

**Recent Update:**

***A firmtone was witnessed in Sugar physical markets today in India. Sugar prices were lower in Delhi by Rs.10-20 at Rs. 3595/q. Prices were in Kolhapur was at Rs. 3300/q.***

*Gujarat government will soon announce an ethanol production policy 2021 that would benefit both farmers and ethanol manufacturers in the state. The policy aims to utilize, develop, and promote domestic feedstock of agri-produce by products.*

**Weather Forecast**

*Dense fog very likely at isolated places over Assam & Meghalaya, Nagaland, Manipur, Mizoram & Tripura. Thunderstorm accompanied with lightening very likely at isolated places over Tamil Nadu, Pondicherry & Karaikal and Coastal Andhra Pradesh & Yanam. Heavy rainfall at isolated places over Tamil Nadu, Pondicherry & Karaikal.*

**Previous Updates:**

*According to the Maharashtra sugar commissioner, Sugar mills in Maharashtra have produced 227.38 lakh quintals of sugar till 04<sup>th</sup> 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.*

*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.

### International Sugar Futures ICE(US Cent/lb)

Source: MRCI

Daily Futures Price Listing Monday, Dec 06th, 2021									
Most Recent Information							Previous Day		
Mth	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
Sugar #11(ICE)									
<a href="#">Mar-22</a>	211206	18.84	19.25	18.76	19.16	+0.41	63,603	349,343	-5,845
<a href="#">May-22</a>	211206	18.43	18.78	18.37	18.69	+0.35	24,527	147,154	-1,120
<a href="#">Jul-22</a>	211206	18.07	18.36	18.02	18.30	+0.28	16,014	123,532	-165
<a href="#">Oct-22</a>	211206	17.89	18.15	17.85	18.08	+0.23	12,528	107,109	-1,716
<a href="#">Mar-22</a>	211206	17.82	18.05	17.79	17.98	+0.19	2,783	54,409	-112
<a href="#">May-23</a>	211206	17.04	17.20	17.04	17.15	+0.14	1,222	23,099	-40
<a href="#">Jul-23</a>	211206	16.51	16.64	16.50	16.58	+0.09	580	25,741	+246
<a href="#">Oct-23</a>	211206	16.16	16.26	16.16	16.21	+0.06	438	22,185	-222
Total Volume and Open Interest							121,801	866,817	-8,935

### International Sugar Futures LIFFE(US \$/MT)

Source: MRCI

Daily Futures Price Listing Monday, Dec 06th, 2021									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
London Sugar(LCE)									
<a href="#">Dec-21</a>	211206	491.10	496.90	486.80	486.80	+9.70	3,947	29,441	-242
<a href="#">Mar-22</a>	211206	488.50	493.30	185.10	493.00	+7.70	1,709	13,026	-545
<a href="#">May-22</a>	211206	484.10	487.30	481.00	487.20	+6.30	899	8,273	+15
<a href="#">Aug-22</a>	211206	476.90	480.80	475.20	480.80	+5.30	467	7,620	-74
<a href="#">Oct-22</a>	211206	477.90	480.50	476.10	480.50	+5.10	125	2,062	-16
Total Volume and Open Interest							7,191	61,886	-830

DOMESTIC PRICES AND ARRIVAL

Sugar Prices at Key Spot Markets:					
Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
Sugar			07-Dec-21	06-Dec-21	
Delhi	Delhi	M-Grade	3515	3565	-50
	Delhi	S-Grade	3495	3545	-50
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	3690	3682	8
	Mumbai	S-Grade	3446	3440	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)	3720	3700	20
	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)			07-Dec-21	06-Dec-21	

Uttar Pradesh	Muzaffarnagar	Chaku Fresh	3038	3000	38
	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	12000	15000	-3000
	Muzaffarnagar	Khurpa (Fresh)	2750	2750	Unch
	Muzaffarnagar	Laddoo (Fresh)	2988	2963	25
	Muzaffarnagar	Rascut (Fresh)	2588	2588	Unch
	Hapur	Chaurasa	2625	Closed	-
	Hapur	Balti	2600	Closed	-
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)	3500	3420	80
	Mandya	Kurikatu (Medium)	3250	3250	Unch
	Mandya	Other (Medium)	3300	3360	-60
	Mandya	Yellow (Medium)	3350	3390	-40
	Shimoga/Shivamogga	Achhu (Average)	NA	3700	-

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