

QSL Weekly Update

17 May 2018

Daily Price

Thursday, 17th May 2018

11.61 US c/lb prompt

0.7516 AUD/USD spot

\$A337.71 MT OTC

\$A325.66 MT IPS OTC

[More info >](#)

Your QSL Grower Services Team

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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 **27 April 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	\$416
2017 ACTIVELY MANAGED POOL	\$446
2017 GUARANTEED FLOOR POOL	\$517
2017 2-SEASON FORWARD POOL	\$506
2017 ACTIVELY MANAGED POOL (WILMAR GROWERS)	\$400
2017 GUARANTEED FLOOR POOL (WILMAR GROWERS)	\$369
2017 US QUOTA	\$717
2018 EARLY-START ACTIVELY MANAGED POOL	\$350
2018 2-SEASON FORWARD POOL	\$398

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QSL Market View

Current as of 14 May 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 (Jul18) A\$/mt	2018 SEASON A\$/mt	COMMENTS
Market as of 14.5.18	\$327.28	\$351.13	
Sugar Fundamentals - Global exc. Brazil	●	●	India and Thailand's production levels have passed the 32 & 14.3 million tonne marks respectively. Both only have a few mills still running but as the rains trigger the start of monsoon it will bring the harvest to an end. India's export subsidy ends in September so it is unlikely they will get any more than 1 million tonnes out.
Sugar Fundamentals - Brazil	●	●	It is becoming clearer that the Brazilian crop is not looking as good as producers would like, with some saying even good rain in May/June will not be enough to ensure good growth to the end of the season, as the damage is already done. Sugar production is now predicted to be under 30 million tonnes.
Macro Issues/ Specs	●	●	Brent Crude oil rose again this week, mainly elevated on the Iran news. This also pushed the S&P 500 to its biggest weekly gain since March. Non-index funds fell ever so slightly over the week, reducing by 10,000 lots, a total position of 151,500 lots.
AUD/USD	●	●	The AUD broke 0.7500, pushing to a low of 0.7412 midweek as the US dollar Index (DXY) made fresh year-to-date highs. Lower than expected US PPI and CPI sent the dollar back towards 0.7500. Trump formally pulled the US out of the Iran nuclear deal but is yet to impose any economic sanctions, indicating he is still willing to negotiate a deal.
Overall Comments	New York Sugar Week focused mainly on Brazil, with much debate around the state of the crop. Even though the debate was about how much to reduce the crop by, it did little to boost the sugar price. The Australian sugar price remained range-bound, trading to a high midweek before falling once again to \$350 AUD/mt levels for the 2018 Season. A sugar level around 11.00 US c/lb seems to be the market floor at the moment, but any news of more exports or larger crops for the 2019 Season could see the market break that level.		

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>

Grower rep feedback helps shape QSL focus

QSL's Grower Representative Members from around the state gathered in Brisbane this week for their annual workshop. The event, hosted by QSL at its Brisbane headquarters, updated participants on QSL's key achievements and business activities from the past year, and sought their feedback on current QSL products and services, as well as potential initiatives.

QSL CEO and Managing Director Greg Beashel said the unique perspective and input provided by each representative was invaluable. "Our work with the QSL Grower Representative Members helps to ensure that every milling district throughout the state has a strong voice at the QSL table," Mr Beashel said. "By regularly checking in with this important group and other growers throughout the state, we're making sure that QSL's goals and activities reflect the priorities of the industry we serve."



QSL has 23 Grower Representative Members, with two representatives appointed by the Australian Cane Farmers Association Limited (ACFA) and Queensland Cane Growers Organisation Limited (QCGO), and 21 Elected Holders. Every Elected Holder is a grower who owns or leases a sugar cane farm in each of QSL's 21 designated mill areas, who has been elected by other Growers in their region.

QSL Grower Representative Members serve three-year terms, with the most recent elections held in 2017. Your current representatives are:

Mill Area	QSL Grower Representative Member
Mossman	Gerard Puglisi
Tableland	Nirmal Chohan
Mulgrave	Jeff Day
Northern Region (South Johnstone)	Barry Stubbs
Tully	Tom Harney
Herbert River	Michael Pisano & Vince Russo
Burdekin	Mark Vass, Owen Menkens, Russell Jordan & Roger Piva
Proserpine	Mark Blair
Central (Mackay)	Frank Perna, Tony Ross and Greg Plath
Plane Creek	Kevin Borg
Southern (Bundaberg)	Kelvin Griffin & Allan Dingle
Isis	Joe Russo
Maryborough	Jeff Atkinson
Rocky Point	Richard Skopp
Queensland Cane Growers Organisation appointment	Paul Schembri
Australian Cane Farmers Association appointment	Don Murday

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Staff announcements



DEPARTURE: QSL Industry Relationship Manager Carla Keith, left, will finish her time with QSL on 8 June after accepting a position with the Co-operative Research Centre for the Development of Northern Australia (CRCDNA). Since joining QSL in February 2012, Carla has been an integral and highly valued member of the QSL team, and while she will be sorely missed, we wish her well in her new role. Recruitment for Carla's replacement is underway and we hope to make an announcement regarding this in the near future.

NEW ARRIVAL: QSL's FNQ Grower Relationship Manager Daniel Messina and his wife Karina welcomed their first child – Marina Grace – on 23 April. Daniel (pictured with Marina at right) has spent the past month off on daddy duties but will return to work next week.



QSL Advances Update

The 2017-Season May Advances payment (95%) was made yesterday, with Wilmar Growers scheduled to receive their payments direct from QSL later today. The QSL Board has confirmed the remaining QSL Advances payments for the 2017 Season as the following:

Applicable from	QSL Standard Advance Rate	QSL Accelerated Advance Rate
20 June 2018	97.5%	97.5%
20 July 2018	100%	100%

The June payment will be based on estimated pool values as of 25 May 2018, with the final payment date for all 2017-Season QSL pools and pricing platforms to be made on Friday 20 July 2018.

QSL at Mackay ag expo

Don't forget to swing by the QSL stall at the **Canegrowers Mackay Ag Trade Expo**, to be held tomorrow and Saturday at Wests Leagues Club in Walkerston.

The local QSL team will be on hand to answer questions throughout the two-day event which will feature a wide variety of displays from various ag-related businesses and entertainment for the whole family.

For more information about the expo, [please click here](#).

