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Report Name: Sugar Semi-annual

Country: Thailand

Post: Bangkok

Report Category: Sugar

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Report Highlights:

Post maintains its MY 2026/27 sugar production forecast, down from MY 2025/26, as Post expects El Niño to lower both sugarcane yields and sugar extraction. Below-normal rainfall also threatens new plant cane for MY 2027/28. Post raises its MY 2025/26 export estimate on strong shipments earlier this year and expects exports to fall in MY 2026/27 as production declines. Refined sugar will account for a larger share of exports, as raw sugar faces stronger competition from Brazil and Australia in Indonesia and Malaysia.

Executive Summary

Post forecasts MY 2026/27 sugarcane production at 95 MMT, down 10 percent from last marketing year's 105.9 MMT. Low farm-gate cane prices, strong cassava returns, and below-normal rainfall will reduce both planted area and yields. On September 30, 2026, the Cane Committee approved a MY 2026/27 planning allocation of 97.02 MMT. Post's forecast sits below that figure as anticipated effects from El Niño and continued disease outbreaks should cut yields. Post maintains its MY 2026/27 sugar production forecast at 9.5 MMT, unchanged from the April Sugar Annual ([Thailand: Sugar Annual Report 2026 TH2026-0011](#)) and down 21 percent from MY 2025/26, as Post expects El Niño's impact to lower sugar extraction as well as cane yields. Post revises MY 2025/26 sugar production up almost 20 percent to 12. MMT, in line with industry reports of final crushing results.

Post maintains MY 2025/26 and MY 2026/27 domestic consumption forecasts at 3.3 MMT, unchanged from the April Sugar Annual. Office of the Cane and Sugar Board (OCSB) data show that domestic sugar sales fell 1.3 percent year-on-year in January–June 2026, as lower sales to households and food service through wholesalers outweighed steady sales to industrial users. The progressive sugar tax continues to curb sugar use by beverage manufacturers, while a partial recovery in shipments to export processing zones supports demand from export-oriented processors.

Post raises its MY 2025/26 export estimate to 8.3 MMT (raw value), as Thai sugar exports in January–July 2026 rose 38 percent from the same period of 2025 on strong shipments to Indonesia, Malaysia, and Africa. Post forecasts MY 2026/27 exports to fall 16 percent to 7.0 MMT as lower production reduces exportable supplies. Post expects raw sugar to absorb most of the decline, because raw sugar buyers in Indonesia and Malaysia can switch to Brazilian and Australian supplies, while refined sugar demand in Africa and neighboring countries remains firm.

1. Production

Table 1. Thailand: Sugarcane Production

Sugar Cane for Centrifugal Market Year Begins	2024/2025		2025/2026		2026/2027	
	Dec 2024		Dec 2025		Dec 2026	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Thailand						
Area Planted (1000 HA)	1655	1655	0	1670	0	1650
Area Harvested (1000 HA)	1565	1565	0	1579	0	1556
Production (1000 MT)	95900	95900	0	105862	0	95000
Total Supply (1000 MT)	95900	95900	0	105862	0	95000
Utilization for Sugar (1000 MT)	93100	93100	0	103062	0	92200
Utilization for Alcohol (1000 MT)	2800	2800	0	2800	0	2800
Total Utilization (1000 MT)	95900	95900	0	105862	0	95000
(1000 HA),(1000 MT)						
OFFICIAL DATA CAN BE ACCESSED AT: PSD Online Advanced Query						

Table 2. Thailand: Sugar Production

Sugar, Centrifugal Market Year Begins Thailand	2024/2025		2025/2026		2026/2027	
	Dec 2024		Dec 2025		Dec 2026	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Beginning Stocks (1000 MT)	10556	10556	11296	11296	13254	11696
Beet Sugar Production (1000 MT)	0	0	0	0	0	0
Cane Sugar Production (1000 MT)	10240	10240	11258	12000	9500	9500
Total Sugar Production (1000 MT)	10240	10240	11258	12000	9500	9500
Raw Imports (1000 MT)	0	0	0	0	0	0
Refined Imp. (Raw Val) (1000 MT)	0	0	0	0	0	0
Total Imports (1000 MT)	0	0	0	0	0	0
Total Supply (1000 MT)	20796	20796	22554	23296	22754	21196
Raw Exports (1000 MT)	2500	2500	2600	4000	2800	3000
Refined Exp. (Raw Val) (1000 MT)	3150	3150	3400	4300	3200	4000
Total Exports (1000 MT)	5650	5650	6000	8300	6000	7000
Human Dom. Consumption (1000 MT)	3850	3850	3300	3300	3300	3300
Other Disappearance (1000 MT)	0	0	0	0	0	0
Total Use (1000 MT)	3850	3850	3300	3300	3300	3300
Ending Stocks (1000 MT)	11296	11296	13254	11696	13454	10896
Total Distribution (1000 MT)	20796	20796	22554	23296	22754	21196
(1000 MT)						
OFFICIAL DATA CAN BE ACCESSED AT: PSD Online Advanced Query						

