

Sugar Weekly Report

19 - 23 July 2021



26-Jul-21										
	23-Jul-21	16-Jul-21	23-Jun-21	Weekly Var.	Monthly Var.	23-Jul-21	16-Jul-21	23-Jun-21	Weekly Var.	Monthly Var.
NY #11	18.17	17.71	16.69	↑ 0.46	↑ 0.46	USD Index	92.91	92.71	91.79	↑ 0.19
London #5	457.7	443.7	423.6	↑ 14.0	↑ 14.0	USDBZL	5.20	5.12	4.97	↑ 0.09
NY#16	36.80	36.25	32.90	↑ 0.55	↑ 0.55	USDINR	74.43	74.61	74.14	↓ -0.18
Front White Premium	57.1	53.3	55.6	↑ 3.9	↑ 3.9	EURUSD	1.18	1.18	1.19	↓ -0.00

Market Situation at a Glance

International Prices			
	23-Jul-21	16-Jul-21	Weekly Var.
Sugar			
NY #11	18.17	17.71	↑ 0.46 cts/lb
Front Spread	-0.42	-0.39	↓ -0.03 cts/lb
London #5	457.7	443.7	↑ 14.00 \$/mt
Front Spread	-14.1	-7.5	↓ -6.60 \$/mt
White Premium	57.1	53.3	↑ 3.86 \$/mt
USD Index	92.91	92.71	↑ 0.19
USDBZL	5.20	5.12	↑ 0.09 R\$/
USDINR	74.43	74.61	↓ -0.18 RUP/\$
RUBUSD	73.81	74.01	↓ -0.19 RUB/\$
EURUSD	1.18	1.18	↓ -0.00 \$/EUR
S&P500	4,412	4,327	↑ 84.63
DJ Industrial Avg	34,823	34,987	↓ -163.67
Light Crude Oil	72.2	71.5	↑ 0.72 \$/Barrel
Corn	547.0	554.5	↓ -7.50 cts/Bushel
Wheat	679.0	693.8	↓ -14.75 cts/Bushel
Coffee (Arabic)	191.8	161.2	↑ 30.55 cts/lb

Domestic Markets

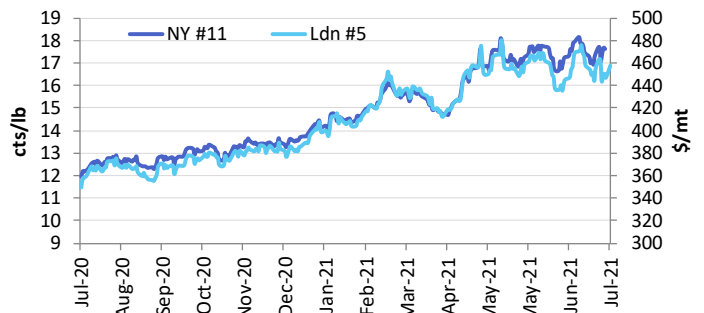
	23-Jul-21	16-Jul-21	Weekly Var.	Unit
Brazil				
NY Front Month in BZL	94.49	90.59	↑ 3.91	R\$ cts/lb
Domestic:				
Esalq Sugar (R\$)	116.96	114.71	↑ 2.25	R\$/50kg
Esalq Sugar (US\$)	22.49	22.43	↑ 0.06	cts/lb
Hydrous Ethanol (NY#11 equiv.)	16.81	17.35	↓ -0.54	cts/lb
Anhydrous Ethanol(NY#11 equiv.)	18.62	18.85	↓ -0.23	cts/lb

	23-Jul-21	16-Jul-21	Weekly Var.	Unit
Ethanol/Gasoline in S. Paolo				
Ethanol	4,125	4,097	↑ 28.00	R\$/l
Gasoline	5,504	5,482	↑ 22.00	R\$/l
Ethanol/Gasoline Parity	74.9%	74.7%	↑ 0%	
Anhydrous from US Parity	-169.17	-167.79	↓ -1.38	USD/M3

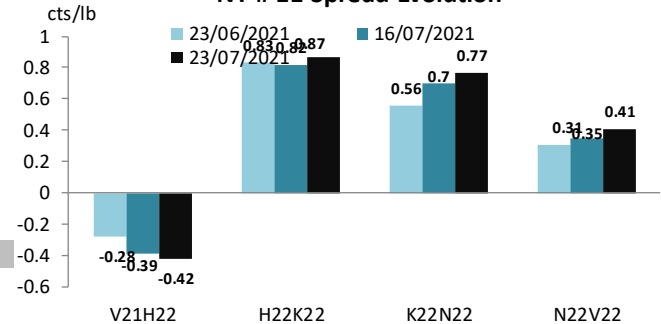
	23-Jul-21	16-Jul-21	Weekly Var.	Unit
India				
S-Grade (Kolhapur)*	30,670	30,722	↓ -52	RUP/mt
M-Grade (Kolkatta)*	34,285	34,476	↓ -191	RUP/mt

