

Price Outlook:

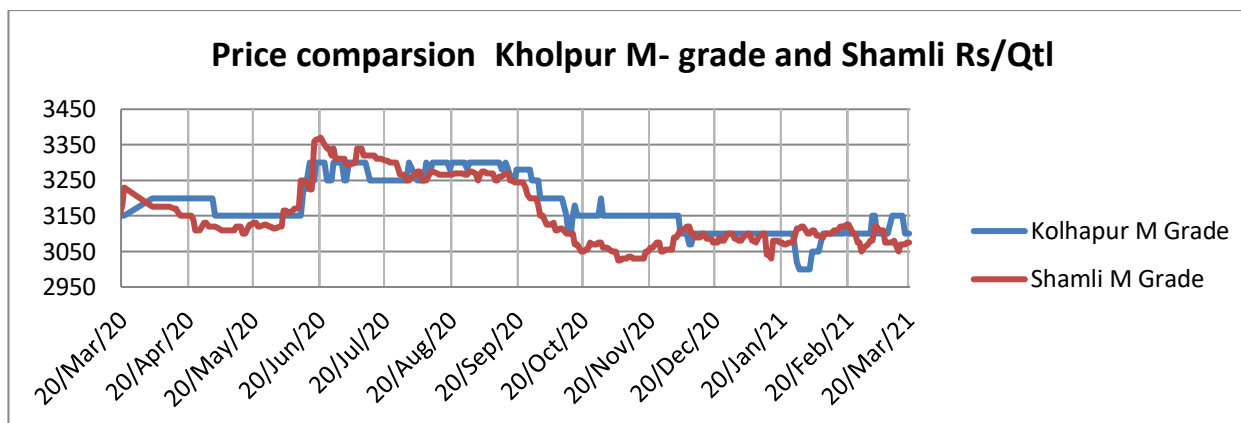
Sugar mills have produced around 258.68 lakh tonnes of sugar till 15th March'21. Sugar mills are now at their final phase of crushing and about 171 sugar mills have ended their cane crushing operation across the country. The average sugar prices decreased in Khatauli market at Rs.3076/q from Rs.3150/q previous week. The prices in Maharashtra also stood slightly firm at Rs.3300/q.

Price Projection for the Next week

As per the Agriwatch estimates, spot sugar prices (M grade) in benchmark Kolhapur market are likely to remain steady and in range next week between Rs.3100 -3170 per quintal for next week.

Domestic Sugar Market Summary

Average prices for sugar 'M' grade in key Kolhapur market were range bound at Rs.3150 per quintal, while spot sugar prices for the same grade in Shamli district stood at Rs.3069 per quintal during the week.

**Domestic Market Highlights****Recent Updates:**

- **About 76 percent of the sugarcane has been harvested till 19th March 21.** About 48.51 lakh hectares was the estimated total coverage under sugarcane in the rabi season of 2020-21 and around 76 percent harvesting has been done till 19th March'21. In some parts of the country, the sugar mills have closed their crushing operations while some are at their final phase of crushing.

Previous Updates

- **About 4.3 million tonnes of export contracts have been signed in sugar season 2020-21.** According to Indian Sugar Mills Association, around 43 lakh tonnes of export contracts have been signed, these contracts have been signed in just 2 ½ months, since the date the export quotas were allocated by the Government on 31st December, 2020. The total sugar export quota is around 60 lakh for 2020-21 season. About 3.18 lakh tons of sugar had been exported in Oct. – Dec., 2020, against the Maximum Admissible Export Quota (MAEQ) of last season 2019-20 Season and another around 22 lakh tons of physical exports are expected between Jan. – March, 2021 against MAEQ of 2020-21 sugar season.

