

Price Outlook:

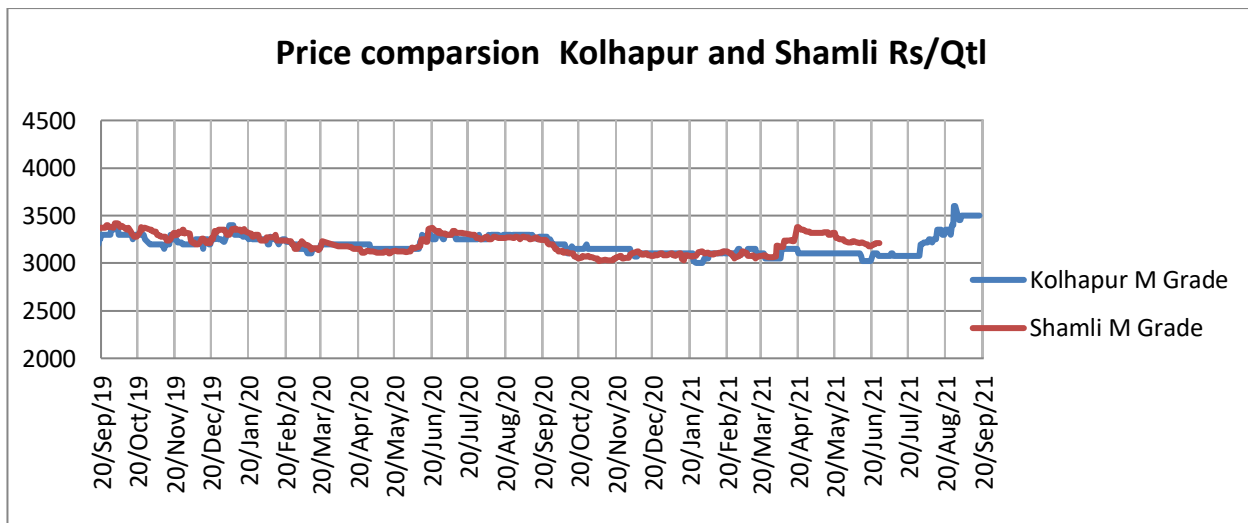
Sugar production for 2020-21 seasons are estimated at 309 lakh tonnes. Maharashtra Sugar mills will start the cane crushing operation from 15th October 2021. The average sugar prices have slightly decreased at Rs. 3563/q from the previous week at Rs.3575/q in Delhi market. The prices in Maharashtra stood high at Rs.3400/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.3450 -3550 per quintal for next week.

Domestic Sugar Market Summary

Average prices for sugar 'M' grade in key Kolhapur market were range bound at Rs.3500 per quintal, while in Shamli district there were no arrivals during the last week.

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

- **West Bengal has received 15 proposals to produce ethanol.** West Bengal government aims to increase ethanol production in the state by setting up new plants to achieve the target of blending ethanol with petrol set by the centre. The state so far has received 15 proposals to produce ethanol. The total investment involved is Rs. 2,666 crore and around 4,000 direct employment is expected through this in the state.

Previous Updates

- Maharashtra Sugar mills will start the cane crushing operation from 15th October 2021.** For the coming 2021-22 sugar season, sugar mills in Maharashtra will start the cane crushing operation from 15th October 2021. About 12.32 lakh hectares of area is under sugarcane cultivation in the state for the coming 2021-22 season and around 97 tonnes per hectare of sugarcane production is expected in the state. Mills are expected to crush 109.6 million tonnes of sugarcane to produce an estimated 11.2 million tonnes of sugar. About 193 sugar mills are expected to participate in the cane crushing operation during 2021-22 seasons.
- Sugarcane crop in Punjab get affected due to red rot diseases.** According to a survey conducted by Punjab government some areas of Gurdaspur, Hoshiarpur, Amritsar, Jalandhar, Pathankot have witnessed the red rot diseases in the sugarcane crop. About 50,000-acre area in 36 villages in Mukerian, Pathankot, Shri Hargobindpur, Gurdaspur, Kahnuwan, Narto Jaimal Singh, Ajnala and Ludhiana has been affected.
- 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.

