

Price Outlook:

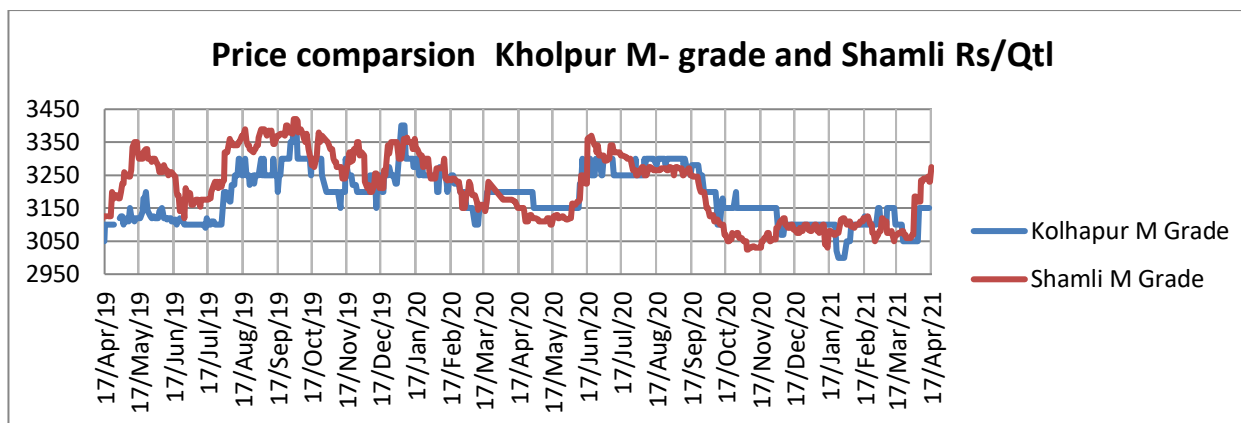
Sugar production in India has reached at 290.91 lakh tonnes till 15th April'21. Maharashtra has suppressed Uttar Pradesh in terms of production in this season; Maharashtra has produced more than 100 lakh tonnes of sugar. The average sugar prices increased in Khatauli market at Rs.3335/q from Rs.3278/q 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.3150 per quintal, while spot sugar prices for the same grade in Shamli district stood at Rs.3258 per quintal during the week.

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

- **India's has exported about 29.72 lakh tonnes of sugar.** Sugar exports from India have reached 29.72 lakh tonnes in the current sugar season 2020-21 whereas in the previous season it was around 30.64 lakh tonnes. This year sugar exports also include 4.48 lakh tonnes of sugar export under MAEQ of 2019-20 which was extended upto 31st December 2020. Also, in the current sugar season Indonesia and Afghanistan has emerged as the major sugar importers from India whereas in the previous season it were Iran and Afghanistan, because of currency restriction this year India's export to Iran was affected.

Previous Updates

- **India's Sugar Production has reached 290.91 lakh tons till 15th April 2021.** Sugar production has increased from previous season by 42.66 lakh tons higher than 248.25 lakh tons produced at the same time last year. During the previous season 140 sugar mills were operating by 15th April 2020 where as in the current season 170 sugar mills operated till 15th April 2021.

- **Maharashtra leads in sugar production.** For the first time after five years, Maharashtra has surpassed Uttar Pradesh in sugar production. Till March 2021, Maharashtra has produced more than 100 lakh tonne sugar as against 96 lakh tonne by Uttar Pradesh. In the current sugar season, Maharashtra is expected to produce 105-107 lakh tonne sugar whereas in Uttar Pradesh is expected to produce 105 lakh tonne sugar.
- **Sugar mills in Maharashtra have produced around 103.44 lakh MT of sugar.** Sugar mills in Maharashtra have crushed 987.43 lakh MT of cane till 10th April 2021 and have produced around 103.44 lakh MT of sugar with an average recovery of 10.48 percent. Till 10th April around 118 sugar mills have closed their cane crushing operation, while 71 sugar mills are currently operating in the state. Production in Maharashtra is estimated to reach 106 lakh MT where else in the previous season production was around 61.69 lakh MT.
- **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 Gagalheri mill will soon close its operations.

