

**Recent Update:**

**Sugar physical market showed a mixed trend today in India.** Sugar prices were higher in the Delhi market at Rs. 3535/qrtl and in Kolhapur prices were lower at Rs. 3300 per quintal.

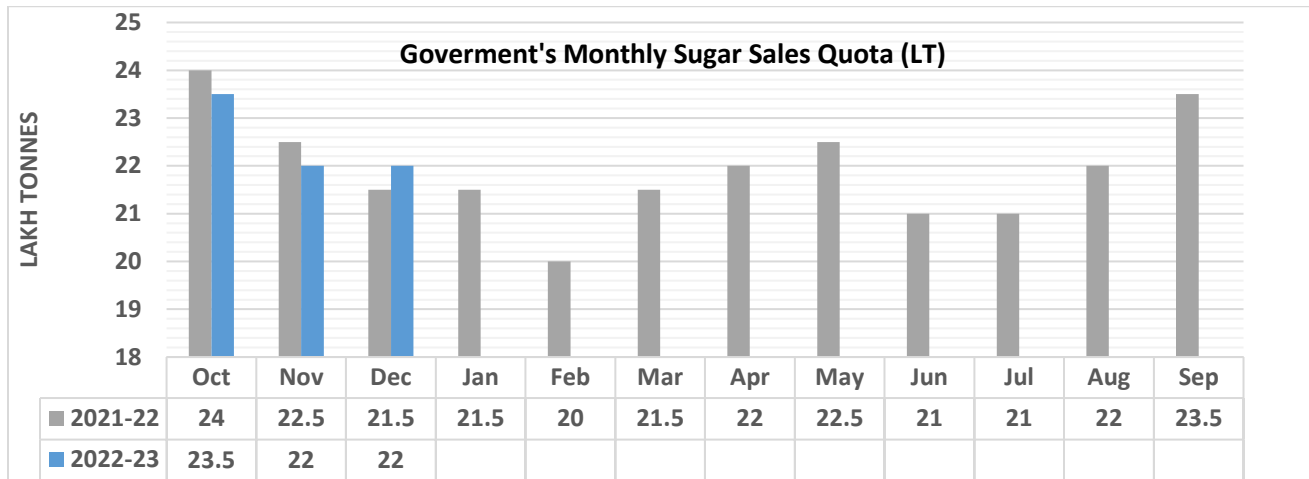
As of 05<sup>th</sup> December 2022, Gujarat sugarcane sowing has reached 1,28,588 hectares for the 2022-23 season which is slightly higher compared to the previous season's sowing of 1,22,460 hectares. The normal area (past three years average) was around 2,09,854 hectares. The good rainfall during the past month has resulted in an increase in acreages under the sugarcane crop.

The Sugarcane crushing operations are going in full swing across the key producing states of Maharashtra, Uttar Pradesh, and Karnataka. About 90% of the sugar mills are operating currently. As per AgriWatch sources, sugar production is expected to improve in the 2022-23 season mainly due to improved acreages. As per the Indian sugar mills association, Sugar production in India has reached 47.9 lakh tonnes as against 47.2 lakh tonnes till 30<sup>th</sup> November 2022. The crushing operations were delayed this year because of rains during late October and early November. The state-wise sugar production is mentioned below:

State	Sugar Production		Mills in Operation	
	(as of 30 <sup>th</sup> Nov'22)		(as of 30 <sup>th</sup> Nov'21.)	
	No. of Operating Mills	Sugar Production	No. of Operating Mills	Sugar Production
Uttar Pradesh	104	11.2	101	10.4
Maharashtra	173	20.0	172	20.3
Karnataka	70	12.1	66	12.8
Gujarat	15	1.5	15	1.6
Tamil Nadu	5	1.1	3	0.5
Others	67	2.0	59	1.6
<b>All India</b>	<b>434</b>	<b>47.9</b>	<b>416</b>	<b>47.20</b>

Source: ISMA; Unit: Lakh Tonne

In a notification issued on 30<sup>th</sup> November 2022, the food ministry has allocated higher monthly sales quota of 22 Lakh MT (LMT), which is comparatively to 0.5 LMT higher than the quota allocated during December 2021. During the previous month government allocated 22 LMT quota. Sugar prices are likely to remain range-bound in the domestic market.



