

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. 3545/q. Prices were in Kolhapur was at Rs. 3300/q.

According to the Maharashtra sugar commissioner, Sugar mills in Maharashtra have produced 227.38 lakh quintals of sugar till 04th December 2021 by crushing 245.52 lakh tonnes of sugarcane. Around 173 sugar mills are currently participating in the cane crushing operation in Maharashtra. Solapur division is leading in the state with highest 41 sugar mills engaged in cane crushing operation this season. Sugar recovery rate for Solapur is currently at 8.48 percent.

Weather Forecast

Dense fog very likely at isolated places over Assam & Meghalaya, Nagaland, Manipur, Mizoram & Tripura.

Previous Updates:

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.

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 | | | 06-Dec-21 | 04-Dec-21 | |
| Delhi | Delhi | M-Grade | 3565 | 3485 | 80 |
| | Delhi | S-Grade | 3545 | 3465 | 80 |
| 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 | 3440 | 3416 | 24 |
| | 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) | | | 06-Dec- | 04-Dec- | |

| | | | 21 | 21 | |
|----------------|--------------------|--------------------------|--------|-------|------|
| Uttar Pradesh | Muzaffarnagar | Chaku Fresh | 3000 | 3030 | -30 |
| | Muzaffarnagar | Chaku(Arrival)(40kg Bag) | 15000 | 15000 | Unch |
| | Muzaffarnagar | Khurpa (Fresh) | 2750 | 2605 | 145 |
| | Muzaffarnagar | Laddoo (Fresh) | 2963 | 3088 | -125 |
| | Muzaffarnagar | Rascut (Fresh) | 2588 | 2575 | 13 |
| | Hapur | Chaurasa | Closed | 2675 | - |
| | Hapur | Balti | Closed | 2650 | - |
| 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) | 3420 | 3450 | -30 |
| | Mandya | Kurikatu (Medium) | 3250 | 3250 | Unch |
| | Mandya | Other (Medium) | 3360 | 3400 | -40 |
| | Mandya | Yellow (Medium) | 3390 | 3400 | -10 |
| | Shimoga/Shivamogga | Achhu (Average) | 3700 | 3700 | Unch |

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