

Sugar Weekly Report

2 - 6 August 2021



9-Aug-21											
	6-Aug-21	30-Jul-21	7-Jul-21	Weekly Var.	Monthly Var.		6-Aug-21	30-Jul-21	7-Jul-21	Weekly Var.	Monthly Var.
NY #11	18.68	17.91	17.75	⬆️ 0.77	⬆️	USD Index	92.78	92.09	92.70	⬆️ 0.69	⬆️ 0.08
London #5	459.6	445.7	438.7	⬆️ 13.9	⬆️	USDBZL	5.23	5.21	5.23	⬆️ 0.02	⬆️ -0.00
NY#16	37.00	37.00	34.40	⬆️ 0.00	⬆️	USDINR	74.24	74.34	74.81	⬆️ -0.10	⬆️ -0.57
Front White Premium	47.8	50.9	47.4	⬆️ -3.1	⬆️	EURUSD	1.18	1.19	1.18	⬆️ -0.01	⬆️ -0.00

Market Situation at a Glance

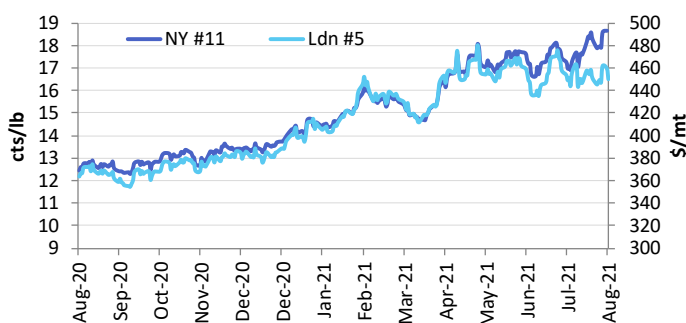
International Prices			
	6-Aug-21	30-Jul-21	Weekly Var.
Sugar			
NY #11	18.68	17.91	↑ 0.77 cts/lb
Front Spread	-0.55	-0.52	↓ -0.03 cts/lb
London #5	459.6	445.7	↑ 13.90 \$/mt
Front Spread	-18.1	-19.1	↑ 1.00 \$/mt
White Premium	47.8	50.9	↓ -3.08 \$/mt
USD Index	92.78	92.09	↑ 0.69
USDBZL	5.23	5.21	↑ 0.02 R\$/
USDINR	74.24	74.34	↓ -0.10 RUP/\$
RUBUSD	73.52	73.09	↑ 0.42 RUB/\$
EURUSD	1.18	1.19	↓ -0.01 \$/EUR
S&P500	4,437	4,395	↑ 41.26
DJ Industrial Avg	35,064	35,085	↓ -20.28
Light Crude Oil	67.8	73.8	↓ -5.98 \$/Barrel
Corn	555.3	546.8	↑ 8.50 cts/Bushel
Wheat	720.8	703.5	↑ 17.25 cts/Bushel
Coffee (Arabic)	176.0	180.4	↓ -4.40 cts/lb

Domestic Markets

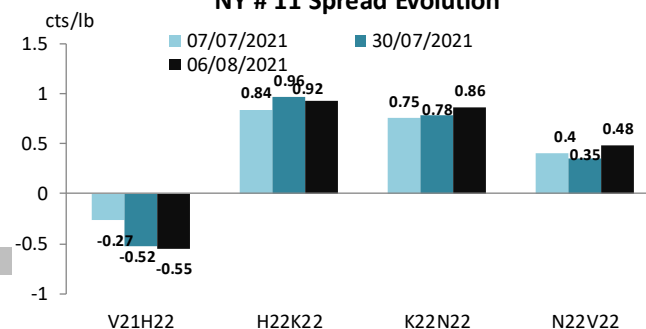
	6-Aug-21	30-Jul-21	Weekly Var.	Unit
Brazil				
NY Front Month in BZL	97.71	93.36	↑ 4.35	R\$ cts/lb
Domestic:				
Esalq Sugar (R\$)	120.57	117.99	↑ 2.58	R\$/50kg
Esalq Sugar (US\$)	23.05	22.63	↑ 0.42	cts/lb
Hydrous Ethanol (NY#11 equiv.)	17.34	17.06	↑ 0.28	cts/lb
Anhydrous Ethanol(NY#11 equiv.)	18.85	18.72	↑ 0.12	cts/lb
Ethanol/Gasoline in S. Paolo	6-Aug-21	30-Jul-21	Weekly Var.	Unit
Ethanol	4,116	4,099	↑ 17.00	R\$/l
Gasoline	5,498	5,487	↑ 11.00	R\$/l
Ethanol/Gasoline Parity	74.9%	74.7%	↑ 0%	
Anhydrous from US Parity	-155.23	-169.81	↑ 14.58	USD/M3
India	6-Aug-21	30-Jul-21	Weekly Var.	Unit
S-Grade (Kolhapur)*	31,200	31,150	↑ 50	RUP/mt
M-Grade (Kolkatta)*	35,230	34,380	↑ 850	RUP/mt

