

Price Outlook:

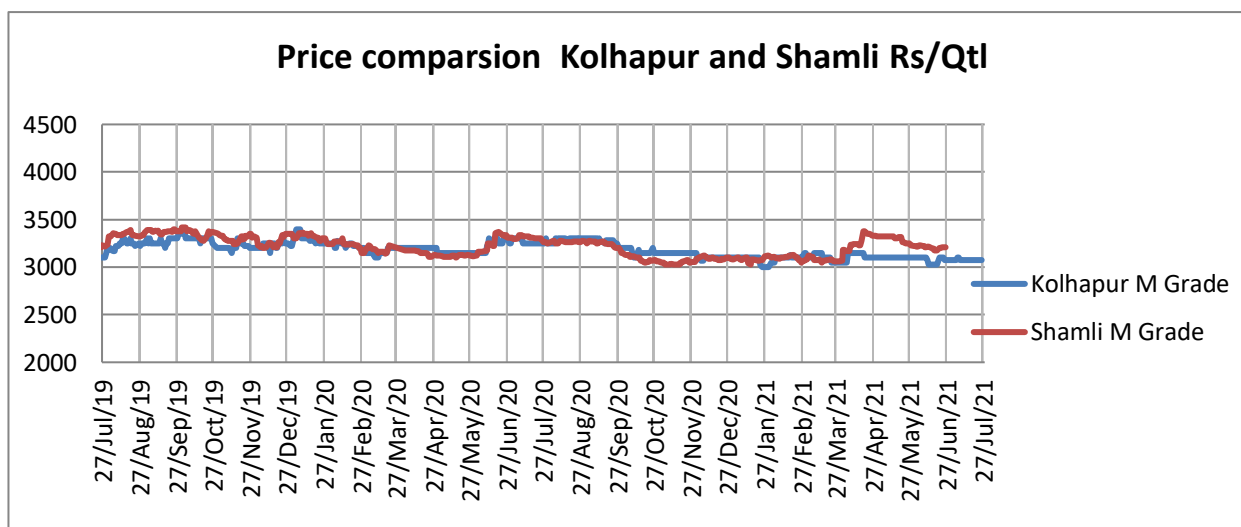
The Department of Food & Public Distribution has allocated 21 lakh MT monthly sugar sales quota for August which is 0.50 lakh MT higher than that of August 2020. In the previous month, July 2021 the government had released a 22 lakh MT sugar sales quota. Sugar production for 2020-21 seasons is estimated at 309 lakh tonnes. The average sugar prices were lower at Rs. 3221/q from the previous week at Rs.3248/q in Delhi market. The prices in Maharashtra also stood slightly firm at Rs.3075/q.

Price Projection for the Next week

As per the Agriwatch estimates, spot sugar prices (M grade) in the benchmark Kolhapur market are likely to remain steady and in range next week between Rs.3075 -3000 per quintal for next week.

Domestic Sugar Market Summary

Average prices for sugar 'M' grade in key Kolhapur market were range bound at Rs.3075 per quintal, while in Shamli district there were no arrivals during the last week.

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

- **Uttar Pradesh leads in ethanol production in India.** The state has produced 58 crore litres of ethanol and the total operated distillers were 54, the average ethanol blending rate has reached 7.93 percent. Ethanol output is likely to increase in the upcoming season 2021-22 as government has emphasized its production.

Previous Updates

- **Over 2.5 lakh hectares area is estimated to be damaged in Maharashtra due to rains and Floods.** The recent spate of rains and floods which have ravaged Maharashtra over past few days, has seen over 2.5 lakh

hectares of crop area bearing the brunt of it. Many parts of Maharashtra have faced torrential rains, which have led to more than 100 deaths across the state. Konkan, Kolhapur, Sangli, Satara, Parbhani, Akola, Washim, Nagpur and Wardha are some of the districts which have reported damage to the crop. By far, the cane capital of Kolhapur has seen the maximum damage with 50,000 hectares of cropped area reportedly destroyed. Sangli, Pune and Satara have reported around 4,000 hectares each damaged, while Washim, Akola, Nagpur and few other districts in Vidharbha have reported 30,000 hectares of damage. As per the Sugar industry experts, unlike crops like soybean, groundnut and vegetables, chances of complete crop loss is minimal in cane due to the physiology of the crop, which allows it to survive extremes in terms of drought and floods better than any other crop, as even if the top portion of the crop is submerged in flood waters for 10 day, the crop can regenerate and revive. Also, the final figure is expected to raise as more flood waters recede, allowing officials to reach remote areas that have been cut off so far.

