

# QSL Weekly Update

20 OCTOBER 2017

## Daily Price

Friday, 20th Oct 2017

**14.13** US c/lb prompt

**0.7878** AUD/USD spot

**\$A392.56** MT OTC

**\$A378.55** MT IPS OTC

[More info >](#)

## 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 **29 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 at [www.qsl.com.au](http://www.qsl.com.au).




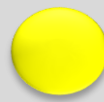


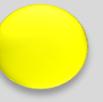

QSL POOL	GROSS AUD/TONNE IPS
<b>2017 HARVEST POOL</b>	\$420
<b>2017 ACTIVELY MANAGED POOL</b>	\$446
<b>2017 GUARANTEED FLOOR POOL</b>	\$514
<b>2018 2-SEASON FORWARD POOL</b>	\$485
<b>2017 ACTIVELY MANAGED POOL FOR WILMAR GROWERS</b>	\$405
<b>2017 GUARANTEED FLOOR POOL FOR WILMAR GROWERS</b>	\$367
<b>2017 US QUOTA</b>	\$709

*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 16 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 16.10.17)	\$398.91	\$421.76	
Sugar Fundamentals - Global exc. Brazil			This week brought news of slow progress on the European beet harvest which is now about halfway done and showing lower yields but higher sucrose content. The Indian monsoon continues, with good rains potentially a bearish signal for a good crop next year.
Sugar Fundamentals - Brazil			Dry weather in Centre South Brazil continues to allow for the crush to progress well. UNICA data has finally started to show signs of Brazilian mills switching over to ethanol production, with the sugar mix now at 46.5%. Meanwhile sucrose content has surprisingly jumped to historically high levels. We maintain that the switchover is unlikely to have much impact for the remainder of the 2017 Season and will be a much more important factor for next season.
Macro Issues/ Specs			Friday's COT report was as expected and showed little change given the sideways price action, with the net short position only down 3k to 104k. Crude oil continues to hover just above US\$50 per barrel while the USD has taken a leg lower this week and given commodities a little space to breathe.
AUD/USD			The AUD spent the week on the front foot after a couple of weeks of USD pressure. Strong local home loan data, Chinese trade data and a small miss in US CPI all combined to allow the Aussie to push back to just below 0.7900 again. AUD should remain well supported this week ahead of local employment data on Thursday.
Overall Comments	Narrow ranges and low volumes have dominated the sugar market this week. The market will continue to meander until participants see more conclusive evidence of Brazilian mills switching to ethanol. With 4 ½ months still until MAR18 expiry, neither producers, specs or consumers are in a hurry to do anything, so expect to see the market trapped in these frustrating ranges for the meantime.		

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>.

## 2018-Season GEI Sugar Marketer Nomination Deadlines

Wilmar and Tully Sugar Growers are reminded that the deadline for their 2018-Season GEI Sugar Marketer nomination is **31 October 2017**.

MSF Sugar Growers have until **31 December 2017** to finalise their 2018-Season GEI Sugar Marketing Nomination.

## Annual General Meeting

QSL will hold its 2017 Annual General Meeting (AGM) at 2pm this coming Tuesday 24 October 2017 at the Christie Conference Centre, 320 Adelaide Street, Brisbane.

QSL Chairman Guy Cowan, pictured right, and QSL Managing Director and CEO Greg Beashel will both address the meeting.

You can read QSL's 2016/17 Annual Report by clicking [here](#).

You can read the minutes from QSL's 2016 AGM by clicking [here](#).



## QSL Loyalty Bonus

**Time is running out for Tully Sugar and Wilmar Growers to secure the QSL Loyalty Bonus for the 2017 Season.**

Wilmar, Tully Sugar and MSF Sugar Growers who nominate QSL as their GEI Sugar marketer for three (3) consecutive Seasons forward are eligible to receive a 'Loyalty Bonus', in the form of an additional share of the returns from QSL's corporate activities via the Shared Services Rebate and a supplementary commitment premium.

These results will be incorporated into eligible Growers' Shared Pool allocations for each applicable Season.

To be eligible, Growers who have already chosen QSL as their GEI Marketer for the 2017 Season just need to choose QSL for the 2018 and 2019 Seasons as well before the 2018-Season's GEI Sugar Marketer nomination deadline.

- **For Wilmar and Tully Sugar Growers, that deadline is 31 October 2017.**
- **For MSF Growers, the deadline is 31 December 2017.**

To receive the Loyalty Bonus in the 2018 Season, Growers will need to nominate QSL as their GEI Sugar Marketer for the 2018, 2019 and 2020 Seasons prior to the GEI Sugar Marketer nomination deadline for the 2019 Season.

Wilmar Growers eligible to receive the Loyalty Bonus will have it incorporated into their Shared Pool allocation throughout the eligible Season, while Tully Sugar and MSF Growers will receive the full allocation incorporated into their Shared Pool element for the final Advance payment of the Season (due to processing requirements).

It should be noted that Mackay Sugar, Isis Central Sugar Mill and Bundaberg Sugar Growers automatically receive their share of these items through their millers' existing Raw Sugar Supply Agreements with QSL.

[Click here to read more about the QSL Loyalty Bonus.](#)

## Ledger reminder

Wilmar Growers are reminded that their QSL Payment Statement features a ledger summary at the bottom of page two. This handy feature tracks the deductions passed on by Wilmar that haven't been offset by a sugar payment or Advances increase.

For example, a Grower may have purchased mill mud but is yet to cut any cane from that farm, and so the expense is passed on by Wilmar without any sugar payments from QSL to offset that cost. In this case, the expense would sit in the Grower's QSL ledger until it could be deducted from a future sugar payment or Advances increase.

The ledger summary on your statement allows you to see the current credit or debit amount accrued. For a detailed list of transactions, please contact the QSL Direct team on **1800 870 756**.

Any negative amounts shown on the ledger will be carried forward and offset by future sugar deliveries and Advances increases.

## QSL Payment Statement and BAS training – Herbert River

Herbert River Growers keen to better understand their QSL Payment Statement and how to use it when completing their Business Activity Statement (BAS) are invited to attend a free workshop at our Ingham office.

Session details are: **Thursday 26 October – 9.30am & 5.30pm**

Places are limited, so please contact Carla Keith on 0409 372 305 to reserve a place.

## Tully appointments available

QSL Grower Relationship Officer Jonathan Pavetto is available to assist Tully Growers in QSL's office in the Tully Canegrowers building from 9am to 5pm Mondays, Tuesdays and Wednesdays.

Can't get to town? FNQ Grower Relationship Manager Daniel Messina is also available for on-farm appointments Monday to Friday. To book a time, just call Daniel on **0429 660 238**.