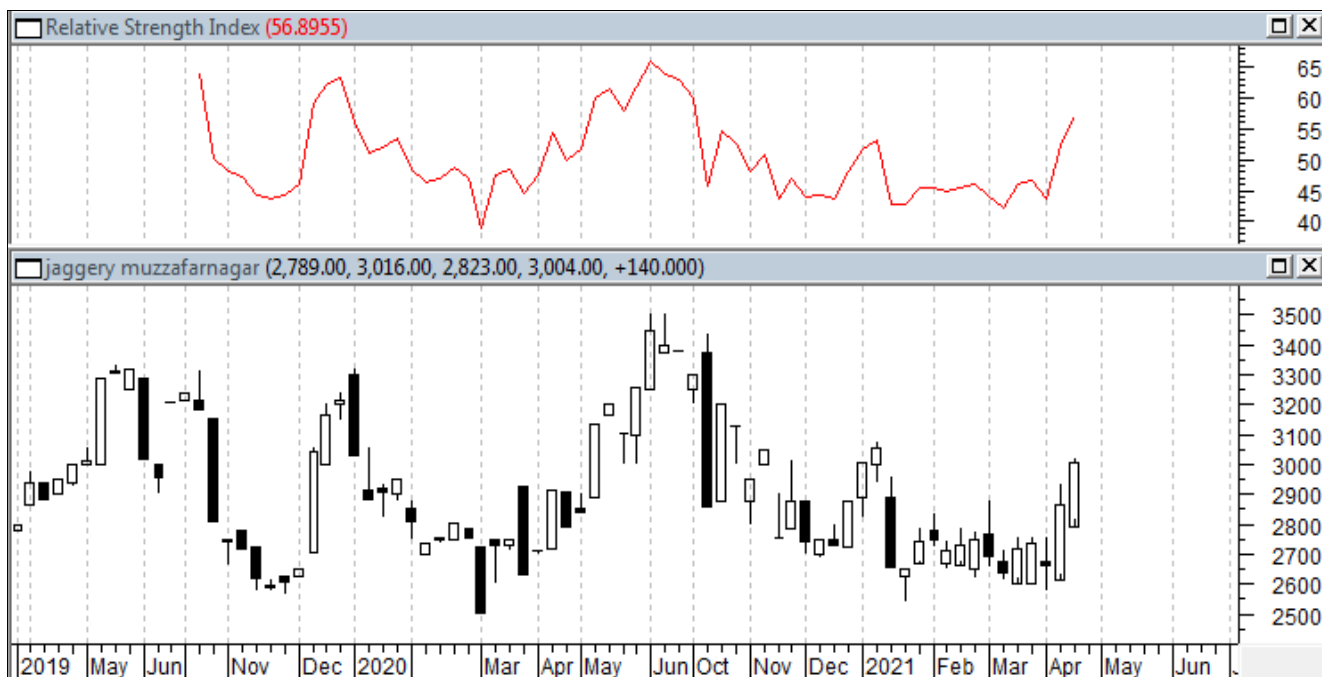
Technical Analysis - Sugar (M grade) Spot Market at Kolhapur market

- 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 26000 last week of Chaku variety of gur in key Muzaffarnagar market.
- The average price during the week wasat Rs. 2937.5/q and the prices in the last year were lower at Rs. 2718/q.
- RSI stood in the neutral region.

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

Bangladesh ensures availability of Sugar during Ramzan: Bangladesh Sugar and Food Industries Corporation (BSFIC) has ensured the availability of around 44,000 tonnes of sugar in the stock and it will be supplied to the markets through dealers. According to BSFIC, the annual need of sugar for Bangladesh is around 18 lakh tonnes including 3 lakh tonnes sugar consumed during Ramzan. BSFIC provides only 50,000 tonnes of sugar per year and private sector supplies the remaining 17.5 lakh tonnes of sugar. Loose sugar will be supplied at Bangladeshi taka (Tk) 63 per kg and packed sugar is sold around Tk 68 per kg, whereas Sugar in retail markets will not be sold around Tk 75.

