

Sugar Weekly Report

29 March – 2 April 2021



6-Apr-21										
	1-Apr-21	26-Mar-21	1-Mar-21	Weekly Var.	Monthly Var.	1-Apr-21	26-Mar-21	1-Mar-21	Weekly Var.	Monthly Var.
NY #11	14.71	15.19	16.21	↓ -0.48	↓	USD Index	92.88	92.72	91.01	↑ 0.15
London #5	423.4	437.1	458.1	↓ -13.7	↓	USDBZL	5.71	5.76	5.64	↓ -0.05
NY#16	30.75	30.80	29.95	↓ -0.05	↑	USDINR	73.33	72.65	73.40	↑ 0.68
Front White Premium	99.1	102.2	100.7	↓ -3.1	↓	EURUSD	1.18	1.18	1.20	↓ -0.00

Market Situation at a Glance

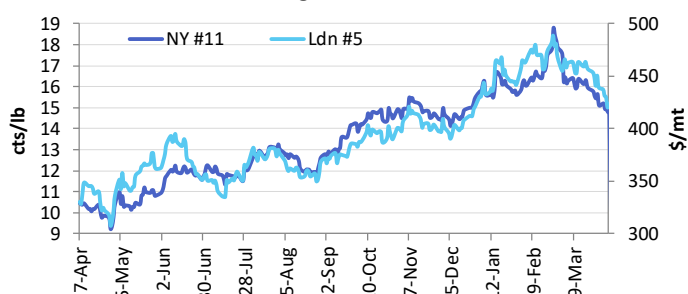
International Prices			
	1-Apr-21	26-Mar-21	Weekly Var.
Sugar			
NY #11	14.71	15.19	↓ -0.48 cts/lb
Front Spread	-0.01	0.17	↓ -0.18 cts/lb
London #5	423.4	437.1	↓ -13.70 \$/mt
Front Spread	4.7	8.5	↓ -3.80 \$/mt
White Premium	99.1	102.2	↓ -3.12 \$/mt
USD Index	92.88	92.72	↑ 0.15
USDBZL	5.71	5.76	↓ -0.05 R\$/
USDINR	73.33	72.65	↑ 0.68 RUP/\$
RUBUSD	76.28	75.75	↑ 0.52 RUB/\$
EURUSD	1.18	1.18	↓ -0.00 \$/EUR
S&P500	4,020	3,975	↑ 45.33
DJ Industrial Avg	32,982	32,619	↑ 362.07
Light Crude Oil	61.2	60.7	↑ 0.52 \$/Barrel
Corn	559.0	552.0	↑ 7.00 cts/Bushel
Wheat	608.3	615.0	↓ -6.75 cts/Bushel
Coffee (Arabic)	120.8	128.5	↓ -7.75 cts/lb

Domestic Markets

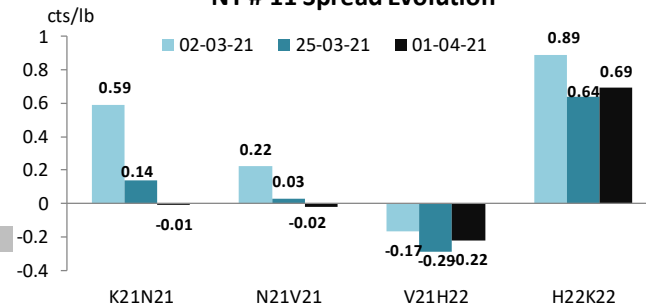
	1-Apr-21	26-Mar-21	Weekly Var.	Unit
Brazil				
NY Front Month in BZL	83.97	87.44	↓ -3.47	R\$ cts/lb
Domestic:				
Esalq Sugar (R\$)	104.75	108.19	↓ -3.44	R\$/50kg
Esalq Sugar (US\$)	18.35	18.79	↓ -0.44	cts/lb
Hydrous Ethanol (NY#11 equiv.)	12.32	12.18	↑ 0.14	cts/lb
Anhydrous Ethanol(NY#11 equiv.)	12.82	12.64	↑ 0.17	cts/lb
Ethanol/Gasoline in S. Paolo				
Ethanol	3,658	3,852	↓ -194.00	R\$/l
Gasoline	5,237	5,308	↓ -71.00	R\$/l
Ethanol/Gasoline Parity	69.8%	72.6%	↓ -3%	
Anhydrous from US Parity	-254.21	-260.50	↑ 6.29	USD/M3
India				
S-Grade (Kolhapur)*	30,682	30,600	↑ 82	RUP/mt
M-Grade (Kolkatta)*	33,810	34,000	↓ -190	RUP/mt

