

Price Outlook:

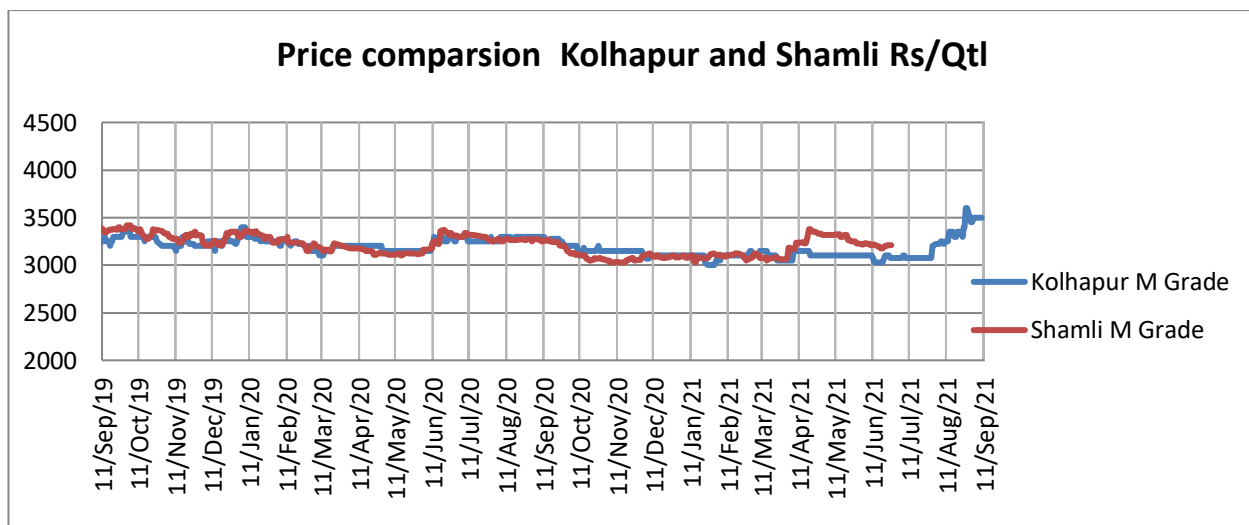
Sugar production for 2020-21 seasons are estimated at 309 lakh tonnes. The Haryana government has increased the sugarcane price to Rs. 362 per quintal for 2021-22 season. The average sugar prices were higher at Rs. 3575/q from the previous week at Rs.3484/q in Delhi market. The prices in Maharashtra also stood high at Rs.3383/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.3250 -3450 per quintal for next week.

Domestic Sugar Market Summary

Average prices for sugar 'M' grade in key Kolhapur market were range bound at Rs.3484 per quintal, while in Shamli district there were no arrivals during the last week.

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

- **Haryana government has increased the sugarcane price to Rs. 362 per quintal.** Punjab and Haryana government has increased the Sugarcane price from Rs. 310/quintal to Rs. 360/ quintal in Punjab and from Rs. 350/ quintal to Rs. 362 per quintal in Haryana.

