

Indian, Thai sugar crops exceed expectations

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The International Sugar Organization (ISO) on Tuesday forecast a global sugar surplus of 10.51 million tonnes (mt) in 2017/18, sharply above its previous projection of a 5.15 mt surplus.

"Since February, the statistical picture has become clearer and more alarming ... the world sugar economy has managed to generate some late-season surprises, considerably worsening the fundamental picture," the ISO said in a quarterly report. The inter-gov-

ernmental body saw world production in 2017/18 (October/September) at 185.21 mt up from a previous forecast of 178.70 million and 10.3 per cent above the previous season's 167.85 million.

"The dramatic surge can be attributed to spectacular results at the final stage of the campaign in two Asian giants India and Thailand," the ISO said.

The ISO raised its forecast for Indian production in 2017/18 to 31.4 million tonnes, up from the previous forecast of 26 million, while Thailand's output was seen at 14.35

million, up from the previous forecast of 12 million.

The revisions were partly offset by a downward adjustment to Brazil's production in 2017/18 to 34.5 mt versus a previous forecast of 36 million.

ISO executive director Jose Orive told a conference in New York this month that a global sugar surplus of 8.5 mt was expected in 2018/19.

The ISO, in its latest quarterly report, estimated there was a global deficit of 3.67 mt in 2016/17, slightly wider than the previously seen 2.54 million.