

Recent Update:

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

Sugarcane farmers from Nizamabad are demanding an increase in the crushing capacity of the sugar mill. The sugar mill is crushing around 28,000 to 30,000 quintals of sugarcane per day. Farmers are demanding to double the crushing capacity to utilize the surplus sugarcane in the area otherwise they have to sell it to local crushers and jaggery units.

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.

Weather Forecast

Heavy rainfall at isolated places over Kerala & Mahe. Thunderstorms accompanied with lightning at isolated places over Vidarbha, Chhattisgarh, Madhya Maharashtra, Marathwada, Konkan & Goa, Telangana, Rayalaseema, coastal Andhra Pradesh & Yanam, Karnataka, Tamil Nadu, Pondicherry & Karaikal and Kerala & Mahe. Dense fog at isolated places over Haryana.

International Market Updates:

Sugar prices traded at around \$627/T down (-0.5%) slightly in a shortened week. Brazilian mills are producing a higher mix of sugar over ethanol compared to last year.

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 Friday, Dec 09th, 2022									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
Sugar #11(ICE)									
22-Mar	221209	19.73	19.87	19.56	19.6	-0.08	45,279	383,461	-952
23-May	221209	18.55	18.67	18.42	18.46	-0.05	17,128	192,928	614
23-Jul	221209	17.86	17.94	17.73	17.79	-0.04	11,000	120,679	-1253
23-Oct	221209	17.74	17.74	17.58	17.64	-0.02	5,513	78,621	440
24-Mar	221209	17.68	17.78	17.63	17.69	0.01	1,849	46,199	78
24-May	221209	16.95	16.99	16.88	16.95	0.04	602	13,703	32
24-Jul	221209	16.43	16.47	16.39	16.47	0.07	542	13,663	318
24-Oct	221209	16.33	16.4	16.3	16.37	0.05	132	13,355	105
Total Volume and Open Interest							82,078	880,769	-619

Source: MRCI

International Sugar Futures LIFFE (US \$/MT)

Daily Futures Price Listing Friday, Nov 09th 2022									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
London Sugar (LCE)									
22-Dec	221209	542.5	543.7	538.2	541.4	0.8	2,346	47,618	265
23-Mar	221209	528.6	529.8	525.9	527	0.3	1,098	20,124	-126
23-May	221209	510	510.5	506.4	508	unch	650	7,936	262
23-Aug	221209	492.7	492.7	489	490.2	-0.1	307	7,017	86
23-Oct	221209	486.7	486.7	484	484.2	-0.1	31	2,806	0
Total Volume and Open Interest							4,532	87,449	512

Source: MRCI

DOMESTIC (SUGAR/ JAGGERY) PRICES AND ARRIVAL

Sugar Prices at Key Spot Markets:					
Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
Sugar			10-Dec-22	9-Dec-22	
Delhi	Delhi	M-Grade	3520	3520	Unch
	Delhi	S-Grade	3500	3500	Unch
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	3536	Unch
	Nagpur	M-Grade	3450	3450	Unch
	Nagpur	S-Grade	3400	3400	Unch
	Kolhapur	M-Grade	3325	3325	Unch
	Kolhapur	S-Grade	3275	3275	Unch
Assam	Guhawati	S-Grade	3588	3588	Unch
Meghalaya	Shillong	S-Grade	3595	3595	Unch
Andhra Pradesh	Vijayawada	M-Grade (With Duty)	3800	3800	Unch
	Vijayawada	S-Grade (With Duty)	3760	3740	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)			10-Dec-22	9-Dec-22	
Uttar Pradesh	Muzaffarnagar	Chaku Fresh	3150	3113	38
	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	9000	15000	-6000

Karnataka	Muzaffarnagar	Khurpa (Fresh)	2825	2650	175
	Muzaffarnagar	Laddoo (Fresh)	3100	3125	-25
	Muzaffarnagar	Rascut (Fresh)	2400	2350	50
	Bangalore	Mudde (Average)	NA	4400	-
	Gulbarga/Kalaburgi	Other (Average)	2950	4025	-1075
	Mahalingapura	Penti (Average)	NA	3453	-
	Mandya	Achhu (Medium)	3100	3050	50
	Mandya	Kurikatu (Medium)	3150	3200	-50
	Mandya	Other (Medium)	2950	3000	-50
	Mandya	Yellow (Medium)	3000	3130	-130
	Shimoga/Shivamogga	Achhu (Average)	NA	3850	-

INTERNATIONAL SUGAR PRICES

International Sugar Futures ICE			(Rs/Qtl)			
Futures month	% Change over previous year	Today	Week ago	Month Ago	Year Ago	RBI Dollar
		9-Dec-22	2-Dec-22	9-Nov-22	9-Dec-21	9-Dec-22
Oct-22	3.21	3235	3175	3225	3134	82.15
Mar-23	8.53	3607	3542	3537	3323	
May-23	4.33	3397	3333	3358	3256	

International Sugar Futures LIFFE					(Rs/Qtl)	
Futures month	% Change over previous year	Today	Week ago	Month Ago	Year Ago	RBI Dollar
		9-Dec-22	2-Dec-22	9-Nov-22	9-Dec-21	9-Dec-22
Oct-22	10.79	4173	4097	4094	3767	82.15
Dec-22	8.13	3978	3886	4428	3679	
Mar-23	13.21	4329	4235	4212	3824	

International Sugar FOB (USD/mT)				
Date	Thailand FOB	Brazil FOB	Indian White Sugar FOB	INR
08-Dec-22	557.00	485.50	518	82.28
06-Dec-22	539.00	476.75	513	82.31

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