

Price Outlook:

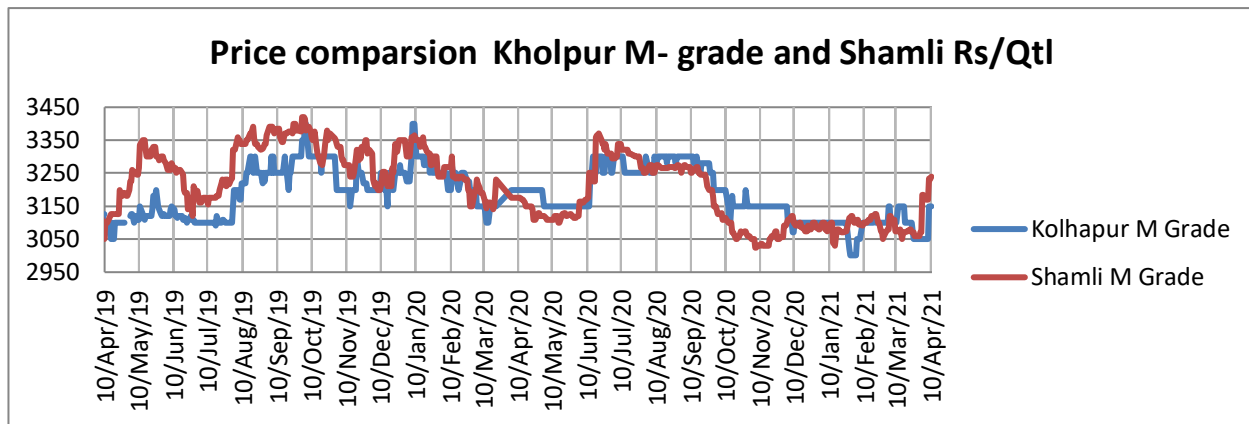
Sugar cane crushing season is in final phase in Maharashtra, although sugar mills in Maharashtra have produced around 977.12 lakh quintals of sugar with a sugar recovery rate of 10 percent. Till 31st March'21 about 282 sugar mills had stopped cane crushing operation, where else 221 sugar mills are currently operating. The average sugar prices increased in Khatauli market at Rs.3278/q from Rs3056/q previous week. The prices in Maharashtra also stood slightly firm at Rs.3100/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 -3150 per quintal for next week.

Domestic Sugar Market Summary

Average prices for sugar 'M' grade in key Kolhapur market were range bound at Rs.3158 per quintal, while spot sugar prices for the same grade in Shamli district stood at Rs.3050 per quintal during the week.

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

- **Six sugar mills from Saharanpur owe arrears of around Rs 691 crore.** Despite the efforts taken by the administration six sugar mills in the district have been able to pay only 46 per cent cane dues. Six sugar mills from the district still owe arrears worth Rs 691 crore. The cane crushing season has entered the last phase and some mills are on the verge of closing their operations. Gangnauli sugar mill has stopped cane crushing operations and Gagalthari mill will soon close its operations.

