

Recent Update:

Sugar physical market showed a stable to weak trend today in India. Sugar prices were lower in the Delhi market at Rs. 3510/qtl whereas prices in Kolhapur were at Rs. 3500 per quintal.

Punjab government has announced sugarcane state-advised price for the 2022-23 season. The government has hiked SAP by Rs. 20 per Quintal from the existing Rs. 360 to Rs. 380 per Quintal. As per the market sources, sugarcane cultivation has reached 0.97 lakh hectares in Punjab for the 2022-23 season, which was 0.98 lakh hectares during the previous season. While the total crushing capacity of sugar mills was around 2.50 lakh.

As per the market sources, for the 2022-23 sugar season which had started from 01st October 2022. The opening stock as on 01st October 2022 is estimated at 6.00 million tonnes, the sugar production is likely to decrease in the 2022-23 season to 35.5 million tonnes as compared to the previous 36.0 million tonnes in 2021-22 season. Total sugar supply is expected to be 41.5 million tonne and domestic consumption is expected to slightly increase to 27.5 million tonnes in the coming season. Overall closing stock for the 2022-23 season is expected to be 6.00 million tonnes as on 30th Sept 2022. At Agriwatch, we expect sugar production to fall at 34.80 million tonnes in the 2022-23 season mainly due to lower sugar recovery along with higher diversion of sugarcane for ethanol production.

In a notification issued on 30th September 2022, the food ministry has allocated higher monthly sales quota of 23.5 Lakh MT (LMT) for monthly October 2022, compared to 0.5 LMT lower allocated during October 2021. During the previous month government allocated 23.5 LMT quota. As per Agriwatch Sources, demand is expected to increase with the beginning of the new sugar 2022-23 season, with upcoming festival season in October 2022.

State-wise sugar sales Quota				
State-wise	October 2022	September 2022	Difference	Difference (%)
Andhra Pradesh	22490	22194	+296	+1.33
Bihar	34723	37336	-2613	-7.00
Chhattisgarh	9036	8770	+266	+3.03
Gujarat	86338	84378	+1960	+2.32
Haryana	76351	74426	+1925	+2.59
Karnataka	353813	342980	+10833	+3.16
Madhya Pradesh	46179	46182	-3	-0.01
Maharashtra	679662	702177	-22515	-3.21
Odisha	767	1643	-876	-53.32
Punjab	75875	74725	+1150	+1.54
Tamil Nadu	78699	64759	+13940	+21.53
Telangana	7071	7162	-91	-1.27
Uttar Pradesh	837967	842346	-4379	-0.52

Uttarakhand	40124	39843	+281	-0.71
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According to the market sources, sugar exports may get affected in Uttar Pradesh during the 2022-23 season. With the expectation of lower production during the 2022-23 season in the state. Sugar exports may get affected. According to the market sources, Sugar production is likely to be 100 MT during the 2022-23 season and consumption is likely to be 40 MT, the state is likely to face a glut-like situation leading the mills to store sugar stocks in their warehouses if the state fails to push the sale of the sweetener in the national market.

Whereas, as per Agriwatch Sources, due to lower rains in the July-Aug month, sugar recovery is expected to be lower in the state which will further affect the sugar production in the state. Sugar production is likely to be lower than 100 lakh tonnes in the 2022-23 season. Also, Sugarcane crushing is likely to begin in the state after Diwali festival.

Sugarcane Sowing (Lakh Hectares) As of 23 rd Sep 2022		
State-wise	2022-23	2021-22
Andhra Pradesh	0.47	0.84
Assam	0.29	0.30
Bihar	2.35	2.64
Chhattisgarh	0.32	0.35
Gujarat	2.32	2.31
Haryana	1.06	1.10
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	55.66	55.22

Weather Forecast

Heavy rainfall at isolated places over Uttarakhand, Uttar Pradesh, Madhya Pradesh, Chhattisgarh, Odisha, Andaman & Nicobar Islands, Coastal Andhra Pradesh & Yanam and Telangana. Thunderstorms accompanied by lightning at isolated places over Uttarakhand, Haryana, Chandigarh, Delhi, Uttar Pradesh, East Rajasthan, Madhya Pradesh, Vidarbha, Chhattisgarh, Madhya Maharashtra, Marathwada, Coastal Andhra Pradesh & Yanam, Telangana, Rayalaseema, Karnataka, Tamil Nadu, Pondicherry & Karaikal, Kerala & Mahe.

International Market Updates:

According to the Commerce Ministry, China has fixed its sugar imports at 1.945 million tonnes for the 2022-23 season, which is the same as that of the previous season. As per the sources 70% of the quota is likely to state-owned firms. As a result, Agriwatch expects India to have good opportunity for exports during the 2022-23 season.

According to UNICA, sugarcane crushing in Brazil has increased by 2.5% to 39.49 million tonnes during the first half of September 2022. The allocation to sugar production has been increased to 48.4% as against 46.4% last season. Earlier, sugar production was expected to fall but with the increase in arrivals and good sugar recovery, production has now increased in Brazil.

Ethanol: According to the market sources, the center may hike the ethanol purchase price by Rs.2 per liter for the 2022-23 season (Dec-Nov). According to the Ministry of petroleum and natural gas, the government has achieved 10.3% ethanol blending in petrol as of June 2022, ahead of the November 2022 deadline. Earlier, during the 2021-22 season, the government increased the procurement price of all three categories of ethanol produced from different sources by 1.27 to 2.55 percent.

Note: Brazil Ethanol production has increased by 2% to 2.12 billion litres till the first half of September 2022.

