

Recent Update:

Sugar physical market showed a stable trend today in India. Sugar prices were slightly higher in the Delhi market at Rs. 3515/qtl whereas prices were stable in Kolhapur at Rs. 3500 per quintal.

Sugar millers in Maharashtra have urged the Centre to announce an export policy for the 2022-23 sugar season. 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. Currently, sugar exports are under restriction till 31st October 2022.

According to the Ministry of Agriculture and Farmer's Welfare data, till 02nd September 2022, the area under sugarcane cultivation has reached 55.65 lakh hectares as compared to 54.70 lakh hectares during the previous season.

Sugarcane Sowing (Lakh Hectares) As of 02 nd Sep 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	0.35
All-India	55.65	54.70

Weather Forecast

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

Previous Domestic Market Updates:

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.

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

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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 Tuesday, Sept 06th 2022									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
Sugar #11(ICE)									
22-Oct	220906	18.24	18.28	17.93	17.98	-0.17	72,164	280,754	1,312
22-Mar	220906	18.1	18.1	17.74	17.8	-0.21	43,446	225,043	4,869
22-May	220906	17.51	17.51	17.21	17.27	-0.2	10,351	97,268	1541
23-Jul	220906	17.31	17.33	16.99	17.06	-0.2	6,327	55,867	95
23-Oct	220906	17.33	17.35	17.03	17.09	-0.21	1,898	48,010	57
23-Mar	220906	17.51	17.54	17.19	17.27	-0.22	1085	23,551	-266
24-May	220906	16.97	16.97	16.67	16.74	-0.2	490	7,402	-133
24-Jul	220906	16.58	16.59	16.32	16.4	-0.18	397	10,435	84
Total Volume and Open Interest							136,487	765,175	7,760

Source: MRCI

International Sugar Futures LIFFE (US \$/MT)

Daily Futures Price Listing Tuesday, Sept 06th 2022									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
London Sugar (LCE)									
22-Oct	220906	579.3	581.4	571.8	573.2	-8.3	9,171	24,246	-2202
22-Dec	220906	537.6	537.9	530.5	531.5	-7.8	5,678	24,388	1225
22-Mar	220906	512.1	512.1	503.9	505.5	-8	2195	16,437	801
22-May	220906	497.1	497.4	490.7	493	-6.6	673	6,061	306
23-Aug	220906	488.1	488.9	482.5	485	-5.6	369	4,198	130
Total Volume and Open Interest							18,341	80,781	456

Source: MRCI

DOMESTIC PRICES AND ARRIVAL

Sugar Prices at Key Spot Markets:					
Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
Sugar			7-Sep-22	6-Sep-22	
Delhi	Delhi	M-Grade	3515	3480	35
	Delhi	S-Grade	3495	3460	35
Maharashtra	Mumbai	M-Grade	3640	3640	Unch
	Mumbai	S-Grade	3562	3556	6
	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)			7-Sep-22	6-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	2900	Unch
	Hapur	Balti	3040	3040	Unch
Andhra Pradesh	Chittur	Gold	NR	NR	-

		White	NR	NR	-
		Black	NR	NR	-
Maharashtra	Latur	Lal Variety	NR	NR	-
Karnataka	Bangalore	Mudde (Average)	NA	4550	-
	Belgaum	Mudde (Average)	NA	NA	-
	Belthangadi	Yellow (Average)	NA	NA	-
	Bijapur/Vijayapura	Achhu	NA	NA	-
	Gulbarga/Kalaburgi	Other (Average)	3000	3000	Unch
	Mahalingapura	Penti (Average)	NA	NA	-
	Mandya	Achhu (Medium)	3620	3590	30
	Mandya	Kurikatu (Medium)	3480	3450	30
	Mandya	Other (Medium)	3400	3340	60
	Mandya	Yellow (Medium)	3510	3550	-40
	Shimoga/Shivamogga	Achhu (Average)	3850	3850	Unch

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