* price does not include GST of 5%

Sugar Market



NY # 11 Spread Evolution



	23-Jul-21	16-Jul	Weekly Var.	Unit
China				
ZCE Front Month	5,599	5,514	↑ 85	RMB/mt
ZCE Front Spread	39	38	↑ 1	RMB/mt
Northern Spot Cash Rizhao	5,710	5,635	↑ 75	RMB/mt
Southern Spot Cash Liuzhou	5,600	5,560	↑ 40	RMB/mt

	23-Jul-21	16-Jul-21	Weekly Var.	Unit
USA				
No #16	36.80	36.25	↑ 0.55	cts/lb
#16/11 Spread	18.63	18.54	↑ 0.09	cts/lb

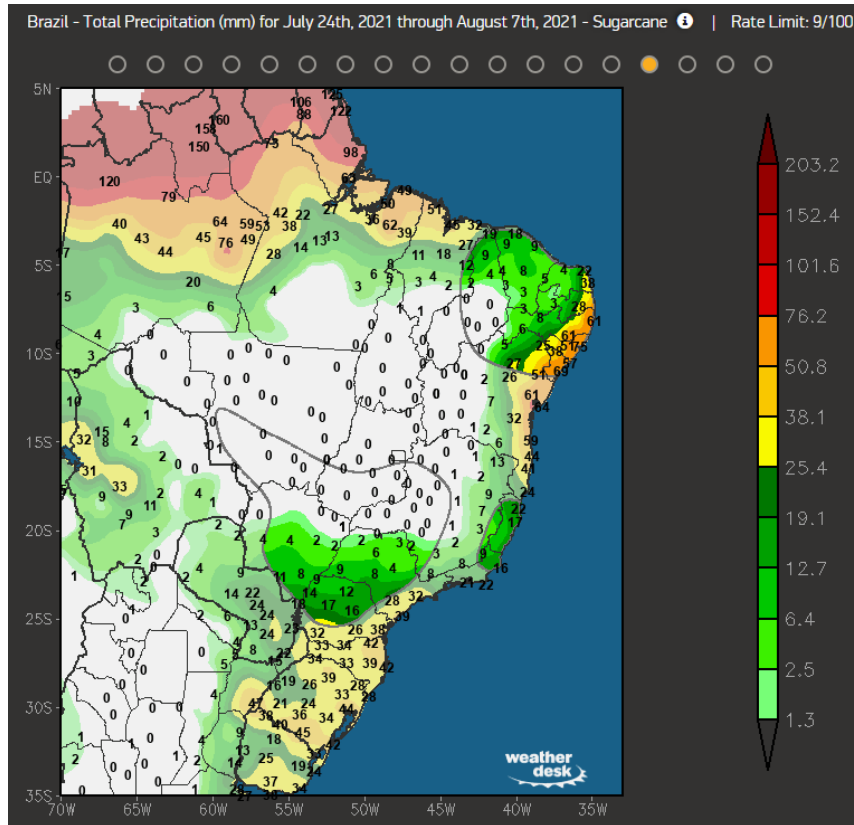
	23-Jul-21	16-Jul-21	Weekly Var.	Unit
EU				
EU 45s containers	45	45	↑ 0.0	\$/mt ov Ldn

	23-Jul-21	16-Jul-21	Weekly Var.	Unit
Russia				
Price in Krasnodar	560	570	↓ -10.0	\$/m3

