Sugar

Among the most widely used global commodities, sugar is produced in 108 countries from sugarcane and beets.

This is part of the updated Atlas of Food report examining the field-to-fork links between agriculture and protein markets.

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Credits

Authors: Fikayo Owoeye
Editor: Meghan Gordon
Design: Content Design

Sugar's journey from ancient cultivation to a global industrial powerhouse highlights its deep impact on history.

Today, sugar is among the most widely produced and consumed commodities globally, with Brazil and India at the forefront of production.

Its applications are diverse and universal, spanning food manufacturing, retail, and increasingly, renewable energy sources such as ethanol, especially in countries seeking sustainable alternatives to fossil fuels.

Key properties

Global production

Sugar is produced in 108 countries through both cane and beet cultivation.

Sugarcane

Sugarcane is a perennial grass widely cultivated for its high sugar content. It plays a pivotal role in the global sugar industry as a primary source of sucrose. The sugar content in sugar cane is concentrated in its stalks, which are harvested for processing. The extraction process involves crushing the cane to extract juice, which is then refined and crystallized into various forms of sugar.

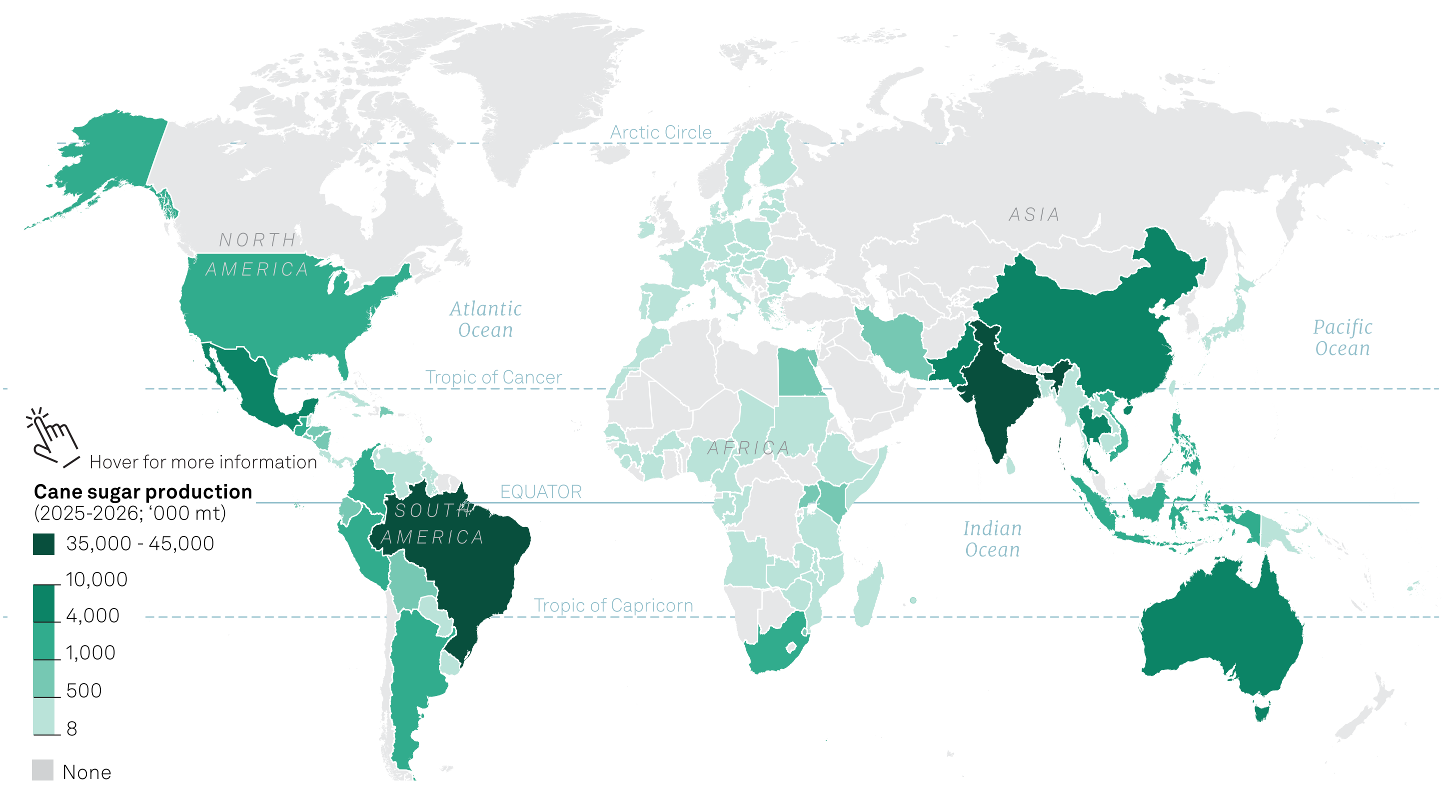
Sugar beet

Beet sugar is a plant cultivated for its sugar-rich taproot. Originating in Europe, sugar beet has become a significant crop globally, thriving in temperate climates. Unlike sugarcane, sugar beet is well-suited for cultivation in regions with cooler weather.

The EU produces about half of the world's beet sugar. However, beet sugar represents only 20% of the world's sugar production, with the other 80% produced from sugarcane.

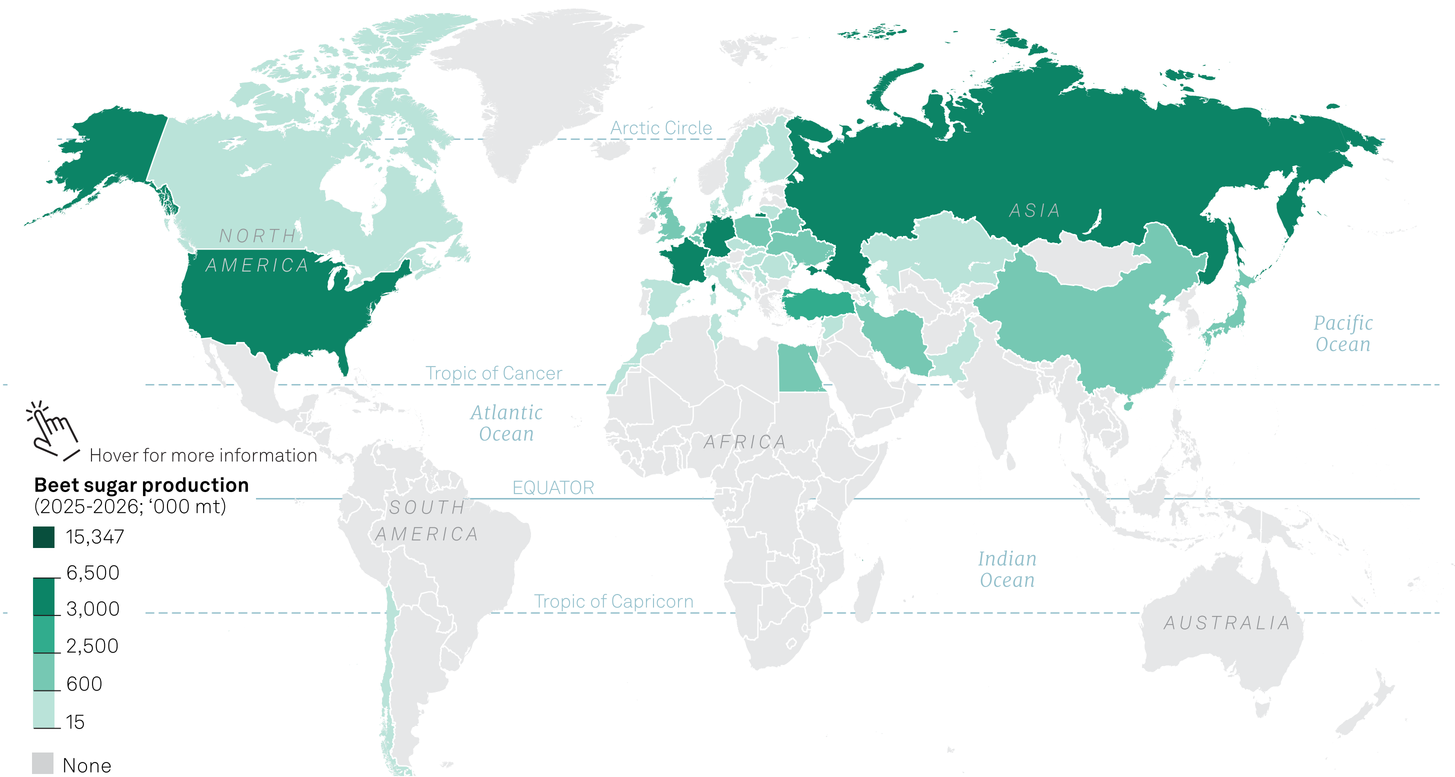
Most of the EU's sugar beets are grown in northern Europe in northern France, Germany, the Netherlands, Belgium and Poland. The EU also has an important refining industry that processes imported raw cane sugar.

