



INDIAN SUGAR REPORT IT'S ALL ABOUT PRICES

9 MAR 25

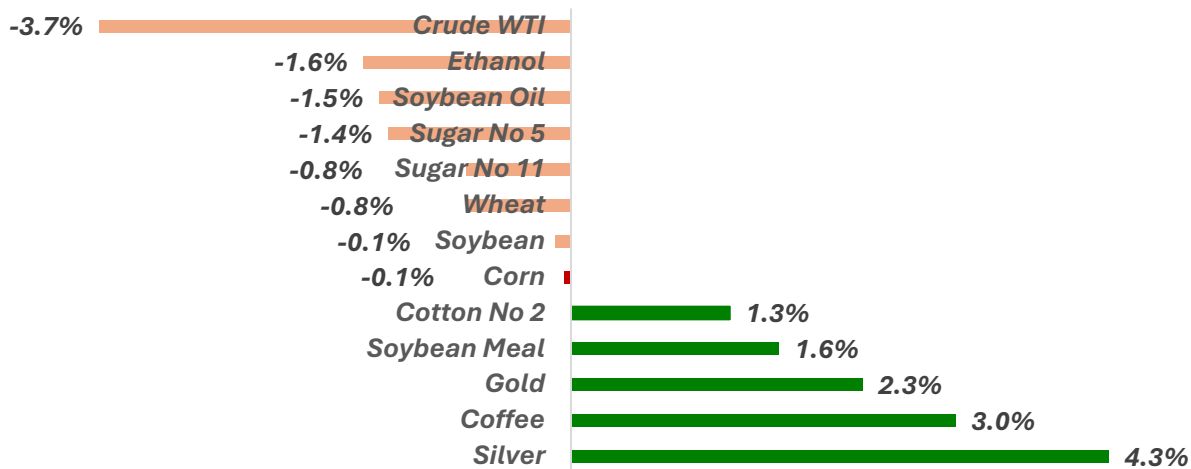




INDIAN SUGAR REPORT - 9th MARCH 25

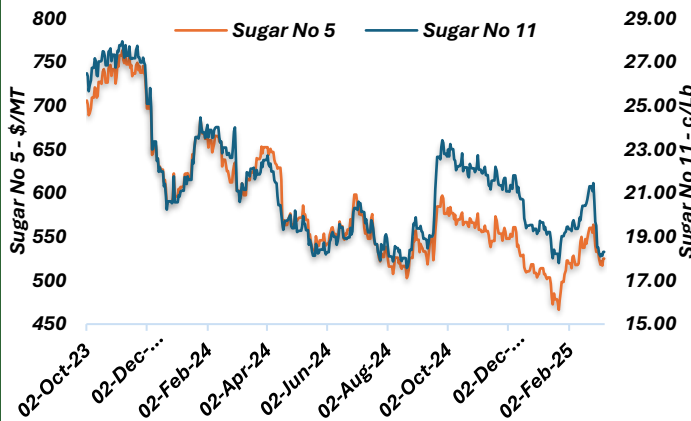


WEEKLY COMMODITY PERFORMANCE

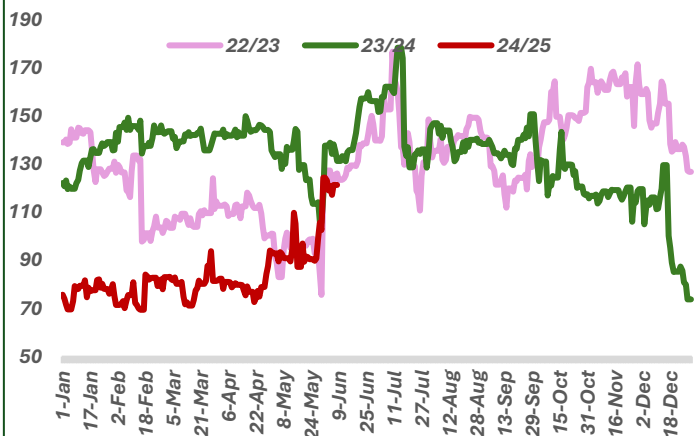


- Week where the Energy sector posted the biggest loss where as Silver gained the most.
- With all the uncertainty in the global macro environment, tariff wars, actual wars & looming threat of war, has been the biggest supporter of Gold prices which posted gains of 2.3% during the wee.
- Agri commodities had a bearish week with all major commodities posted losses during the week except for Cotton and Soymeal which posted gains.