- **The Odisha government has approved seven industrial projects worth Rs 2083.88 crore, including three grain-based ethanol plants.** The State Level Single Window Clearance Authority (SLSWCA) headed by Chief Secretary Suresh Chandra Mahapatra have approved the proposals. As per the reports, the Indian Oil Corporation Limited (IOCL) will invest Rs 870 crore to set up a 500 KLPD grain based ethanol plant and 8MW power plant at Balgopalpur near Balasore. The SLSWCA has also given permission to the Hindustan Petroleum Corporation Limited (HPCL) to set up a 500 KLPD capacity ethanol plant at Umerkote in Nabarangpur. HPCL will invest Rs 500 crore for setting up the plant. Similarly, another 100 KLPD plant along with a biogas plant and co-gen power plant by Mumbai-based Newalt Energy Private Limited at Nuakheta near Bantala in Angul district was also approved.
- **Mawana Sugar Mill has cleared cane dues of Rs. 102 crore.** The sugar mill has crushed 202.08 and 104.78 lakh quintals of sugarcane respectively in the crushing season 2020-21 in their 2 sugar mills Mawana sugar mill and Mawana & Nanglamal sugar complex. The sugar mill on 24th July'21 has cleared cane dues of Rs. 102 crore which include Rs. 50.19 crore by Mawana sugar works and Rs. 51.81 crore by the Nanglamal sugar complex.
- **Bijnor sugar mill will focus on ethanol production.** Around five sugar mills in the district have accelerated ethanol production. The mills have produced around 9,60,40,000 litres of ethanol, out of which 8,86,94000 litres of ethanol have been sold, mills have paid 55 per cent of the money earned by selling ethanol to sugarcane farmers. The mills from the district have sold ethanol worth Rs 504.72 crore. Currently, for the coming season 2021-22 ethanol output is likely to increase as the government has emphasized its production.

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

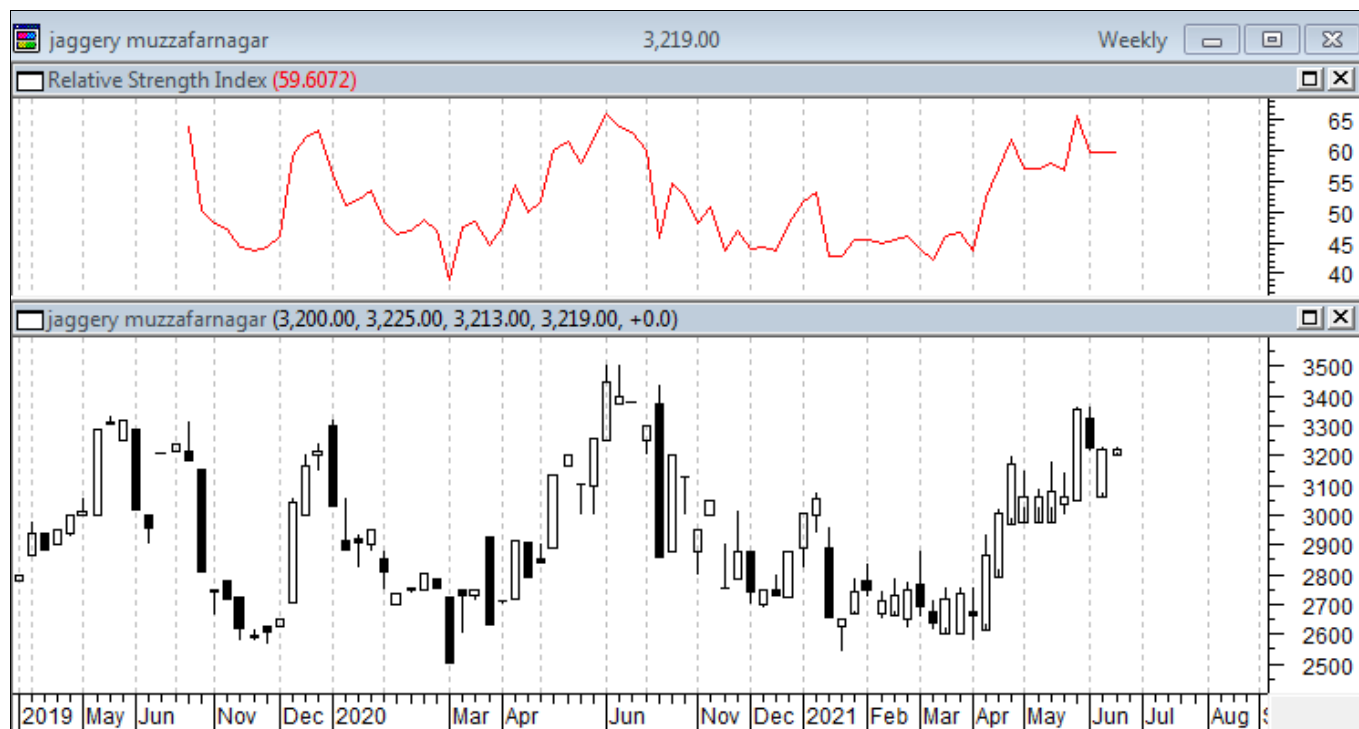
- The sugar spot prices at the benchmark Kolhapur market remained lower during last week and ended at Rs.3075/q.
- The next resistance and support level for the next week is expected at Rs.3100 and Rs.3050 per quintal respectively.
- RSI is in the neutral region.



