

















September 14-18 2020




18-Sep-20														
	18-Sep-20	11-Sep-20	18-Aug-20	Weekly Var.	Monthly Var.		18-Sep-20	11-Sep-20	18-Aug-20	Weekly Var.	Monthly Var.			
NY #11	12.77	11.92	12.89	⬆️	0.85	⬇️	USD Index	93.00	93.27	92.32	⬇️	-0.27	⬆️	0.68
London #5	371.5	357.2	373.4	⬆️	14.3	⬇️	USDBZL	5.39	5.32	5.47	⬆️	0.07	⬇️	-0.08
NY#16	27.50	26.90	27.55	⬆️	0.60	⬇️	USDINR	73.54	73.42	74.62	⬆️	0.12	⬇️	-1.09
Front White Premium	90.0	94.4	89.2	⬇️	-4.4	⬆️	EURUSD	1.18	1.18	1.19	⬇️	-0.00	⬇️	-0.01

## Market Situation at a Glance

International Prices			
	18-Sep-20	11-Sep-20	Weekly Var.
<i>Sugar</i>			
NY #11	12.77	11.92 	0.85 cts/lb
<i>Front Spread</i>	-0.61	-0.68 	0.07 cts/lb
London #5	371.50	357.20 	14.30 \$/mt
<i>Front Spread</i>	-0.40	-0.20 	-0.20 \$/mt
White Premium	89.97	94.41 	-4.44 \$/mt
USD Index	93.00	93.27 	-0.27
USDBZL	5.39	5.32 	0.07 R\$/
USDINR	73.54	73.42 	0.12 RUP/\$
RUBUSD	75.73	74.79 	0.94 RUB/\$
EURUSD	1.18	1.18 	-0.00 \$/EUR
S&P500	3,319	3,341 	-21.50
DJ Industrial Avg	27,902	27,535 	367.40
Light Crude Oil	41.0	37.4 	3.59 \$/Barrel
Corn	378.3	366.0 	12.25 cts/Bushel
Wheat	577.3	533.8 	43.50 cts/Bushel
Coffee (Arabic)	113.6	133.4 	-19.75 cts/lb

## Domestic Markets

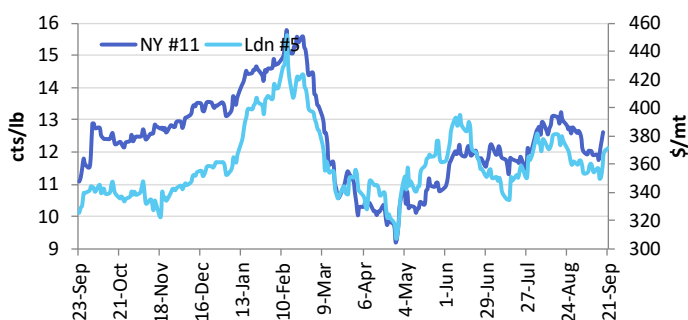
	18-Sep-20	11-Sep-20	Weekly Var.	Unit
<b>Brazil</b>				
NY Front Month in BZL	68.80	63.41	⬆️ 5.39	R\$ cts/lb
<b>Domestic:</b>				
Esalq Sugar (R\$)	86.93	86.00	⬆️ 0.93	R\$/50kg
Esalq Sugar (US\$)	16.14	16.17	⬆️ -0.03	cts/lb
<hr/>				
Hydrous Ethanol (NY#11 equiv.)	10.22	10.41	⬆️ -0.19	cts/lb
Anhydrous Ethanol(NY#11 equiv.)	11.42	11.51	⬆️ -0.09	cts/lb

Ethanol/Gasoline in S. Paolo	18-Sep-20	11-Sep-20	Weekly Var.	Unit
Anhydrous from US Parity	-86.16	-76.71	 -9.45	USD/M3
Anhydrous to US Parity	-91.80	-101.75	 9.95	USD/M3

