

QSL Weekly Update

16 March 2018

Daily Price

Friday, 16th Mar 2018

12.74 US c/lb prompt

0.7798 AUD/USD spot

\$A357.31 MT OTC

\$A344.56 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 **23 February 2018**. 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	\$420
2017 ACTIVELY MANAGED POOL	\$445
2017 GUARANTEED FLOOR POOL	\$517
2018 2-SEASON FORWARD POOL	\$506
2017 ACTIVELY MANAGED POOL (WILMAR GROWERS)	\$401
2017 GUARANTEED FLOOR POOL (WILMAR GROWERS)	\$368
2017 US QUOTA	\$708

QSL Market View

Current as of 12 March 2018

● 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 (May 18) A\$/mt	2018 SEASON A\$/mt	COMMENTS
Market as of 12.3.18	\$357.82	\$383.45	
Sugar Fundamentals - Global exc. Brazil	●	●	The Indian Sugar Mills Association (ISMA) changed its production estimate to 29.5 million tonnes up from 27.1 million tonnes. There is talk of exporting 2 million this season and 4 million next if the government chooses to subsidise exports. The government will need to start the process soon or risk missing the boat. Wet weather has delayed beet sowings in the EU, which can lead to lower yields due to lack of maturation time.
Sugar Fundamentals - Brazil	●	●	Brazil had a wet week and if it continues it may slow down the start of the harvest and increase the ethanol mix in the early part of the harvest, where demand remains high. New GM cane will be trialed this year. These new varieties will test resistance to pests and drought rather than increasing yields.
Macro Issues/ Specs	●	●	Trump dominated the newswires this week, with talk of trade wars after his new tariffs were introduced. Countries have 15 days to apply for an exception from the tariffs. Net shorts fell by 36,000 lots as expected on the Tuesday-to-Tuesday basis Commitment of Traders report. This was on the back of the quick recovery after the initial sell-off. This week the flat has once again taken a tumble so we would expect net shorts to be back around 160/170,000 lots.
AUD/USD	●	●	The AUD traded inside the 0.7700-0.7900 range. Global stocks were firmer and peace developments out on North Korea provided support to the USD. Crude oil was lower over the week and on Friday night Australia was exempted from the tariffs, providing the AUD support and pushing us to the upper end of the range.
Overall Comments	The ICE 11 slipped below 13 c/lb mid-week, primarily driven by the news that India has increased their production estimates for the 17/18 season and the next. Fundamentally this was not a surprise to the market, as traders have been talking up the crop for months. But to system funds who only react to the headlines, this was a massive hit to the already-large surplus and hence they sold the market. Sugar traded to a contract lifetime low of 12.76 during the week, closing at 12.84 c/lb, 58 points down on the week. Patience will be the name of the game for the next few months.		

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.

Isis information sessions

QSL Treasury Analyst Matt Page will update Isis Central Sugar Mill growers on the current sugar market and their 2018-Season QSL pricing choices at a series of information sessions in the Childers district next week.

Details of the events, hosted by Isis Central Sugar Mill, are:

DISTRICT	TIME	LOCATION
ALLOWAY	10.30am-12pm Monday 19 March	Tony Chapman's Shed, Dahl's Road Followed by lunch
CHILDERS	2pm-3.30pm Monday 19 March	Canegrowers Isis Hall, Childers Followed by light refreshments as the Isis Club
WALLAVILLE	8.30am-10am Tuesday 20 March	Drinan Hall, Goondoon Road, Drinan Followed by morning tea
SOUTH KOLAN	12.30pm-2pm Tuesday 20 March	St George's Hall, South Kolan Lunch will be provided at 12pm, prior to the meeting.

QSL Advances rate increase

The next QSL Advances payment will occur this coming Wednesday, 21 March, with QSL's Standard Advances Rate moving from 85% to **87.5%**. QSL's Accelerated Advances Rate remains at 90%.

Please note that while QSL will make Advances payments to its milling suppliers to pass on to growers on 21 March, miller and bank processing times may result in later local payment arrangements. QSL usually receives Wilmar payment information late on a Wednesday, and so QSL payments to Wilmar Growers are usually made on Thursdays. Again, bank processing times vary but usually result in Wilmar Growers receiving funds from QSL in their nominated accounts on a Thursday or Friday.

You can find the full QSL indicative Advances schedule by [clicking here](#).

