

Sugar Weekly Report

June 17 - 21 2019



Sugar Prices and Macros as of		21-Jun-19					21-Jun-19				
	21-Jun-19	14-Jun-19	21-May-19	Weekly Var.	Monthly Var.	21-Jun-19	14-Jun-19	21-May-19	Weekly Var.	Monthly Var.	
NY #11	12.23	12.75	11.81	↓ -0.52	↑	USD Index	96.09	97.45	98.02	↓ -1.36	↓ -1.93
London #5	324.6	335.0	326.8	↓ -10.4	↓	USDBZL	3.82	3.90	4.04	↓ -0.07	↓ -0.22
NY#16	26.54	26.55	25.85	↓ -0.01	↑	USDINR	69.61	69.81	69.63	↓ -0.20	↓ -0.02
Front White Premium	55.0	53.9	66.4	↑ 1.1	↓	EURUSD	1.14	1.12	1.12	↑ 0.02	↑ 0.02

Market Situation at a Glance

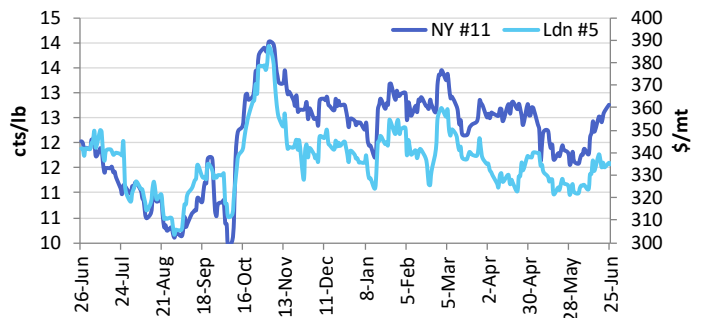
International Prices	21-Jun-19	14-Jun-19	Weekly Var.	
Sugar				
NY #11	12.23	12.75	↓ -0.52	cts/lb
Front Spread	-0.25	-0.17	↓ -0.08	cts/lb
London #5	324.60	335.00	↓ -10.40	\$/mt
Front Spread	-6.20	-8.00	↑ 1.80	\$/mt
White Premium	54.97	53.91	↑ 1.06	\$/mt
USD Index	96.09	97.45	↓ -1.36	
USDBZL	3.82	3.90	↓ -0.07	R\$/
USDINR	69.61	69.81	↓ -0.20	RUP/\$
RUBUSD	62.89	64.25	↓ -1.36	RUB/\$
EURUSD	1.14	1.12	↑ 0.02	\$/EUR
S&P500	2950	2887	↑ 63.48	
DJ Industrial Avg	26753	26107	↑ 646.40	
Light Crude Oil	57.60	52.51	↑ 5.09	\$/Barrel
Corn	443.50	453.25	↓ -9.75	cts/Bushel
Wheat	526.00	539.50	↓ -13.50	cts/Bushel
Coffee (Arabic)	99.40	96.10	↑ 3.30	cts/lb

Domestic Markets

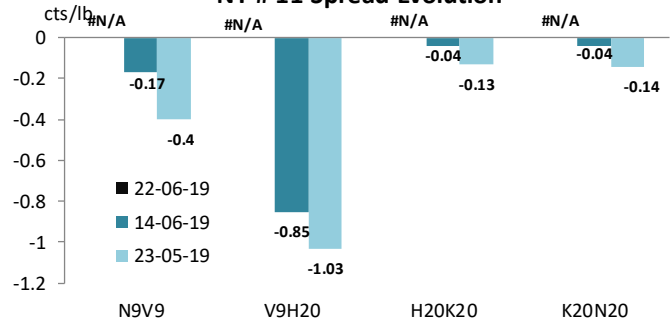
	21-Jun-19	14-Jun-19	Weekly Var.	Unit
Brazil				
NY Front Month in BZL	46.74	49.67	↓ -2.94	R\$/cts/lb
Domestic:				
Esalq Sugar (R\$)	62.74	62.42	↑ 0.32	R\$/50kg
Esalq Sugar (US\$)	16.42	16.02	↑ 0.40	cts/lb
Hydrous Ethanol (NY#11 equiv.)	13.23	13.04	↑ 0.19	cts/lb
Anhydrous Ethanol(NY#11 equiv.)	14.31	14.18	↑ 0.13	cts/lb
Ethanol/Gasoline in S. Paolo				
Ethanol	2,593	2,630	↓ -37	R\$/l
Gasoline	4,168	4,210	↓ -42	R\$/l
Ethanol/Gasoline Parity	62.2%	62.5%	↓ 0%	
Anhydrous from US Parity	-34.59	-41.30	↑ 6.72	USD/M3
Anhydrous to US Parity	-161.12	-153.34	↓ -7.79	USD/M3
India				
NCDEX	31,190	31,190	0	RUP/mt
S-Grade (Kolhapur)*	31,013	31,059	↓ -46	RUP/mt
M-Grade (Kolkatta)*	34,072	34,762	↓ -691	RUP/mt

