

Recent Update:

Sugar physical market continued to showed a stable trend today in India. Sugar prices reported lower by Rs. 05 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 Punjab, Haryana, Chandigarh, Delhi, Uttar Pradesh, and Bihar. Dense fog in isolated pockets over Jammu division, Himachal Pradesh, Uttarakhand, and Odisha.

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 Bharamdev 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 Bharamdev 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 12th, 2023									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
Sugar #11(ICE)									
22-Mar	230112	19.65	19.81	19.45	19.59	-0.06	80,768	351,850	-11,382
23-May	230112	18.37	18.47	18.18	18.34	unch	38,316	210,957	-3,118
23-Jul	230112	17.66	17.74	17.51	17.66	0.03	16,159	142,789	1503
23-Oct	230112	17.56	17.58	17.39	17.53	0.03	7,007	81,257	-1232
24-Mar	230112	17.66	17.73	17.55	17.71	0.05	3,971	53,114	236
24-May	230112	16.89	16.97	16.78	16.96	0.07	914	16,612	78
24-Jul	230112	16.45	16.49	16.3	16.47	0.06	408	15,498	87
24-Oct	230112	16.25	16.29	16.11	16.27	0.06	85	14,746	13
Total Volume and Open Interest							147,694	905,839	-13,813

Source: MRCI

International Sugar Futures LIFFE (US \$/MT)

Daily Futures Price Listing Thursday, Jan 12th 2023									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
London Sugar (LCE)									
23-Mar	230112	545.8	546.6	537.2	539.3	-4.7	6,600	39,438	643
23-May	230112	527.6	527.9	520.5	523	-2.6	3,031	22,416	344
23-Aug	230112	509.2	509.2	503.2	505.6	-1.6	1994	11,245	136
23-Oct	230112	494.4	494.8	490.3	493	0.1	987	8,344	42
23-Dec	230112	488.4	488.4	484.5	487	0.2	747	3,438	352
Total Volume and Open Interest							14,000	87,723	1930

Source: MRCI

DOMESTIC (SUGAR/ JAGGERY) PRICES AND ARRIVAL

Sugar Prices at Key Spot Markets:					
Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
Sugar			13-Jan-23	12-Jan-23	
Delhi	Delhi	M-Grade	3410	3405	5
	Delhi	S-Grade	3390	3385	5
Uttar Pradesh	Khatauli	M-Grade	3565	3585	-20
	Ramala	M-Grade	3400	3370	30
	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	3552	3556	-4
	Mumbai	S-Grade	3390	3392	-2
	Nagpur	M-Grade	3375	3375	Unch
	Nagpur	S-Grade	3275	3275	Unch
	Kolhapur	M-Grade	3250	3250	Unch
	Kolhapur	S-Grade	3150	3150	Unch
Assam	Guhawati	S-Grade	3461	3461	Unch

Meghalaya	Shillong	S-Grade	3470	3470	Unch
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)			13-Jan-23	12-Jan-23	
Uttar Pradesh	Muzaffarnagar	Chaku Fresh	3175	3213	-38
	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	5000	4000	1000
	Muzaffarnagar	Khurpa (Fresh)	2863	2900	-38
	Muzaffarnagar	Laddoo (Fresh)	3175	3275	-100
	Muzaffarnagar	Rascut (Fresh)	2450	2425	25
	Hapur	Chaurasa	NA	2600	-
	Hapur	Balti	NA	2730	-
Karnataka	Bangalore	Mudde (Average)	450	4450	-4000
	Gulbarga/Kalaburgi	Other (Average)	2800	2850	-50
	Mahalingapura	Penti (Average)	NA	NA	-
	Mandya	Achhu (Medium)	3250	3280	-30
	Mandya	Kurikatu (Medium)	3150	3150	Unch
	Mandya	Other (Medium)	3000	3120	-120
	Mandya	Yellow (Medium)	3200	3220	-20
	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
		10-Jan-23	3-Jan-23	9-Dec-22	11-Jan-22	12-Jan-23
Oct-22	10.28	3219	3273	3235	2919	81.43
Mar-23	20.63	3617	3653	3607	2998	
May-23	14.35	3375	3419	3397	2952	

International Sugar Futures LIFFE					(Rs/Qtl)	
Futures month	% Change over previous year	Today	Week ago	Month Ago	Year Ago	RBI Dollar
		10-Jan-23	3-Jan-23	9-Dec-22	11-Jan-22	12-Jan-23
Oct-22	18.60	4178	4218	4173	3523	81.43
Dec-22	14.59	4009	4042	3978	3498	
Mar-23	21.20	4327	4365	4329	3570	

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