CASH FLOW FORECASTING TOOL

Wilmar Growers are also advised that the Cash Flow Forecasting Tool within QSL Direct has been updated to reflect the March Advances rate. Growers using this tool are reminded that it uses the latest indicative pool values to create a forecast and so as a result, the cash flow data generated will continue to fluctuate until the pool results are finalised on 30 June each year. **For this reason we recommend that Growers using this feature generate a new forecast at least once a month to ensure they are accessing the latest estimate.**

The cash flow forecast data provided is based on many assumptions and is subject to significant uncertainties, many of which are outside the control of QSL. Growers using this tool should also be mindful that the data provided only details the Grower's Economic Interest in sugar (GEI Sugar) payment portion of their QSL Advance payment and does not include any allowances, deductions or adjustments that may be passed on by the Miller. As such, QSL does not make any representations as to the accuracy of the information derived from the Cash Flow Forecast tool, nor does QSL make any guarantees that this outcome will be achieved. [Please click here for further details](#).

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Weather impact and your QSL pool nominations

Growers in the state's north who may have experienced crop damage from recent rain and flooding are reminded that they can alter any of their existing nominations to QSL's 2018-Season managed pools – excluding the QSL Early-Start Actively Managed Pool – until **30 April 2018***. Any unfilled grower-managed pricing orders for the 2018 Season made through the QSL Target Price Pool can also be cancelled prior to 30 April 2018*, while 2018-Season orders made through the QSL Individual Futures Contract Pool can be cancelled if no part of the order has been filled. Earlier this year QSL moved its Pricing Declaration Date from the traditional February deadline to 30 April 2018*, giving growers a further two months to finalise pricing decisions for the coming season.

**Please note that growers supplying Isis Central Sugar Mill, Bundaberg Sugar and Mackay Sugar should contact their miller for details of their local nomination deadlines for QSL pools.*

Changing estimates and your QSL pricing

Growers completing their 2018-Season QSL pool nominations should revisit their 2018-Season tonnage and hectare figures to ensure they reflect current production estimates. These estimates, together with the CCS estimate, are used by your miller to generate your Grower's Economic Interest in sugar (GEI Sugar) tonnes nomination used for pricing with QSL. Please check with your local milling representative on the process required to ensure any changes to your estimated production are captured in their system. (Note: Wilmar Growers can change their tonnage and hectare figures for the 2018 Season online within the Wilmar GrowerWeb.) Growers should also be aware that in order to amend their tonnage and/or hectare figures within their CSA, they may need to re-sign their CSA, depending on local milling arrangements. QSL recommends that any adjustments to this information are made as soon as possible to ensure amended GEI Sugar estimated tonnages are processed and passed on to QSL well before the Pricing Declaration Date of 30 April*, when QSL pool nominations for the 2018 Season must be finalised.

**Please note that growers supplying Isis Central Sugar Mill, Bundaberg Sugar and Mackay Sugar should contact their miller for details of their local nomination deadlines for QSL pools.*

Investing in the Next Generation of Women in Agriculture

A fireside chat with Dr Karen Joyce

28th March 2018 | 12:30pm to 2:30pm
Mackay Entertainment & Convention Centre (MECC)



Women are predicted to be the hardest hit group in regional Australia due to the onset in farming communities of technology and automation.

The jobs that traditionally women perform are fast disappearing and a concerted effort is required to encourage girls, and women young and old to be encouraged into professions not only are they highly suited for but where they can continue to make the valuable contribution they make to regional economies and social networks.

Dr. Karen Joyce joins us as guest speaker for the lunch. Karen is co-founder of She Flies, an initiative designed to encourage more women and girls to engage in science, technology, engineering and maths (STEM) through the world of drones. Karen will share with the room, the story of She Flies so far. In 9 short months, Karen and the She Flies team have taught over 2000 young women to fly drones in 30 schools across 5 states and territories.

[Click here to purchase tickets](#)
\$49 per ticket

Hosted by



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Guest speakers

**Dr. Karen Joyce,
Co-Founder of She Flies**

Karen has a background in group fitness, military, teaching and is a lecturer/researcher in Remote Sensing and GIS at JCU. Join us to hear Karen share her story and her passion and enthusiasm for gender equality across the STEM workforce by 2030.



**Fallon Drewett,
The Founder of The Just Saying Project**

The Just Saying Project founder Fallon Drewett is a self-love warrior, a storyteller, a believer in women, and an encourager of empowerment. She believes that women working together are a fierce force. All women have the right to be the leading lady of their life and speak their truth.