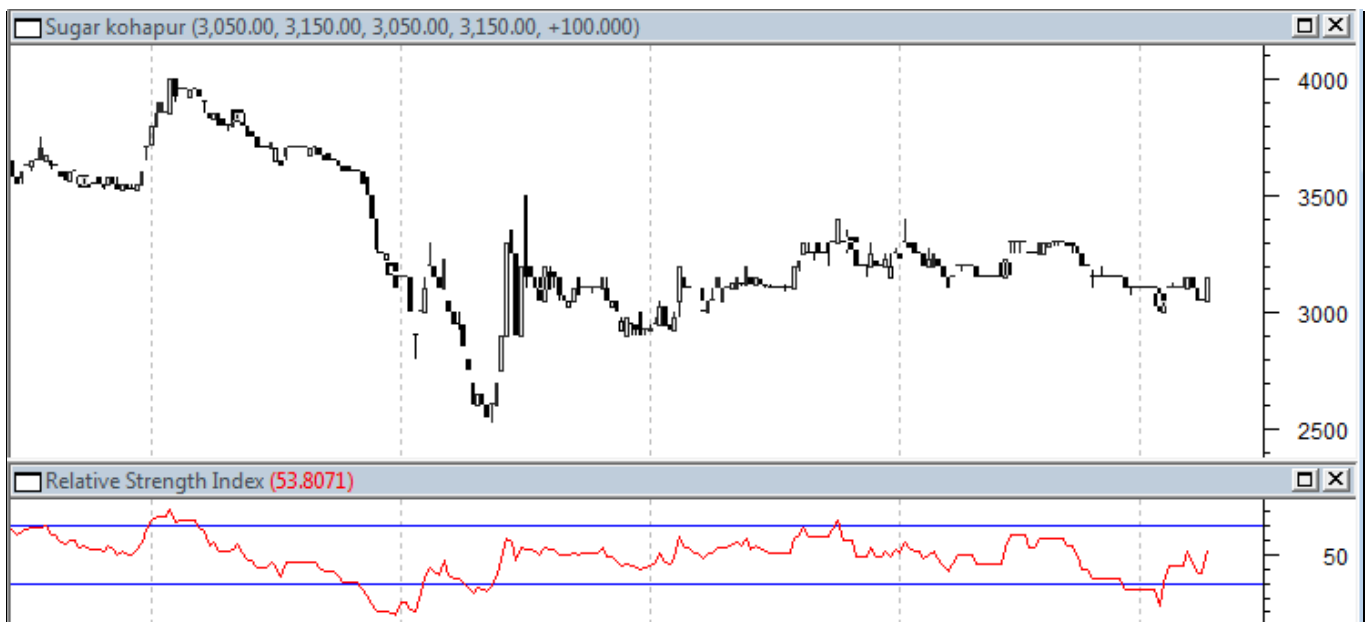
Previous Updates

- **Sugarcane crushing season in Maharashtra is in the final phase.** About 42 sugar mills in the Solapur division and 31 sugar mills in the Kolhapur division have stopped cane crushing operations till 4th April'2021. Total 108 sugar mills have stopped cane crushing operations in the ongoing season. Kolhapur is leading in cane recovery rate in the state at 11.99 percent, where else sugar mills have produced 1017.42 lakh quintal sugar by crushing 972.30 lakh tonne cane with a recovery of 10.46%.

- **Sugar production has fallen from previous season in Uttar Pradesh.** According to the Indian Sugar Mills Association, In U.P., 120 sugar mills which were in operation have produced 93.71 lakh tonnes of sugar till 31st March 2021. Out of 120 sugar mills, 39 sugar mills have stopped crushing operations, where else 113 mills were in operation last year and the sugar production was 97.20 lakh tonnes, upto 31st March 2020. The lower sugar production is attributed to the diversion of cane for ethanol production and damage of crops due to pest infection following the rainwater stagnation in sugarcane fields in central and eastern parts of the state.
- **Sugar mills in Maharashtra had produced around 997.12 lakh quintals of sugar till 28th March'21.** About 187 sugar mills have participated in the crushing season and have crushed around 954.91 lakh tonnes sugarcane with a recovery rate of 10.44 percent.
- **Sugarcane arrears have risen in the current season as compared to previous season.** About Rs. 22,900 Crore of pending cane dues are in the current season. It is higher as compared to arrears one year back when it was around Rs. 19,200 Crore. The prevailing low ex- mill sugar prices for last several months, has adversely affected the liquidity of mills and their ability to pay the FRP to cane farmers. The mills are expecting that the government would increase the minimum selling price (MSP) to help mills increase revenue and clear the cane dues to the farmers. The current sugar prices are around Rs. 3100/q.