- **India's Sugar production is up by 19.69 percent compared to previous year.** According to Indian Sugar Mills Association, around 258.68 lac tons of sugar have been produced till 15th March'21 against 216.13 lac tons produced last year by 15th March'20. About 171 mills have stopped cane crushing operation and 331 sugar mills are currently operating in the country against 319 mills operating previous year, till 15th march'20 around 138 sugar mills had stopped cane crushing operations.
- **Bihar is set to become the first state in the country to have a dedicated ethanol policy.** With the central government approval for producing ethanol directly from sugarcane and broken rice, Bihar is planning to launch country's first ethanol policy. 20 investors have already applied for production units, Bihar produces 12,000 crorelitres of ethanol each year and is expected to produce 50,000 crorelitres each year after proposals of 20 new ethanol units were realized.
- **Crushing operation is expected to get over in Maharashtra and Karnataka by March and in Uttar Pradesh by May.** The sugar production would be slightly lower than the initial estimate in Uttar Pradesh. Production in Uttar Pradesh is expected to be 10.2 million tonnes in the current 2020-21 year, lower than 12.6 million tonnes last year. Similarly, the output in Maharashtra is expected to be 10.2 million tonnes this year compared with 6.1 million tonnes last year. The initial sugar production estimate for each of these two states was 10.5 million tonne for the current year, Where else production in Karnataka, is expected to increase to 4.7 million tonne in the 2020-21 marketing year from 3.45 million tonne last year.

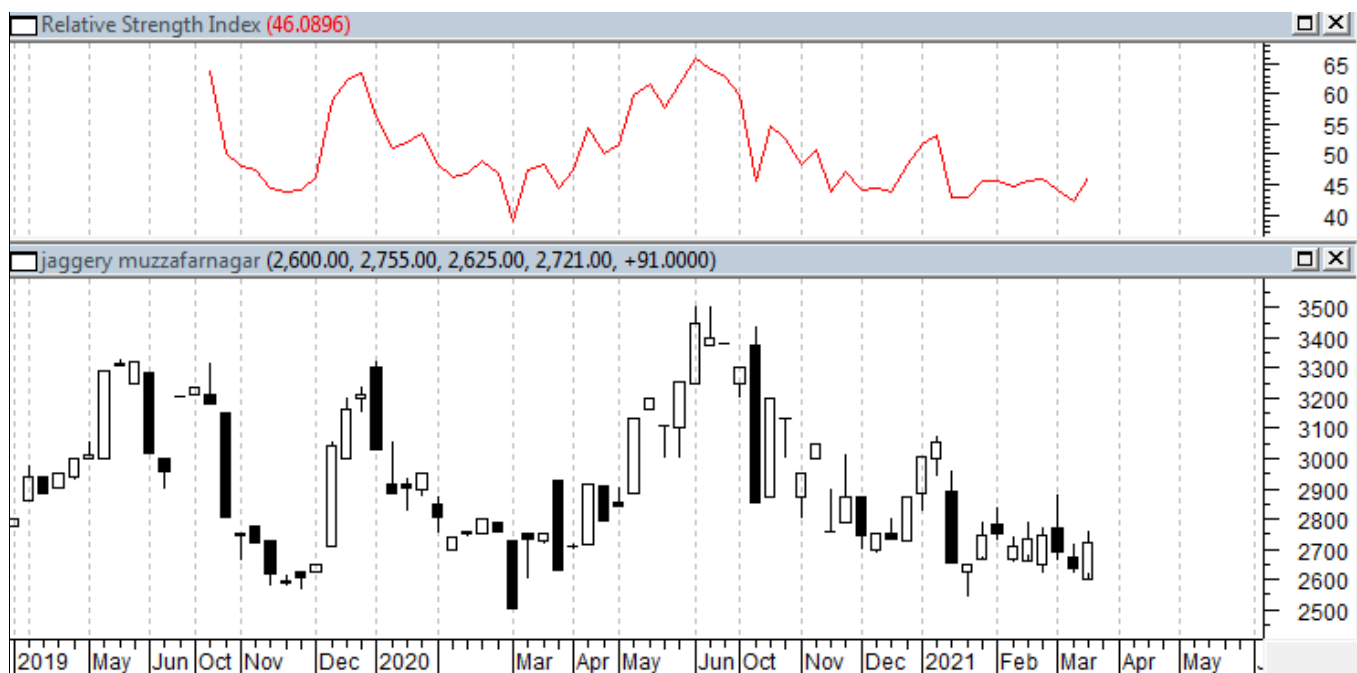
Technical Analysis - Sugar (M grade) Spot Market at Kolhapur market

- The sugar spot prices at benchmark Kolhapur market remained high during last week and ended at Rs.3150/q.
- Next resistance and support level for the next week is expected at Rs.3200 and Rs.3100 per quintal respectively.
- RSI is in the neutral region.



