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BUSINESS

Countries, including Bangladesh, should open up and liberalise their economies as it is beneficial, says Maria Fernanda Garza, chairperson of ICC

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Concerns rise as India extends ban on sugar export

STAR BUSINESS REPORT

Sugar supply will remain tight in the global market as India yesterday extended its ban on the export of the sweetener beyond October this year in an effort to increase domestic availability and contain prices, said officials of two local refiners.

The restriction is likely to fuel prices of sugar in the international market further, affecting Bangladesh as the country meets 98 percent of its required 20 lakh tonnes through sugar imports.

“There will be extra pressure on the global market because India is a major player in the international sugar market. If the world market is short on sugar, there will be a domino effect which may affect us,” said ASM Mohiuddin Monem, additional managing director of Abdul Monem



Ltd, which runs a sugar refinery.

In a disclosure, India’s Directorate General of Foreign Trade (DGFT) said restrictions on the export of raw sugar, white sugar, refined sugar, and organic sugar would be extended beyond October 31, 2023.

India is the largest producer and second-largest exporter of sugar in the world.

Reuters yesterday said India’s curb on exports would be likely to increase benchmark prices in New York and London, where markets are already trading around multi-year highs, triggering fears of further inflation in food prices globally.

Globally, sugar prices soared further to US\$0.58 per kilogramme in September from \$0.53 a month ago, according to World Bank Commodities Prices data.

The price of sugar was 35 percent higher year-on-year compared to \$0.40 per kg in July-September of 2022. READ MORE ON B3