Post forecasts MY 2026/27 sugarcane production at 95 MMT, unchanged from the April forecast but down 10 percent from MY 2025/26 (Table 1). Post maintains its planted-area forecast to 1.65 million hectares (10.3 million rai), one percent contraction from MY 2025/26. The area matches the data the Cane Committee approved on September 30, 2026. Post's production forecast implies an average yield of 9.3 MT per rai (58 MT per hectare) on planted area, 4 percent below the Committee's planting assumption of 9.7 MT per rai, as Post expects El Niño to reduce yields.

Low farm-gate prices continue to push smallholders toward alternative crops. The Cabinet set the MY 2025/26 initial cane price at 890 baht per MT (\$27/MT¹) at 10 CCS (Commercial Cane Sugar), 23 percent below the MY 2024/25 initial price and well below the OCSB-reported cultivation cost of about 1,358 baht per MT (\$41/MT). Thai Tapioca Trade Association data shows cassava prices rising from about 2 baht per kilogram in mid-2025 to a peak near 3.5 baht in mid-2026. The Thai Sugar Millers Corporation (TSMC) expects farmers in the rain-fed northeast to shift some cane land to cassava.

Weather now poses the main downside risk. Despite widespread flooding in late September, the Thai Meteorological Department (TMD) reports below-normal accumulated rainfall across most sugarcane areas between January 1 and September 30, 2026, and forecasts below-normal rainfall in October before above-normal rainfall in November. TMD expects weaker rainfall in the northeast, which accounts for 44 percent of sugarcane planting area, than in other regions. The National Oceanic and Atmospheric Administration (NOAA) Climate Prediction Center assigns a high probability that El Niño will

¹ Exchange rate \$1=33.05 (September 2026) Source: Bank of Thailand

strengthen to a Strong event in October–November 2026. Sugar industry contacts warn that drought during planting will damage new plant cane, which could reduce MY 2027/28 production further.

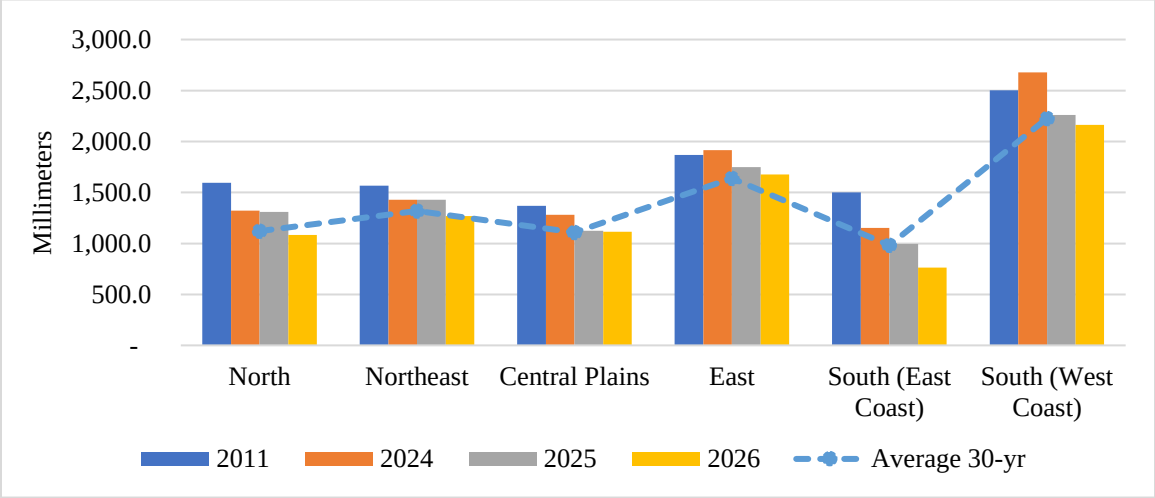
Post revises its MY 2025/26 sugarcane production estimate up 3 percent to 105.9 MMT, the official figure in the OCSB closing crushing report of May 2026. Favorable rainfall during the tillering and elongation stages and attractive returns relative to cassava in MY 2024/25 supported the 10 percent increase from MY 2024/25. Green cane accounted for a record 96 percent of the cane crushed, up from 85 percent in MY 2024/25, and Post expects a similar share in MY 2026/27.

