

# Sugar Weekly Report

16 - 20 November 2020



20-Nov-20										
	20-Nov-20	13-Nov-20	20-Oct-20	Weekly Var.	Monthly Var.	20-Nov-20	13-Nov-20	20-Oct-20	Weekly Var.	Monthly Var.
NY #11	15.21	14.96	14.54	↑ 0.25	↑	USD Index	92.40	92.72	93.08	↓ -0.32
London #5	413.3	412.8	396.8	↑ 0.5	↑	USDBZL	5.38	5.46	5.61	↓ -0.08
NY#16	29.71	29.35	27.76	↑ 0.36	↑	USDINR	74.12	74.56	73.44	↓ -0.45
Front White Premium	78.0	83.0	76.2	↓ -5.0	↑	EURUSD	1.19	1.18	1.18	↑ 0.00

## Market Situation at a Glance

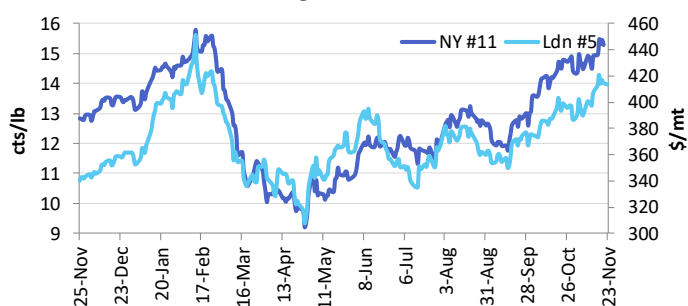
International Prices			
	20-Nov-20	13-Nov-20	Weekly Var.
<b>Sugar</b>			
NY #11	15.21	14.96	↑ 0.25 cts/lb
Front Spread	0.94	0.89	↑ 0.05 cts/lb
London #5	413.30	412.80	↑ 0.50 \$/mt
Front Spread	10.00	11.20	↓ -1.20 \$/mt
White Premium	77.98	82.99	↓ -5.01 \$/mt
<b>USD Index</b>	92.40	92.72	↓ -0.32
USDBZL	5.38	5.46	↓ -0.08 R\$/
USDINR	74.12	74.56	↓ -0.45 RUP/\$
RUBUSD	76.23	77.21	↓ -0.99 RUB/\$
EURUSD	1.19	1.18	↑ 0.00 \$/EUR
S&P500	3,558	3,585	↓ -27.61
DJ Industrial Avg	29,483	29,080	↑ 403.06
<b>Light Crude Oil</b>	42.2	40.1	↑ 2.03 \$/Barrel
Corn	422.8	409.3	↑ 13.50 cts/Bushel
Wheat	593.0	592.8	↑ 0.25 cts/Bushel
Coffee (Arabic)	115.1	109.1	↑ 6.00 cts/lb

## Domestic Markets

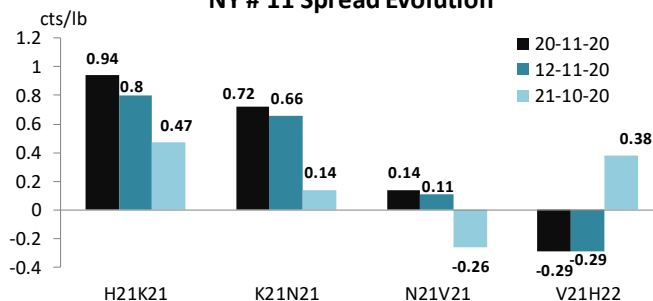
	20-Nov-20	13-Nov-20	Weekly Var.	Unit
<b>Brazil</b>				
NY Front Month in BZL	81.82	81.65	↑ 0.16	R\$ cts/lb
<b>Domestic:</b>				
Esalq Sugar (R\$)	108.07	105.14	↑ 2.93	R\$/50kg
Esalq Sugar (US\$)	20.09	19.26	↑ 0.83	cts/lb
Hydrous Ethanol (NY#11 equiv.)	11.82	11.59	↑ 0.23	cts/lb
Anhydrous Ethanol(NY#11 equiv.)	13.06	12.98	↑ 0.09	cts/lb
<b>Ethanol/Gasoline in S. Paolo</b>				
Ethanol	2,930	2,930	↑ 0.00	R\$/l
Gasoline	4,187	4,187	↑ 0.00	R\$/l
Ethanol/Gasoline Parity	70.0%	70.0%	↑ 0%	
Anhydrous from US Parity	-31.29	-36.54	↑ 5.25	USD/M3
Anhydrous to US Parity	-148.36	-142.52	↓ -5.84	USD/M3
<b>India</b>				
S-Grade (Kolhapur)*	31,025	31,025	↑ 0	RUP/mt
M-Grade (Kolkatta)*	34,380	34,380	↑ 0	RUP/mt

