

Sugar price to stay, says minister

Faiz Zainudin | May 23, 2017

Hamzah Zainudin tells producers not to go overboard to ask for a price hike after announcing profits of hundreds of millions of ringgit.



PUTRAJAYA: There will be no increase in the price of sugar despite pressure from producers, said Domestic Trade, Cooperatives and Consumerism Minister Hamzah Zainudin today.

"Tell them (sugar producing companies) — if they want to make profits, don't go overboard.

"How can they announce profits of hundreds of millions of ringgit, and then claim the price of sugar is low — that's too much. I want to tell them I won't raise the price of sugar," he said at a media conference after launching a campaign to encourage moderation ahead of Ramadhan and the festive season. The campaign carries the hashtag #janganlebihterik.

Malaysia's biggest sugar manufacturer, MSM Malaysia Holdings Bhd, last week said it was seeking the government's approval to raise the retail price of sugar by 29 sen a kilogramme because of the volatile global market for raw sugar and the weakened ringgit.



MSM, a listed subsidiary of Felda Global Ventures Holdings Bhd, has nearly two-thirds share of the domestic market in refined sugar.

The price of coarse granulated white sugar last went up by 11 sen to RM2.95 a kilogramme on March 1 due to an increase in global raw sugar prices.

Hamzah said any increase in the retail price of sugar would depend on the current situation in the global market, and not solely because of demand by sugar producers.

He revealed that some sugar supply companies had met him to ask for an increase in the price of the commodity, up to as high as 49 sen a kilogramme.

"I told them that (increase) won't happen. I think the 11 sen increase (in March) is adequate for the companies to make profits," he said.