

Recent Update:

Sugar physical market showed a stable trend today in India. Sugar prices in the Delhi market traded lower at Rs. 3400/qtl as compared to yesterday evening whereas Kolhapur market remained stable at Rs. 3275 per quintal.

According to the UP Sugar Mills Association, the sugar mills across the state have cleared around 45% of the cane dues for the ongoing 2022-23 crushing season. Out of the Rs. 1740.28 lakh of cane dues the sugar mills have cleared about Rs. 789.39 lakh of cane dues.

However, the government has not increased the Sate Advised Price for the 2022-23 season as the mills are already burdened with the pressure of less revenue recovery due to the low cost of sugar in the open market. The government is currently focusing on timely cane payments to farmers rather than hiking SAP.

Maharashtra sugar production is expected to decline in the 2022-23 season. The adverse climatic conditions have impacted sugarcane production in Maharashtra during the ongoing season. The early flowering during the season has largely impacted the sugar yield which may result in decline in production. Sugar production is estimated at 124 lakh tonnes in the 2022-23 season for Maharashtra lower from the previous estimate of 137.28 lakh tonne during the 2021-22 season.

Also, as per the state sugar commissioner, the crushing season is expected to get over by March end in Sangli, Satara and Kolhapur districts whereas in Marathwada by April end.

In the current season, 522 mills started their operations so far against 516 mills which operated last season, as on 15th February'2023. About 17 sugar mills have closed their crushing operations for the 2022-23 season.

Sugar Production as on 15th February 2023

S.No.	State	No. of Working Factories		Net estimated Sugar Production (without Diversion)		Estimated Sugar Diversion into ethanol upto 15 th February		Actual Sugar Production (after Diversion)	
		2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
1	Uttar Pradesh	116	117	69.8	66.4	8.6	6.5	61.2	59.9
2	Maharashtra	198	197	94.1	92.3	8.2	6.1	85.9	86.2
3	Karnataka	66	71	54.1	50.8	8.0	5.4	46.1	45.4
4	Others*	125	119	36.2	31.4	1.0	0.7	35.2	30.7

Total	505	504	254.2	240.9	25.8	18.7	228.4	222.2
Difference	1		13.3		7.1		6.2	

SOURCE- ISMA

As per govt. 2nd Adv. estimates, the total sugarcane production in the country for the 2022-23 year will reach a record high of 4687.89 lakh tonne, representing an increase of 293.64 lakh tonne from previous year production of 4394.25 lakh tonne.

International Market

Sugar production in Philippines is likely to be lower for 2023 as per the Sugar Regulatory Administration (SRA). As per the board, the raw sugar production is likely to be 1.831 million metric tons (MT) in the crop year 2022-23.

Earlier the estimates of sugar production were 1.834 million MT. The total raw sugar withdrawal would be 2.03 million MT this year.

The price of refined sugar in the retail market is expected to go down to P85 per kilo. As per the Department of Agriculture (DA), the retail price of refined sugar was P110 per kilo.

Weather Forecast

Thunderstorm accompanied with lightening at isolated places over Sub-Himalayan West Bengal and Sikkim.

Jaggery:

The Jaggery arrivals in Anakapalle have declined by around 30-40% in the 2022-23 season as compared to the previous season. About 6,000-8,000 jaggery lumps are arriving per day against the previous season of 10,000-14,000. The major reason behind the lower arrivals is lower production as farmers have switched to other crops from Anakapalle and Vizianagaram districts.

GST Council has reduced tax on liquid jaggery, GST rate has been reduced to Rab, the kind of liquid jaggery between nil to 5 per cent. If it's sold loose, it will be nil and if it's pre-packaged and labelled, it will be 5 percent.

As per AgriWatch sources, Jaggery-making units in Uttar Pradesh are working on a lower scale as winter season will end in coming 1 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:

Ethanol production in Uttar Pradesh is likely to cross the 135 crore liters mark during the ongoing fiscal as more distilleries are engaged in producing ethanol in the last year. The distilleries in the state have produced 97 crore liters of ethanol during the 2021-22 fiscal.

Since last year the number of distilleries producing ethanol has increased. The distillers have till November 30 produced 88 crore liter of ethanol and we are expecting the overall production to go up by 40% during the ongoing fiscal.

