

Recent Update:

Sugar physical market showed a mixed trend today in India. Sugar prices were lower in the Delhi market at Rs. 3505/qtl whereas in the Kolhapur market remained stable at Rs. 3350/qtl.

In a notification issued on 31st August 2022, the food ministry has allocated higher monthly sales quota of 23.5 Lakh MT (LMT) for monthly September 2022, compared to 22 LMT allocated during August 2022. As per Agriwatch Sources, demand is expected to remain smooth with the beginning of the Ganesh Chaturthi festival and the upcoming Navratri festival in early October month.

As per the market sources, Sugarcane crushing is likely to commence early from 01st October 2022 in Maharashtra. However, the official decision is yet to be taken by the Cabinet Committee on 15th September 2022. The sugarcane crushing usually starts from late October 2022 to early November and ends in mid-April but during the previous 2021-22 season the sugar crushing continued till June 2022 mainly because of excess production. According to Indian Sugar Mills Association, overall sugar production during the 2021-22 season in Maharashtra was 138 lakh tonnes which is further expected to increase in the coming 2022-23 season to 148 lakh tonnes amid good rains in the key growing districts i.e. Kolhapur, Sangli, Satara, Ahmednagar, Nasik, Amravati, Nagpur etc

Brazil Sugar production is expected to fall in the coming 2022-23 season. According to the Government, the sugarcane production for the 2022-23 season is projected to be 514 million tonnes in the center-south (CS) region as against 525 million tonnes in the 2021-22 season. Farmers have switched to crops like soy and corn which are more profitable, along with it bad weather is likely to affect the crop.

Weather Forecast

Heavy rainfall at isolated places over Sub-Himalayan West Bengal & Sikkim and heavy rainfall at isolated places over Kerala & Mahe, Lakshadweep, Arunachal Pradesh, Assam & Meghalaya, Bihar, Nagaland, Manipur, Mizoram & Tripura, Gujarat region, Madhya Maharashtra, Konkan & Goa, South interior Karnataka, Tamil Nadu, Pondicherry, & Karaikal. Thunderstorms accompanied by lightning at isolated places over Uttarakhand, Uttar Pradesh, Madhya Pradesh, Vidarbha, Chhattisgarh, Bihar, Jharkhand, West Bengal & Sikkim, Odisha, Arunachal Pradesh, Assam & Meghalaya, Nagaland, Manipur, Mizoram, Tripura, Madhya Maharashtra, Marathwada, Konkan & Goa, Gujarat state, Karnataka, Tamil Nadu, Pondicherry, Karaikal, Kerala & Mahe and Lakshadweep.

Previous Updates:

According to the Ministry of Agriculture and Farmer's Welfare data, till 26th August 2022, the area under sugarcane cultivation has reached 55.59 lakh hectares as compared to 54.69 lakh hectares during the previous season.

According to the market sources, sugar exports in India are likely to fall at around 8 million tonnes in the upcoming 2022-23 season as compared to 10.5 million tonnes in the 2021-22 due to expected lower opening stock and an increase in diversion of sugar for ethanol production. About 45 lakh tonnes of sugar is expected to be diverted for ethanol next season against 34 lakh tonnes this season.

| Sugarcane Sowing (Lakh Hectares) As of 26 th Aug 2022 | | |
|--|--------------|---------------|
| State-wise | 2022-23 | 2021-22 |
| Andhra Pradesh | 0.47 | 0.84 |
| Assam | 0.28 | 0.28 |
| Bihar | 2.35 | 2.64 |
| Chhattisgarh | 0.32 | 0.12 |
| Gujarat | 2.32 | 2.31 |
| Haryana | 1.06 | 1.1 |
| Karnataka | 6.6 | 5.69 |
| Madhya Pradesh | 0.86 | 1.06 |
| Maharashtra | 13.4 | 12.32 |
| Odisha | 0.19 | 0.17 |
| Punjab | 0.97 | 0.98 |
| Tamil Nadu | 1.51 | 1.5 |
| Telangana | 0.32 | 0.29 |
| Uttar Pradesh | 23.6 | 23.95 |
| Uttarakhand | 0.92 | 0.93 |
| West Bengal | 0.16 | 0.17 |
| Others | 0.26 | 0.345 |
| All-India | 55.59 | 54.695 |