* price does not include GST of 5%

Sugar Market



NY # 11 Spread Evolution



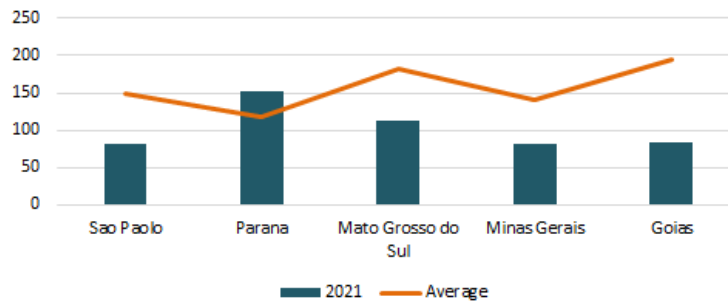
China	1-Apr-21	26-Mar-21	Weekly Var.	Unit
ZCE Front Month	5,255	5,283	↓ -28	RMB/mt
ZCE Front Spread	30	43	↓ -13	RMB/mt
Northern Spot Cash	Rizhao 5,395	5,445	↓ -50	RMB/mt
Southern Spot Cash	Liuzhou 5,340	5,360	↓ -20	RMB/mt
USA	1-Apr-21	26-Mar-21		
No #16	30.75	30.80	↓ -0.05	cts/lb
#16/11 Spread	16.04	15.61	↑ 0.43	cts/lb
EU				
EU 45s containers	50	50	↑ 0.0	\$/mt ov Ldn
Russia				
Price in Krasnodar	600	594	↑ 6.2	\$/m3

Sugar Weekly Report

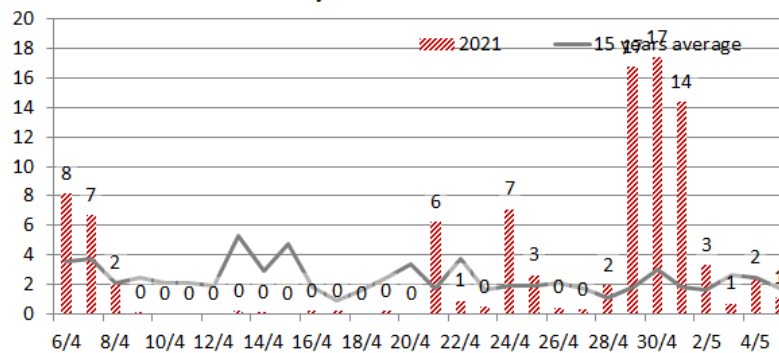


CS Brazil Rain:

March rains in CS Brazil



30 days rainfall forecast - CS



Sugar Weekly Report



- **NY Flat price:** Prices continued to fall last week; May contract closed at 14.71 cts/lb, down from 15.19 cts/lb a week earlier.
- **NY spread:** Market structure in NY weakened as well last week; May/July closed at 1 points carry, July/Oct weakened to 2 points carry (from 5 points inverse a week ago), finally Oct/March closed the week at 22 points carry, down from 25 points carry one week earlier.
- **London market:** May/May white premium closed the week at \$99.1/mt, down \$3/mt week on week.
- **COT report 24/03/2021:** Specs reduced their net-longs to 153k lots, down 16k lots week on week. Commercials net-short positions were cut by 26k lots. Finally, Index funds positions sold 10k lots and now hold 236k lots of net-longs.



BULL

- ▶ Ethanol import parity in Brazil is extremely negative, while NNE Brazil is a natural importer of US ethanol – this would mean more domestic transfers and no imports in the coming weeks.
- ▶ Planting in Russia has started around 2 weeks later than normal, which will mean the beets have less time to develop.
- ▶ March rain was below normal in CS Brazil; 1H April is also expected to be drier than normal.