Technical Analysis - ChakuSukha-gur(fresh) at Spot (Muzaffarnagar)market.

Gur Market Scenario

- The arrivals have closed in Muzaffarnagar.



International Market Highlights

Recent Updates:

Brazil Sugar Production have decreased in July 2021. According to data released by the trade association, UNICA Sugar production in the center-south region of Brazil has lowered by 2.8 percent in the first half of July compared with last year. The mills in the region have produced 2.94 million tonnes of sugar. As per the information shared by the 24 mills, agriculture yield of sugarcane was 14% lower in the first half of July compared to last year. The mills have in the first half of July crushed 45.6 million tonnes of cane which was 2.3% less compared to last year. At the same time, ethanol production increased by 1.1% to 2.16 billion litres.

Previous Updates

- **India's production is forecasted to reach 35.6 million tonnes by 2030.** According to FAO Agricultural Outlook Report, World Sugarcane production is projected to grow by 1 percent per annum and reach 1,960 million tonnes by 2030 with Brazil and India anticipated to contribute 65 percent of the change in global output. Brazil Sugar production is projected to increase to 41.0 ml t, production in India is forecasted to reach 35.6 ml t by 2030.
- **Philippines sugar production reached at 2.13 million metric tonnes.** According to the Sugar Regulatory Administration (SRA), Sugar output in Philippines has reached 2.137 million metric tonnes in the first week of July which is slightly lower around 2.14 million MT during the same period last year. However, despite the decline, the sugar output in the country has already exceeded its set target. According to the SRA, the sugar

production for the current season has surpassed the government's full-year target. The sugar crop year starts in September and ends in August.

- **Thailand sugar millers predicts sugar production around 6.6 million tonnes in 2020-21 season.** According to the Thai Sugar Millers Corporation, the domestic sugar production for the 2020-21 is around 6.6 million tonnes, which is lowest in the decade. Thailand had received less rainfall this year during the rainy season and also drought in the previous year which has impacted the sugar production. Many farmers are shifting to cassava which is drought resistant.
- **European Union's sugar production is likely to rise in the season 2021-22.** According to the European Commission short-term outlook report, Sugar output in EU is estimated to increase in 2021-22 season. Sugar production in the previous season was 14.5 million tonnes, whereas in the 2021-22 seasons it is forecasted to increase 15.5 million tonnes.

