

A Survey of Domestic Prices for Sugar

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Economist, ISO



Sources and Methodology

- The **ISO** is grateful for contributions by governments and industry associations, including the governments of Argentina, Australia, Belize, Brazil, Dominican Republic, Ecuador, El Salvador, the European Commission, Kenya, Mexico, Madagascar, Morocco, Nicaragua, Rep. of Korea, Thailand, Türkiye, Uganda; the Sugarcane Industry Association ASOCAÑA, Colombia; Laica, Costa Rica; Eswatini Sugar Association; Eurasian Sugar Association; Asociación de Azucareros de Guatemala; Asociación de Productores de Azúcar de Honduras; Mauritius Sugar Syndicate; Association of Sugar Producers of Mozambique; South African Sugar Association; Vietnam Sugarcane & Sugar Association; Zimbabwe Sugar Sales.
- Domestic Sugar Prices Questionnaire Memo(24)20, of 29 February 2024, as well as responses to our standard Sugar Yearbook statistical questionnaire.

Thank you!

Sources and Methodology cont.

Comments on Sources and Methods

- Methods are similar to those applied in our previous studies on domestic prices.
- It included **wholesale** price data from countries representing **72%** of world consumption and **retail** prices for countries accounting for around **73%** of global demand.
- The level of association of world market prices and calculated world averages of domestic prices is measured by **correlation coefficients**
- Price data have been converted into **USD per tonne** to make them comparable

Sources and Methodology cont.

Comments on Sources and Methods

Table S4

Composition of exporters' and importers' groups*			
Exporting countries		Importing countries	
Argentina	Thailand	Angola	Kenya
Australia	Uganda	Armenia	Korea, Rep. of
Belarus	Ukraine	Cameroon	Kyrgyzstan
Belize	Zambia	Canada	Madagascar
Brazil	Zimbabwe	Central Afr. Rep.	Moldova
Colombia		Chile	Morocco
Costa Rica		China	Nigeria
Dominican Rep.		Congo, Rep. of	Saudi Arabia
El Salvador		Cote d'Ivoire	South Africa
Eswatini		Ecuador	Sudan
Fiji		Egypt	Tanzania
Guatemala		Ethiopia	Tunisia
Honduras		EU	Türkiye
India		Gabon	USA
Mauritius		Hong Kong	Uruguay
Mexico		Israel	Uzbekistan
Nicaragua		Jamaica	Venezuela
Philippines		Japan	Viet Nam
Russia		Kazakhstan	

* for this survey, countries with net-exports in 17/18 were included in the list of exporters

Table S5

Cane and beet growing countries

Cane growing countries		Beet growing countries
Argentina	Jamaica	Armenia
Australia	Kenya	Belarus
Angola	Madagascar	Canada
Belize	Malawi	Chile
Brazil	Mauritius	Egypt
Cameroon	Mexico	EU-28**
Central Afr. Rep.	Nicaragua	Japan**
China*	Nigeria	Kazakhstan
Colombia	Philippines	Kyrgyzstan
Congo, Rep. of	Samoa	Moldova
Costa Rica	South Africa	Morocco**
Côte d'Ivoire	Sudan	Russian Fed.
Dominican Rep.	Tanzania, U.R.	Türkiye
Ecuador	Thailand	Ukraine
Egypt*	Uganda	USA**
El Salvador	Uruguay	Countries without domestic production
Eswatini	Viet Nam	
Ethiopia	Zambia	Hong Kong Israel Korea, Republic of Saudi Arabia Tunisia
Fiji	Zimbabwe	
Gabon		
Guatemala		
Honduras		
India		

* predominantly cane growing country also producing sugar from beet

** predominantly beet growing country also producing sugar from cane

Wholesale Prices

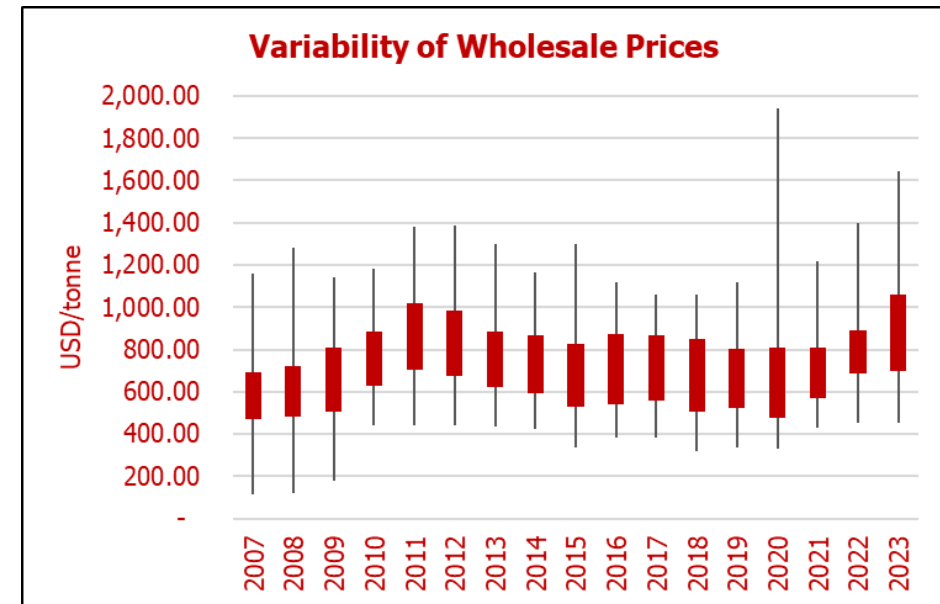
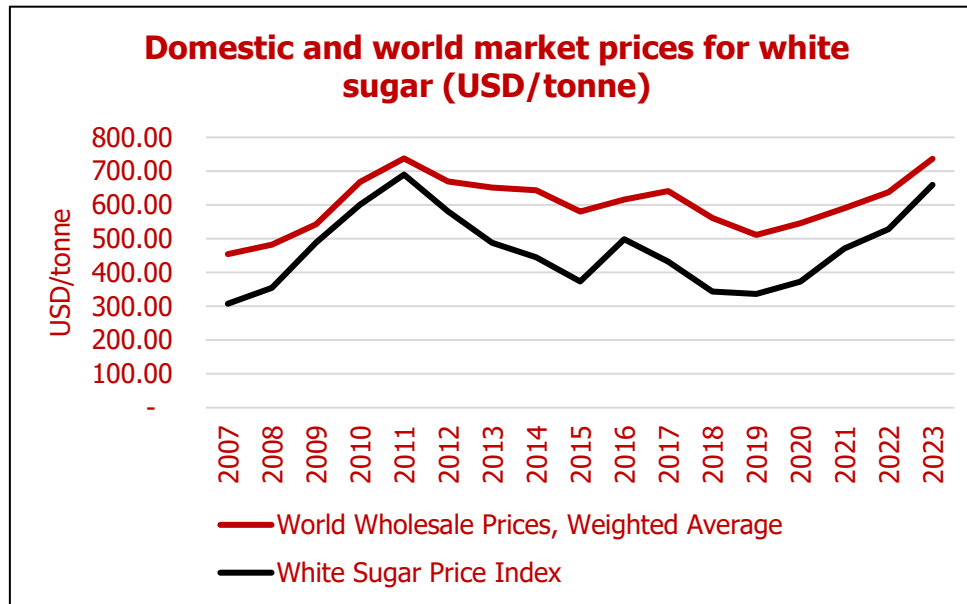
World Wholesale Average Price – Correlation to World Price

