

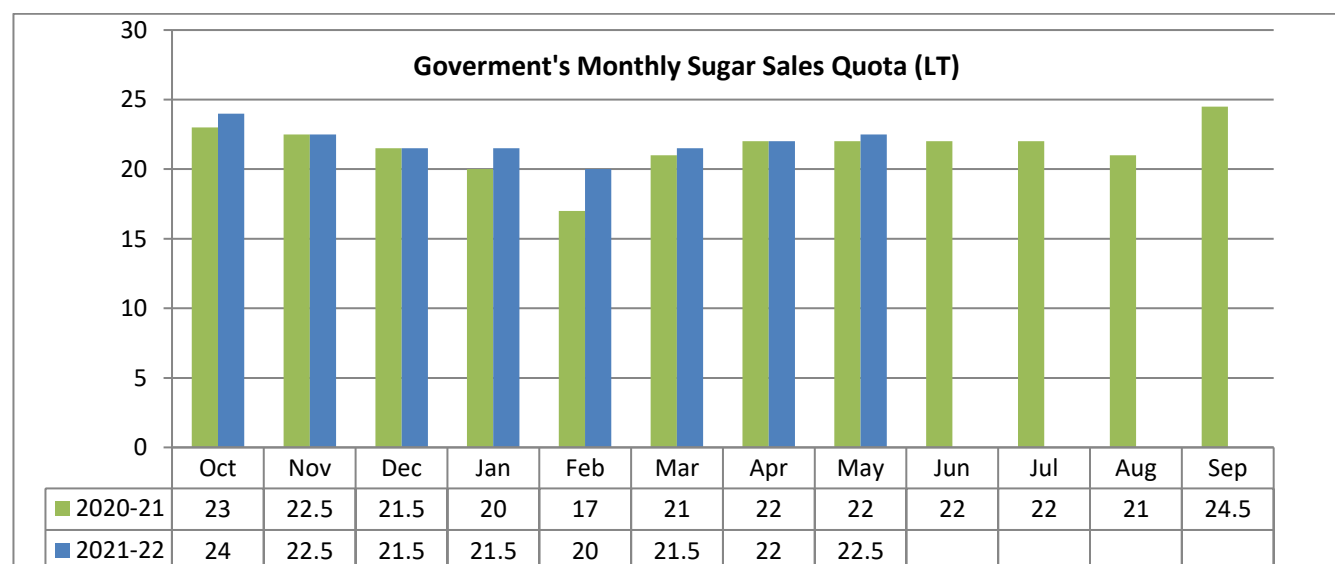
Sugar Domestic Balance Sheet

SUGAR BALANCE SHEET 2021-22(MMT)								
SUGAR BALANCE SHEET (MMT)	2019-20	2020-21	Jul-Sep	2021-22*	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep
Carry in stock	11.97	9.44	14.32	6.64	6.64	8.67	15.93	9.95
Estimated sugar production	27.25	30.9	0.18	33.5	10.18	18.34	4.8	0.18
Imports	0	0	0	0	0	0	0	0
Estimated sugar availability (A + B + C)	39.22	40.34	14.5	40.14	16.82	27.01	20.73	10.13
Exports	6	7.2	1.2	9	1.45	4.2	3	0.35
Availability for domestic consumption (D - E)	33.22	33.14	13.3	31.14	15.37	22.81	17.73	9.78
Estimates sugar consumption	23.79	26.5	6.66	27	6.7	6.88	7.78	5.64
Carry out stock (F - G)	9.44	6.64	6.64	4.14	8.67	15.93	9.95	4.14

As per AgriWatch estimates, the overall sugar production is expected to increase to 33.5 MMT as compared to 30.9 lakh MMT in the 2021-22 season. The major reason behind the increase in production is the higher sown area of 54.97 lakh hectares in 2021-22 as compared to 54.08 lakh hectares in 2020-21 season. Also, good rains earlier in the season has resulted in better yield. Exports for the 2021-22 season is expected to reach 90 lakh tonne in 2021-22 season, as sugar demand has increased from the international market. Domestic Consumption is also expected to increase in 2021-22 season to 27 MMT from 26.5 MMT in 2020-21 season. The stock to use ratio is expected to be at 4.14 percent in 2021-22 as compared to 6.64 percent in 2020-21.