White leaf disease adds a further risk to yields The Ministry of Agriculture and Cooperatives (MOAC) flagged sugarcane disease outbreaks, including white leaf disease, in its agricultural disaster situation report. Post has not found official data that quantify infected areas or yield losses and will monitor OCSB and Department of Agriculture (DOA) surveillance.

Post maintains its MY 2026/27 sugar production forecast at 9.5 MMT, unchanged from the April Sugar Annual and down 21 percent from MY 2025/26 (Table 2). Post expects El Niño to lower cane quality as well as cane yields: drought during the growing season reduces sucrose accumulation, and heat during the December–April crushing season accelerates sucrose losses between harvest and milling.

Post revises its MY 2025/26 sugar production estimate up 7 percent from MY 2024/25 to just over 12.0 MMT, as favorable weather lifted cane deliveries and sugar content above April expectations. Both larger cane output and higher sugar content contributed. Above-normal rainfall during the tillering and elongation stages, which the TMD linked to La Niña conditions, supported cane growth and sucrose accumulation (please see [Thailand: Sugar Annual Report 2026 TH2026-0011](#))

Figure 1. Thailand: Accumulated Rainfall in 2024-2026 (January 1 – October 4)



Source: Thai Meteorological Department, Ministry of Agriculture and Cooperatives

Notes:

1. 2011 was the year of the Great Flood in Thailand; Average 30 year covers from 1991-2020
2. Thailand’s sugarcane plantings concentrate in the Northeast, which accounts for 45 percent, followed by the Central, and North regions; the South grows almost no sugarcane.

2. Consumption

Post maintains its MY 2025/26 sugar consumption estimates and MY 2026/27 forecast at 3.3 MMT, unchanged from the April Sugar Annual (Table 2). OCSB data show that domestic sugar sales totaled 1.15 MMT in January–June 2026, down 1.3 percent from the same period of 2025. Sales fell year-on-year to 593,265 MT in the first quarter and dropped slightly to 557,116 MT in the second quarter. Post maintains its forecast for now because sugar shipments to export processing zones recovered 49 percent in January–July 2026.

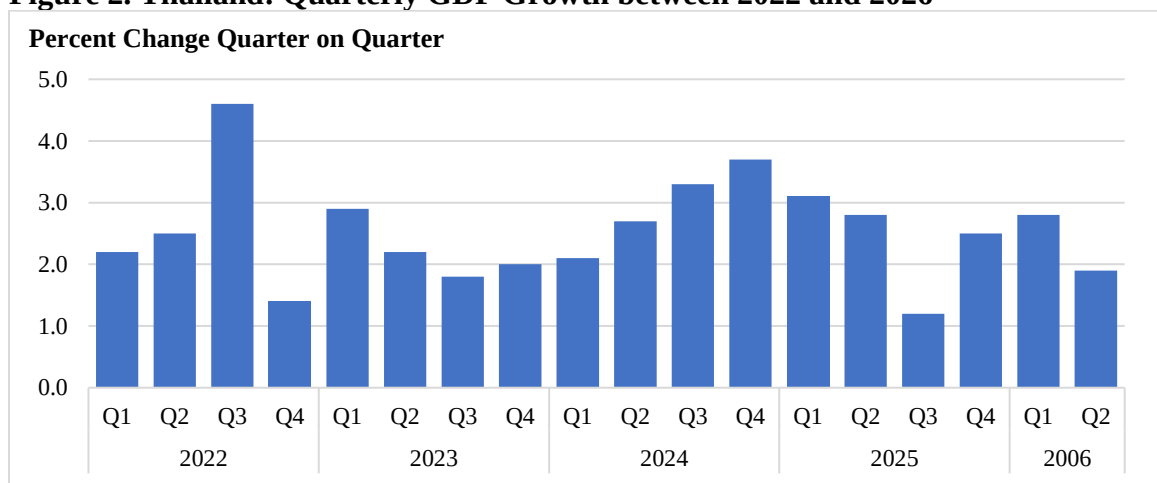
Slower economic growth weighed on household sugar demand. The Office of the National Economic and Social Development Council (NESDC) reported that GDP growth slowed to 1.9 percent year-on-year in the second quarter of 2026 from 2.8 percent in the first quarter, as private consumption growth eased to 1.9 percent from 3.3 percent, consistent with the 3.1 percent decline in sugar sales to households and food service in the second quarter; NESDC forecasts full-year 2026 growth at 2.0–2.5 percent (Figure 2).