Wholesale Prices Weighted Average and World Price Correlation

World Wholesale Prices Weighted Average (USD/tonne)		White Sugar Price Index (USD/tonne)	Correlation Coefficient
2009	585.21	488.45	0.839
2010	707.32	600.72	
2011	792.36	689.89	
2012	716.74	580.86	
2013	696.33	488.05	
2014	655.44	444.81	0.729
2015	587.10	373.25	
2016	625.37	498.13	
2017	653.01	432.04	
2018	578.91	343.30	
2019	496.86	336.22	0.996
2020	535.73	373.01	
2021	577.52	471.10	
2022	621.22	528.04	
2023	705.16	659.19	

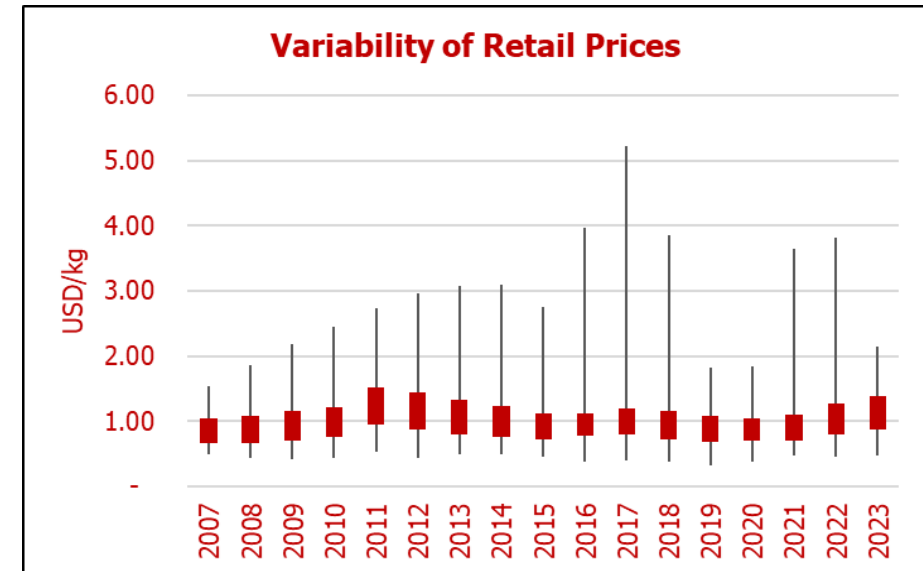
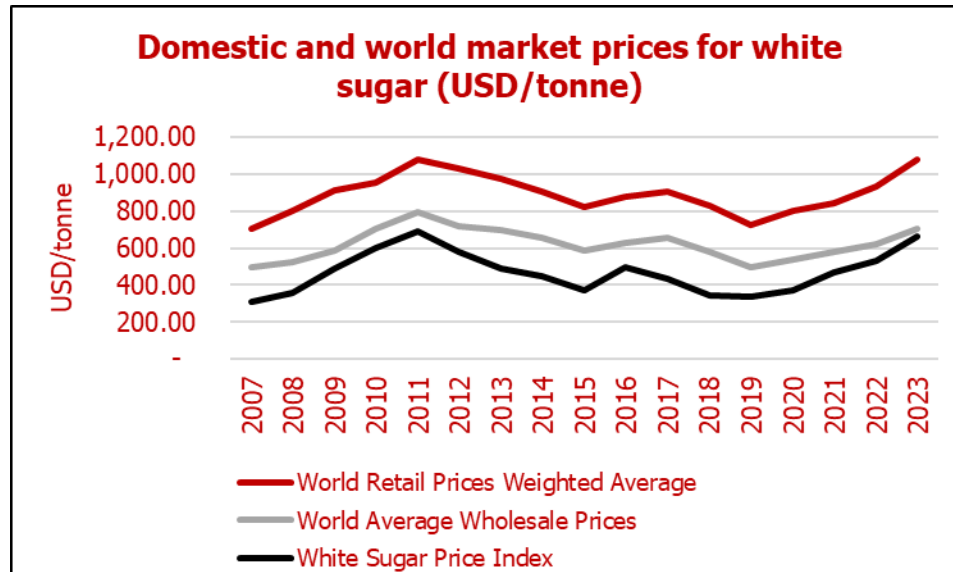
Wholesale Prices

