

Recent Update:

Sugar physical market showed a bearish trend today in India. Sugar prices in the Delhi market traded slightly lower at Rs. 3395/qtl as compared to yesterday evening, Kolhapur market remained stable at Rs. 3275 per quintal.

Around 207 sugar mills have operated in the 2022-23 crushing season in Maharashtra, and about 73 sugar mills have paid full FRP to the sugarcane farmers. The mills owned FRP of Rs. 2,658 crore till February 2023. Out of that about 67 mills have cleared 80-90% of the cane dues, 39 mills have paid cleared dues up to 60-70% and 28 mills have paid 59% of the FRP to cane farmers. Sugar mills in the state have crushed 876 lakh tonnes of sugarcane till February end and procured cane worth 27,443 crores. The mills have so far cleared RS 25,399 crores.

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.

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 Ramdan.

Weather Forecast

Heavy rainfall at isolated places over Bihar, Arunachal Pradesh, Assam & Meghalaya, Nagaland, Manipur, Mizoram, and Tripura. Thunderstorms accompanied with lightning at isolated places over East Madhya Pradesh, Jharkhand, Sub Himalayan West Bengal, Sikkim, Coastal Andhra Pradesh, Yanam, Telangana, Rayalaseema, and with lightning at isolated places over Jammu & Kashmir, Ladakh, Gigit-Baltistan, Muzaffarabad, Punjab, Haryana, Chandigarh, Delhi, Uttar Pradesh, West Madhya Pradesh, Vidarbha, Chhattisgarh, Bihar, Arunachal Pradesh, Assam & Meghalaya, Nagaland, Manipur, Mizoram, Tripura, Gujarat State, Tamil Nadu, Pondicherry, Karaikal.

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 Friday, Feb 17th, 2023									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
Sugar #11(ICE)									
23-May	230317	20.79	20.94	20.53	20.67	-0.09	65,626	365,298	-11,204
23-Jul	230317	20.23	20.39	20.02	20.15	-0.08	35,565	240,125	2,923
23-Oct	230317	19.96	20.09	19.78	19.87	-0.08	16,442	126,798	1429
24-Mar	230317	19.99	20.05	19.77	19.85	-0.09	6,776	99,652	-141
24-May	230317	18.97	19.02	18.77	18.84	-0.07	1,585	27,737	140
24-Jul	230317	18.25	18.27	18.08	18.11	-0.07	945	23,810	53
24-Oct	230317	17.75	17.81	17.65	17.66	-0.09	530	18,761	-44
25-Mar	230317	17.7	17.72	17.54	17.54	-0.1	310	13,433	76
Total Volume and Open Interest							128,196	925,947	-6,505

Source: MRCI

International Sugar Futures LIFFE (US \$/MT)

Daily Futures Price Listing Friday, Mar 17th 2023									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
London Sugar (LCE)									
23-May	230317	588.2	590.7	581.5	585.1	-0.5	5,220	44,301	-736
23-Aug	230317	572.3	576.6	568.1	571.6	0.1	2,360	21,446	604
23-Oct	230317	557.9	561	554.2	556.8	0.3	723	11,616	48
23-Dec	230317	546.4	548.4	543.5	545.8	0.8	144	7,105	43
24-Mar	230317	539	539.3	535.5	537.8	0.8	39	3,921	-34
Total Volume and Open Interest							8,518	89,727	-57

Source: MRCI

DOMESTIC (SUGAR/ JAGGERY) PRICES AND ARRIVAL

Sugar Prices at Key Spot Markets:					
Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
Sugar			20-Mar-23	18-Mar-23	
Delhi	Delhi	M-Grade	3395	3405	-10
	Delhi	S-Grade	3375	3385	-10
Uttar Pradesh	Khatauli	M-Grade	3520	3520	Unch
	Ramala	M-Grade	3440	3440	Unch
	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	3600	3600	Unch
	Mumbai	S-Grade	3386	3420	-34
	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)	3800	3700	100
	Vijayawada	S-Grade (With Duty)	3780	3680	100
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)			20-Mar-23	18-Mar-23	

Uttar Pradesh	Muzaffarnagar	Chaku Fresh	3250	3250	Unch
	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	2000	2000	Unch
	Muzaffarnagar	Khurpa (Fresh)	2888	2900	-13
	Muzaffarnagar	Laddoo (Fresh)	3313	3225	88
	Muzaffarnagar	Rascut (Fresh)	2625	2625	Unch
	Hapur	Chaurasa	NA	NA	-
	Hapur	Balti	NA	NA	-
Karnataka	Bangalore	Mudde (Average)	4850	4850	Unch
	Gulbarga/Kalaburgi	Other (Average)	NA	3100	-
	Mahalingapura	Penti (Average)	NA	NA	-
	Mandya	Achhu (Medium)	3950	4000	-50
	Mandya	Kurikatu (Medium)	3750	3750	Unch
	Mandya	Other (Medium)	3610	3600	10
	Mandya	Yellow (Medium)	3800	3800	Unch
	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	
		17-Mar-23	12-Mar-23	17-Feb-23	17-Mar-22		17-Mar-23
Mar-23	13.44	3667	3748	3971	3232	82.46	
May-23	18.69	3818	3887	3672	3217		
Jul-23	16.44	3722	3784	3583	3196		

International Sugar Futures LIFFE					(Rs/Qtl)	
Futures month	% Change over previous year	Today	Week ago	Month Ago	Year Ago	RBI Dollar
		17-Mar-23	12-Mar-23	17-Feb-23	17-Mar-22	17-Mar-23



Mar-23	16.68	4435	4483	4301	3801	82.46
May-23	18.64	4825	4838	4703	4067	
Aug-23	19.37	4713	4737	4556	3949	

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