\* price does not include GST of 5%

## Sugar Market



## NY # 11 Spread Evolution

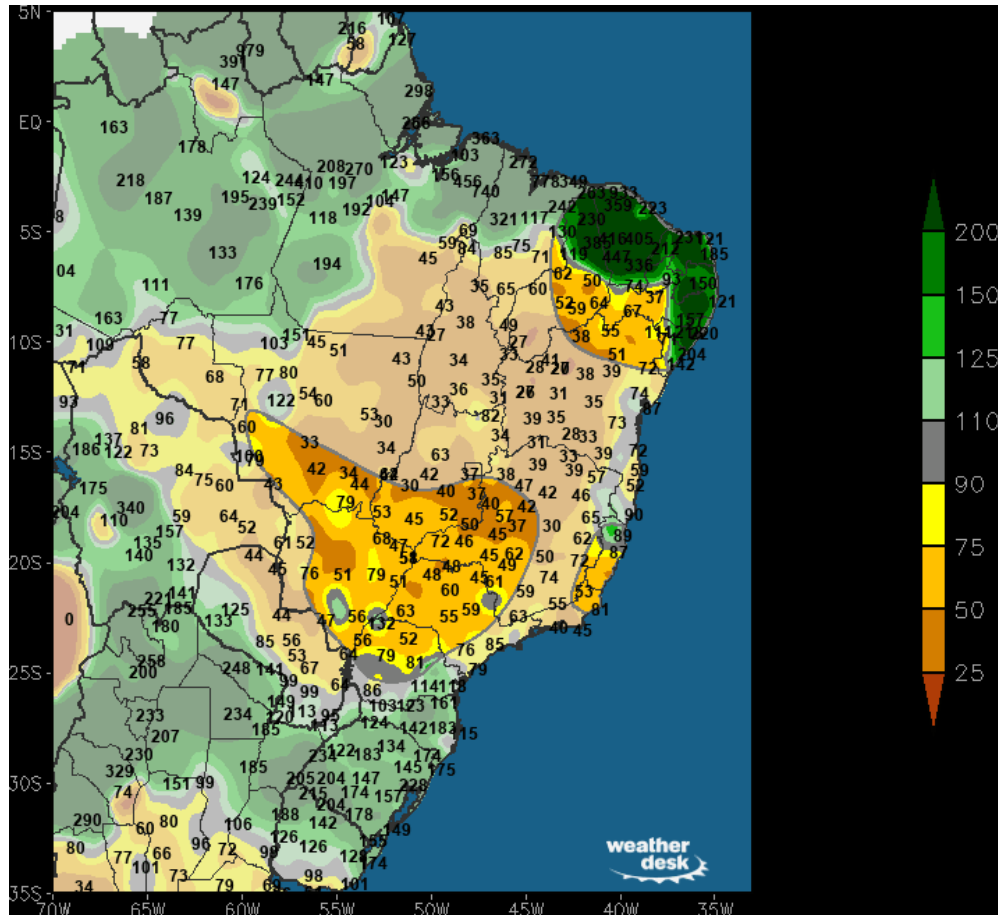


China				
	20-Nov-20	13-Nov	Weekly Var.	Unit
ZCE Front Month	5,047	5,144	↓ -97	RMB/mt
ZCE Front Spread	23	11	↑ 12	RMB/mt
Northern Spot Cash	Rizhao 5,470	5,470	↑ 0	RMB/mt
Southern Spot Cash	Liuzhou 5,340	5,340	↑ 0	RMB/mt
USA				
	20-Nov-20	13-Nov-20		
No #16	29.71	29.35	↑ 0.36	cts/lb
#16/11 Spread	14.50	14.39	↑ 0.11	cts/lb
EU				
EU 45s containers	40	40	↑ 0.0	\$/mt ov Ldn
Russia				
Price in Krasnodar	537	545	↓ -8.0	\$/m3

