

### Domestic Market Highlights

#### Recent Updates:

According to the Ministry of Agriculture and Farmer's Welfare data, till 12<sup>th</sup> August 2022, the area under sugarcane cultivation has reached 55.20 lakh hectares as compared to 54.52 lakh hectares during the previous season. The area under sugarcane cultivation is expected to increase in the 2022-23 season, in Uttar Pradesh sowing has been completed on 23.60 lakh hectares, while in Maharashtra around 12.70 lakh hectares is sown and in Karnataka around 6.34 lakh hectares is under sugarcane cultivation. The major reason behind the expected increase in acreages is good rains and adequate water availability in the key producing states along with assured returns as compared to other competing crops.

According to the Ministry of Agriculture and Farmer's Welfare Fourth Advance estimate, total sugarcane production in India for the 2021-22 season is expected to be at 4318.12 lakh tonnes as compared to the previous season of 4054 lakh tones in the 2020-21 season. As per Agriwatch, the increase in production was from Maharashtra and Karnataka. Also, good rains earlier in the season has resulted in better yield in the 2021-22 season.

As of 10<sup>th</sup> Aug 2022, Telangana Sugarcane sowing has reached 24,609 acres for the 2022-23 season which is slightly lower compared to the previous season's sowing of 31,485 acres. Average rainfall for the period from 01.06.2022 to 10.08.2022 has reached 806 mm higher as compared to the previous season of 559 mm.

As during the last week, the Cabinet Committee on Economic Affairs has approved Fair and Remunerative Price (FRP) of sugarcane for the 2022-23 sugar season at Rs. 305 per quintal. The Sugar millers from Uttar Pradesh have started demanding a hike in state-advised prices for sugarcane for the 2022-23 season. In the previous season, Uttar Pradesh government had released an FRP of Rs. 350 per quintal.

### International Market Highlights

#### Previous Updates

- Brazil Sugar production is expected to fall in the coming 2022-23 season. According to the Government, the sugarcane production for the 2022-23 season is projected to be 514 million tonnes in the centre-south (CS) region as against 525 million tonnes in the 2021-22 season. Farmers have switched to crops like soy and corn which are more profitable.
- According to the Pakistan Sugar Mills Association, around 1.2 million tonnes of excess sugar is available at the beginning of the next sugarcane crushing season. During the previous 2021-22 season sugar mills had produced 2 million tonnes of surplus sugar. As per the sources, it is expected that because of good weather conditions in this season the sugarcane crop is expected to increase by 10 percent in the 2022-23 season.
- Sugar beet production in Russia is likely to increase by 5 % against the previous season. The Sugar refineries have started processing sugar beet for this season. In the previous season Russia has produced

around 41.2 million tonnes of sugar beet. An increase in sugar beet production would help the country to meet the domestic demand as well as the demand of the neighboring countries.

International Sugar Futures ICE					(Rs/Qtl)	
Futures month	% Change over previous year	Today	Week ago	Month Ago	Year Ago	RBI Dollar
		18-Aug-22	11-Aug-22	19-Jul-22	18-Aug-21	18-Aug-22
22-May	-11.73	3095	3010	3270	3458	79.65
22-Jul	-8.06	3038	2962	3180	3283	
22-Oct	-1.78	3038	3254	3139	3092	
(Source: mrci)						

