

Sugar Weekly Report

February 10 - 14 2020



14-Feb-20											
	14-Feb-20	7-Feb-20	14-Jan-20	Weekly Var.	Monthly Var.		14-Feb-20	7-Feb-20	14-Jan-20	Weekly Var.	Monthly Var.
NY #11	15.06	14.92	14.32	⬆️ 0.14	⬆️	USD Index	99.16	98.70	97.39	⬆️ 0.46	⬆️ 1.77
London #5	407.2	428.1	389.8	⬆️ -20.9	⬆️	USDBZL	4.30	4.32	4.13	⬆️ -0.02	⬆️ 0.16
NY#16	26.65	26.00	25.90	⬆️ 0.65	⬆️	USDINR	71.52	71.50	70.84	⬆️ 0.02	⬆️ 0.68
Front White Premium	75.2	99.2	74.1	⬆️ -24.0	⬆️	EURUSD	1.08	1.09	1.11	⬆️ -0.01	⬆️ -0.03

Market Situation at a Glance

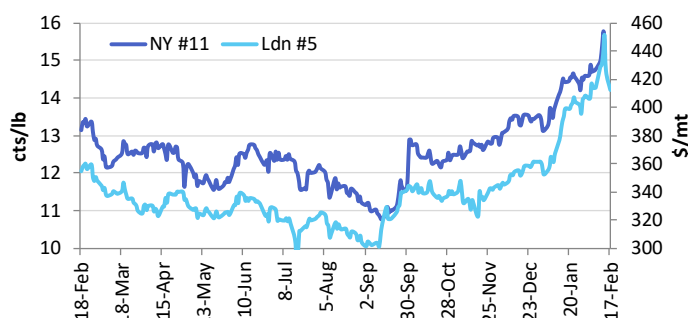
International Prices			
	14-Feb-20	7-Feb-20	Weekly Var.
Sugar			
NY #11	15.06	14.92	↑ 0.14 cts/lb
Front Spread	0.51	0.23	↑ 0.28 cts/lb
London #5	407.20	428.10	↓ -20.90 \$/mt
Front Spread	6.20	8.80	↓ -2.60 \$/mt
White Premium	75.18	99.17	↓ -23.99 \$/mt
USD Index	99.16	98.70	↑ 0.46
USDBZL	4.30	4.32	↓ -0.02 R\$/
USDINR	71.52	71.50	↑ 0.02 RUP/\$
RUBUSD	63.49	64.17	↓ -0.69 RUB/\$
EURUSD	1.08	1.09	↓ -0.01 \$/EUR
S&P500	3,380	3,328	↑ 52.45
DJ Industrial Avg	29,423	29,380	↑ 43.54
Light Crude Oil	52.3	50.3	↑ 1.91 \$/Barrel
Corn	377.8	383.3	↓ -5.50 cts/Bushel
Wheat	544.5	559.3	↓ -14.75 cts/Bushel
Coffee (Arabic)	108.7	98.8	↑ 9.85 cts/lb

Domestic Markets

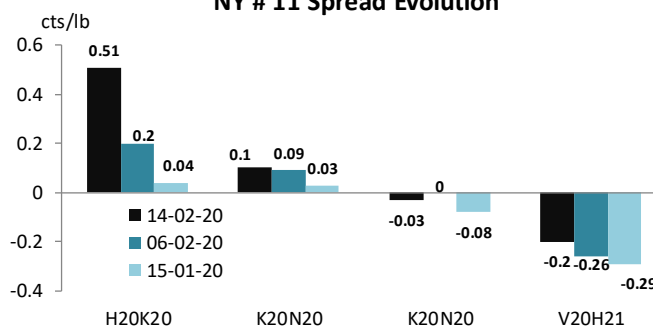
	14-Feb-20	7-Feb-20	Weekly Var.	Unit
Brazil				
NY Front Month in BZL	64.72	64.46	↑ 0.26	R\$/cts/lb
Domestic:				
Esalq Sugar (R\$)	78.34	77.18	↑ 1.16	R\$/50kg
Esalq Sugar (US\$)	18.23	17.87	↑ 0.36	cts/lb
Hydrous Ethanol (NY#11 equiv.)	15.05	14.90	↑ 0.16	cts/lb
Anhydrous Ethanol(NY#11 equiv.)	15.45	15.23	↑ 0.22	cts/lb
Ethanol/Gasoline in S. Paolo	14-Feb-20	7-Feb-20	Weekly Var.	Unit
Ethanol	3,062	3,052	↑ 10	R\$/l
Gasoline	4,382	4,396	↓ -14	R\$/l
Ethanol/Gasoline Parity	69.9%	69.4%	↑ 0%	
Anhydrous from US Parity	69.46	63.92	↑ 5.54	USD/M3
Anhydrous to US Parity	-260.23	-254.22	↓ -6.01	USD/M3
India	14-Feb-20	7-Feb-20	Weekly Var.	Unit
S-Grade (Kolhapur)*	31,525	31,500	↑ 25	RUP/mt
M-Grade (Kolkatta)*	34,286	34,762	↓ -477	RUP/mt

