

QSL Weekly Update

5 OCTOBER 2017

Daily Price

Thursday, 5th Oct 2017

14.25 US c/lb prompt

0.7865 AUD/USD spot

\$A397.62 MT OTC

\$A383.12 MT IPS OTC

Your QSL Grower Services Team

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Indicative Pool Prices




The table below provides an overview of QSL's indicative gross pool prices as of **15 September 2017**. Please note that these prices are **indicative only** and do not include an allocation from the QSL Shared Pool. Growers can access milling-district specific indicative pool prices and applicable Shared Pool results via the QSL homepage at www.qsl.com.au.









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 3 October 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
Current Market (as of 3/10/17)	\$400.07	\$423.72	
Sugar Fundamentals - Global exc. Brazil			Little news has come out over the week. The Indian monsoon continues to provide much-needed rain, with the expectation of a large crop next season and the possibility to become an exporter. A drop of 40/50 Euros/ton is still not enough to discourage many farmers from replanting next season, as prices remain above expected returns on wheat.
Sugar Fundamentals - Brazil			UNICA data indicates the sugar/ethanol mix held up. Mills are yet to make the switch to ethanol and it's unlikely for the remainder of the season. Ethanol parity will become important for next season. The sugar mix is currently about 48.5% and is expected to move to 44% next season if prices remain at these levels.
Macro Issues/ Specs			Little surprise in the COT report. As expected, the spec net-shorts increased 15,500 with the net short position of 89,100. Commercials liquidated 48K longs and 55K shorts on the back of the OCT17 expiry, mostly via spread trading it is assumed. The market will find commercial support above 14c/lb.
AUD/USD			US dollar strength on the back of the much-anticipated Trump tax plan has seen the AUD fall nearly 200 pts over the week to trade in the lower end of 0.78. As expected, the RBA kept rates on hold this week at 1.50%. Local retails sales data is expected this week, along with US payrolls data likely to be affected by the recent Hurricane. We expect to remain in the 0.79-0.78 range.
Overall Comments	It was a fairly volatile week in the lead up to the October expiry, with the OCT17 contract trading a 124pt range but still unable to break out of the range. The OCT17 expiry delivered 21,098 lots (approx. 1 million tonnes) of raws out of Brazil which was mostly anticipated, providing no real direction for the market. The MAR18 contract is finding enough commercial support to make small recoveries but the market is struggling to sustain the rallies as the specs tip in to hold the market in 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>.

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Grower Information Sessions – Your 2018-Season options

QSL Managing Director and Chief Executive Officer Greg Beashel, pictured right, will host a series of grower information sessions over coming weeks as the deadline for 2018-Season GEI Sugar Marketer nominations draws nearer for Wilmar and Tully Sugar Growers.

Wilmar and Tully Sugar Growers who wish to use QSL pricing and marketing services for the 2018 Season 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 GEI Sugar marketing nomination.

Growers who nominated QSL as their marketer for the 2018 Season when they completed their 2017-Season GEI Sugar Marketer nomination do not need to do anything further to access QSL marketing and pricing services next year.

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

The information sessions hosted by Mr Beashel will cover key features of QSL's 2018-Season offering, including an overview of our new pricing products, improvements to the QSL Direct Portal and the QSL Loyalty Bonus. Session details are:



Region	Date	Venue
Herbert River	6pm Thursday 5 October	Noorla Bowls Club
Tully	6pm Wednesday 11 October 8am Thursday 12 October	Tully Senior Citizens Hall
Burdekin	6pm Thursday 12 October 9am Friday 13 October 1pm Friday 13 October	Canegrowers' Hall, Home Hill Ayr PCYC, Ayr Clare Club, Clare

QSL Annual General Meeting

QSL's 2017 Annual General Meeting will be held in Brisbane from 2pm on Tuesday 24 October at the Christie Conference Centre in Adelaide Street.

Interested Growers are welcome to attend and are asked to RSVP to legal@qsl.com.au.

To read QSL's 2016/2017 Annual Report, please [click here](#).

Kathy Zanco rejoins Grower Services team

Plane Creek and Proserpine Grower Relationship Officer Kathy Zanco has returned from maternity leave.

Together with Emma Sammon, she'll be covering both districts and will be working Tuesdays, Wednesdays and Thursdays.

You can contact her on 0437 645 342, or via email at kathy.zanco@qsl.com.au.