

Price Outlook:

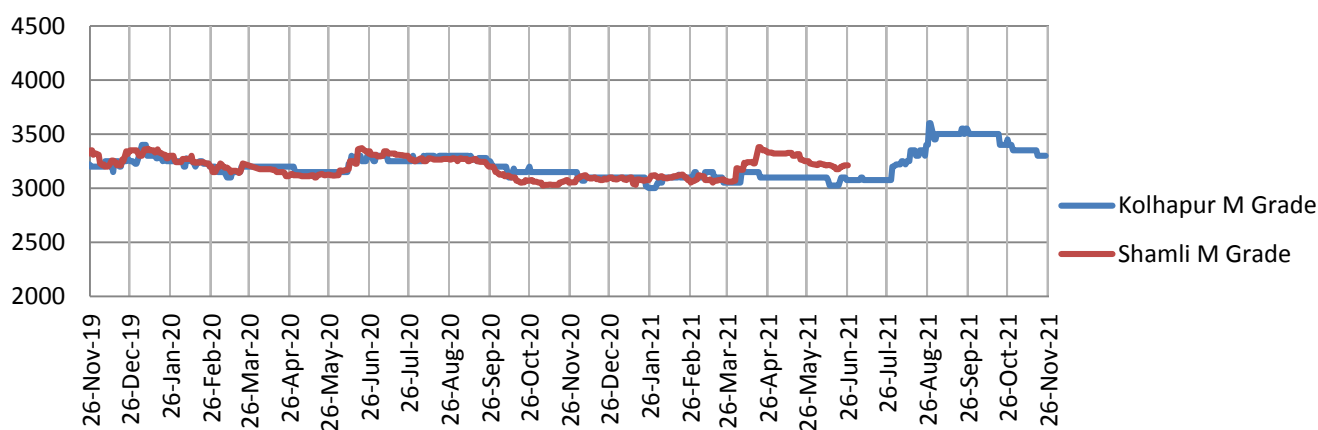
According to the USDA, Indian sugar production has estimated at 34.7 MT around 3 percent higher from the last season of 33.76 MT. Sugar mills have produced around 20.90 lakh tonnes of sugar till 15th November '2021 as against 16.82 lakh tonnes produced same period last year. The average sugar prices have slightly decreased at Rs. 3513/q from the previous week at Rs.3603/q in Delhi market. The prices in Maharashtra stood low at Rs.3488/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.3200 -3400 per quintal for next week.

Domestic Sugar Market Summary

Average prices for sugar 'M' grade in key Kolhapur market were range bound at Rs.3300per 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:**

- According to the data released by Sugar commissionerate, Maharashtra sugar production has crossed 150 lakh quintals mark till 24th November 2021. Around 151 sugar mills, including 74 cooperative and 77 private are currently participating in the cane crushing operation. These mills have produced 152.25 lakh quintals of sugar by crushing 169.35 lakh tonnes of sugarcane with a recovery rate of 8.99 percent.

Previous Updates

- According to the USDA World sugar Market and Trade Outlook report, Indian sugar production has estimated at 34.7 MT around 3 percent higher from the last season of 33.76 MT. Sugar production is estimated to be higher due to increase in area. Further, domestic consumption has been pegged at 28.5 MT, unchanged from the initial projection but 0.5 MT higher than last season. However, USDA has raised exports to 7 MT from the previous 6 MT but, it would still be 0.2 MT lower than last season 7.2 MT export. Ending stocks are estimated lower at 14.37 MT against earlier projection of 16.57 MT but higher than last season's 14.17 MT.
- The sugarcane crushing capacity of the Gurdaspur cooperative sugar mill will be increased from 2000 TCD to 5000 TCD at a cost of Rs. 413.80 crore. The expansion of the cane crushing will enable the mill to crush 50,000 to 60,000 tons of sugarcane as well as to generate to 20 mw power that will be supplied to the state. Out of the total expenditure of Rs. 413.80 crore, Rs. 369 crore will be spent on setting up of the plant, machinery and civil works.
- The Director General of Foreign Trade has allocated an additional quantity of 303 MT of raw sugar for export to USA under Tariff Rate Quota (TRQ) for the fiscal year 2021. Earlier the Indian government has permitted the export of 8,424 tonnes of sugar to the US under TRQ.
- According to the data released by Sugar commissionerate, around 30 sugar mills in the Kolhapur division have produced 32.74 lakh quintals of sugar after crushing 33.20 lakh tonnes sugarcane till 17th November 2021. Total 144 sugar mills have started the cane crushing operation in Maharashtra including 74 from private sector and 70 from cooperative sector.

