

Poor monsoon clouds sugar, rice horizon

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India recorded the weakest monsoon rains in five years, increasing the risk to crops and raising the chances of longer curbs on exports of farm commodities such as sugar, rice and wheat.

The country received 820 millimeters of rainfall during the June-September monsoon season, 6% less than the long-term average, according to the India Meteorological Department (IMD).

Poor rains have increased worries that India, the second-biggest producer of wheat, rice and sugar, will continue to curb exports of key commodities to manage food inflation before the national election in 2024. Such a move would support global prices. Rice in Asia is near a 15-year high, while sugar in New York has jumped more than 30% this year to trade just below a 12-year peak.

Precipitation in the East and North-east, major rice-growing regions, was 18% below normal during the monsoon, IMD said. Some parts of Karnataka and Maharashtra, key sugar pro-



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ducers, were among the driest this year, it said. Even as food secretary Sanjeev Chopra is positive on prospects for the sugarcane crop, 12 respondents in a *Bloomberg* survey of 14 analysts, traders and millers, said India may not export any sugar in the new season starting on 1 October on lower production.

Sucden general director Jeremy Austin said last week that India is expected to produce 28.6 million tonnes (mt) of sugar in 2023-24, much less than the Indian Sugar Mills Association's prediction of 31.68 million tonnes.