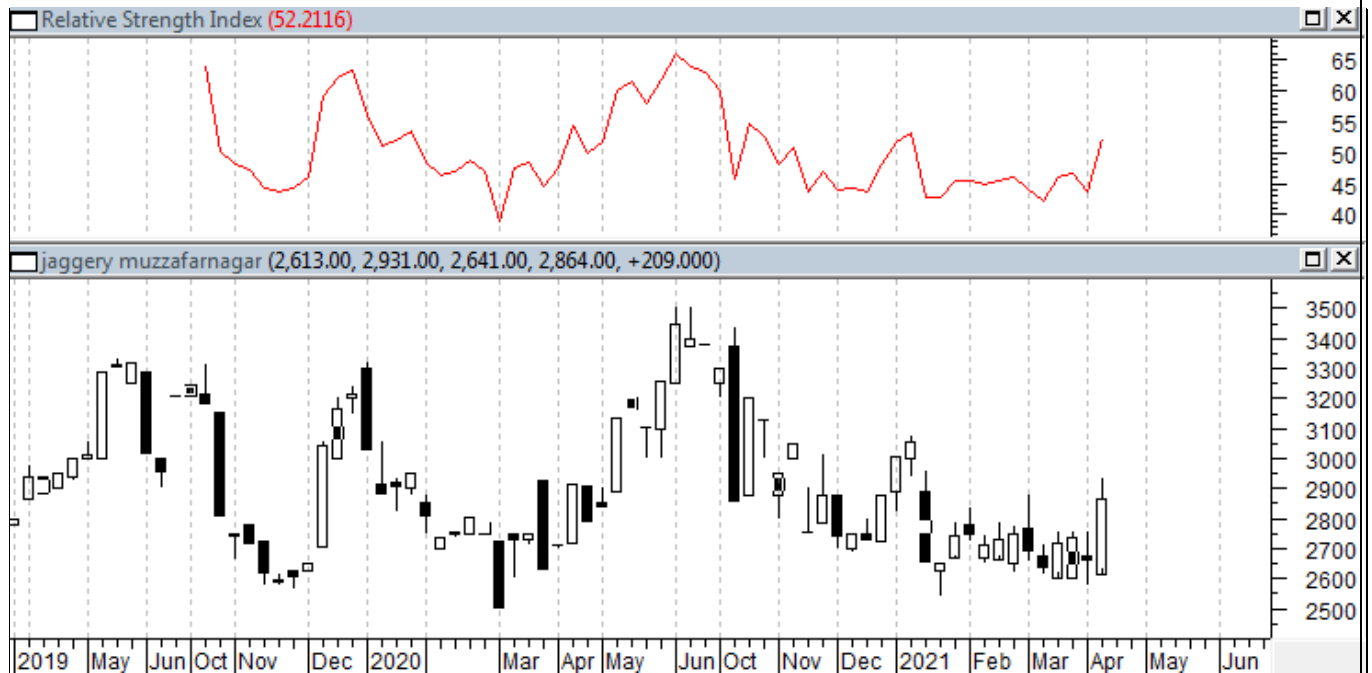
Technical Analysis - Sugar (M grade) Spot Market at Kolhapur market

- The sugar spot prices at benchmark Kolhapur market remained high during last week and ended at Rs.3100/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 increase in arrivals and it stood around 24000 last week of Chaku variety of gur in key Muzaffarnagar market.
- The average price during the week wasat Rs. 2791/q and the prices in the last year during the same time no arrivals were there.
- RSI stood in the neutral region.

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

Australia may emerge as the second largest exporter of sugar. Sugarcane growers in Australia are expecting that the sugar mills would harvest around 29.5 million tonnes of sugarcane, 28 mt of that in Queensland once they start operation in June. The crushing will result in the production of 4 mt of raw sugar and 85 percent of it will be exported. Sugar export from Thailand is expected to be around 2.6 mt in 2021, around 4 mt less than 2019 due to drought.

Previous Updates

- **Ukraine may import sugar to regulate the domestic prices.** The Ukraine government is considering importing 50,000 tonnes of additional raw sugar and the Ministry of Development of Economy, Trade and Agriculture will be issuing licenses for the same. The import of raw sugar will make sugar affordable in the

domestic markets; the price of sugar produced from imported raw material is about UAH 20 per kg. Meanwhile, the parliament is considering the possibility of a temporary zeroing of duties on imports of white sugar to Ukraine, which will also contribute to the saturation of the domestic market with sugar.

- **Uganda hopes to export sugar to Kenya.** The domestic sugar production in the country has increased by 37% in one year owing to the increase in the investment in the sugar sector by the government as well as private players. The sugar output has increased to 603,788 tonnes compared to 440,935 tonnes in 2019. Uganda had been hoping to resume sugar exports due to a large production deficit but indications suggest otherwise, with Kenya failing to conduct a verification exercise that had been expected in December last year. Although, Kenya had now initiated the verification drive after complaints came in about the exporters from Uganda dumping cheap sugar in the country that had created problem for local producers.
- **Russia tries to reduce retail price of sugar.** Russian government is taking necessary steps to ensure that the domestic prices of sugar are not increased and are within the reach of the consumer, the government has extended the agreement with the local sugar producers to reduce their prices with the retail chains, the agreement was valid till March but has now extended for three months till June'21.
- **Sugarcane crushing season is likely to end in March'21.** Sugarcane crushing operations in Thailand are likely to end by March-end with the country expecting to complete crushing of around 66.5 million MT of sugarcane. The mills in the country had crushed 66.48 million MT of sugarcane till 22nd March'21 this year which was down by 13% from the same period during the last year. Usually the cane crushing activities continues till April-May but due to the shortage of cane, the crushing is expected to end by March 31.