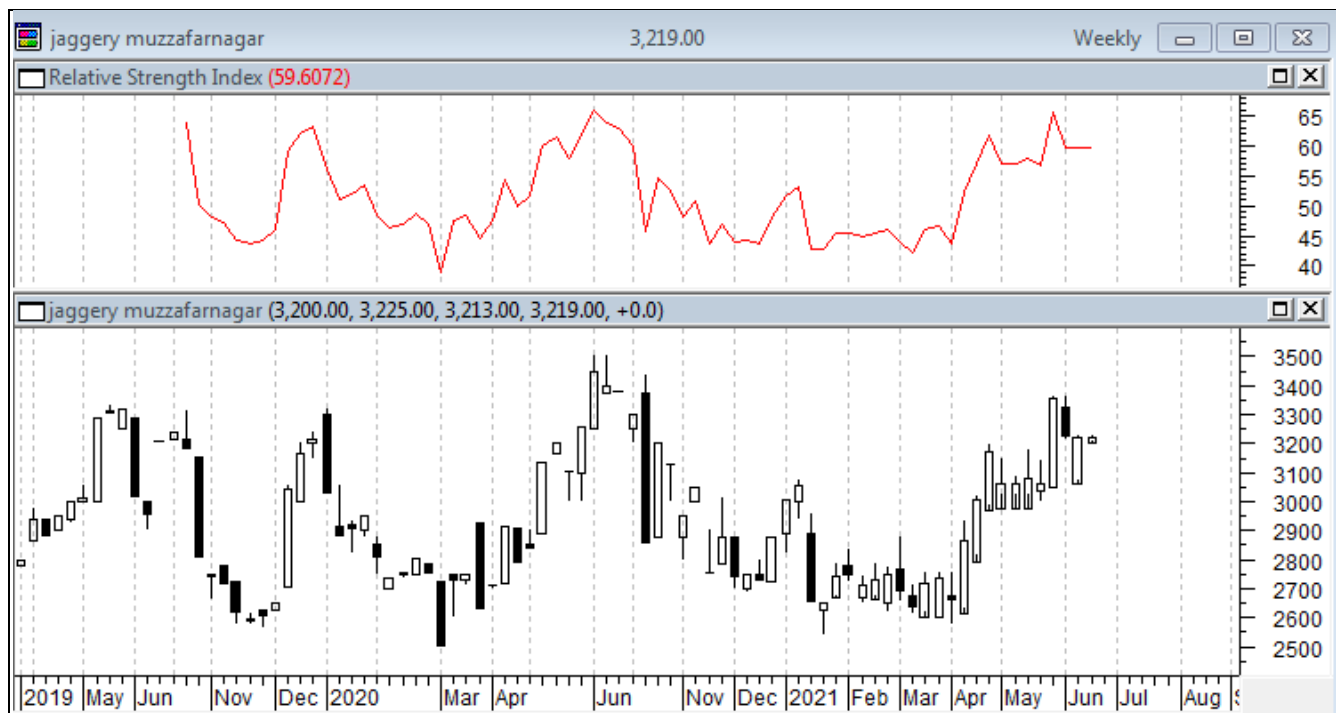
Technical Analysis - Sugar (M grade) Spot Market at Kolhapur market

- 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 Muzzaffarnagar.

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

According to Covrig analytics, Sugar output in Brazil's center south region is expected to increase from 33.06 million tonnes to 34.17 million tonnes in 2022-23 season. As per the analysis, the sugarcane crop in Brazil's CS region would increase from 532 million tonnes to 552 million tonnes in the next season. Whereas, the sugarcane output in Brazil this season is likely to fall by 12%, lowest in the decade, due to unfavorable climatic conditions like drought and frost that have affected the sugarcane crop.