The progressive sugar tax on non-alcoholic beverages entered its fourth and final phase on April 1, 2025. Sugar industry estimates that sugar use by the beverage industry fell from 0.58 MMT in 2017 to 0.39 MMT in 2024, a 33 percent decline. Excise Department data show that the number of beverage products with 6 grams of sugar or less per 100 milliliters rose from 90 in 2018 to 4,736 in 2023, while the number with more than 14 grams fell from 819 to zero. The Excise Department reported in late 2025 that manufacturers have reached a practical reformulation limit of 7.3–7.5 grams of sugar per 100 milliliters.

China's ban on Thai sugar syrup continues to reduce industrial sugar demand. The General Administration of Customs of China (GACC) banned Thai sugar syrup imports on December 10, 2024, and expanded the ban to six additional Thai sugar product categories in October 2025 (please see TH2026-0011, Sugar Annual, April 20, 2026). TSMC data show that sugar shipments to export processing zones (EPZs), which supply syrup and premix processors, fell from 1.13 MMT in 2024 to 0.62 MMT in 2025.

Ethanol demand for molasses remains high. The Federation of Thai Industries (FTI), Ethanol Industry Development Committee, citing reports from the Department of Alternative Energy Development and Efficiency (DEDE), reports 28 ethanol plants with combined capacity of 7.02 million liters per day and production of 3.60 million liters per day. Molasses, including cane juice, supplies 73 percent of ethanol output, cassava 27 percent. FTI data implies that ethanol producers use molasses at an annual rate of about 3.1 MMT, close to Post's MY 2026/27 molasses production forecast of 4.1 MMT.

Figure 2. Thailand: Quarterly GDP Growth between 2022 and 2026



Source: Office of National Economic and Social Development Council

3. Trade

Post raises its MY 2025/26 sugar export estimate to 8.3 MMT (raw value) from 7.0 MMT, with raw sugar exports of 4.0 MMT and refined sugar exports of 4.3 MMT (Table 2). Thai Customs Department data shows that Thai exports rose 38 percent year-on-year to 5.45 MMT in January–July 2026, as raw sugar exports rose 31 percent to 2.66 MMT and white and refined sugar exports rose 45 percent to 2.79 MMT. Post forecasts MY 2026/27 exports at 7.0 MMT, up from 6.0 MMT in April but down 16 percent from MY 2025/26, with raw sugar exports at 3.0 MMT and refined sugar exports at 4.0 MMT.

Post expects raw sugar to absorb most of the MY 2026/27 decline. Thai mills keep their refineries running to supply domestic and refined export customers, so a smaller crop cuts the raw sugar surplus first; refined sugar exports exceeded raw sugar exports in the low-production years of 2021 and 2024, according to OCSB and Thai Customs Department data. Raw sugar buyers in Indonesia, Malaysia, and South Korea can also switch to Brazilian, Australian, or Indian sugar, while refined sugar buyers in Africa and neighboring countries value Thailand’s proximity and smaller lot sizes.

Indonesia remains the largest market for Thai raw sugar, taking 1.63 MMT in January–July 2026, up 19 percent from the same period last year. The Indonesian Society of Sugarcane Technologists (IKAGI) estimates that domestic production of 2.67 MMT met only about 35 percent of Indonesia’s 7.7 MMT demand in 2025 and projects the gap to widen to 5.3 MMT by 2030, as high production costs of \$600–700/MT, about double Thailand’s, and limited cane area constrain output. However, Indonesian import permit delays and smaller import allocations created uncertainty for Thai shipments in 2026.