INTERNATIONAL SUGAR PRICES

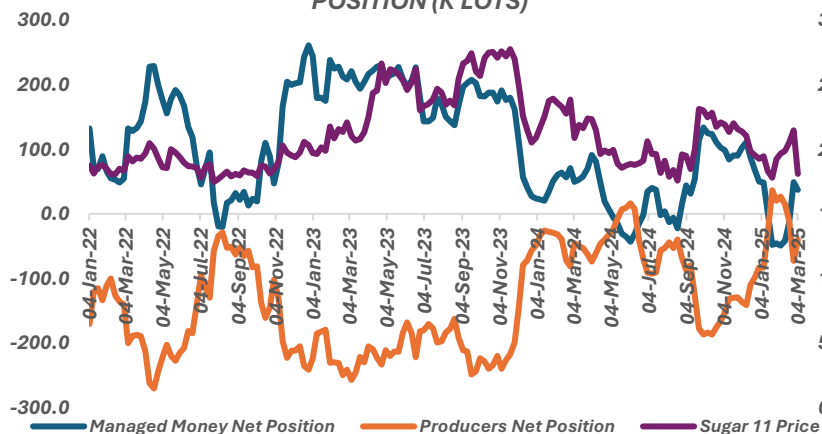


WP SEASONALITY - \$/MT



- International sugar prices though reported minor losses during the week, but the loss from the start of the Indian sugar season Oct 2024, the international market has come down sharply.
- The Raw sugar has given up 20% and White sugar down 10% since 1 Oct 2024.
- The White premium which was struggling initially at the start of the year, instilling doubts in the running of the refineries across the globe, has come up well as the Raw sugar has come down sharply as against Refined sugar.
- White Premium which was moving at USD 75 per mt levels has come up to USD 121 per mt levels, a handsome gain of 60%, which has made sure that the refiners will be able to utilise their capacity well and push out refined sugar in the market to meet the demand.

SUGAR NY 11 PRICES (C/LB) vs MANAGED MONEY NET POSITION (K LOTS)

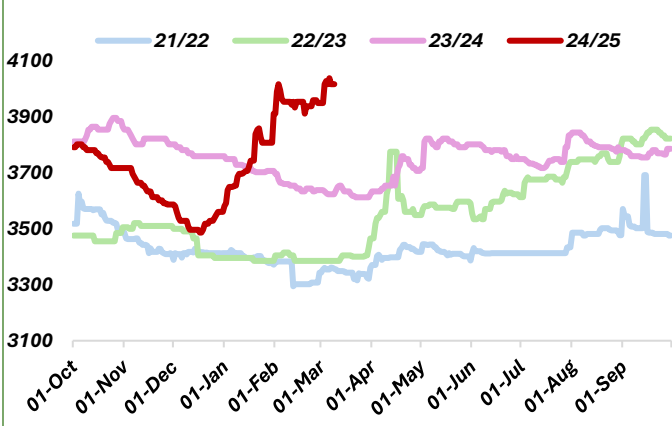


- The CFTC report of 4th March has shown the reduction of the Net long position of the Managed funds.
- Overall though the Managed fund has turned Long since last 2 weeks which pushed the market up.
- How will the funds manage their position shall set the tone of the market.
- Don't see much bearish news around.

