

Recent Update:

Sugar physical market continued to mostly stable trend today in India. Sugar prices reported higher by Rs. 10/qtl in the Delhi market at Rs. 3415/qtl and in Kolhapur prices remained stable at Rs. 3300 per quintal.

As per sources, Maharashtra are set to stop cane crushing 45 to 60 days earlier than last year as heavy rain has curtailed sugarcane availability. Maharashtra could produce 12.8 MT of sugar in the current season 2022-23.

India has allowed sugar mills to export only 6.1 MT of the sweetener in the current season and out of that mills have already contracted to export 5.7 MT.

The Haryana government has hiked the SAP to Rs. 372 per quintal from the existing Rs.362 per quintal. Earlier, Haryana Sugarcane farmers has urged the government to hike the sugarcane SAP from Rs. 450 per quintal as against the existing SAP of Rs. 362 per quintal.

As per the market sources, the government may take a decision in the coming February month for increasing the sugar export quota from the current 60 lakh tonne. In the current marketing year so far, the mills have dispatched 30 lakh tonnes of sugar for exports and out of that 18 lakh tonnes have already been shipped. As per the food ministry, the entire 60 lakh tonnes will get exported by May. The government is currently assessing the supply and demand estimate in the domestic market along with the actual sugar production.

The National Federation of Cooperative Sugar Factories (NFCSF) has estimated that around 515 sugar mills across the country have produced 160 lakh tonnes sugar till 15th January 23 which is about 10 lakh tonne higher than the corresponding date of last year. However, the average sugar recovery is decreased by 0.14% as compared to the last year's average recovery of 9.64%.

As per the NFCSF's estimate, the 2022-23 sugar season will be over by the end of April and the sugar production is estimated at 343 lakh tonnes which is expected to be lower by 16 lakh tonnes compared to last year's 359 lakh tonne. Apart from this, around 45 lakh tonnes of sugar will be diverted to ethanol production. Thus this year, the gross total sugar production will be around 390 lakh tonne.

As is the practice, ISMA procured satellite images of cane area in the 2nd week of Jan' 2023. The satellite pictures have given a good idea of the area already harvested and remaining unharvested area in the fields across the country.

S.No	States	Sugarcane Acreage		% Change over last year
		Lakh Hectares		
		2021-22	2022-23	
1	Uttar Pradesh	23.1	23.8	3%
2	Maharashtra	13.5	14.5	7%
3	Karnataka	5.9	6.5	11%
4	Tamil Nadu	2.6	2.9	11%
5	Gujarat	2.1	2.2	6%
6	Others	8.7	9.1	5%
7	Total	55.9	59	6%

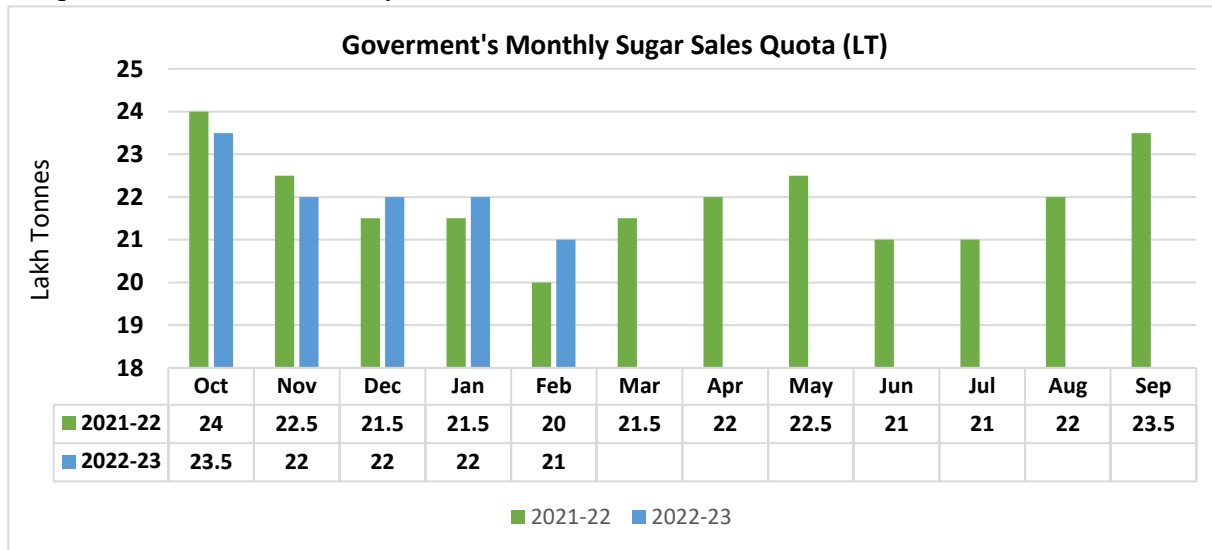
SOURCE- ISMA ISMA estimates sugar production in 2022-23 at around 340 lakh tons of sugar.