Domestic Market Highlights

Recent Updates:



Government of India has allotted the monthly sugar sale quota of 22.5 lakh MT for the month of May which is 50,000 MT higher from previous year. Consideration of higher sale quota is mainly due to expectation of higher summer demand.

Sugarcane Acreages (Lakh hectares)			
States	2020-21	2021-22	%Deviation
Maharashtra	11.43	12.32	7.78
Uttar Pradesh	23.98	23.95	-0.12
Karnataka	5.94	5.96	0.33
Total India	54.08	54.97	1.64

Source: Agriwatch

Sugar Production (MMT)			
States	2020-21	2021-22*	%Deviation
Maharashtra	10.7	13.4	25.23
Uttar Pradesh	11.06	15.4	39.24
Karnataka	4.26	6.2	45.53
Total India	31.15	35.00	12.35

Source: Ministry of consumer Affairs, Food & Public Distribution

According to the Ministry of consumer Affairs, Food & Public Distribution, Indian Sugar production in the 2021-22 season is expected to be higher by 12 percent in the current season as compared to the previous season. The sugar production for the 2021-22 season is estimated to be about 350 Lakh Metric Tonne (LMT) against estimated domestic consumption of about 278 LMT. Higher acreages amid good rainfall early in the season over Maharashtra and southern India has resulted in higher yields in the 2021-22 season.

Sugarcane crushing season is in the final crushing phase across India. Around 217 sugar mills are currently operating in India. Sugar mills have produced around 342.37 lakh tonne of sugar till 31st April'2022 as against 300.92 lakh tonne produced same period last year. The States of Andhra Pradesh & Telangana, Bihar, Uttarakhand, Punjab, Haryana and Madhya Pradesh & Chhattisgarh, Rajasthan, Odisha have collectively produced 32.36 lakh tonne of sugar till 31st April, 2022. The table below shows the state-wise comparative sugar production and mills in operation

State	Sugar Production (as of 30th Apr.) (in Lakh Tonne)		Mills in Operation (as of 30th Apr.)	
	2020	2021	2020	2021
Maharashtra	105.63	132.06	23	123
Uttar Pradesh	105.62	98.98	45	42
Karnataka	42.48	59.02	0	2
Gujarat	10.15	11.55	5	10
Tamil Nadu	6.04	8.40	18	24

Source: ISMA

Out of the above states, Bihar, Odisha and Rajasthan have closed their crushing operations for the current season. Among other states, 13 sugar mills in Punjab, 1 sugar mill in Haryana, 2 sugar mills in Uttarakhand, 12 sugar mills in M.P, 2 sugar mills in Chhattisgarh, 2 sugar mills in A.P. and 6 sugar mills in Telangana have closed their operations.

AgriWatch expects sugar exports to reach 90 lakh tonne during the 2021-22 season. According to Indian Sugar Mills Association, around 82-83 lakh tonne of sugar exports contracts have already been signed till 31st April'2022. Out of which, about 68-70 lakh tonnes of sugar is estimated to have been physically exported from India up to 31st April 2022 as compared to about 43.19 lakh tonnes exported last year during the corresponding period. The major export destination during the 2021-22 sugar season are Indonesia and Bangladesh.