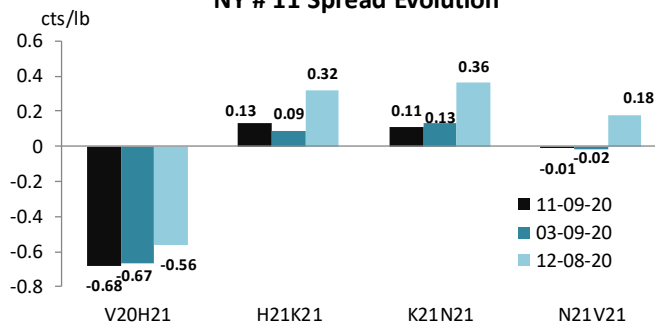
India	18-Sep-20	11-Sep-20	Weekly Var.	Unit
S-Grade (Kolhapur)*	31,829	31,989	↓ -160	RUP/mt
M-Grade (Kolkatta)*	34,810	35,238	↓ -429	RUP/mt

\* price does not include GST of 5%

## Sugar Market



## NY # 11 Spread Evolution



China	18-Sep-20	11-Sep	Weekly Var.	Unit
ZCE Front Month	5,340	5,170	⬆️ 170	RMB/mt
ZCE Front Spread	-10	-6	⬆️ -4	RMB/mt
Northern Spot Cash	Rizhao 5,750	5,450	⬆️ 300	RMB/mt
Southern Spot Cash	Liuzhou 5,620	5,500	⬆️ 120	RMB/mt

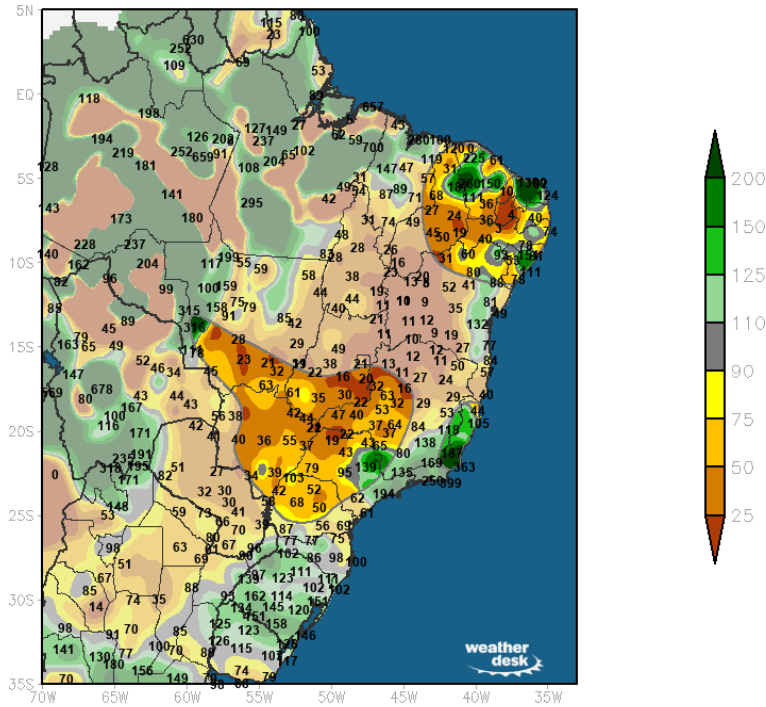
EU				
EU 45s containers	30	30	0.0	\$/mt ov Ldn

