

Price Outlook:

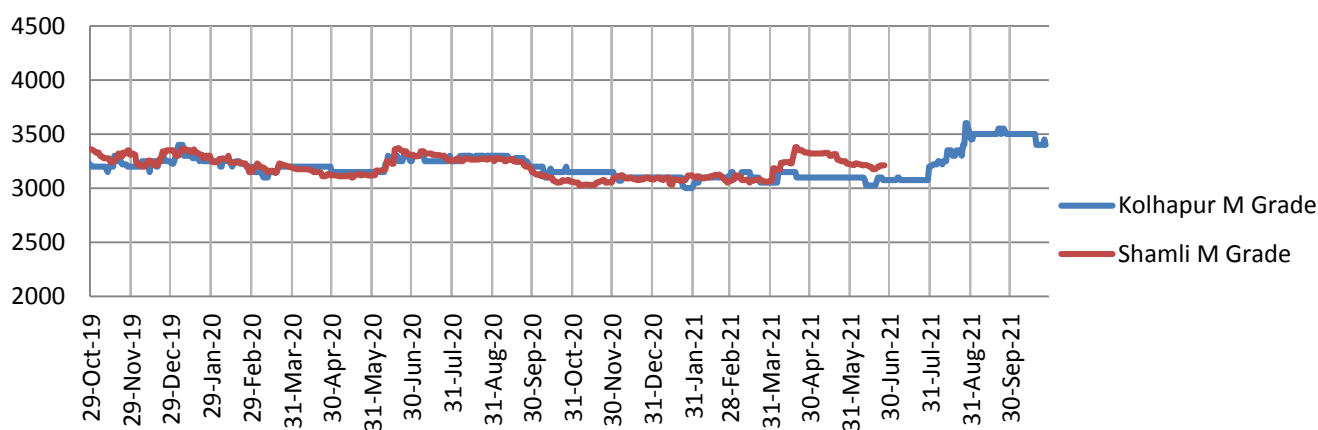
Government has fixed 22.5 LMT of monthly sugar sales quota for November 2021. Sugarcane crushing has also started in Maharashtra and will start in Uttar Pradesh from this month. The average sugar prices have slightly increased at Rs. 3643/q from the previous week at Rs.3617/q in Delhi market. The prices in Maharashtra stood high at Rs.3796/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.3350 -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.3400 per quintal, while in Shamli district there were no arrivals during the last week.

Price comparsion Kolhapur and Shamli Rs/Qtl**Domestic Market Highlights****Recent Updates:**

- **Government has fixed 22.5 LMT of monthly sugar sales quota for November 2021.** The food ministry has allocated 22.5 LMT monthly sugar quota for November 2021 to 558 sugar mills which is same as the quota released during the previous season for November 2020. Government has also gave an extension of 30 days to sell the unsold quota of October 2021. As per Agriwatch, this will create a selling pressure for the sugar mills despite of the festive demand.

Previous Updates

- **Indian Sugar Mills Association has estimated sugar production at 305 lakh tonnes for the 2021-22 season.** As per the Indian Sugar Mills Association, India's sugar production (after accounting a reduction due to diversion of cane juice and B- heavy molasses to ethanol) is estimated at 305 lakh tonnes lower from the previous estimates of 310 lakh tonnes during July 2021. Total acreages under sugarcane in the country is estimated to be around 54.37 lakh hectares in 2021-22 season which is 3 percent higher from previous season of 52.88 lakh hectares. ISMA is also expecting a marginal decrease in yield and sugar recovery from Uttar Pradesh due to recent rains.
- Heavy rainfall in the last few days in Moradabad district of Uttar Pradesh has destroyed the harvested sugarcane crop in the district. Due to the heavy rainfall, the entire field gets flooded and the crop has been completely damaged. Farmers are also demanding compensation for their damaged crops.
- **Sugarcane crushing has started for the 2021-22 season.** According to the Agriwatch, around 16 sugar mills have started the cane crushing operation in Maharashtra from 20th October 2021. Also, Sugar cane crushing in Uttar Pradesh will begin from 15th November 2021.
- **Bihar may hike the sugarcane purchase price.** According to the market sources Bihar is planning to increase the sugarcane purchase price for the coming 2021-22 season. Earlier, Uttar Pradesh has increased the sugarcane purchase price by Rs. 25 for the 2021-22 season.
- **Haryana government has asked the industries to use stubbles for ethanol production.** The Haryana government is providing Rs. 1000 per acre to the farmers for selling their stubble and has directed the industries to buy stubble this time. The government has also asked the industries to use stubble for ethanol and energy production.