* price does not include GST of 5%

Sugar Market



NY # 11 Spread Evolution

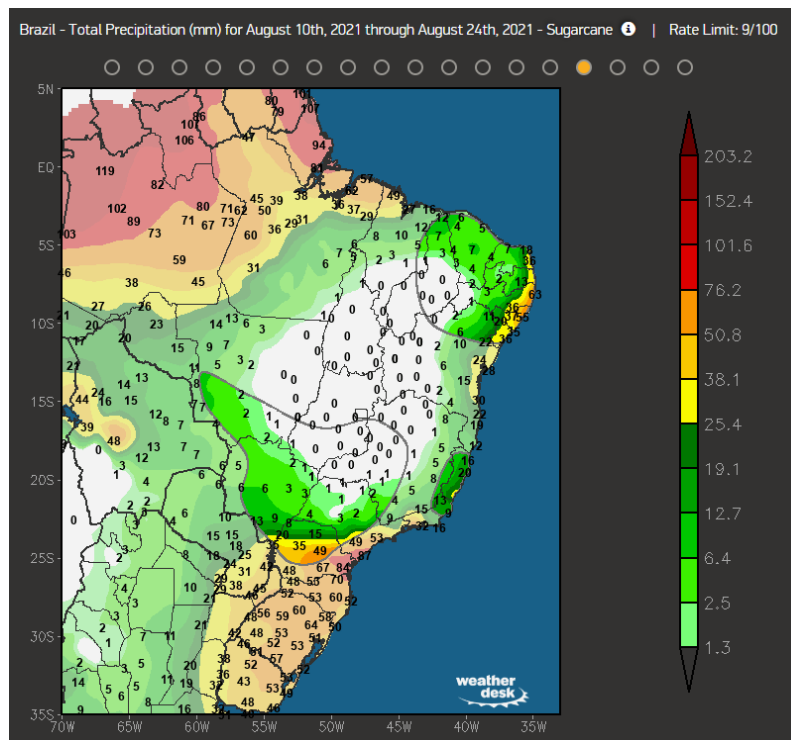


China				
	6-Aug-21	30-Jul	Weekly Var.	Unit
ZCE Front Month	5,645	5,627	↑ 18	RMB/mt
ZCE Front Spread	37	38	↓ -1	RMB/mt
Northern Spot Cash	Rizhao 5,775	5,715	↑ 60	RMB/mt
Southern Spot Cash	Liuzhou 5,620	5,640	↓ -20	RMB/mt
USA				
	6-Aug-21	30-Jul-21		
No #16	37.00	37.00	↑ 0.00	cts/lb
#16/11 Spread	18.32	19.09	↓ -0.77	cts/lb
EU				
EU 45s containers	45	45	↑ 0.0	\$/mt ov Ldn
Russia				
Price in Krasnodar	580	580	↑ 0.0	\$/m3