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

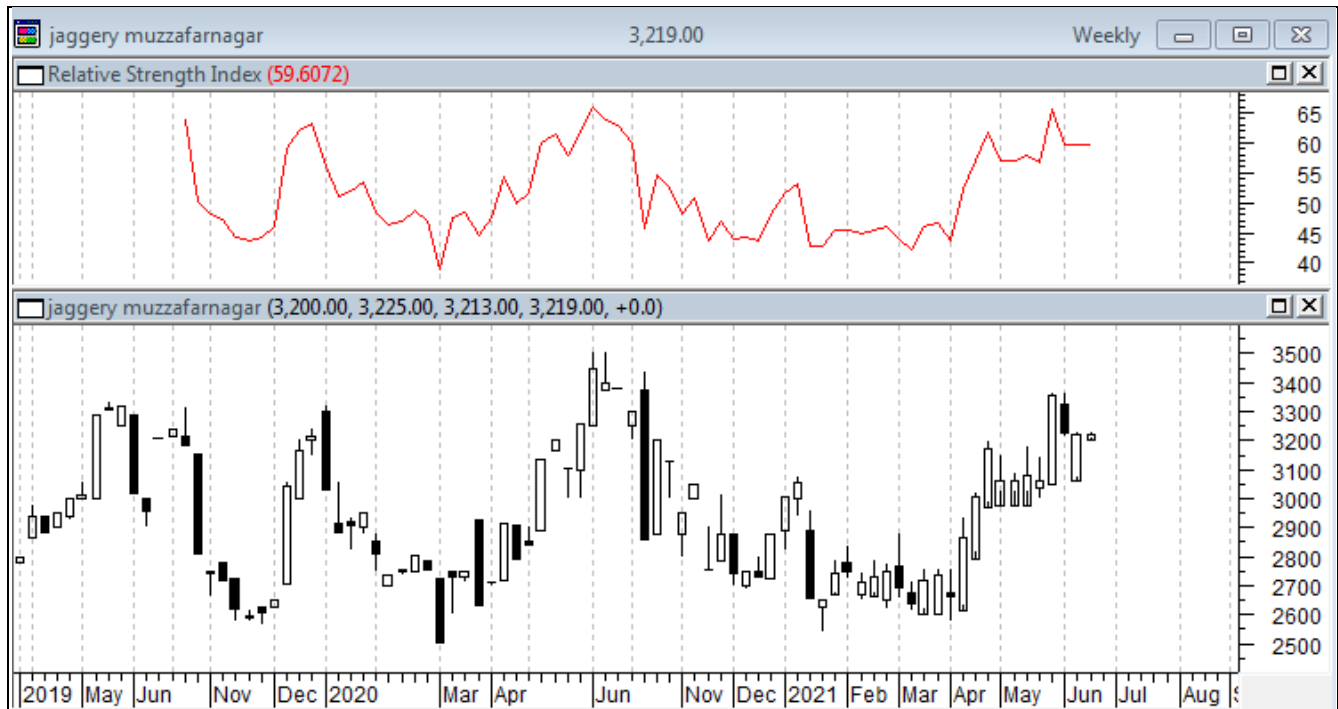
- The sugar spot prices at the benchmark Kolhapur market was higher during last week and ended at Rs.3300/q.
- The next resistance and support level for the next week is expected at Rs.3350 and Rs.3200 per quintal respectively.
- RSI is in the neutral region.



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

Gur Market Scenario

- The arrivals have closed in Muzaffarnagar.