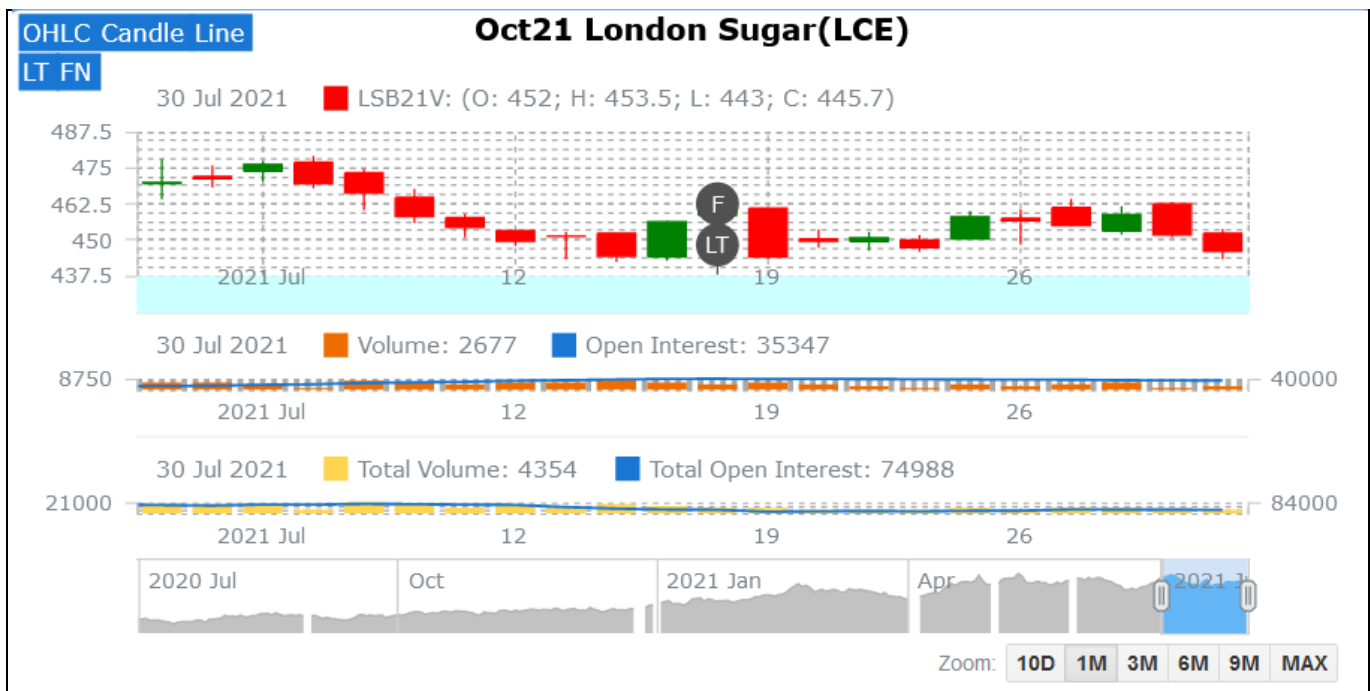
International Sugar Futures Price Projection

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

Technical Commentary

- LIFFE futures market remained steady to weak during the week.
- Total volume increased & open interest increased over a week.
- Strategy: Sell at level 455, T1 458

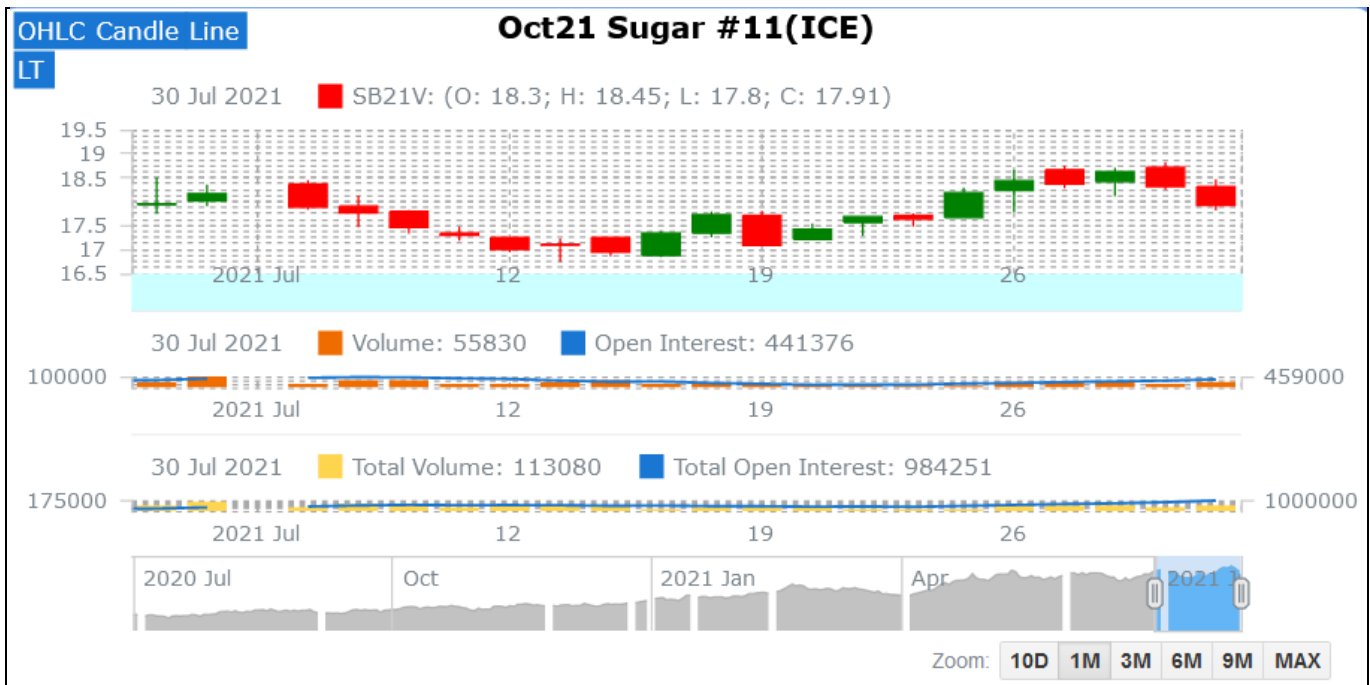
International Sugar Futures Price Projection			
	Contract Month	Present Quote	The expected Price level for next week
LIFFE Sugar (US \$/MT)	Oct'21	453	453-464



