

Recent Update:

Sugar physical market continued to show a bearish trend today in India. Sugar prices reported lower by Rs. 10 in the Delhi market at Rs. 3500/qtl and in Kolhapur prices remained stable at Rs. 3250 per quintal.

As per the All-India Sugar Traders Association, sugar exporters, including mills have almost exhausted the 6 million tonne of export quota allocated by the Centre for the current 2022-23 sugar season. Almost all the deals signed till 31st December 22 will be exported by 31st March'22. Also, Iran and Indonesia have emerged as the biggest buyers of Indian sugar this season.

Uttar Pradesh farmers await the hike in SAP. Around two months have passed since starting of the 2022-23 sugarcane crushing season but the Uttar Pradesh government has not yet announced a hike in state-advised price (SAP) for the 2022-23 season. Earlier, farmers have been demanding a hike in sugarcane SAP. Currently, Sugar mills are paying cane bills based on the SAP fixed during the previous season.

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

Weather Forecast

Dense to very dense fog very likely in isolated pockets over Punjab, Haryana, Chandigarh, Delhi and Uttar Pradesh. Dense fog at isolated places over Bihar, Assam & Meghalaya, 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 Thursday, Jan 05th, 2023									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
Sugar #11(ICE)									
22-Mar	230105	19.6	19.63	19.32	19.34	-0.2	66,148	386,847	-7,885
23-May	230105	18.44	18.44	18.19	18.21	-0.14	26,814	216,108	134
23-Jul	230105	17.81	17.81	17.57	17.59	-0.13	15,187	137,317	1429
23-Oct	230105	17.67	17.7	17.49	17.51	-0.12	7,993	83,060	263
24-Mar	230105	17.79	17.83	17.64	17.67	-0.11	3,202	51,809	-33
24-May	230105	17	17.04	16.89	16.9	-0.08	702	16,252	177
24-Jul	230105	16.52	16.56	16.42	16.43	-0.07	451	15,207	70
24-Oct	230105	16.3	16.34	16.22	16.25	-0.04	233	14,509	75
Total Volume and Open Interest							121,005	940,021	-5,642

Source: MRCI

International Sugar Futures LIFFE (US \$/MT)

Daily Futures Price Listing Wednesday, Jan 05th 2023									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
London Sugar (LCE)									
23-Mar	230105	542.4	543.9	534.4	534.7	-8.4	4,083	45,403	-621
23-May	230105	523.5	524.6	520.1	520.6	-2.7	1,443	19,848	-140
23-Aug	230105	506	507.8	504.1	504.6	-1.7	588	10,370	207
23-Oct	230105	492.9	493.4	490.6	491.4	-1	160	8,063	62
23-Dec	230105	488.2	488.2	486	486.9	-0.9	81	2,975	37
Total Volume and Open Interest							6,582	88,874	-405

Source: MRCI

DOMESTIC (SUGAR/ JAGGERY) PRICES AND ARRIVAL

Sugar Prices at Key Spot Markets:					
Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
Sugar			5-Jan-23	4-Jan-23	
Delhi	Delhi	M-Grade	3500	3510	-10
	Delhi	S-Grade	3480	3490	-10
Uttar Pradesh	Khatauli	M-Grade	3524	3524	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	3570	3570	Unch
	Mumbai	S-Grade	3390	3390	Unch
	Nagpur	M-Grade	3375	3425	-50
	Nagpur	S-Grade	3300	3325	-25
	Kolhapur	M-Grade	3250	3300	-50
	Kolhapur	S-Grade	3175	3200	-25
Assam	Guhawati	S-Grade	3487	3512	-25
Meghalaya	Shillong	S-Grade	3495	3520	-25

Andhra Pradesh	Vijayawada	M-Grade (With Duty)	3800	3800	Unch
	Vijayawada	S-Grade (With Duty)	3780	3780	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
			5-Jan-23	4-Jan-23	
Jaggery(Gur)					
Uttar Pradesh	Muzaffarnagar	Chaku Fresh	3063	3063	Unch
	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	5000	5000	Unch
	Muzaffarnagar	Khurpa (Fresh)	2875	2875	Unch
	Muzaffarnagar	Laddoo (Fresh)	3150	3150	Unch
	Muzaffarnagar	Rascut (Fresh)	2425	2425	Unch
	Hapur	Chaurasa	NA	2620	-
	Hapur	Balti	NA	2730	-
Maharashtra	Latur	Lal Variety	NA	NA	-
Karnataka	Bangalore	Mudde (Average)	4400	4400	Unch
	Belgaum	Mudde (Average)	NA	4000	-
	Belthangadi	Yellow (Average)	NA	0	-
	Bijapur/Vijayapura	Achhu	NA	0	-
	Gulbarga/Kalaburgi	Other (Average)	3000	3000	Unch
	Mahalingapura	Penti (Average)	NA	NA	-
	Mandya	Achhu (Medium)	3250	3200	50
	Mandya	Kurikatu (Medium)	3150	3100	50
	Mandya	Other (Medium)	3000	2980	20
	Mandya	Yellow (Medium)	3200	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
		4-Jan-23	28-Dec-22	5-Dec-22	5-Jan-22	4-Jan-23
Oct-22	8.59	3274	3315	3211	3015	82.90
Mar-23	18.59	3628	3744	3565	3060	
May-23	12.84	3408	3497	3361	3020	

International Sugar Futures LIFFE					(Rs/Qtl)	
Futures month	% Change over previous year	Today	Week ago	Month Ago	Year Ago	RBI Dollar
		4-Jan-23	28-Dec-22	5-Dec-22	5-Jan-22	4-Jan-23
Oct-22	17.31	4197	4282	4132	3578	82.90
Dec-22	13.30	4044	4082	3932	3569	
Mar-23	20.57	4338	4435	4278	3598	

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