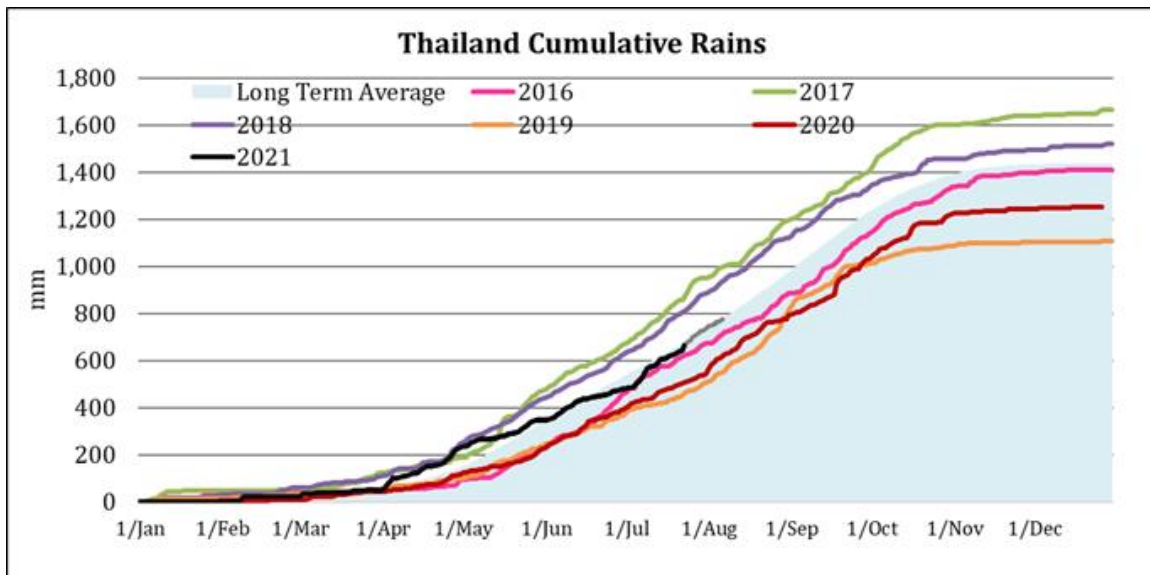
Sugar Weekly Report



CS Brazil rain:



Thai Rain:



Sugar Weekly Report



- NY Flat Price:** NY#11 sugar market continued to consolidate early last week. On Friday the market made a 52 point breakthrough, due to another wave of frost warning in CS Brazil. NY Coffee market reacted more intensively to the frost news and was up 18% over the last week.
- NY Spread:** Unlike the strong flat price performance, NY nearby spread remain relatively weak. Nearby October/March spread closed at 43 points carry, which is a drop of 6 points week on week.
- London Market:** London white sugar market is also weaker than NY#11 raws market. Most active October contract drops from 460 USD/mt to 455 USD/mt, losing 5 USD/mt week on week. October/October white premium has further weakened to 57 USD/mt, which is the lowest level over the past year.
- COT Report (20/07/2021):** Speculation community slightly increased their net long position from 193.5k lots to 198k lots. Index traders have liquidated 6k of net long position and increase 2k of net short position. Not much position change for commercial positions.



BULL

- CS Brazil experienced a 2nd wave of cold fronts over the weekend, with potentially another one to come at end of this month. We are currently foreseeing a possibility for CS Brazil to produce 510 million mt or less of cane this season, down from the 530 million mt previously expected. The effect of the drought and frosts on cane replanting will also affect the 22/23 sugar production.**

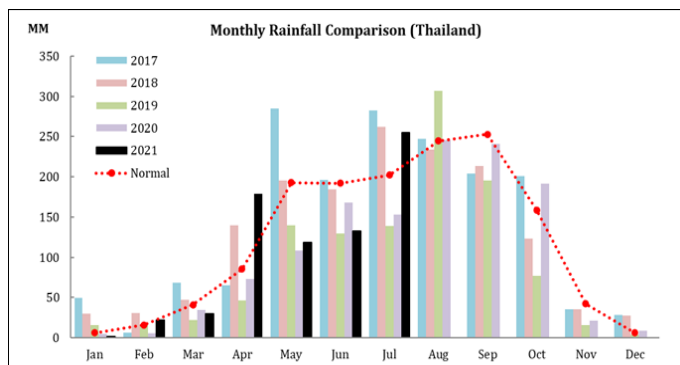


BEAR

- ISMA is expecting India to export 7 million mt of white sugar by end of September. India starts with 10.70 million mt opening stock in 20/21, with domestic sugar production expected to be 30.90 million mt. Estimated domestic sales of 26 million mt and exports of around 7 million mt sugar during current season.**