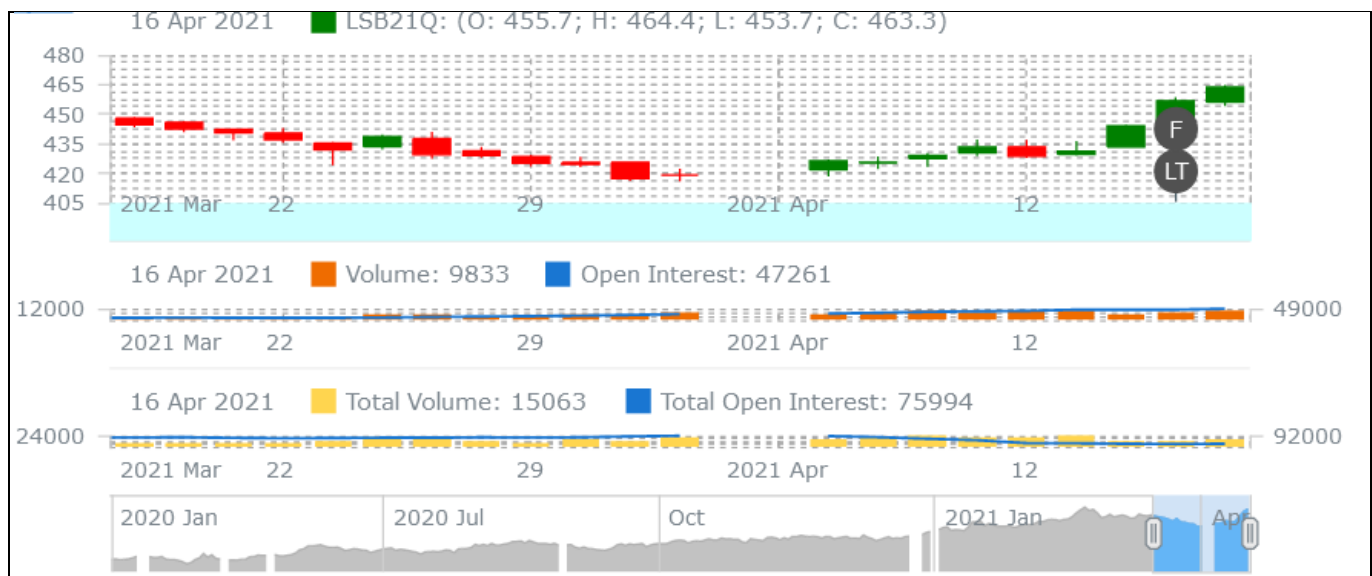
Previous Updates

- **Pakistan cabinet has rejected import of sugar from India.** The Pakistan Cabinet has overturned the decision of the economic coordination committee (ECC) to allow the import of sugar from India. Earlier, the ECC had recommended the cabinet to revive the trade that was suspended from the past two years.
- **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.
- **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.

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 464, T1 463.2

International Sugar Futures Price Projection			
	Contract Month	Present Quote	Expected Price level for next week
LIFFE Sugar (US \$/MT)	Aug'21	464.40	450-470

