

## 1. World Sugar

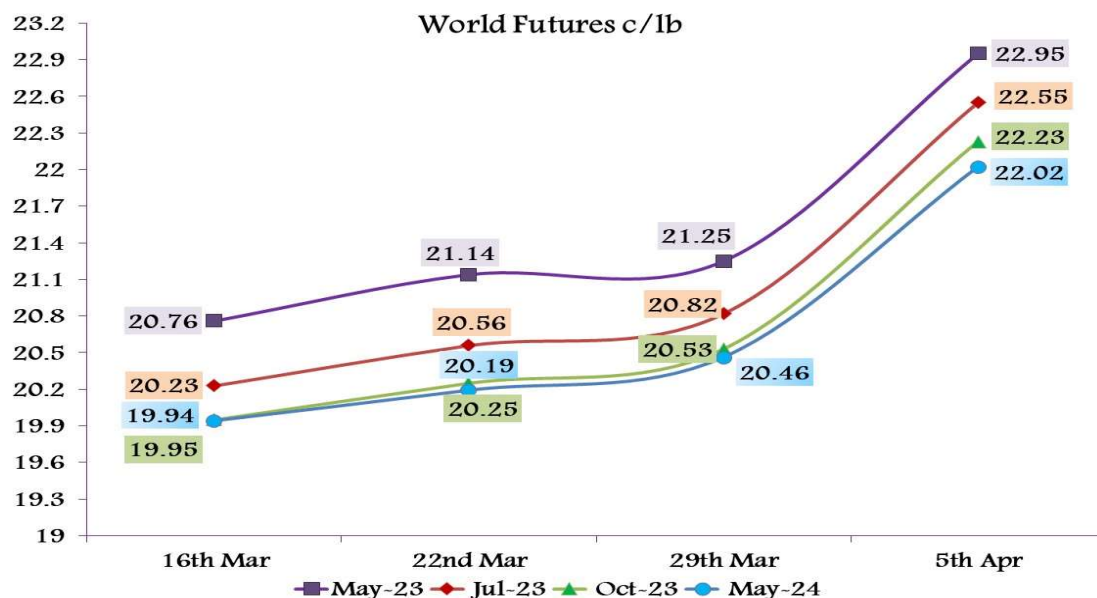
### 1.1 Scenario

Czarnikow, a London-based sugar & ethanol trading, advisory & supply-chain management firm, forecasts global sugar production to reach 182.8 mmt in 2023/24, up 5.5 mmt from the previous crop year. This is a slight decrease from its February estimate of 183.5 mmt, owing to a slight downgrade to its forecast for a number of smaller sugar producing countries.

The firm expects global sugar consumption in 2023/24 at 178 mmt, an increase of 2.3 mmt from the previous crop year.

### 1.2 Prices

Raw sugar futures traded on ICE surged to a 11-year high on 11th Apr '23, as supplies tightened by lower than expected production in several countries, including India, Thailand and China. Raw sugar for May delivery closed up 3.4%, to 24.37 cents a pound after peaking at 24.45 cents, the highest since April 2012.



## **2 Indian sugar**

### ***2.1 Sugar production***

Sugar production estimate for SS 2022, 23 was first made in Oct '22 at 365 lakh tons, that was reduced in Jan '23 to 340 lakh tons, which is now further lowered to 328 lakh tons in Apr'23. Stock at close would be 17% to offtake, the lowest in 6 years.

### ***2.2 Sugar prices***

Domestic sugar prices have strengthened since Apr'23 and improved by Rs.100-150 per qtl. In order to cool down the market, the Govt swiftly came out with an additional quota of 2 lakh ton on 11.04.23. Even thereafter, the undertone of the market remains bullish.

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