Global cane sugar production



Source: S&P Global Energy, USDA

Global beet sugar production



Source: S&P Global Energy, USDA

Trade flows

Major sugar-producing regions in Latin America and consumption centers across Asia, the Middle East, Africa, Europe, and North America.

Global trade is split between raw sugar, shipped in bulk for refining at the destination, and white sugar, traded as a food-grade refined product.

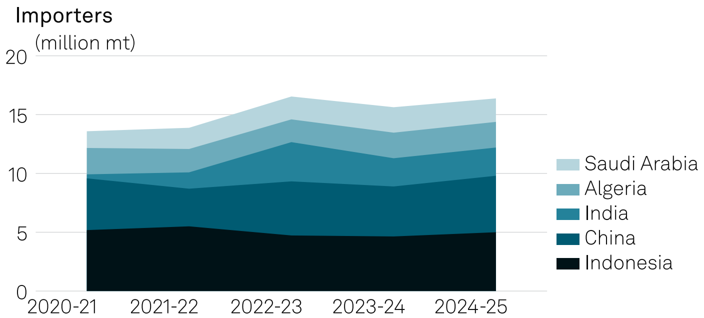
These flows have been shaped not only by production levels and consumer demand but also by refinery capacity, freight costs, government trade policy, and the growing competition between sugar and ethanol production.

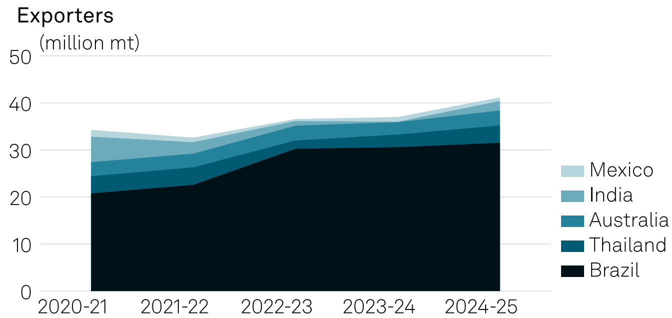
Brazil remains the dominant force in global sugar exports, while Thailand and, at times, India also play key roles in supplying international markets.

China and Indonesia are among the most important importers, though their buying patterns diverged sharply in 2026.

Recent disruptions in the Strait of Hormuz have affected refinery-linked raw sugar demand and supported the premium for white sugar over raw.

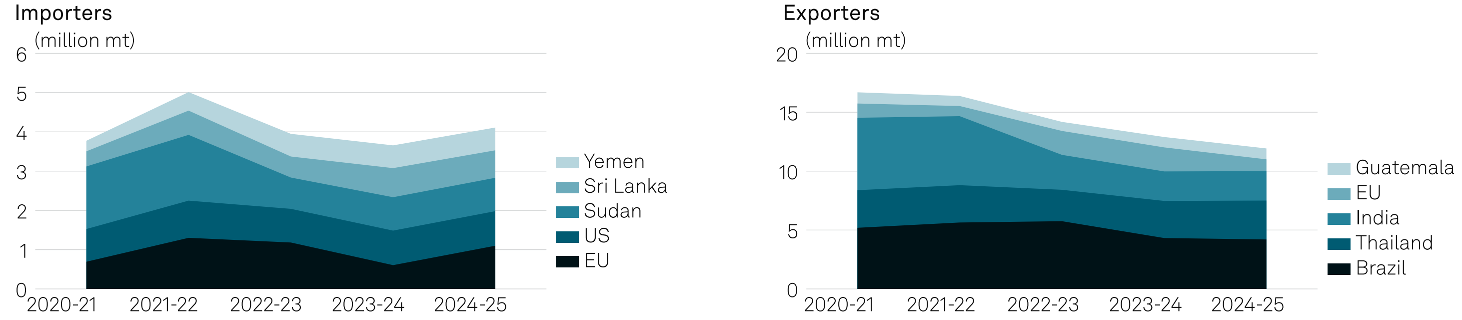
Raw sugar: largest importers and exporters





Source: S&P Global Energy

Refined sugar: largest importers and exporters



Source: S&P Global Energy

Price drivers

Despite a currently bearish global surplus backdrop, sugar trade flows remain highly sensitive to weather risks, geopolitical tensions, and energy markets.

