

Recent Update:

Sugar physical market continued to show a stable trend today in India. Sugar prices reported higher in the Delhi market to Rs. 3515/qtl and in Kolhapur prices remained stable at Rs. 3250 per quintal.

As per the Indian sugar mills association, Sugar production in India has reached 120.70 lakh tonne as against 116.40 lakh tonne till 31st December 2022. The sugar production is higher by around 4 lakh tonne. The sugarcane crushing season is in full swing and around 509 sugar mills are currently operating in the country.

State	Sugar Production		Mills in Operation	
	(as of 31st Dec'22)		(as of 31st Dec'21.)	
	No. of Operating Mills	Sugar Production	No. of Operating Mills	Sugar Production
Uttar Pradesh	117	30.9	119	30.9
Maharashtra	196	46.8	189	45.8
Karnataka	73	26.7	70	26.1
Gujarat	16	3.8	15	3.5
Tamil Nadu	24	2.6	22	1.3
Others	83	9.9	85	8.8
All India	509	120.7	500	116.4

Source: ISMA, Unit: Lakh Tonne

The Sugarcane farmers from Perambalur are worried over delays in the transportation of harvested cane from their fields to the Eraiyur sugar mill. The Eraiyur sugar mill is planning to crush around 3.60 lakh metric tonne of sugarcane grown on 12,000 acres of land in Perambalur, Ariyalur, Kallakurichi, and Cuddalore districts. The mill is expecting to produce 3.52 lakh quintals of sugar during the ongoing crushing season. Also, the delay in the transportation of cane is resulting in farmers sending their cane to Thanjavur sugar mill.

In a notification issued on 30th December 2022, the food ministry has allocated monthly sugar sales quota of 22 Lakh MT (LMT), which is comparatively to 0.5 LMT lower than the quota allocated during January 2021. During the previous month government allocated 22 LMT quota.

Weather Forecast

Dense to very dense fog very likely in isolated pockets over Punjab, Haryana, Chandigarh, and Uttar Pradesh, Bihar. Dense fog at isolated places over Assam & Meghalaya, Nagaland, Manipur and Tripura.

International Market Updates:

According to the market sources, the Pakistan government has increased the prices of wheat flour, sugar and ghee by around 25 to 62 per cent for sale through the Utility Stores Corporation (USC) with immediate effect to reduce the impact of untargeted subsidies. The price of sugar under the new rates has increased to Rs.89 per kg from Rs.70 per kg previously.

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 tonnes while ethanol production was 887.26 million litres higher by around 148%.

Jaggery:

The Karnataka government is planning to provide an industry tag on jaggery. Consumption of jaggery is likely to increase as the focus on sustainable lifestyle increased. India is the biggest exporter of jaggery and Karnataka is the third largest cane producer which can give an advantage to the state to increase jaggery production.

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.

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

Ethanol:

Chhattisgarh's first ethanol plant is likely to start its operations in April this year. The plant is located at Kawardha, near Bhoramdev Sugar mill. As per the market sources, the capacity of the plant will be around 80 kilolitres per day at the initial level. The plant will produce ethanol from sugarcane juice

during the season and molasses during the off-season. An agreement has been signed between Bhoramdev Cooperative Sugar Mill and NKJ Biofuel after the global tender. Earlier, 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.

International Sugar Futures ICE (US Cent/lb)

Daily Futures Price Listing Monday, Jan 02nd, 2023									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
Sugar #11(ICE)									
22-Mar	221230	20.4	20.43	20.01	20.04	-0.25	49,490	395,126	-5,584
23-May	221230	19.02	19.05	18.68	18.72	-0.2	19,948	214,977	2,730
23-Jul	221230	18.23	18.26	17.94	17.98	-0.15	10,351	134,347	1817
23-Oct	221230	18.05	18.06	17.77	17.82	-0.11	3,458	82,827	-63
24-Mar	221230	18.09	18.09	17.86	17.91	-0.09	900	51,454	0
24-May	221230	17.19	17.19	17.09	17.14	-0.05	136	15,922	-14
24-Jul	221230	16.64	16.68	16.63	16.67	-0.02	132	14,974	28
24-Oct	221230	16.42	16.48	16.42	16.48	-0.01	44	14,324	23
Total Volume and Open Interest							84,459	942,738	-1,063

Source: MRCI

International Sugar Futures LIFFE (US \$/MT)

Daily Futures Price Listing Monday, Jan 02nd 2023									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
London Sugar (LCE)									
23-Mar	221230	562.3	565.4	553	554.4	-7.4	6,419	45,894	-1232
23-May	221230	540.5	541.8	532.8	534.4	-3.7	2,972	19,711	124
23-Aug	221230	520.9	520.9	514.1	515.6	-1.8	1768	9,764	344
23-Oct	221230	501.7	502.2	498	499	-0.9	380	7,944	103
23-Dec	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			3-Jan-23	2-Jan-23	
Delhi	Delhi	M-Grade	3515	3490	25
	Delhi	S-Grade	3495	3470	25
Uttar Pradesh	Khatauli	M-Grade	3645	3645	Unch
	Ramala	M-Grade	3420	3420	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	3580	3582	-2
	Mumbai	S-Grade	3390	3446	-56
	Nagpur	M-Grade	3375	3375	Unch
	Nagpur	S-Grade	3325	3325	Unch
	Kolhapur	M-Grade	3250	3250	Unch
	Kolhapur	S-Grade	3200	3200	Unch
Assam	Guhawati	S-Grade	3512	3512	Unch
Meghalaya	Shillong	S-Grade	3520	3520	Unch
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)			3-Jan-23	2-Jan-23	
Uttar Pradesh	Muzaffarnagar	Chaku Fresh	3078	3063	15
	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	5000	10000	-5000

	Muzaffarnagar	Khurpa (Fresh)	2900	2838	63
	Muzaffarnagar	Laddoo (Fresh)	3188	3100	88
	Muzaffarnagar	Rascut (Fresh)	2425	2538	-113
	Hapur	Chaurasa	2620	NA	-
	Hapur	Balti	2750	NA	-
Karnataka	Bangalore	Mudde (Average)	4400	4400	Unch
	Belgaum	Mudde (Average)	NA	4000	-
	Mandya	Achhu (Medium)	3050	3060	-10
	Mandya	Kurikatu (Medium)	3150	3150	Unch
	Mandya	Other (Medium)	2930	2950	-20
	Mandya	Yellow (Medium)	3100	3150	-50
	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
		2-Jan-23	26-Dec-22	2-Dec-22	3-Jan-22	2-Jan-23
Oct-22	8.09	3298	3375	3175	3051	82.62
Mar-23	18.90	3709	3888	3542	3119	
May-23	12.51	3464	3614	3333	3079	

International Sugar Futures LIFFE					(Rs/Qtl)	
Futures month	% Change over previous year	Today	Week ago	Month Ago	Year Ago	RBI Dollar
		2-Jan-23	26-Dec-22	2-Dec-22	3-Jan-22	2-Jan-23
Oct-22	17.02	4260	4352	4097	3640	82.62
Dec-22	12.67	4062	4114	3886	3606	
Mar-23	20.45	4415	4542	4235	3666	



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