Previous Updates

- **India has exported around 66.70 lakh tonnes of sugar till 31st August 21.** As per port information and market sources, about 66.70 lakh tons of sugar has been physically exported during the current 2020-21 sugar season i.e. 1st October, 2020 to 31st August, 2021 period. This is almost 11 lakh tons more as compared to 55.78 lakh tons exported during the corresponding period last season. This also includes about 4.49 lakh tons of exports done under MAEQ of 2019-20 SS, which was extended upto 31st December, 2020. In other words, about 62.21 lakh tons of sugar has been physically exported during January – August, 2021 period, mostly under MAEQ of 2020-21 SS and some quantity under OGL. The overall exports are expected to be around 70 lakh tonnes.
- **The All India Crop Situation Report issued by the Ministry of Agriculture and Farmer's Welfare shows a slight increase in sowing area this year.** Till 03rd September 2021, about 54.70 lakh hectares area has been sown under sugarcane crop compared with the normal of corresponding week. Thus 3.09 lakh hectares more area has been covered compared to normal of corresponding week. Higher area was reported from the states of Maharashtra (3.01 lakh hectares), Karnataka (0.66 lakh hectares), Gujarat (0.49 lakh hectares), and Uttar Pradesh (0.32 lakh hectares), Haryana (0.06 lakh hectares), Madhya Pradesh (0.04 lakh hectare), Uttarakhand (0.04 lakh hectares), Assam (0.04 lakh hectares), Odisha (0.03 lakh hectares), and Punjab (0.03 lakh hectares). Less area was reported from the states of Tamil Nadu (0.86 lakh hectares), Andhra Pradesh (0.47 lakh hectares), Chhattisgarh (0.21 lakh hectares), Telangana (0.05 lakh hectares), Bihar (0.04 lakh hectares) and West Bengal (0.02 lakh hectares).
- **Sugar production is expected to be lower in 2021-22 season.** India's sugar production is expected to fall to 30.5 million tonnes in 2021-22 season as more sugarcane will be diverted for ethanol making. During the current season 2 million tonnes of cane was diverted for ethanol making while in 2021-22 season around 3.5 million tonnes of sugarcane is expected to be diverted for ethanol making. However, the sugar production will be sufficient to meet the domestic consumption which is expected to increase by 3,00,000 – 4,00,000 tonnes at 26.3-26.5 million tonnes in the 2021-22 season.
- **West Bengal is focusing on ethanol production.** The West Bengal government has announced a policy to promote ethanol production and promotion in the state. An investment of Rs. 1,500 crore may come up in the next one year. The government will also encourage industry to procure broken rice kernels from farmers and produce ethanol.

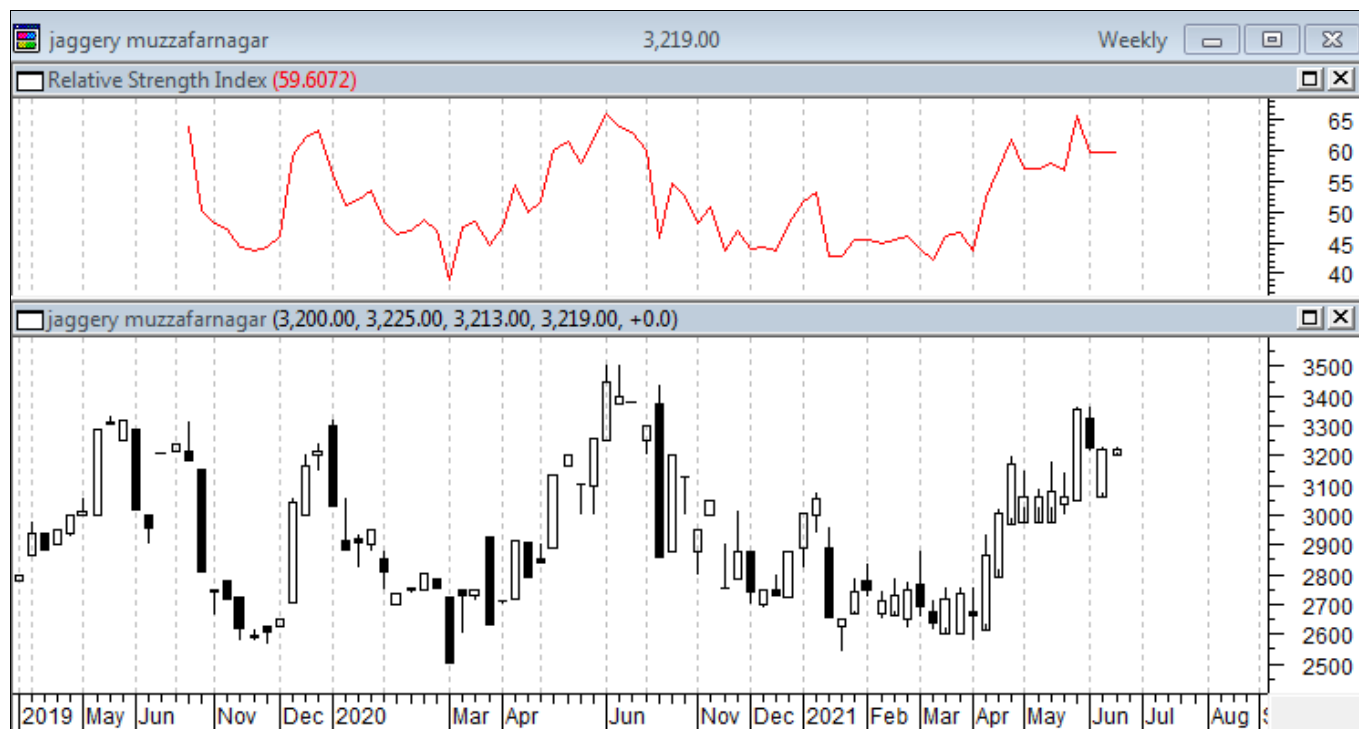
Technical Analysis - Sugar (M grade) Spot Market at Kolhapur market