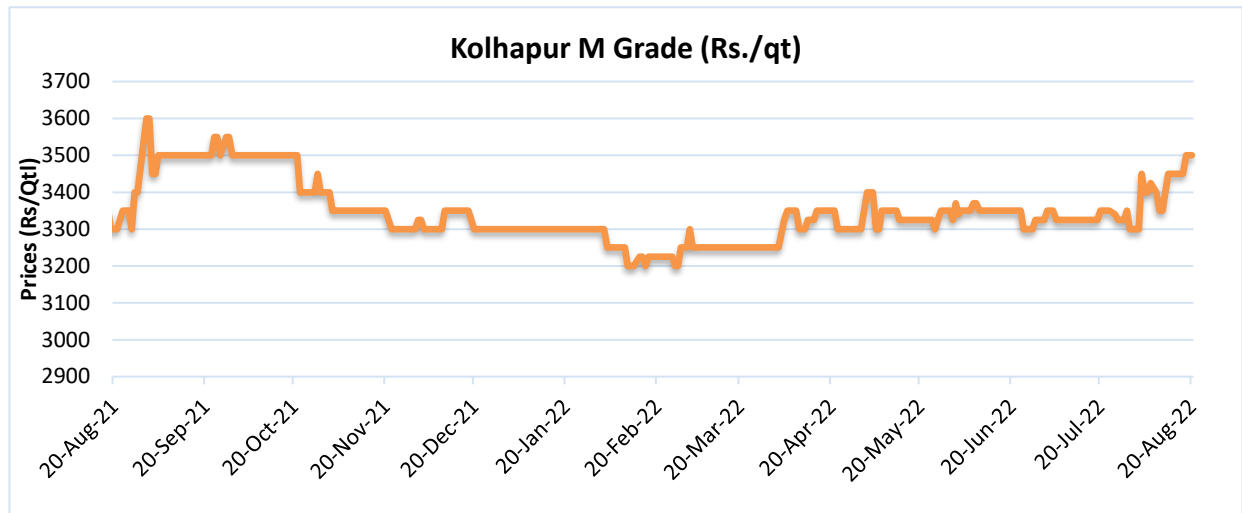
International Sugar Futures LIFFE					(Rs/Qtl)	
Futures month	% Change over previous year	Today	Week ago	Month Ago	Year Ago	RBI Dollar
		18-Aug-22	11-Aug-22	19-Jul-22	18-Aug-21	18-Aug-22
22-Aug	3.15	3940	4023	3999	3816	79.65
22-Oct	0.03	3866	3936	3929	3865	
22-Dec	10.36	4121	4246	4144	3694	
(Source: mrci)						

### Price Outlook:

- The average sugar prices were slightly lower at Rs. 3,528 per quintal during the past week from Rs.3,530 per quintal in Delhi market. Whereas, sugar prices in Maharashtra were stable at Rs.3519 per quintal.

### Price Projection for the Next week

- Agriwatch expects that spot Sugar prices (M grade) in the benchmark Kolhapur market is likely to range in between Rs.3480 -3580 per quintal. Average prices for Sugar 'M' grade in key Kolhapur market was higher at Rs.3500 per quintal due to improved festive demand.



### International Sugar Futures Price Projection



### LIFFE (White Sugar Exchange) Future Market Sugar Scenario (Oct'22 Contract)

#### Technical Commentary

- As depicted in the above chart, prices have fallen in the last week.
- Market has broken to 38 percent Fibonacci retracement level.
- Overall, the prices are expected to gain in the coming week.

## International Sugar Futures Price Projection

	Contract Month	Present Quote	The expected Price level for next week
<b>LIFFE Sugar (US \$/MT)</b>	<b>Oct'22</b>	551	550-565



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

## Technical Commentary:

- ☐ As depicted in the above chart, market has fallen in the last week after reaching a high of 19 US Cents/lb.
- ☐ Market is currently indicating some fresh buying strength.
- ☐ Market is further expected to remain range bound in the coming week.

## International Sugar Futures Price Projection

	Contract Month	Present Quote	The expected Price level for next week
<b>ICE Sugar #11 (US Cent/lb)</b>	<b>Oct'22</b>	18.20	18.10-18.40

## Spot Sugar Prices Scenario (Weekly) (Average)

Commodity	Centre	Variety	Average Prices (Rs/Qtl)		Change
Sugar			15th Aug'22 to 20th Aug'22	08th Aug'22 to 13th Aug'22	
Delhi	Delhi	M-Grade	3528	3530	-3
	Delhi	S-Grade	3508	3510	-3
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	3649	3646	3
	Mumbai	S-Grade	3519	3516	3
	Nagpur	M-Grade	3600	3525	75
	Nagpur	S-Grade	3500	3425	75
	Kolhapur	M-Grade	3475	3400	75
	Kolhapur	S-Grade	3375	3300	75
Assam	Guhawati	S-Grade	3635	3560	75
Meghalaya	Shillong	S-Grade	3695	3620	75
Andhra Pradesh	Vijayawada	M-Grade (With Duty)	3965	3960	5
	Vijayawada	S-Grade (With Duty)	3865	3860	5
West Bengal	Kolkata	M-Grade	3877	3810	67
Tamil Nadu	Chennai	S-Grade (With GST)	3550	3550	Unch
	Dindigul	M-Grade (DCA)	3743	3810	-68
	Coimbatore	M-Grade (DCA)	NA	NA	-
Chattisgarh	Ambikapur	M-Grade (Without Duty)	3863	3900	-38

Sugar Prices are in INR/Quintal. (1 Quintal=100 kg)

## Spot Jaggery(Gur) Prices Scenario (Weekly) (Average)

Commodity	Centre	Variety	Prices (Rs/Qtl)		Change
Jaggery(Gur)			15th Aug'22 to 20th Aug'22	08th Aug'22 to 13th Aug'22	
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	3042	3045	-3
	Hapur	Balti	3042	3045	-3