Technical Analysis - ChakuSukha-gur(fresh) at Spot (Muzaffarnagar)market.**Gur Market Scenario**

- There was a decrease in arrivals and it stood around 38000 last week of Chaku variety of gur in key Muzaffarnagar market.
- The average price during the week decreased at Rs. 2725/q and the prices in the last year during the same time were lower at Rs. 2749/q.
- RSI stood in the neutral region.

**International Market Highlights****Recent Updates:**

Kyrgyzstan has banned sugar exports. The rising prices of sugar in the domestic market have led the Kyrgyzstan government to impose a ban on the exportation of sugar. The government is trying all the possible ways to come over the shortage of sugar in the country and the lower prices.

Previous Updates

- **According to the Pakistan Sugar Mills Association (PSMA), the prices of sugar are likely to increase above Rs 89 per kg.** The country may face shortage of sugar with the coming Ramzan, as a result Pakistan may import 50,000 metric tonnes of sugar in the current season.
- **Brazil sugar output is likely to fall at 36.7 million tonnes in the new crop season that begins in April as compared to 38.5 million tonnes in the previous season.** The unfavourable weather has affected the

sugar output in the region. The sugarcane production is likely to fall from 607 million tonnes in 2020-21 to 586 million tonnes in 2021-22. The ethanol production may also fall to 30.6 billion litres from the previous year of 29.4 billion litres. Brazil ethanol exports have increased around 4.1 percent in February'21. Brazil has exported 156.66 million litres of ethanol in February'21, the exports have reached 343.31 million litres in the first two months of 2021. The country has exported maximum ethanol to South Korea (81.83 million), Netherland (23.83 million) and china (16.22 million litres) and U.S. around 1.85 million litres.

- **Nepal sugar mills shuts operation without paying cane dues.** The Mahalakshmi Sugar Mill has closed down its operations for this season without paying cane dues to the farmers. The mill has closed operations after crushing 890,000 quintals of sugarcane. The farmers have stated that they have not received cane dues from the mill except for the cane dues for the first five days.

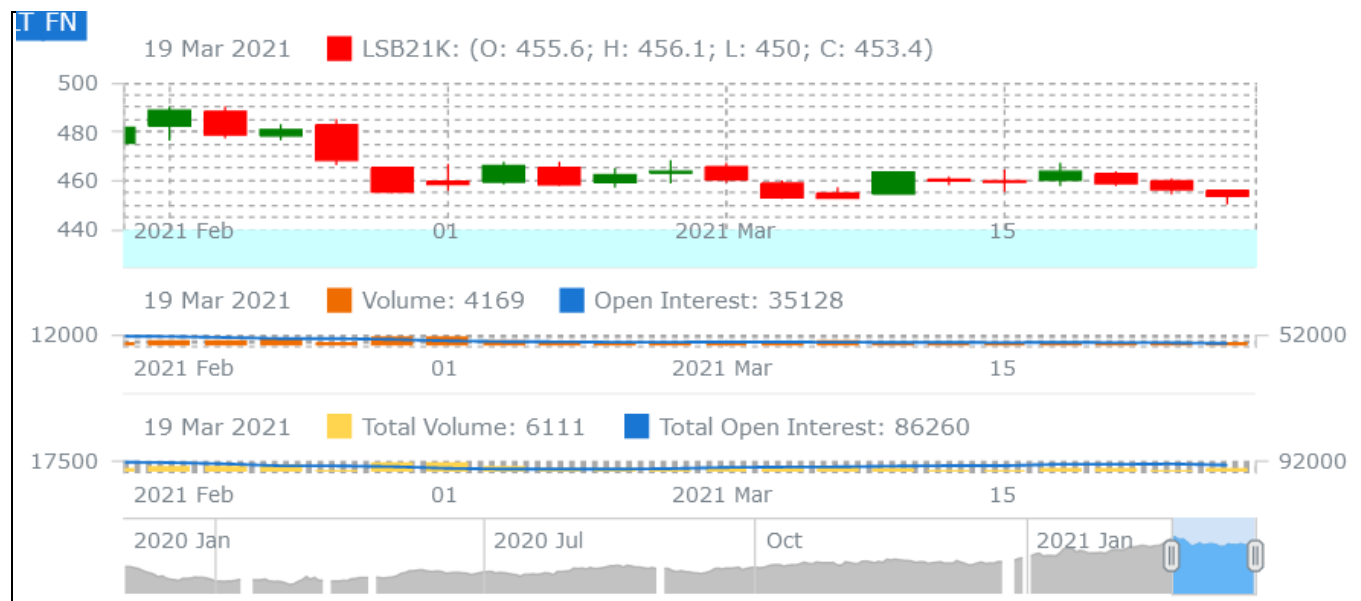
International Sugar Futures Price Projection

