

Recent Update:

Sugar physical market showed a mostly steady to firm trend today in India. However, Sugar prices reported stable in the Delhi market at Rs. 3420/qtl and in Kolhapur too prices traded stable 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	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

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.

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 Wed February 08, 2023									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
Sugar #11(ICE)									
23-Mar	230208	20.84	21.29	20.65	21.2	0.36	1,16,729	2,79,482	-32,301
23-May	230208	19.74	19.96	19.48	19.87	0.19	95,235	3,03,938	12,699
23-Jul	230208	18.98	19.25	18.85	19.17	0.12	34,665	1,74,135	1219
23-Oct	230208	18.98	19.13	18.76	19.08	0.1	22,759	91,726	4896
24-Mar	230208	19.06	19.19	18.82	19.16	0.11	8,943	75,972	246
24-May	230208	18.07	18.22	17.88	18.22	0.13	2548	22,889	618
24-Jul	230208	17.4	17.56	17.23	17.56	0.13	951	17,488	162
24-Oct	230208	17.05	17.2	16.89	17.2	0.14	643	15,870	-16
Total Volume and Open Interest							2,83,008	10,01,006	-12,550

Source: MRCI

International Sugar Futures LIFFE (US \$/MT)

Daily Futures Price Listing Wed February 08, 2023									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
London Sugar (LCE)									
23-Mar	230208	558.4	570.2	555.3	568.9	10.5	9,562	15,839	-3098
23-May	230208	555.9	566.9	555	565.4	9.8	8,937	43,841	1514
23-Aug	230208	540.8	548.8	539	547.7	6.9	2275	16,153	-43
23-Oct	230208	530.8	535.3	526.7	534.3	5.5	720	10,699	444
23-Dec	230208	522.3	527.5	519.8	526.8	4.5	403	4,845	81
Total Volume and Open Interest							22,358	96,002	-997

Source: MRCI

DOMESTIC (SUGAR/ JAGGERY) PRICES AND ARRIVAL

Sugar Prices at Key Spot Markets:					
Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
Sugar			09-Feb-23	08-Feb-23	
Delhi	Delhi	M-Grade	3420	3420	Unch
	Delhi	S-Grade	3400	3400	Unch
Uttar Pradesh	Khatauli	M-Grade	3560	3560	Unch
	Ramala	M-Grade	3415	3415	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	3610	3616	-6
	Mumbai	S-Grade	3426	3426	Unch
	Nagpur	M-Grade	3400	3400	Unch
	Nagpur	S-Grade	3325	3300	25
	Kolhapur	M-Grade	3275	3275	Unch
	Kolhapur	S-Grade	3200	3175	25
Assam	Guhawati	S-Grade	3512	3487	25
Meghalaya	Shillong	S-Grade	3520	3495	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
Jaggery(Gur)			09-Feb-23	08-Feb-23	
Uttar Pradesh	Muzaffarnagar	Chaku Fresh	3125	3113	13
	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	8000	6000	2000
	Muzaffarnagar	Khurpa (Fresh)	2750	2725	25
	Muzaffarnagar	Laddoo (Fresh)	3075	3038	38
	Muzaffarnagar	Rascut (Fresh)	2450	2425	25
	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)	NA	4750	-
	Belgaum	Mudde (Average)	NA	NA	-
	Belthangadi	Yellow (Average)	NA	NA	-
	Bijapur/Vijayapura	Achhu	NA	NA	-
	Gulbarga/Kalaburgi	Other (Average)	2750	2800	-50
	Mahalingapura	Penti (Average)	NA	NA	-
	Mandya	Achhu (Medium)	3310	3320	-10
	Mandya	Kurikatu (Medium)	3250	3270	-20
	Mandya	Other (Medium)	3200	3230	-30
	Mandya	Yellow (Medium)	3200	3280	-80
	Shimoga/Shivamogga	Achhu (Average)	3600	3600	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
		8-Feb-23	1-Feb-23	6-Jan-23	8-Feb-22	7-Feb-23
Oct-22	19.72	3533	3492	3198	2951	82.67
Mar-23	29.85	3926	3918	3509	3023	
May-23	24.18	3680	3688	3315	2963	

International Sugar Futures LIFFE					(Rs/Qtl)	
Futures month	% Change over previous year	Today	Week ago	Month Ago	Year Ago	RBI Dollar
		8-Feb-23	1-Feb-23	6-Jan-23	8-Feb-22	7-Feb-23
Oct-22	27.48	4528	4462	4117	3552	82.67
Dec-22	23.21	4355	4281	3979	3535	
Mar-23	29.64	4674	4581	4246	3606	

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