* price does not include GST of 5%

Sugar Market



NY # 11 Spread Evolution



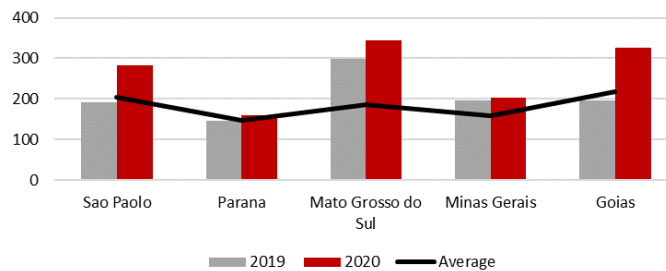
	14-Feb-20	07-Feb	Weekly Var.	Unit
China				
ZCE Front Month	5,656	5,749	↓ -93	RMB/mt
ZCE Front Spread	22	5	↑ 17	RMB/mt
Northern Spot Cash	6,260	6,280	↓ -20	RMB/mt
Southern Spot Cash	5,880	5,950	↓ -70	RMB/mt
USA	14-Feb-20	7-Feb-20		
No #16	26.65	26.00	↑ 0.65	cts/lb
#16/11 Spread	11.59	11.08	↑ 0.51	cts/lb
EU				
EU 45s containers	50	50	↑ 0.0	\$/mt ov Ldn
Russia				
Price in Krasnodar	317	311	↑ 6.5	\$/m3

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CS Brazil Rainfall

February rains in CS Brazil



Indian: Post-Monsoon Rains

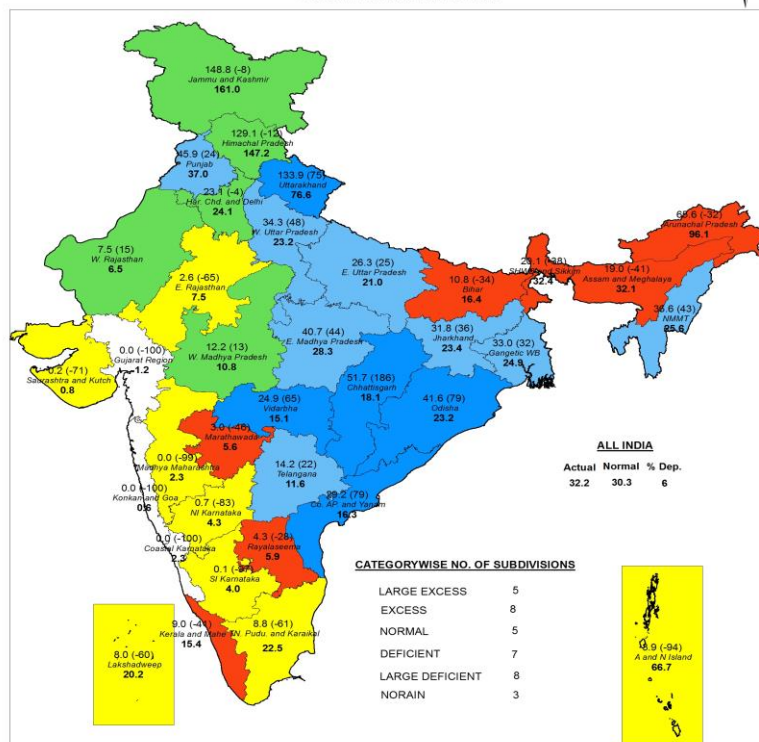


भारत मौसम विज्ञान विभाग
INDIA METEOROLOGICAL DEPARTMENT

जन मौसम विज्ञान प्रभाग, नई दिल्ली
HYDROMET DIVISION, NEW DELHI

SUBDIVISION RAINFALL MAP

Period : 01-01-2020 To 17-02-2020



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

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.

