

Sugar Weekly Report

April 13 - 17 2020



17-Apr-20										
	17-Apr-20	9-Apr-20	17-Mar-20	Weekly Var.	Monthly Var.	17-Apr-20	9-Apr-20	17-Mar-20	Weekly Var.	Monthly Var.
NY #11	10.37	10.43	10.89	↓ -0.06	↓ -0.06	USD Index	99.72	99.56	99.50	↑ 0.16
London #5	340.0	348.5	338.5	↓ -8.5	↑ -8.5	USDBZL	5.24	5.11	5.01	↑ 0.13
NY#16	26.00	26.01	27.12	↓ -0.01	↑ -0.01	USDINR	76.54	75.97	74.06	↑ 0.57
Front White Premium	111.4	118.6	98.4	↓ -7.2	↑ -7.2	EURUSD	1.09	1.09	1.10	↓ -0.01

Market Situation at a Glance

International Prices

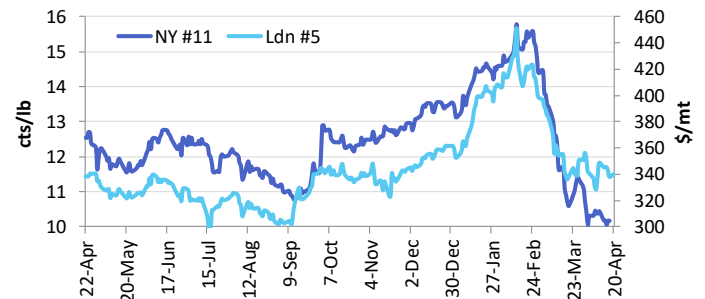
	17-Apr-20	9-Apr-20	Weekly Var.	
Sugar				
NY #11	10.37	10.43	↓ -0.06	cts/lb
Front Spread	-0.16	-0.06	↓ -0.10	cts/lb
London #5	340.00	348.50	↓ -8.50	\$/mt
Front Spread	10.00	9.80	↑ 0.20	\$/mt
White Premium	111.38	118.56	↓ -7.18	\$/mt
USD Index	99.72	99.56	↑ 0.16	
USDBZL	5.24	5.11	↑ 0.13	R\$/
USDINR	76.54	75.97	↑ 0.57	RUP/\$
RUBUSD	73.84	74.29	↓ -0.44	RUB/\$
EURUSD	1.09	1.09	↓ -0.01	\$/EUR
S&P500	2,875	2,790	↑ 84.74	
DJ Industrial Avg	23,538	23,434	↑ 104.11	
Light Crude Oil	18.1	23.2	↓ -5.07	\$/Barrel
Corn	323.0	332.3	↓ -9.25	cts/Bushel
Wheat	535.3	558.3	↓ -23.00	cts/Bushel
Coffee (Arabic)	116.2	118.2	↓ -1.95	cts/lb

Domestic Markets

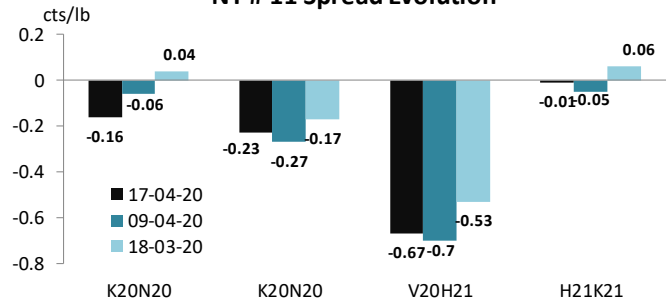
	17-Apr-20	9-Apr-20	Weekly Var.	Unit
Brazil				
NY Front Month in BZL	54.31	53.26	↑ 1.04	R\$ cts/lb
Domestic:				
Esalq Sugar (R\$)	77.95	78.76	↓ -0.81	R\$/50kg
Esalq Sugar (US\$)	14.89	15.42	↓ -0.54	cts/lb
Hydrous Ethanol (NY#11 equiv.)	9.00	8.92	↑ 0.08	cts/lb
Anhydrous Ethanol(NY#11 equiv.)	9.60	9.57	↑ 0.04	cts/lb
Ethanol/Gasoline in S. Paolo	17-Apr-20	9-Apr-20	Weekly Var.	Unit
Ethanol	2,590	2,656	↓ -66	R\$/l
Gasoline	3,932	3,992	↓ -60	R\$/l
Ethanol/Gasoline Parity	65.9%	66.5%	↓ -1%	
Anhydrous from US Parity	-24.47	-23.22	↓ -1.25	USD/M3
Anhydrous to US Parity	-151.69	-153.82	↑ 2.14	USD/M3
India	17-Apr-20	9-Apr-20	Weekly Var.	Unit
S-Grade (Kolhapur)*	31,000	31,000	↑ 0	RUP/mt
M-Grade (Kolkatta)*	33,715	33,715	↑ 0	RUP/mt