States	2021-22			2022-23		
	Estimated sugar production	Estimated sugar diversion	Actual sugar production	Estimated sugar production	Estimated sugar diversion	Actual sugar production
	BEFORE DIVERSION		AFTER DIVERSION	BEFORE DIVERSION		AFTER DIVERSION
	Lakh tons					
Uttar Pradesh	114	12		102	16	101
Maharashtra	148	11		137	15	121
Karnataka	68	7.5		60	11	56
Tamil Nadu	13	1.5		13	3	16
Gujarat	12			12		12
Others	35			34		34
Total	390	32		358	45	340

Post diversion of 45 lac tons to ethanol due to diversion of cane juice / syrup and B-molasses to ethanol, ISMA estimates sugar production in 2022-23 at around 340 lakh tons of sugar.

Domestic Sales Quota:

In a notification issued on 31st day of January 2023, the food ministry has allocated 21 LMT monthly sugar quota for February 2023 to 554 sugar mills which is higher than 1 LMT in comparison to the quota allocated in February 2022.



Weather Forecast

Rise in min. temp. by 2-3 degree Celsius very likely over many parts of Northwest India during next three days and no significant change thereafter.

International Market Updates:

The Nepal government has fixed the minimum support price of sugarcane at Rs.610 per quintal for the 2022-23 season. During the previous season government has increased the MSP for sugarcane by 8.39 % to 590 per quintal.

The red rot disease was detected in the Sugarcane crop of Parsa and Bara region of Nepal. Farmers are planning for a early harvest of the crop to prevent infection from the crop. Also, the farmers are selling crops on the prices which mills are offering as the government has not yet announced the minimum support price for sugarcane.

Jaggery:

As per AgriWatch sources, Jaggery-making units in Uttar Pradesh are working on a lower scale as winter season will end in coming 1-2 months, along with it there is enough stock available in the market.

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.

Jaggery Price at Kolhapur Benchmark Market (Rs./Quintal)		
Forecast Date	Past Week	Week under review
17-Jan-23	3125	2800-3250

Ethanol:

Sutlej Organics and Chemicals is planning to set up an ethanol plant having a capacity of 120 klpd at Jehan Kela and Bassi Mustafa in the Hoshiarpur district of Punjab. The proposed project spread over 21.62 acres of land will also include a 2.5 MW co-generation plant.

International Sugar Futures ICE (US Cent/lb)

Daily Futures Price Listing Friday, Jan 27th, 2023									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
Sugar #11(ICE)									
22-Mar	230201	21.8	21.86	21.33	21.37	-0.39	93,291	3,41,340	2,168
23-May	230201	20.48	20.52	20.09	20.12	-0.32	64,038	2,58,319	7,747
23-Jul	230201	19.56	19.59	19.25	19.29	-0.24	34,105	1,60,640	3053
23-Oct	230201	19.25	19.27	19.01	19.05	-0.16	17,780	81,795	-1652
24-Mar	230201	19.3	19.32	19.07	19.12	-0.14	12,896	61,663	1282
24-May	230201	18.21	18.24	18.04	18.09	-0.1	1163	17,933	62
24-Jul	230201	17.44	17.46	17.33	17.4	-0.02	1126	16,963	360
24-Oct	230201	17.02	17.1	17	17.06	0.02	143	15,293	65
Total Volume and Open Interest							2,24,599	9,73,346	13,095

Source: MRCI

International Sugar Futures LIFFE (US \$/MT)