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- **NY Flat price:** March contract broke 15 cts/lb psychological level, trading to the highs of 15.9 cts/lb last week; it closed at 15.06 cts/lb Friday, up from 14.92 cts/lb a week earlier.
- **NY Spreads:** March/May spread reached the highs of 72 points inverse last week, closing at 51 points inverse, up from 23 points inverse a week earlier.
- **London market:** May/May White Premium traded to the highs of \$97/mt last week, closing Friday around \$91/mt. March/March White Premium reached above \$100/mt last week to expire at \$75/mt. May/May spread went off board at 5 points carry, after reaching the highs of \$23/mt inverse. A total of 463k mt was delivered by 6 trading houses; Wilmar received 317k mt and Sucden received 146k mt.
- **COT report:** COT report from February 11 showed that Specs increased their net-longs by 19.1k lots to 149k lots. Index funds reduced net-longs by 8.8k lots and now are 250k lots net-long. Commercials increased their net-shorts by 10.3k lots to 399k lots



Row Labels	Sucden	Wilmar	Grand Total
March	146,050	317,300	463,350
Brazil NE	3,300	7,150	10,450
Guatemala	9,150	19,850	29,000
India	31,800	69,100	100,900
UAE	101,800	221,200	323,000
Grand Total	146,050	317,300	463,350



BULL

- ▶ Ethiopia should announce a tender for 200k mt of imports. Pakistan and Bangladesh are likely to import white sugar this season (via tenders).
- ▶ Redistribution of Indian export licenses has been delayed.
- ▶ Stocks in Indonesia are tight; with the potential that white imports are going to be required.



BEAR

- ▶ Commercials positions are the highest since 2017, which could mean the producers in Brazil are pricing more sugar than in the past 2 years.
- ▶ Real weakened further, reaching fresh lows against the US Dollar.
- ▶ Indian crop in 2020/21 could surpass 30 million mt, which would mean they will remain an exporter next season.

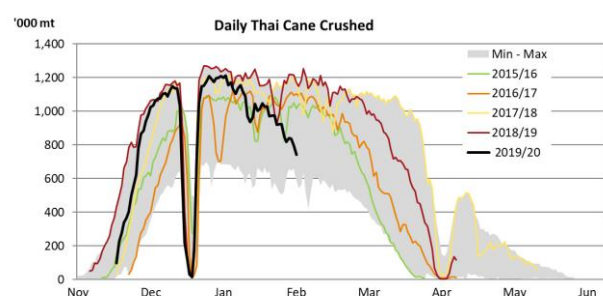
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Thailand: Production Update

	13.02.20	2018/19	2019/20	VAR
Cane crush	78,983,017	66,722,405	↓ -	12,260,612
Total sugar	8,322,183	7,186,990	↓ -	1,135,193
Whites	539,238	835,999	↑	296,761
Refined	1,187,187	896,757	↓ -	290,430
Raws	6,486,848	5,285,742	↓ -	1,201,106
Extraction rate	10.54%	10.77%	↑	0.23%
Mills operating	57	55		

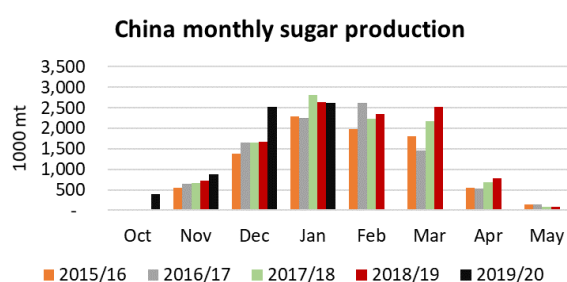
- ▶ Thailand crushed 66.7 million mt of cane by February 13, down 12.3 million mt year on year.
- ▶ Daily crushing rate dropped to 742 mt/day, and during this weekend the crush rate dropped further to 620 mt/day.
- ▶ Sugar production reached 7.2 million mt, down 1.14 mln mt year on year.
- ▶ 3 mills had stopped crushing by Sunday.
- ▶ Total cane crush is likely to reach around 75-78 million mt of cane.



China: Production Update

- ▶ Despite the quarantine across China, production during totaled 2.6 million mt in January, similar to last season: 1.4 million mt from beets and 5 million mt from cane.
- ▶ Cumulative production since the start is now at 6.4 million mt, up 1.4 million mt year on year.
- ▶ Total production is expected to reach 10.1 million mt, down from 10.76 million mt last season.

