

Recent Update:

Sugar physical market showed a stable trend today in India. Sugar prices in the Delhi market traded higher by Rs.5/quintal at Rs. 3405/qtl as compared to yesterday evening, Kolhapur market too remained stable at Rs. 3275 per quintal.

Indian Sugar Mills Association estimates sugar production in India at 281.8 lakh tonne till 15th March 2023 against 284.5 lakh tonne during the corresponding date last year. About 194 sugar mills have closed their crushing operations while 336 sugar mills are still operating in the country.

Sugar Production as on 15th March 2023

S.No.	State	No. of Working Factories		Net estimated Sugar Production (without Diversion)		Estimated Sugar Diversion into ethanol		Actual Sugar Production (after Diversion)	
		2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
1	Uttar Pradesh	108	104	90.7	87.4	11.1	9.1	79.6	78.3
2	Maharashtra	113	184	111.6	117.6	9.7	8.6	101.9	109.0
3	Karnataka	20	49	62.7	62.3	9.2	6.9	53.5	55.4
4	Others*	95	101	47.9	42.6	1.1	0.8	46.8	41.8
Total		336	438	312.9	309.9	31.1	25.4	281.8	284.5
Difference									

*Others include -Tamil Nādu, Gujarat, A.P., Telangana, Bihar, Punjab, Haryana, Rajasthan, M.P., Chhattisgarh, Uttarakhand & Odisha

Source- ISMA: unit-Lakh tonne

The S&P Global Commodity Insights has reduced its sugar production estimates by 650,000 tonnes to 33.6 million tonnes for India which is down by around 2.1 million tonnes year on year.

The reduced production is expected from Maharashtra and some parts of Karnataka for a combined total of 1.15 million tonnes. This was partly offset by increases in production in Uttar Pradesh and small other states by 500,000 tonnes. Sugar output for 2022-23 until February is estimated at 25.7 million tonnes, higher 400,000 from the same time last year.

As per the market sources, sugar mills in Uttar Pradesh are likely to complete their cane crushing operation by 30th April 2023. Bisalpur mill and Kisan cooperative sugar mill will continue till March 20. Bajaj Hindusthan sugar mill, Maksudapur would complete crushing by March 3. Another sugar mill of the same group at Barkhera will operate till March 15. Dwarikesh sugar mill, Faridpur would operate till March 31 while Dalmia sugar mill Nigohi would operate till April 10.

According to National Federation of Cooperative Sugar Factories, Till 28th February 2023, Around 2653 lakh tonnes of sugarcane has been crushed which is 102 lakh tonnes more than last year. The sugar production was 260 lakhs tonnes, which is 7 lakh tonnes more than the production on this date last year. However, average sugar recovery was recorded at 9.78 percent.

International Market

Sugar prices in Bangladesh have maintained an upward trend at both wholesale and retail level despite a reduction in import duty. After the reduction, the overall import cost of raw and refined sugar is expected to decline by Tk 6,500 and Tk 9,000 per tonne at the import stage, respectively. But despite that, the price of sugar remained higher by Tk 130 in the wholesale market. The price increase came amid continued supply shortage and a spike in demand for Ramadan.

Weather Forecast

Heavy rainfall at isolated places over Coastal Andhra Pradesh, Yanam, Odisha and Telangana. Thunderstorms accompanied with lightning at isolated places over East Madhya Pradesh, Vidarbha, Chhattisgarh, Bihar, Odisha, Telangana, and with lightening & hail at isolated places over Jharkhand, Gangetic West Bengal, and with lightning at isolated places over Jammu & Kashmir, Ladakh, Gigit-Baltistan, Muzaffarabad, Uttar Pradesh, West Madhya Pradesh, Arunachal Pradesh, Gujarat State, Madhya Maharashtra, Marathwada, South Interior Karnataka, Tamil Nadu, Pondicherry, Karikal.

Jaggery:

Due to improved demand along with tight supply the jaggery prices in Uttar Pradesh has increased by Rs. 50-100 per quintal. Chaku prices at the Muzaffarnagar market is currently at Rs.3200 per quintal. Whereas arrivals are around 8000 bags.

Muzaffarnagar Stock Update Jaggery	Weekly Stock (Quintal)	
	13-Mar-23	13-Mar-22
Chaku	543422	564448
Rascut	38027	19219
Papdi	133749	76494
Khurpa	24898	21092
Total	970012	1013485
Surplus	43473	

Ethanol:

As per ISMA, the sugar diverted for ethanol production between October to February was highest at 28.5 lakh tonne as compared with 21.9 lakh tonnes during the same period in the preceding year.

World ethanol production in 2022 is estimated to have reached 109.4 billion liters, up from 104.6 billion liters in 2021. For 2023, ethanol output is expected to recover further, reaching 111.8 billion liters. Meanwhile ethanol consumption is expected to be at 104.2 billion liters in 2022, revised lower from 104.5 billion liters. Consumption in 2023 is expected to rise to 106.9 billion liters, driven by increases in India.

