

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. 3660/q. Prices were slightly lower in Kolhapur at Rs. 3400/q compared to previous week at Rs. 3500/qt.

Rains has destroyed sugarcane cultivation in Uttar Pradesh. Heavy rainfalls in the last few days in Moradabad has destroyed the sugarcane crop in the district. Due to the heavy rainfall the entire field gets flooded and crop has been completely damaged.

Weather Forecast

Thunderstorm accompanied with lightening very likely at isolated places over Coastal Andhra Pradesh & Yanam, South interior Karnataka, Tamil Nadu, Pondicherry & Karikal, and Kerala & Mahe. Heavy rainfall at isolated places over Tamil Nadu, Pondicherry, Karikal and heavy rainfall at isolated places over Tamil Nadu, Pondicherry & Karikal, Kerala & Mahe.

Previous Updates:

Bihar may hike the sugarcane purchase price. According to the market sources Bihar is planning to increase the sugarcane purchase price for the coming 2021-22 season. Earlier, Uttar Pradesh has increased the sugarcane purchase price by Rs. 25 for the 2021-22 season.

According to the Ministry of Supply and Internal Trade, Egypt has sufficient sugar stock to cater consumption needs of the people of the country for 6 months. According to the Head of the Internal Trade Development Authority, apart from sugar, the cooking oil reserve in the country is available for 5 months and the rice reserve is sufficient for three and a half months.

Sugar stocks stuck at port in Sri Lanka. Due to the delay in payments, the sugar stock worth Rs. 1 billion is stuck at the port in Sri Lanka. According to the sugar importers association, around 300 containers comprising 7,000 metric tons of sugar is stuck at the port. Earlier, around 12,000 tons of sugar packed in 400 containers was imported by five importers five months ago. However, due to the policy decision taken by the government to restrict the import of sugar and the shortage of dollar, the release of consignment of sugar had been delayed.

Haryana government has asked the industries to use stubbles for ethanol production. The Haryana government is providing Rs. 1000 per acre to the farmers for selling their stubble and has directed the industries to buy stubble this time. The government has also asked the industries to use stubble for ethanol and energy production.

Government has permitted 8,424 tonnes of sugar exports to U.S. under TRQ. The Directorate general of foreign trade (DGFT) has issued a notice on Saturday as per that the quantity of 8,424 tonnes of sugar to be exported to the U.S. under TRQ scheme from 1st October 2021 to 30th September 2022 has been notified.

The Brazil center south region is likely to recover in the next season increasing sugar production from 32.5 million tonnes to 32.9 million tonnes. According to the market experts, if Brazil receives normal rains in the first quarter of the next year, then sugar crush would reach 540 million tonnes which is higher by 20 million tonnes in the current season.

EBP has reached all the states across the country. *India's ethanol blending programme (EBP) launched in 2013-14 has now reached in all the states of the country with Sikkim becoming the last state join EBP. Earlier, India has set the ambitious target of blending 20% ethanol in petrol by 2025. During the present ethanol supply year (ESY) December to November, India has achieved 7.89% blending and by the end of November, is likely to hit 8.1% to 8.2% blending.*

India and Thailand would be competing for sugar export during 2021-22 season. *The India and Thailand would be competing for Indonesia market besides these two nations, Australia will also compete for market share there. Thai sugar will give competition to Indian sugar, especially due to the high freight differential (\$15-\$20) for destinations such as Indonesia. India needs to price its sugar to match Thai offers. Thailand sugar production is projected to rebound by 33 per cent to 10 MT this season. After taking into consideration domestic consumption of 3 MT in Thailand, it would have 7 MT of surplus sugar to export. It is expected to export 2.5-3 MT more sugar than last year. According to ISMA, after a record 7.1 million tonnes (MT) exports last season (October 2020-September 2021), Indian sugar shipments will likely face stiff competition from Thailand during the 2021-22 season. Sugar prices in the domestic market are currently prevailing between Rs. 3200- Rs. 3500 per quintal.*

Maharashtra sugarcane labourers will get an identity card. *The Maharashtra government has initiated a programme to keep a record of the migrant workers and provide them with an identity card. The government plans to provide health schemes, financial assistance and accommodation for sugarcane cutters and their families and identity cards will help to get the benefits of schemes planned for them. Earlier, Over 6 lakh workers in the Marathwada region of Maharashtra migrated to western parts of the State, and neighboring Karnataka and Andhra Pradesh for six months between October to March to cut sugarcane. However, this massive movement of workers was not on government record and hence they were deprived of development schemes and social security.*