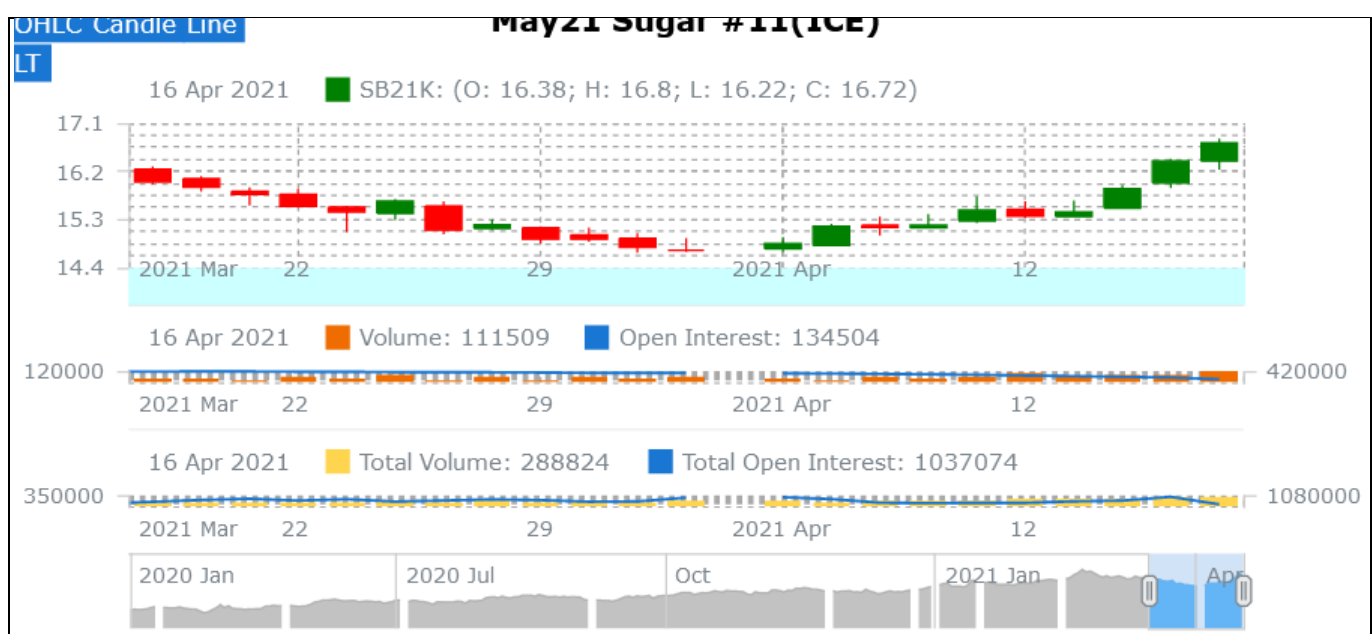


ICE (Raw Sugar Exchange) Future Market Scenario (May'21 Contract)

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 16.80 Targeting 16.71.

International Sugar Futures Price Projection			
	Contract Month	Present Quote	Expected Price level for next week
ICE Sugar #11 (US Cent/lb)	May'21	16.80	16.2 – 17.2



Spot Sugar Prices Scenario (Weekly) (Average)

Commodity	Centre	Variety	Average Prices (Rs/Qtl)		Change
Sugar			08th Apr'21 to 14th Apr'21	01st Apr'21 to 07th Apr'21	
Delhi	Delhi	M-Grade	3273	3213	60
	Delhi	S-Grade	3253	3193	60
Uttar Pradesh	Khatauli	M-Grade	3335	3278	57
	Ramala	M-Grade	NA	3138	-
	Dhampur	M-Grade Ex-Mill	NA	3070	-
	Dhampur	S-Grade Ex-Mill	NA	3050	-
	Dhampur	L-Grade Ex-Mill	NA	3120	-
Maharashtra	Mumbai	M-Grade	3358	3326	32
	Mumbai	S-Grade	3258	3215	43
	Nagpur	M-Grade	3275	3175	100
	Nagpur	S-Grade	3175	3125	50
	Kolhapur	M-Grade	3150	3050	100
	Kolhapur	S-Grade	3050	3000	50
Assam	Guhawati	S-Grade	3310	3260	50
Meghalaya	Shillong	S-Grade	3370	3320	50
Andhra Pradesh	Vijayawada	M-Grade (With Duty)	3600	3580	20
	Vijayawada	S-Grade (With Duty)	3580	3580	Unch
West Bengal	Kolkata	M-Grade	3510	3520	-10
Tamil Nadu	Chennai	S-Grade (With GST)	3350	3467	-117
	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)			08th Apr'21 to 14th Apr'21	01st Apr'21 to 07th Apr'21	
Uttar Pradesh	Muzaffarnagar	Chaku Fresh	2938	2791	147
	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	26000	24000	2000
	Muzaffarnagar	Khurpa (Fresh)	2620	2508	111
	Muzaffarnagar	Laddoo (Fresh)	3052	2858	194
	Muzaffarnagar	Rascut (Fresh)	2345	2254	90
	Hapur	Chaurasa	2625	2620	5