World Wholesale Average Price / Variability of Wholesale Prices



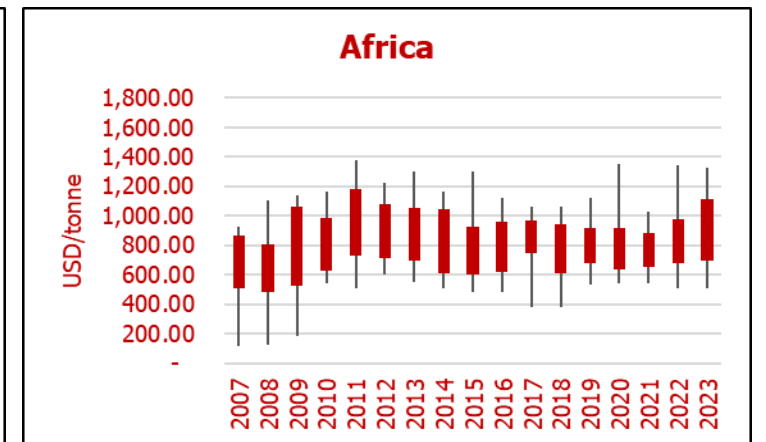
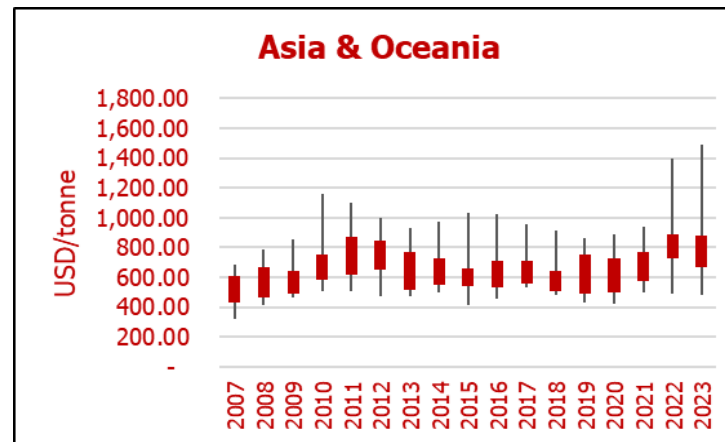
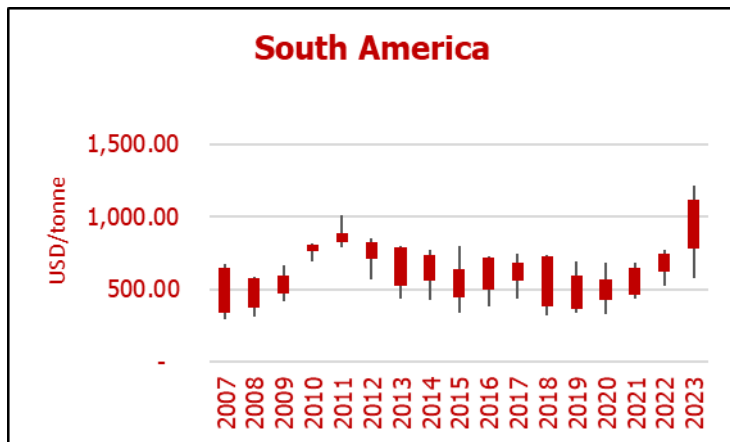
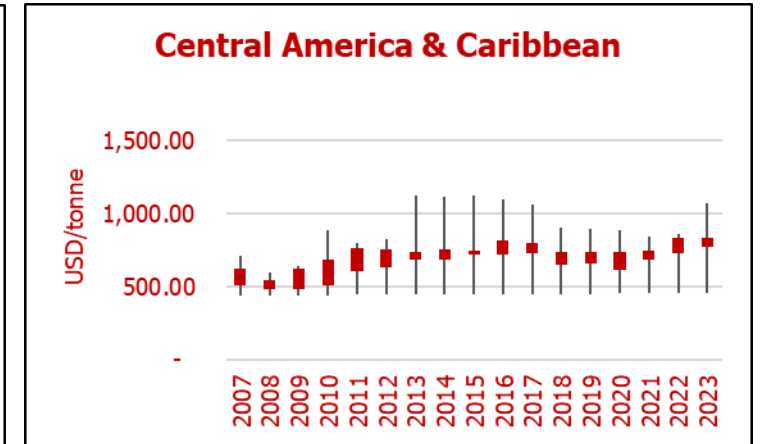
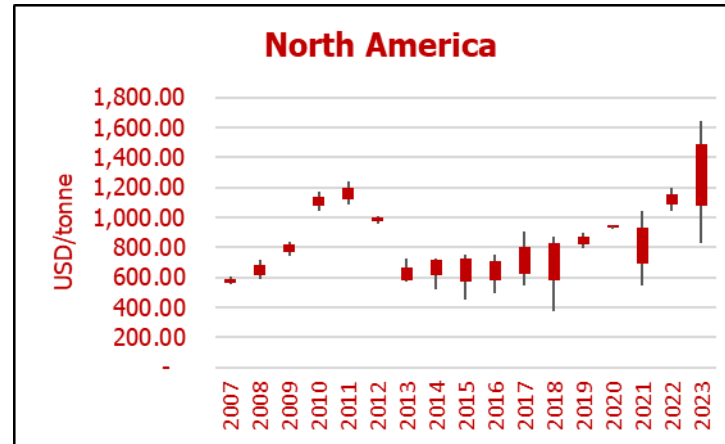
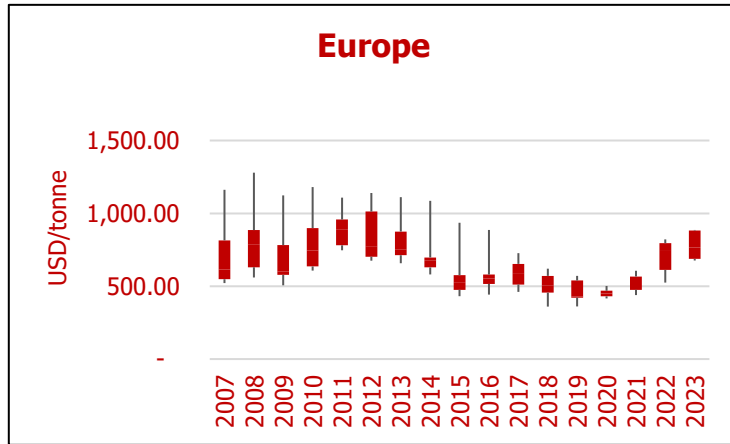
Retail Prices

