



Indicative ICE 11 Prices

SEASON	AUD/MT*	WEEKLY CHANGE
2019	393.24	-4.51%
2020	413.49	-4.20%
2021	431.90	-2.71%
2022	432.64	-2.95%

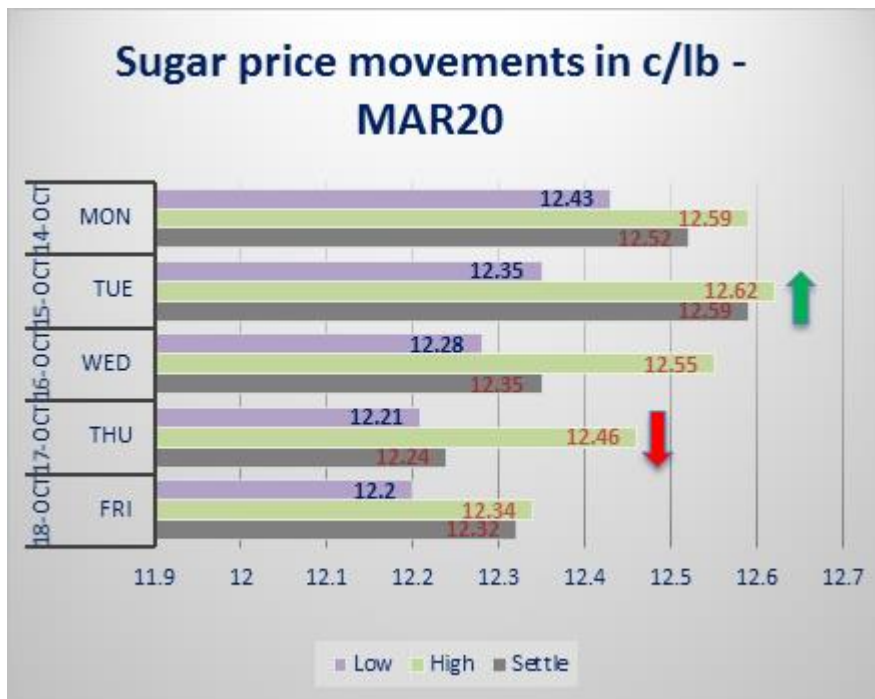
*These figures are indicative of available ICE 11 prices as at **21 October 2019** and reflect the weighted average AUD/mt price. The prices have been adjusted to include Over-the-Counter margin fees charged by banking institutions and so may differ from *daily prices quoted by the ICE #11 Exchange and/or 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

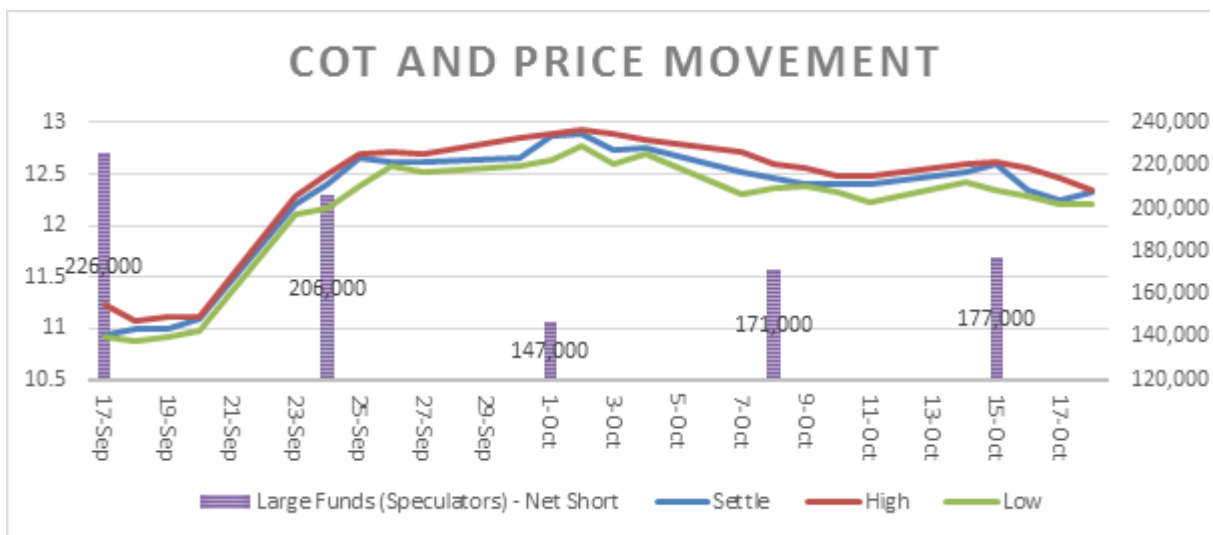
By QSL Trading Analyst Barb Roberts

SUGAR

The sugar market has lost steam over the past three weeks. The sugar price hit its high last Tuesday at 12.59 c/lb, and then lost steam throughout the rest of the week, hitting new lows last Friday at 12.20 c/lb, closing the week at 12.32 c/lb.



- Commitments of Traders:** The net short position is still increasing from last week, now at 171,000 lots. Even though this was considered a small movement, it was still sufficient to keep the bearish sentiment present.



Without a lot of fundamental changes in the market, bearish news is still the driving force. Amid the short term news are a low flat price, increasing of the net short funds and the October CS Brazil window, where the harvest nears its end and consequently sugar starts to detach from the ethanol parity.

CURRENCY

The AUD is still picking up value and making the most of the present positive vibe. Global risk sentiment improved over the last week on the back of US and China trade talks, the Brexit deal and negative US data. The AUD/USD rallied last Friday breaking a technical level at 0.6710 and now demand is building to new level as high as 0.6880.



Brexit deal: Boris Johnson’s proposed Brexit deal was rejected by the UK Parliament last Saturday. The market is still reacting to any Brexit headlines as their resolution or extension still pending the votes.

US & China trade deal: Positive reaction in relation to trade disputes. It’s believed that substantial progress has been made and both sides are working to get “Phase 1” on to paper and “Phase 2” talks have already started.

Data results: US Retail sales were down by 0.3%. The US Housing market is up, which is better than expected. Domestically, RBA minutes last week indicated no rate cut for November, but they’ll closely watch the upcoming data before making any decisions.

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](#).

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