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

- ICE raw sugar futures remained steady to weak during the week.
- Both total volume increased & open interest increased in a week.
- Strategy: Buy at rate 18.45 Targeting 18.50.

International Sugar Futures Price Projection			
	Contract Month	Present Quote	The expected Price level for next week
ICE Sugar #11 (US Cent/lb)	Oct'21	18.40	18.45– 18.54



Spot Sugar Prices Scenario (Weekly) (Average)

Commodity	Centre	Variety	Average Prices (Rs/Qtl)		Change
Sugar			22nd July'21 to 28th July'21	15th July'21 to 21st July'21	
Delhi	Delhi	M-Grade	3221	3248	-27
	Delhi	S-Grade	3201	3228	-27
Uttar Pradesh	Khatauli	M-Grade	NA	NA	-
	Ramala	M-Grade	NA	NA	-
	Dhampur	M-Grade Ex-Mill	NA	NA	-
	Dhampur	S-Grade Ex-Mill	NA	NA	-
	Dhampur	L-Grade Ex-Mill	NA	NA	-
Maharashtra	Mumbai	M-Grade	3390	3388	2
	Mumbai	S-Grade	3208	3206	2
	Nagpur	M-Grade	3200	3194	6
	Nagpur	S-Grade	3142	3130	12
	Kolhapur	M-Grade	3075	3069	6
	Kolhapur	S-Grade	3017	3005	12
Assam	Guhawati	S-Grade	3277	3265	12
Meghalaya	Shillong	S-Grade	3337	3325	12
Andhra Pradesh	Vijayawada	M-Grade (With Duty)	3535	3540	-5
	Vijayawada	S-Grade (With Duty)	3510	3520	-10
West Bengal	Kolkata	M-Grade	3480	3480	Unch
Tamil Nadu	Chennai	S-Grade (With GST)	3525	3500	25
	Dindigul	M-Grade (DCA)	3520	3520	Unch
	Coimbatore	M-Grade (DCA)	3540	3620	-80
Chattisgarh	Ambikapur	M-Grade (Without Duty)	3600	3600	Unch

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)			22nd July'21 to 28th July'21	15th July'21 to 21st July'21	
Uttar Pradesh	Muzaffarnagar	Chaku Fresh	NA	NA	-
	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	NA	NA	-
	Muzaffarnagar	Khurpa (Fresh)	NA	NA	-
	Muzaffarnagar	Laddoo (Fresh)	NA	NA	-
	Muzaffarnagar	Rascut (Fresh)	NA	NA	-
	Hapur	Chaurasa	NA	NA	-

	Hapur	Balti	NA	NA	-
Andhra Pradesh	Chittur	Gold	NA	NA	-
		White	NA	NA	-
		Black	NA	NA	-
Maharashtra	Latur	Lal Variety	NA	NA	-
Karnataka	Bangalore	Mudde (Average)	4600	4600	Unch
	Belgaum	Mudde (Average)	NA	NA	-
	Belthangadi	Yellow (Average)	NA	NA	-
	Bijapur	Achhu	NA	NA	-
	Gulbarga	Other (Average)	NA	NA	-
	Mahalingapura	Penti (Average)	3275	3250	25
	Mandya	Achhu (Medium)	3272	3170	102
	Mandya	Kurikatu (Medium)	3100	3100	Unch
	Mandya	Other (Medium)	3126	3020	106
	Mandya	Yellow (Medium)	3268	3162	106
	Shimoga	Achhu (Average)	3650	3638	13