World Retail Average Price / Variability of Retail Prices



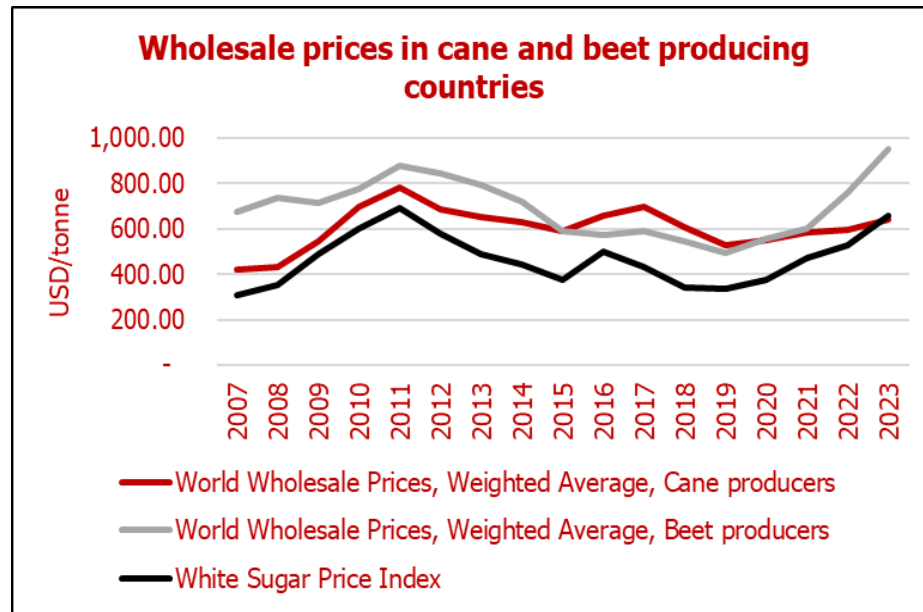
Wholesale Prices

Regional Variability of Wholesale Prices



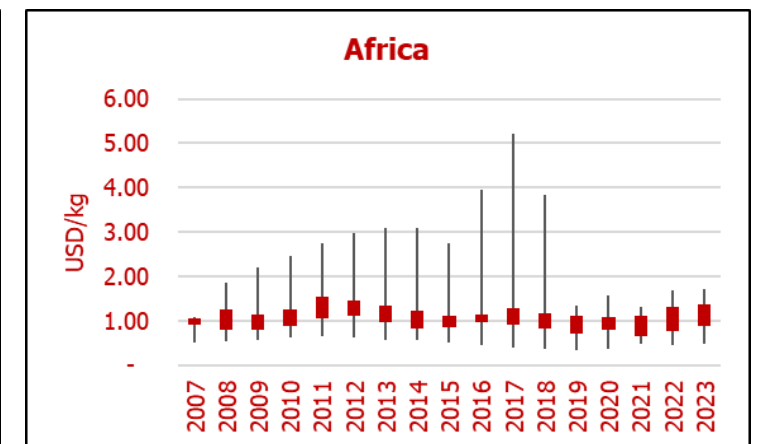
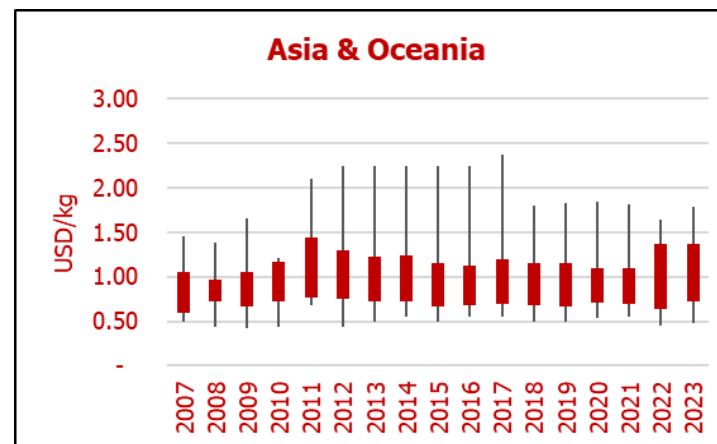
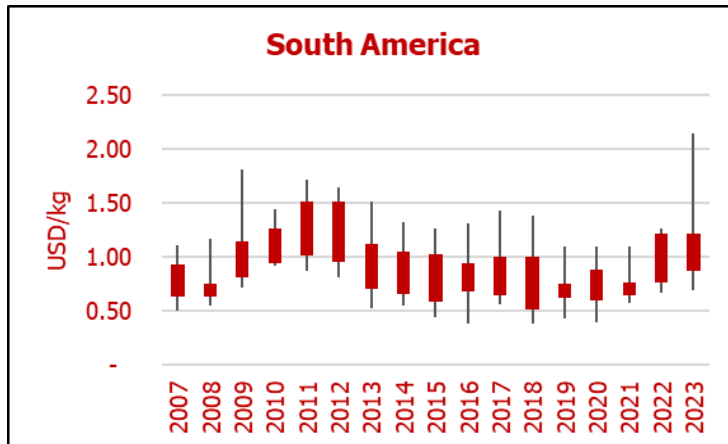
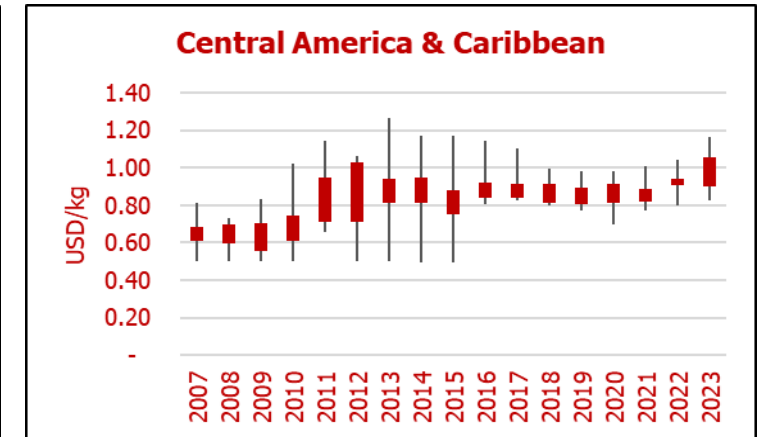
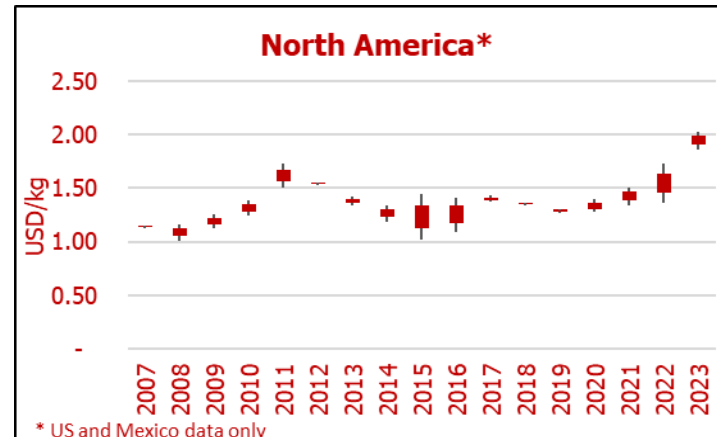
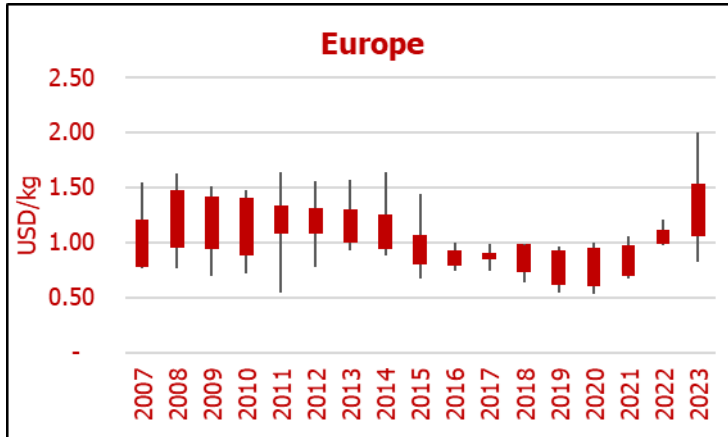
Wholesale Prices

