

## Wholesale price for sugar rises

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The government has approved the increase in the wholesale price of sugar for industrial use, from RM1, 900 to between RM2, 400 and RM2, 500 per tonne.

In addition, it is also proposed for the government to streamline the retail price for white sugar in line with the current price movement.

Nanyang reported, the price adjustment for sugar for industrial use has put on pressure on the manufacturers of food products.

The situation also means food products that use sugar are expected to increase in price.

MSM Malaysia Holdings Berhad's president, Mohamad Amri Sahari said, the government in March had revoked all permits to import white sugar from wholesalers, but had asked operators to sell sugar at a price of RM1, 900 per tonne to wholesalers.

"However, due to the increased price of raw sugar, we have asked the government to approve an increase in the wholesale price.

"Thus, beginning August 1, the price has been increased to between RM2, 400 and RM2, 500 per tonne," he told Nanyang Siang Pau.

According to him, apart from the price to the wholesalers, it is also proposed for the government to raise the retail price of white sugar which at this point is being sold at RM2.84 per kilogram.

He said, the final decision on the price increase, however, will be made by the government.

"Because the price of raw sugar keeps rising, we also hold consultations on an ongoing basis with the government and report the price movement of white sugar," he said.

Meanwhile, Mohamad Amri said, demand for sugar which exceeds supply at the global level is expected to continue until next year.

She said that this also means that sugar will continue to rise in price.

"After experiencing supply that exceeded demand for the past four years, demand will exceed supply this year and next year," he said.

According to him, the retail price of white sugar in Malaysia is still among the lowest in the region, which is cheaper than in Indonesia, the Philippines and Singapore.

Meanwhile, the SME Association of Malaysia president, Michael Kang, said the hike would have an impact on the food industry involved in the production of bread, biscuits and soy sauce which use sugar as a raw material.

— MalaysiaGazette