



PONNI SUGARS (ERODE) LIMITED

INDUSTRY UPDATE

November 2023

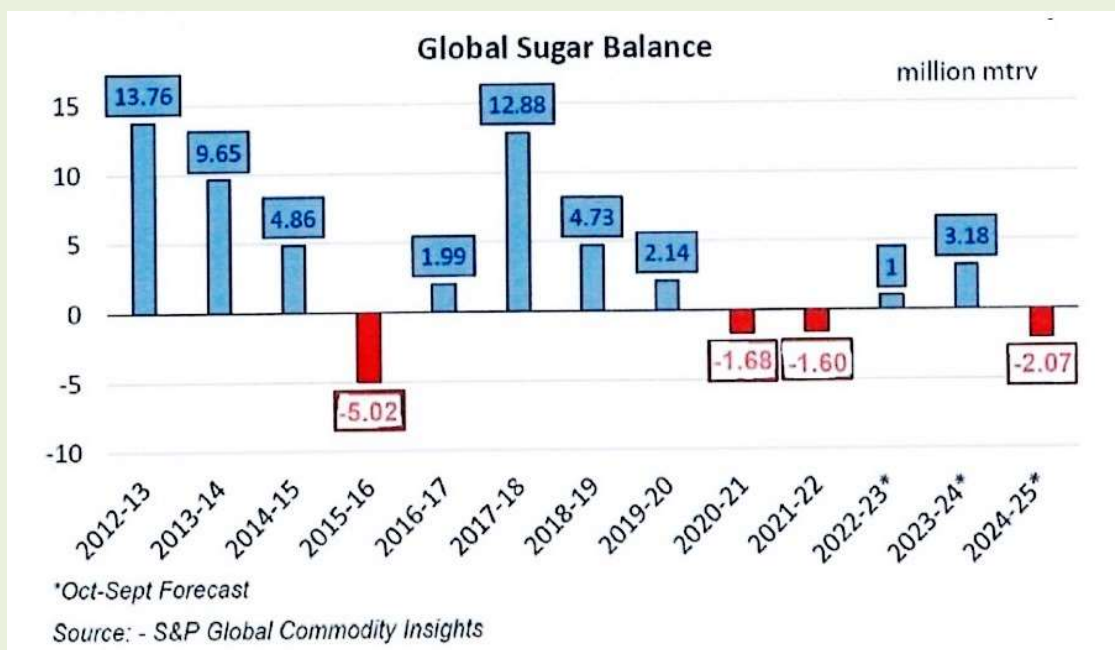


1. World Sugar

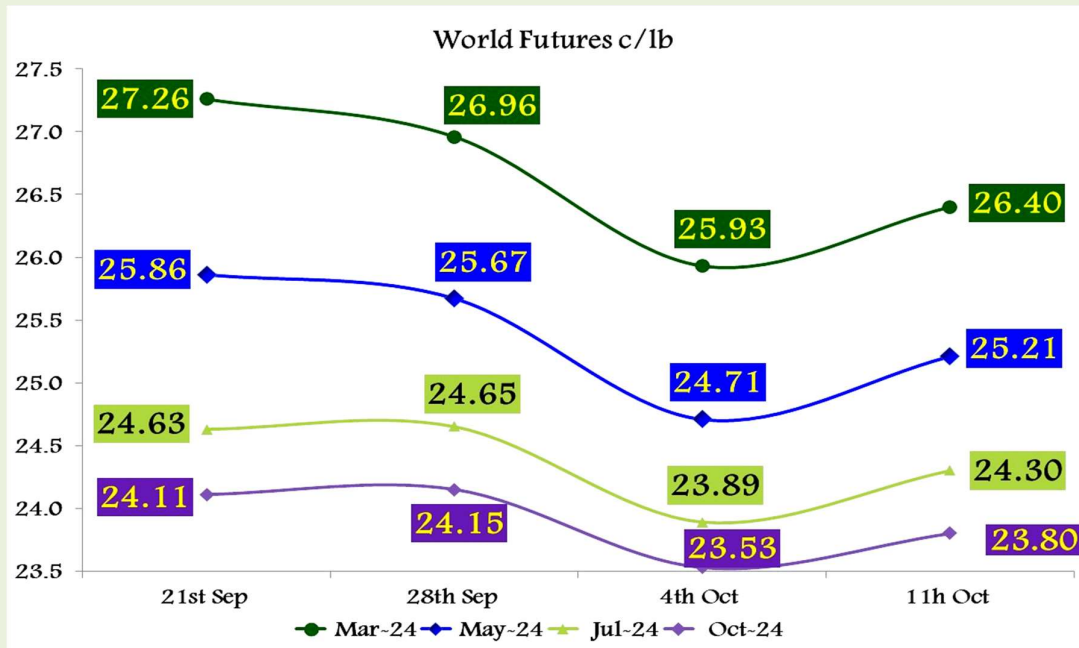
1.1 Scenario

International Sugar Organization (ISO) in its Quarterly Market Outlook for August 2023 presented the first detailed estimates of global sugar balance for 2023/24 season that underpins the following:

- ✧ Global balance at a deficit of 2.22 MMT while 2022/23 balance slips back to a surplus of 0.49 MMT.
- ✧ Production in 2023/24 expected to reach 174.84 MMT, down 2.19 MMT from last season.
- ✧ Consumption revised up marginally to 176.53 MMT in 2022/23 while in 2023/24 consumption expected to reach 176.96 MMT.
- ✧ Futures market prices weaker over the last three months, outlook is neutral-to-bullish



1.2 Prices