* price does not include GST of 5%

Sugar Market



NY # 11 Spread Evolution



China	21-Jun-19	14-Jun	Weekly Var.	Unit
ZCE Front Month	5,101	5,135	↓ -34	RMB/mt
ZCE Front Spread	20	12	↑ 8	RMB/mt
Northern Spot Cash Rizhao	5,750	5,750	0	RMB/mt
Southern Spot Cash Liuzhou	5,420	5,430	↓ -10	RMB/mt

USA	21-Jun-19	14-Jun-19		
No #16	26.54	26.55	↓ -0.01	cts/lb
#16/11 Spread	14.31	13.80	↑ 0.51	cts/lb

EU				
EU 45s containers	40	40	↑ 0.0	\$/m3 \$/mt ov Ldn

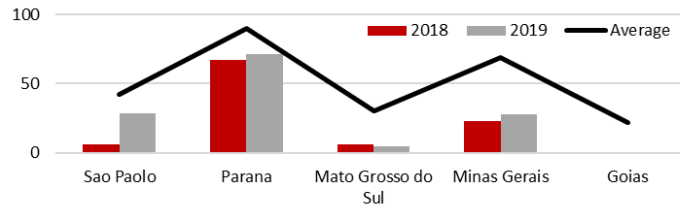
Russia			
Price in Krasnodar	440	399	↑ 41.2

Sugar Weekly Report



CS Brazil June Rainfall

June rains in CS Brazil

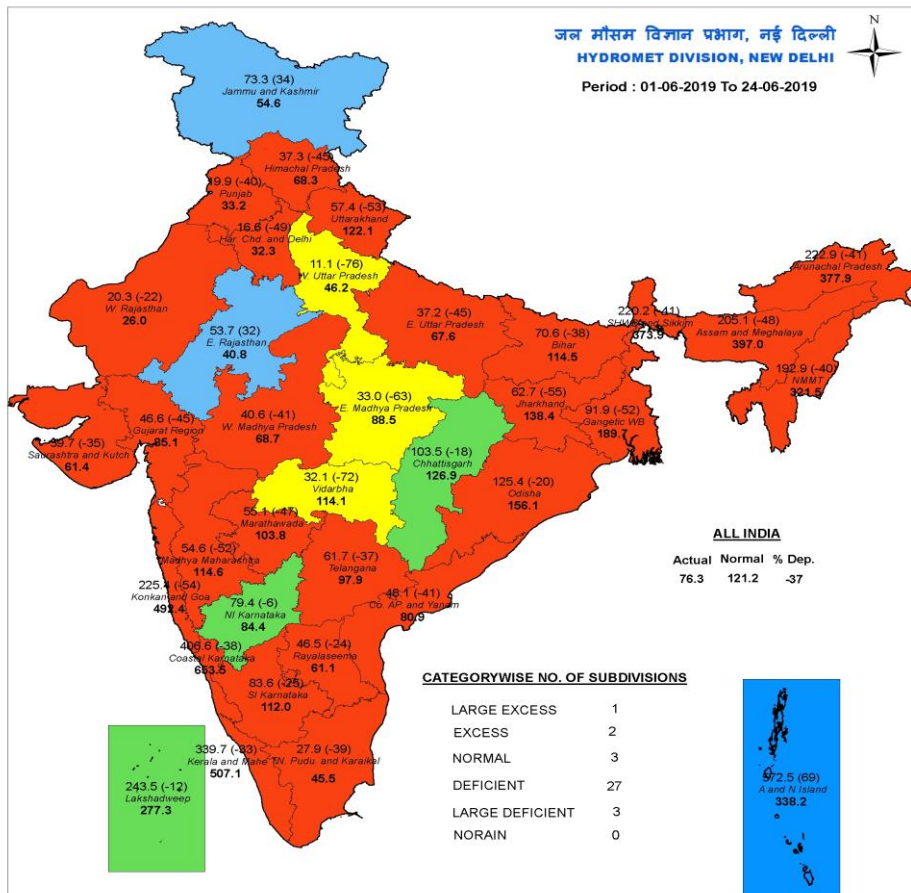


Indian: Monsoon Rains



भारत मौसम विज्ञान विभाग
INDIA METEOROLOGICAL DEPARTMENT

SUBDIVISION RAINFALL MAP



Legend

Large Excess [60% or more] Excess [20% to 59%] Normal [-19% to 19%] Deficient [-59% to -20%] Large Deficient [-99% to -60%] No Data [-100%] No Rain

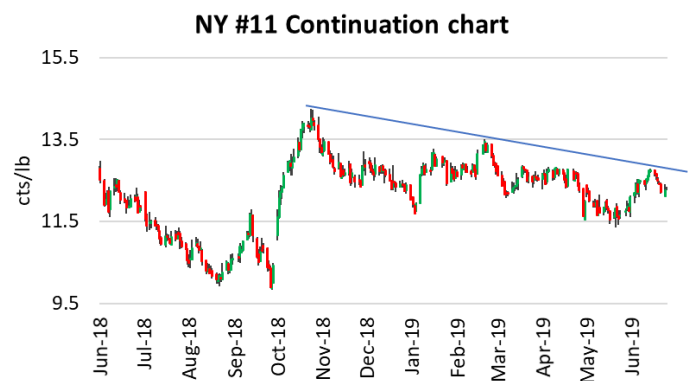
NOTES :

- a) Rainfall figures are based on operation data.
- b) Small figures indicate actual rainfall (mm), while bold figures indicate Normal rainfall (mm).
- c) Percentage Departures of rainfall are shown in brackets.