### Weather Forecast

Dense Fog at isolated places over Himachal Pradesh. Heavy rainfall at isolated places over Coastal Andhra Pradesh, north coastal Tamil Nadu, Pondicherry & Karaikal. Thunderstorm accompanied with lightening at isolated places over Coastal Andhra Pradesh, Tamil Nadu, Pondicherry, Karaikal and Kerala & Mahe.

### International Market Updates:

Higher crude prices benefit ethanol and may prompt Brazil's sugar mills to divert more cane crushing toward ethanol production rather than sugar, thus curbing sugar supplies.

Sugarcane crushing in the Center-South region of Brazil has increased in the first half of November 2022 as compared to the previous season around the same time. Sugar Mills in the region have crushed 26.34 million tonnes which is around 109.3% higher as compared to the previous season. The sugar production was around 162.2% higher to 1.67 million tonnes in November 2022.

Sugar supply get affected in Bangladesh. Due to energy crisis and disruption in the production (around 50% due to shortage of gas and electricity supply), sugar supply has been affected in Bangladesh. Around 4,000 tonne of sugar per day is supplied in the market against the minimum supply of 8,000 tonne. Due to supply shortage, sugar prices have increased to Bangladeshi Taka (Tk) 110-120 per kg from Tk 85-95 per kg during the previous month. The sugar refineries have urged the government to lower the higher import duties on sugar to resolve the issue.

World Balance Sheet				
	2022-23	2021-22	Changes in Million tonne	Percentage Change (%)
Production	182.142	172.662	9.480	5.46
Consumption	175.957	174.327	1.630	0.94
Surplus/Deficit	6.185	-1.665		
Import	61.500	62.191	-0.691	-1.11
Export	64.486	62.512	1.974	3.16
Ending stock	99.734	96.852	2.882	2.98
Stock to use ratio	56.68	55.56		

Source: ISO; Million Tonne

### Jaggery:

**Kolhapur:** Jaggery auction has stopped in Kolhapur Agriculture Produce Market Committee (APMC) during the week under review as prices had again dropped sharply. The jaggery-making farmers had refused to sell their produce unless the trader agreed to pay at least Rs. 3,700 per quintal for jaggery. However, as per sources the jaggery auction will resume in the coming week. The larger quantity of supply and the low demand across the country has led to a drop in jaggery prices. Further, prices in the coming week are expected to rise as with the decreasing temperature jaggery demand is expected to improve.

**Kerala:** Alangadan jaggery is expected to come in market by the year 2024. Sugarcane farming will be done on 20 acres in Alangadan. The order has also been placed with Sugarcane Breeding Institute Coimbatore to raise sampling which will be planted at Alangad. The planting will start in January next year. The Alangadan Jaggery is also planned for getting the GI tag for the product. The Alangadan jaggery has been used for making Aravana Payasam (Jaggery Kheer) in Sabarimala and for Aranmula.

Jaggery Price at Kolhapur Benchmark Market (Rs./Quintal)		
Forecast Date	Past Week	Week under review
05-Dec-22	4000	4000-4250

Ethanol:

Till 30<sup>th</sup> November 2022, Ethanol production capacity in India has been increased to 947 crore litres per annum. Molasses-based distilleries have a capacity of 619 crore litres whereas Grain-based distilleries have a capacity of 328 crore litres. According to the Department of Food and Public Distribution, the capacity covers the need for ethanol blending with petrol as well as other industrial uses of ethanol in the country. Around 228 ethanol projects have sanctioned loans of more than Rs 18,500 crores from banks. Out of the loans sanctioned, more than Rs 9000 crores have been disbursed to the 196 Projects.