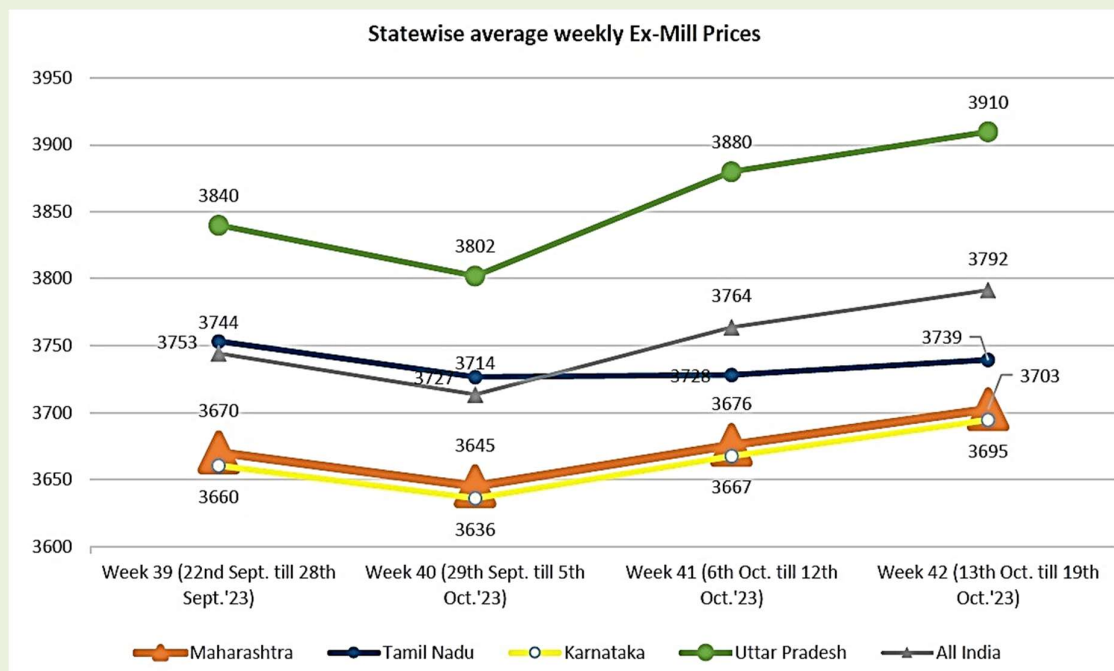
As per ISO-QMO Aug'23 report, world raw prices have slipped from 5-year high in April. The white sugar premium remains above USD 100, t for 16-months in a row. The ISO white sugar price index has remained steadier over the last few months in the USD 670-705/ t range. The physical market continues to support a contango structure, where nearby prices trade at a premium to later positions.

2 Indian sugar
2.1 Sugar production

Sl #	Particulars	22-23 (Provisional)	23-24 (Prelim. Est)
1	Uttar Pradesh	120	129
2	Maharashtra	119	109
3	Karnataka	67	60
4	Tamil Nadu	15	14
5	Others	48	50
6	Total	369	362
7	Less: Diversion to Ethanol	41	45
8	Net Production	328	317

Source: ISMA

2.2 Price movement



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