

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. 3460/q. Prices were in Kolhapur was at Rs. 3350/q.

According to the government, cane arrears of farmers as on 06th December 2021 stood at Rs.4,445 crore for the 2020-21 season. The total payable amount for the 2020-21 season was Rs. 92,881 crore of which Rs. 88,436 crore has been already paid.

Previous Updates:

According to the Maharashtra sugar commissioner, Sugar mills in Maharashtra have produced 268.17 lakh quintals of sugar till 09th December 2021 by crushing 289.1 lakh tonnes of sugarcane. Around 183 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 8.37 percent whereas for Maharashtra it is 9.28 percent.

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 Monday, Dec 13th, 2021									
Most Recent Information							Previous Day		
Mth	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
Sugar #11(ICE)									
Mar-22	211213	19.76	19.85	19.58	19.64	-0.07	35,036	349,500	+574
May-22	211213	19.34	19.43	19.20	19.25	-0.07	15,179	148,427	+164
Jul-22	211213	18.94	18.99	18.80	18.85	-0.04	14,492	118,103	-1,103
Oct-22	211213	18.74	18.75	18.58	18.66	-0.02	6,769	108,359	+975
Mar-22	211213	18.60	18.61	18.46	18.55	-0.01	2,346	55,147	+284
May-23	211213	17.57	17.57	17.43	17.55	+0.02	1,889	25,605	+1,236
Jul-23	211213	16.82	16.90	16.78	16.89	+0.03	383	25,698	-133
Oct-23	211213	16.43	16.49	16.40	16.47	+0.01	189	22,173	-73
Total Volume and Open Interest							76,284	867,392	+1,924

International Sugar Futures LIFFE(US \$/MT)

Source: MRCI

Daily Futures Price Listing Monday, Dec 13th, 2021									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
London Sugar(LCE)									
Dec-21	211213	511.30	513.50	508.90	510.10	-1.30	2,240	29,795	+65
Mar-22	211213	508.00	508.90	505.10	506.30	-2.10	546	11,796	+37
May-22	211213	500.00	501.60	498.70	499.30	-2.30	261	7,746	+47
Aug-22	211213	493.30	493.30	490.00	490.70	-2.50	120	7,646	-10
Oct-22	211213	487.00	488.60	487.00	488.30	-1.60	75	2,016	-32
Total Volume and Open Interest							3,273	60,493	+115

DOMESTIC PRICES AND ARRIVAL

Sugar Prices at Key Spot Markets:					
Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
Sugar			14-Dec-21	13-Dec-21	
Delhi	Delhi	M-Grade	3480	3480	Unch
	Delhi	S-Grade	3460	3460	Unch
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	3696	3696	Unch
	Mumbai	S-Grade	3450	3450	Unch
	Nagpur	M-Grade	3475	3475	Unch
	Nagpur	S-Grade	3375	3375	Unch
	Kolhapur	M-Grade	3350	3350	Unch
	Kolhapur	S-Grade	3250	3250	Unch
Assam	Guhawati	S-Grade	3563	3563	Unch
Meghalaya	Shillong	S-Grade	3570	3570	Unch
Andhra Pradesh	Vijayawada	M-Grade (With Duty)	3820	3820	Unch
	Vijayawada	S-Grade (With Duty)	3760	3760	Unch
West Bengal	Kolkata	M-Grade	3800	3800	Unch
Tamil Nadu	Chennai	S-Grade (With GST)	3720	3720	Unch
	Dindigul	M-Grade (DCA)	3920	3920	Unch
	Coimbatore	M-Grade (DCA)	3800	3800	Unch
Chattisgarh	Ambikapur	M-Grade (Without Duty)	NA	NA	-
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)			14-Dec-21	13-Dec-21	

Uttar Pradesh	Muzaffarnagar	Chaku Fresh	2875	2950	-75
	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	10000	12000	-2000
	Muzaffarnagar	Khurpa (Fresh)	2700	2600	100
	Muzaffarnagar	Laddoo (Fresh)	2900	2863	38
	Muzaffarnagar	Rascut (Fresh)	2400	2425	-25
	Hapur	Chaurasa	2600	Closed	-
	Hapur	Balti	2575	Closed	-
Andhra Pradesh	Chittur	Gold	NR	NR	-
		White	NR	NR	-
		Black	NR	NR	-
Maharashtra	Latur	Lal Variety	NR	NR	-
Karnataka	Bangalore	Mudde (Average)	4700	4700	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)	3370	3410	-40
	Mandya	Kurikatu (Medium)	3350	3350	Unch
	Mandya	Other (Medium)	3120	3210	-90
	Mandya	Yellow (Medium)	3410	3360	50
	Shimoga/Shivamogga	Achhu (Average)	3700	3700	Unch

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