

## 1. World sugar

### 1.1 Sugar scenario

Sugar mills in CS Brazil have processed around 621.88 Million Metric Ton (MMT) of cane till end of March, down by 4.98% YoY. This yielded around 40.17 MMT of sugar, a decrease of 5.31% over last year. As per report published in April'25, Global Agricultural Information Network has discussed annual sugar performance and outlook for Brazil. It projects for Marketing Year (MY) 2025-26 a total cane of 671 MMT and sugar production of 44.7 MMT, raw value. Sugar production should be favoured by greater crystallization capacity of the mills, an increase in the volume of raw material and a favourable sugar mix. As a result, Brazil is likely to increase sugar exports in MY 2025/26, even with uncertainties in commodity markets and international price volatility. Its export may marginally increase to 35.8 million metric ton.

### 1.2 Global sugar prices

International sugar prices are fluctuating due to increased volatility in the global market. For MY 2024/25, Mexico, India, and Thailand are experiencing a bear market, contributing to an increase in the estimated global sugar deficit. Prices for raw sugar futures traded in New York Exchange #11 contracts remained under downward pressure, with May 2025 contracts ending the week of April 11 at USD 18 c/lb, down 84 points week-on-week.

## 2. Indian Sugar

### 2.1 Production

*Domestic Sugar Balance Sheet (Source: ISMA)*

*(lac tons)*

Sl. No.	Particulars	20-21	21-22	22-23	23-24 (P)	24-25 (E)
A	Opening stock as on 1 <sup>st</sup> Oct*	107.40	81.86	70.00	55.65	80.00
B	Gross production before diversion	331.92	389.60	366.15	341.14	299.00
C	Diversion for ethanol	20.00	32.00	38.00	21.50	35.00
D	Net Production	311.92	357.60	328.15	319.64	264.00
E	Off-take:					
	i) Internal Consumption	265.55	273.30	278.50	290.00	280.00
	ii) Exports	71.91	110.70	64.00	0.50	10.00
	Total off-take	337.46	384.00	342.50	290.50	290.00
F	Closing Stock as on 30 <sup>th</sup> Sep	81.86	55.46	55.65	84.79	54.00
* Opening stock of 2022-23 and 2024-25 reconciled with Government data.						

### ***2.3 Extension of mandatory Jute packing***

Ministry of Textiles by Notification dated 08.04.25 has extended the validity of its order dated 26<sup>th</sup> Dec'23 mandating jute packing for sugar at 20% up to 30th June'25.

### ***2.4 Southwest Monsoon 2025 Forecast***

In its Long-Range Forecast for the 2025 Southwest Monsoon, IMD has projected above-normal seasonal rainfall (June to Sept) across the country. Based on both dynamical and statistical models, the forecast indicates that monsoon rainfall is likely to be 105% of the Long Period Average (LPA), with a model error margin of  $\pm 5\%$ . The LPA is 87 cm for all-India seasonal rainfall, based on the 1971-2020 period. However, IMD in its press release dt.15th Apr'25 said that below-normal rainfall is likely in some areas over Northwest, North East and South Peninsular India.

### ***2.5 FRP for Sugar Season 2025-26***

GOI vide its press release dt.30.04.25 informed that Cabinet has approved Fair and Remunerative Price (FRP) of sugarcane for SS 2025-26 (Oct-Sept) at Rs.355/Qtl for a basic recovery rate of 10.25%, providing a premium of Rs.3.46/Qtl for each 0.1% increase in recovery over & above 10.25% and reduction in FRP by Rs.3.46/Qtl for every 0.1% decrease in recovery. For sugar factories having recovery of 9.5% or less, FRP is fixed at Rs.329.05/Qtl.

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