International Sugar Futures ICE (US Cent/lb)

Daily Futures Price Listing Thursday, Feb 16th, 2023									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
Sugar #11(ICE)									
23-May	230316	20.61	20.85	20.35	20.76	0.26	58,309	376,502	-2,588
23-Jul	230316	20.1	20.31	19.87	20.23	0.23	35,337	237,202	4,038
23-Oct	230316	19.88	20.03	19.64	19.95	0.18	16,747	125,369	-475
24-Mar	230316	19.86	20.01	19.64	19.94	0.15	10,613	99,793	-247
24-May	230316	18.81	18.95	18.63	18.91	0.15	1,381	27,597	204
24-Jul	230316	18.06	18.21	17.91	18.18	0.15	744	23,757	139
24-Oct	230316	17.6	17.77	17.51	17.75	0.15	442	18,805	-95
25-Mar	230316	17.51	17.66	17.44	17.64	0.13	320	13,357	106
Total Volume and Open Interest							124,133	932,452	1,078

Source: MRCI

International Sugar Futures LIFFE (US \$/MT)

Daily Futures Price Listing Wednesday, Mar 15th 2023									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
London Sugar (LCE)									
23-May	230316	581.8	589	577.1	585.6	5.2	5,264	45,037	-875
23-Aug	230316	567.7	574.6	563.5	571.5	5.1	2,646	20,842	56
23-Oct	230316	553.6	558.8	549.6	556.5	4.4	506	11,568	-6
23-Dec	230316	543.8	546.5	540	545	2.9	262	7,062	24

24-Mar	230316	534.3	538.6	534.3	537	2	96	3,955	-77
Total Volume and Open Interest							8,849	89,784	-820

Source: MRCI

DOMESTIC (SUGAR/ JAGGERY) PRICES AND ARRIVAL

Sugar Prices at Key Spot Markets:					
Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
Sugar			17-Mar-23	16-Mar-23	
Delhi	Delhi	M-Grade	3405	3400	5
	Delhi	S-Grade	3385	3380	5
Uttar Pradesh	Khatauli	M-Grade	3520	3515	5
	Ramala	M-Grade	3440	3420	20
	Dhampur	M-Grade Ex-Mill	3465	3465	Unch
	Dhampur	S-Grade Ex-Mill	3460	3460	Unch
	Dhampur	L-Grade Ex-Mill	3515	3515	Unch
Maharashtra	Mumbai	M-Grade	3606	3606	Unch
	Mumbai	S-Grade	3420	3422	-2
	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)	3700	3740	-40
	Vijayawada	S-Grade (With Duty)	3680	3700	-20
West Bengal	Kolkata	M-Grade	3850	3850	Unch
Tamil Nadu	Chennai	S-Grade (With GST)	3400	3400	Unch
	Dindigul	M-Grade (DCA)	3730	3730	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)			17-Mar-23	16-Mar-23	
Uttar Pradesh	Muzaffarnagar	Chaku Fresh	3250	3250	Unch
	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	8000	8000	Unch
	Muzaffarnagar	Khurpa (Fresh)	2875	2875	Unch
	Muzaffarnagar	Laddoo (Fresh)	3125	3125	Unch
	Muzaffarnagar	Rascut (Fresh)	2825	2825	Unch
	Hapur	Chaurasa	NA	2600	-
	Hapur	Balti	NA	2780	-
Karnataka	Bangalore	Mudde (Average)	NA	4850	-
	Belgaum	Mudde (Average)	NA	NA	-
	Belthangadi	Yellow (Average)	NA	NA	-
	Bijapur/Vijayapura	Achhu	NA	NA	-
	Gulbarga/Kalaburgi	Other (Average)	2950	3000	-50
	Mahalingapura	Penti (Average)	NA	NA	-
	Mandya	Achhu (Medium)	NA	4050	-
	Mandya	Kurikatu (Medium)	NA	3600	-
	Mandya	Other (Medium)	NA	3500	-
	Mandya	Yellow (Medium)	NA	3880	-
	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
		16-Mar-23	9-Mar-23	14-Feb-23	16-Mar-22	16-Mar-23
Mar-23	19.64	3845	3881	3996	3214	82.68
May-23	18.10	3747	3776	3705	3173	
Jul-23	17.03	3695	3730	3592	3157	

International Sugar Futures LIFFE					(Rs/Qtl)	
Futures month	% Change over previous year	Today	Week ago	Month Ago	Year Ago	RBI Dollar
		16-Mar-23	9-Mar-23	14-Feb-23	16-Mar-22	16-Mar-23
Mar-23	18.49	4725	4739	4568	3988	82.68
May-23	27.92	4842	4852	4712	3785	
Aug-23	18.49	4725	4739	4568	3988	

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