

Recent Update:

Sugar physical market showed a stable trend today in India. Sugar prices were slightly stable in the Delhi market at Rs. 3480/qtl whereas prices were stable in Kolhapur at Rs. 3500 per quintal.

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. Around 45 lakh tonnes of sugar is expected to be diverted for ethanol in the next season against 34 lakh tonnes in the 2021-22 season.

Also, the government in the 2022-23 season is planning to allow sugar exports in two tranches from October 2022. The sugar exports of around 4-5 million tonnes will be allowed in first tranche and rest in the second.

Weather Forecast

Heavy rainfall at isolated places over Coastal & South Interior Karnataka, Kerala & Mahe, Andaman & Nicobar Islands, Arunachal Pradesh, Odisha, Arunachal Pradesh, Assam & Meghalaya, Nagaland, Manipur, Mizoram, Tripura, Madhya Maharashtra, Konkan & Goa, Telangana, Rayalaseema, North Interior Karnataka, Lakshadweep, Tamil Nadu, Pondicherry & Karikal. Thunderstorms accompanied by lightning at isolated places over Andaman & Nicobar Islands, East Madhya Pradesh, Vidarbha, Chhattisgarh, Bihar, Jharkhand, West Bengal, Sikkim, Odisha, Assam & Meghalaya, Nagaland, Manipur, Mizoram & Tripura, Madhya Maharashtra, Marathwada, Konkan & Goa, Coastal Andhra Pradesh & Yanam, Telangana, Rayalaseema, Karnataka, Tamil Nadu, Pondicherry, Karikal, Kerala & Mahe, Lakshadweep.

Previous Domestic Market Updates:

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

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.

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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

International Market Updates:

Brazil Sugar production is expected to fall in the coming 2022-23 season. The major reason behind the fall in production is bad weather which is likely to affect the crop, along with it the expected shift in acreages as farmers have switched to more profitable crops like soya and corn. Brazil's Center-South region sugar production was down by around -12.8% year on year basis to 18.625 MMT in the 2022-23 season. Also, CONAB, Brazil has reduced its sugar production estimate to 33.9 MMT from its previous forecast of 40.3 MMT in anticipation of reduced acreages under the crop.

Also, the hot and dry weather conditions in France and Germany threaten to lower sugar beet yields in the European Union. However, the outlook for larger sugarcane crop in India and Thailand is bearish for sugar prices.

International Sugar Futures ICE (US Cent/lb)

Daily Futures Price Listing Monday, Sept 05th 2022									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
Sugar #11(ICE)									
22-Oct	220902	18.06	18.32	18.03	18.15	0.16	56,348	279,442	-3,067
22-Mar	220902	17.9	18.12	17.85	18.01	0.19	30,117	220,174	5,583
22-May	220902	17.31	17.51	17.28	17.47	0.22	8,080	95,727	596
23-Jul	220902	17.1	17.28	17.01	17.26	0.26	5,542	55,772	178
23-Oct	220902	17.03	17.32	17.03	17.3	0.24	3,718	47,953	790
23-Mar	220902	17.22	17.5	17.22	17.49	0.23	1980	23,817	450
24-May	220902	16.68	16.95	16.68	16.94	0.21	266	7,535	48
24-Jul	220902	16.39	16.59	16.39	16.58	0.22	149	10,351	59
Total Volume and Open Interest							106,437	757,415	4,773

Source: MRCI

International Sugar Futures LIFFE (US \$/MT)

Daily Futures Price Listing Monday, Sept 05th 2022									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
London Sugar (LCE)									
22-Oct	220905	575	583.8	575	581.5	7.7	9,691	26,448	-1495
22-Dec	220905	535	543.4	534.2	539.3	4.5	7,642	23,163	1979
22-Mar	220905	510.5	516.2	510	513.5	4.9	3120	15,636	806
22-May	220905	500	502.8	499	499.6	3.3	612	5,755	128
23-Aug	220905	490	492.4	490	490.6	2.3	120	4,068	34
Total Volume and Open Interest							21,406	80,325	1566

Source: MRCI

DOMESTIC PRICES AND ARRIVAL

Sugar Prices at Key Spot Markets:					
Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
Sugar			6-Sep-22	5-Sep-22	
Delhi	Delhi	M-Grade	3480	3480	Unch
	Delhi	S-Grade	3460	3460	Unch
Maharashtra	Mumbai	M-Grade	3640	3642	-2
	Mumbai	S-Grade	3556	3560	-4
	Nagpur	M-Grade	3625	3625	Unch
	Nagpur	S-Grade	3525	3525	Unch
	Kolhapur	M-Grade	3500	3500	Unch
	Kolhapur	S-Grade	3400	3400	Unch
Assam	Guhawati	S-Grade	3715	3715	Unch
Meghalaya	Shillong	S-Grade	3720	3720	Unch
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)	3820	3820	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)			6-Sep-22	5-Sep-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	Chaurasa	2900	2970	-70
	Hapur	Balti	3040	3080	-40

Andhra Pradesh	Chittur	Gold	NR	NR	-
		White	NR	NR	-
		Black	NR	NR	-
Maharashtra	Latur	Lal Variety	NR	NR	-
Karnataka	Bangalore	Mudde (Average)	4550	4550	Unch
	Belgaum	Mudde (Average)	NA	4000	-
	Belthangadi	Yellow (Average)	NA	NA	-
	Bijapur/Vijayapura	Achhu	NA	NA	-
	Gulbarga/Kalaburgi	Other (Average)	3000	3250	-250
	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)	3850	3800	50

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