Russia				
Price in Krasnodar	505	470		35.0 \$/m3

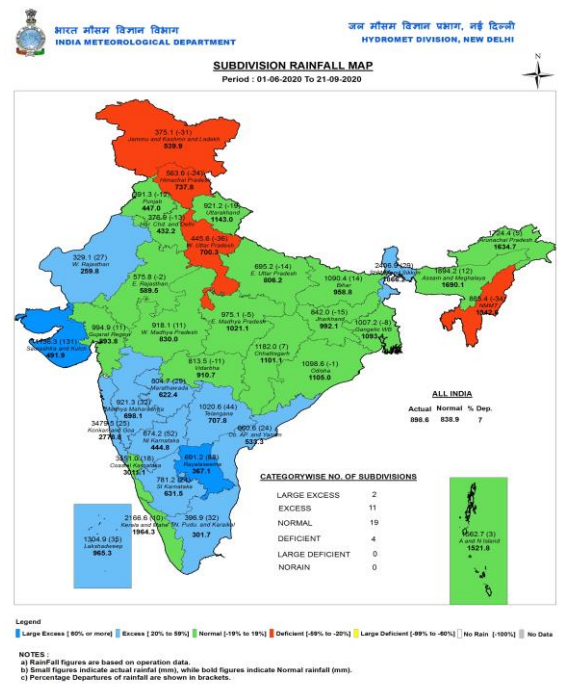
# Sugar Weekly Report



## Brazil rains 15 days forecast - % of normal rains



## Indian monsoon rains





- **NY Flat price:** Prices recovered last week: March contract closed at 13.38 cts/lb, up from 12.6 cts/lb a week earlier.
- **NY spreads:** October/March spread strengthened to 57 points carry and closed on Friday at 61 points carry, up from 68 a week earlier.
- **London market:** March/March white premium closed the week close to \$77/mt, up \$5/mt week on week; December/March spread traded closer to flat.
- **COT report:** Specs cut net-longs by 15k lots and now they hold 144k lots of net-longs. Index funds also reduced their net-longs by 4k lots and now they hold 255k lots of net-longs. Commercials reduced net-shorts by 19k lots to 399k lots.



**BULL**

- ▶ Russian production should not exceed 5.4 million mt this season, down from 7.9 million mt last season, with prices expected to continue to increase.
- ▶ Vietnam's refined imports from Thailand were at 85k mt, higher than in July.
- ▶ India has still not announced the subsidy for 20/21 crop year.



**BEAR**

- ▶ India has extended the unused reallocated export quotas for the 19/20 season until December 2020.
- ▶ NNE Brazil production should hit around 3.2 million mt, up from 2.8 million mt last season.
- ▶ In CS Brazil the agricultural yields in August were better than expected, with increased cane crush to 605 million mt.

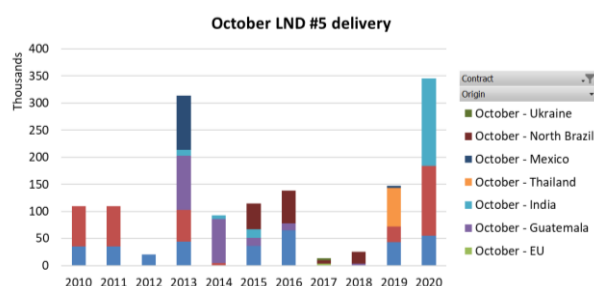




## London #5: October Contract Expiry

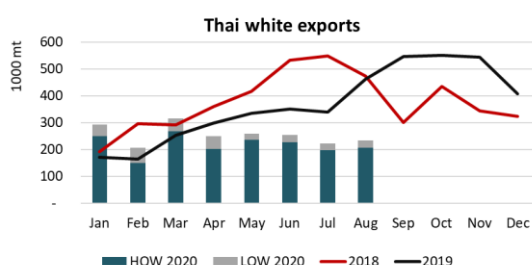
- ▶ October London contract went off board at \$350.80/mt and October/December spread last traded at \$2/mt carry.
- ▶ A total of 345k mt was delivered by 4 trading houses to one receiver – Wilmar.
- ▶ The delivery is a record in the past 10 years.
- ▶ The delivery breakdown is as following:

- India – 162k mt
- NNE Brazil – 128.4k mt
- CS Brazil – 55k mt



## Thailand: Exports Update

- ▶ In August Thailand exported 207k mt of refined sugar, up 20k mt from July and down 180k mt from last year.
- ▶ The main destinations were Vietnam, importing 85k mt, Philippines – 34k mt and Cambodia with 15k mt imports in August.
- ▶ Crystals exports stayed similar to the previous months at 27k mt.



## NNE Brazil: production update

	2H AUG	YTD			Var.
		2018/19	2019/20	2020/21	
Cane(kmt)		6,787	7,219	7,651	↑ 432
Sugar (kmt)		167	129	171	↑ 42
Total Ethanol		392	428	450	↑ 22
ATR (kg/t of cane)		124.71	120.00	124.31	↑ 4
Sugar mix (%)		20.77%	15.65%	18.84%	↑ 3.2%

- ▶ NNE Brazil mills crushed 7.7 million mt of cane by end of August, similar to a year earlier.
- ▶ ATR was better at 124 kg/mt – 4 kg/mt higher than last season.
- ▶ Sugar mix was at 19% so far, up from 16% last season.
- ▶ Sugar production reached 170k mt, up from 130k mt last year.
- ▶ Overall, production this season could reach 3.2 million mt.

