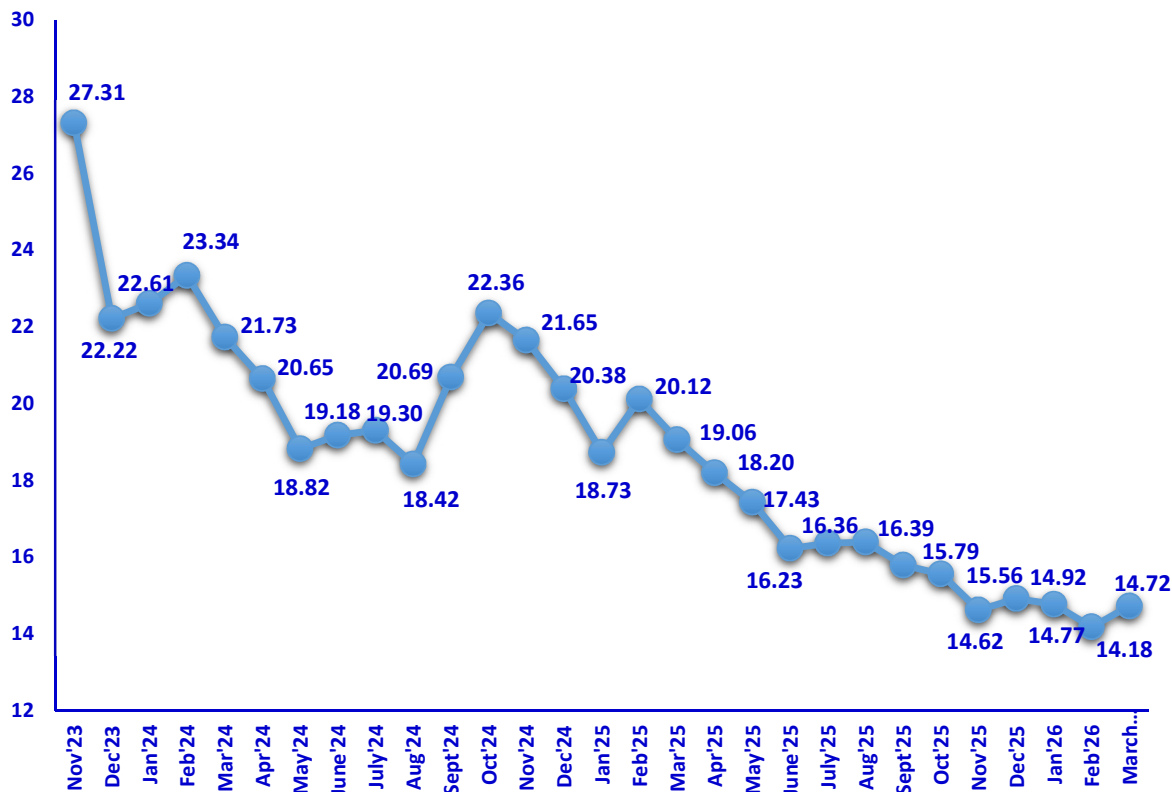


1. World sugar Scenario

Sugar prices have been undergoing periodic corrections owing to flip-flop in geopolitical tension. The policy intent of Brazil to hike mandatory ethanol blend will, going forward, have its positive impact on world raw sugar prices.

World Raw Sugar prices (cents / lb)



Source: International Sugar Organization – Feb'26

2. Indian Sugar

2.1 Production

State-wise Sugar production till April 2026 (lac tons)

<i>Sl No</i>	<i>State</i>	<i>SS 2025-26</i>	<i>SS 2024-25</i>
<i>1</i>	<i>Uttar Pradesh</i>	<i>90</i>	<i>92</i>
<i>2</i>	<i>Maharashtra</i>	<i>99</i>	<i>81</i>
<i>3</i>	<i>Karnataka</i>	<i>48</i>	<i>40</i>
<i>4</i>	<i>Tamil Nadu</i>	<i>5</i>	<i>5</i>
<i>5</i>	<i>Others</i>	<i>33</i>	<i>38</i>
	<i>All India</i>	<i>275</i>	<i>256</i>

(Source: Indian Sugar Mills and Bioenergy Manufacturers Association)

2.3 Southwest Monsoon 2025 Forecast

Global weather agencies forecast transformation from La-Nina to El-Nino condition in 2026. The 2026 El-Nino is being driven by a rapid collapse of La-Nina condition, weakening trade winds and strong westerly winds produced in the western pacific. It is feared that 2026 would witness Super El-Nino climate, an event that was last seen in 2015-16.

Private forecasting agency Skymet Weather first came with estimated rainfall at about 94% of LPA in its SW monsoon forecast. While so, IMD has projected below average rainfall in 2026 SW monsoon, raising concerns over agriculture, water levels and rural demand. It has forecast seasonal rainfall at 92% of LPA, placing it in the 'below normal' category. Rainfall between 96% and 104% is considered normal.

While El-Nino would have major impact in States like Maharashtra and Karnataka, undermining cane quality and fresh planting in those regions, it has had limited impact in Tamil Nadu in the past.
