

Recent Update:

Sugar physical market showed a stable to weak trend today in India. Sugar prices were slightly lower in the Delhi market at Rs. 3510/qtl whereas prices were stable in Kolhapur at Rs. 3450 per quintal.

Maharashtra government has urged the center to reduce the interest on delayed Fair and Remunerative Price (FRP) payments to the farmers from 15 percent to 7.5 percent. Earlier, as per Sugarcane Control Order, FRP to the farmers should be paid within 14 days of the procurement of sugarcane. Also, the failure to comply with the 14-day deadline would result in interest of 15 percent per annum. The State has also demanded a rise in the Minimum Selling Price of sugar from Rs. 3,100 per quintal to Rs. 3,600 for the 2022-23 season.

Weather Forecast

Heavy rainfall at isolated places over Uttarakhand, Gangetic West Bengal, Gujarat State, Madhya Maharashtra, Konkan & Goa, Madhya Pradesh, Vidarbha, Chhattisgarh, Jharkhand, Odisha, Sub-Himalayan West Bengal, Sikkim, Assam & Meghalaya, Nagaland, Manipur, Mizoram, Tripura, Telangana, Marathwada, Coastal & North Interior Karnataka, and Kerala & Mahe. Thunderstorms accompanied by lightning at isolated places over Telangana, Jammu & Kashmir, Ladakh, Gilgit, Baltistan, Muzaffarabad, Himachal Pradesh, Haryana, Chandigarh, Delhi, Uttarakhand, Uttar Pradesh, Rajasthan, Madhya Pradesh, Vidarbha, Chhattisgarh, Sub-Himalayan West Bengal, Sikkim, Gujarat region, Marathwada, Coastal Andhra Pradesh & Yanam, Kerala & Mahe.

Previous Domestic Market Updates:

The Indian Sugar Mills Association has urged the government to reconsider the monthly sugar sales quota for September month. Earlier, In a notification issued on 31st August 2022, the food ministry 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 the Association, the increased sugar sales quota might lead to a drop in ex-mill price of sugar. Currently, ex-mill price of sugar is at Rs. 3,400 -Rs. 3,500 per quintal. In the previous month government has extended the monthly sugar sales quota of July month till 31st August 2022 due to lower monthly sales.

However, as per AgriWatch, the sugar prices are higher despite the higher sales quota released during the September month. Average prices for Sugar 'M' grade in key Kolhapur market remained stable at Rs.3500 per quintal during the week under review. Sugar prices in Kolhapur market are expected to

come down slightly in the coming week due to slow demand in the domestic market, prices are further likely to range between Rs. 3350- Rs. 3450 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.

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 Friday, Sept 09th 2022									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
Sugar #11(ICE)									
22-Oct	220909	18.01	18.26	17.93	18.22	0.29	107,483	246,882	-12,806
22-Mar	220909	17.81	17.9	17.71	17.83	0.11	78,743	239,869	7,214
22-May	220909	17.3	17.45	17.24	17.38	0.13	12,787	96,273	-295
23-Jul	220909	17.1	17.29	17.05	17.21	0.14	13,501	63,747	2875
23-Oct	220909	17.14	17.33	17.1	17.26	0.14	6,910	49,257	494
23-Mar	220909	17.37	17.53	17.32	17.48	0.14	3729	26,889	70
24-May	220909	16.88	17.03	16.85	16.99	0.13	274	7,474	30
24-Jul	220909	16.58	16.73	16.55	16.69	0.13	194	10,258	-161
Total Volume and Open Interest							223,921	758,058	-2,543

Source: MRCI

International Sugar Futures LIFFE (US \$/MT)

Daily Futures Price Listing Friday, Sept 09th 2022									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
London Sugar (LCE)									
22-Oct	220909	581.4	589.7	575.1	588	7.8	9,239	16,827	-3736
22-Dec	220909	535	540.6	532	539	5.3	7,705	31,330	2710
22-Mar	220909	505.3	511.3	504.1	509.8	4.9	2001	18,913	680
22-May	220909	491.4	497.3	490.9	495.8	4.4	401	6,239	34
23-Aug	220909	482.7	486.8	482.7	486.8	4.1	169	4,239	18
Total Volume and Open Interest							19,665	83,434	-250

Source: MRCI

DOMESTIC PRICES AND ARRIVAL

Sugar Prices at Key Spot Markets:					
Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
Sugar			10-Sep-22	9-Sep-22	
Delhi	Delhi	M-Grade	3510	3515	-5
	Delhi	S-Grade	3490	3495	-5
Maharashtra	Mumbai	M-Grade	3640	Closed	-
	Mumbai	S-Grade	3562	Closed	-
	Nagpur	M-Grade	3575	3575	Unch
	Nagpur	S-Grade	3475	3475	Unch
	Kolhapur	M-Grade	3450	3450	Unch
	Kolhapur	S-Grade	3350	3350	Unch
Assam	Guhawati	S-Grade	3664	3664	Unch
Meghalaya	Shillong	S-Grade	3670	3670	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
			10-Sep-22	9-Sep-22	
Jaggery(Gur)					
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	2970	2960	10
	Hapur	Balti	3080	3080	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)	NA	NA	-
	Mahalingapura	Penti (Average)	NA	NA	-
	Mandya	Achhu (Medium)	3480	3550	-70
	Mandya	Kurikatu (Medium)	3400	3410	-10
	Mandya	Other (Medium)	3360	3400	-40
	Mandya	Yellow (Medium)	3510	3500	10
	Shimoga/Shivamogga	Achhu (Average)	NA	3850	-

* Market was closed on account of Anant Chaturdashi.



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