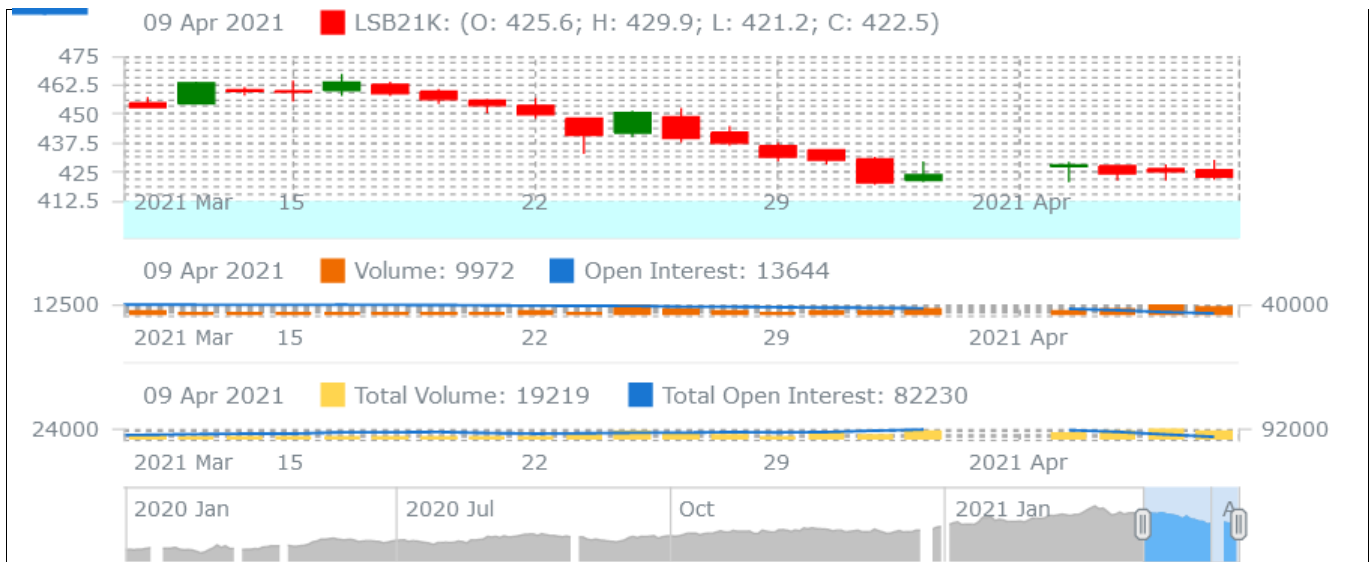
International Sugar Futures Price Projection

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 430, T1 422.2

International Sugar Futures Price Projection			
	Contract Month	Present Quote	Expected Price level for next week
LIFFE Sugar (US \$/MT)	May'21	429.90	420-450