## Russia: Production Update

	14-Sep	2019/20	2020/21	Var
Beet stored up		9,354	4,852	↓ - 4,502
Beet processed		8,314	4,339	↓ - 3,976
Beet in stocks		1,035	459	↓ - 576
Sugar produced		1,165	567	↓ - 598
Extr. rate		14.0	13.1	↓ - 1.0
Factories		65	56	↓ - 9

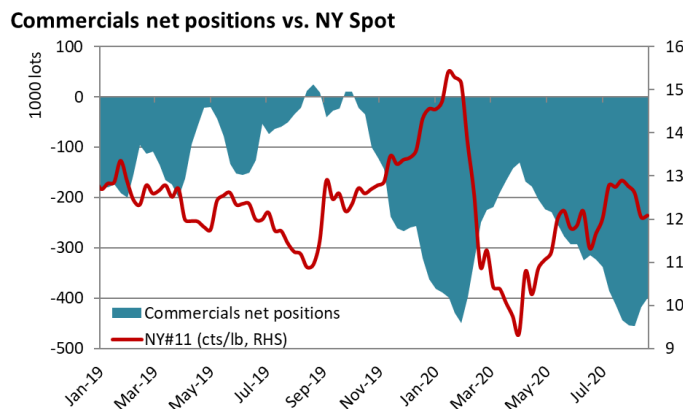
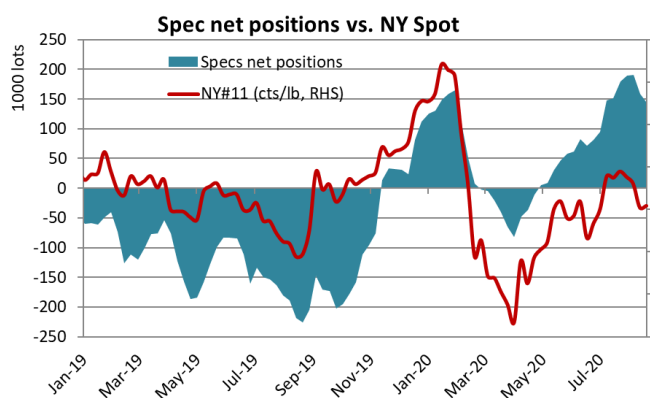
- ▶ By mid-September 56 factories were operating in Russia, down from 65 last season.
- ▶ Sugar beet processed was at 4.3 million mt, almost half of what was processed same time last year.
- ▶ Sugar production was at 570k mt, vs 1.2 million mt last season.
- ▶ Industrial yields were lower at 13.1% vs 14% same time last year.
- ▶ We expect production to reach 5.45 million mt, down from 7.9 last season.

# Sugar Weekly Report



## COT RECAP

Date	Spot Price	Specs net positions	Specs gross longs	Specs gross shorts	Index traders net positions	Commercials net positions	Commercials gross longs	Commercial gross shorts	OI
		(i)-(ii)	(i)	(ii)		(iii)-(iiii)	(iii)	(iiii)	
28-07-20	12.01	94,254	196,221	101,967	242,756	-337,009	438,262	775,271	1,127,746
04-08-20	12.78	148,308	225,715	77,407	236,696	-385,005	441,728	826,733	1,172,637
11-08-20	12.74	151,474	239,385	87,911	261,721	-413,194	430,804	843,998	1,186,459
18-08-20	12.89	179,251	263,543	84,292	265,006	-444,257	411,001	855,258	1,192,703
25-08-20	12.76	189,694	274,051	84,357	263,415	-453,109	416,849	869,958	1,234,789
01-09-20	12.6	190,949	280,188	89,239	263,560	-454,508	418,259	872,767	1,246,909
08-09-20	12.04	158,516	255,841	97,325	259,081	-417,597	430,632	848,229	1,219,343
15-09-20	12.08	143,840	246,338	102,498	255,048	-398,889	412,462	811,351	1,102,150
Lastet Change	0.04	-14,676	-9,503	5,173	-4,033	18,708	-18,170	-36,878	-117,193



## Wilmar Grower Marketing Team

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