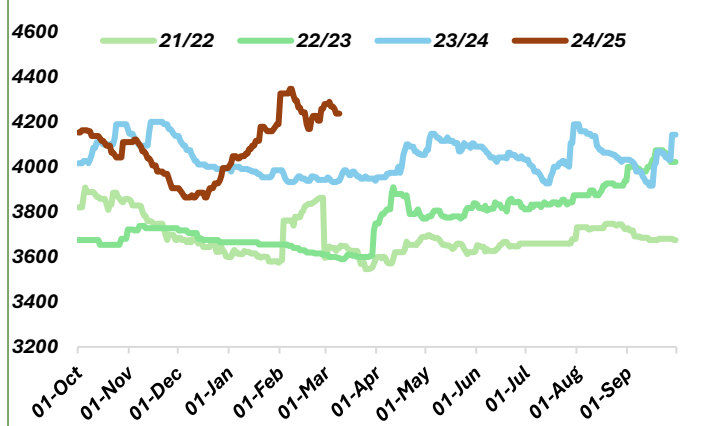


INDIAN SUGAR REPORT – 9th MARCH 25

MAHARASHTRA SUGAR PRICES – RS/QTL

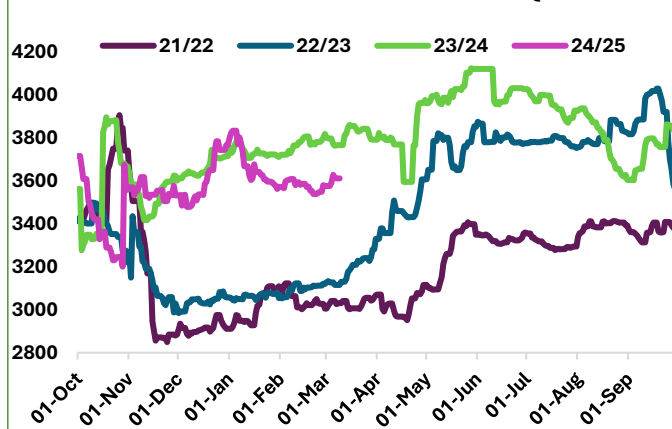


UP SUGAR PRICES – INR/QTL

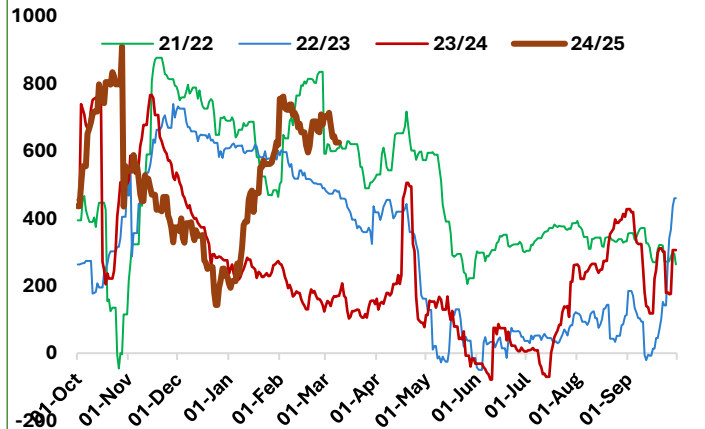


- **Indian market is living the time of its life**
- **Sugar production continue to disappoint with numbers now at sub 26 MMT or lower.**
- **Consumption debate continues with some discounting the production to sub 28 MMT, some 28.5 MMT. GreenLeaf continue to hold its consumption close to 29 MMT.**
- **In either case the stocks shall deplete from last year.**
- **Add 1 MMT of exports allowed by the Govt, the stocks shall reduce further due to sugar moving out of the country.**
- **Opening stocks debatable with trade below the Govt stocks by 400-500 KMT.**
- **Prices in Indian market has already posted 15% gain in Maharashtra and 10% in UP from its lows during the season.**
- **How much more the sugar prices can go up and when???**
- **How will Govt manage the price rise will be very interesting to watch.**

GUR PRICES SEASONALITY - INR/QTL

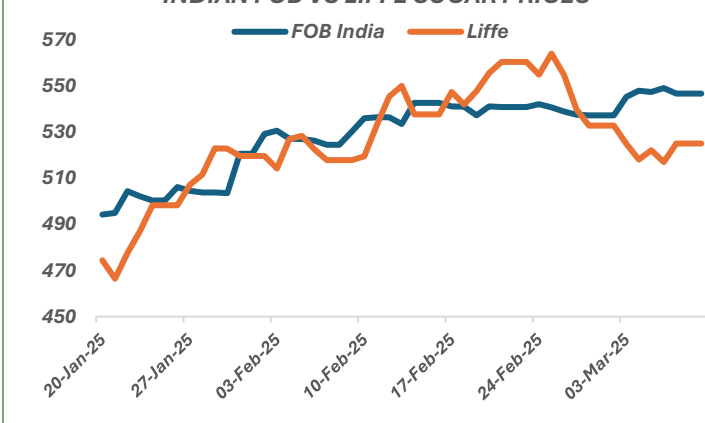


SUGAR - GUR SPREAD - INR/100 KG



- **Gur prices journey has been more sideways this season.**
- **The spread against the sugar prices is close to its highs as Sugar prices ran away in the recent past especially post announcement of the sugar exports.**
- **Now with the sugar production further coming down and might end with the lowest possible stocks before the start of the new season, should surely support the Gur prices as well going forward.**
- **The spread between Sugar and Gur might make new highs as sugar prices are expected to be explosive in coming times.**