Sugar Weekly Report



- **NY Flat price:** prices continued to slide down - still keeping the same downward trend. The October contract closed Friday at 12.23 cts/lb, down from 12.66 a week earlier
- **NY Spreads:** July/October spread closed at 26 points carry, compared with 17 points carry a week earlier. October/March also lost strength, closing at 96 points carry 11 points lower week on week.
- **London market:** White Premium traded sideways – around \$55/mt, while Aug/Oct White Premium dropped further closing at \$55.7/mt Friday (vs 58.2 \$/mt a week before)
- **COT report:** the latest COT report showed the specs net-short positions were at 99.7k lots, down 27.8k lots week on week. Index funds net-long positions stood at 232.8k lots, they bought 27.6k lots net during last week. Commercials were net-short 133.1k lots, an increase of 55.4k lots week on week.



BULL

- ▶ Monsoon rains in India are well below average, which adds to concerns about the cane quality for both the 19/20 and 20/21 crop.
- ▶ Australian crop is looking lower than last season: possibly down 250-300k mt year on year.



BEAR

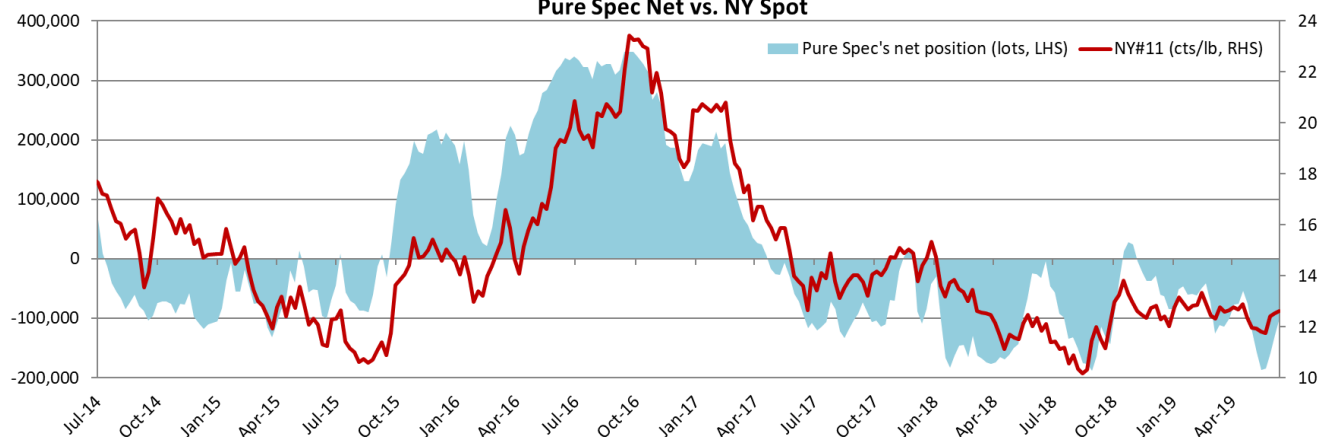
- ▶ Indonesian import licenses for the 2H of 2019 were issued for 1.25 million mt, bringing the yearly total to 2.7 million mt, 500k mt lower year on year.
- ▶ Philippines stocks are higher year on year and they do not intend to import sugar at this stage.



COT RECAP

Date	Spot Price	Specs net positions (i)-(ii)	Specs gross longs (i)	Specs gross shorts (ii)	Index traders net positions	Commercials net positions (iii)-(iiii)	Commercials gross longs (iii)	Commercials gross shorts (iiii)	OI
30-04-19	12.34	-76,054	196,107	272,161	238,730	-162,677	317,380	480,057	981,157
07-05-19	11.95	-122,891	190,032	312,923	217,249	-94,358	385,520	479,878	1,085,076
14-05-19	11.94	-157,539	183,113	340,652	212,430	-54,891	410,945	465,836	1,142,594
21-05-19	11.81	-186,733	187,652	374,385	208,573	-21,840	437,876	459,716	1,167,140
28-05-19	11.75	-183,962	198,949	382,911	204,143	-20,181	441,991	462,172	1,184,772
04-06-19	12.42	-158,899	198,091	356,990	201,915	-43,016	460,343	503,359	1,176,147
11-06-19	12.54	-127,558	187,925	315,483	205,226	-77,668	466,458	544,126	1,146,015
18-06-19	12.61	-99,739	183,674	283,413	232,830	-133,091	436,604	569,695	1,053,088
Lastet Change	0.07	27,819	-4,251	-32,070	27,604	-55,423	-29,854	25,569	-92,927

Pure Spec Net vs. NY Spot



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