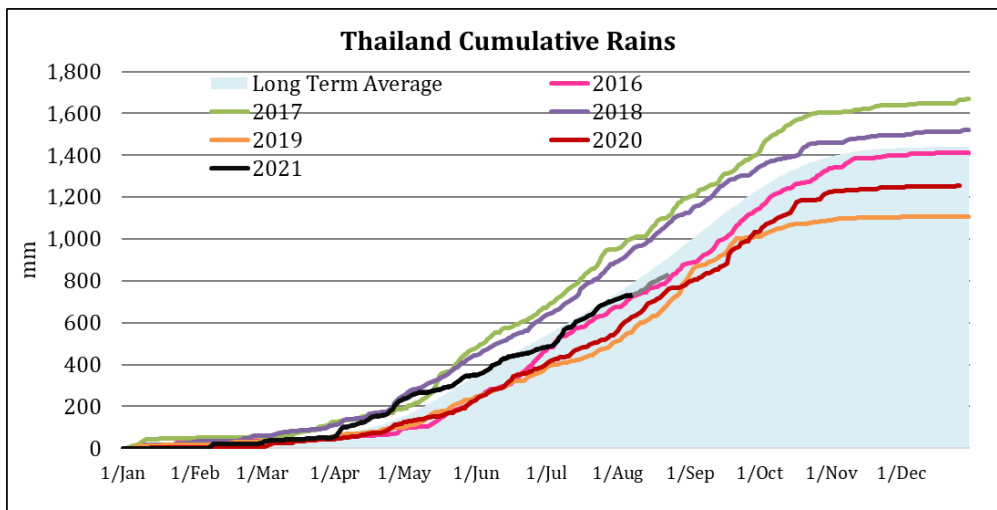
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CS Brazil rain:



Thai Rain:



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- **NY Flat Price:** NY#11 sugar market regained its' upwards momentum after a short period of consolidation early last week. NY#11 October21 contract open at 17.86 cts/lb and closed at 18.68 cts/lb, up 82 points week on week. There was a 3rd wave of frost hitting CS Brazil sugarcane area early last week. Mills are currently assessing the magnitude of the cane damage, but industry have generally revised down sugarcane availability and sugar production outlook.



- **NY Spread:** Unlike strong flat price performance, NY#11 spread continue to move divergently. Nearby October/March spread has further weakened from -50 points to -55 points carry.
- **London Market:** London whites market continue to be weaker than NY#11 raws market. London#5 October contract open at 446 USD/mt and closed at 465 USD/mt. October/October white premium drops from 50 USD/mt to 48 USD/mt. On Monday, it further declined to 42 USD/mt.
- **COT Report (03/08/2021):** Specs community slightly increased their net long position from 225k lots to 227k lots, week on week up 2k lots. Large specs increased net long position by +7k lots, while discretionary funds reduced net long position by -6k lots. Commercials net positions is almost unchanged.



BULL

- CS Brazil experienced 3rd wave of cold fronts at end of July. We are currently foreseeing a high possibility for CS Brazil to produce 490-500 million mt cane this season. The effect of prolonged drought and frosts on cane will largely impact sugarcane replanting and CS Brazil 22/23 production outlook.



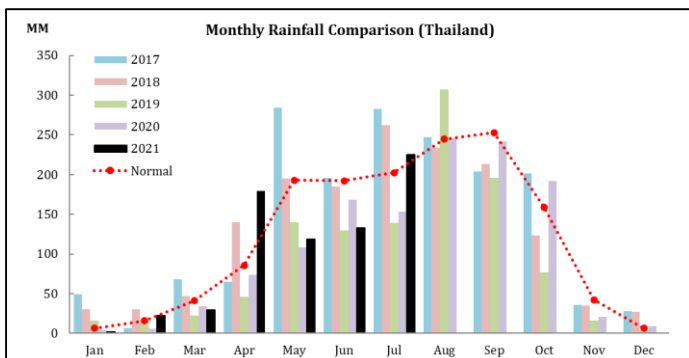
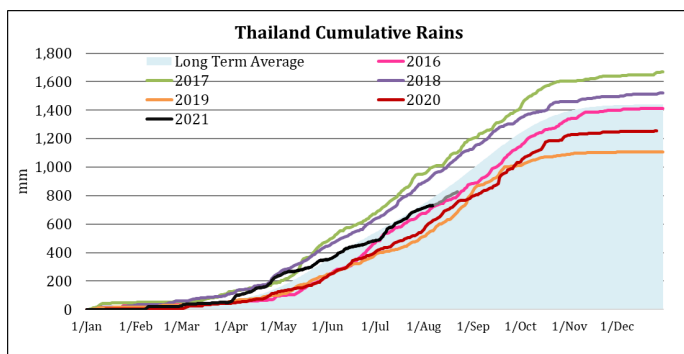
BEAR

- Thailand Sugar Mill Association (TSMC) is currently forecasting 2021/22 cane output at 90 million mt as the higher cane price is encouraging farmers to plant more cane and to invest in field maintenance.