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

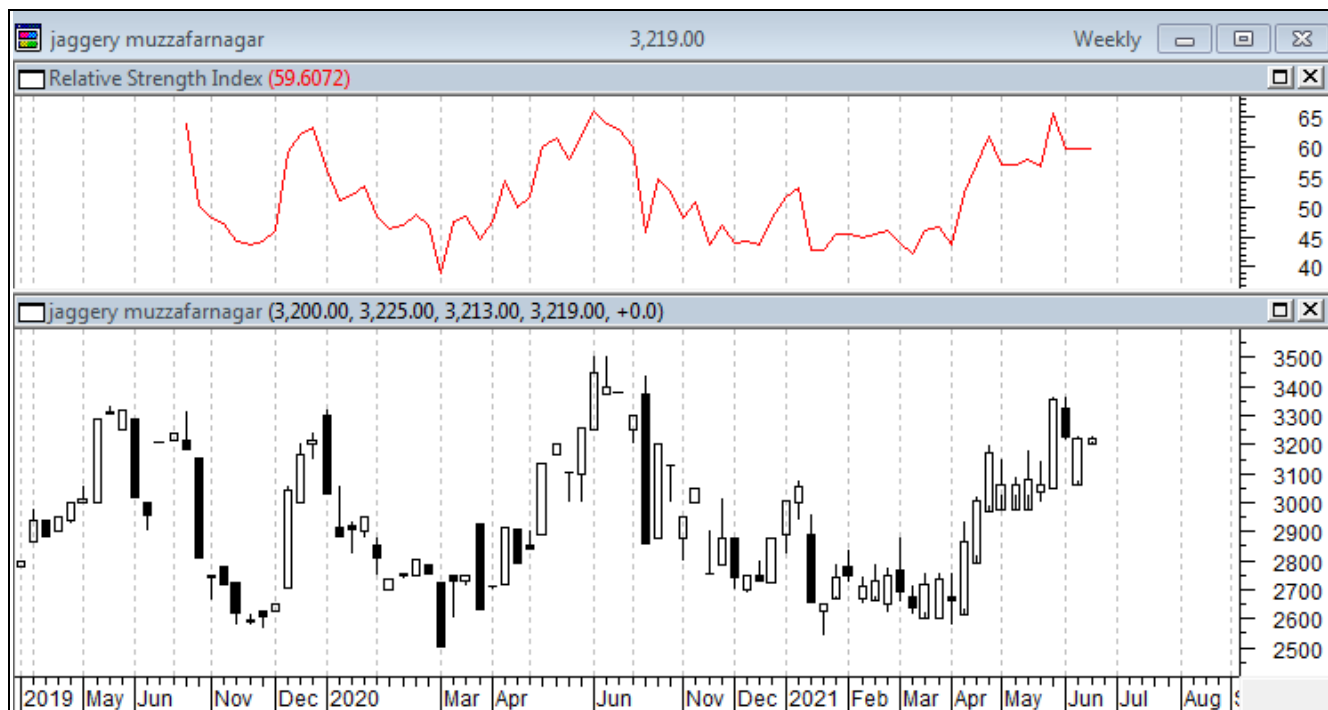
- The sugar spot prices at the benchmark Kolhapur market was higher during last week and ended at Rs.3500/q.
- The next resistance and support level for the next week is expected at Rs.3550 and Rs.3200 per quintal respectively.
- RSI is in the neutral region.



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

Gur Market Scenario

- The arrivals have closed in Muzaffarnagar.



International Market Highlights

Recent Updates:

Bangladesh Sugar Refiners Association (BSRA) has proposed the government to increase the sugar price by Bangladeshi Taka (TK) 10 per kg i.e. from TK 75 per kg to TK 85 per kg and the MRP of unpacked sugar to TK 80 from TK 74 per kg. Although the commerce industry is yet to approve the price hike, the sugar is sold at higher rates in the domestic market.