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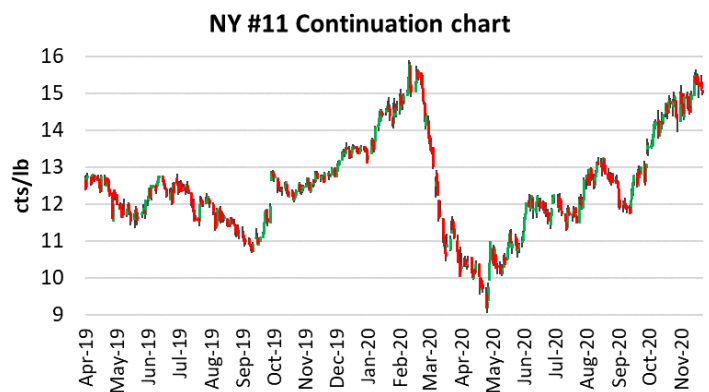
**Brazil rains 15 day forecast - % of normal rains**



# Sugar Weekly Report



- **NY Flat price:** Last week prices managed to break through 15 cts/lb with the March contract closing the week at 15.21 cts/lb.
- **NY spreads:** March/May spread closed Friday at 94 points inverse, up from 89 points inverse a week earlier.
- **London market:** March/March spread closed the week at \$78/mt, unchanged week on week. May/May spread closed Friday at \$88.3/mt, up from \$85.4/mt a week earlier.
- **COT report:** Specs are back to 258k lots of net-longs, up 14k lots week on week. Index funds positions barely changed from a week earlier – they hold 278k lots of net-longs. Commercials increased net-shorts by 15k lots to 535.4k lots.



**BULL**

- ▶ Central America has experienced two hurricanes in November and this could result in a delay of the crop. The Honduras crop has been the most affected and production is likely to decrease.
- ▶ The Indian Government is still yet to announce any export subsidies.



**BEAR**

- ▶ India is set for a record production with 1.4 million mt already produced by 1H Nov. This has occurred despite more rain than usual due to La Nina.
- ▶ There is a lot of pressure from the Indian sugar industry for the subsidy to be announced as crushing is in full swing.



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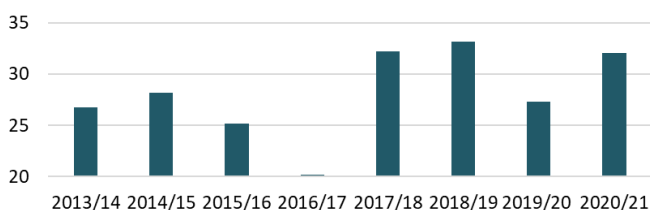


## Indian: Crushing Update

FH Nov	2018/19	2019/20	2020/21	Var
MH	631	-	565	↓ -631
UP	176	293	385	↑ 117
Ktaka	360	143	340	↓ -217
Gujarati	105	2	80	↓ -103
Tamil Nadu	60	25	40	↓ -35
AP & Telangana	-	-	-	→ 0
REST of INDIA	6	22	-	↑ 16
<b>Total India</b>	<b>1,338</b>	<b>485</b>	<b>1,410</b>	<b>↓ -853</b>
<b>#mills</b>	<b>310</b>	<b>127</b>	<b>274</b>	

- By 1H of November there were 274 mills crushing in India compared with 127 last season.
- Total sugar production reached ¼ million mt, 1 million mt up year on year and similar to 18/19 season, when total production was at 33 million mt.
- Maharashtra mills produced 600k mt of sugar despite a wetter than normal October the same time last year they were yet to start crushing.
- Uttar Pradesh mills produced almost 400k mt, well above the past 2 seasons.
- Karnataka mills produced 340k mt, up from 140k last season; rains should be above average in the next 14 days which may disrupt crushing.
- Tamil Nadu has started crushing, however for the next 15 days the weather forecast shows well above average rains are expected so crushing may be impacted.

