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Sugar Gains in London as Goldman Sachs Raises Price Forecasts  
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By Chris Kay

Sept. 17 (Bloomberg) -- Sugar rose in London as Goldman Sachs Group Inc. predicted higher prices for the sweetener on concern about global harvests.

The bank increased its three-month price forecast for raw sugar to 20 cents a pound, analysts led by London-based Jeffrey Currie wrote in a report today. Goldman Sachs boosted its six- and 12-month estimates to 16 cents from 12 cents. Raw sugar headed for a sixth weekly gain in a row in New York.

"Uncertainty over the 2010-11 crop will likely become the main driver for sugar prices over the coming months," the analysts said. "Adverse weather over the past months points to lower-than-previously-expected production for both Brazil, the largest producer and exporter, and Australia, the third-largest exporter."

White, or refined, sugar for December delivery gained \$7.40, or 1.2 percent, to \$615.60 a metric ton at 9:41 a.m. on NYSE Liffe. The contract climbed for a 13th day in 14.

Pakistan yesterday formed a panel to report on sugar imports to ease a shortage estimated at 1.2 million tons next year. The panel will make its assessment on overseas purchases within a week, the Industries Ministry in Islamabad said in a statement yesterday. Floods destroyed 200,000 acres of sugar cane, a farm group in the South Asian nation said last month.

Raw sugar for March delivery rose 1.1 percent to 23.49 cents a pound on ICE Futures U.S. in New York.

Robusta coffee for November delivery climbed 0.7 percent to \$1,665 a ton on NYSE Liffe. Arabica beans for December delivery advanced 0.9 percent to \$1.936 a pound on ICE.

Cocoa for December delivery gained 1.5 percent to 1,913 pounds (\$3,003) a ton on NYSE Liffe. The chocolate ingredient for December delivery rose 2.6 percent to \$2,810 a ton in New York.

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