Previous Updates

- Kenyan Parliament is planning to make changes in the law to penalize the sugar mills if they delay cane payment to farmers. The Parliament has approved changes to the Sugar Bill 2019, according to which the millers will be given a time limit to pay farmers their dues else they would have to pay a fine. The bill now awaits the President's assent to become a law that will protect the sugarcane farmers.
- According to the Ministry of Supply and Internal Trade, Egypt has sufficient sugar stock to cater consumption needs of the people of the country for 6 months. According to the Head of the Internal Trade Development Authority, apart from sugar, the cooking oil reserve in the country is available for 5 months and the rice reserve is sufficient for three and a half months.

- **Sugar stocks stuck at port in Sri Lanka.** Due to the delay in payments, the sugar stock worth Rs. 1 billion is stuck at the port in Sri Lanka. According to the sugar importers association, around 300 containers comprising 7,000 metric tons of sugar is stuck at the port. Earlier, around 12,000 tons of sugar packed in 400 containers was imported by five importers five months ago. However, due to the policy decision taken by the government to restrict the import of sugar and the shortage of dollar, the release of consignment of sugar had been delayed.
- The Brazil center south region is likely to recover in the next season increasing sugar production from 32.5 million tonnes to 32.9 million tonnes. According to the market experts, if Brazil receives normal rains in the first quarter of the next year, then sugar crush would reach 540 million tonnes which is higher by 20 million tonnes in the current season.
- **Pakistan's government is planning to increase the minimum purchase price (MRP) of sugarcane from Rs. 220 per 40 kg to Rs. 250 per 40kg this season.** The Sugarcane Control Board (SCCB) is planning to propose a hike of at least Rs. 30 per 40kg in the previous year's rate, the meeting is scheduled for the next week. The cane prices are scheduled to increase due to an increase in the farm input price and high electricity rates for tube wells. According to the Punjab Crop Reporting survey, the failure of the cotton crop has led the farmers to turn to cane cultivation. The area under sugarcane cultivation in the country has also increased by 12 percent to 2.148 million acres against the set target of 1.880 million acres.

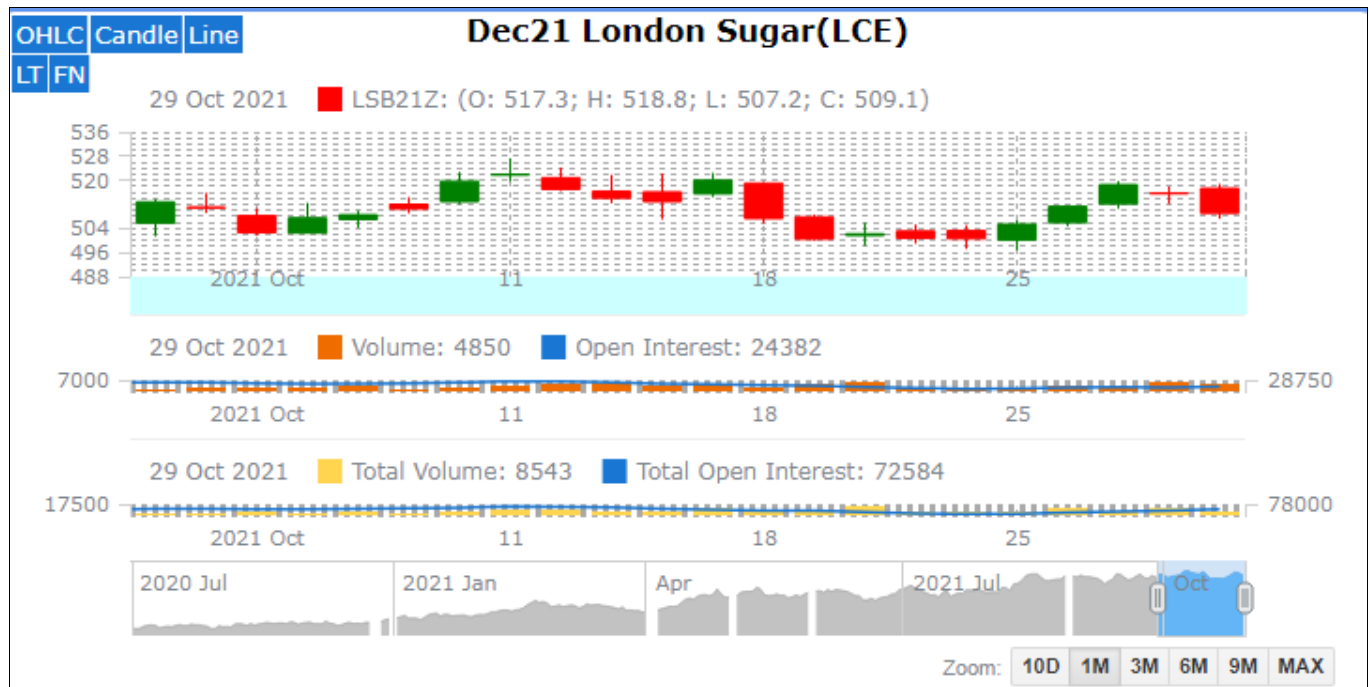
International Sugar Futures Price Projection