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Thailand: Weather Update



- ▶ 1st week of August, saw disappointing rainfall in Thailand again. Merely 15 mm rainfall has been received.
- ▶ The weather forecast is now showing 90 mm rainfall in next two weeks, which is below long

term average volume of 120 mm for the middle of August.

- ▶ Cumulative rainfall over Thailand sugarcane area is now below long term average volume.

UNICA: 2H July Update

Produtos	Centro-Sul		
	2020/2021	2021/2022	Var. (%)
Cana-de-açúcar ¹	50.841	46.690	↓ -8,16%
Açúcar ¹	3.440	3.034	↓ -11,81%
Etanol anidro ²	740	970	↑ 31,01%
Etanol hidratado ²	1.677	1.308	↓ -21,98%
Etanol total ²	2.417	2.278	↓ -5,75%
ATR ¹	7.532	6.857	↓ -8,96%
ATR/ tonelada de cana ³	148,15	146,86	↓ -0,87%
Mix (%)			
açúcar	47,93%	46,43%	↓
etanol	52,07%	53,57%	↑
Litros etanol/ tonelada de cana	45,41	46,06	↑ 1,45%
Kg açúcar/ tonelada de cana	67,66	64,97	↓ -3,97%

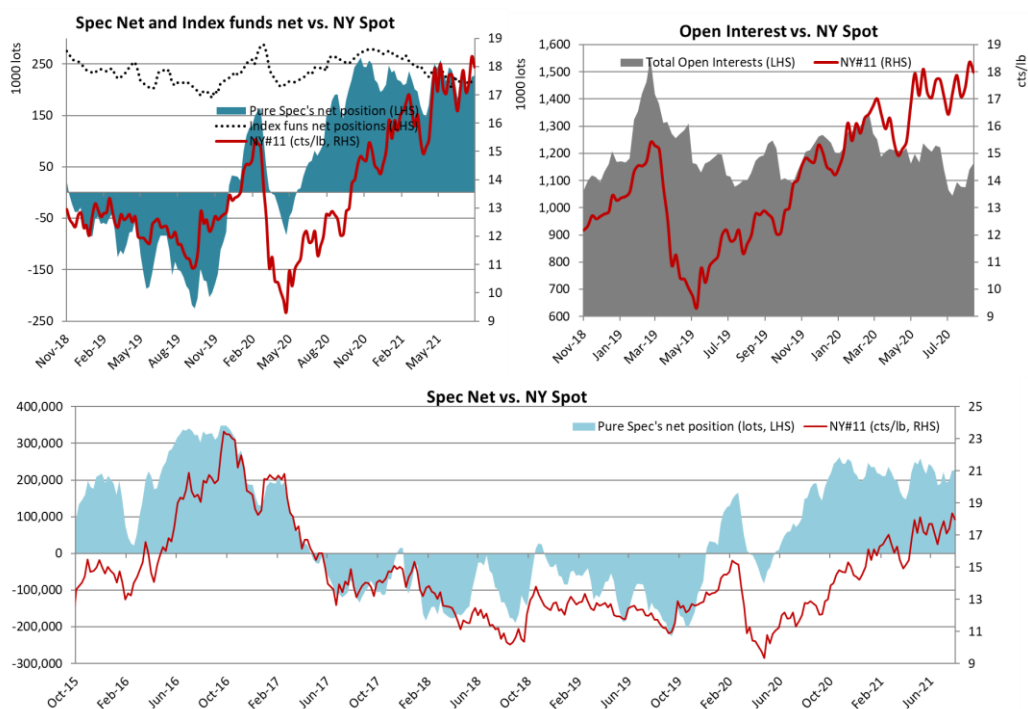
- ▶ Sugarcane Crush: 46.7mmt / ATR: 146.86 / Sugar mix: 46.43% / Sugar Production: 3 milion mt.
- ▶ Overall ATR is lower than last year, but Sao Paulo mills have retained a similar ATR year on year.
- ▶ With a small sample of 73 mills, sugarcane yield is 73.7mt/ha in CS Brazil, which represents - 18% lower year on year.

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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
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
27/07/2021	18.35	225,702	305,470	79,768	217,145	-442,846	308,360	751,206	1,139,810
03/08/2021	17.98	226,956	304,033	77,077	216,314	-443,271	320,468	763,739	1,161,551
Lastet Change	-0.37	1,254	-1,437	-2,691	-831	-425	12,108	12,533	21,741



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