- The sugar spot prices at the benchmark Kolhapur market was higher during last week and ended at Rs.3500/q.
- The next resistance and support level for the next week is expected at Rs.3580 and Rs.3200 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:

Bangladesh has fixed the Maximum retail price of sugar at TK 75 per kg. The prices of packed sugar were fixed at TK 75 per kg and loose sugar at TK 74 per kg. Despite the government has fixed the maximum retail price of sugar the prices of sugar in the domestic market continue to increase, the sugar is sold at TK 80-88 per kg in the retail market.

Previous Updates

- **Fiji sugar production has reached 60,000 tonnes.** According to the Fiji Sugar Corporation (FSC) sugar mills have crushed around 700,000 tonnes of cane and produced 60,000 tonnes of sugar so far. Despite the Covid pandemic challenges the sugar production is increasing in Fiji, the Labasa mill is leading the sugar production by supplying more than 250,000 tonnes of cane and producing 24,000 tonnes of sugar.
- **According to the International Sugar Organization (ISO), the global sugar deficit in the 2021-22 sugar season is forecasted to be 3.8 million tonnes.** ISO in its May report predicted the global sugar deficit to be 2 million tonnes but due to the unfavorable conditions in major sugar-producing countries led to an increase in sugar deficit to 3.8 million tonnes. It has also stated that the sugar production is rising by 0.2% to 170.6 million tonnes in the forthcoming season as against the consumption is increasing by 1.6% to 174.5.

- **Pakistan Trading Corporation has issued a tender to purchase 200,000 tonnes of white sugar.** An international tender has been issued by the Trading Corporation of Pakistan and the deadline for submission of price offers is 24th August 2021. The tender has been issued to increase the sugar supply in the country to meet the domestic demand and arrest the rising prices. Earlier, the Economic Coordination Committee (ECC) has approved an increase in rates of sugar, ghee, and wheat flour at Utility Stores Corporation of Pakistan in July 2021. Sugar prices in Pakistan after that had reached to Rs. 80- 100 per kg from Rs. 68-85 per kg in all the major markets.
- **Brazil Sugar Production may fall to 32.5 million tonnes in 2021-22 season.** Sugar production in the center-south region of Brazil is likely to fall to 32.5 million tonnes from an earlier estimate of 34.1 million tonnes due to drought and frost. Also, this provides opportunities for India to export raw sugar.

