

Recent Update:

Sugar physical market showed a stable trend today in India. Sugar prices were lower in the Delhi market at Rs. 3520/qtl and in Kolhapur were at Rs. 3400 per quintal.

Government of India has released sugar export policy for the 2022-23 season. As per GOI, to prevent uncontrolled export of sugar and with a view to ensure sufficient availability of sugar for domestic consumption at a reasonable price, GOI has decided to allow export of sugar up to a reasonable limit w.e.f 01.11.2022 to 31.10.2023.

- All grades of sugar i.e. raw, white as well as refined sugar can be exported by a sugar mill / refinery / exporter up to the extent of 60 LMT allocated.
- All the sugar mills have been allocated a uniform export quota of 18.23% of their 3 years average production of sugar in the operational sugar season.
- The new sugar mills which may commence sugar production for the first time during the sugar season 2022-23 or the mills which were closed in previous three season but restart in season 2022-23 or the mills who have not been allocated quota will be allocated export quota of 18.23% of their estimated sugar production in sugar season 2022-23.

The National Federation of Cooperative Sugar Factories Limited has estimated a dip in sugar production by 14.73% during the first month of 2022-23 season. Sugar mills in India had manufactured 4.05 lakh tonne in October 2022-23 as against 4.75 lakh tonnes during the same period in the 2021-22 season

According to the National Federation of Cooperative Sugar Factories Limited, sugarcane crushing has begun in the states of Maharashtra and Karnataka as the rains has completely withdrawn. The sugarcane crushing operations in Uttar Pradesh & rest of the cane growing states is likely to start in a week's time. It is forecasted that the sugarcane crushing season might be extended till the month of May or even few days of June in some states where cane area and cane productivity both are projected to be increased due to prolonged rain earlier in major growing areas of the country.

Weather Forecast

Heavy rainfall at isolated places over the Andaman & Nicobar Islands. Thunderstorm accompanied with lightening at isolated places over Tamil Nadu, Pondicherry & Karikal, Kerala & Mahe.

International Market Updates:

Sugar Consumption in China is expected to decline in the 2022-23 season. The Consumption in China is expected to be lower than 15 million tonnes in the 2022-23 season mainly due to severe restrictions because of the pandemic, the sale of candy, cakes and sweetened beverages has also fallen. As per the market sources, the imports of raw sugar by refineries in China have fallen to the lowest level since 2019 and are projected to be at 4.47 million tonnes in 2022. The imports are likely to lower further in 2023 at 4 million tonnes as the stocks remain higher.

Sugar Production from Center south region of Brazil is set to recover to 36 million tonnes from previous estimate of 33 million tonnes in 2022-23 season. The sugar will hit the global market by May 2023, the freight rates have also fallen which will further help in higher exports from Brazil.

Both Thailand and India's sugar production is expected to increase in the 2022-23 season. Sugar production may increase to 10.5- 11 million tonnes in the 2022-23 season. India's sugar production is expected to increase to 36 million tonnes as compared to 30 million tonnes in 2021-22 season.

Ethanol:

The Cabinet Committee of Economic Affairs, has approved higher ethanol price derived from different sugarcane based raw materials under the Ethanol Blending Program for the 2022-23 season and Ethanol Supply Year (ESY) 2022-23 From 01st December 2022 to 31st October 2023. The Government has also advanced the target of 20% ethanol blending in petrol from 2030 to ESY 2025-26.

Raw Material	Ethanol Procurement Price (Rs./liter)				
	2018-19	2019-20	2020-21	2021-22	2022-23
C-heavy molasses	43.46	43.75	45.69	46.66	49.41
B-heavy molasses	52.43	54.27	57.61	59.08	60.73
Sugarcane juice/Syrup	59.19	59.48	62.65	63.45	65.61
Damaged food grain	47.13	50.36	51.55	-	
Surplus rice issued by FCI	-	-	56.87	-	
Maize	-	-	51.55	-	

The highest price was for ethanol manufactured from juice or sugar syrup while the one manufactured from C molasses was lowest price. This was done to incentivize the production of ethanol and reduce production of sugar by mills. During the 2022-23 ethanol supply year, India is expected to achieve 12% ethanol blending. Sugar Mills are expected to divert about 45 lakh tonnes of sugar towards ethanol production.

According to the National Federation of Cooperative Sugar Factories Limited, Overall sugarcane production in India is estimated to be 3600 Lakh Tonne and is projected to produce 410 Lakh Tonne of sugar. Out of this 50 Lakh Tonne is expected to be subsumed in Ethanol production, while 270 Lakh Tonne will be consumed domestically. The opening stock is estimated at 55 Lakh Tonne and exports at 85 Lakh Tonne, the estimated closing stock as of 30th September 2023 is likely to be 60 Lakh Tonne would be sufficient to meet 2.5-3 month's domestic consumptions.

