

Recent Update:

A firm tone was witnessed in Sugar physical markets today in India. Sugar prices were lower in Delhi by Rs.10-20 at Rs. 3420/q. Prices were in Kolhapur was at Rs. 3350/q.

In order to promote ethanol blending, the Government has lowered Goods and Services Tax (GST) rate to 5% from 18% on ethanol meant for blending under the Ethanol Blended Petrol (EBP) Programme. The procurement price of ethanol produced from sugarcane based feed stocks like C & B heavy molasses, sugarcane juice, sugar, sugar syrup are fixed by the Government and from food grain based feed stocks by Public Sector Oil Marketing Companies on an annual basis.

Weather Forecast:

Cold wave conditions very likely in isolated places over Punjab, Haryana, Chandigarh and north Rajasthan.

Previous Updates:

The Sugar production in Gujarat is expected to increase in 2021-22 season by 10 percent. The Gujrat State Federation of Cooperative Sugar Factories (GSFCSF) has estimated that the sugar production is expected to increase in the state by 10 percent from 10 lakh tonnes in 2020-21 season to 11.29 lakh tonnes in 2021-22 season. The increase in sugarcane acreage in the state would help in increasing the sugar production. According to Indian Sugar Mills Association, till 30th November 2021 sugar mills in Gujarat have produced 1.66 lakh tonnes of sugar.

According to the Maharashtra sugar commissioner, Sugar mills in Maharashtra have produced 302.08 lakh quintals of sugar till 13th December 2021 by crushing 322.81 lakh tonnes of sugarcane. Around 185 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 8.45 percent and for the entire state (Maharashtra) is at 9.36 percent.

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.

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.

International Sugar Futures ICE(US Cent/lb)

Source: MRCI

Daily Futures Price Listing Wednesday, Dec 15th, 2021									
Most Recent Information							Previous Day		
Mth	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
Sugar #11(ICE)									
Mar-22	211215	19.58	19.59	19.18	19.29	-0.36	26,777	348,885	-2,016
May-22	211215	19.21	19.21	18.82	18.93	-0.32	10,512	150,353	+2,167
Jul-22	211215	18.87	18.87	18.55	18.67	-0.24	9,446	117,605	+65
Oct-22	211215	18.67	18.69	18.44	18.56	-0.19	5,105	109,932	+797
Mar-22	211215	18.58	18.58	18.38	18.51	-0.14	1,810	56,106	+446
May-23	211215	17.60	17.60	17.43	17.53	-0.11	585	26,267	+145
Jul-23	211215	16.95	16.97	16.80	16.87	-0.10	221	25,770	+13
Oct-23	211215	16.55	16.57	16.44	16.50	-0.05	87	22,053	-13
Total Volume and Open Interest							54,784	871,534	+1,797

International Sugar Futures LIFFE(US \$/MT)

Source: MRCI

Daily Futures Price Listing Wednesday, Dec 15th, 2021									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
London Sugar(LCE)									
Dec-21	211215	507.80	507.80	500.70	503.20	-7.70	2,195	30,273	+157
Mar-22	211215	504.10	504.10	497.70	499.80	-7.10	550	11,599	-64
May-22	211215	495.80	496.80	492.10	494.00	-5.10	313	7,767	-116
Aug-22	211215	488.00	489.20	485.00	487.20	-3.70	67	7,660	-12
Oct-22	211215	485.50	487.10	485.00	485.80	-3.50	42	2,020	-10
Total Volume and Open Interest							3,227	60,854	-64

DOMESTIC PRICES AND ARRIVAL

Sugar Prices at Key Spot Markets:					
Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
Sugar			16-Dec-21	15-Dec-21	
Delhi	Delhi	M-Grade	3440	3480	-40
	Delhi	S-Grade	3420	3460	-40
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)	3800	3720	80
	Dindigul	M-Grade (DCA)	3920	3920	Unch
	Coimbatore	M-Grade (DCA)	3800	3800	Unch
Chattisgarh	Ambikapur	M-Grade (Without Duty)	3700	3700	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)			16-Dec-21	15-Dec-21	
Uttar Pradesh	Muzaffarnagar	Chaku Fresh	2850	2950	-100
	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	10000	12000	-2000
	Muzaffarnagar	Khurpa (Fresh)	2550	2675	-125
	Muzaffarnagar	Laddoo (Fresh)	2778	3000	-223
	Muzaffarnagar	Rascut (Fresh)	2388	2388	Unch

	Hapur	Chaurasa	2600	2575	25
	Hapur	Balti	2575	2575	Unch
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)	3420	3400	20
	Mandya	Kurikatu (Medium)	3280	3280	Unch
	Mandya	Other (Medium)	3310	3300	10
	Mandya	Yellow (Medium)	3470	3450	20
	Shimoga/Shivamogga	Achhu (Average)	3700	NA	-

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 not 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 dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/disclaimer.php> © 2021 Indian Business Systems Ltd.