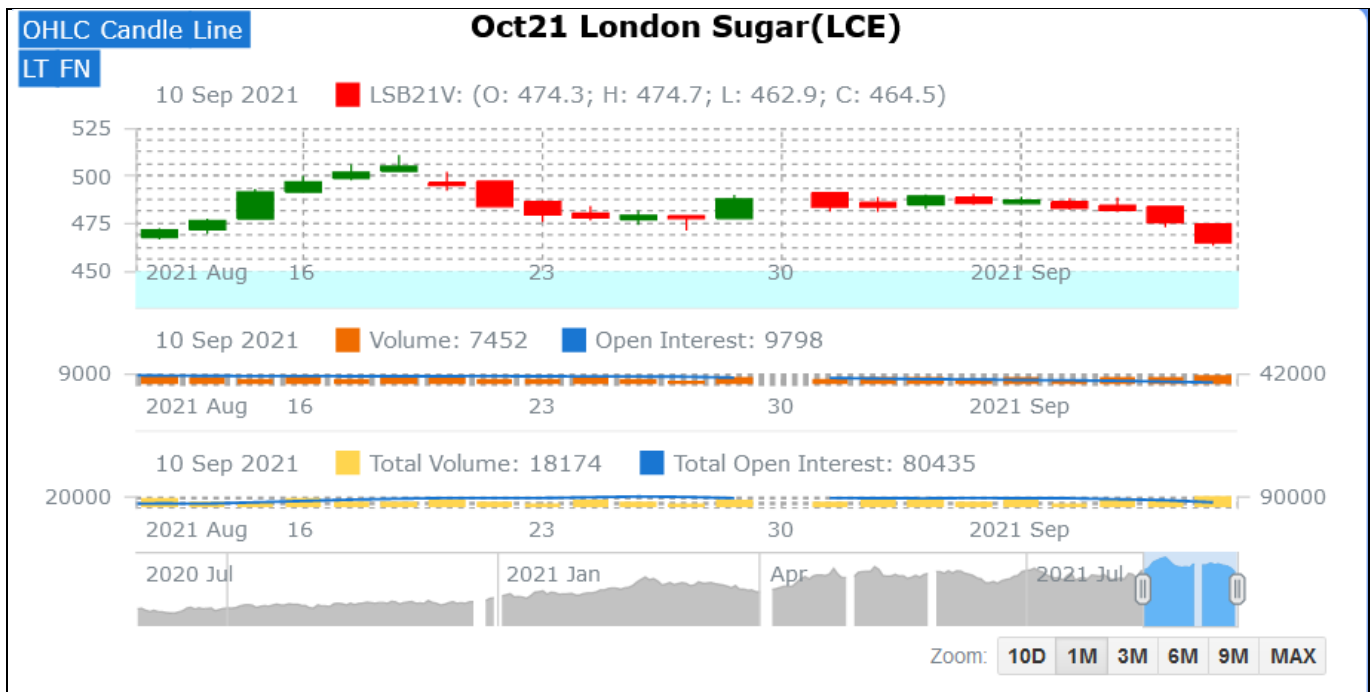
International Sugar Futures Price Projection

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

Technical Commentary

- LIFFE futures market remained steady to weak during the week.
- Total volume increased & open interest increased over a week.
- Strategy: Buy at level 474, T1 463

International Sugar Futures Price Projection			
	Contract Month	Present Quote	The expected Price level for next week
LIFFE Sugar (US \$/MT)	Oct'21	474	472-490