	Hapur	Balti	2585	2565	20
Andhra Pradesh	Chittur	Gold	NA	NA	-
		White	NA	NA	-
		Black	NA	NA	-
Maharashtra	Latur	Lal Variety	NA	NA	-
Karnataka	Bangalore	Mudde (Average)	4600	4500	100
	Belgaum	Mudde (Average)	NA	3800	-
	Belthangadi	Yellow (Average)	NA	NA	-
	Bijapur	Achhu	NA	NA	-
	Gulbarga	Other (Average)	NA	NA	-
	Mahalingapura	Penti (Average)	NA	3211	-
	Mandya	Achhu (Medium)	3895	3820	75
	Mandya	Kurikatu (Medium)	3363	3414	-52
	Mandya	Other (Medium)	3530	3432	98
	Mandya	Yellow (Medium)	3550	3594	-44
	Shimoga	Achhu (Average)	3450	3450	Unch

Spot Sugar Prices Scenario (Weekly)

Commodity	Centre	Variety	Today	Week Ago	Month Ago	Year Ago
Sugar			17-Apr-21	10-Apr-21	19-Mar-21	17-Apr-20
Delhi	Delhi	M-Grade	3390	3240	3150	3120
	Delhi	S-Grade	3370	3220	3130	3100
Uttar Pradesh	Khatauli	M-Grade	3370	3320	3090	3215
	Ramala	M-Grade	NA	0	0	3120
	Dhampur	M-Grade Ex-Mill	NA	0	3125	3140
	Dhampur	S-Grade Ex-Mill	NA	0	3105	3120
	Dhampur	L-Grade Ex-Mill	NA	0	3175	3190
Maharashtra	Mumbai	M-Grade	3362	3360	3382	Closed
	Mumbai	S-Grade	3276	3256	3202	Closed
	Nagpur	M-Grade	Closed	3275	3225	3325
	Nagpur	S-Grade	Closed	3175	3125	3225
	Kolhapur	M-Grade	Closed	3150	3100	3200
	Kolhapur	S-Grade	Closed	3050	3000	3100
Assam	Guhawati	S-Grade	Closed	3360	3309	3410
Meghalaya	Shillong	S-Grade	Closed	3370	3320	3420
Andhra Pradesh	Vijayawada	M-Grade (With Duty)	3600	3600	3660	3820
	Vijayawada	S-Grade (With Duty)	3580	3580	3600	3760
West Bengal	Kolkata	M-Grade	3500	3520	3520	3750

Tamil Nadu	Chennai	S-Grade	3550	3550	3450	3800
	Dindigul	M-Grade (DCA)	3540	3540	3540	4160
	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)

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Spot Jaggery(Gur) Prices Scenario (Weekly)

Commodity	Centre	Variety	Today	Week Ago	Month Ago	Year Ago
Jaggery(Gur)			17-Apr-21	10-Apr-21	19-Mar-21	17-Apr-20
Uttar Pradesh	Muzaffarnagar	ChakuSukha	3063	2950	2788	2813
	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	4000	6000	6000	5000
	Muzaffarnagar	Khurpa	2650	2680	2538	2625
	Muzaffarnagar	Laddoo	3125	3013	2800	2950
	Muzaffarnagar	Rascut	2450	2330	2275	2450
	Hapur	Chaurasa	2700	2625	2513	2625
	Hapur	Balti	2675	2575	2413	2563
Andhra Pradesh	Chittur	Gold	NR	0	0	5200
		White	NR	0	0	0
		Black	NR	0	0	4200
Maharashtra	Latur	Lal Variety	NR	0	0	0
Karnataka	Bangalore	Mudde (Average)	NA	4600	4150	0
	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	3204	0
	Mandya	Achhu (Medium)	3910	3900	3830	0
	Mandya	Kurikatu (Medium)	3350	3350	3560	0
	Mandya	Other (Medium)	3600	3600	3550	3750
	Mandya	Yellow (Medium)	3500	3600	3650	0
	Shimoga	Achhu (Average)	NA	NA	3450	4400

International Sugar Prices (Weekly Average)				
	Contract Month	08th Apr'21 to 14th Apr'21	01st Apr'21 to 07th Apr'21	Change
ICE Sugar #11 (US Cent/lb)	21-Mar	15.37	14.98	0.39
	21-May	15.53	14.89	0.64
	21-Jul	15.54	14.85	0.69
LIFFE Sugar (US \$/MT)	21-Mar	430.20	419.90	10.30
	21-May	427.20	422.48	4.72
	21-Aug	432.78	418.88	13.90

Source: MRCI

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