

**Recent Update:**

**Sugar physical market showed a stable trend today in India.** Sugar prices were slightly higher in the Delhi market at Rs. 3530/qtl whereas prices were stable in Kolhapur at Rs. 3450 per quintal.

The Indian Sugar Mills Association has demanded that the government should allow 80 lakh tonnes of exports in the coming 2022-23 season. As per the association, the sugar production in 2022-23 season is expected to be 355 lakh tonnes which is around 5 lakh tonnes lower from the 2021-22 season of 360 lakh tonnes. The exports of surplus sugar would also help in maintaining domestic sugar prices, which in turn boost the liquidity position of mills enabling them to pay (FRP) sugarcane farmers on time.

**Weather Forecast**

Heavy rainfall at isolated places over Uttarakhand, Gangetic West Bengal, Gujarat State, Madhya Maharashtra, Konkan & Goa, Madhya Pradesh, southeast Uttar Pradesh, East Rajasthan, Vidarbha, Chhattisgarh, Bihar, Jharkhand, Odisha, West Bengal, Sikkim, Nagaland, Manipur, Mizoram, Tripura, Saurashtra & Kutch, Coastal Karnataka, Tamil Nadu, Pondicherry & Karikal. Thunderstorms accompanied by lightning at isolated places over Telangana, Uttarakhand, Uttar Pradesh, Rajasthan, Madhya Pradesh, Vidarbha, Chhattisgarh, Bihar, Jharkhand, West Bengal, Sikkim, Nagaland, Manipur, Mizoram, Tripura, Gujarat region, Madhya Maharashtra, Marathwada, North interior Karnataka, Tamil Nadu, Pondicherry, Karikal, Kerala & Mahe.

**Previous Domestic Market Updates:**

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.

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 31<sup>st</sup> 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.

### 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)									
<a href="#">22-Oct</a>	220909	18.01	18.26	17.93	18.22	0.29	107,483	246,882	-12,806
<a href="#">22-Mar</a>	220909	17.81	17.9	17.71	17.83	0.11	78,743	239,869	7,214
<a href="#">22-May</a>	220909	17.3	17.45	17.24	17.38	0.13	12,787	96,273	-295
<a href="#">23-Jul</a>	220909	17.1	17.29	17.05	17.21	0.14	13,501	63,747	2875
<a href="#">23-Oct</a>	220909	17.14	17.33	17.1	17.26	0.14	6,910	49,257	494
<a href="#">23-Mar</a>	220909	17.37	17.53	17.32	17.48	0.14	3729	26,889	70
<a href="#">24-May</a>	220909	16.88	17.03	16.85	16.99	0.13	274	7,474	30
<a href="#">24-Jul</a>	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)									
<a href="#">22-Oct</a>	220909	581.4	589.7	575.1	588	7.8	9,239	16,827	-3736
<a href="#">22-Dec</a>	220909	535	540.6	532	539	5.3	7,705	31,330	2710
<a href="#">22-Mar</a>	220909	505.3	511.3	504.1	509.8	4.9	2001	18,913	680
<a href="#">22-May</a>	220909	491.4	497.3	490.9	495.8	4.4	401	6,239	34
<a href="#">23-Aug</a>	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			12-Sep-22	10-Sep-22	
Delhi	Delhi	M-Grade	3530	3510	20
	Delhi	S-Grade	3510	3490	20
Maharashtra	Mumbai	M-Grade	3640	3640	Unch
	Mumbai	S-Grade	3562	3562	Unch
	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	3930	3900	30
Tamil Nadu	Chennai	S-Grade (With GST)	3550	3550	Unch

	Dindigul	M-Grade (DCA)	3800	3800	Unch
	Coimbatore	M-Grade (DCA)	3880	3840	40
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
			12-Sep-22	10-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	2970	Unch
	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)	4550	NA	-
	Belgaum	Mudde (Average)	NA	NA	-
	Belthangadi	Yellow (Average)	NA	NA	-
	Bijapur/Vijayapura	Achhu	NA	NA	-
	Gulbarga/Kalaburgi	Other (Average)	3000	2850	150
	Mahalingapura	Penti (Average)	NA	NA	-
	Mandya	Achhu (Medium)	3340	3480	-140
	Mandya	Kurikatu (Medium)	3400	3400	Unch
	Mandya	Other (Medium)	3370	3360	10
	Mandya	Yellow (Medium)	3560	3510	50
	Shimoga/Shivamogga	Achhu (Average)	3850	NA	-

## International Sugar Prices FOB (USD/mT)

Date	Thailand FOB	Brazil FOB	Indian White Sugar FOB	INR
07-Sep-22	504	459	567	79.93
09-Sep-22	504	459	564	79.63



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