Previous 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.

- **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.

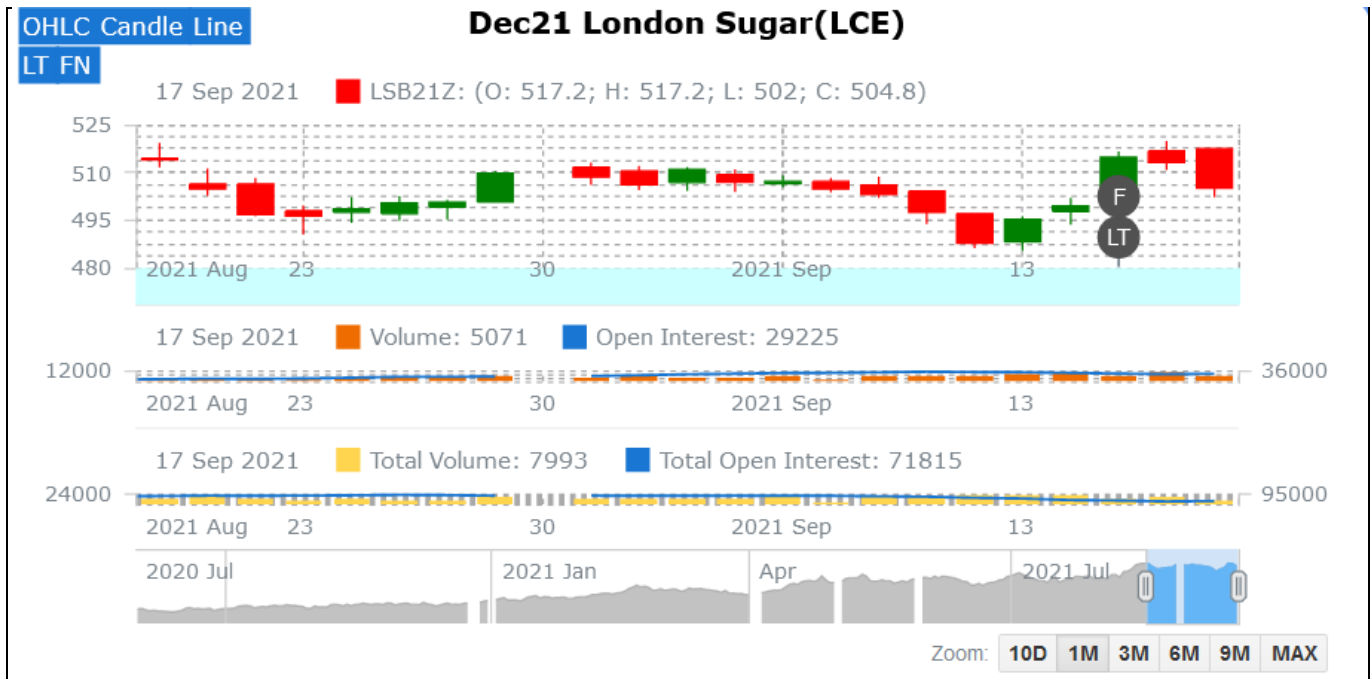
International Sugar Futures Price Projection

LIFFE (White Sugar Exchange) Future Market Sugar Scenario (Dec'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 516, T1 504

International Sugar Futures Price Projection			
	Contract Month	Present Quote	The expected Price level for next week
LIFFE Sugar (US \$/MT)	Dec'21	517	520-525