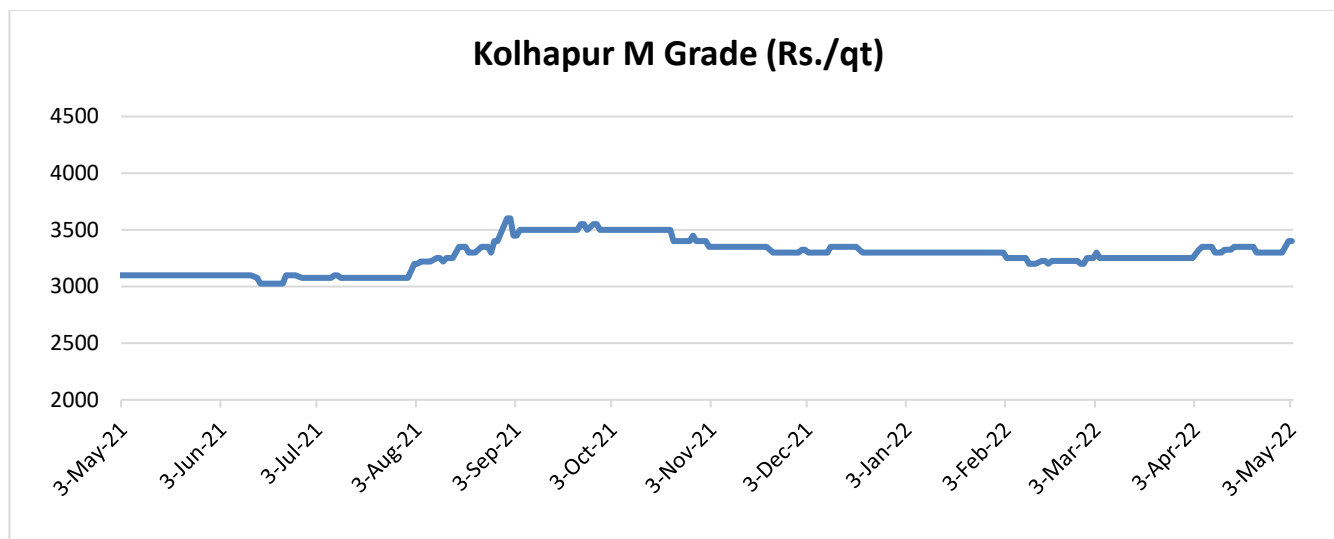
The Maharashtra government has announced subsidies to sugar factories to ensure that they continue to operate till the June month. An estimated 35 lakh tonnes of sugarcane are yet to be crushed in Maharashtra. The state government will provide a transport subsidy of Rs. 5 per tonne on cane that is to be transported beyond 50 km from 01st May 2022 and also for the decline in sugar recovery with the rising temperature, the subsidy will be provided which is Rs. 200 per tonne for sugar recovery above or 0.5 percent of final recovery Of 10 percent.

Price Outlook:

Sugar prices had slightly increased in the major markets across India last month because of the good demand in the market. The average sugar prices were higher at Rs. 3443 per quintal from the previous month at Rs.3414 per quintal in Delhi market. The prices in Maharashtra also stood slightly higher at Rs.3319/q in April'22 as compared to the previous month. Agriwatch expects prices to remain in the range of Rs. 3,350- Rs. 3,450 per quintal in the coming month.

Price Projection for the Next Month:

As per Agriwatch estimates, spot sugar prices (M grade) in benchmark Kolhapur market are likely to remain between Rs.3,250 -3,350 per quintal in May 2022.



Domestic Sugar* (M- grade) Price Projection for next 3 months

Particulars	Month	(Rs/Qtl)
Projected Average Price	June'22	3300-3450
	May'22	3250-3350
Previous month's Average Prices	Apr'22	3319
	Mar'22	3250
	Feb'22	3232
	Jan'22	3300
	Dec'21	3317
	Nov'21	3335
	Oct'21	3471
	Sep'21	3508
	Aug'21	3298
	July'21	3076
	June'21	3076
	May'21	3104
	April'21	3112
Projected Price Range	May'22	3250-3350

Major Market Highlights:

