

**Recent Update:**

**Sugar physical market continued to show mostly stable trend today in India.** Sugar prices reported down by Rs. 5/qtl in the Delhi market to Rs. 3525/qtl and in Kolhapur prices remained steady at Rs. 3225 per quintal.

As per market sources, around 45-50 lakh tonnes of sugar exports contract have already been signed for the 2022-23 season. Out of which, 6 lakh tonne has been physically exported up to 30<sup>th</sup> November' 2022. Also, about 8-9 lakh tonne of sugar is in pipeline to be exported in the month of December'22. AgriWatch estimates sugar exports of around 75 lakh tonnes during the 2022-23 season, mainly due to the expectation of increased production in 2022-23 season along with comparatively lower domestic prices.

As per the Indian sugar mills association, Sugar production in India has reached 82.10 lakh tonne as against 77.90 lakh tonne till 15<sup>th</sup> December 2022. The crushing operations were delayed this year because of rains during late October month and early November. The sugarcane crushing season is in full swing and around 497 sugar mills are currently operating in the country.

State	Sugar Production		Mills in Operation	
	(as of 15 <sup>th</sup> Dec'22)		(as of 15 <sup>th</sup> Dec'21.)	
	No. of Operating Mills	Sugar Production	No. of Operating Mills	Sugar Production
Uttar Pradesh	116	20.3	117	19.8
Maharashtra	193	33.0	186	31.9
Karnataka	73	18.9	69	18.4
Gujarat	16	2.6	15	2.3
Tamil Nadu	17	1.7	11	0.6
Others	82	5.6	81	4.9
<b>All India</b>	<b>497</b>	<b>82.1</b>	<b>479</b>	<b>77.9</b>

Source: ISMA, Unit: Lakh Tonne

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.

### Weather Forecast

Cold day conditions likely over West Uttar Pradesh in next five days. However, no significant change in temperature over rest parts of the country in the coming days.

### International Market Updates:

A survey by S&P Global Commodity Insights estimated Brazil mills have produced around 360,000 tonnes of sugar in the first half of December.

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 tonnes 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 30th, 2022									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
Sugar #11(ICE)									
<a href="#">23-Mar</a>	221230	20.4	20.43	20.01	20.04	-0.25	49,490	3,95,126	-5,584
<a href="#">23-May</a>	221230	19.02	19.05	18.68	18.72	-0.2	19,948	2,14,977	2,730
<a href="#">23-Jul</a>	221230	18.23	18.26	17.94	17.98	-0.15	10,351	1,34,347	1817
<a href="#">23-Oct</a>	221230	18.05	18.06	17.77	17.82	-0.11	3,458	82,827	-63
<a href="#">24-Mar</a>	221230	18.09	18.09	17.86	17.91	-0.09	900	51,454	0
<a href="#">24-May</a>	221230	17.19	17.19	17.09	17.14	-0.05	136	15,922	-14
<a href="#">24-Jul</a>	221230	16.64	16.68	16.63	16.67	-0.02	132	14,974	28
<a href="#">24-Oct</a>	221230	16.42	16.48	16.42	16.48	-0.01	44	14,324	23
Total Volume and Open Interest							84,459	9,42,738	-1,063

Source: MRCI

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

Daily Futures Price Listing Friday Dec 30th, 2022									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
London Sugar (LCE)									
<a href="#">23-Mar</a>	221230	562.3	565.4	553	554.4	-7.4	6,419	45,894	-1232
<a href="#">23-May</a>	221230	540.5	541.8	532.8	534.4	-3.7	2,972	19,711	124
<a href="#">23-Aug</a>	221230	520.9	520.9	514.1	515.6	-1.8	1768	9,764	344
<a href="#">23-Oct</a>	221230	501.7	502.2	498	499	-0.9	380	7,944	103
<a href="#">23-Dec</a>	221230	494.6	494.6	490.7	491.7	-1.5	144	2,910	47
Total Volume and Open Interest							11,751	88,338	-583

Source: MRCI

## DOMESTIC (SUGAR/ JAGGERY) PRICES AND ARRIVAL

Sugar Prices at Key Spot Markets:					
Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
Sugar			31-Dec-22	30-Dec-22	
Delhi	Delhi	M-Grade	3525	3525	Unch
	Delhi	S-Grade	3505	3505	Unch
Uttar Pradesh	Khatauli	M-Grade	3645	3645	Unch
	Ramala	M-Grade	3410	3410	Unch
	Dhampur	M-Grade Ex-Mill	3470	3470	Unch
	Dhampur	S-Grade Ex-Mill	3450	3450	Unch
	Dhampur	L-Grade Ex-Mill	3520	3520	Unch
Maharashtra	Mumbai	M-Grade	3582	3590	-8
	Mumbai	S-Grade	3526	3526	Unch
	Nagpur	M-Grade	3425	3400	25
	Nagpur	S-Grade	3325	3300	25
	Kolhapur	M-Grade	3300	3275	25
	Kolhapur	S-Grade	3200	3175	25
Assam	Guhawati	S-Grade	3512	3487	25
Meghalaya	Shillong	S-Grade	3520	3495	25
Andhra Pradesh	Vijayawada	M-Grade (With Duty)	3800	3800	Unch
	Vijayawada	S-Grade (With Duty)	3760	3760	Unch
West Bengal	Kolkata	M-Grade	3810	3810	Unch
Tamil Nadu	Chennai	S-Grade (With GST)	3400	3400	Unch
	Dindigul	M-Grade (DCA)	3800	3800	Unch

	Coimbatore	M-Grade (DCA)	3840	3840	Unch
Chattisgarh	Ambikapur	M-Grade (Without Duty)	3800	3800	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)			31-Dec-22	30-Dec-22	
Uttar Pradesh	Muzaffarnagar	Chaku Fresh	3063	3125	-63
	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	7000	6000	1000
	Muzaffarnagar	Khurpa (Fresh)	2850	2863	-13
	Muzaffarnagar	Laddoo (Fresh)	3188	3238	-50
	Muzaffarnagar	Rascut (Fresh)	2425	2438	-13
	Hapur	Chaurasa	2600	2600	Unch
	Hapur	Balti	2700	2730	-30
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	4000	-
	Belthangadi	Yellow (Average)	NA	NA	-
	Bijapur/Vijayapura	Achhu	NA	NA	-
	Gulbarga/Kalaburgi	Other (Average)	2810	2800	10
	Mahalingapura	Penti (Average)	NA	NA	-
	Mandya	Achhu (Medium)	3050	3100	-50
	Mandya	Kurikatu (Medium)	3100	3000	100
	Mandya	Other (Medium)	2850	2950	-100
	Mandya	Yellow (Medium)	3080	3000	80
	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
		30-Dec-22	23-Dec-22	28-Nov-22	30-Dec-21	30-Dec-22
Oct-22	8.62	3304	3380	3217	3042	82.78
Mar-23	18.51	3716	3894	3549	3136	
May-23	12.44	3471	3619	3360	3087	

International Sugar Futures LIFFE					(Rs/Qtl)	
Futures month	% Change over previous year	Today	Week ago	Month Ago	Year Ago	RBI Dollar
		30-Dec-22	23-Dec-22	28-Nov-22	30-Dec-21	30-Dec-22
Oct-22	17.67	4268	4346	4146	3627	82.78
Dec-22	13.67	4070	4121	3956	3581	
Mar-23	20.92	4424	4541	4257	3658	

## 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, 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.