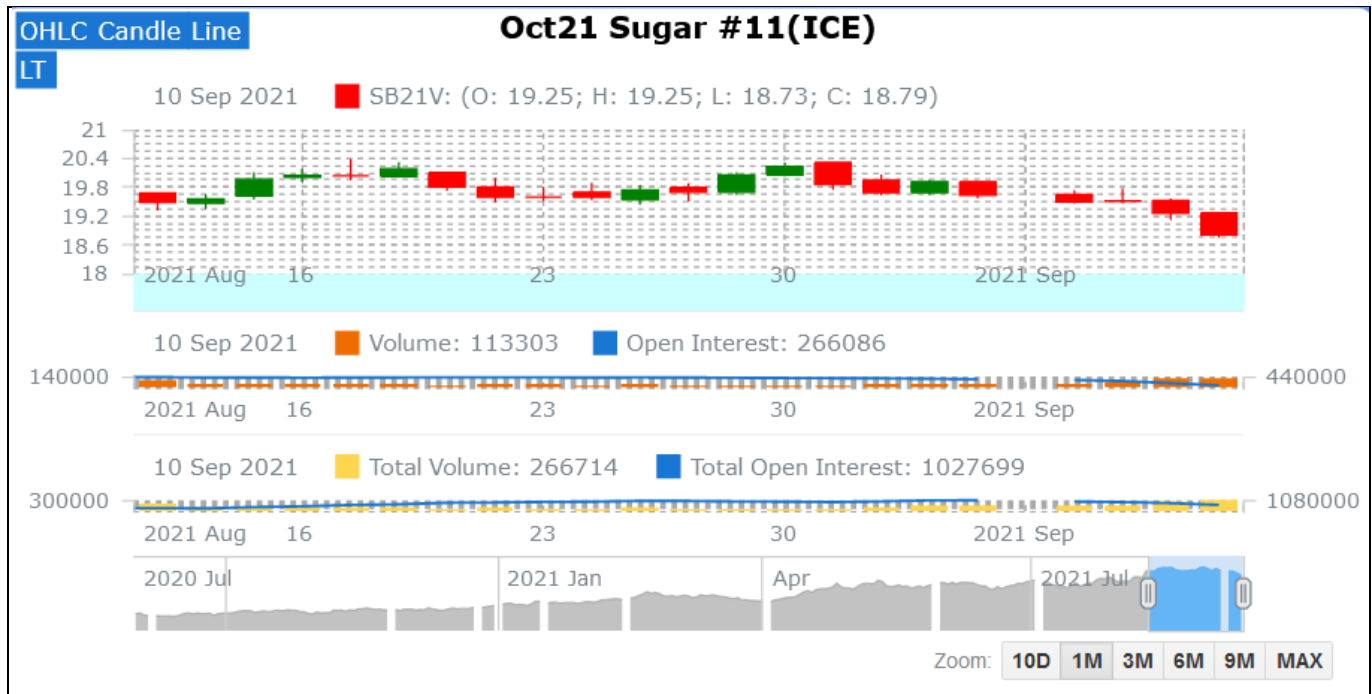


ICE (Raw Sugar Exchange) Future Market Scenario (Oct'21 Contract)

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 19.91 Targeting 19.28.

International Sugar Futures Price Projection			
	Contract Month	Present Quote	The expected Price level for next week
ICE Sugar #11 (US Cent/lb)	Oct'21	19.25	19.20– 20.0



Spot Sugar Prices Scenario (Weekly) (Average)					
Commodity	Centre	Variety	Average Prices (Rs/Qtl)		Change
Sugar			02nd Sep'21 to 08th Sep'21	26th Aug'21 to 01st Sep'21	
Delhi	Delhi	M-Grade	3595	3504	91
	Delhi	S-Grade	3575	3484	91
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	3800	3732	68
	Mumbai	S-Grade	3643	3559	84
	Nagpur	M-Grade	3608	3585	23
	Nagpur	S-Grade	3508	3455	53
	Kolhapur	M-Grade	3483	3460	23
	Kolhapur	S-Grade	3383	3330	53
Assam	Guhawati	S-Grade	3643	3590	53
Meghalaya	Shillong	S-Grade	3703	3650	53
Andhra Pradesh	Vijayawada	M-Grade (With Duty)	4040	3876	164
	Vijayawada	S-Grade (With Duty)	4140	3976	164
West Bengal	Kolkata	M-Grade	3850	3850	Unch
Tamil Nadu	Chennai	S-Grade (With GST)	3955	3750	205
	Dindigul	M-Grade (DCA)	3565	3520	45
	Coimbatore	M-Grade (DCA)	NA	NA	-
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)			02nd Sep'21 to 08th Sep'21	26th Aug'21 to 01st Sep'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)	4350	4225	125
	Belgaum	Mudde (Average)	NA	NA	-
	Belthangadi	Yellow (Average)	NA	NA	-
	Bijapur	Achhu	NA	NA	-
	Gulbarga	Other (Average)	NA	NA	-
	Mahalingapura	Penti (Average)	3449	3420	29
	Mandya	Achhu (Medium)	3152	3196	-44
	Mandya	Kurikatu (Medium)	3040	3056	-16
	Mandya	Other (Medium)	3062	3048	14
	Mandya	Yellow (Medium)	3144	3212	-68
	Shimoga	Achhu (Average)	3683	3650	33