In 2025-26, the most influential drivers have been Brazil's cane allocation between sugar and ethanol, India's export restrictions, Indonesia's quota cuts, and growing concern over El Niño's impact on Brazil, India, and Thailand. In the EU, the Mercosur trade deal and suspension of the Inward Processing regime, and the blockage of the Strait of Hormuz are impacting prices.

Key Price Phases

1. Tariffs and quotas

Duty-free Ukrainian sugar flooded the EU market in early 2024, which directly pressured Northwest European prices to fall sharply. The EU eventually implemented a formal tariff-rate quota for Ukrainian sugar after triggering an "emergency brake" in 2024.

March 3, 2024

Peak prices at Eur820/mt. Prices start the year at multiyear highs, supported by tight EU stocks, low Ukrainian imports relative to prior years, and strong export demand.

July 4, 2024

Prices fall to Eur690/mt. A larger 2024-25 beet crop, high ending stocks, and Ukrainian sugar flowing into the EU pressure prices, prompting producers to actively export to clear stocks.

Nov. 21, 2024

Prices drop to Eur580/mt. The new crop arrival in October triggers a sharp correction in EU average prices. Poor weather in the Beet Belt, combined with Ukrainian quota uncertainty, add volatility.

2. Policy

Policies play a key role in influencing sugar supply and demand.

Indonesian imports fell after quota cuts and tighter regulations. Brazil's decision on how much cane to direct toward sugar or ethanol production continues to have a major influence on export availability and price direction worldwide.

The EU's vote to suspend duty-free raw cane sugar imports is expected to reduce price pressure from cheap imports.

Nov. 11, 2025

Prices hit Eur440/mt amid oversupply, weak consumption, low world market prices, and a good 2025-26 crop.

Dec. 18, 2025

Prices fall further to Eur400/mt, driven by the new 2025-26 campaign.

March 12-26, 2026

Prices edge higher, supported by rising energy costs amid the Middle East war.

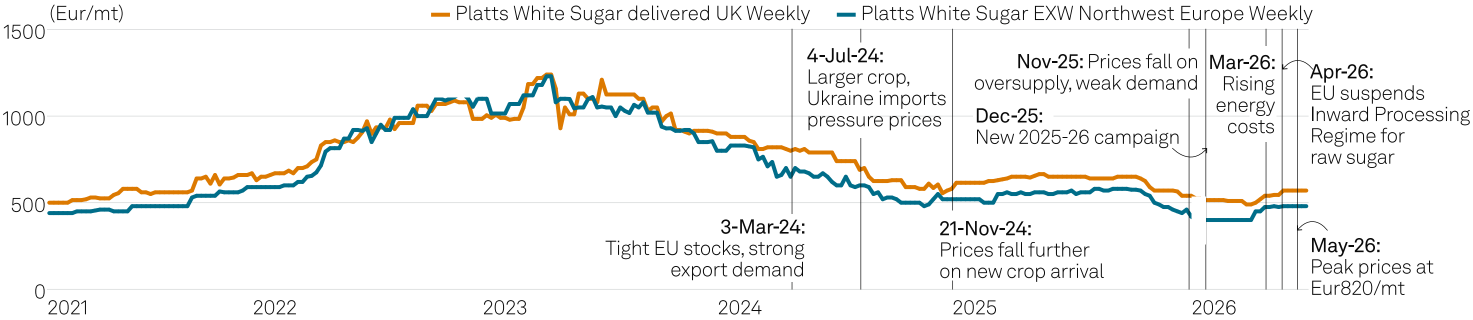
April 9-16, 2026

Prices rise after the EU suspends the Inward Processing Regime for raw sugar, and on expectations of reduced beet acreage for 2026-27.

3. Weather

India bans sugar exports effective May 13, 2026, citing declining sugarcane yields and El Niño risks. This tightens global supply and supports international sugar prices, indirectly supporting EU prices.

Sugar: Key price drivers



Source: S&P Global Energy

CONTACTS

Americas: +1 800 597 1344
Asia Pacific: +60 4 296 1125
Europe, Middle East, Africa: +44 (0) 203 367 0681

support.energy@spglobal.com
www.spglobal.com/energy