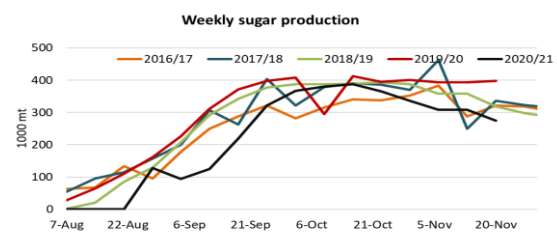
Indian sugar production



## Russian: Production Update

16-Nov	2019/20	2020/21	Var
Beet stored up	37,549	25,833	↓ - 11,716
Beet processed	31,459	23,058	↓ - 8,401
Beet in stocks	6,091	2,464	↓ - 3,627
<b>Sugar produced</b>	<b>4,773</b>	<b>3,618</b>	<b>↓ - 1,155</b>
Extr. rate	15.2	15.7	↑ 0.5
<b>Factories</b>	<b>69</b>	<b>50</b>	<b>↓ - 19</b>

- By mid-November sugar factories have processed 23 million mt of beets, down 8.4 million mt year on year; there were 50 factories operating vs 69 same time last season.
- Extraction rate is at a record of 15.7% vs 15.2% last season.
- Sugar production hit 3.6 million mt, still well below last year.



- By 23<sup>rd</sup> November, 99% of total acreage was harvested – 917.1k ha in total.
- Sugar beet output reached 33.3 million mt, vs 53 million mt last season.
- Beet yields were at 36.2 mt/ha well below last year's 47 mt/ha.

## Ukraine: Production Update

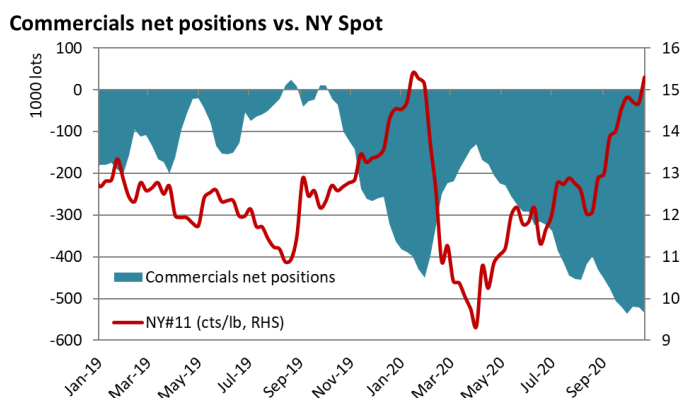
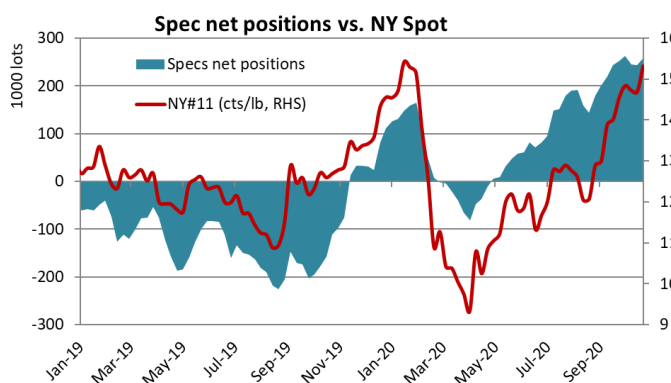
- By November 20 beet factories processed 5.74 million mt of beets and produced 760k mt of sugar.
- Extraction rate was at 13.2%, which is much lower than the 14.9% achieved last season.
- Total production should reach around 1.25 million mt, down from 1.48 million mt last year.

# 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)	
29-09-20	12.99	200,904	273,892	72,988	250,619	-451,523	362,773	814,296	1,100,779
06-10-20	13.88	219,813	300,678	80,865	257,340	-477,153	303,668	780,821	1,092,191
13-10-20	14.01	244,002	321,229	77,227	262,165	-506,167	311,626	817,793	1,131,557
20-10-20	14.54	251,975	334,580	82,605	267,851	-519,826	323,546	843,372	1,167,652
27-10-20	14.83	262,579	348,799	86,220	273,116	-535,695	330,455	866,150	1,206,727
03-11-20	14.72	245,373	329,976	84,603	273,561	-518,933	351,920	870,853	1,212,101
10-11-20	14.68	243,634	331,369	87,735	276,789	-520,423	354,907	875,330	1,234,601
17-11-20	15.31	257,286	343,640	86,354	278,092	-535,378	361,826	897,204	1,262,183
Lastet Change	0.63	13,652	12,271	-1,381	1,303	-14,955	6,919	21,874	27,582



## Wilmar Grower Marketing Team

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