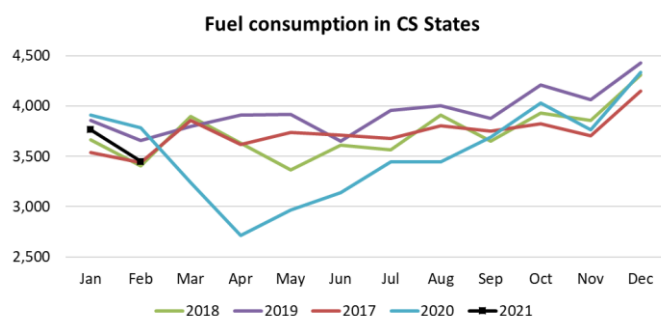


BEAR

- ▶ In Thailand rains are forecasted to be good during April – which is beneficial for the cane in 21/22 season; the crop might reach 9.5-10 million mt.
- ▶ Total fuel consumption and ethanol demand is going to be largely affected by the lockdowns in Brazil during March; in CS Brazil in February fuel demand was 8% down year on year – lower than expected.



CS Brazil: Fuel Consumption Update

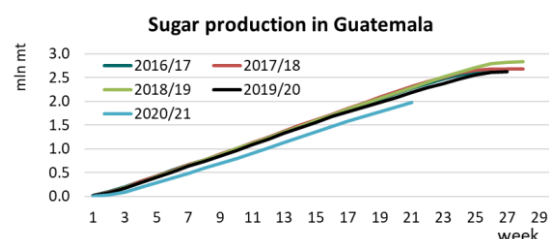


- ▶ ANP released February data for fuel consumption – in CS Brazil demand dropped 9% year on year.
- ▶ It was at 3.5 million m³ vs 3.8 million m³ last season.
- ▶ Cumulative fuel demand since January 2021 was 6% behind last year.
- ▶ On the hydrous side, sales stood at 1.49 million m³ (for fuel consumption only), down from 1.61 million m³ last season, the percentage use of hydrous in fuels remained the same as last year.

Guatemala: Production Update

	2019/20	2020/21	Var.
Cane(mt)	21,709,850	20,284,330	↓ - 1,425,520
Sugar(mt)	2,182,682	1,976,900	↓ - 205,782
Raw	647,993	562,914	↓ - 85,079
White	1,534,689	1,413,986	↓ - 120,703
Extraction rate	10.05%	9.75%	↓ - 0.3%
Raws share	29.7%	28.5%	

- ▶ By 28 March Guatemala crushed 20.3 million mt of cane, down 1.4 million mt year on year.
- ▶ Sugar production stood at almost 2 million mt, 200k mt down year on year, - the lowest production in the past 5 years at least.
- ▶ Mills produced 560k mt of raws, down 85k mt year on year and 1.4 million mt of whites – down 120k mt year on year.
- ▶ Overall, production is likely to remain around 200k mt down year on year – i.e. 2.42 million mt vs 2.62 million mt last season.