International Market Highlights

Recent Updates:

The USDA World sugar Market and Trade Outlook report has projected lower sugar production in Brazil due to dry weather conditions and frosts. Brazil sugar production is expected to fall by 6.1 MT to 36 MT against 42.05 MT during the previous season. As overall prices are likely to remain firm and relatively more attractive than ethanol prices, at least 46 percent of sugarcane crop is expected to be processed for sugar and 54 percent for ethanol. Further consumption is expected to be down slightly, with stocks unchanged. Exports are estimated to drop to 26 MT against 32.15 MT last season. Further, Thailand sugar production is expected to rebound this season to 10 MT from 7.58 MT last season but still be lower than the initial projections of 10.6 MT.

Previous Updates

- According to the Quarterly market outlook report by International Sugar Organization, the global deficit in 2021-22 is reduced to 2.552 million tonnes from 3.582 million tonnes in August, with production at 170.473 million tonnes lower by 0.165 million tonnes since August but higher by 1.476 million tonnes in 2020-21. Consumption was revised down at 1.442 million tonnes from August to 173.025 million tonnes but was higher by 2.007 million tonnes as compared to previous season. Exports were estimated at 60.266 million tonnes, higher compared to 59.285 million tonnes in August. Imports demand has been lowered by 1.076 million tonnes to 59.327 million tonnes as the higher freight rates reduce buying interest from Russia, India and South Africa. The stock to use ratio is forecasted at 53.90 percent down by 2.67 percent as compared to last season.

- According to International Sugar Organization, global ethanol production for the 2021-2022 season has been projected to reach 109.0 billion litres, consumption has been projected to reach 104.2 billion litres. Further recovery in production and consumption is expected in the US with higher corn ethanol production in recent weeks pointing to improved profitability of processor.
- Due to supply chain issue in Turkey, supermarkets in turkey have taken a decision to limit the purchase of sugar. The Turkish Sugar Refineries Corporation (Turkseker) has maintained the prices of sugar at an optimum level but the private companies have hiked the sugar prices by 40 percent and they are further forced to limit supply to markets leading to shortage. Turkseker has also raised the prices by 25 percent but still the demand supply gap continues in the market.
- Sugar output in Germany is likely to increase to 4.48 million tonnes as compared to 4.10 million tonnes during the previous season. The area under the sugar beet plantation in the country has ncreased from 350,000 hectares in last season to 354,00 hectares this season. Also, the rainfall received during the summer season will boost the sugar beet production, yield is expected to increase to 81.8 tonnes per hectares from 73.3 tonnes during the previous season.
- According to the Ukrtsukor National Association of Sugar Producer of Ukraine, 29 out of 33 factories processing sugar beets in the current season (September-August). The Ukrainian agrarians have harvested 8.82 million tonnes of sugar beet. Sugar production in Ukraine has reached 562,300 tonnes till 9th November 2021. The mills in the country had processed 6.24 million tonnes of sugar beet.
- The Algiers government will impose 9 percent value-added tax on white and raw sugar from early next year in order to lower the import of sugar. Algeria is one of the top importers of sugar as the country imports around 2 million tonnes of sugar annually.