The Oil Marketing Companies (OMCs) have so far allocated around 460 Crore litre for supply in Ethanol Supply Year (ESY) 2022-23 (against the first 2 EOI). The OMCs have floated a third EOI for the requirement of additional 139 crore liters, for which the last date of submission was 30<sup>th</sup> November'2022. The OMC's are currently examining the bids and are expected to do the allocations shortly.

The Chhattisgarh government had signed two MoU (Memorandum of Understandings) at the Chhattisgarh Business Summit 2022. The MoU were signed for setting up an ethanol production plant and drone and UAV manufacturing unit.

**Uttar Pradesh: Mill-wise Ethanol List (01/12/2022)**

S.No	Factory Name	Opening Stock	Production To Date	Stock On Date	Sale in Hand	Last Sold Rate
		(in Lac B.L.)				(in Rs./litre)
		01st December 2022				
1	ANOOPSAHAR (ANOO)	3.46	33.99	2.47	44.98	59.08
2	GHOSI (GHOS)	3.7	13	0.13	27.54	59.08
3	KAIMGANJ (KAIM)	1.62	0	1.57	9.57	46.66
4	MAJHOLA (MAJH)	0	0	0	0	0
5	NANAUTA (NANA)	2.58	15.16	0.3	29.63	46.66
6	NANAPRA (NANP)	0	0	0.5	7	46.66
7	SAMPORNANAGAR (SAMP)	4.84	9.22	0.24	61.9	46.66
8	SATHIAON (SATN)	14.44	19.16	0.04	29.74	59.08
9	SNEH ROAD (SNEH)	0.13	46.61	0.67	92	59.08
Total		30.77	137.14	5.92	302.36	

## International Sugar Futures ICE (US Cent/lb)

Daily Futures Price Listing Monday, Dec 05th, 2022									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
Sugar #11(ICE)									
<a href="#">22-Mar</a>	221205	19.55	19.94	19.52	19.55	0.07	49,725	386,153	-1,035
<a href="#">23-May</a>	221205	18.42	18.74	18.36	18.43	0.1	17,498	190,681	2,128
<a href="#">23-Jul</a>	221205	17.75	18.01	17.68	17.78	0.13	9,864	121,882	916
<a href="#">23-Oct</a>	221205	17.6	17.78	17.49	17.61	0.15	3,475	76,903	75
<a href="#">24-Mar</a>	221205	17.56	17.72	17.46	17.61	0.17	841	46,398	4
<a href="#">24-May</a>	221205	16.85	16.97	16.8	16.9	0.19	453	13,718	162
<a href="#">24-Jul</a>	221205	16.42	16.49	16.32	16.45	0.21	265	13,426	165
<a href="#">24-Oct</a>	221205	16.31	16.4	16.31	16.4	0.22	28	13,255	-11
Total Volume and Open Interest							82,205	880,530	2,376

Source: MRCI

## International Sugar Futures LIFFE (US \$/MT)

Daily Futures Price Listing Monday, Nov 05th 2022									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
London Sugar (LCE)									
<a href="#">22-Dec</a>	221205	535	548.5	535	539.1	6.2	3,978	48,100	-30
<a href="#">23-Mar</a>	221205	524.1	533.7	524	525.5	3.7	1,644	19,478	408
<a href="#">23-May</a>	221205	505.3	513.3	505.3	507.6	2.9	1297	7,588	39
<a href="#">23-Aug</a>	221205	488.3	492.4	487.8	489.7	3.3	156	6,824	-52
<a href="#">23-Oct</a>	221205	481.9	484.9	480.8	483	4.2	19	2,713	1
Total Volume and Open Interest							7,112	86,384	370