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 518, T1 520

| International Sugar Futures Price Projection | | | |
|--|----------------|---------------|--|
| | Contract Month | Present Quote | The expected Price level for next week |
| LIFFE Sugar (US \$/MT) | Dec'21 | 518 | 515-524 |

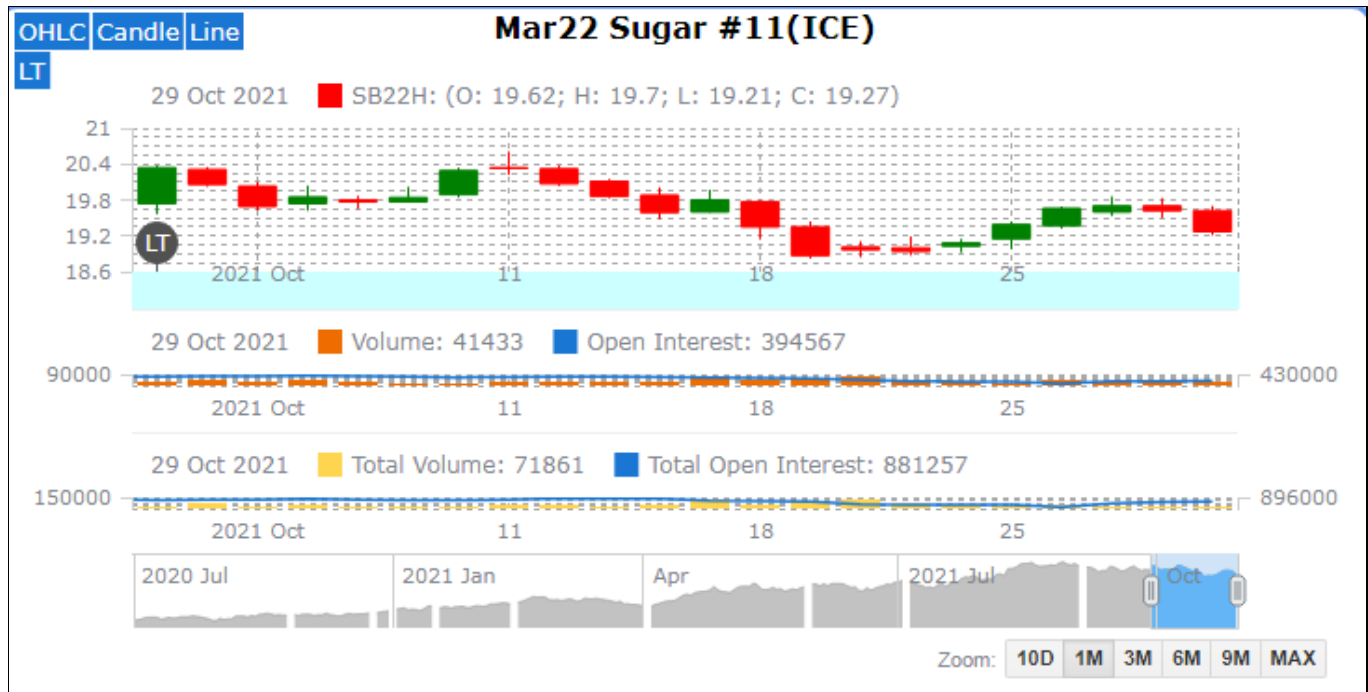


ICE (Raw Sugar Exchange) Future Market Scenario (Mar'22 Contract)