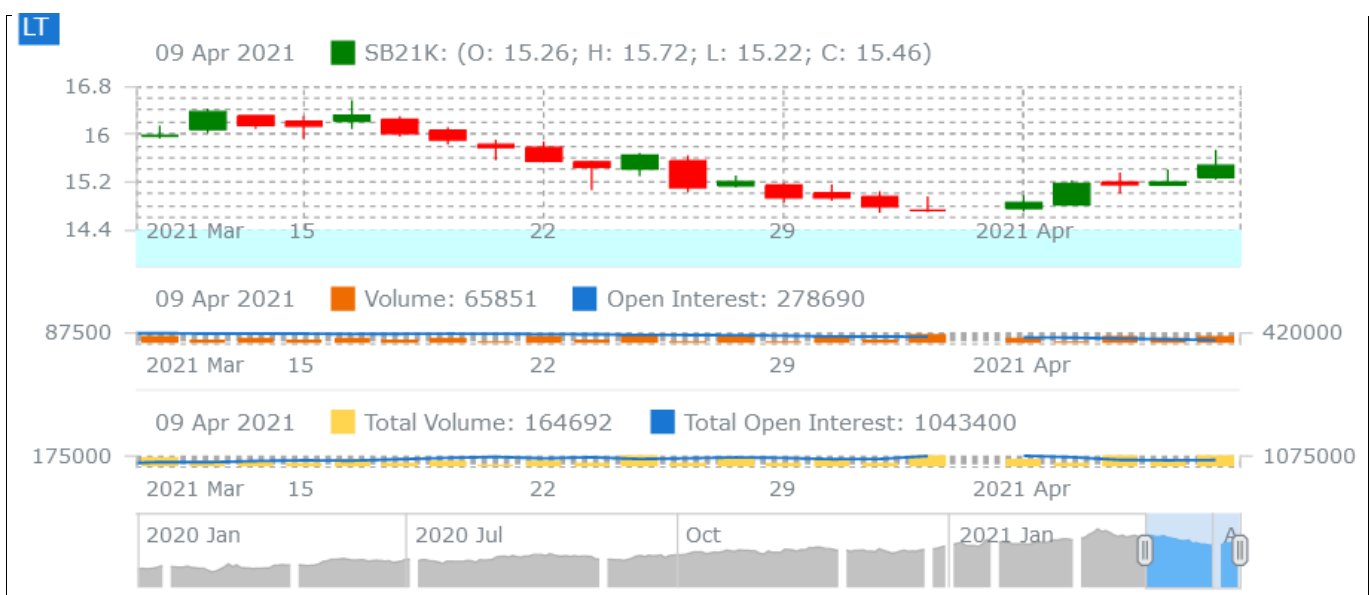


ICE (Raw Sugar Exchange) Future Market Scenario (May'21 Contract)

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 15.72 Targeting 15.21.

International Sugar Futures Price Projection			
	Contract Month	Present Quote	Expected Price level for next week
ICE Sugar #11 (US Cent/lb)	May'21	15.72	14.92 – 15.92



Spot Sugar Prices Scenario (Weekly) (Average)

Commodity	Centre	Variety	Average Prices (Rs/Qtl)		Change
Sugar			01st Apr'21 to 07th Apr'21	25th Mar'21 to 31st Mar'21	
Delhi	Delhi	M-Grade	3213	3149	64
	Delhi	S-Grade	3193	3129	64
Uttar Pradesh	Khatauli	M-Grade	3278	3056	222
	Ramala	M-Grade	3138	NA	-
	Dhampur	M-Grade Ex-Mill	3070	3064	6
	Dhampur	S-Grade Ex-Mill	3050	3044	6
	Dhampur	L-Grade Ex-Mill	3120	3114	6
Maharashtra	Mumbai	M-Grade	3326	3309	17
	Mumbai	S-Grade	3215	3204	11
	Nagpur	M-Grade	3175	3175	Unch
	Nagpur	S-Grade	3125	3125	Unch
	Kolhapur	M-Grade	3050	3050	Unch
	Kolhapur	S-Grade	3000	3000	Unch
Assam	Guhawati	S-Grade	3260	3260	Unch
Meghalaya	Shillong	S-Grade	3320	3320	Unch
Andhra Pradesh	Vijayawada	M-Grade (With Duty)	3580	3592	-12
	Vijayawada	S-Grade (With Duty)	3580	3592	-12
West Bengal	Kolkata	M-Grade	3520	3520	Unch
Tamil Nadu	Chennai	S-Grade (With GST)	3467	3450	17
	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	Centre	Variety	Prices (Rs/Qtl)		Change
Jaggery(Gur)			01st Apr'21 to 07th Apr'21	25th Mar'21 to 31st Mar'21	
Uttar Pradesh	Muzaffarnagar	Chaku Fresh	2791	2784	7
	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	24000	15000	9000
	Muzaffarnagar	Khurpa (Fresh)	2508	2541	-32
	Muzaffarnagar	Laddoo (Fresh)	2858	2793	65
	Muzaffarnagar	Rascut (Fresh)	2254	2259	-5
	Hapur	Chaurasa	2620	2512	109

	Hapur	Balti	2565	2455	110
Andhra Pradesh	Chittur	Gold	NA	NA	-
		White	NA	NA	-
		Black	NA	NA	-
Maharashtra	Latur	Lal Variety	NA	NA	-
Karnataka	Bangalore	Mudde (Average)	4500	4350	150
	Belgaum	Mudde (Average)	3800	NA	-
	Belthangadi	Yellow (Average)	NA	NA	-
	Bijapur	Achhu	NA	NA	-
	Gulbarga	Other (Average)	NA	NA	-
	Mahalingapura	Penti (Average)	3211	NA	-
	Mandya	Achhu (Medium)	3820	3780	40
	Mandya	Kurikatu (Medium)	3414	3484	-70
	Mandya	Other (Medium)	3432	3462	-30
	Mandya	Yellow (Medium)	3594	3570	24
	Shimoga	Achhu (Average)	3450	3450	Unch

