



QSL Weekly Update

27 September 2017

Daily Price

Wednesday, 27th Sep 2017

13.91 US c/lb prompt

0.7886 AUD/USD spot

\$A387.27 MT OTC

\$A373.45 MT IPS OTC

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Indicative Pool Prices




The table below provides an overview of the QSL Pool Prices available at www.qsl.com.au. All prices quoted are **indicative only** as of **15 September 2017** and do not include an allocation from the QSL Shared Pool. Wilmar Growers should refer to their QSL Payment Statement for details of indicative pool results as applicable to their QSL Advances payment. Tully Sugar and MSF Sugar Growers should refer to their local mill payment update for the indicative QSL Pool prices applicable to their QSL Advances payment.









QSL POOL	GROSS AUD/TONNE IPS
2017 HARVEST POOL	\$428
2017 ACTIVELY MANAGED POOL	\$447
2017 GUARANTEED FLOOR POOL	\$514
2018 2-SEASON FORWARD POOL	\$484
2017 ACTIVELY MANAGED POOL FOR WILMAR GROWERS	\$407
2017 GUARANTEED FLOOR POOL FOR WILMAR GROWERS	\$371
2017 US QUOTA	\$698

This report contains information of a general or summary nature. While all care is taken in the preparation of this report, the reliability, accuracy or completeness of the information provided in the document is not guaranteed. Information about past performance is not an indication of future performance and nothing contained in this report should be relied upon as a representation as to future matters. The update on marketing and pricing activity does not constitute financial product or investment advice. You should seek independent advice before making any pricing decisions. QSL does not accept any responsibility to any person for the decisions and actions taken by that person with respect to any of the information contained in this report.

QSL Market View

Current as of 25 September 2017

 Trend is more favourable to positive \$A/mt returns.
  Trend is neutral to \$A/mt returns.
  Trend is less favourable to \$A/mt returns.

MARKET COST DRIVERS	PROMPT (Mar 18) A\$/mt	2018 SEASON A\$/mt	COMMENTS
Sugar Fundamentals - Global exc. Brazil			On a positive note Trade Minister Ciobo announced Wednesday a reduction in import tariffs on Australian raw sugar imports into Indonesia. Somewhat less positive is the Euro harvest continuing with high yields & Pakistan announcing a large scale subsidised white sugar export program.
Sugar Fundamentals - Brazil			The ethanol switch and dry weather continue to support sugar fundamentals. It will be interesting to see how much sugar is delivered against the OCT17 contract when it expires Friday with well over 4.3 million open positions still at play in the market.
Macro Issues/ Specs			The speculator net-sold position contracted a further 18,000 with the net long positions now at 73,500. With the market trading water either side of 14 cents for the past couple of weeks, it appears there's been plenty of commercial selling present to absorb the spec short-covering seen recently.
AUD/USD			A bit of a mixed bag for the Aussie this week, with a fairly large range traded either side of 80c. The AUD rallied early in the week, before a bullish FOMC meeting saw the USD gain some significant ground and push AUD back below 80c. A quiet week this week on local data so expect the \$A to remain in the current 79/80.5 cent range unless something significant eventuates in North Korea.
Overall Comments	It is really hard to get excited by sugar price prospects at the moment with spec buying met in equal measure by commercial selling. The OCT17 expiry is likely to show a significant delivery to the tape and this will likely put MAR18 on the back foot when it assumes the prompt position next week. With ethanol parity now up around current sugar equivalent prices the negative sentiment is largely driven by the global surplus. We expect to see a continuation of the 13-15 cent trading range.		

Please refer to QSL's website for the latest market information via the daily Market Snapshot:

<http://www.qsl.com.au/sugar-prices/daily-indicative-prices>.

2016/17 QSL Annual Report

QSL's Annual Report is now available online at www.qsl.com.au. Some of this year's key highlights include:

- QSL-managed pools outperformed the market by a weighted average of \$5.61 per tonne IPS net for the 2016 Season
- The Shared Pool allocation for the 2016 Season was +\$3.89 per tonne IPS net
- 2.215 million tonnes of raw sugar were marketed by QSL during the 2016/17 Financial Year
- 4.092 million tonnes of raw sugar were handled through the Bulk Sugar Terminals during the reporting period
- QSL loaded 114 vessels during the year
- 98% of deliveries were made in full and on time
- A total of 51,984 trucks were unloaded during the period at the Cairns, Mourilyan, Mackay and Bundaberg Bulk Sugar Terminals
- A total of 52,787 train wagons were unloaded during the period at the Lucinda, Townsville and Mackay Bulk Sugar Terminals
- QSL's weighted average cost of funding was 2.42% (excluding line fees)

[CLICK HERE](#) to read the full Annual Report or visit www.qsl.com.au.

QSL will be holding it's Annual General Meeting at 2pm on Tuesday 24 October at the Christie Centre, Brisbane.

2018-Season GEI Sugar Marketer deadlines

Wilmar and Tully Sugar Growers who wish to use QSL pricing and marketing services for the 2018 Season are reminded that they must nominate QSL as a GEI Sugar Marketer within their Cane Supply Agreement **by 31 October 2017**, if they have not already done so.

MSF Sugar Growers have until **31 December 2017** to finalise their 2018-Season marketing nomination.

*If you have already nominated QSL for the 2018 Season when you completed your 2017 Season nomination, then you **do not need** to do anything further until the 2018 Season Pricing Declaration Date.*

The QSL Pricing Declaration deadline for the 2018 Season remains February next year.

Grower information sessions – Tully & Herbert River

QSL will be hosting general information sessions about our 2018 Season offering. Please refer to the table below for details .

Region	Venue	Date
Herbert River	Noorla Bowls Club	6pm Thursday 5 October
Tully	Tully Senior Citizens Hall	6pm Wednesday 11 October 8am Thursday 12 October