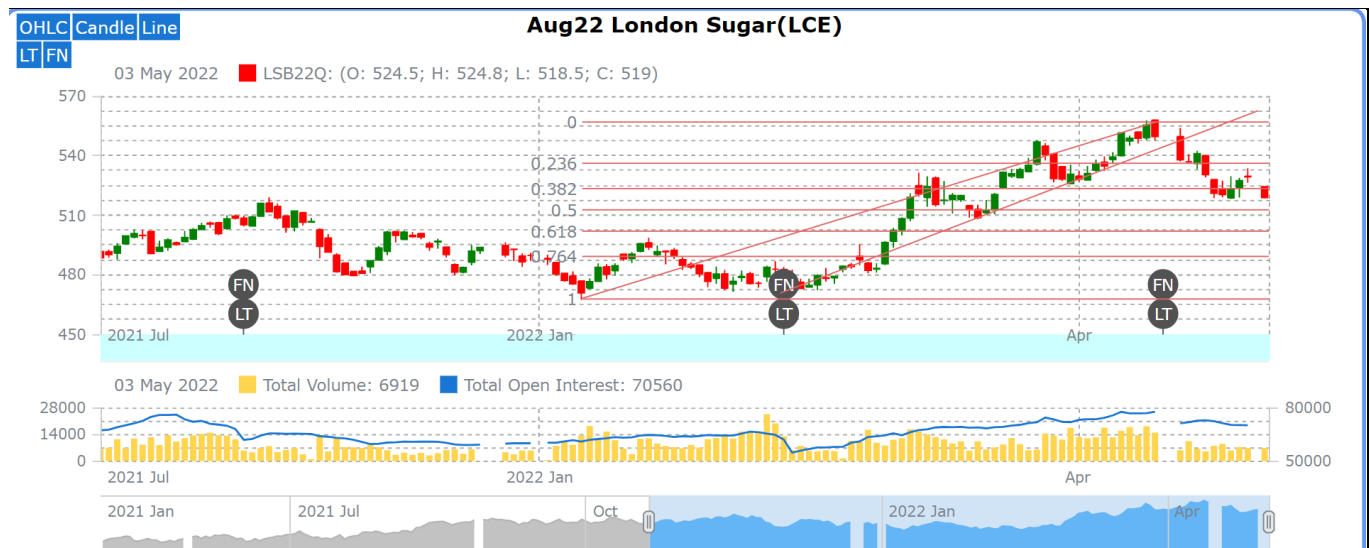
According to the Thai Sugar Millers Corporation, after two years of low output, sugar production in Thailand is likely to increase in the current season over good yield following favorable weather. The sugar mills have produced 9.6 million tonne of sugar by crushing 87.75 million tonne of cane till mid-April 2021-22. The sugar output in the last season was 6.7 million tonne and, in this season, it is expected to rise by 35% to 9 million tonne.

The sugar production in Pakistan likely to increase by 2 million tonne from last year to 7.5 million tonne. As a result, Pakistan is back to sugar surplus country from deficit. Ex-mill sugar prices are now around Rs 81/kg substantially lower from last year. Sugar production is higher in this season because of better yield.

International Sugar Futures ICE					(Rs/Qtl)	
Futures month	% Change over previous year	Today	Week ago	Month Ago	Year Ago	RBI Dollar
		3-May-22	26-Apr-22	3-Apr-22	3-May-21	3-May-22
22-May	16.84	3171	3254	3292	2637	76.55
22-Jul	13.15	3193	3244	3261	2773	
22-Oct	14.13	3220	3259	3270	2765	

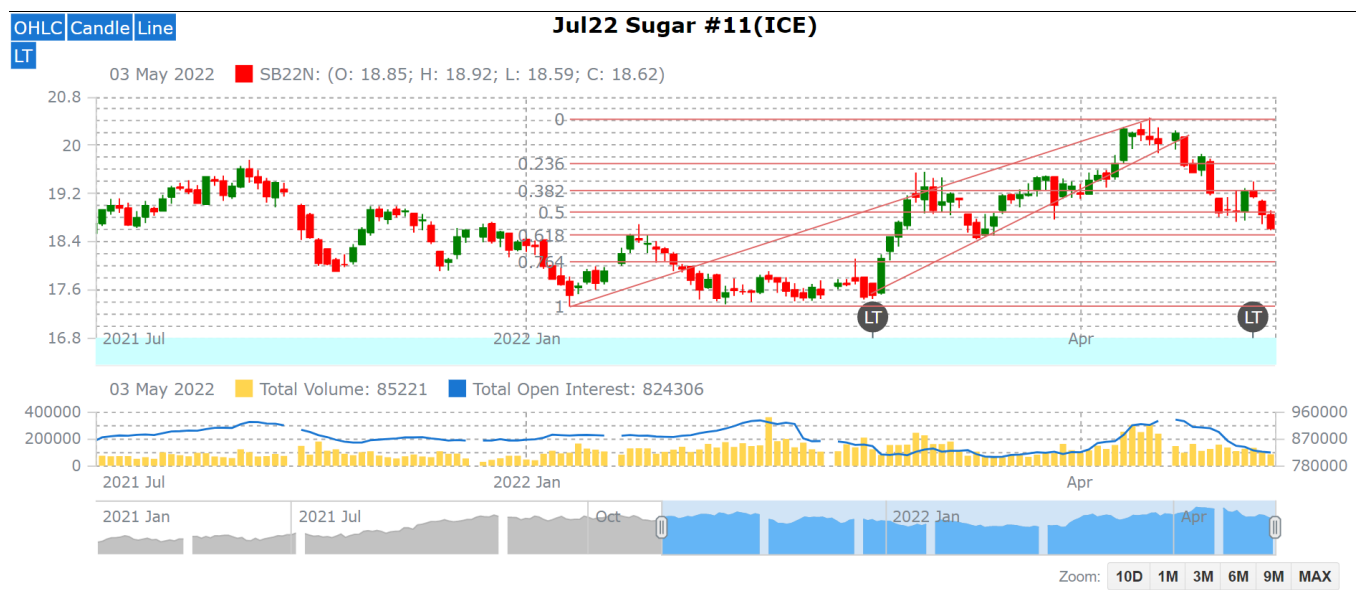
(Source: mrci)