Spot Sugar Prices Scenario (Weekly)

Commodity	Centre	Variety	Today	Week Ago	Month Ago	Year Ago
Sugar			10-Apr-21	03-Apr-21	12-Mar-21	10-Apr-20
Delhi	Delhi	M-Grade	3240	3250	3150	3150
	Delhi	S-Grade	3220	3230	3130	3130
Uttar Pradesh	Khatauli	M-Grade	3320	3325	3075	3235
	Ramala	M-Grade	NA	3150	0	3140
	Dhampur	M-Grade Ex-Mill	NA	0	3050	3190
	Dhampur	S-Grade Ex-Mill	NA	0	3030	3170
	Dhampur	L-Grade Ex-Mill	NA	0	3100	3240
Maharashtra	Mumbai	M-Grade	3360	3320	3356	3600
	Mumbai	S-Grade	3256	3210	3202	3460
	Nagpur	M-Grade	3275	3175	3275	Closed
	Nagpur	S-Grade	3175	3125	3175	Closed
	Kolhapur	M-Grade	3150	3050	3150	Closed
	Kolhapur	S-Grade	3050	3000	3050	Closed
Assam	Guhawati	S-Grade	3360	3309	3360	Closed
Meghalaya	Shillong	S-Grade	3370	3320	3370	Closed
Andhra Pradesh	Vijayawada	M-Grade (With Duty)	3580	3580	3660	3820
	Vijayawada	S-Grade (With Duty)	3580	3580	3600	3760
West Bengal	Kolkata	M-Grade	3520	3520	3520	3750
Tamil Nadu	Chennai	S-Grade	3550	3450	3450	Closed

	Dindigul	M-Grade (DCA)	3540	3540	3540	4060
	Coimbatore	M-Grade (DCA)	3540	3540	3540	4020
Chattisgarh	Ambikapur	M-Grade (Without Duty)	NA	0	0	3600
Sugar Prices are in INR/Quintal. (1 Quintal=100 kg)						
*DCA: Department of consumer affairs						

Spot Jaggery(Gur) Prices Scenario (Weekly)

Commodity			Today	Week Ago	Month Ago	Year Ago
Jaggery(Gur)	Centre	Variety	10-Apr-21	03-Apr-21	12-Mar-21	10-Apr-20
Uttar Pradesh	Muzaffarnagar	ChakuSukha	2950	2725	2700	2700
	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	6000	3000	8000	9000
	Muzaffarnagar	Khurpa	2680	2425	2425	2528
	Muzaffarnagar	Laddoo	3013	2788	2675	2770
	Muzaffarnagar	Rascut	2330	2225	2288	2450
	Hapur	Chaurasa	2625	2588	2450	2575
	Hapur	Balti	2575	2550	2400	2425
Andhra Pradesh	Chittur	Gold	NR	0	0	Closed
		White	NR	0	0	Closed
		Black	NR	0	0	Closed
Maharashtra	Latur	Lal Variety	NR	0	0	0
Karnataka	Bangalore	Mudde (Average)	4600	4350	4150	0
	Belgaum	Mudde (Average)	NA	3800	0	3150
	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	0	0
	Mandya	Achhu (Medium)	NA	3850	3600	0
	Mandya	Kurikatu (Medium)	NA	3410	3500	0
	Mandya	Other (Medium)	NA	3480	3400	2700
	Mandya	Yellow (Medium)	NA	3800	3500	0
	Shimoga	Achhu (Average)	NA	NA	NA	3200

International Sugar Prices (Weekly Average)				
	Contract Month	01st Apr'21 to 07th Apr'21	25th Mar'21 to 31st Mar'21	Change
ICE Sugar #11 (US Cent/lb)	21-Mar	14.98	15.08	-0.10
	21-May	14.89	14.85	0.04
	21-Jul	14.85	14.70	0.15
LIFFE Sugar (US \$/MT)	20-Dec	415.56	415.92	-0.36
	21-Mar	419.90	417.68	2.22
	21-May	422.48	431.26	-8.78

Source: MRCI

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