Daily Futures Price Listing Friday, Jan 27th 2023									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
London Sugar (LCE)									
23-Mar	230201	582.8	583.4	560.5	562.7	-18	8,877	31,141	-1726
23-May	230201	573.1	575.4	558.4	559.8	-13.3	8,675	34,225	2658
23-Aug	230201	554	555.3	544	545.2	-8.1	2022	14,489	127
23-Oct	230201	537	537.9	530.7	531.7	-5.1	862	10,004	297
23-Dec	230201	527.6	527.6	522.1	523.1	-3.1	173	4,477	65
Total Volume and Open Interest							20,714	98,044	1495

Source: MRCI

DOMESTIC (SUGAR/ JAGGERY) PRICES AND ARRIVAL

Sugar Prices at Key Spot Markets:					
Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
Sugar			02-Feb-23	01-Feb-23	
Delhi	Delhi	M-Grade	3415	3405	10
	Delhi	S-Grade	3395	3385	10
Uttar Pradesh	Khatauli	M-Grade	3560	3560	Unch
	Ramala	M-Grade	3460	3460	Unch
	Dhampur	M-Grade Ex-Mill	3465	3465	Unch
	Dhampur	S-Grade Ex-Mill	3445	3445	Unch
	Dhampur	L-Grade Ex-Mill	3515	3515	Unch
Maharashtra	Mumbai	M-Grade	3606	3606	Unch
	Mumbai	S-Grade	3420	3420	Unch
	Nagpur	M-Grade	3425	3425	Unch
	Nagpur	S-Grade	3325	3325	Unch
	Kolhapur	M-Grade	3300	3300	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)	3780	3760	20
	Vijayawada	S-Grade (With Duty)	3740	3720	20
West Bengal	Kolkata	M-Grade	3750	3750	Unch
Tamil Nadu	Chennai	S-Grade (With GST)	3400	3400	Unch
	Dindigul	M-Grade (DCA)	3750	3750	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
			02-Feb-23	01-Feb-23	
Jaggery (Gur)					
Uttar Pradesh	Muzaffarnagar	Chaku Fresh	3090	3000	90
	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	2000	6000	-4000
	Muzaffarnagar	Khurpa (Fresh)	2738	2750	-13
	Muzaffarnagar	Laddoo (Fresh)	2975	3050	-75
	Muzaffarnagar	Rascut (Fresh)	2425	2388	38
	Hapur	Chaurasa	2900	2900	Unch
	Hapur	Balti	3050	3050	Unch
Andhra Pradesh	Chittur	Gold	NR	NR	-
		White	NR	NR	-
		Black	NR	NR	-
Maharashtra	Latur	Lal Variety	NA	NA	-
Karnataka	Bangalore	Mudde (Average)	NA	4750	-
	Belgaum	Mudde (Average)	NA	NA	-
	Belthangadi	Yellow (Average)	NA	NA	-
	Bijapur/Vijayapura	Achhu	NA	NA	-
	Gulbarga/Kalaburgi	Other (Average)	3000	3000	Unch
	Mahalingapura	Penti (Average)	NA	NA	-
	Mandya	Achhu (Medium)	3350	3340	10
	Mandya	Kurikatu (Medium)	3300	3300	Unch
	Mandya	Other (Medium)	3300	3400	-100
	Mandya	Yellow (Medium)	3230	3260	-30
	Shimoga/Shivamogga	Achhu (Average)	NA	3600	-

INTERNATIONAL SUGAR PRICES

International Sugar Futures ICE					(Rs/Qtl)	
Futures month	% Change over previous year	Today	Week ago	Month Ago	Year Ago	RBI Dollar
		1-Feb-23	27-Jan-23	30-Dec-22	1-Feb-22	2-Feb-23
Oct-22	17.17	3492	3388	3304	2981	81.95
Mar-23	26.67	3918	3828	3716	3093	
May-23	22.24	3688	3582	3471	3017	

International Sugar Futures LIFFE					(Rs/Qtl)	
Futures month	% Change over previous year	Today	Week ago	Month Ago	Year Ago	RBI Dollar
		1-Feb-23	27-Jan-23	30-Dec-22	1-Feb-22	2-Feb-23
Oct-22	24.29	4462	4376	4268	3590	81.95
Dec-22	20.51	4281	4181	4070	3552	
Mar-23	25.69	4581	4513	4424	3645	

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