Spot Sugar Prices Scenario (Weekly)

Commodity	Centre	Variety	Today	Week Ago	Month Ago	Year Ago
Sugar			09-Sep-21	01-Sep-21	10-Aug-21	09-Sep-20
Delhi	Delhi	M-Grade	3580	3610	3320	3320
	Delhi	S-Grade	3560	3590	3300	3300
Uttar Pradesh	Khatauli	M-Grade	NR	NR	NR	3325
	Ramala	M-Grade	NR	NR	NR	0
	Dhampur	M-Grade Ex-Mill	NR	NR	NR	3275
	Dhampur	S-Grade Ex-Mill	NR	NR	NR	3255
	Dhampur	L-Grade Ex-Mill	NR	NR	NR	3325
Maharashtra	Mumbai	M-Grade	3760	3840	3476	3496
	Mumbai	S-Grade	3590	3680	3326	3360
	Nagpur	M-Grade	3625	3725	3375	3425
	Nagpur	S-Grade	3525	3575	3265	3325
	Kolhapur	M-Grade	3500	3600	3250	3300
	Kolhapur	S-Grade	3400	3450	3140	3200
Assam	Guhawati	S-Grade	3715	3766	3451	3512
Meghalaya	Shillong	S-Grade	3720	3770	3460	3520

Andhra Pradesh	Vijayawada	M-Grade (With Duty)	4060	3960	3600	3640
	Vijayawada	S-Grade (With Duty)	4160	4060	3700	3700
West Bengal	Kolkata	M-Grade	3850	3850	3480	3730
Tamil Nadu	Chennai	S-Grade	3980	3750	3550	3680
	Dindigul	M-Grade (DCA)	3610	3520	3520	3780
	Coimbatore	M-Grade (DCA)	NA	NA	3600	3620
Chattisgarh	Ambikapur	M-Grade (Without Duty)	NA	NA	NA	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)			09-Sep-21	01-Sep-21	10-Aug-21	09-Sep-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)	4350	4350	4500	4950
	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)	3432	NA	3298	3367
	Mandya	Achhu (Medium)	3180	3150	3150	3400
	Mandya	Kurikatu (Medium)	3100	3050	3150	3380
	Mandya	Other (Medium)	3000	3000	3050	3300
	Mandya	Yellow (Medium)	3200	3170	3200	3320
	Shimoga	Achhu (Average)	3650	3650	3650	3750

International Sugar Prices (Weekly Average)				
	Contract Month	02nd Sep'21 to 08th Sep'21	26th Aug'21 to 01st Sep'21	Change
ICE Sugar #11 (US Cent/lb)	21-Jul	19.71	19.80	-0.09
	21-Oct	19.02	18.91	0.11
	22-Mar	19.62	19.89	-0.27
LIFFE Sugar (US \$/MT)	21-Aug	515.72	515.96	-0.24
	21-Oct	511.84	511.72	0.12
	21-Dec	501.92	499.84	2.08

Source: MRCI

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