



20 June 2024

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Indicative ICE 11 Prices

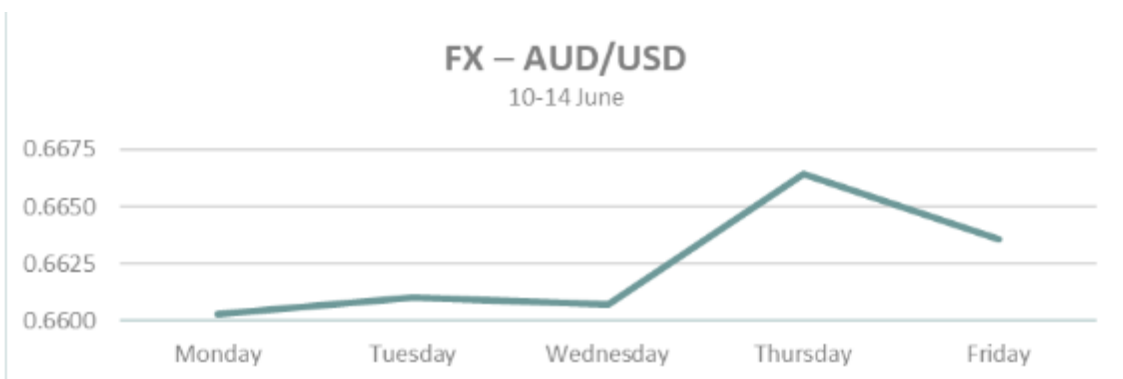
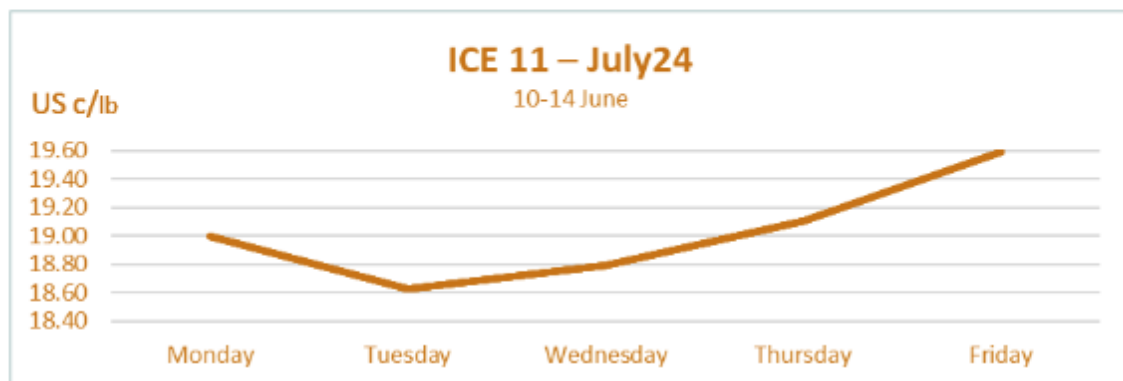
Season	AUD/MT*	Weekly Change
2024	643.42	+3.91%
2025	602.50	+0.91%
2026	579.72	-0.49%
2027	569.36	-1.26%

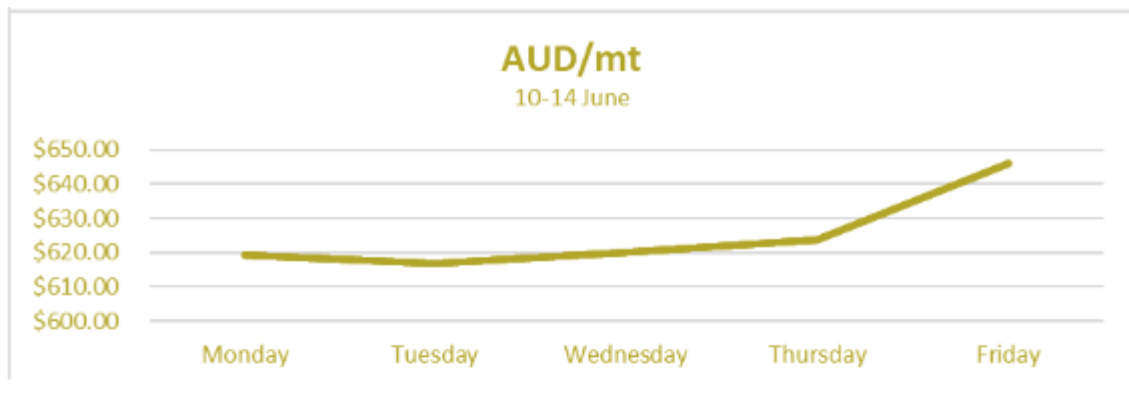
** These figures are indicative of available ICE 11 prices as at 17 June 2024 and reflect the weighted average AUD/mt price. The prices have been adjusted to include Over-the-Counter margin fees charged by banking institutions and so may differ from daily prices quoted by the ICE 11 Exchange and/or other Marketers of Growers' Economic Interest in Sugar. Values also do not account for any adjustments resulting from local Grower-Miller pricing arrangements.*

- **Overview:** Continued strength in the raw sugar futures market last week saw it surge to 5-week highs as it was reported that production in Brazil had been lower than expected. The prompt July 2024 contract traded from a low of 18.59 USc/lb on the Tuesday, up to a high of 19.64 USc/lb on the Thursday, before closing the week up 3.9% at 19.43 USc/lb.
- **Brazil:** The latest UNICA (Brazilian Sugarcane Industry and Bioenergy Association) report for the 2024/25 season unsurprisingly revealed prolonged strength in crushing operations. In the second half of May, 45.2 million tonnes of cane was crushed, and 2.7 million tonnes of sugar produced, bringing the season-to-date totals to 140 million tonnes and 7.8 million tonnes respectively. The sugar mix was lower than anticipated,

holding at 48.28%, while ATR (Total Recoverable Sugar) was down on the same period last year. UNICA identified poor cane quality as the reason for these unexpected levels, which may have analysts reconsidering their estimates for the Centre South Brazil crop.

- **Thailand:** Extended rain in Thailand's cane growing regions has shown promise with early estimates for the upcoming season pitched at 98 million tonnes of cane for 11 million tonnes of sugar. This is compared to the 82.2 million tonnes of cane crushed and 8.77 tonnes of sugar produced in the 2023/24 season.
- **Commitment of Traders:** The latest Commitment of Traders report printed a large reduction in short contracts, which is consistent with the recent rally in the ICE 11 raw sugar market. As of 11 June, speculators held a position of 71,650 lots net short, a reduction of 9,400 from the previous report.





Currency

- **Overview:** The Aussie dollar had a bumpy week last week, driven by several key news events. The AUD traded from a low of 65.76 US cents on the Monday, to a high of 67.04 US cents on the Wednesday.
- **Interest rates:** As expected, the Reserve Bank of Australia (RBA) kept the cash rate steady at their meeting held on 18 June, however, the post-meeting statement hinted that they're reluctant to cut rates anytime soon and even considered a rate hike. Some experts consider further rate rises unlikely given the cooling labour market and slow growth.
- **Jobs:** According to the Australian Bureau of Statistics, the unemployment rate fell 0.1% to 4.0% in May, with net employment rising by 39,700 jobs. Although the labour market continues to ease, the pace of easing is slow, and it remains relatively tight. This likely influenced the RBA to hold rates at 4.35%.

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