

Sugar &Gur Domestic & International Fundamentals

Recent Update:

A firm tone was witnessed in Sugar physical markets today in India. Sugar prices were higher in Delhi by Rs. 30-60 at Rs. 3530/q. Prices were steady at Kolhapur at Rs. 3300/q.

In a notification issued on 30th November 2021, the food ministry has allocated 21.5 LMT monthly sugar quota for December 2021 to 558 sugar mills which is equal to the quota allocated in December 2020. In the previous month the Govt. fixed 22.5 LMT monthly sugar quota for domestic sale in November 2021 with extension for unsold quota of Oct 21.

Weather Forecast:

Thunderstorm accompanied with lightening & gusty winds at isolated places over Adaman & Nicobar Islands, and with thunderstorm accompanied with lighting at isolated places over Himachal Pradesh, Uttar Pradesh, East Rajasthan, West Madhya Pradesh, Gujarat region. Heavy to very heavy rainfall at isolated places over Andaman and Nicobar and Gujarat region.

Previous Updates:

According to the data released by Sugar commissionerate, Maharashtra sugar production has crossed 162.37 lakh quintals mark till 25th November 2021. Around 153 sugar mills, including 75 cooperative and 78 private are currently participating in the cane crushing operation. These mills have produced 162.37 lakh quintals of sugar by crushing 180.99 lakh tonnes of sugarcane with a recovery rate of 8.97 percent.

The Director General of Foreign Trade has allocated an additional quantity of 303 MT of raw sugar for export to USA under Tariff Rate Quota (TRQ) for the fiscal year 2021. Earlier the Indian government has permitted the export of 8,424 tonnes of sugar to the US under TRQ.

USDA has pegged India's sugar production at 34.7 MT up by 3 percent for 2021-22 season. The USDA has pegged Indian sugar production unchanged at 34.7 MT from its May projection compared with 33.76 MT last season. Sugar production is estimated to be higher due to increase in area. Further, domestic consumption has been pegged at 28.5 MT, again unchanged from the initial projection but 0.5 MT higher than last season. However, USDA has raised exports to 7 MT from the previous 6 MT but, it would be 0.2 MT lower than last season 7.2 MT export. Ending stocks are estimated lower at 14.37 MT against earlier projection of 16.57 MT but higher than last season's 14.17 MT. stocks are expected to be slightly higher at levels that represent approximately 7 months of consumption.

The sugarcane crushing capacity of the cooperative sugar mill will be increased from 2000 TCD to 5000 TCD at a cost of Rs. 413.80 crore. The expansion of the cane crushing will enable the mill to crush 50,000 to 60,000 tons of sugarcane as well as to generate to 20 mw power that will be supplied to the state. Out of the total expenditure of Rs. 413.80 crore, Rs. 369 crore will be spent on setting up of the plant, machinery and civil works.

International Sugar Futures ICE(US Cent/lb)

Daily Futures Price Listing Tuesday, Nov 30th, 2021									
Most Recent Information							Previous Day		
Mth	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
Sugar #11(ICE)									
Mar-22	211130	19.12	19.19	18.55	18.60	-0.59	83,607	376,760	-8,241
May-22	211130	18.75	18.79	18.23	18.28	-0.52	28,197	150,587	-4,371
Jul-22	211130	18.43	18.46	18.00	18.04	-0.43	17,916	123,949	-2,087
Oct-22	211130	18.23	18.24	17.88	17.92	-0.34	9,903	108,856	+214
Mar-22	211130	18.12	18.12	17.82	17.86	-0.26	4,710	55,191	-1,171
May-23	211130	17.22	17.25	17.06	17.10	-0.14	1,258	23,025	+126
Jul-23	211130	16.56	16.60	16.52	16.52	-0.14	649	25,691	+12
Oct-23	211130	16.17	16.29	16.16	16.26	+0.02	513	22,428	-51
Total Volume and Open Interest							148,295	900,211	-15,041

Source: MRCI

International Sugar Futures LIFFE(US \$/MT)

Daily Futures Price Listing Tuesday, Nov 30th, 2021									
Most Recent Information							Previous Day		
Mth	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
London Sugar(LCE)									
Dec-21	211130	495.60	497.50	484.80	485.60	-12.10	8,764	30,772	-1,157
Mar-22	211130	495.00	495.90	483.70	484.50	-11.10	2,675	13,914	-180
May-22	211130	490.00	490.90	481.20	481.70	-9.80	1,196	8,591	+84
Aug-22	211130	483.10	483.90	476.20	476.50	-7.80	484	7,284	+88
Oct-22	211130	482.20	482.20	477.10	477.40	-6.00	333	2,076	-99
Total Volume and Open Interest							13,532	63,967	-1,230

Source: MRCI

DOMESTIC PRICES AND ARRIVAL

Sugar Prices at Key Spot Markets:					
Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
Sugar			1-Dec-21	30-Nov-21	
Delhi	Delhi	M-Grade	3550	3485	65
	Delhi	S-Grade	3530	3465	65
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	3682	3682	Unch
	Mumbai	S-Grade	3422	3422	Unch
	Nagpur	M-Grade	3450	3425	25
	Nagpur	S-Grade	3350	3325	25
	Kolhapur	M-Grade	3325	3300	25
	Kolhapur	S-Grade	3225	3200	25
Assam	Guhawati	S-Grade	3537	3512	25
Meghalaya	Shillong	S-Grade	3545	3520	25
Andhra Pradesh	Vijayawada	M-Grade (With Duty)	3940	3940	Unch
	Vijayawada	S-Grade (With Duty)	3880	3880	Unch
West Bengal	Kolkata	M-Grade	3950	3950	Unch
Tamil Nadu	Chennai	S-Grade (With GST)	3700	3700	Unch
	Dindigul	M-Grade (DCA)	3950	3950	Unch
	Coimbatore	M-Grade (DCA)	3800	3800	Unch
Chattisgarh	Ambikapur	M-Grade (Without Duty)	4000	4000	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)			1-Dec-21	30-Nov-21	
Uttar Pradesh	Muzaffarnagar	Chaku Fresh	2955	2913	43

	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	10000	12000	-2000
	Muzaffarnagar	Khurpa (Fresh)	2588	2588	Unch
	Muzaffarnagar	Laddoo (Fresh)	3030	2925	105
	Muzaffarnagar	Rascut (Fresh)	2588	2588	Unch
	Hapur	Chaurasa	2708	2675	33
	Hapur	Balti	2650	2625	25
Andhra Pradesh	Chittur	Gold	NR	NR	-
		White	NR	NR	-
		Black	NR	NR	-
Maharashtra	Latur	Lal Variety	NR	NR	-
Karnataka	Bangalore	Mudde (Average)	4900	4900	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)	3850	3810	40
	Mandya	Kurikatu (Medium)	3300	3300	Unch
	Mandya	Other (Medium)	3700	3360	340
	Mandya	Yellow (Medium)	3700	3700	Unch
	Shimoga/Shivamogga	Achhu (Average)	3700	NA	-

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