Wholesale Prices in Cane / Beet Producing and Export / Imports Countries



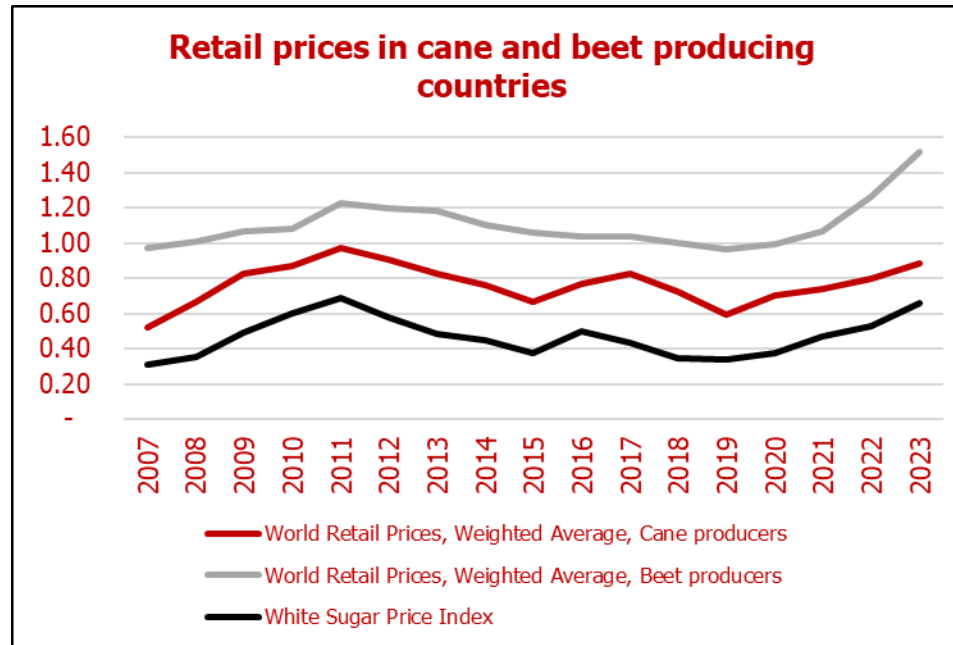
Retail Prices

Regional Variability of Retail Prices



Retail Prices

Retail Prices in Cane and Beet Producing Countries



Selected Country Studies

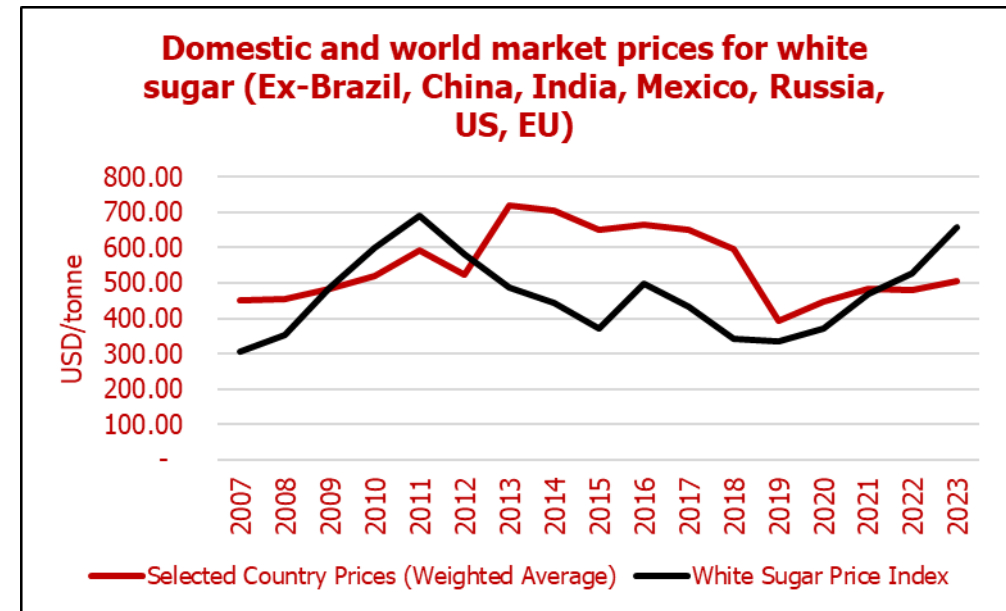
Major price drivers on domestic markets

- The current and next season's state of the **national sugar balance** (including the amount of sugar in stocks, stocks/consumption ratio, as well as the current and expected level of self-sufficiency);
- **Government policy** (domestic price setting mechanisms for sugar crops and sugar, the level of production subsidies including foreign trade protection of domestic manufacturers);
- **Currency movements** (in regard to domestic prices when expressed in foreign currency and import parities);
- The structure of **sugar consumption** (industrial versus direct);
- Access to and from **preferential markets, regional trade agreements**;
- The prevailing level of national **cost of production**;
- Price and availability of **alternative sweeteners**;
- The level of **consumer income** and food distribution programmes;
- Price of **ethanol** / fuel policy.