Andhra Pradesh	Chittur	Gold	NA	NA	-
		White	NA	NA	-
		Black	NA	NA	-
Maharashtra	Latur	Lal Variety	NA	NA	-
Karnataka	Bangalore	Mudde (Average)	4500	4500	Unch
	Belgaum	Mudde (Average)	NA	NA	-
	Belthangadi	Yellow (Average)	NA	NA	-
	Bijapur	Achhu	NA	NA	-
	Gulbarga	Other (Average)	NA	NA	-
	Mahalingapura	Penti (Average)	NA	NA	-
	Mandya	Achhu (Medium)	3433	3765	-333
	Mandya	Kurikatu (Medium)	3313	3390	-78
	Mandya	Other (Medium)	3355	3325	30
	Mandya	Yellow (Medium)	3445	3375	70
	Shimoga	Achhu (Average)	3817	3800	17

Spot Sugar Prices Scenario (Weekly)						
Commodity	Centre	Variety	Today	Week Ago	Month Ago	Year Ago
Sugar			20-Aug-22	13-Aug-22	21-Jul-22	20-Aug-21
Delhi	Delhi	M-Grade	3530	3530	3430	3500
	Delhi	S-Grade	3510	3510	3410	3480
Uttar Pradesh	Khatauli	M-Grade	3600	3575	0	0
	Ramala	M-Grade	3500	3515	0	0
	Dhampur	M-Grade Ex-Mill	3610	3545	0	0
	Dhampur	S-Grade Ex-Mill	3610	3545	0	0
	Dhampur	L-Grade Ex-Mill	NA	NA	0	0
Maharashtra	Mumbai	M-Grade	3656	3646	3562	3740
	Mumbai	S-Grade	3522	3520	3430	3640
	Nagpur	M-Grade	3625	3575	3475	3425
	Nagpur	S-Grade	3525	3475	3375	3325
	Kolhapur	M-Grade	3500	3450	3350	3300
	Kolhapur	S-Grade	3400	3350	3250	3200
Assam	Guhawati	S-Grade	3715	3664	3563	3512
Meghalaya	Shillong	S-Grade	3720	3670	3570	3520
Andhra Pradesh	Vijayawada	M-Grade (With Duty)	3980	3960	3960	3840
	Vijayawada	S-Grade (With Duty)	3880	3860	3880	3740
West Bengal	Kolkata	M-Grade	3900	3810	3810	3480
Tamil Nadu	Chennai	S-Grade	3550	3550	3475	3670
	Dindigul	M-Grade (DCA)	3720	3810	3820	3520
	Coimbatore	M-Grade (DCA)	NA	NA	3840	3600

<b>Chattisgarh</b>	Ambikapur	M-Grade (Without Duty)	3850	3900	3800	0
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)			20-Aug-22	13-Aug-22	21-Jul-22	20-Aug-21
Uttar Pradesh	Muzaffarnagar	Chaku Sukha	NA	0	0	0
	Muzaffarnagar	Chaku(Arrival)(40kg Bag)	NA	0	0	0
	Muzaffarnagar	Khurpa	NA	0	0	0
	Muzaffarnagar	Laddoo	NA	0	0	0
	Muzaffarnagar	Rascut	NA	0	0	0
	Hapur	Chaurasa	2900	2900	0	0
	Hapur	Balti	3050	3040	0	0
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)	4500	0	4550	0
	Belgaum	Mudde (Average)	4000	0	0	0
	Belthangadi	Yellow (Average)	NA	0	0	0
	Bijapur	Achhu	NA	0	0	0
	Gulbarga	Other (Average)	NA	2800	2800	0
	Mahalingapura	Penti (Average)	NA	3570	0	0
	Mandya	Achhu (Medium)	3440	3450	0	0
	Mandya	Kurikatu (Medium)	3350	3300	0	0
	Mandya	Other (Medium)	3400	3250	0	0
	Mandya	Yellow (Medium)	3470	3380	0	0
	Shimoga	Achhu (Average)	NA	0	3700	0

International Sugar Prices (Weekly Average)				
	Contract Month	15th Aug'22 to 20th Aug'22	08th Aug'22 to 13th Aug'22	Change
ICE Sugar #11 (US Cent/lb)	22-May	17.52	16.87	0.65
	22-Jul	17.15	16.62	0.53
	22-Oct	17.11	18.22	-1.11
LIFFE Sugar (US \$/MT)	22-May	491.00	486.78	4.22
	22-Aug	552.00	549.44	2.56
	22-Oct	522.97	520.92	2.05

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