International Sugar Futures LIFFE					(Rs/Qtl)	
Futures month	% Change over previous year	Today	Week ago	Month Ago	Year Ago	RBI Dollar
		3-May-22	26-Apr-22	3-Apr-22	3-May-21	3-May-22
22-May	13.63	3875	3872	3894	3347	76.55
22-Jul	14.22	3826	3823	4086	3282	
22-Oct	16.49	3973	3982	4008	3318	
(Source: mrci)						

International Sugar Futures Price Projection

LIFFE (White Sugar Exchange) Future Market Sugar Scenario (Aug'22 Contract)
Technical Commentary

- As depicted in the above chart, there is a trendline breakdown, and it has broken 23% and 38% Fibonacci retracement level, next support is 50% Fibonacci retracement level.
- Increase in open interest along with recent rise in prices indicates fresh positions are building up.

International Sugar Futures Price Projection			
	Contract Month	Present Quote	Expected Price level for next Month
LIFFE Sugar (US \$/MT)	May'22	519	520-540

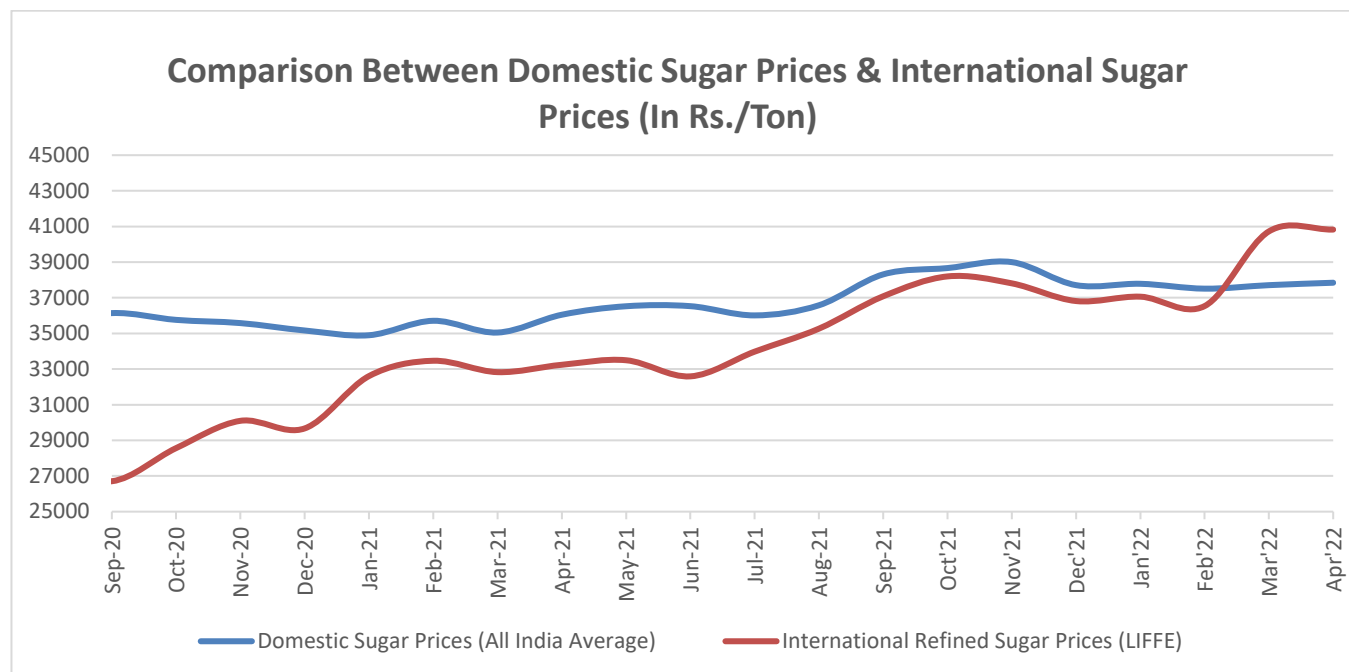


ICE (Raw Sugar Exchange) Future Market Scenario (Jul'22 Contract)