Source: MRCI

## DOMESTIC (SUGAR/ JAGGERY) PRICES AND ARRIVAL

Sugar Prices at Key Spot Markets:					
Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
Sugar			6-Dec-22	5-Dec-22	
Delhi	Delhi	M-Grade	3535	3515	20
	Delhi	S-Grade	3515	3495	20
Uttar Pradesh	Khatauli	M-Grade	3750	3750	Unch
	Ramala	M-Grade	3480	3470	10
	Dhampur	M-Grade Ex-Mill	3600	3600	Unch
	Dhampur	S-Grade Ex-Mill	3580	3580	Unch
	Dhampur	L-Grade Ex-Mill	3650	3650	Unch
Maharashtra	Mumbai	M-Grade	3570	3634	-64
	Mumbai	S-Grade	3550	3506	44
	Nagpur	M-Grade	3425	3475	-50
	Nagpur	S-Grade	3375	3425	-50
	Kolhapur	M-Grade	3300	3350	-50
	Kolhapur	S-Grade	3250	3300	-50
Assam	Guhawati	S-Grade	3563	3613	-51
Meghalaya	Shillong	S-Grade	3570	3620	-50
Andhra Pradesh	Vijayawada	M-Grade (With Duty)	3860	3860	Unch
	Vijayawada	S-Grade (With Duty)	3790	3790	Unch
West Bengal	Kolkata	M-Grade	3950	3950	Unch
Tamil Nadu	Chennai	S-Grade (With GST)	3450	3450	Unch
	Dindigul	M-Grade (DCA)	3780	3780	Unch
	Coimbatore	M-Grade (DCA)	3840	3840	Unch
Chhattisgarh	Ambikapur	M-Grade (Without Duty)	3900	3900	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)			6-Dec-22	5-Dec-22	
Uttar Pradesh	Muzaffarnagar	Chaku Fresh	3053	Closed	-
	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	10000	Closed	-

	Muzaffarnagar	Khurpa (Fresh)	2700	Closed	-
	Muzaffarnagar	Laddoo (Fresh)	3200	Closed	-
	Muzaffarnagar	Rascut (Fresh)	2388	Closed	-
	Hapur	Chaurasa	2500	2500	Unch
	Hapur	Balti	2600	2600	Unch
<b>Maharashtra</b>	Latur	Lal Variety	NA	NA	-
<b>Karnataka</b>	Bangalore	Mudde (Average)	NA	4400	-
	Gulbarga/Kalaburgi	Other (Average)	3000	2850	150
	Mahalingapura	Penti (Average)	NA	NA	-
	Mandya	Achhu (Medium)	3260	3100	160
	Mandya	Kurikatu (Medium)	3250	3100	150
	Mandya	Other (Medium)	3020	3000	20
	Mandya	Yellow (Medium)	3170	3050	120
	Shimoga/Shivamogga	Achhu (Average)	3850	3850	Unch

## INTERNATIONAL SUGAR PRICES

International Sugar Futures ICE					(Rs/Qtl)	
Futures month	% Change over previous year	Today	Week ago	Month Ago	Year Ago	RBI Dollar
		5-Dec-22	28-Nov-22	4-Nov-22	6-Dec-21	5-Dec-22
Oct-22	5.22	3211	3217	3187	3052	81.41
Mar-23	10.23	3565	3549	3458	3234	
May-23	6.53	3361	3360	3285	3155	

International Sugar Futures LIFFE					(Rs/Qtl)	
Futures month	% Change over previous year	Today	Week ago	Month Ago	Year Ago	RBI Dollar
		5-Dec-22	28-Nov-22	4-Nov-22	6-Dec-21	5-Dec-22
Oct-22	12.55	4132	4146	4048	3672	81.41

Dec-22	8.59	3932	3956	4448	3621	
Mar-23	15.15	4278	4257	4161	3715	

International Sugar FOB (USD/mT)				
Date	Thailand FOB	Brazil FOB	Indian White Sugar FOB	INR
02-Dec-22	540.75	478.50	535	81.17
06-Dec-22	539.00	476.75	527	82.31

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