

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. 3530/q. Prices were in Kolhapur was at Rs. 3300/q.

According to the Maharashtra sugar commissioner, Sugar mills in Maharashtra have produced 252.63 lakh quintals of sugar till 07th December 2021 by crushing 272.6 lakh tonnes of sugarcane. Around 182 sugar mills are currently participating in the cane crushing operation in Maharashtra. Solapur division is leading in the state with highest 43 sugar mills engaged in cane crushing operation this season. Sugar recovery rate for Solapur is currently at 8.47 percent.

Weather Forecast

Thunderstorm accompanied with lightening very likely at isolated places over Tamil Nadu, Pondicherry & Karaikal, Rayalaseema and Coastal Andhra Pradesh & Yanam.

Previous Updates:

With the increase in the sugar rates in the domestic market amid the covid outbreak, the Trading Corporation of Bangladesh (TCB) will launch a nationwide programme to sell sugar, red lentil, soyabean and onion at subsidized rates. TCB has issued a press release on 04th December 2021 stating that the sugar will be sold at subsidized rates in Dhaka and other metropolitan cities, districts and upazila towns. The sugar in the domestic market is being sold at Bangladeshi Taka (TK) 75-80 per kg and TCB will sell it at TK 55 per kg.

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.

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.

International Sugar Futures ICE(US Cent/lb)

Source: MRCI

Daily Futures Price Listing Wednesday, Dec 08th, 2021									
Most Recent Information							Previous Day		
Mth	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
Sugar #11(ICE)									
Mar-22	211208	19.40	19.90	19.36	19.82	+0.34	41,358	346,945	+33
May-22	211208	18.98	19.47	18.94	19.41	+0.36	17,296	143,522	-1,336
Jul-22	211208	18.55	18.99	18.50	18.93	+0.33	11,978	121,131	-978
Oct-22	211208	18.31	18.71	18.30	18.66	+0.30	4,705	106,631	-607
Mar-22	211208	18.20	18.56	18.19	18.52	+0.26	1,056	53,900	-195
May-23	211208	17.30	17.60	17.30	17.58	+0.21	538	23,287	+113
Jul-23	211208	16.65	16.92	16.66	16.92	+0.18	403	25,770	+25
Oct-23	211208	16.25	16.53	16.25	16.48	+0.15	244	22,197	+3
Total Volume and Open Interest							77,762	857,752	-2,918

International Sugar Futures LIFFE(US \$/MT)

Source: MRCI

Daily Futures Price Listing Wednesday, Dec 08th, 2021									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
London Sugar(LCE)									
Dec-21	211208	504.80	515.80	501.30	513.70	+8.10	4,527	29,133	-293
Mar-22	211208	499.80	510.70	497.80	510.20	+9.00	2,637	11,264	-854
May-22	211208	491.90	502.30	490.00	501.60	+8.00	1,151	7,978	-104
Aug-22	211208	484.40	493.90	493.20	493.30	+7.30	237	7,634	+68
Oct-22	211208	482.80	490.40	482.80	490.40	+5.60	5	2,056	-1
Total Volume and Open Interest							8,559	59,529	-1,184

DOMESTIC PRICES AND ARRIVAL

Sugar Prices at Key Spot Markets:					
Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
Sugar			09-Dec-21	08-Dec-21	
Delhi	Delhi	M-Grade	3480	3550	-70
	Delhi	S-Grade	3460	3530	-70
Maharashtra	Mumbai	M-Grade	3696	3690	6
	Mumbai	S-Grade	3412	3446	-34
	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	3720	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)			09-Dec-21	08-Dec-21	
Uttar Pradesh	Muzaffarnagar	Chaku Fresh	2950	3050	-100
	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	16000	12000	4000
	Muzaffarnagar	Khurpa (Fresh)	2625	2775	-150
	Muzaffarnagar	Laddoo (Fresh)	2850	3000	-150
	Muzaffarnagar	Rascut (Fresh)	2400	2600	-200
	Hapur	Chaurasa	2575	2600	-25
	Hapur	Balti	2550	2563	-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)	NA	3500	-
	Mandya	Kurikatu (Medium)	NA	3250	-
	Mandya	Other (Medium)	NA	3200	-
	Mandya	Yellow (Medium)	NA	3450	-
	Shimoga/Shivamogga	Achhu (Average)	3700	3700	Unch

Disclaimer

information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness, and correctness. The use of data and information contained in this report is at your own risk. This document is not, and should be construed as an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed, or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors, and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or lose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/disclaimer.php> © 2021 Indian business Systems Ltd.