International Sugar Futures ICE (US Cent/lb)

Daily Futures Price Listing Wednesday, Feb 22nd, 2023									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
Sugar #11(ICE)									
22-Mar	230222	21.36	21.49	21.25	21.29	-0.04	38,359	74,696	-17,428
23-May	230222	19.95	20.13	19.87	19.9	-0.03	55,132	388,596	5,646
23-Jul	230222	19.48	19.62	19.35	19.45	0.03	20,115	188,391	2121
23-Oct	230222	19.3	19.47	19.22	19.36	0.06	8,484	108,972	1714
24-Mar	230222	19.42	19.59	19.36	19.5	0.07	5,849	87,759	569
24-May	230222	18.42	18.56	18.33	18.5	0.08	1762	24,764	465
24-Jul	230222	17.71	17.82	17.6	17.77	0.06	1130	19,042	182
24-Oct	230222	17.35	17.44	17.24	17.39	0.04	421	16,574	80
Total Volume and Open Interest							131,551	929,298	-6,650

Source: MRCI

International Sugar Futures LIFFE (US \$/MT)

Daily Futures Price Listing Tuesday, Feb 22nd 2023									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
London Sugar (LCE)									
23-Mar	230222	567.9	572.5	565.7	567	-1.9	1,464	48,947	109
23-May	230222	551	555.8	549.6	551.1	-1	628	16,229	-8
23-Aug	230222	536.7	542.4	536.3	538.8	0.2	285	11,187	-105
23-Oct	230222	530	532	528.8	529.6	1.2	61	5,960	22
23-Dec	230222	524.1	525.7	523.2	524.5	1.8	15	3,848	-7
Total Volume and Open Interest							2,453	87,319	11

Source: MRCI

DOMESTIC (SUGAR/ JAGGERY) PRICES AND ARRIVAL

Sugar Prices at Key Spot Markets:					
Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
Sugar			23-Feb-23	22-Feb-23	
Delhi	Delhi	M-Grade	3400	3400	Unch
	Delhi	S-Grade	3380	3380	Unch
Uttar Pradesh	Khatauli	M-Grade	3510	3510	Unch
	Ramala	M-Grade	3420	3430	-10
	Dhampur	M-Grade Ex-Mill	3460	3460	Unch
	Dhampur	S-Grade Ex-Mill	3460	3460	Unch
	Dhampur	L-Grade Ex-Mill	3510	3510	Unch
Maharashtra	Mumbai	M-Grade	3613	3610	3
	Mumbai	S-Grade	3396	3396	Unch
	Nagpur	M-Grade	3400	3400	Unch
	Nagpur	S-Grade	3325	3325	Unch
	Kolhapur	M-Grade	3275	3275	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)	3760	3760	Unch
	Vijayawada	S-Grade (With Duty)	3720	3720	Unch

West Bengal	Kolkata	M-Grade	3750	3750	Unch
Tamil Nadu	Chennai	S-Grade (With GST)	3400	3400	Unch
	Dindigul	M-Grade (DCA)	3840	3840	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)			23-Feb-23	22-Feb-23	
Uttar Pradesh	Muzaffarnagar	Chaku Fresh	3163	3163	Unch
	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	12000	12000	Unch
	Muzaffarnagar	Khurpa (Fresh)	2813	2800	13
	Muzaffarnagar	Laddoo (Fresh)	3050	2875	175
	Muzaffarnagar	Rascut (Fresh)	2513	2450	63
	Hapur	Chaurasa	2900	2900	Unch
	Hapur	Balti	3050	3050	Unch
Karnataka	Bangalore	Mudde (Average)	NA	4750	-
	Gulbarga/Kalaburgi	Other (Average)	2600	2600	Unch
	Mahalingapura	Penti (Average)	NA	NA	-
	Mandya	Achhu (Medium)	3620	3550	70
	Mandya	Kurikatu (Medium)	3480	3400	80
	Mandya	Other (Medium)	3250	3220	30
	Mandya	Yellow (Medium)	3530	3300	230
	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
		22-Feb-23	15-Feb-23	23-Jan-23	23-Feb-22	22-Feb-23
Oct-23	20.56	3592	3551	3220	2980	82.84
Mar-23	27.50	3951	3968	3586	3099	
May-23	23.51	3693	3660	3357	2990	

International Sugar Futures LIFFE					(Rs/Qtl)	
Futures month	% Change over previous year	Today	Week ago	Month Ago	Year Ago	RBI Dollar
		22-Feb-23	15-Feb-23	23-Jan-23	23-Feb-22	22-Feb-23
Mar-23	26.28	4565	4553	4334	3615	82.84
Oct-23	24.96	4463	4438	4181	3572	
Dec-23	20.76	4345	4316	4016	3598	

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