, Pondicherry & Karikal, Telangana. Heavy rainfall at isolated places over Odisha, Konkan & Goa, Chhattisgarh, Madhya Maharashtra, Gujarat State and heavy rainfall at isolated places over Uttarakhand, East Rajasthan, Madhya Pradesh, Vidarbha, Jharkhand, Gangetic West Bengal, Coastal Andhra Pradesh & Yanam, Coastal & South Interior Karnataka, Kerala & Mahe.

Previous Updates:

Haryana government has increased the sugarcane price to Rs. 362 per quintal. Punjab and Haryana government has increased the Sugarcane price from Rs. 310/quintal to Rs. 360/ quintal in Punjab and from Rs. 350/ quintal to Rs. 362 per quintal in Haryana.

India has exported around 66.70 lakh tonnes of sugar till 31st August 21. As per port information and market sources, about 66.70 lakh tons of sugar has been physically exported during the current 2020-21 sugar season i.e. 1st October, 2020 to 31st August, 2021 period. This is almost 11 lakh tons more as compared to 55.78 lakh tons exported during the corresponding period last season. This also includes about 4.49 lakh tons of exports done under MAEQ of 2019-20 SS, which was extended upto 31st December, 2020. In other words, about 62.21 lakh tons of sugar has been physically exported during January – August, 2021 period, mostly under MAEQ of 2020-21 SS and some quantity under OGL. The overall exports are expected to be around 70 lakh tonnes.

The All India Crop Situation Report issued by the Ministry of Agriculture and Farmer's Welfare shows a slight increase in sowing area this year. Till 03rd September 2021, about 54.70 lakh hectares area has been sown under sugarcane crop compared with the normal of corresponding week. Thus 3.09 lakh hectares more area has been covered compared to normal of corresponding week. Higher area was reported from the states of Maharashtra (3.01 lakh hectares), Karnataka (0.66 lakh hectares), Gujarat (0.49 lakh hectares), and Uttar Pradesh (0.32 lakh hectares), Haryana (0.06 lakh hectares), Madhya Pradesh (0.04 lakh hectare), Uttarakhand (0.04 lakh hectares), Assam (0.04 lakh hectares), Odisha (0.03 lakh hectares), and Punjab (0.03 lakh hectares). Less area was reported from the states of Tamil Nadu (0.86 lakh hectares), Andhra Pradesh (0.47 lakh hectares), Chhattisgarh (0.21 lakh hectares), Telangana (0.05 lakh hectares), Bihar (0.04 lakh hectares) and West Bengal (0.02 lakh hectares).

Sugar production is expected to be lower in 2021-22 season. India's sugar production is expected to fall to 30.5 million tonnes in 2021-22 season as more sugarcane will be diverted for ethanol making. During the current season 2 million tonnes of cane was diverted for ethanol making while in 2021-22 season around 3.5 million tonnes of sugarcane is expected to be diverted for ethanol making. However, the sugar production will be sufficient to meet the domestic consumption which is expected to increase by 3,00,000 – 4,00,000 tonnes at 26.3-26.5 million tonnes in the 2021-22 season.

Fiji sugar production has reached 60,000 tonnes. According to the Fiji Sugar Corporation (FSC) sugar mills have crushed around 700,000 tonnes of cane and produced 60,000 tonnes of sugar so far. Despite the Covid pandemic challenges the sugar production is increasing in Fiji, the Labasa mill is leading the sugar production by supplying more than 250,000 tonnes of cane and producing 24,000 tonnes of sugar.

West Bengal is focusing on ethanol production. The West Bengal government has announced a policy to promote ethanol production and promotion in the state. An investment of Rs. 1,500 crore may come up in the next one year. The government will also encourage industry to procure broken rice kernels from farmers and produce ethanol.

The 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. Since Rs. 31/ kg of sugar price is not adequate for sugar mills to be able to pay the fair and remunerative price on time to the farmers and the cane arrears are also getting accumulated continuously. Minimum selling price for sugar was last increased in 2019.

International Sugar Futures ICE(US Cent/lb)

Daily Futures Price Listing Friday, Sep 10th, 2021									
Most Recent Information							Previous Day		
Mth	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
Sugar #11(ICE)									
Oct-21	210910	19.25	19.25	18.73	18.79	-0.45	103,479	306,429	-38,156
Mar-22	210910	19.92	19.92	19.46	19.51	-0.41	88,816	316,675	+23,258
May-22	210910	19.46	19.46	19.05	19.08	-0.35	23,413	139,322	+1,770
Jul-22	210910	18.87	18.87	18.52	18.56	-0.31	15,548	101,642	+1,475
Oct-22	210910	18.73	18.73	18.35	18.39	-0.30	12,527	85,946	+1,411
Mar-23	210910	18.55	18.55	18.35	18.40	-0.26	1,911	37,337	+559
May-23	210910	17.28	17.51	17.21	17.33	-0.16	1,067	14,632	+2
Jul-23	210910	16.40	16.62	16.34	16.47	-0.13	781	19,413	-49
Total Volume and Open Interest							248,748	1,043,858	-9,104

Source: MRCI

International Sugar Futures LIFFE(US \$/MT)

Daily Futures Price Listing Friday, Sep 10th, 2021									
Most Recent Information							Previous Day		
Mth	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
London Sugar(LCE)									
Aug-21	210910	474.30	474.70	462.90	464.50	-10.60	5,950	12,671	-2,561
Oct-21	210910	496.80	497.10	486.00	487.60	-9.60	4,726	32,590	+1,016
Dec-21	210910	507.40	507.40	495.70	495.70	-10.00	1,178	17,666	+295
Mar-22	210910	504.00	504.00	493.80	493.80	-9.20	480	9,451	+47
May-22	210910	495.00	495.00	486.50	486.50	-7.60	167	6,410	-3
Total Volume and Open Interest							12,660	83,390	-1,262

Source: MRCI

DOMESTIC PRICES AND ARRIVAL

Sugar Prices at Key Spot Markets:					
Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
Sugar			11-Sep-21	10-Sep-21	
Delhi	Delhi	M-Grade	3580	3570	10
	Delhi	S-Grade	3560	3550	10
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	3760	Closed	-
	Mumbai	S-Grade	3590	Closed	-
	Nagpur	M-Grade	3625	Closed	-
	Nagpur	S-Grade	3525	Closed	-
	Kolhapur	M-Grade	3500	Closed	-
	Kolhapur	S-Grade	3400	Closed	-
Assam	Guhawati	S-Grade	3715	Closed	-
Meghalaya	Shillong	S-Grade	3720	Closed	-
Andhra Pradesh	Vijayawada	M-Grade (With Duty)	4060	4060	Unch
	Vijayawada	S-Grade (With Duty)	4160	4160	Unch
West Bengal	Kolkata	M-Grade	3850	3850	Unch
Tamil Nadu	Chennai	S-Grade (With GST)	3980	3980	Unch
	Dindigul	M-Grade (DCA)	3610	3610	Unch
	Coimbatore	M-Grade (DCA)	NA	NA	-
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)			11-Sep-21	10-Sep-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	NA	-
	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)	3150	NA	-
	Mandya	Kurikatu (Medium)	3000	NA	-
	Mandya	Other (Medium)	3020	NA	-
	Mandya	Yellow (Medium)	3100	NA	-
	Shimoga/Shivamogga	Achhu (Average)	NA	NA	-

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 not 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.