

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 Uttarakhand, north Rajasthan, Bihar, Sub-Himalayan West Bengal, Sikkim, Assam & Meghalaya, 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 Boramdev 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 Boramdev 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 Thursday, 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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