LIFFE (White Sugar Exchange) Future Market Sugar Scenario (May'21 Contract)

Technical Commentary

- LIFFE future market remained steady to weak during the week.
- Total volume increased & open interest increased over a week.
- Strategy: Buy at level 458, T1 452

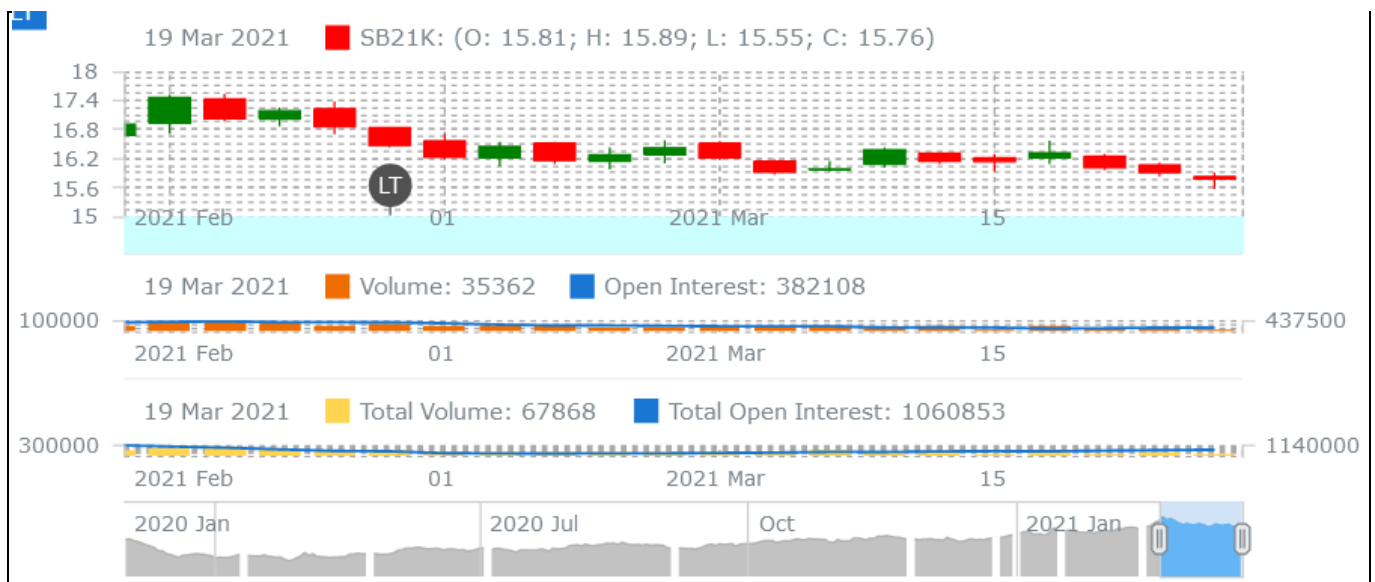
International Sugar Futures Price Projection			
	Contract Month	Present Quote	Expected Price level for next week
LIFFE Sugar (US \$/MT)	May'21	456	454-460



ICE (Raw Sugar Exchange) Future Market Scenario (May'21 Contract)**Technical Commentary:**

- ICE raw sugar futures remained steady to weak during the week.
- Both total volume increased & open interest decreased in a week.
- Strategy: Buy at rate 15.54 Targeting 15.72.