Russia: Sowing Started

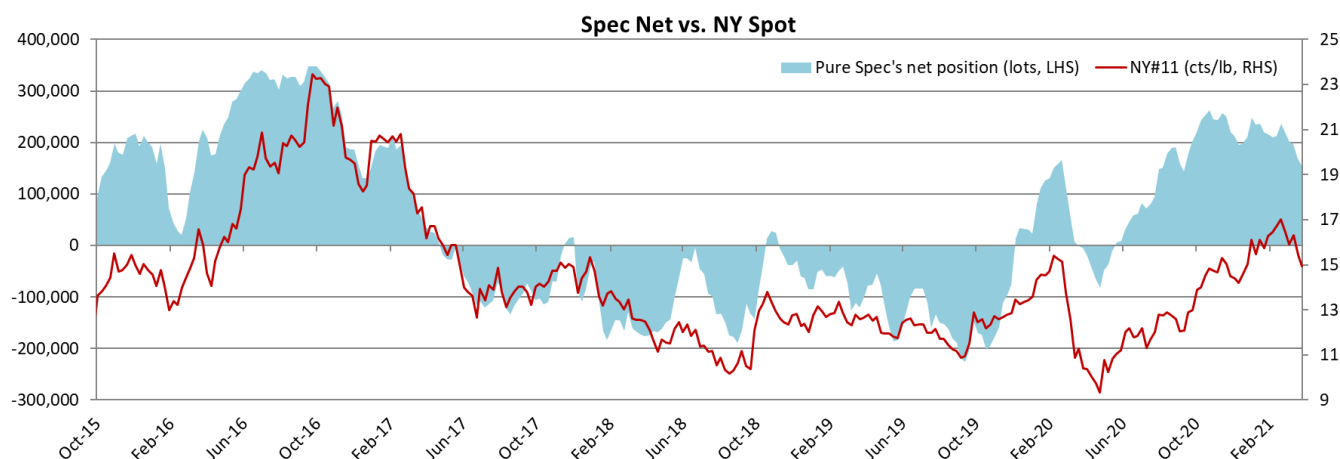
- ▶ In March the fuel demand was largely affected by lockdowns across the country, so the demand would be still low; we forecast March hydrous consumption in fuels to be even lower than in March 2020.
- ▶ Hydrous ending stocks on March 31 would be similar as last season – slightly above 1 million m³.
- ▶ In the Southern region of Russia the planting of sugar beets started around a week ago, which is around 2 weeks later than normal.
- ▶ The planted area is expected to reach around 1 million ha this season, which is up from 940k ha last season.
- ▶ With average agricultural yields of around 40 mt/ha, production could reach 6.3 million mt in 21/22 season (including sugar production from molasses).

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)	
09-02-21	16.44	209,284	304,849	95,565	259,286	-468,569	469,120	937,689	1,355,888
16-02-21	16.73	212,075	306,098	94,023	266,684	-478,759	431,092	909,851	1,273,244
23-02-21	18.41	236,589	313,957	77,368	256,724	-493,313	389,177	882,490	1,250,897
02-03-21	16.43	219,720	297,706	77,986	252,714	-472,433	351,564	823,997	1,187,494
09-03-21	15.9	200,673	289,376	88,703	245,156	-445,828	372,188	818,016	1,205,721
16-03-21	16.3	197,116	290,041	92,925	244,599	-441,715	378,886	820,601	1,217,394
23-03-21	15.43	169,124	268,671	99,547	246,338	-415,462	389,272	804,734	1,211,200
30-03-21	14.92	152,783	253,690	100,907	236,591	-389,374	406,092	795,466	1,210,526
Lastet Change	-0.51	-16,341	-14,981	1,360	-9,747	26,088	16,820	-9,268	-674



Wilmar Grower Marketing Team

PJ Gileppa 0437 297 978
Yolanda Hansen 0439 002 240
Shirley Norris 0437 803 019

Franco Zaini 0419 476 770
Angus McKerrow 0419 238 536
Menno Bokma 0437 669 118

IMPORTANT NOTICE

This report is compiled or derived from data and reports received by Wilmar Sugar Australia from a multitude of sources. While the data and reports reproduced above are prepared in good faith and with due care, Wilmar Sugar Australia is not in a position to verify all data or reports it receives. No responsibility is therefore accepted by Wilmar Sugar Australia for any inaccuracies or errors in this Report. Nor does Wilmar Sugar Australia purport or intend in this report to give to recipients any financial or commodity trading or recommendations.

Information in this report may contain projections and forward looking statements that reflect Wilmar and Wilmar Sugar Australia's current views with respect to future events and financial performance. These views are based on current assumptions which are subject to various risks and which may change over time. No assurance can be given that future events will occur, that projections will be achieved, or that Wilmar and Wilmar Sugar Australia's assumptions are correct. Actual results may differ materially from those projected.

This report does not constitute or form part of any opinion on any advice to sell, or any solicitation of any offer to purchase or subscribe for, any shares nor shall it or any part of it nor the fact of its report form the basis of, or be relied upon in connection with, any contract or investment decision.