Thai raw sugar exports to Malaysia jumped to 0.34 MMT in January–July 2026 from 14,000 MT a year earlier. MSM Malaysia Holdings, a major Malaysian refiner, sources raw sugar from Brazil, India, Thailand, and Australia on full landed cost, so Thailand’s freight advantage could fade if Thai supplies tighten or Thai premiums rise. South Korea took 0.47 MMT of Thai raw sugar, up 25 percent.

Refined sugar exports shifted toward Africa, which took 0.84 MMT in January–July 2026, up from 0.09 MMT a year earlier, while exports to Cambodia fell 44 percent to 0.32 MMT after the border closure

and consumer boycotts. Sugar shipments to export processing zones rose 49 percent to 0.41 MMT, after falling from 1.13 MMT in 2024 to 0.62 MMT in 2025.

4. Stocks

Post revises its MY 2025/26 ending stocks estimate to 11.7 MMT and forecasts MY 2026/27 ending stocks at 10.9 MMT. Larger MY 2025/26 production more than offsets higher exports, and Post expects mills and traders to trim export commitments and draw down inventories only slightly as production falls in MY 2026/27. Stocks remain far above OCSB's minimum safety stock requirement of about 200,000 MT.

5. Policy

The Cabinet approved the MY 2025/26 initial sugarcane price of 890 baht per MT at 10 CCS on February 10, 2026, with an adjustment of 53.4 baht (\$1.6) per MT for each CCS unit. On January 27, 2026, the Cabinet approved the MY 2024/25 final cane price at a national average of 1,152.62 baht per MT (\$34.9/MT). The government has not yet announced the MY 2025/26 final price or the MY 2026/27 initial price. Under Thailand's 70:30 revenue-sharing system, the recovery in world sugar prices should support the MY 2026/27 cane price.

On October 7, 2026, the OCSB approved assistance of more than 12 billion baht (\$363 million) for growers who harvested green cane in MY 2025/26 to reduce PM 2.5 air pollution, payable in two tranches. The first tranche, 69 baht (\$2.1) per MT of green cane worth more than 7 billion baht (\$212 million), is confirmed, as the OCSB has verified green-cane delivery data with sugar mills. The second tranche, 51 baht (\$1.5) per MT worth more than 5 billion baht (\$151 million), still awaits funding: the OCSB has completed verification of fields not burned after harvest and has sent inquiries to the Bureau of Budget to secure the additional budget. The two tranches together match the 120 baht (\$3.6) per MT that the Federation of Cane Growers had requested and would raise growers' MY 2025/26 return to about 1,010 baht per MT (\$30.6 per MT), still below the OCSB-reported cultivation cost of about 1,358 baht per MT (\$41.1 per MT). Payment delays have repeatedly concerned growers. On June 23, 2026, the Cabinet approved an additional 477.04 million baht (\$14.4 million) to clear outstanding MY 2024/25 support payments to more than 4,600 grower contract holders.

Appendix

Table 3. Thailand: Yield and Prices for Sugar and Molasses

	MY2024/2025	MY2025/2026 (Preliminary)	MY2026/2027 (FAS Forecast)
Yield per metric ton of cane			
Sugar (kg.)	106.8	113.8	100.0
Molasses (kg.)	43.6	40.6	43.0
Farm price (ex-factory): Baht/MT	1,153 (final)	890 (initial)	
Wholesale prices			
Sugar (Baht/100 kg.) ¹	2,100	2,100	2,100
Molasses (Baht/Ton) ²	4,340	4,000	

Sources: ¹Office of Cane and Sugar Board, Ministry of Industry and ²Department of Alternative Energy Development and Efficiency (DEDE), Ministry of Energy

Notes: Sugar yields equal sugar production (Table 2) divided by sugarcane production (Table 1), so that yield multiplied by cane reproduces Table 2. Molasses yields for MY 2024/25 and MY 2025/26 are from OCSB closing reports;

Molasses wholesale prices for MY 2025/26 and MY 2026/27 are subject to revision pending confirmation from OCSB

The average exchange rate in September 2026 (the latest available export data) was \$1=33.05 Thai baht (Bank of Thailand)

End of report.

Attachments:

No Attachments