

**Recent Update:**

**Sugar physical market showed a stable trend today in India.** Sugar prices remained steady in the Delhi market at Rs. 3480/qtl and in Kolhapur prices went down at Rs. 3225 per quintal.

The government may allow additional sugar exports in January 2023 after reviewing the local production. In anticipation of higher prices, Indian sugar mills are holding sugar exports contract supplies. Export prices have come down by about 3-4% from their peak, after India allowed shipments starting 5<sup>th</sup> November 22 following a fall in global sugar futures prices.

As of 12<sup>th</sup> December 2022, Gujarat sugarcane sowing has reached 1,04,291 hectares for the 2022-23 season which is lower compared to the previous season's sowing of 1,69,859 hectares. The normal area (past three years average) was around 2,09,854 hectares.

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.

**Weather Forecast**

Heavy rainfall at isolated places over Tamil Nadu.

**International Market Updates:**

The Pakistan government has granted permission to the Pakistan Sugar Mills Association (PSMA) to export half a million tonnes of sugar. The export would bring in \$250 million and the government has stated that the domestic prices will not be affected due to sugar exports. As per the Ministry of Production, Pakistan in the first phase, about one lakh tonnes of sugar will be exported. After taking review, an additional five lakh tonnes of sugar will be exported in the next fortnight.

Sugarcane crushing in the Center-South region of Brazil has increased in the second half of November 2022 as compared to the previous season around the same time. The sugarcane crushing was around 318.75% higher at 16.23 million tonness in November 2022. Sugar production has increased by 532.3% to 1.03 million tonne while ethanol production was 887.26 million litres higher by around 148%.

**Jaggery:**

Jaggery demand in Erode district remained weak despite a month left for the Pongal festival. Around 100 jaggery production units are operating in Mullamparappu, Arachalur, Kavundapadi and Ammapettai areas. The poor demand for jaggery apart from an increase in the labour cost and low price had affected the jaggery producer in Mullamparappu.

As per market sources, sugarcane farmers are demanding the government to make a policy for jaggery units so that farmers would not get exploited as few jaggery makers are procuring cane at lesser rates than State Advised Price in Haryana. The Haryana government has fixed the SAP of sugarcane at Rs. 362 per quintal and is yet to fix the SAP for the current season.

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.

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

**Ethanol:**

Government is encouraging sugar mills to divert excess sugarcane & sugar to ethanol production. The government has allowed production of ethanol from B-Heavy molasses, sugarcane juice, sugar syrup and sugar and has also been fixing the remunerative ex-mill price of ethanol derived from various feed stocks.

In current sugar season 2022-23, about 45-50 LMT of excess sugar is targeted to be diverted to ethanol. By 2025, it is targeted to divert 60 LMT of excess sugar to ethanol, which would solve the problem of high inventories of sugar, improve liquidity of mills thereby help in timely payment of cane dues of farmers. In sugar seasons 2019-20, 2020-21 & 2021-22 about 59.60 LMT, 70 LMT & 109 LMT of sugar was exported respectively. As a result of these measures, financial conditions of sugar mills has improved and more than 99% of cane dues upto sugar seasons 2020-21 and 97.40% of cane dues for sugar season 2021-22 have been cleared.

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

Daily Futures Price Listing Friday, Dec 16th, 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>	221216	19.88	20.29	19.8	20.09	0.11	98,681	395,533	3,881
<a href="#">23-May</a>	221216	18.67	18.99	18.63	18.82	0.04	40,615	199,355	775
<a href="#">23-Jul</a>	221216	17.95	18.16	17.87	17.99	-0.01	27,196	123,896	766
<a href="#">23-Oct</a>	221216	17.78	17.95	17.68	17.77	-0.04	11,756	79,003	487
<a href="#">24-Mar</a>	221216	17.84	18.02	17.76	17.86	-0.03	5,338	48,401	926
<a href="#">24-May</a>	221216	16.98	17.17	16.96	17.07	-0.01	2722	14,857	777
<a href="#">24-Jul</a>	221216	16.48	16.64	16.48	16.59	0.02	1460	14,678	445
<a href="#">24-Oct</a>	221216	16.32	16.48	16.32	16.45	0.06	469	13,921	154
Total Volume and Open Interest							188,606	908,113	8,336