As of 24th Aug 2022, Gujarat Sugarcane sowing has reached 0.37 lakh hectares for the 2022-23 season which is higher compared to the previous season's sowing of 0.39 lakh hectares. The average rainfall reported from 01.06.2022 to 24.08.2022 is around 384.70 mm against the normal 384.3 mm.

According to Uttar Pradesh government, Till 20th August 2022, sugar mills across the state have paid 85.14% of the total cane dues. Around Rs. 29,968.06 crore of cane payments have already done by the sugar mills across the state for the 2021-22 season. The total cane payments during the previous 2020-21 season were Rs. 33,003.00 crore.

International Sugar Futures ICE (US Cent/lb)

| Daily Futures Price Listing Wednesday, Aug 31st 2022 | | | | | | | | | |
|--|--------|-------|-------|-------|-------|--------|--------------|----------|--------|
| Most Recent Information | | | | | | | Previous Day | | |
| Month | Date | Open | High | Low | Close | Change | Volume | Open Int | Change |
| Sugar #11(ICE) | | | | | | | | | |
| 22-Oct | 220831 | 18.21 | 18.25 | 17.85 | 17.89 | -0.21 | 47,798 | 286,427 | -2,329 |
| 22-Mar | 220831 | 18.05 | 18.11 | 17.75 | 17.77 | -0.19 | 26,587 | 212,921 | -314 |
| 22-May | 220831 | 17.46 | 17.54 | 17.22 | 17.25 | -0.16 | 6,829 | 94,623 | -137 |
| 23-Jul | 220831 | 17.2 | 17.28 | 16.98 | 17.04 | -0.12 | 3,662 | 55,924 | 855 |
| 23-Oct | 220831 | 17.27 | 17.32 | 17.02 | 17.12 | -0.11 | 1,612 | 46,908 | 395 |
| 23-Mar | 220831 | 17.39 | 17.54 | 17.23 | 17.34 | -0.11 | 872 | 23,457 | -170 |
| 24-May | 220831 | 16.87 | 17.03 | 16.73 | 16.82 | -0.13 | 190 | 7,536 | -73 |
| 24-Jul | 220831 | 16.61 | 16.61 | 16.37 | 16.46 | -0.15 | 169 | 10,299 | 4 |
| Total Volume and Open Interest | | | | | | | 87,956 | 754,569 | -1,652 |

Source: MRCI

International Sugar Futures LIFFE (US \$/MT)

| Daily Futures Price Listing Wednesday, Aug 31st 2022 | | | | | | | | | |
|--|--------|-------|-------|-------|-------|--------|--------------|----------|--------|
| Most Recent Information | | | | | | | Previous Day | | |
| Month | Date | Open | High | Low | Close | Change | Volume | Open Int | Change |
| London Sugar (LCE) | | | | | | | | | |
| 22-Oct | 220831 | 550.2 | 553.4 | 546.5 | 550.8 | 2.3 | 3,775 | 31,664 | -425 |
| 22-Dec | 220831 | 522 | 525.7 | 520 | 523 | 2 | 3,421 | 18,375 | 703 |
| 22-Mar | 220831 | 506.6 | 506.6 | 500.6 | 502 | -0.9 | 1348 | 13,820 | 328 |
| 22-May | 220831 | 493.2 | 494.3 | 490.9 | 491.8 | -2.5 | 286 | 5,315 | -31 |
| 23-Aug | 220831 | 485.1 | 485.1 | 481.8 | 483.1 | -2.9 | 152 | 3,947 | 50 |
| Total Volume and Open Interest | | | | | | | 9,089 | 78,177 | 686 |