Wholesale Prices

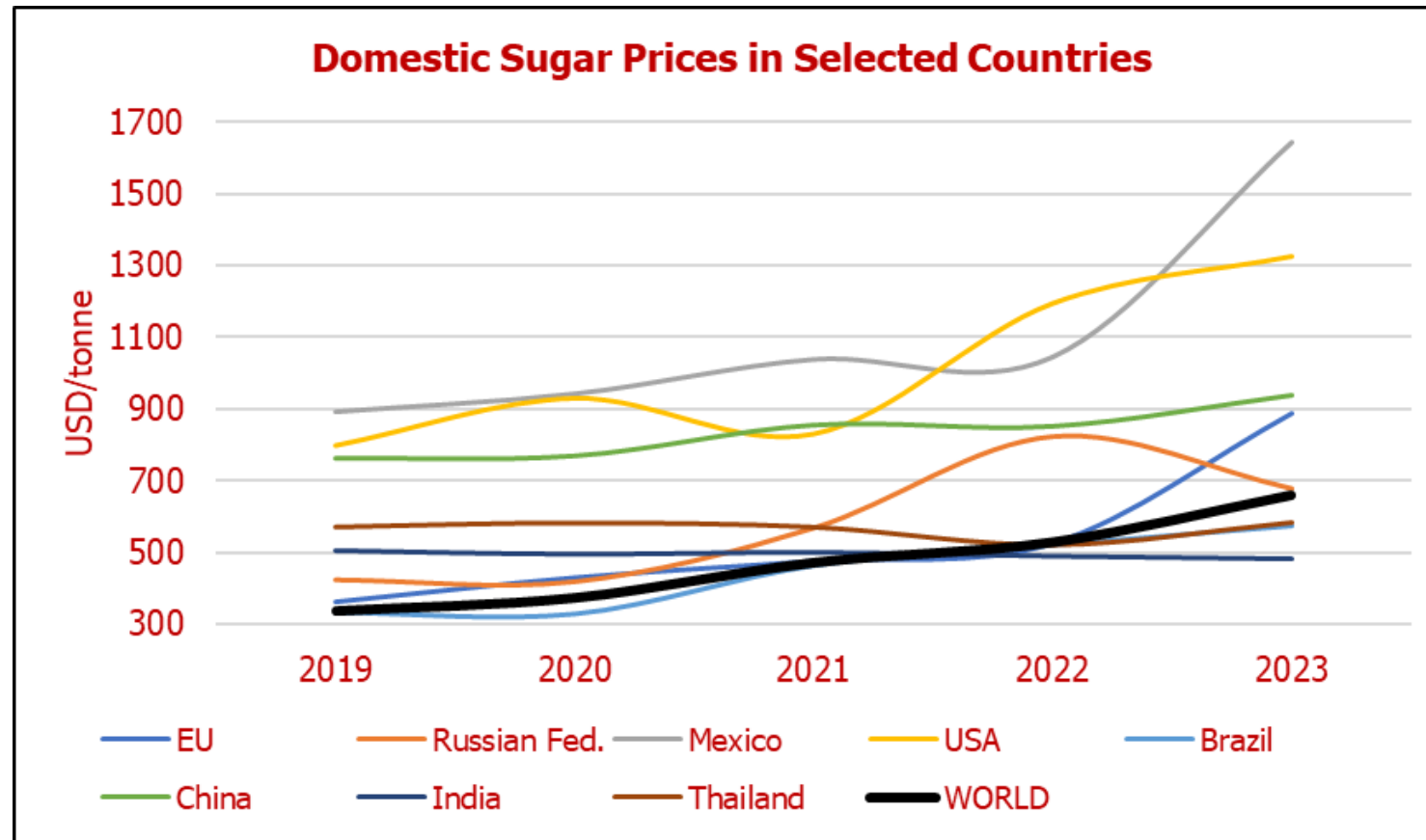
Wholesale Prices in Selected Countries

- The data also shows that a number of national price profiles were only **weakly** correlated with world market prices during the period under review.
- Why have aggregate wholesale prices been strongly correlated with world market prices?