Source: MRCI

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

Daily Futures Price Listing Friday, Nov 16th 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>	221216	544.5	550.5	542.8	546.8	1.8	6,851	47,912	971
<a href="#">23-Mar</a>	221216	528	535	527.7	531.6	1.4	2,227	19,507	-181
<a href="#">23-May</a>	221216	511.5	515.8	509.2	513.4	1	786	8,487	2
<a href="#">23-Aug</a>	221216	494.5	497.7	493.1	497.1	0.8	356	7,342	24
<a href="#">23-Oct</a>	221216	488.4	491.6	488.4	490.6	0.4	73	2,931	15
Total Volume and Open Interest							10,328	88,140	851

Source: MRCI

## DOMESTIC (SUGAR/ JAGGERY) PRICES AND ARRIVAL

Sugar Prices at Key Spot Markets:					
Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
Sugar			19-Dec-22	17-Dec-22	
Delhi	Delhi	M-Grade	3480	3480	Unch
	Delhi	S-Grade	3460	3460	Unch
Uttar Pradesh	Khatauli	M-Grade	3750	3750	Unch
	Ramala	M-Grade	3480	3480	Unch
	Dhampur	M-Grade Ex-Mill	3560	3560	Unch
	Dhampur	S-Grade Ex-Mill	3540	3540	Unch
	Dhampur	L-Grade Ex-Mill	3610	3610	Unch
Maharashtra	Mumbai	M-Grade	3622	3622	Unch
	Mumbai	S-Grade	3530	3530	Unch
	Nagpur	M-Grade	3400	3475	-75
	Nagpur	S-Grade	3350	3425	-75
	Kolhapur	M-Grade	3275	3350	-75
	Kolhapur	S-Grade	3225	3300	-75
Assam	Guhawati	S-Grade	3537	3613	-76
Meghalaya	Shillong	S-Grade	3545	3620	-75
Andhra Pradesh	Vijayawada	M-Grade (With Duty)	3800	3800	Unch
	Vijayawada	S-Grade (With Duty)	3760	3760	Unch
West Bengal	Kolkata	M-Grade	3850	3850	Unch
Tamil Nadu	Chennai	S-Grade (With GST)	3450	3450	Unch
	Dindigul	M-Grade (DCA)	3800	3780	20
	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)			19-Dec-22	17-Dec-22	
Uttar Pradesh	Muzaffarnagar	Chaku Fresh	3153	3078	75
	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	8000	7000	1000

	Muzaffarnagar	Khurpa (Fresh)	2700	2725	-25
	Muzaffarnagar	Laddoo (Fresh)	3030	3038	-8
	Muzaffarnagar	Rascut (Fresh)	2400	2400	Unch
	Hapur	Chaurasa	2630	2650	-20
	Hapur	Balti	2760	2780	-20
Andhra Pradesh	Chittur	Gold	NR	NR	-
		White	NR	NR	-
		Black	NR	NR	-
Maharashtra	Latur	Lal Variety	NA	NA	-
Karnataka	Bangalore	Mudde (Average)	4400	4400	Unch
	Belgaum	Mudde (Average)	NA	NA	-
	Belthangadi	Yellow (Average)	NA	NA	-
	Bijapur/Vijayapura	Achhu	NA	NA	-
	Gulbarga/Kalaburgi	Other (Average)	NA	3000	-
	Mahalingapura	Penti (Average)	NA	NA	-
	Mandya	Achhu (Medium)	NA	NA	-
	Mandya	Kurikatu (Medium)	NA	NA	-
	Mandya	Other (Medium)	NA	NA	-
	Mandya	Yellow (Medium)	NA	NA	-
	Shimoga/Shivamogga	Achhu (Average)	3850	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
		16-Dec-22	9-Dec-22	16-Nov-22	16-Dec-21	16-Dec-22
Oct-22	3.36	3296	3235	3279	3189	82.81
Mar-23	12.33	3727	3607	3693	3317	
May-23	7.22	3491	3397	3472	3256	

International Sugar Futures LIFFE					(Rs/Qtl)	
Futures month	% Change over previou s year	Today	Week ago	Month Ago	Year Ago	RBI Dollar
		16-Dec-22	9-Dec-22	16-Nov-22	16-Dec-21	16-Dec-22
Oct-22	12.05	4251	4173	4222	3794	82.81
Dec-22	9.19	4063	3978	4003	3721	
Mar-23	14.87	4402	4329	4368	3832	

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