Source: MRCI

DOMESTIC PRICES AND ARRIVAL

| Sugar Prices at Key Spot Markets: | | | | | |
|---|------------|------------------------|-----------------|-----------|--------|
| Commodity | Centre | Variety | Prices (Rs/Qtl) | | Change |
| Sugar | | | 1-Sep-22 | 31-Aug-22 | |
| Delhi | Delhi | M-Grade | 3505 | 3510 | -5 |
| | Delhi | S-Grade | 3485 | 3490 | -5 |
| Uttar Pradesh | Khatauli | M-Grade | 3535 | 3535 | Unch |
| | Ramala | M-Grade | 3490 | 3490 | Unch |
| | Dhampur | M-Grade Ex-Mill | 3550 | 3550 | Unch |
| | Dhampur | S-Grade Ex-Mill | 3550 | 3550 | Unch |
| | Dhampur | L-Grade Ex-Mill | NA | NA | - |
| Maharashtra | Mumbai | M-Grade | 3646 | Closed | - |
| | Mumbai | S-Grade | 3546 | Closed | - |
| | Nagpur | M-Grade | 3575 | Closed | - |
| | Nagpur | S-Grade | 3475 | Closed | - |
| | Kolhapur | M-Grade | 3450 | Closed | - |
| | Kolhapur | S-Grade | 3350 | Closed | - |
| Assam | Guhawati | S-Grade | 3664 | Closed | - |
| Meghalaya | Shillong | S-Grade | 3670 | Closed | - |
| Andhra Pradesh | Vijayawada | M-Grade (With Duty) | 4000 | 4000 | Unch |
| | Vijayawada | S-Grade (With Duty) | 3900 | 3900 | Unch |
| West Bengal | Kolkata | M-Grade | 3900 | 3900 | Unch |
| Tamil Nadu | Chennai | S-Grade (With GST) | 3550 | 3550 | Unch |
| | Dindigul | M-Grade (DCA) | 3840 | 3840 | Unch |
| | Coimbatore | M-Grade (DCA) | 3840 | 3840 | Unch |
| Chattisgarh | Ambikapur | M-Grade (Without Duty) | 3850 | 3850 | Unch |
| Sugar Prices are in INR/Quintal. (1 Quintal=100 kg) | | | | | |

| Jaggery (Gur) Prices at Key Spot Markets: | | | | | |
|---|---------------|--------------------------|-----------------|-----------|--------|
| Commodity | Centre | Variety | Prices (Rs/Qtl) | | Change |
| Jaggery(Gur) | | | 1-Sep-22 | 31-Aug-22 | |
| Uttar Pradesh | Muzaffarnagar | Chaku Fresh | NA | NA | - |
| | Muzaffarnagar | Chaku(Arrival)(40kg Bag) | NA | NA | - |
| | Muzaffarnagar | Khurpa (Fresh) | NA | NA | - |

| | | | | | |
|----------------|--------------------|-------------------|------|------|------|
| | Muzaffarnagar | Laddoo (Fresh) | NA | NA | - |
| | Muzaffarnagar | Rascut (Fresh) | NA | NA | - |
| | Hapur | Chaursa | 3000 | 3000 | Unch |
| | Hapur | Balti | 3100 | 3100 | Unch |
| Andhra Pradesh | Chittur | Gold | NR | NR | - |
| | | White | NR | NR | - |
| | | Black | NR | NR | - |
| Maharashtra | Latur | Lal Variety | NR | NR | - |
| Karnataka | Bangalore | Mudde (Average) | NA | NA | - |
| | 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 | NA | - |
| | Mandya | Kurikatu (Medium) | NA | NA | - |
| | Mandya | Other (Medium) | NA | NA | - |
| | Mandya | Yellow (Medium) | NA | NA | - |
| | Shimoga/Shivamogga | Achhu (Average) | 3800 | NA | - |

*Note: Market was closed due to Ganesh Chaturthi on 31st August 2022.

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