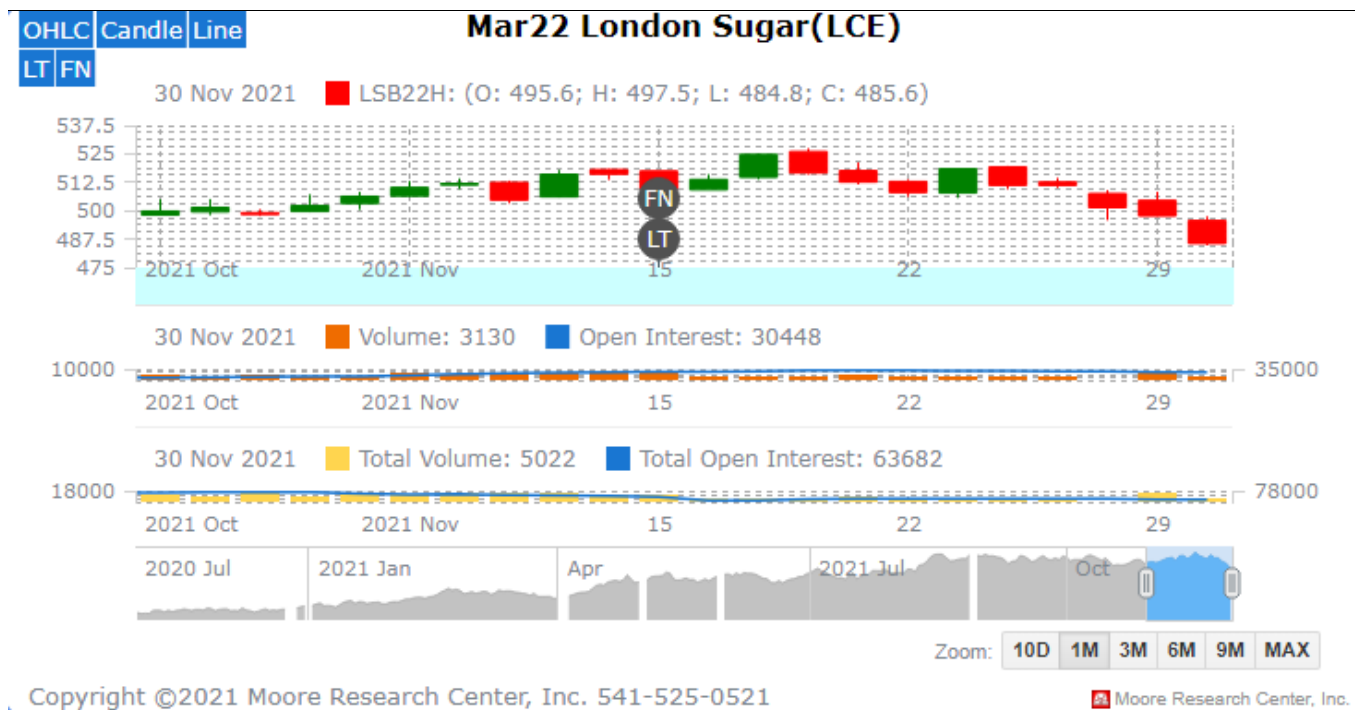
International Sugar Futures Price Projection

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 496, T1 502

International Sugar Futures Price Projection			
	Contract Month	Present Quote	The expected Price level for next week
LIFFE Sugar (US \$/MT)	Dec'21	497	495-500