Selected Country Studies

Selected Countries Domestic Prices



Selected Country Studies

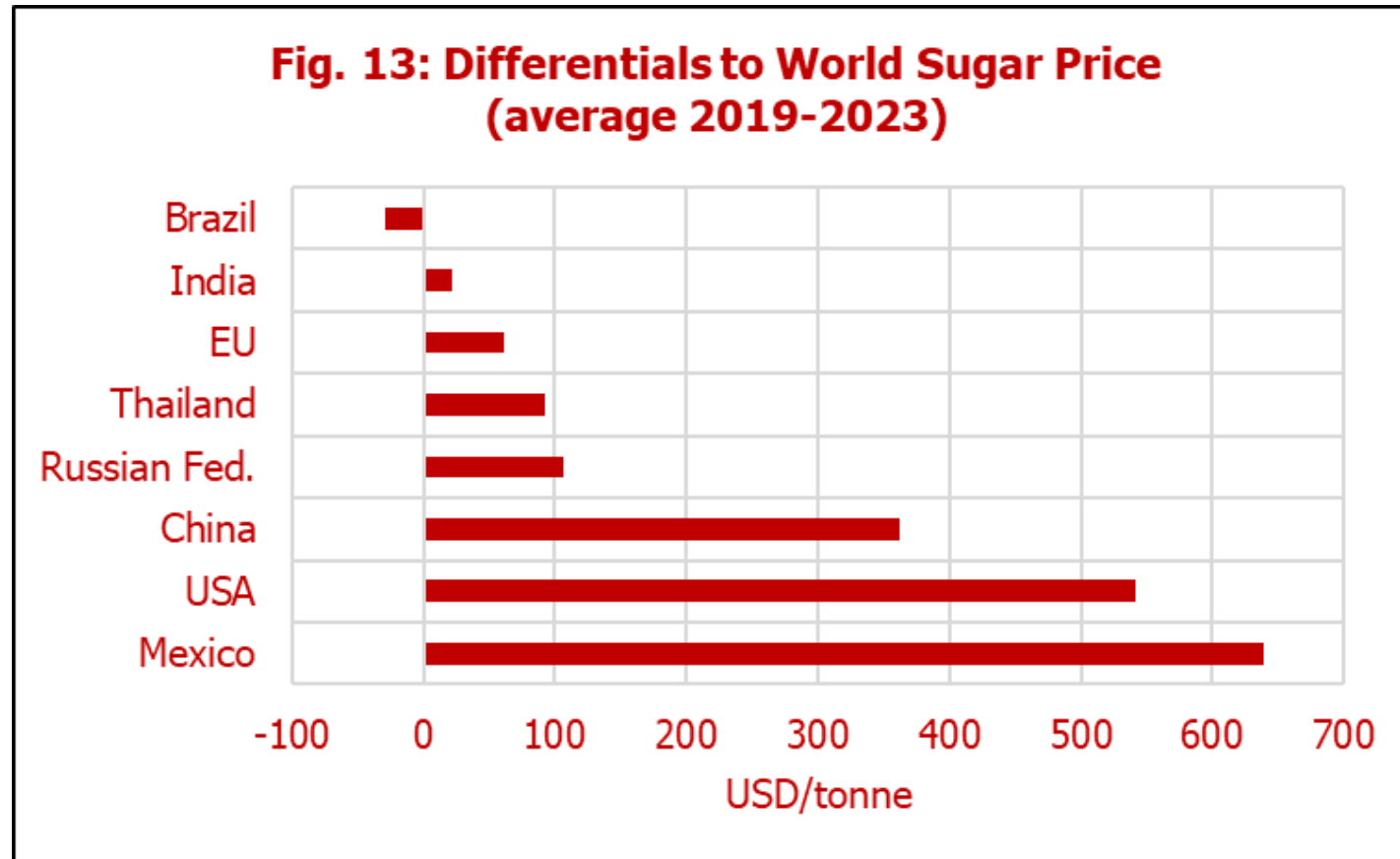
Selected Countries Domestic Prices

Selected Countries Wholesale Prices (2019-2023), USD/tonne

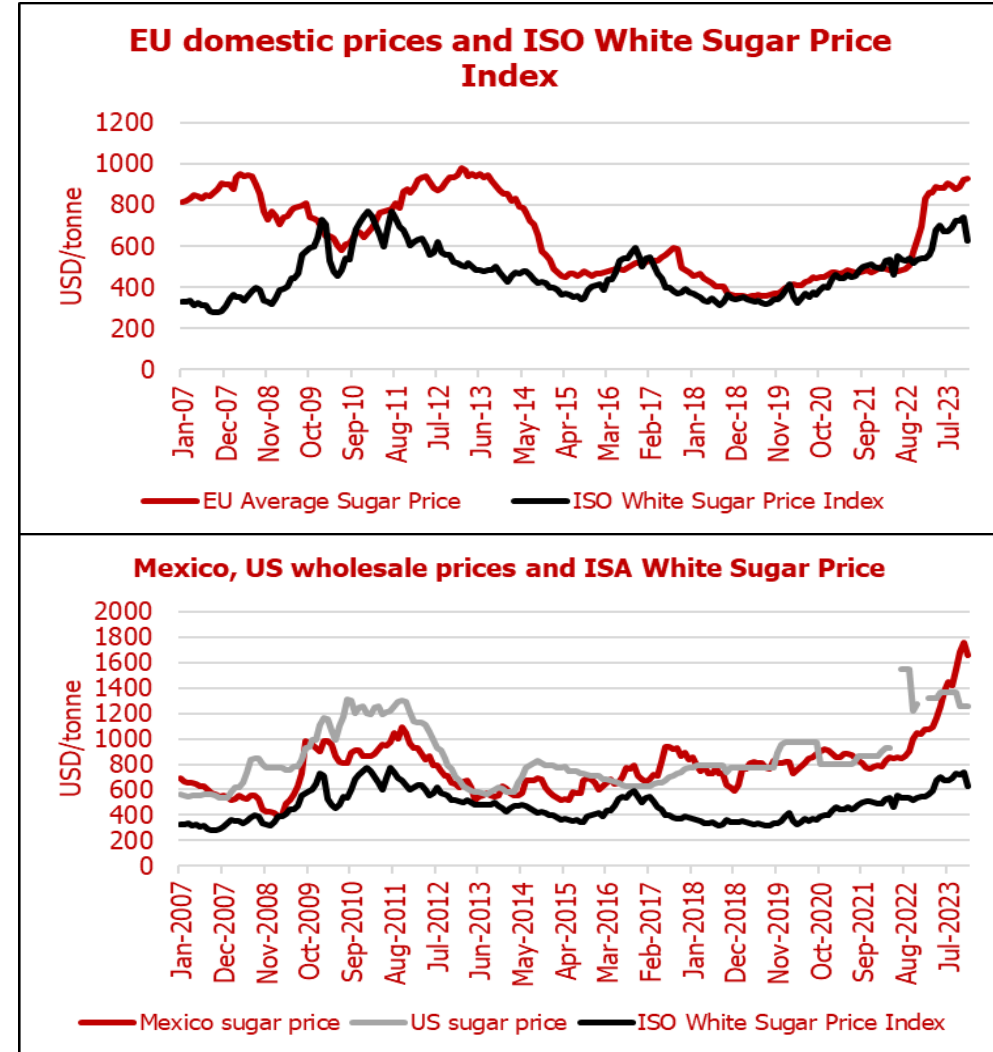
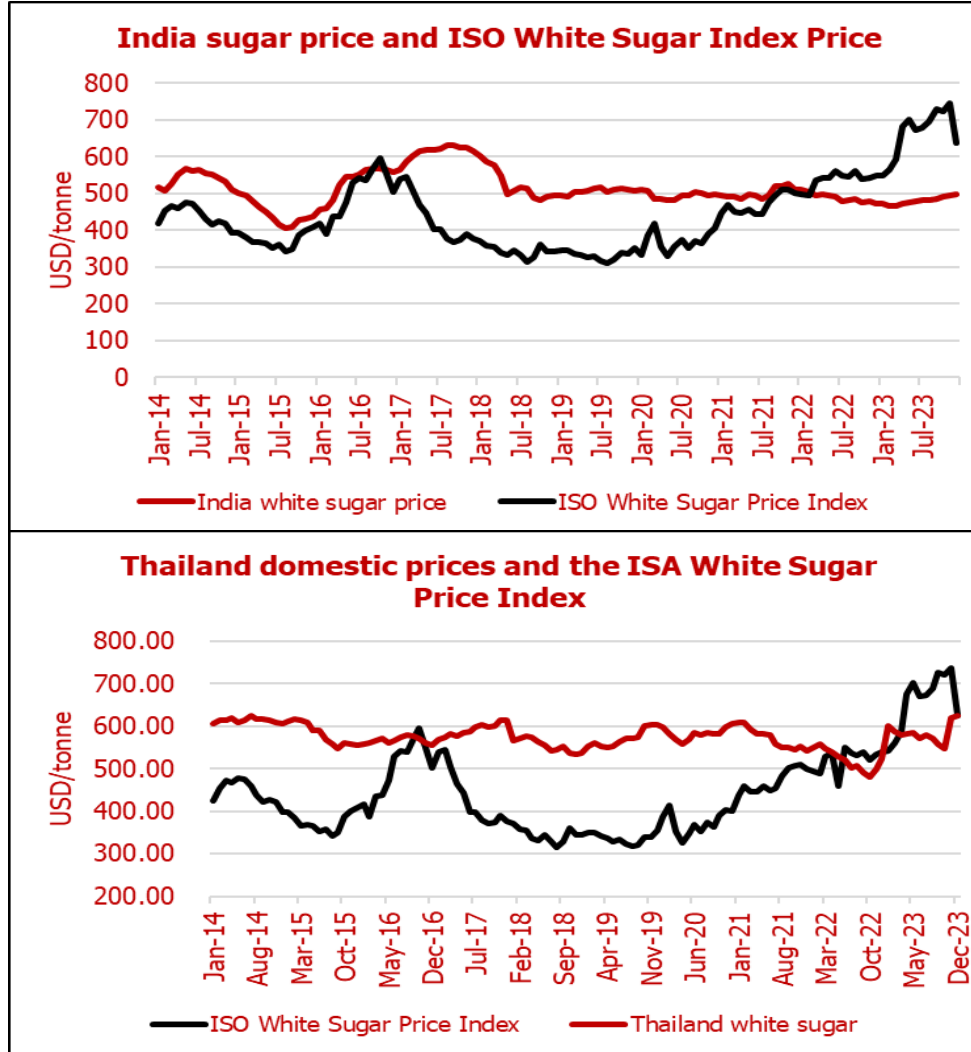
	2019	2020	2021	2022	2023
EU	362	429	475	525	886
Russian Fed.	421	416	566	822	676
Mexico	893	943	1039	1046	1644
USA	797	929	829	1194	1325
Brazil	333	329	464	522	575
China	764	771	855	852	937
India	506	496	501	489	481
Thailand	572	583	571	521	584
Min	333	329	464	489	481
Max	893	943	1039	1194	1644
Avg. World Price	336	373	471	528	659