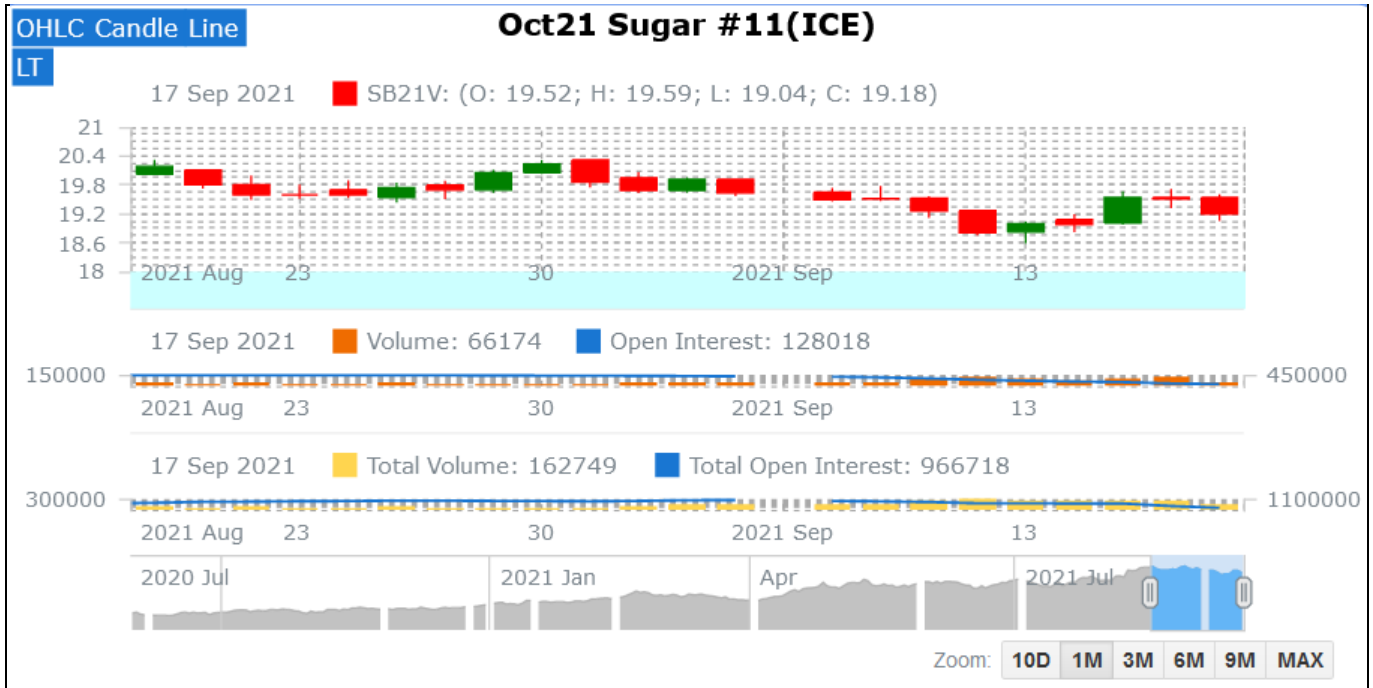


ICE (Raw Sugar Exchange) Future Market Scenario (Oct'21 Contract)

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 19.60 Targeting 19.18.

International Sugar Futures Price Projection			
	Contract Month	Present Quote	The expected Price level for next week
ICE Sugar #11 (US Cent/lb)	Oct'21	19.59	19.50– 20.0



Spot Sugar Prices Scenario (Weekly) (Average)