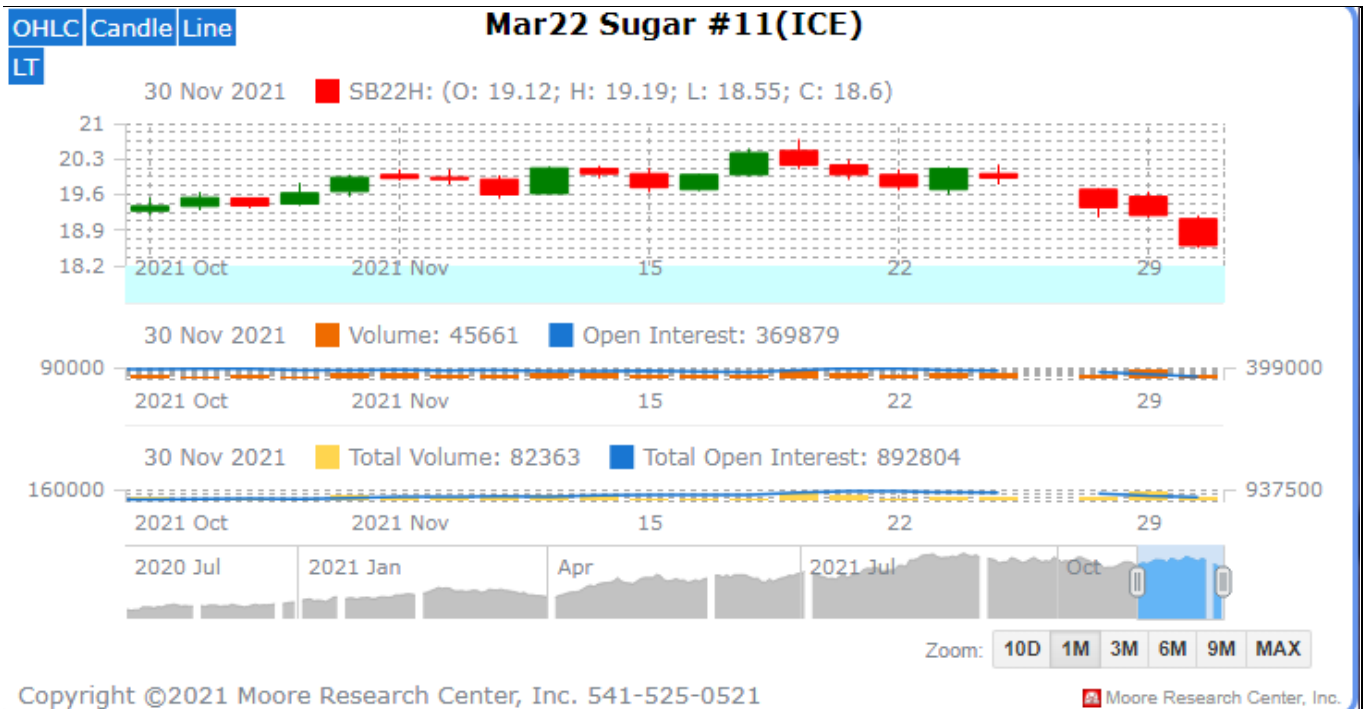


ICE (Raw Sugar Exchange) Future Market Scenario (Mar'22 Contract)

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 18.65 Targeting 18.85.

International Sugar Futures Price Projection			
	Contract Month	Present Quote	The expected Price level for next week
ICE Sugar #11 (US Cent/lb)	Mar'22	18.60	18.62– 20.30



Spot Sugar Prices Scenario (Weekly) (Average)

Commodity	Centre	Variety	Average Prices (Rs/Qtl)		Change
			18th Nov'21 to 24th Nov'21	11th Nov'21 to 17th Nov'21	
Sugar	Delhi	M-Grade	3541	3533	8
		S-Grade	3521	3513	8
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	3685	3488	197
	Mumbai	S-Grade	3466	3482	-16
	Nagpur	M-Grade	3445	3475	-30
	Nagpur	S-Grade	3345	3375	-30
	Kolhapur	M-Grade	3320	3350	-30
	Kolhapur	S-Grade	3220	3250	-30
Assam	Guhawati	S-Grade	3480	3510	-30
Meghalaya	Shillong	S-Grade	3540	3570	-30
Andhra Pradesh	Vijayawada	M-Grade (With Duty)	3940	3960	-20

	Vijayawada	S-Grade (With Duty)	3848	3850	-2
West Bengal	Kolkata	M-Grade	3950	3950	Unch
Tamil Nadu	Chennai	S-Grade (With GST)	3660	3618	42
	Dindigul	M-Grade (DCA)	3890	3940	-50
	Coimbatore	M-Grade (DCA)	3824	3900	-76
Chattisgarh	Ambikapur	M-Grade (Without Duty)	3720	3567	153
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)			18th Nov'21 to 24th Nov'21	11th Nov'21 to 17th Nov'21	
Uttar Pradesh	Muzaffarnagar	Chaku Fresh	2988	3142	-154
	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	49000	64000	-15000
	Muzaffarnagar	Khurpa (Fresh)	2681	2908	-227
	Muzaffarnagar	Laddoo (Fresh)	3047	3233	-186
	Muzaffarnagar	Rascut (Fresh)	2574	2525	49
	Hapur	Chaurasa	2613	2740	-127
	Hapur	Balti	2619	2788	-169
Andhra Pradesh	Chittur	Gold	NA	NA	-
		White	NA	NA	-
		Black	NA	NA	-
Maharashtra	Latur	Lal Variety	NA	NA	-
Karnataka	Bangalore	Mudde (Average)	4900	4620	280
	Belgaum	Mudde (Average)	NA	3800	-
	Belthangadi	Yellow (Average)	NA	NA	-
	Bijapur	Achhu	NA	NA	-
	Gulbarga	Other (Average)	NA	NA	-
	Mahalingapura	Penti (Average)	3537	3526	11
	Mandya	Achhu (Medium)	3720	3618	102
	Mandya	Kurikatu (Medium)	3500	3468	32
	Mandya	Other (Medium)	3533	3504	29
	Mandya	Yellow (Medium)	3645	3638	7
	Shimoga	Achhu (Average)	3700	3700	Unch