Uttar Pradesh: Mill-wise Ethanol List (03/11/2022)

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)
		03rd November 2022				
1	ANOOPSAHAR (ANOO)	3.46	29.24	0.47	44.98	59.08
2	GHOSI (GHOS)	3.7	13	0.98	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	12.13	1.27	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	19.16	0.14	29.74	59.08
9	SNEH ROAD (SNEH)	0.13	42.84	0.07	92	59.08
Tot al		30.77	123.28	5.32	302.36	

International Sugar Futures ICE (US Cent/lb)

Daily Futures Price Listing Friday, Nov 04th, 2022									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
Sugar #11(ICE)									
22-Mar	221104	18.5	18.82	18.48	18.71	0.24	71,007	328,280	-2,925
23-May	221104	17.49	17.82	17.49	17.77	0.29	24,675	154,502	2,002
23-Jul	221104	16.96	17.25	16.95	17.23	0.28	10,418	102,101	-1176
23-Oct	221104	16.95	17.27	16.95	17.24	0.28	3,228	66,743	204
24-Mar	221104	17.16	17.43	17.16	17.41	0.27	1,308	36,249	203
24-May	221104	16.61	16.89	16.61	16.87	0.27	340	10,612	10
24-Jul	221104	16.29	16.5	16.29	16.49	0.25	344	12,348	9

24-Oct	221104	16.27	16.46	16.27	16.46	0.23	150	11,036	106
Total Volume and Open Interest							111,550	736,278	-1,568

Source: MRCI

International Sugar Futures LIFFE (US \$/MT)

Daily Futures Price Listing Friday, Nov 04th 2022									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
London Sugar (LCE)									
22-Dec	221104	537.3	542	535.5	539	3.1	8,931	27,356	-2165
23-Mar	221104	506	514.9	506	512.4	6	5,939	26,753	1742
23-May	221104	499.4	506.6	499.1	504.2	6.1	1412	13,354	-75
23-Aug	221104	487.8	493.1	487.1	490.6	5	637	6,893	24
23-Oct	221104	477.5	480.6	477.5	480.1	4.7	174	5,867	37
Total Volume and Open Interest							17,154	83,956	-426

Source: MRCI

Wholesale Price Index (WPI)												
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2022	199.8	199.8	199.8	199.8	199.8	199.8	199.8	199.8	199.8			

DOMESTIC PRICES AND ARRIVAL

Sugar Prices at Key Spot Markets:					
Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
Sugar			5-Nov-22	4-Nov-22	
Delhi	Delhi	M-Grade	3520	3550	-30
	Delhi	S-Grade	3500	3530	-30
Uttar Pradesh	Khatauli	M-Grade	3675	3675	Unch
	Ramala	M-Grade	3515	3515	Unch
	Dhampur	M-Grade Ex-Mill	3570	3570	Unch
	Dhampur	S-Grade Ex-Mill	3550	3550	Unch

	Dhampur	L-Grade Ex-Mill	3620	3620	Unch
Maharashtra	Mumbai	M-Grade	3646	3650	-4
	Mumbai	S-Grade	3530	3530	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)	3860	3860	Unch
	Vijayawada	S-Grade (With Duty)	3820	3820	Unch
West Bengal	Kolkata	M-Grade	3900	3900	Unch
Tamil Nadu	Chennai	S-Grade (With GST)	3450	3450	Unch
	Dindigul	M-Grade (DCA)	3860	3860	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
			5-Nov-22	4-Nov-22	
Jaggery(Gur)					
Uttar Pradesh	Muzaffarnagar	Chaku Fresh	3450	3500	-50
	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	7000	9000	-2000
	Muzaffarnagar	Khurpa (Fresh)	3000	3050	-50
	Muzaffarnagar	Laddoo (Fresh)	3375	3575	-200
	Muzaffarnagar	Rascut (Fresh)	2700	2850	-150
	Hapur	Chaurasa	3000	3000	Unch
	Hapur	Balti	3100	3150	-50
Andhra Pradesh	Chittur	Gold	NR	NR	-
		White	NR	NR	-
		Black	NR	NR	-
Maharashtra	Latur	Lal Variety	NR	NR	-
Karnataka	Bangalore	Mudde (Average)	4650	4650	Unch
	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)	3530	3560	-30
Mandya	Kurikatu (Medium)	3450	3500	-50
Mandya	Other (Medium)	3460	3450	10
Mandya	Yellow (Medium)	3570	3650	-80
Shimoga/Shivamogga	Achhu (Average)	NA	NA	-

INTERNATIONAL SUGAR PRICES

International Sugar Futures ICE					(Rs/Qtl)	
Futures month	% Change over previous year	Today	Week ago	Month Ago	Year Ago	RBI Dollar
		4-Nov-22	28-Oct-22	6-Oct-22	2-Nov-21	4-Nov-22
Oct-22	1.36	3187	3001	3137	3144	82.52
Mar-23	5.66	3458	3245	3378	3273	
May-23	1.66	3285	3073	3217	3231	

International Sugar Futures LIFFE					(Rs/Qtl)	
Futures month	% Change over previous year	Today	Week ago	Month Ago	Year Ago	RBI Dollar
		4-Nov-22	28-Oct-22	6-Oct-22	2-Nov-21	4-Nov-22
Oct-22	8.10	4048	3926	3964	3745	82.52
Dec-22	21.04	4448	3778	4504	3675	
Mar-23	10.97	4161	3992	4045	3749	

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness, and correctness. The use of data and information contained in this report is at your own risk. This document is not, and should not be construed as an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed,



AGRIWATCH

Sugar Fundamental Report

07th Nov, 2022

or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors, and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at © 2022 Indian Agribusiness Systems Ltd.