* price does not include GST of 5%

Sugar Market



NY # 11 Spread Evolution

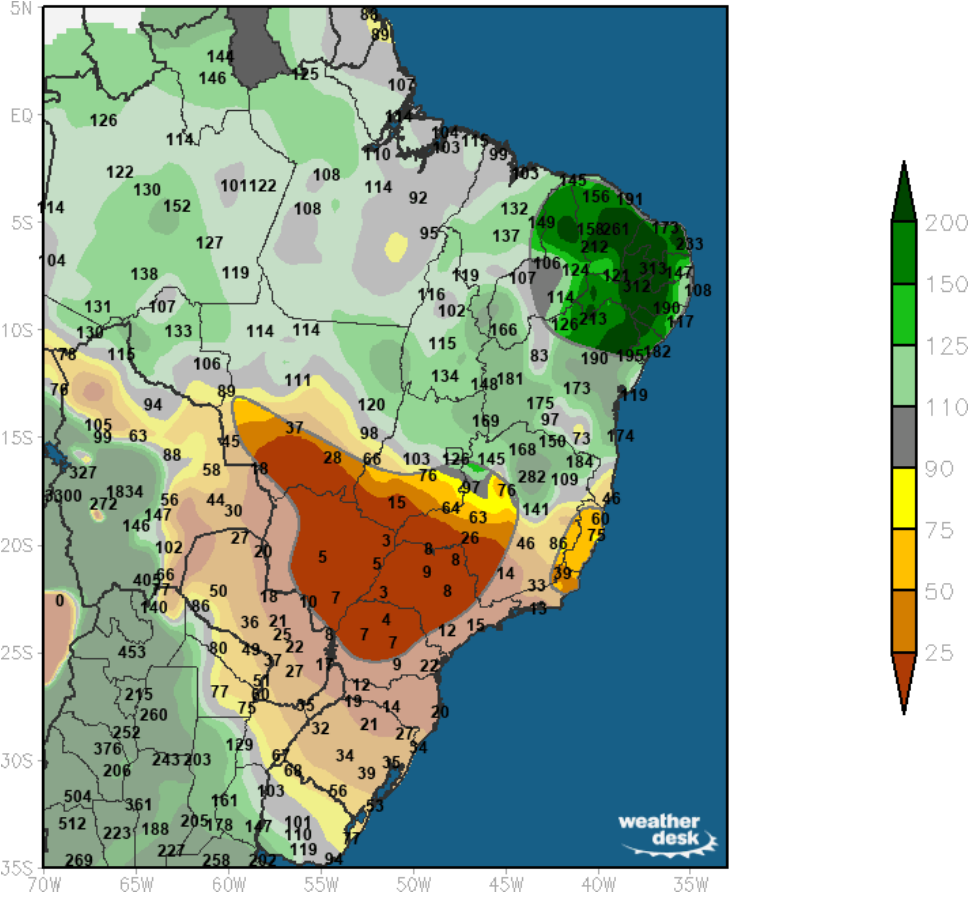


	17-Apr-20	09-Apr	Weekly Var.	Unit
China				
ZCE Front Month	5,428	5,448	↓ -20	RMB/mt
ZCE Front Spread	-105	-53	↓ -52	RMB/mt
Northern Spot Cash	Rizhao 5,800	5,800	↑ 0	RMB/mt
Southern Spot Cash	Luzhou 5,700	5,730	↓ -30	RMB/mt
USA	17-Apr-20	9-Apr-20		
No #16	26.00	26.01	↓ -0.01	cts/lb
#16/11 Spread	15.63	15.58	↑ 0.05	cts/lb
EU				
EU 45s containers	50	50	↑ 0.0	\$/mt ov Ldn
Russia				
Price in Krasnodar	335	342	↓ -7.4	\$/m3

Sugar Weekly Report



Brazil Rains 15 Day Forecast



Sugar Weekly Report



- **NY Flat price:** July contract closed at 10.53 cts/lb, barely changed from 10.49 cts/lb a week earlier.
- **NY Spreads:** May/July spread weakened closed at 1 points carry, up from 5 points carry a week before.
- **London market:** May contract expired at \$342.7/mt, and the front spread went off board at \$11/mt. 242k mt were delivered to the tape, with commodity merchant ED&F Man receiving the sugar. Most of the sugar was delivered in the ports of India – 196k mt (in Kandla port).
- **COT report:** Specs increased their net-shorts to 41k lots, adding 20k lots of net-shorts. Index funds reduced net-longs by 5.2k lots to 206.3k lots. Finally, commercials reduced net-shorts by 25k lots and now they hold 166k lots of net-shorts.



