

Recent Update:

Sugar physical market continued to showed a bearish trend today in India. Sugar prices reported lower by Rs. 90 in the Delhi market at Rs. 3410/qtl and in Kolhapur prices remained stable at Rs. 3250 per quintal.

Sugarcane procurement starts in Tamil Nadu ahead of Pongal Festival. The Tamil Nadu government is directly procuring sugarcane from farmers along the district ahead of the Pongal Festival. The Pongal festival is set to start on 15th January 2023.

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.

India has exported around 1.692 million tonne of sugar till 4th January 2023, including 59,596 tonne to china. About 147,000 tonnes of sugar was exported to Bangladesh and around 82,462 tonne to Sri Lanka.

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.

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 Uttar Pradesh and Bihar. Heavy rainfall /snowfall at isolated places over Jammu & Kashmir, Ladakh and Himachal Pradesh.

International Market Updates:

The Economic Coordination Committee (ECC) Pakistan, has granted permission to export an additional 150,000 tonnes of sugar. The decision was taken based on the recommendations of the Sugar Advisory Board (SAB). The ECC has allowed the export of a total of 250,000 tonnes of sugar out of which it had already approved the export of 100,000 tonnes of sugar on 15th Dec. 2022. The export would be allowed to sugar mills on a first-come-first-served basis.

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.

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 Tuesday, Jan 10th, 2023									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
Sugar #11(ICE)									
22-Mar	230110	19.17	19.83	19.13	19.64	0.47	86,198	367,622	-6,268
23-May	230110	18.06	18.46	18	18.33	0.27	38,009	216,424	1,398
23-Jul	230110	17.44	17.69	17.38	17.61	0.17	21,542	140,440	734
23-Oct	230110	17.34	17.55	17.28	17.48	0.14	8,257	82,301	108
24-Mar	230110	17.48	17.67	17.42	17.61	0.13	4,120	52,648	-682
24-May	230110	16.75	16.89	16.68	16.84	0.1	1309	16,609	78
24-Jul	230110	16.3	16.4	16.21	16.37	0.08	1100	15,398	161
24-Oct	230110	16.12	16.2	16.11	16.18	0.07	46	14,714	2
Total Volume and Open Interest							160,651	925,170	-4,444

Source: MRCI

International Sugar Futures LIFFE (US \$/MT)

Daily Futures Price Listing Tuesday, Jan 10th 2023									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
London Sugar (LCE)									
23-Mar	230110	536.8	550.7	535	546.1	10.6	7,771	39,600	-1989
23-May	230110	520.4	528.9	517.1	526.3	8.2	2,986	21,683	736
23-Aug	230110	502.2	510.1	501.1	508.2	6.4	1297	11,022	460
23-Oct	230110	488.4	495.4	487.4	493.6	5.4	514	8,276	134
23-Dec	230110	483.3	489.2	481.7	487.6	4.4	75	3,092	34
Total Volume and Open Interest							12,718	86,092	-574

Source: MRCI

DOMESTIC (SUGAR/ JAGGERY) PRICES AND ARRIVAL

Sugar Prices at Key Spot Markets:					
Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
Sugar			11-Jan-23	9-Jan-23	
Delhi	Delhi	M-Grade	3410	3500	-90
	Delhi	S-Grade	3390	3480	-90
Uttar Pradesh	Khatauli	M-Grade	3585	3585	Unch
	Ramala	M-Grade	3370	3370	Unch
	Dhampur	M-Grade Ex-Mill	3585	3585	Unch
	Dhampur	S-Grade Ex-Mill	3565	3565	Unch
	Dhampur	L-Grade Ex-Mill	3635	3635	Unch
Maharashtra	Mumbai	M-Grade	3562	3570	-8
	Mumbai	S-Grade	3350	3390	-40
	Nagpur	M-Grade	3375	3375	Unch
	Nagpur	S-Grade	3275	3300	-25
	Kolhapur	M-Grade	3250	3250	Unch
	Kolhapur	S-Grade	3150	3175	-25
Assam	Guhawati	S-Grade	3461	3487	-25
Meghalaya	Shillong	S-Grade	3470	3495	-25
Andhra Pradesh	Vijayawada	M-Grade (With Duty)	3800	3800	Unch

	Vijayawada	S-Grade (With Duty)	3780	3780	Unch
West Bengal	Kolkata	M-Grade	3800	3800	Unch
Tamil Nadu	Chennai	S-Grade (With GST)	3400	3400	Unch
	Dindigul	M-Grade (DCA)	3700	3700	Unch
	Coimbatore	M-Grade (DCA)	3840	3840	Unch
Chattisgarh	Ambikapur	M-Grade (Without Duty)	3850	3850	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)			11-Jan-23	9-Jan-23	
Uttar Pradesh	Muzaffarnagar	Chaku Fresh	3100	3125	-25
	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	6000	5000	1000
	Muzaffarnagar	Khurpa (Fresh)	2875	2838	38
	Muzaffarnagar	Laddoo (Fresh)	3200	3128	73
	Muzaffarnagar	Rascut (Fresh)	2475	2450	25
	Hapur	Chaurasa	NA	2600	-
	Hapur	Balti	NA	2750	-
Karnataka	Bangalore	Mudde (Average)	4450	4450	Unch
	Gulbarga/Kalaburgi	Other (Average)	3100	2750	350
	Mandya	Achhu (Medium)	3300	3310	-10
	Mandya	Kurikatu (Medium)	3200	3250	-50
	Mandya	Other (Medium)	3100	3020	80
	Mandya	Yellow (Medium)	3200	3350	-150
	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
		6-Jan-23	30-Dec-22	9-Dec-22	11-Jan-22	9-Jan-23
Oct-22	9.58	3198	3304	3235	2919	82.36
Mar-23	17.05	3509	3716	3607	2998	
May-23	12.30	3315	3471	3397	2952	

International Sugar Futures LIFFE					(Rs/Qtl)	
Futures month	% Change over previous year	Today	Week ago	Month Ago	Year Ago	RBI Dollar
		6-Jan-23	30-Dec-22	9-Dec-22	11-Jan-22	9-Jan-23
Oct-22	16.86	4117	4268	4173	3523	82.36
Dec-22	13.76	3979	4070	3978	3498	
Mar-23	18.93	4246	4424	4329	3570	

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