International Sugar Futures ICE(US Cent/lb)

Daily Futures Price Listing Monday, Oct 25th, 2021									
Most Recent Information							Previous Day		
Mth	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
Sugar #11(ICE)									
Mar-22	211025	19.15	19.44	18.98	19.39	+0.31	41,910	390,827	-2,341
May-22	211025	18.75	19.04	18.64	18.99	+0.25	20,008	139,352	+675
Jul-22	211025	18.54	18.76	18.39	18.70	+0.25	10,422	123,056	+703
Oct-22	211025	18.32	18.53	18.20	18.48	+0.24	3,661	98,259	-10
Mar-22	211025	18.27	18.43	18.17	18.40	+0.25	900	46,650	+77
May-23	211025	17.25	17.41	17.24	17.38	+0.21	702	19,852	+295
Jul-23	211025	16.56	16.71	16.55	16.67	+0.17	768	21,789	+538
Oct-23	211025	16.22	16.37	16.19	16.31	+0.15	356	19,401	+17
Total Volume and Open Interest							78,891	869,103	+51

Source: MRCI

International Sugar Futures LIFFE(US \$/MT)

Daily Futures Price Listing Monday, Oct 25th, 2021									
Most Recent Information							Previous Day		
Mth	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
London Sugar(LCE)									
Dec-21	211025	500.20	506.70	496.80	505.40	+4.80	2,331	22,821	-494
Mar-22	211025	495.20	500.00	491.90	498.40	+3.50	1,830	21,271	-635
May-22	211025	494.50	499.80	491.80	498.10	+3.40	1,484	9,814	-232
Aug-22	211025	491.00	496.00	487.80	494.40	+4.10	326	6,679	+126
Oct-22	211025	485.00	488.70	481.80	487.50	+3.60	331	4,196	+238
Total Volume and Open Interest							6,332	67,267	-972

Source: MRCI

DOMESTIC PRICES AND ARRIVAL

Sugar Prices at Key Spot Markets:					
Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
Sugar			26-Oct-21	25-Oct-21	
Delhi	Delhi	M-Grade	3660	3680	-20
	Delhi	S-Grade	3640	3660	-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	3806	3806	Unch
	Mumbai	S-Grade	3576	3576	Unch
	Nagpur	M-Grade	3525	3525	Unch
	Nagpur	S-Grade	3425	3425	Unch
	Kolhapur	M-Grade	3400	3400	Unch
	Kolhapur	S-Grade	3300	3300	Unch
Assam	Guhawati	S-Grade	3613	3613	Unch
Meghalaya	Shillong	S-Grade	3620	3620	Unch
Andhra Pradesh	Vijayawada	M-Grade (With Duty)	4020	4020	Unch
	Vijayawada	S-Grade (With Duty)	3920	3920	Unch
West Bengal	Kolkata	M-Grade	3950	3950	Unch
Tamil Nadu	Chennai	S-Grade (With GST)	3880	3880	Unch
	Dindigul	M-Grade (DCA)	3920	3920	Unch
	Coimbatore	M-Grade (DCA)	3900	3900	Unch
Chattisgarh	Ambikapur	M-Grade (Without Duty)	3700	3700	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)			26-Oct-21	25-Oct-21	

Uttar Pradesh	Muzaffarnagar	Chaku Fresh	3875	3900	-25
	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	6000	4000	2000
	Muzaffarnagar	Khurpa (Fresh)	3363	3375	-13
	Muzaffarnagar	Laddoo (Fresh)	3838	3850	-13
	Muzaffarnagar	Rascut (Fresh)	2588	2600	-13
	Hapur	Chaurasa	3350	Closed	-
	Hapur	Balti	3300	Closed	-
Andhra Pradesh	Chittur	Gold	NR	NR	-
		White	NR	NR	-
		Black	NR	NR	-
Maharashtra	Latur	Lal Variety	NR	NR	-
Karnataka	Bangalore	Mudde (Average)	4550	4550	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	3460	-
	Mandya	Kurikatu (Medium)	NA	3200	-
	Mandya	Other (Medium)	NA	3310	-
	Mandya	Yellow (Medium)	NA	3550	-
	Shimoga/Shivamogga	Achhu (Average)	3700	3700	Unch

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