

QSL Weekly Update

8 DECEMBER 2017

Daily Price

Friday, 8th Dec 2017

14.36 US c/lb prompt

0.7511 AUD/USD spot

\$A417.78 MT OTC

\$A402.87 MT IPS OTC

[More info >](#)

Your QSL Grower Services Team

DISTRICT	REPRESENTATIVE	CONTACT INFO
Far North Qld	Daniel Messina	0429 660 238 Daniel.Messina@qsl.com.au
North Qld	Carla Keith	0409 372 305 Carla.Keith@qsl.com.au
Herbert River	Jonathan Pavetto	0428 664 057 Jonathan.Pavetto@qsl.com.au
Burdekin	Rebecca Love	0429 054 330 Rebecca.Love@qsl.com.au
Proserpine & Plane Creek	Emma Sammon Kathy Zanco	0418 978 120 Emma.Sammon@qsl.com.au 0437 645 342 Kathy.Zanco@qsl.com.au
Central & Southern	Cathy Kelly	0409 285 074 Cathy.Kelly@qsl.com.au

Indicative Pool Prices

The table below provides an overview of QSL's indicative gross pool prices as of **24 November 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.

QSL POOL	GROSS AUD/TONNE IPS
2017 HARVEST POOL	\$443
2017 ACTIVELY MANAGED POOL	\$460
2017 GUARANTEED FLOOR POOL	\$515
2018 2-SEASON FORWARD POOL	\$490
2017 ACTIVELY MANAGED POOL (WILMAR GROWERS)	\$425
2017 GUARANTEED FLOOR POOL (WILMAR GROWERS)	\$372
2017 US QUOTA	\$726

QSL Market View

Current as of 4 December 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
Market as of 4.12.17	\$431.15	\$440.52	
Sugar Fundamentals - Global exc. Brazil	●	●	Reports from Pakistan that the government has approved the export of 1.5 million tonnes of raws (includes 500,000 tonnes already released). EU domestic prices are drifting lower towards export parity, suggesting that current crop size is set to continue and 3 million tonnes of export will be available out of that centre for at least for the next couple of seasons.
Sugar Fundamentals - Brazil	●	●	A few days of good rain followed by a drier spell means Brazil's rainfall is still well within the adequate range for a decent 2018 yield. There's been a fair bit of market chatter around how low the sugar mix can go in Brazil, with many analysts citing it will be hard to go much lower than 43% for production-efficiency reasons. UNICA figures are still on track for 36 million tonnes this season.
Macro Issues/ Specs	●	●	The Commitments of Traders report gave no surprises on either the Thanksgiving delayed release last Monday or the normal release on Friday. Both showed very small speculator buying action to leave a small net-long position of 17,000 lots. With the market drifting off through the remainder of the week, this is likely closer to flat again.
AUD/USD	●	●	It was a topsy-turvy week for the Aussie Dollar, which traded a relatively narrow range either side of 76 US cents. New Fed Chair nominee Powell didn't appear to rock the boat much with his views very much still on track with current Fed policy. Trump continues to cause political waves in financial markets, with the US Dollar selling off rapidly to 0.7635 on Friday night off the back of the Flynn saga, but things quickly settled before opening at 0.7595 this morning.
Overall Comments	With the Aussie Dollar sticky and sugar drifting lower, AUD/metric tonne values lost a little ground last week. Overall sugar trading conditions have been very quiet, with moves happening on light trading volumes. Expect to see sugar continue to trade in its current range either side of 15 cents in the short term. The USD should continue to grind higher, pushing the AUD lower. The RBA looks unlikely to change its tune this week, but local trade, GDP and retail sales data may move the needle a bit.		

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>.

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.

Default reminder for MSF Sugar Growers

Growers who supply cane to MSF Sugar mills are reminded that they must elect QSL as their Marketer for the 2018 Season within their GPA if they want to use QSL's pricing services for next season. Any MSF Sugar Grower who fails to submit a marketing nomination for the 2018 Season by the deadline of 29 December 2017 will default to MSF Sugar for marketing and pricing services for the coming season. The QSL Grower Services Team is available for one-on-one appointments with Growers at the following locations next week:

WHERE	WHEN	CONTACT FOR BOOKINGS
Innisfail Canegrowers Office	Monday 11 December Tuesday 12 December Wednesday 13 December	Jonathan Pavetto 0428 664 057
Maryborough Canegrowers Office	Tuesday 12 December Wednesday 13 December	Cathy Kelly 0409 285 074
All districts – On-farm appointments	Every day	Daniel Messina 0429 660 238

An information session for Maryborough Growers will also be held at the Maryborough Canegrowers Hall at **6pm Wednesday 20 December**. For more information contact Cathy Kelly on 0409 285 074.

Plane Creek payment adjustment

This week Wilmar issued an adjustment for Plane Creek Growers which will be processed by QSL tonight and detailed in a separate QSL Payment Statement available in the QSL Direct portal this evening.

For most affected Growers this adjustment relates to their Grower's Economic Interest in Sugar (GEI Sugar) tonnage for the current season, but for some farms the adjustment is limited to a redirected cane payment with no change to GEI Sugar (these Growers should refer to their corresponding Wilmar RCTI for details of this cane payment).

Where the adjustment has resulted in a **positive outcome of more than \$100**, these funds will be banked into the nominated accounts tonight. If the adjustment has resulted in a **positive outcome of less than \$100**, these funds will be applied to next week's scheduled Advances payment.

For some Growers this week's adjustment has resulted in a downward revision in the quantity of GEI Sugar supplied to QSL and led to a **negative amount 'payable'**. For others, this adjustment may have resulted in a negative amount because there has been a negative net Wilmar transaction with no positive adjustment to your GEI Sugar to offset this.

Please note that this negative amount detailed on the QSL Payment Statement is not an invoice. If you receive a negative amount payable, this amount will be carried forward and offset against your next QSL Advances payment.

For further information regarding your latest QSL Payment Statement, please contact your local QSL Grower Services Team representatives – Emma Sammon (0418 978 120) and Kathy Zanco (0437 645 342) – or call the QSL Direct Helpline on 1800 870 756.