Selected Country Studies

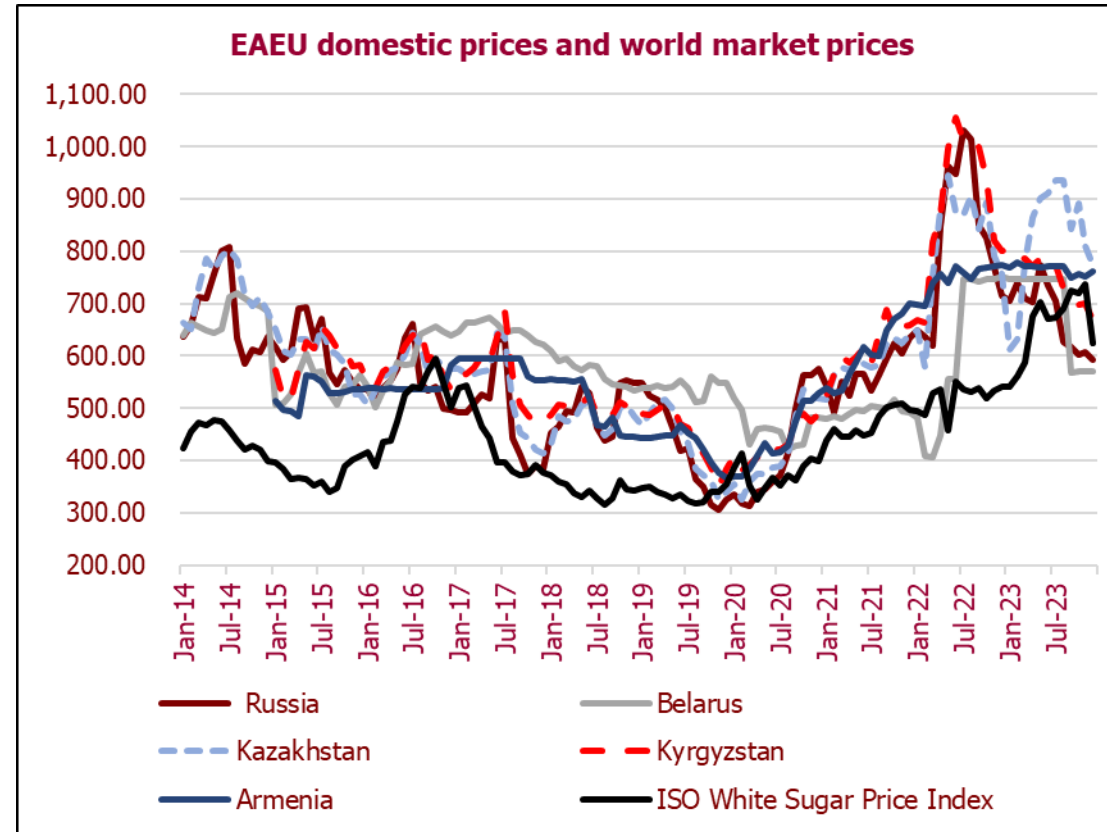
Selected Countries Domestic Prices – Differentials to World Sugar Price



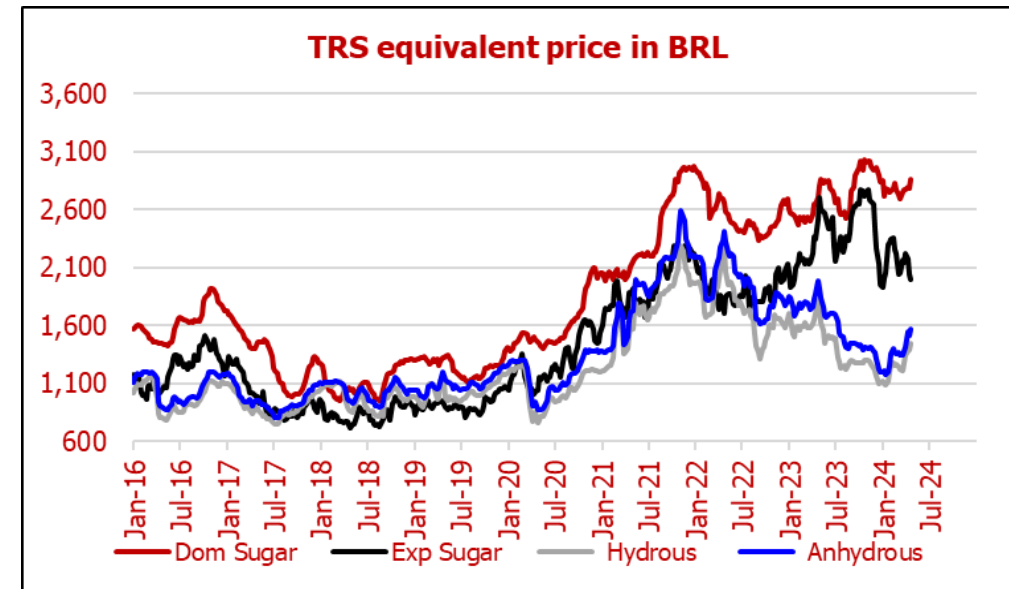
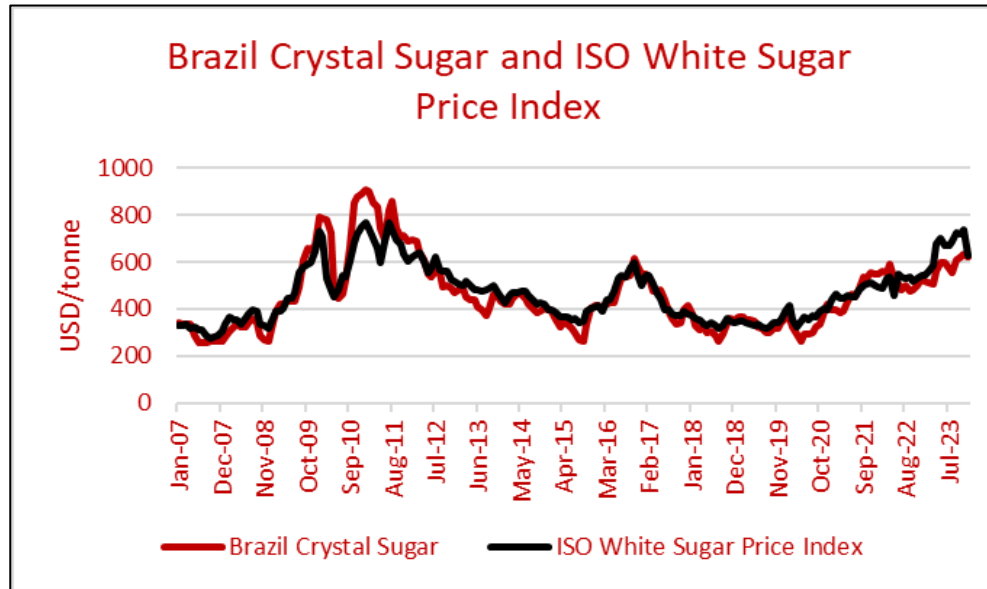
Selected Country Studies



Selected Country Studies



Selected Country Studies



Conclusions / Summary

- From 2007 to 2023, the world average domestic prices, both at the wholesale and retail level, generally mirrored the trends of world sugar prices, which in 2023 returned to a peak previously reached in 2011.
- However, the correlation between domestic wholesale values and world prices has fluctuated over different periods, with the most recent five-year period (2019-2023) exhibiting an exceptionally high correlation to world market prices.
- This correlation has been driven by price developments in larger consumer markets, most of which have strengthened their correlation to world market prices, with India being a notable exception.
- Despite a positive correlation, the survey findings indicate that there remain substantial differences between average world and domestic prices.

Thank you