Commodity	Centre	Variety	Average Prices (Rs/Qtl)		Change
Sugar			09th Sep'21 to 15th Sep'21	02nd Sep'21 to 08th Sep'21	
Delhi	Delhi	M-Grade	3583	3595	-12
	Delhi	S-Grade	3563	3575	-12
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	3762	3800	-38
	Mumbai	S-Grade	3618	3643	-25
	Nagpur	M-Grade	3625	3608	17
	Nagpur	S-Grade	3525	3508	17
	Kolhapur	M-Grade	3500	3483	17
	Kolhapur	S-Grade	3400	3383	17
Assam	Guhawati	S-Grade	3660	3643	17
Meghalaya	Shillong	S-Grade	3715	3703	12
Andhra Pradesh	Vijayawada	M-Grade (With Duty)	4030	4040	-10
	Vijayawada	S-Grade (With Duty)	4130	4140	-10
West Bengal	Kolkata	M-Grade	3850	3850	Unch
Tamil Nadu	Chennai	S-Grade (With GST)	3940	3955	-15
	Dindigul	M-Grade (DCA)	3640	3565	75
	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)			09th Sep'21 to 15th Sep'21	02nd Sep'21 to 08th 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	Chaursa	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	4350	Unch
	Belgaum	Mudde (Average)	NA	NA	-
	Belthangadi	Yellow (Average)	NA	NA	-
	Bijapur	Achhu	NA	NA	-
	Gulbarga	Other (Average)	NA	NA	-
	Mahalingapura	Penti (Average)	3403	3449	-46
	Mandya	Achhu (Medium)	3170	3152	18
	Mandya	Kurikatu (Medium)	3030	3040	-10
	Mandya	Other (Medium)	2976	3062	-86
	Mandya	Yellow (Medium)	3140	3144	-4
	Shimoga	Achhu (Average)	3650	3683	-33

Spot Sugar Prices Scenario (Weekly)

Commodity	Centre	Variety	Today	Week Ago	Month Ago	Year Ago
Sugar			17-Sep-21	09-Sep-21	18-Aug-21	17-Sep-20
Delhi	Delhi	M-Grade	3600	3580	3580	3320
	Delhi	S-Grade	3580	3560	3560	3300
Uttar Pradesh	Khatauli	M-Grade	NR	NR	NR	3330
	Ramala	M-Grade	NR	NR	NR	0
	Dhampur	M-Grade Ex-Mill	NR	NR	NR	3250
	Dhampur	S-Grade Ex-Mill	NR	NR	NR	3230
	Dhampur	L-Grade Ex-Mill	NR	NR	NR	3300
Maharashtra	Mumbai	M-Grade	3780	3760	3650	3496
	Mumbai	S-Grade	3650	3590	3570	3360
	Nagpur	M-Grade	3625	3625	3475	3385
	Nagpur	S-Grade	3525	3525	3375	3285
	Kolhapur	M-Grade	3500	3500	3350	3260
	Kolhapur	S-Grade	3400	3400	3250	3160
Assam	Guhawati	S-Grade	3715	3715	3563	3471
Meghalaya	Shillong	S-Grade	3720	3720	3570	3480
Andhra Pradesh	Vijayawada	M-Grade (With Duty)	4000	4060	3740	3640
	Vijayawada	S-Grade (With Duty)	4100	4160	3840	3700
West Bengal	Kolkata	M-Grade	3850	3850	3480	3730

Tamil Nadu	Chennai	S-Grade	3930	3980	3670	3680
	Dindigul	M-Grade (DCA)	3670	3610	3520	3780
	Coimbatore	M-Grade (DCA)	3860	NA	3600	3620
Chattisgarh	Ambikapur	M-Grade (Without Duty)	3600	NA	NA	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-Sep-21	09-Sep-21	18-Aug-21	17-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	4650	0
	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)	3392	3432	3400	0
	Mandya	Achhu (Medium)	3150	3180	3200	0
	Mandya	Kurikatu (Medium)	3050	3100	3100	0
	Mandya	Other (Medium)	2950	3000	3050	0
	Mandya	Yellow (Medium)	3100	3200	3260	0
	Shimoga	Achhu (Average)	3650	3650	3650	0

International Sugar Prices (Weekly Average)				
	Contract Month	09th Sep'21 to 15th Sep'21	02nd Sep'21 to 08th Sep'21	Change
ICE Sugar #11 (US Cent/lb)	21-Jul	19.35	19.71	-0.36
	21-Oct	18.79	19.02	-0.23
	22-Mar	19.10	19.62	-0.52
LIFFE Sugar (US \$/MT)	21-Aug	505.78	515.72	-9.94
	21-Oct	502.50	511.84	-9.34
	21-Dec	494.12	501.92	-7.80

Source: MRCI

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