Spot Sugar Prices Scenario (Weekly)

Commodity	Centre	Variety	Today	Week Ago	Month Ago	Year Ago
Sugar			31-Jul-21	23-Jul-21	01-Jul-21	31-Jul-20
Delhi	Delhi	M-Grade	3300	3200	3230	3305
	Delhi	S-Grade	3280	3180	3210	3285
Uttar Pradesh	Khatauli	M-Grade	NR	NR	NR	3300
	Ramala	M-Grade	NR	NR	NR	0
	Dhampur	M-Grade Ex-Mill	NR	NR	NR	3225
	Dhampur	S-Grade Ex-Mill	NR	NR	NR	3205
	Dhampur	L-Grade Ex-Mill	NR	NR	NR	3275
Maharashtra	Mumbai	M-Grade	3360	3390	3326	3580
	Mumbai	S-Grade	3260	3206	3206	3356
	Nagpur	M-Grade	3200	3200	3200	3425
	Nagpur	S-Grade	3150	3150	3125	3325
	Kolhapur	M-Grade	3075	3075	3075	3300
	Kolhapur	S-Grade	3025	3025	3000	3200
Assam	Guhawati	S-Grade	3334	3334	3309	3512
Meghalaya	Shillong	S-Grade	3345	3345	3320	3520
Andhra Pradesh	Vijayawada	M-Grade (With Duty)	3500	3570	3560	3700
	Vijayawada	S-Grade (With Duty)	3500	3520	3560	3700
West Bengal	Kolkata	M-Grade	3480	3480	3600	3720
Tamil Nadu	Chennai	S-Grade	3550	3500	3550	3750

	Dindigul	M-Grade (DCA)	3520	3520	3580	3840
	Coimbatore	M-Grade (DCA)	3540	3540	3620	3620
Chattisgarh	Ambikapur	M-Grade (Without Duty)	3600	NA	3600	3600

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)			31-Jul-21	23-Jul-21	01-Jul-21	31-Jul-20
Uttar Pradesh	Muzaffarnagar	Chaku Sukha	NA	NA	NA	0
	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	NA	NA	NA	0
	Muzaffarnagar	Khurpa	NA	NA	NA	0
	Muzaffarnagar	Laddoo	NA	NA	NA	0
	Muzaffarnagar	Rascut	NA	NA	NA	0
	Hapur	Chaurasa	NA	NA	NA	0
	Hapur	Balti	NA	NA	NA	0
Andhra Pradesh	Chittur	Gold	NR	NR	NR	0
		White	NR	NR	NR	0
		Black	NR	NR	NR	0
Maharashtra	Latur	Lal Variety	NR	NR	NR	0
Karnataka	Bangalore	Mudde (Average)	4600	4600	4600	4400
	Belgaum	Mudde (Average)	NA	NA	NA	0
	Belthangadi	Yellow (Average)	NA	NA	NA	0
	Bijapur	Achhu	NA	NA	NA	0
	Gulbarga	Other (Average)	NA	NA	NA	0
	Mahalingapura	Penti (Average)	NA	3281	3153	0
	Mandya	Achhu (Medium)	NA	NA	3100	3600
	Mandya	Kurikatu (Medium)	NA	NA	3000	3370
	Mandya	Other (Medium)	NA	NA	3100	3350
	Mandya	Yellow (Medium)	NA	NA	3060	3550
	Shimoga	Achhu (Average)	3650	3650	3600	3650

International Sugar Prices (Weekly Average)				
	Contract Month	22nd July'21 to 28th July'21	15th July'21 to 21st July'21	Change
ICE Sugar #11 (US Cent/lb)	21-Jul	17.73	17.06	0.67
	21-Oct	16.91	16.38	0.53
	22-Mar	18.23	17.44	0.79
LIFFE Sugar (US \$/MT)	21-Aug	479.00	466.46	12.54
	21-Oct	475.28	465.82	9.46
	21-Dec	465.14	457.82	7.32

Source: MRCI

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/disclaimer.php> © 2021 Indian Agribusiness Systems Ltd.