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 19.70 Targeting 19.80.

| International Sugar Futures Price Projection | | | |
|--|----------------|---------------|--|
| | Contract Month | Present Quote | The expected Price level for next week |
| ICE Sugar #11 (US Cent/lb) | Mar'22 | 19.70 | 19.50– 20.10 |



| Spot Sugar Prices Scenario (Weekly) (Average) | | | | | |
|---|----------|-----------------|----------------------------|----------------------------|--------|
| Commodity | Centre | Variety | Average Prices (Rs/Qtl) | | Change |
| Sugar | | | 21st Oct'21 to 27th Oct'21 | 14th Oct'21 to 20th Oct'21 | |
| Delhi | Delhi | M-Grade | 3663 | 3637 | 26 |
| | Delhi | S-Grade | 3643 | 3617 | 26 |
| 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 | 3796 | 3788 | 8 |
| | Mumbai | S-Grade | 3575 | 3602 | 27 |
| | Nagpur | M-Grade | 3550 | 3625 | 75 |

| | | | | | |
|----------------|------------|------------------------|------|------|------|
| | Nagpur | S-Grade | 3450 | 3525 | 75 |
| | Kolhapur | M-Grade | 3425 | 3500 | 75 |
| | Kolhapur | S-Grade | 3325 | 3400 | 75 |
| Assam | Guhawati | S-Grade | 3585 | 3660 | 75 |
| Meghalaya | Shillong | S-Grade | 3645 | 3720 | 75 |
| Andhra Pradesh | Vijayawada | M-Grade (With Duty) | 4020 | 4020 | Unch |
| | Vijayawada | S-Grade (With Duty) | 3920 | 3920 | Unch |
| West Bengal | Kolkata | M-Grade | 3950 | 3950 | Unch |
| Tamil Nadu | Chennai | S-Grade (With GST) | 3684 | 3880 | 4 |
| | Dindigul | M-Grade (DCA) | 3920 | 3920 | Unch |
| | Coimbatore | M-Grade (DCA) | 3900 | 3900 | Unch |
| Chattisgarh | Ambikapur | M-Grade (Without Duty) | 3780 | 3780 | 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) | | | 21st Oct'21 to 27th Oct'21 | 14th Oct'21 to 20th Oct'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) | 4550 | 4550 | Unch |
| | Belgaum | Mudde (Average) | NA | NA | - |
| | Belthangadi | Yellow (Average) | NA | NA | - |
| | Bijapur | Achhu | NA | NA | - |
| | Gulbarga | Other (Average) | NA | NA | - |
| | Mahalingapura | Penti (Average) | 3668 | NA | - |
| | Mandya | Achhu (Medium) | 3421 | 3250 | 171 |
| | Mandya | Kurikatu (Medium) | 3250 | 3000 | 250 |
| | Mandya | Other (Medium) | 3300 | 3050 | 250 |
| | Mandya | Yellow (Medium) | 3455 | 3200 | 255 |
| | Shimoga | Achhu (Average) | 3700 | 3700 | Unch |

Spot Sugar Prices Scenario (Weekly)