Technical Commentary:

- As depicted in the above chart, there is a trendline breakdown, market has broken 38% and 50% Fibonacci retracement level next support is 61% Fibonacci retracement level.
- Small corrections were seen in the past month.

International Sugar Futures Price Projection			
	Contract Month	Present Quote	Expected Price level for next month
ICE Sugar #11 (US Cent/lb)	Jul'22	18.62	18.60-19.20

Comparison of Indian Sugar Prices (All India Average) and International Refined Sugar Prices (LIFFE)


Source: USDA and Agmark.net

Domestic Sugar Spot Prices:

Spot Sugar Prices Scenario (Monthly-Average)					
Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
Sugar			Apr'22	Mar'22	
Delhi	Delhi	M-Grade	3443	3414	30
	Delhi	S-Grade	3423	3394	30
Maharashtra	Mumbai	M-Grade	3604	3512	92
	Mumbai	S-Grade	3469	3366	103
	Nagpur	M-Grade	3444	3377	67
	Nagpur	S-Grade	3346	3414	-67
	Kolhapur	M-Grade	3319	3252	67
	Kolhapur	S-Grade	3221	3152	69
Assam	Guhawati	S-Grade	3481	3412	69
Meghalaya	Shillong	S-Grade	3541	3472	69
Andhra Pradesh	Vijayawada	M-Grade (With Duty)	3849	3800	49
	Vijayawada	S-Grade (With Duty)	3809	3760	49
West Bengal	Kolkata	M-Grade	3736	3695	41
Tamil Nadu	Chennai	S-Grade (With GST)	3775	3617	158
	Dindigul	M-Grade (DCA)	3772	3874	-102
	Coimbatore	M-Grade (DCA)	3600	3636	-36
Chattisgarh	Ambikapur	M-Grade (Without Duty)	3708	3632	76

Sugar Prices are in INR/Quintal. (1 Quintal=100 kg)

*DCA: Department of consumer affairs

Spot Jaggery(Gur) Prices Scenario (Monthly-Average)					
Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
Jaggery(Gur)			Apr'22	Mar'22	
Uttar Pradesh	Muzaffarnagar	Chaku Sukha(Cold)	3150	3030	120
	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	118000	190500	-72500
	Muzaffarnagar	Khurpa (Fresh)	2809	2687	122
	Muzaffarnagar	Laddoo (Fresh)	3100	2996	104
	Muzaffarnagar	Rascut (Fresh)	2590	2576	14
	Hapur	Chaurasa	2950	2706	244
	Hapur	Balti	2950	2639	311
Andhra Pradesh	Chittur	Gold	NA	NA	-
		White	NA	NA	-
		Black	NA	NA	-

Maharashtra	Latur	Lal Variety	NA	NA	-
Karnataka	Bangalore	Mudde (Average)	4583	4452	131
	Belgaum	Mudde (Average)	NA	NA	-
	Belthangadi	Yellow (Average)	NA	NA	-
	Bijapur	Achhu	NA	NA	-
	Gulbarga	Other (Average)	NA	NA	-
	Mahalingapura	Penti (Average)	NA	NA	-
	Mandya	Achhu (Medium)	3669	3434	234
	Mandya	Kurikatu (Medium)	3322	3160	161
	Mandya	Other (Medium)	3432	3122	311
	Mandya	Yellow (Medium)	3532	3186	346
	Shimoga	Achhu (Average)	3700	3705	-5

International Sugar Prices (Monthly- Average)				
	Contract Month	Apr'22	Mar'22	Change
ICE Sugar #11 (US Cent/lb)	22-May	19.68	19.13	0.55
	22-Jul	19.13	19.06	0.07
	22-Oct	19.71	19.15	0.57
LIFFE Sugar (US \$/MT)	22-May	533.18	533.18	Unch
	22-Jul	536.13	521.17	14.96
	22-Oct	529.37	513.23	16.14

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