

1. World Sugar

1.1 Scenario

International Sugar Organization in its Quarterly Market Outlook-November 2024 has presented the first revision of sugar balance for 2024/25 crop cycle that underpins the following:

- ❖ First revision for the 2024/25 outlook shows a reduced global deficit of 2.513 MMT, down from 3.580 MMT previously assessed.
- ❖ Final 2023/24 figures show a surplus of 1.312 MMT.
- ❖ Global production in 2024/25 expected to decline to 179.069 MMT, down 2.296 MMT from last season - first decline in global output in 6-seasons.
- ❖ Consumption is estimated at 181.582 MMT in 2024/25, up 1.529 MMT on last season.

1.2 Prices

Since the last ISO Quarterly Market Outlook in Aug, the world raw sugar price increased to above 20 c/lb, with the Oct average at a 7-month high. Strengthening prices in Sep resulted in a trend-breakout, with Oct witnessing consolidation. World prices however started receding since Nov '24 to fall below 20 c/lb mark again.

The nominal white sugar premium is the gauge for refining returns. Values have declined recently, narrowing margins and increasing pressure on processors to reduce throughput if they are dependent on the world market for the sale of the marginal tonne of production.

2 Indian sugar

2.1 Sugar production estimate (Net of Ethanol diversion)

Sl #	Particulars	20-21	21-22	22-23	23-24 (P)	24-25 (E)
1	Opening Stock*	107	82	70	56	80
2	Production – Net	312	358	328	320	293
3	Diversion for Ethanol	20	32	38	21	40
4	Internal consumption	266	273	278	290	290
5	Export	72	111	64	0.50	0
6	Closing stock	82	55	56	85	83
7	Closing stock as % of offtake	31	20	20	29	29

*Reconciled with Govt data

Source: ISMA
