



Indicative ICE 11 Prices

SEASON	AUD/MT*	WEEKLY CHANGE
2019	407.06	8.55%
2020	420.65	2.40%
2021	426.73	0.43%
2022	426.47	0.43%

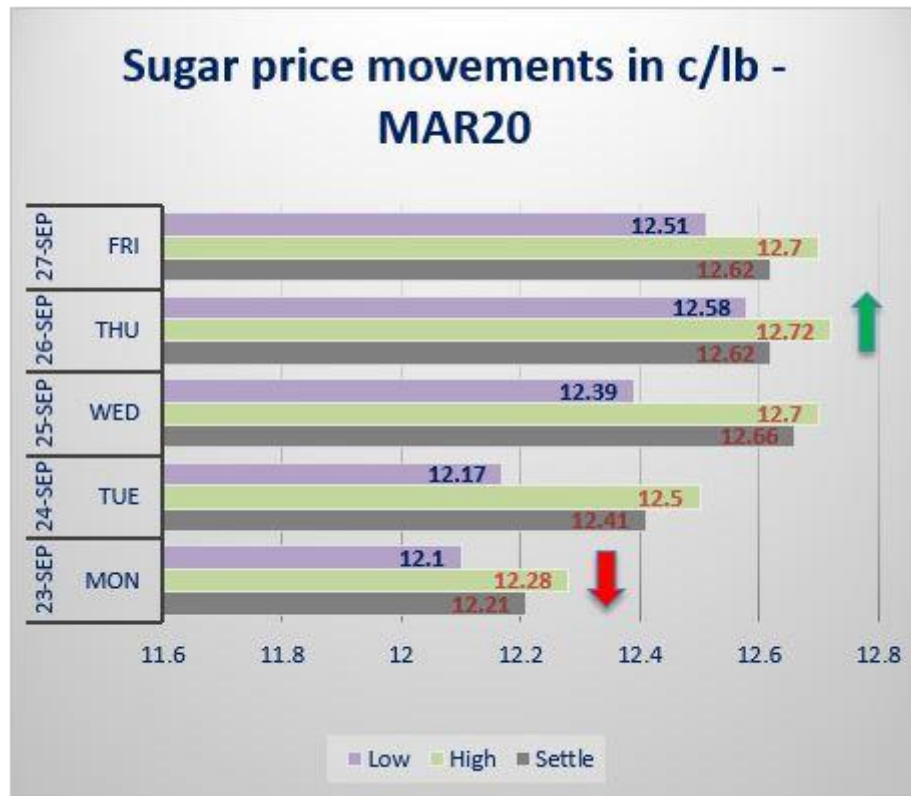
*These figures are indicative of available ICE 11 prices as at **30 September 2019** and reflect the weighted average AUD/mt price. The prices have been adjusted to include Over-the-Counter margin fees charged by banking institutions and so may differ from daily prices quoted by the ICE #11 Exchange and/or other Marketers of Growers' Economic Interest in Sugar. Values also do not account for any adjustments resulting from local Grower-Miller pricing arrangements.

Weekly Market Overview

By QSL Treasury Manager Ginette Barrett

SUGAR

Sugar prices advanced 7% over the week without any clear change in events. This week's race to the expiry of the October 2019 ICE 11 contract has been interesting as the market predicts what tonnage will be delivered.



- **Expiry:** The October 19 contract expired, with 3,439 lots or approx. 175,000 tonnes delivered to the tape. Wilmar received all the sugar while EDF Man, Sucden and Enerfo delivered the Central America sugar.
- **Brazilian UNICA Figures:**

Results	Accumulated to 16 Sept 2019	Accumulated to 16 Sept 2018
Cane Crushed (mln tonnes)	437.7	432.5
Sugar (mln tonnes)	20.01	21.045
Sugar Mix (% of cane crushed for sugar)	35.48%	36.55%

- **Commitments of Traders:** An increase in sugar prices can mainly be aligned to a weakness in commercial selling and funds reducing their short position, with a net short position of 206,000 lots.

CURRENCY

The Aussie Dollar feels as though it is being held to ransom by macro environmental factors, commonly known as the comedy of world politics!



- **US developments:** The House of Representatives announced formal impeachment investigations would begin into US President Trump, focused on recent communications between himself and the Ukrainian president. Trump plans to stop Chinese firms from listing on the US exchanges and trade talks with China are planned for October.
 - **UK developments:** UK PM Johnson remains defiant as parliament resumes, stating that Brexit will happen and the UK will still leave the European Union on 31 October 2019.
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- **The Reserve Bank of Australia:** Cut rates by 25 basis points, with the cash rate now at 0.75%. It was noted that inflation pressures are likely to be subdued and they are prepared to ease monetary policy further if needed.

HELP AND INFORMATION

If you are confused by any of the terminology in our market updates or would like clarification regarding any of the above, please don't hesitate to contact your local QSL Rep.

For more sugar market information, please read the latest QSL Market Snapshot, available [here](#).