Row Labels	ED&F Man
May	242,000
India	196,350
Brazil CS	27,900
Guatemala	12,750
Brazil NE	5,000
Grand Total	242,000



BULL

- ▶ The Indonesian government has issued additional import permits for raw sugar. These are on top of the 150k mt quota for whites' imports.
- ▶ The crush in CS Brazil could be disrupted due to coronavirus. With mills reaching the maximum stocks of ethanol and low demand there could be issues continuing to crush.



BEAR

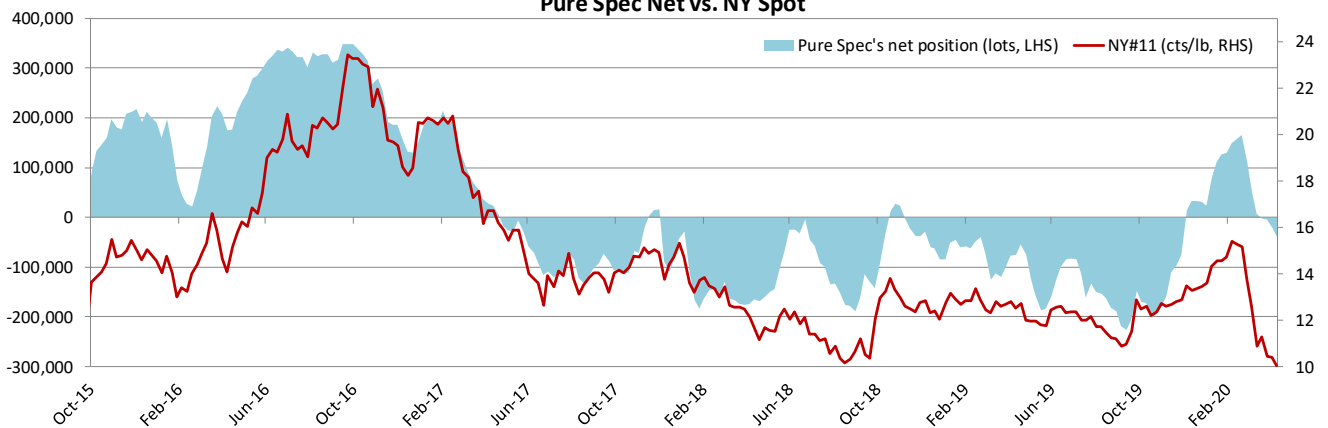
- ▶ Indian sugar consumption is expected to drop due to being heavily impacted by the coronavirus lockdown.
- ▶ EU may export slightly more sugar this season than expected as around 200k mt will be diverted from ethanol back to sugar due to low fuels demand.



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)	Commercial gross shorts (iiii)	OI
25-02-20	15.15	165,132	318,525	153,393	284,125	-449,257	418,006	867,263	1,383,663
03-03-20	13.76	108,607	277,791	169,184	288,517	-397,126	419,495	816,621	1,311,716
10-03-20	12.59	51,153	222,882	171,729	272,388	-323,540	483,248	806,788	1,316,288
17-03-20	10.89	7,558	162,936	155,378	241,541	-249,099	528,537	777,636	1,272,515
24-03-20	11.27	-2,168	152,995	155,163	226,657	-224,490	547,987	772,477	1,255,442
31-03-20	10.42	-4,795	154,052	158,847	223,634	-218,838	554,693	773,531	1,272,170
07-04-20	10.38	-20,968	150,618	171,586	211,487	-190,518	575,444	765,962	1,284,480
14-04-20	10.05	-40,716	156,651	197,367	206,311	-165,596	593,110	758,706	1,309,864
Lastet Change	-0.33	-19,748	6,033	25,781	-5,176	24,922	17,666	-7,256	25,384

Pure Spec Net vs. NY Spot



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