Spot Sugar Prices Scenario (Weekly)						
Commodity	Centre	Variety	Today	Week Ago	Month Ago	Year Ago
Sugar			23-Nov-21	17-Nov-21	26-Oct-21	25-Nov-20
Delhi	Delhi	M-Grade	3530	3500	3660	3250
	Delhi	S-Grade	3510	3480	3640	3230
Uttar Pradesh	Khatauli	M-Grade	NR	NR	NR	3120
	Ramala	M-Grade	NR	NR	NR	0
	Dhampur	M-Grade Ex-Mill	NR	NR	NR	3120
	Dhampur	S-Grade Ex-Mill	NR	NR	NR	3100
	Dhampur	L-Grade Ex-Mill	NR	NR	NR	3170
Maharashtra	Mumbai	M-Grade	3686	3682	3806	3496
	Mumbai	S-Grade	3470	3472	3576	3266
	Nagpur	M-Grade	3425	3475	3525	3275
	Nagpur	S-Grade	3325	3375	3425	3225
	Kolhapur	M-Grade	3300	3350	3400	3150
	Kolhapur	S-Grade	3200	3250	3300	3100
Assam	Guhawati	S-Grade	3512	3563	3613	3410
Meghalaya	Shillong	S-Grade	3520	3570	3620	3420
Andhra Pradesh	Vijayawada	M-Grade (With Duty)	3940	3940	4020	3560
	Vijayawada	S-Grade (With Duty)	3840	3840	3920	3620
West Bengal	Kolkata	M-Grade	3950	3950	3950	3650
Tamil Nadu	Chennai	S-Grade	3660	3660	3880	Closed
	Dindigul	M-Grade (DCA)	3950	3940	3920	3780
	Coimbatore	M-Grade (DCA)	3800	3760	3900	3570
Chattisgarh	Ambikapur	M-Grade (Without Duty)	3800	3600	3700	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)			23-Nov-21	17-Nov-21	26-Oct-21	25-Nov-20
Uttar Pradesh	Muzaffarnagar	Chaku Sukha	3000	2950	3875	2975
	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	10000	12000	6000	4000
	Muzaffarnagar	Khurpa	2700	2775	3363	2700
	Muzaffarnagar	Laddoo	3000	3000	3838	3000
	Muzaffarnagar	Rascut	2538	2538	2588	2600

	Hapur	Chaurasa	2588	2625	3350	2475
	Hapur	Balti	2625	2650	3300	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)	4900	4900	4550	4250
	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)	3400	0	3598	3339
	Mandya	Achhu (Medium)	3780	3700	3540	3280
	Mandya	Kurikatu (Medium)	3500	3500	3350	3200
	Mandya	Other (Medium)	3480	3800	3340	3000
	Mandya	Yellow (Medium)	3680	3680	3580	3300
	Shimoga	Achhu (Average)	3700	3700	3700	3600

International Sugar Prices (Weekly Average)				
	Contract Month	18th Nov'21 to 24th Nov'21	11th Nov'21 to 17th Nov'21	Change
ICE Sugar #11 (US Cent/lb)	21-Jul	19.99	19.24	0.75
	21-Oct	19.69	18.99	0.70
	22-Mar	19.32	19.90	-0.58
LIFFE Sugar (US \$/MT)	21-Aug	513.36	512.20	1.16
	21-Oct	512.58	505.68	6.90
	21-Dec	508.66	499.88	8.78

Source: MRCI

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