

Recent Update:

Sugar physical market continued to mostly steady to weak trend today in India. Sugar prices reported stable in the Delhi market at Rs. 3430/qtl while in Kolhapur prices traded down by Rs. 25/qtl at Rs. 3275 per quintal.

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.

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.

S.No	States	2021-22		2022-23			
		Estimate d sugar productio n	Estimated sugar diversion	Actual sugar production	Estimated sugar production	Estimated sugar diversion	Actual sugar production
		BEFORE DIVERSION		AFTER DIVERSION	BEFORE DIVERSION		AFTER DIVERSION
		Lac tons		Lac tons	Lac tons		Lac tons
1	Uttar Pradesh	114	12	102	117	16	101
2	Maharashtra	148	11	137	136	15	121
3	Karnataka	68	7.5	60	67	11	56
4	Tamil Nadu	13	1.5	13	16	3	16
5	Gujarat	12		12	12		12
6	Others	35		34	37		34

7	Total	390	32	358	385	45	340
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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.

In the current season, 520 mills started their operations so far against 510 mills which operated last season, as on 31st January'2023. On the corresponding date, 4 mills have closed their crushing operations in the current season, while 516 sugar mills were still operating in the country. However, in the last season 2021-22, 1 mill had closed its crushing operations and 509 mills were operating on the corresponding date.

S.No.	State	No. of Working Factories		Net estimated Sugar Production (without Diversion)		Estimated Sugar Diversion into ethanol upto 31 st January		Actual Sugar Production (after Diversion)	
		2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
1	Uttar Pradesh	117	120	58.3	55.9	7.3	5.6	51.0	50.3
2	Maharashtra	199	194	81.1	78.1	7.3	5.2	73.8	72.9
3	Karnataka	73	72	46.5	43.6	7.1	4.8	39.4	38.8
4	Others*	127	123	30.2	25.8	0.9	0.7	29.3	25.1
Total		516	509	216.1	203.4	22.6	16.3	193.5	187.1
Difference		7		12.7		6.3		6.4	

SOURCE- ISMA

Weather Forecast

Fall in min temperature by about 2 degrees Celsius is very likely over many parts of Northwest India till 8th Feb, 2023 however after that it may rise by 2-10 degree Celsius till 10th Feb, 2023. However overall dry weather is likely over most of the parts of the country.

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, Feb 3rd, 2023									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
Sugar #11(ICE)									
23-Mar	230206	21.25	21.37	20.58	20.66	-0.58	71,714	3,22,313	-6,336
23-May	230206	19.97	20.09	19.46	19.5	-0.49	55,713	2,82,049	5,835
23-Jul	230206	19.29	19.37	18.84	18.89	-0.39	28,980	1,71,788	2628
23-Oct	230206	19.09	19.24	18.75	18.82	-0.34	19,106	84,527	2675

24-Mar	230206	19.19	19.28	18.83	18.9	-0.31	10,020	73,930	4184
24-May	230206	18.2	18.27	17.89	17.97	-0.25	1359	21,256	234
24-Jul	230206	17.5	17.5	17.22	17.31	-0.23	675	17,176	265
24-Oct	230206	17.12	17.12	16.85	16.93	-0.26	404	15,871	287
Total Volume and Open Interest							1,87,991	10,08,410	9,781

Source: MRCI

International Sugar Futures LIFFE (US \$/MT)

Daily Futures Price Listing Friday, Feb 3rd 2023									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
London Sugar (LCE)									
23-Mar	230206	553	554.9	547	549.6	-1.7	8,754	21,425	-2107
23-May	230206	557.3	559.1	548.6	552	-3.3	9,283	42,264	786
23-Aug	230206	545	546.6	534.5	537.5	-5.3	2438	16,022	124
23-Oct	230206	534.4	535.1	522.6	525.7	-6.4	705	10,161	-99
23-Dec	230206	527.7	527.7	516.7	519.2	-6.3	311	4,764	65
Total Volume and Open Interest							21,638	98,686	-1154

Source: MRCI

DOMESTIC (SUGAR/ JAGGERY) PRICES AND ARRIVAL

Sugar Prices at Key Spot Markets:					
Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
Sugar			07-Feb-23	06-Feb-23	
Delhi	Delhi	M-Grade	3430	3430	Unch
	Delhi	S-Grade	3410	3410	Unch
Uttar Pradesh	Khatauli	M-Grade	3560	3550	10
	Ramala	M-Grade	3425	3425	Unch
	Dhampur	M-Grade Ex-Mill	3465	3543	-78
	Dhampur	S-Grade Ex-Mill	3445	3523	-78
	Dhampur	L-Grade Ex-Mill	3515	3593	-78
Maharashtra	Mumbai	M-Grade	3616	3616	Unch
	Mumbai	S-Grade	3426	3426	Unch
	Nagpur	M-Grade	3400	3425	-25
	Nagpur	S-Grade	3300	3325	-25
	Kolhapur	M-Grade	3275	3300	-25

	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)	3780	3780	Unch
	Vijayawada	S-Grade (With Duty)	3740	3740	Unch
West Bengal	Kolkata	M-Grade	3750	3750	Unch
Tamil Nadu	Chennai	S-Grade (With GST)	3400	3400	Unch
	Dindigul	M-Grade (DCA)	3900	3900	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
			07-Feb-23	06-Feb-23	
Jaggery(Gur)					
Uttar Pradesh	Muzaffarnagar	Chaku Fresh	3088	3088	Unch
	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	8000	8000	Unch
	Muzaffarnagar	Khurpa (Fresh)	2725	2725	Unch
	Muzaffarnagar	Laddoo (Fresh)	2963	2963	Unch
	Muzaffarnagar	Rascut (Fresh)	2400	2400	Unch
	Hapur	Chaurasa	NA	NA	-
	Hapur	Balti	NA	NA	-
Andhra Pradesh	Chittur	Gold	NR	NR	-
		White	NR	NR	-
		Black	NR	NR	-
Maharashtra	Latur	Lal Variety	NA	NA	-
Karnataka	Bangalore	Mudde (Average)	4750	4750	Unch
	Belgaum	Mudde (Average)	NA	NA	-
	Belthangadi	Yellow (Average)	NA	NA	-
	Bijapur/Vijayapura	Achhu	NA	NA	-
	Gulbarga/Kalaburgi	Other (Average)	NA	NA	-
	Mahalingapura	Penti (Average)	NA	NA	-
	Mandya	Achhu (Medium)	3280	3320	-40
	Mandya	Kurikatu (Medium)	3200	3200	Unch
	Mandya	Other (Medium)	3250	3240	10

	Mandya	Yellow (Medium)	3250	3280	-30
	Shimoga/Shivamogga	Achhu (Average)	NA	5000	-

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-Feb-23	30-Jan-23	6-Jan-23	4-Feb-22	6-Feb-23
Oct-22	17.68	3476	3446	3198	2954	82.45
Mar-23	25.07	3816	3879	3509	3051	
May-23	20.97	3601	3640	3315	2977	

International Sugar Futures LIFFE					(Rs/Qtl)	
Futures month	% Change over previous year	Today	Week ago	Month Ago	Year Ago	RBI Dollar
		6-Feb-23	30-Jan-23	6-Jan-23	4-Feb-22	6-Feb-23
Oct-22	23.79	4432	4438	4117	3580	82.45
Dec-22	20.63	4281	4239	3979	3549	
Mar-23	24.83	4551	4578	4246	3646	

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