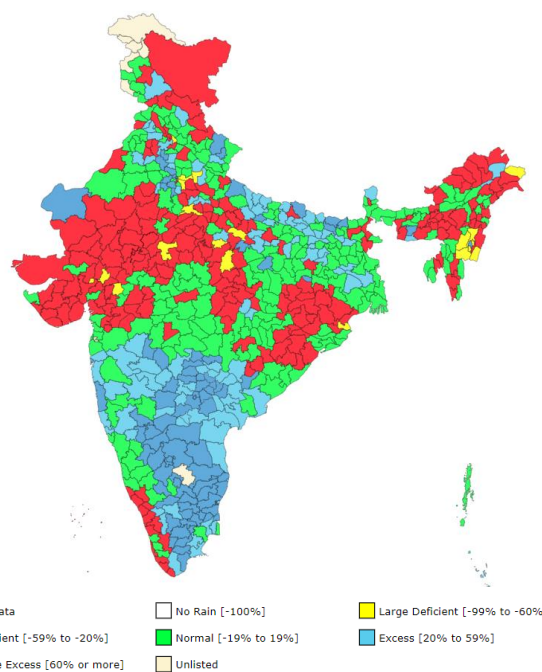


Thailand: Rainfall Update



- ▶ Rainfall in Thailand sugarcane area have been good during last week. 55 mm rainfall was being received.
- ▶ Unlike poor rainfall in May/June 21, Thailand rainfall in July 21 has been abundant.
- ▶ We expect Thailand sugarcane area to receive more than 250 mm rainfall in July 21, which is close to July 17 (282 mm) and July 18 (262 mm). Cumulative rainfall continues to be in line with the long term average volume.

India: Monsoon Update

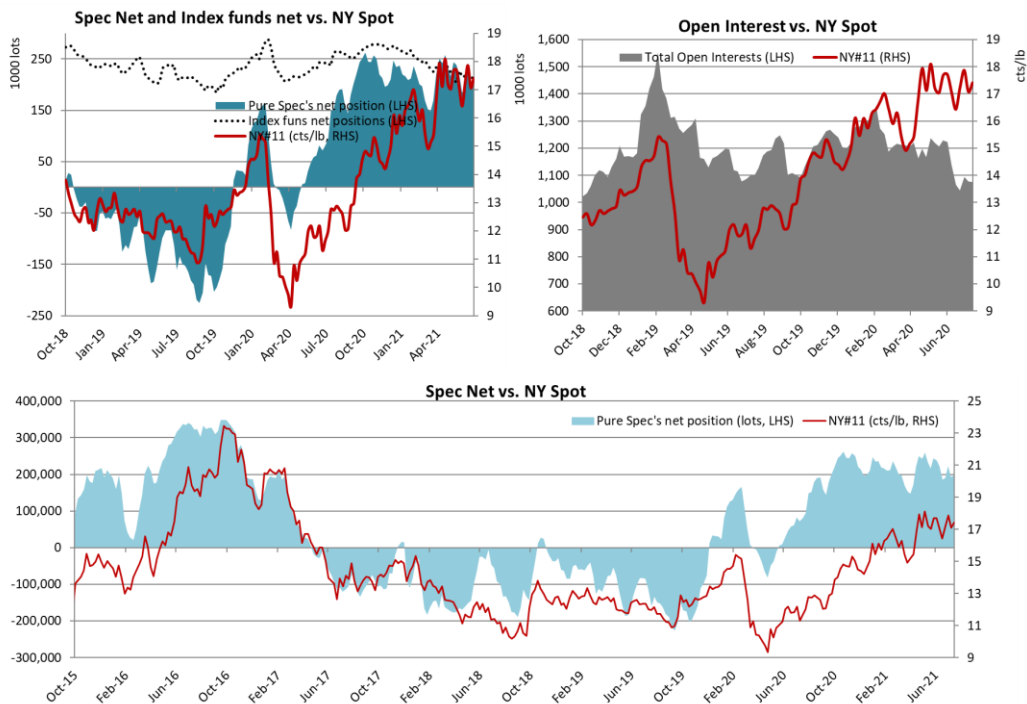


- ▶ India's monsoon has in general been positive for sugarcane growing areas. In the major sugarcane areas of Maharashtra and Karnataka, cumulative rainfall has been between 10-20% more than normal vs historical average. When combined with the sugarcane area expansion in Maharashtra, it is quite optimistic at current stage for 21/22 Indian domestic sugar production outlook.



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)	
01/06/2021	17.69	244,102	318,540	74,438	214,534	-458,636	357,152	815,788	1,227,921
08/06/2021	17.71	237,946	314,595	76,649	203,413	-441,359	359,504	800,863	1,223,131
15/06/2021	17.05	220,220	301,921	81,701	226,338	-446,558	328,067	774,625	1,139,139
22/06/2021	16.43	184,912	272,686	87,774	215,165	-400,077	306,823	706,900	1,065,849
29/06/2021	17.23	190,419	271,458	81,039	217,145	-407,564	285,426	692,990	1,045,294
06/07/2021	17.87	222,875	293,218	70,343	222,845	-445,719	289,664	735,383	1,093,942
13/07/2021	17.08	193,554	274,916	81,362	216,505	-410,059	302,119	712,178	1,077,341
20/07/2021	17.41	197,918	276,231	78,313	210,286	-408,204	303,719	711,923	1,075,686
Lastet Change	0.33	4,364	1,315	-3,049	-6,219	1,855	1,600	-255	-1,655



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