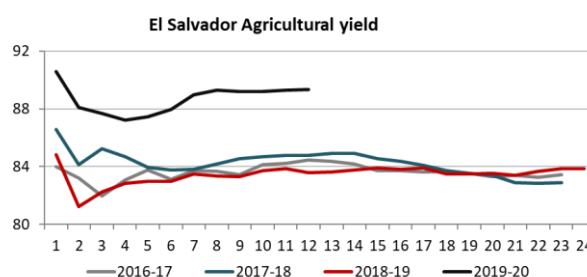
- ▶ Sugar production stood at 1.6 million mt, down 470k mt year on year; extraction rate is down at 9.7% vs 10.1% last year.



El-Salvador: Production Update

El Salvador	2018/19	2019/20	Var.
Area	43,506	43,870	↑ 364
Cane crushed	3,845,129	3,881,008	↑ 35,879
Sugar production	432,831	441,508	↑ 8,677
Whites	169,504	106,003	↓ - 63,501
Raws	263,327	335,506	↑ 72,178
Industrial yields	11.26%	11.38%	↑ 0.12%
Ag yields	83.6	89.4	↑ 6
Raws share	61%	76%	

- ▶ El Salvador sugar cane was harvested from 43.9k ha, slightly up year on year.
- ▶ Cane crush reached 3.9 million mt, similar to last season.
- ▶ Sugar production was at 442k mt, almost unchanged year on year; raws production was up 72k mt compared with last season at 335k mt.
- ▶ Agricultural yields continue to be much higher than previous seasons at almost 90 mt/ha.

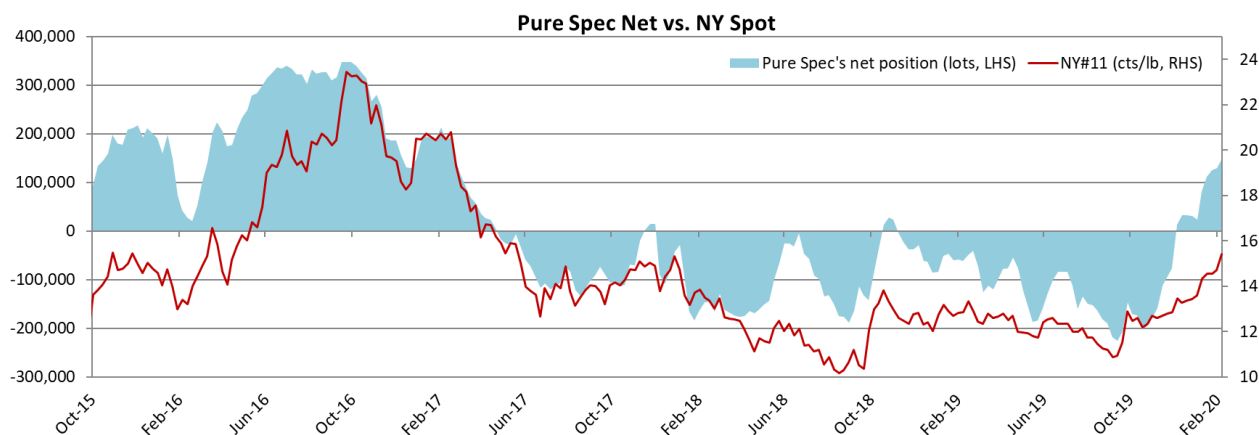


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COT RECAP

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
24-12-19	13.37	32,553	245,041	212,488	234,030	-266,583	363,803	630,386	1,170,963
31-12-19	13.42	30,673	245,621	214,948	229,433	-260,106	369,153	629,259	1,167,028
07-01-20	13.59	23,241	241,393	218,152	232,729	-255,969	380,881	636,850	1,182,058
14-01-20	14.32	81,205	267,169	185,964	239,514	-320,719	423,683	744,402	1,324,060
21-01-20	14.55	111,584	285,596	174,012	251,482	-363,065	421,981	785,046	1,356,234
28-01-20	14.54	125,550	291,191	165,641	255,597	-381,147	462,052	843,199	1,419,532
04-02-20	14.71	129,984	292,781	162,797	258,788	-388,770	479,284	868,054	1,462,484
11-02-20	15.41	149,089	305,970	156,881	249,990	-399,078	527,712	926,790	1,551,567
Lastet Change	0.70	19,105	13,189	-5,916	-8,798	-10,308	48,428	58,736	89,083



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