

Recent Update:

Sugar physical market showed a mixed trend today in India. Sugar prices were lower in the Delhi market at Rs. 3520/qtl and in Kolhapur prices were higher at Rs. 3325 per quintal.

The National Federation of cooperative sugar has projected India's sugar production till 30th November 2022 at 48.35 lakh tonnes higher by around 2.90 lakh tonnes compared to previous season. Although, the average sugar recovery was around 8.12 percent which is comparatively lower from the previous season (10 percent). Overall sugar production for the 2022-23 season is estimated at 357 lakh tonne.

As per the market sources, sugar production in India is likely to fall due to erratic weather. Poor yield has been reported from key sugar-growing belts. Around 15% drop in cane yields has been reported from Maharashtra. As per market sources, sugar production in Maharashtra is likely to fall from the expected 13.8 million tonnes to 11.7 million tonnes. In Karnataka too the erratic weather had affected the cane yields. Karnataka's sugar production is expected to fall to 5.5 million tonne from 6 million tonne last year. As a result, overall sugar production is expected to fall to 33.3 million tonne from the previous season 35.8 million tonnes.

Agriwatch estimates a lower sugar recovery from Uttar Pradesh also, due to poor weather during the sowing period. We estimate overall sugar production in India to be 34.8 million tonne.

As of 05th 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 30th November 2022. The crushing operations were delayed this year because of rains during late October and early November.

Weather Forecast

Heavy rainfall at isolated places over north coastal Tamil Nadu, and Pondicherry. Thunderstorms accompanied with lightning, and heavy rainfall at isolated places over north interior Tamil Nadu, adjoining south coastal Andhra Pradesh and Rayalaseema. Heavy rainfall at isolated places over south interior Karnataka and Kerala.

International Market Updates:

According to National Sugar Administration, about 20 sugar mills have resumed operation and the prices of sugar are likely to come down in the first quarter of next year in the Philippines. Despite the import of 150,000 metric tonne of sugar and the start of the harvesting season, the prices of refined white sugar continue to remain high at (Philippines peso) P90 to P100 per kg. Majorly the supply has been affected in the Philippines market along with improved demand.

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.

Jaggery:

AgriWatch estimates, Jaggery prices to trade weak in the domestic market despite improved winter demand in December month. The increase in supply activities have resulted in prices being weak.

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.

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

Ethanol:

Till 30th 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 30th November'2022. The OMC's are currently examining the bids and are expected to do the allocations shortly.

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 Wednesday, Dec 07th, 2022									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
Sugar #11(ICE)									
22-Mar	221207	19.45	19.54	19.27	19.48	0.09	62,676	386,473	-300
23-May	221207	18.3	18.41	18.16	18.35	0.07	20,180	192,554	1,097
23-Jul	221207	17.71	17.76	17.53	17.71	0.05	9,134	123,683	197
23-Oct	221207	17.56	17.6	17.41	17.56	0.03	5,099	78,022	45
24-Mar	221207	17.64	17.64	17.46	17.59	0.01	1,393	46,398	-132
24-May	221207	16.9	16.9	16.7	16.82	-0.04	256	13,671	24
24-Jul	221207	16.45	16.45	16.24	16.32	-0.09	161	13,404	-6
24-Oct	221207	16.4	16.4	16.2	16.26	-0.1	122	13,249	-35
Total Volume and Open Interest							99,347	885,592	831

Source: MRCI

International Sugar Futures LIFFE (US \$/MT)

Daily Futures Price Listing Wednesday, Nov 07th 2022									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
London Sugar (LCE)									
22-Dec	221207	535.5	538	533	537.1	2.2	4,325	47,915	511
23-Mar	221207	523.6	525.1	519.9	523.5	0.9	1,878	20,182	694
23-May	221207	506.4	507	502.1	505.2	-0.4	971	7,628	167
23-Aug	221207	489.7	489.7	485.9	488.4	-0.4	440	6,844	77
23-Oct	221207	483	483	479.7	481.7	-0.8	125	2,784	60
Total Volume and Open Interest							7,929	87,207	1596

Source: MRCI

DOMESTIC (SUGAR/ JAGGERY) PRICES AND ARRIVAL

Sugar Prices at Key Spot Markets:					
Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
Sugar			8-Dec-22	7-Dec-22	
Delhi	Delhi	M-Grade	3520	3580	-60
	Delhi	S-Grade	3500	3560	-60
Uttar Pradesh	Khatauli	M-Grade	3770	3770	Unch
	Ramala	M-Grade	3480	3480	Unch
	Dhampur	M-Grade Ex-Mill	3545	3545	Unch
	Dhampur	S-Grade Ex-Mill	3525	3525	Unch
	Dhampur	L-Grade Ex-Mill	3595	3595	Unch
Maharashtra	Mumbai	M-Grade	3630	3630	Unch
	Mumbai	S-Grade	3536	3550	-14
	Nagpur	M-Grade	3450	3425	25
	Nagpur	S-Grade	3400	3375	25
	Kolhapur	M-Grade	3325	3300	25
	Kolhapur	S-Grade	3275	3250	25
Assam	Guhawati	S-Grade	3588	3563	25
Meghalaya	Shillong	S-Grade	3595	3570	25
Andhra Pradesh	Vijayawada	M-Grade (With Duty)	3820	3860	-40
	Vijayawada	S-Grade (With Duty)	3780	3800	-20
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
Chattisgarh	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)			8-Dec-22	7-Dec-22	
Uttar Pradesh	Muzaffarnagar	Chaku Fresh	Closed	3000	-
	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	Closed	12000	-

	Muzaffarnagar	Khurpa (Fresh)	Closed	2650	-
	Muzaffarnagar	Laddoo (Fresh)	Closed	3000	-
	Muzaffarnagar	Rascut (Fresh)	Closed	2138	-
Karnataka	Bangalore	Mudde (Average)	4400	4400	Unch
	Belgaum	Mudde (Average)	NA	4000	-
	Gulbarga/Kalaburgi	Other (Average)	3100	3000	100
	Mahalingapura	Penti (Average)	NA	3417	-
	Mandya	Achhu (Medium)	3240	3280	-40
	Mandya	Kurikatu (Medium)	3250	3230	20
	Mandya	Other (Medium)	3140	3000	140
	Mandya	Yellow (Medium)	3280	3200	80
	Shimoga/Shivamogga	Achhu (Average)	3800	3800	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
		7-Dec-22	30-Nov-22	7-Nov-22	8-Dec-21	7-Dec-22
Oct-22	2.83	3244	3242	3156	3155	82.47
Mar-23	7.40	3599	3588	3440	3351	
May-23	3.31	3390	3392	3263	3281	

International Sugar Futures LIFFE					(Rs/Qtl)	
Futures month	% Change over previous year	Today	Week ago	Month Ago	Year Ago	RBI Dollar
		7-Dec-22	30-Nov-22	7-Nov-22	8-Dec-21	7-Dec-22
Oct-22	10.06	4166	4163	4032	3786	82.47
Dec-22	7.34	3973	3956	4364	3701	
Mar-23	12.12	4317	4295	4142	3850	

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

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