International Sugar Futures Price Projection			
	Contract Month	Present Quote	Expected Price level for next week
ICE Sugar #11 (US Cent/lb)	May'21	15.89	15.88 – 16.2

**Spot Sugar Prices Scenario (Weekly) (Average)**

Commodity	Centre	Variety	Average Prices (Rs/Qtl)		Change
			12th Mar'21 to 17th Mar'21	05th Mar'21 to 11th Mar'21	
Delhi	Delhi	M-Grade	3146	3170	-24
	Delhi	S-Grade	3126	3150	-24
Uttar Pradesh	Khatauli	M-Grade	3076	3150	-74
	Ramala	M-Grade	NA	NA	-
	Dhampur	M-Grade Ex-Mill	3074	3078	-4
	Dhampur	S-Grade Ex-Mill	3054	3058	-4
	Dhampur	L-Grade Ex-Mill	3124	3128	-4
Maharashtra	Mumbai	M-Grade	3350	3340	10
	Mumbai	S-Grade	3206	3202	4

	Nagpur	M-Grade	3275	3225	50
	Nagpur	S-Grade	3175	3151	24
	Kolhapur	M-Grade	3150	3100	50
	Kolhapur	S-Grade	3050	3026	24
Assam	Guhawati	S-Grade	3310	3286	24
Meghalaya	Shillong	S-Grade	3370	3346	24
Andhra Pradesh	Vijayawada	M-Grade (With Duty)	3660	3660	Unch
	Vijayawada	S-Grade (With Duty)	3600	3600	Unch
West Bengal	Kolkata	M-Grade	3520	3520	Unch
Tamil Nadu	Chennai	S-Grade (With GST)	3450	3458	-8
	Dindigul	M-Grade (DCA)	3540	3540	Unch
	Coimbatore	M-Grade (DCA)	3540	3540	Unch
Chattisgarh	Ambikapur	M-Grade (Without Duty)	NA	NA	-

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

*DCA: Department of consumer affairs

Spot Jaggery(Gur) Prices Scenario (Weekly) (Average)

Commodity			Prices (Rs/Qtl)		Change
			12th Mar'21 to 17th Mar'21	05th Mar'21 to 11th Mar'21	
Jaggery(Gur)	Centre	Variety			
Uttar Pradesh	Muzaffarnagar	Chaku Fresh	2726	2730	-5
	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	38000	49000	-11000
	Muzaffarnagar	Khurpa (Fresh)	2448	2445	3
	Muzaffarnagar	Laddoo (Fresh)	2705	2743	-38
	Muzaffarnagar	Rascut (Fresh)	2237	2308	-71
	Hapur	Chaurasa	2450	2456	-6
	Hapur	Balti	2400	2413	-13
Andhra Pradesh	Chittur	Gold	NA	NA	-
		White	NA	NA	-
		Black	NA	NA	-
Maharashtra	Latur	Lal Variety	NA	NA	-
Karnataka	Bangalore	Mudde (Average)	4150	4150	Unch
	Belgaum	Mudde (Average)	NA	3800	-
	Belthangadi	Yellow (Average)	NA	NA	-
	Bijapur	Achhu	NA	NA	-
	Gulbarga	Other (Average)	NA	NA	-
	Mahalingapura	Penti (Average)	NA	3201	-
	Mandya	Achhu (Medium)	3651	3610	41
	Mandya	Kurikatu (Medium)	3525	3500	25
	Mandya	Other (Medium)	3413	3606	-194
	Mandya	Yellow (Medium)	3520	3584	-64

Shimoga

Achhu (Average)

3450

3450

Unch

Spot Sugar Prices Scenario (Weekly)