| Commodity | | | Today | Week Ago | Month Ago | Year Ago |
|----------------|------------|------------------------|-----------|-----------|-----------|-----------|
| Sugar | Centre | Variety | 27-Oct-21 | 19-Oct-21 | 27-Sep-21 | 27-Oct-20 |
| Delhi | Delhi | M-Grade | 3700 | 3640 | 3660 | 3295 |
| | Delhi | S-Grade | 3680 | 3620 | 3640 | 3275 |
| Uttar Pradesh | Khatauli | M-Grade | NR | 0 | 0 | 3130 |
| | Ramala | M-Grade | NR | 0 | 0 | 0 |
| | Dhampur | M-Grade Ex-Mill | NR | 0 | 0 | 3150 |
| | Dhampur | S-Grade Ex-Mill | NR | 0 | 0 | 3130 |
| | Dhampur | L-Grade Ex-Mill | NR | 0 | 0 | 3200 |
| Maharashtra | Mumbai | M-Grade | 3800 | 3786 | 3770 | 3426 |
| | Mumbai | S-Grade | 3566 | 3596 | 3630 | 3282 |
| | Nagpur | M-Grade | 3575 | 3625 | 3675 | 3275 |
| | Nagpur | S-Grade | 3475 | 3525 | 3575 | 3225 |
| | Kolhapur | M-Grade | 3450 | 3500 | 3550 | 3150 |
| | Kolhapur | S-Grade | 3350 | 3400 | 3450 | 3100 |
| Assam | Guhawati | S-Grade | 3664 | 3715 | 3766 | 3410 |
| Meghalaya | Shillong | S-Grade | 3670 | 3720 | 3770 | 3420 |
| Andhra Pradesh | Vijayawada | M-Grade (With Duty) | 4020 | 4020 | 4100 | 3540 |
| | Vijayawada | S-Grade (With Duty) | 3920 | 3920 | 3920 | 3610 |
| West Bengal | Kolkata | M-Grade | 3950 | 3950 | 3900 | 3680 |
| Tamil Nadu | Chennai | S-Grade | 3640 | 3880 | 3820 | 3600 |
| | Dindigul | M-Grade (DCA) | 3920 | 3920 | 3880 | 3810 |
| | Coimbatore | M-Grade (DCA) | 3900 | 3900 | 3860 | 3620 |
| Chattisgarh | Ambikapur | M-Grade (Without Duty) | 3600 | 3800 | 3700 | 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 | 27-Oct-21 | 19-Oct-21 | 27-Sep-21 | 27-Oct-20 |
| Uttar Pradesh | Muzaffarnagar | Chaku Sukha | 3900 | Closed | 0 | 3000 |
| | Muzaffarnagar | Chaku(Arrival)(40kg Bag) | 5000 | Closed | 0 | 6000 |

| | | | | | | |
|----------------|---------------|-------------------|------|--------|------|------|
| | Muzaffarnagar | Khurpa | 3375 | Closed | 0 | 2338 |
| | Muzaffarnagar | Laddoo | 3850 | Closed | 0 | 2775 |
| | Muzaffarnagar | Rascut | 2600 | Closed | 0 | 2313 |
| | Hapur | Chaurasa | 3375 | Closed | 0 | 2355 |
| | Hapur | Balti | 3350 | Closed | 0 | 2425 |
| Andhra Pradesh | Chittur | Gold | NR | 0 | 0 | 0 |
| | | White | NR | 0 | 0 | 0 |
| | | Black | NR | 0 | 0 | 0 |
| Maharashtra | Latur | Lal Variety | NR | 0 | 0 | 0 |
| Karnataka | Bangalore | Mudde (Average) | 4550 | 0 | 4200 | 4400 |
| | Belgaum | Mudde (Average) | NA | 3800 | 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) | 3805 | 0 | 3349 | 3518 |
| | Mandya | Achhu (Medium) | 3590 | 0 | 2960 | 3250 |
| | Mandya | Kurikatu (Medium) | 3300 | 0 | 3000 | 3200 |
| | Mandya | Other (Medium) | 3270 | 0 | 2950 | 3100 |
| | Mandya | Yellow (Medium) | 3550 | 0 | 3030 | 3350 |
| | Shimoga | Achhu (Average) | 3700 | 0 | 3650 | 3550 |

| International Sugar Prices (Weekly Average) | | | | |
|---|----------------|----------------------------|----------------------------|--------|
| | Contract Month | 21st Oct'21 to 27th Oct'21 | 14th Oct'21 to 20th Oct'21 | Change |
| ICE Sugar #11 (US Cent/lb) | 21-Jul | 18.79 | 18.79 | Unch |
| | 21-Oct | 18.47 | 18.59 | 0.12 |
| | 22-Mar | 19.35 | 19.25 | 0.01 |
| LIFFE Sugar (US \$/MT) | 21-Aug | 498.10 | 497.95 | 0.47 |
| | 21-Oct | 493.42 | 494.95 | 1.53 |
| | 21-Dec | 491.66 | 489.85 | 1.81 |

Source: MRCI

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