

Recent Update:

A firmtone was witnessed in Sugar physical markets today in India. Sugar prices were higher in Delhi by Rs.10-20 at Rs. 3465/q. Prices were in Kolhapur was at Rs. 3300/q.

The Haryana state pollution control board has issued a notification stating that the industrial operations and processors in NCR, not running on PNG or cleaner fuels, shall be allowed to operate only up to 8 hours a day from Monday to Friday and shall not be allowed to operate on Saturday and Sunday. This decision might affect the sugar industry as when the sugarcane juice is in drying the cost of heat energy required and then the shutting the mill for 16 hours after running eight hours heating and cooling will spoil the sugar quality and also the cost will go three times higher. As per the industry people this decision needs to be reviewed.

Sugar exports for about 35 lac tons has been contracted for exports in the current sugar season 2021-22. According to Indian Sugar Mills Association, most of these contracts were signed when the global sugar prices were in the range of 20-21 cents per pound of raw sugar. However, with a fall in the global prices to below 20 cents, and now to around 18.6 cents per pound of raw sugar, the Indian sugar mills are not coming forward to sign further export contracts.

The domestic ex-mill prices and the costs of the production of sugar at the increased FRP and SAP for sugarcane for 2021-22 season, it is expected that the sugar mills will enter into further export contracts only after world prices increase to around 21 cents per pound of sugar. Considering that a substantial quantity of around 34 lac tons of sugar equivalent is estimated to get diverted into ethanol production, the pressure on the sugar mills to immediately contract for further exports is less. Therefore, it seems that the sugar mills will wait for an upward revision of the global prices to around 21 cents or more.

Weather Forecast

Thunderstorm accompanied with lightening at isolated places over Kerala & Mahe, Assam & Meghalaya, Nagaland, Manipur, Mizoram & Tripura. Heavy rainfall at isolated places over Kerala & Mahe, Assam & Meghalaya and Tripura.

Previous Updates:

Around 416 sugar mills are currently participating in the cane crushing operation as compared to 409 sugar mills in the previous season. Sugar mills have produced around 47.21 lakh tonnes of sugar till 30th November '2021 as against 43.02 lakh tonnes produced same period last year. The Indian Sugar Mills Association has attributed the higher production to an early start of crushing season in western region of the country this season and higher availability of cane.

The Government trading corporation of Iran has announced that the sugar import by Iran is down by 12 percent this year. Due to increase in the domestic sugar production the country has imported 758,000 tonnes of sugar in the first eight months (March 2021 – November 2021) of the year which was lower compared to the previous year.

International Sugar Futures ICE(US Cent/lb)

Source: MRCI

Daily Futures Price Listing Friday, Dec 03rd, 2021									
Most Recent Information							Previous Day		
Mth	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
Sugar #11(ICE)									
Mar-22	211203	18.68	18.96	18.67	18.75	+0.13	65,162	355,188	-4,212
May-22	211203	18.30	18.53	18.27	18.34	+0.13	20,397	148,274	-774
Jul-22	211203	18.02	18.19	17.98	18.02	+0.11	14,226	123,697	-448
Oct-22	211203	17.80	17.97	17.77	17.85	+0.13	8,009	108,825	-930
Mar-22	211203	17.74	17.90	17.71	17.79	+0.11	1,914	54,521	-73
May-23	211203	16.97	17.12	16.94	17.01	+0.08	679	23,134	-14
Jul-23	211203	16.47	16.61	16.44	16.49	+0.04	199	25,495	-3
Oct-23	211203	16.12	16.28	16.11	16.15	unch	159	22,407	-63
Total Volume and Open Interest							111,088	875,752	-6,447

International Sugar Futures LIFFE(US \$/MT)

Source: MRCI

Daily Futures Price Listing Friday, Dec 03rd, 2021									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
London Sugar(LCE)									
Dec-21	211203	488.90	490.90	486.00	486.90	+2.20	4,956	29,683	-159
Mar-22	211203	486.40	4888.00	484.00	485.30	+2.90	1,331	13,571	-275
May-22	211203	482.00	484.20	480.50	480.90	+1.20	571	8,258	+57
Aug-22	211203	475.10	476.80	475.10	475.50	+1.40	343	7,694	+101
Oct-22	211203	476.50	477.20	475.40	475.40	+1.40	37	2,078	-9
Total Volume and Open Interest							7,279	62,716	-270

DOMESTIC PRICES AND ARRIVAL

Sugar Prices at Key Spot Markets:					
Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
Sugar			04-Dec-21	03-Dec-21	
Delhi	Delhi	M-Grade	3485	3480	5
	Delhi	S-Grade	3465	3460	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	3682	3682	Unch
	Mumbai	S-Grade	3416	3422	-6
	Nagpur	M-Grade	3425	3425	Unch
	Nagpur	S-Grade	3325	3325	Unch
	Kolhapur	M-Grade	3300	3300	Unch
	Kolhapur	S-Grade	3200	3200	Unch
Assam	Guhawati	S-Grade	3512	3512	Unch
Meghalaya	Shillong	S-Grade	3520	3520	Unch
Andhra Pradesh	Vijayawada	M-Grade (With Duty)	3860	3860	Unch
	Vijayawada	S-Grade (With Duty)	3800	3800	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)	3900	3900	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)			04-Dec-21	03-Dec-21	
Uttar Pradesh	Muzaffarnagar	Chaku Fresh	3030	3038	-8

	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	5000	5000	Unch
	Muzaffarnagar	Khurpa (Fresh)	2605	2750	-145
	Muzaffarnagar	Laddoo (Fresh)	3088	3105	-18
	Muzaffarnagar	Rascut (Fresh)	2575	2613	-38
	Hapur	Chaurasa	2675	2750	-75
	Hapur	Balti	2650	2663	-13
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)	3450	3500	-50
	Mandya	Kurikatu (Medium)	3250	3250	Unch
	Mandya	Other (Medium)	3400	3400	Unch
	Mandya	Yellow (Medium)	3400	3450	-50
	Shimoga/Shivamogga	Achhu (Average)	3700	3700	Unch

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