Commodity	Centre	Variety	Today	Week Ago	Month Ago	Year Ago
Sugar			20-Mar-21	13-Mar-21	18-Feb-21	19-Mar-20
Delhi	Delhi	M-Grade	3150	3150	3160	3100
	Delhi	S-Grade	3130	3130	3140	3080
Uttar Pradesh	Khatauli	M-Grade	3090	3080	3180	3250
	Ramala	M-Grade	NA	0	0	3120
	Dhampur	M-Grade Ex-Mill	3125	3060	3115	3150
	Dhampur	S-Grade Ex-Mill	3105	3040	3095	3130
	Dhampur	L-Grade Ex-Mill	3175	3110	3165	3200
Maharashtra	Mumbai	M-Grade	3382	3356	3342	3510
	Mumbai	S-Grade	3202	3202	3220	3286
	Nagpur	M-Grade	3225	3275	3225	3275
	Nagpur	S-Grade	3125	3175	3125	3225
	Kolhapur	M-Grade	3100	3150	3100	3150
	Kolhapur	S-Grade	3000	3050	3000	3100
Assam	Guhawati	S-Grade	3309	3360	3309	3410
Meghalaya	Shillong	S-Grade	3320	3370	3320	3420
Andhra Pradesh	Vijayawada	M-Grade (With Duty)	3660	3660	3700	3640
	Vijayawada	S-Grade (With Duty)	3600	3600	3660	3580
West Bengal	Kolkata	M-Grade	3520	3520	3600	3560
Tamil Nadu	Chennai	S-Grade	3450	3450	3480	3580
	Dindigul	M-Grade (DCA)	3540	3540	3680	3560
	Coimbatore	M-Grade (DCA)	3540	3540	3540	3700
Chattisgarh	Ambikapur	M-Grade (Without Duty)	NA	0	3600	4000

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

*DCA: Department of consumer affairs

Spot Jaggery(Gur) Prices Scenario (Weekly)

Commodity	Centre	Variety	Today	Week Ago	Month Ago	Year Ago
Jaggery(Gur)			20-Mar-21	13-Mar-21	18-Feb-21	19-Mar-20
Uttar Pradesh	Muzaffarnagar	ChakuSukha	2788	2700	2800	2713
	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	8000	9000	10000	4000
	Muzaffarnagar	Khurpa	2538	2425	2580	2450
	Muzaffarnagar	Laddoo	2800	2675	2750	2500
	Muzaffarnagar	Rascut	2275	2288	2400	2313

	Hapur	Chaurasa	2513	2450	2575	2480
	Hapur	Balti	2413	2400	2550	2488
Andhra Pradesh	Chittur	Gold	NR	0	0	4800
		White	NR	0	0	4300
		Black	NR	0	0	3800
Maharashtra	Latur	Lal Variety	NR	0	0	0
Karnataka	Bangalore	Mudde (Average)	4150	NA	4400	4350
	Belgaum	Mudde (Average)	NA	0	0	0
	Belthangadi	Yellow (Average)	NA	0	0	0
	Bijapur	Achhu	NA	0	0	0
	Gulbarga	Other (Average)	NA	0	0	0
	Mahalingapura	Penti (Average)	NA	0	3198	3221
	Mandya	Achhu (Medium)	3850	NA	3300	3500
	Mandya	Kurikatu (Medium)	3050	NA	3050	3100
	Mandya	Other (Medium)	3550	NA	2950	2960
	Mandya	Yellow (Medium)	3650	NA	3200	3310
	Shimoga	Achhu (Average)	NA	NA	3550	3650

International Sugar Prices (Weekly Average)				
	Contract Month	12th Mar'21 to 17th Mar'21	05th Mar'21 to 11th Mar'21	Change
ICE Sugar #11 (US Cent/lb)	21-Mar	15.89	15.48	0.41
	21-May	15.65	16.24	-0.59
	21-Jul	15.17	15.75	-0.58
LIFFE Sugar (US \$/MT)	20-Dec	431.30	430.54	0.76
	21-Mar	429.90	429.26	0.64
	21-May	460.13	460.48	-0.35

Source: MRCI

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