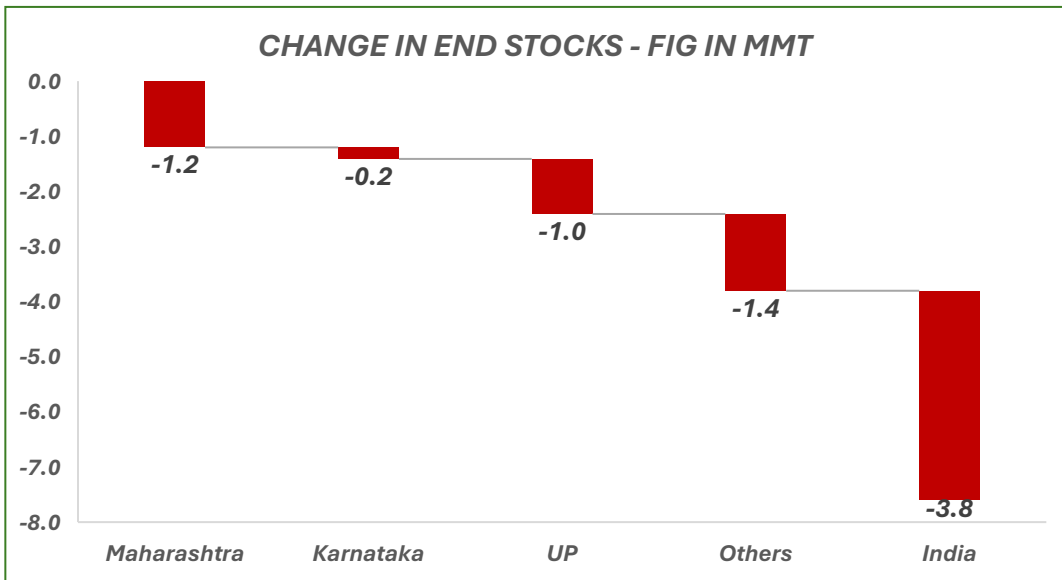
INDIAN FOB VS LIFFE SUGAR PRICES



- **Indian Export offers continues to trade @ USD 540-545 per mt levels as the Indian sugar + License cost continue to put Indian sugar in the above price bracket.**
- **The International market went down and the Indian LQW is now trading at prem to Refined sugar which was initially trading at a discount.**
- **The Indian exporters will love to see the Global prices rising again to push their sugar out.**



INDIAN SUGAR REPORT - 9th MARCH 25



- **Basis our assessment of production and consumption for each state for the ongoing season 2024/25, we can see how the end stocks is going to change by the end of the current season.**
- **With reduction in production, the state of Maharashtra shall lose the max stocks and start the season with 1.2 MMT lower stocks than last year.**
- **UP shall be the key too as it shall lose 1 MMT and stocks will be even tighter than the 22/23 levels, when the domestic market prices exploded and Govt had to come out with quota of 2.9 MMT to control prices.**
- **Majority of the stocks during that year was with the Cooperative sugar mills and this season too it might not be very different.**
- **Thus, price rally in the state is expected close to the end of the season.**

- **WITH THE PRODUCTION FORECAST EVEN TIGHTER THAN 26 MMT, WILL INDIA ALSO HEAD THE PAKISTAN WAY WHO INITIALLY EXPORTED SUGAR AND THEN TALKS OF IMPORTS STARTED DUE TO POOR PRODUCTION OUTLOOK**

- **TOO EARLY TO SAY AS INDIA WILL STILL LOOK AT A DECENT CROP NEXT SEASON AND GOVT WILL TRY EVERYTHING POSSIBLE TO KEEP IMPORTS AWAY FROM THE COUNTRY.**