Uttar Pradesh: Mill-wise Ethanol List (01/10/2022)

S.N o	Factory Name	Opening Stock	Production To Date	Stock On Date	Sale in Hand	Last Sold Rate
		(in Lac B.L.)				(in Rs./litre)
		01st October 2022				
1	ANOOPSAHAR (ANOO)	3.46	29.24	0.43	44.98	59.08
2	GHOSI (GHOS)	3.7	9.28	0.33	27.54	59.08
3	KAIMGANJ (KAIM)	1.62	0	1.59	9.57	46.66
4	MAJHOLA (MAJH)	0	0	0	0	0
5	NANAUTA (NANA)	2.58	11.14	0.79	29.63	46.66
6	NANAPRA (NANP)	0	0	0.5	7	46.66
7	SAMPORNANAGAR (SAMP)	4.84	6.91	0.3	61.9	46.66
8	SATHIAON (SATN)	14.44	19.06	1.14	29.74	59.08
9	SNEH ROAD (SNEH)	0.13	42.84	0.07	92	59.08
Tot al		30.77	118.47	5.15	302.36	

International Sugar Futures ICE (US Cent/lb)

Daily Futures Price Listing Monday, Oct 03rd, 2022									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
Sugar #11(ICE)									
22-Oct	221003	17.79	17.83	17.36	17.42	-0.26	40,944	345,026	-981
22-Mar	221003	17.03	17.08	16.68	16.75	-0.19	12,742	123,728	1,738
22-May	221003	16.63	16.68	16.39	16.47	-0.07	7,825	85,311	910
23-Jul	221003	16.66	16.73	16.48	16.55	-0.02	6,618	54,340	366
23-Oct	221003	16.92	16.98	16.75	16.82	0.01	1,705	33,243	157
23-Mar	221003	16.43	16.51	16.33	16.42	0.1	333	9,026	69
24-May	221003	16.09	16.16	16.05	16.14	0.15	351	10,787	98
24-Jul	221003	16.1	16.18	16.06	16.15	0.19	397	9,476	54
Total Volume and Open Interest							89,341	703,869	-3,213

Source: MRCI

International Sugar Futures LIFFE (US \$/MT)

Daily Futures Price Listing Monday, Oct 03rd 2022									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
London Sugar (LCE)									
22-Oct	221003	531.9	532	523	524.2	-4.5	3,888	39,413	-87
22-Dec	221003	494.9	494.9	486.1	487.3	-4.7	911	22,214	-33
22-Mar	221003	483.2	483.2	475.4	477	-4	261	7,971	74
22-May	221003	471.4	473.5	467	468.3	-2.8	223	5,366	40
23-Aug	221003	463.8	464.8	460.4	461.8	-1.1	150	4,476	51
Total Volume and Open Interest							5,503	81,775	98

Source: MRCI

DOMESTIC PRICES AND ARRIVAL

Sugar Prices at Key Spot Markets:					
Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
Sugar			4-Oct-22	3-Oct-22	
Delhi	Delhi	M-Grade	3510	3515	-5
	Delhi	S-Grade	3490	3495	-5
Uttar Pradesh	Khatauli	M-Grade	3625	3625	Unch
	Ramala	M-Grade	3470	3470	Unch
	Dhampur	M-Grade Ex-Mill	3550	3550	Unch
	Dhampur	S-Grade Ex-Mill	3530	3530	Unch
	Dhampur	L-Grade Ex-Mill	3600	3600	Unch
Maharashtra	Mumbai	M-Grade	3646	3646	Unch
	Mumbai	S-Grade	3536	3536	Unch
	Nagpur	M-Grade	3525	3525	Unch
	Nagpur	S-Grade	3475	3475	Unch
	Kolhapur	M-Grade	3400	3400	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)	3920	3920	Unch
	Vijayawada	S-Grade (With Duty)	3880	3880	Unch
West Bengal	Kolkata	M-Grade	3920	3920	Unch
Tamil Nadu	Chennai	S-Grade (With GST)	3500	3500	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)			4-Oct-22	3-Oct-22	
Uttar Pradesh	Muzaffarnagar	Chaku Fresh	4153	4303	-150
	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	500	500	Unch
	Muzaffarnagar	Khurpa (Fresh)	3688	3625	63
	Muzaffarnagar	Laddoo (Fresh)	4078	4053	25

	Muzaffarnagar	Rascut (Fresh)	NA	NA	-
	Hapur	Chaursa	NA	NA	-
	Hapur	Balti	NA	NA	-
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)	NA	3380	-
	Mandya	Kurikatu (Medium)	NA	3300	-
	Mandya	Other (Medium)	NA	3360	-
	Mandya	Yellow (Medium)	NA	3300	-
	Shimoga/Shivamogga	Achhu (Average)	NA	3800	-

INTERNATIONAL SUGAR PRICES

International Sugar Futures ICE					(Rs/Qtl)	
Futures month	% Change over previou s year	Today	Week ago	Month Ago	Year Ago	RBI Dollar
		3-Oct- 22	26-Sep- 22	2-Sep-22	5-Oct-21	3-Oct-22
Oct-22	-1.69	3032	3353	3086	3085	81.80
Mar-23	-3.67	3192	3219	3212	3313	
May-23	-5.18	3069	3099	3116	3237	

International Sugar Futures LIFFE					(Rs/Qtl)	
Futures month	% Change over previous year	Today	Week ago	Month Ago	Year Ago	RBI Dollar
		3-Oct-22	26-Sep-22	2-Sep-22	5-Oct-21	3-Oct-22
Oct-22	4.16	3902	3894	3888	3746	81.80
Dec-22	4.13	3778	4357	4259	3628	
Mar-23	5.42	3986	3970	3952	3781	

International Sugar FOB (USD/mT)				
Date	Thailand FOB	Brazil FOB	Indian White Sugar FOB	INR
01-Oct-22	504	441	537	81.63
04-Oct-22	488	428	537	81.63

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