

1. World Sugar

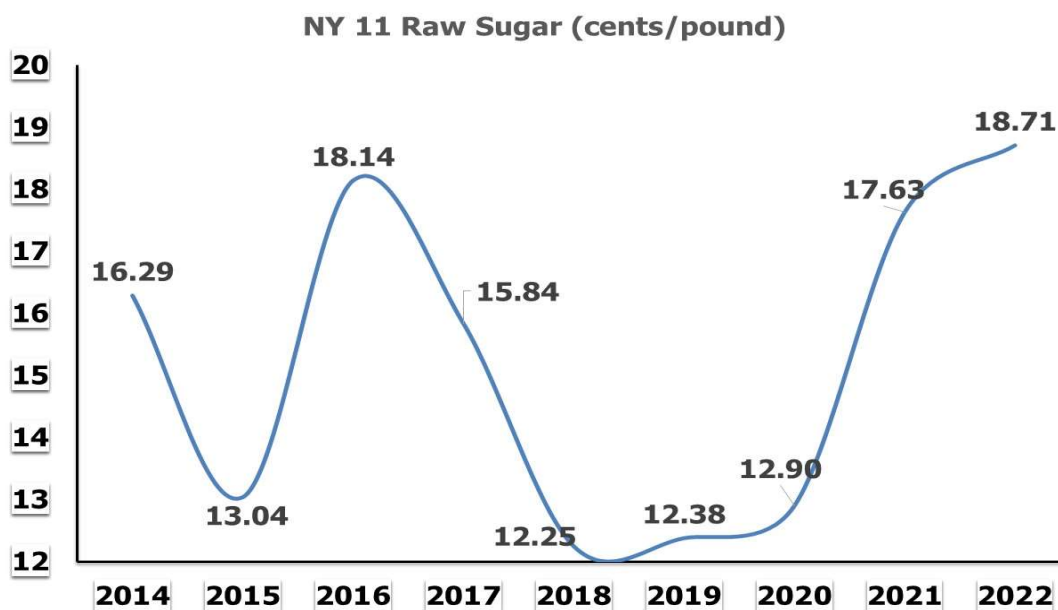
1.1 Scenario

International Sugar Organization in its Quarterly Market Outlook- November 2022 has presented the first revision of sugar balance for 2022/23 crop cycle as well as final figures for 2021/22 season that underpins the following: appropriate

- Outlook for 2022/23 sees an increased global surplus of 6 MMT, while 2021/22 slips back to a deficit of 2 MMT
- Production in 2022/23 is expected to reach a record 182 MMT, up 9 MMT from last season and a new world record
- Consumption revised up to 176 MMT in 2022/23, up 0.94% YoY
- Trade figures for 2022/23 show a surplus of 3 MMT

1.2 Prices

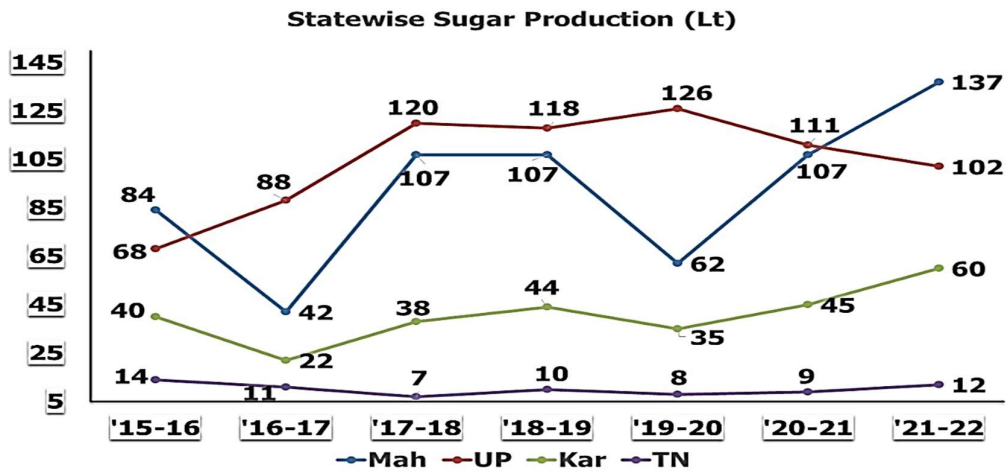
Sugar prices recovered in 2021 from the low of preceding three years and further marginally rose in 2022 with the monthly average not once breaching 20 c/lb mark. Sugar prices in 2022 were just close to their levels 6 years ago.



Source: Indian Sugar Mills Association Handbook of Statistics

2 Indian sugar

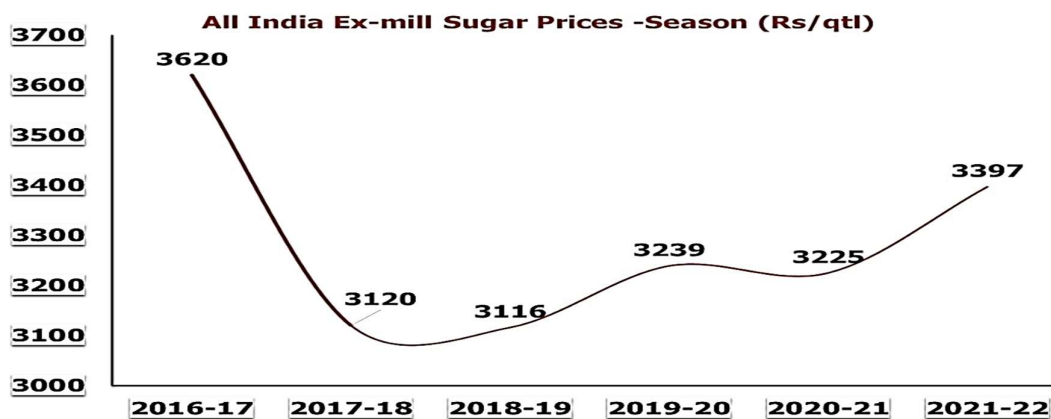
2.1 Sugar production estimate



Source: ISMA

2.2 Sugar prices

Sugar prices in 2021/22 were at levels lower than that prevailing 5 years ago. Meantime, FRP for cane and other costs have considerably escalated. Large producing States have gained by higher production, improved recovery and remunerative ethanol pricing. TN has a long way to catch up.



Sugar prices have further bottomed of late and are ruling below Rs.3300 per Quintal in Maharashtra & Karnataka.
