



data from 06/01/2020 to 31/01/2020

Sugar #11 and #5 : prices

January: a completely crazy month!

January was a crazy month for markets. Let's have a look at the macroeconomic data. Despite tension in the Middle-East, oil lost 13 % and Brent finished the month below 55 US\$/barrel: a one-year record low (p. 4). This is due to fears on the world economy due to the coronavirus emergence, which can limit international trade, and freight (regarding the Supramax, the index used for sugar) lost 11 % (p. 8). The Brazilian currency lost 4 % compared to US\$ and finished the month at over 4.28BRL/US\$, a historical record low (p. 7). Soy also lost 5% during the month.

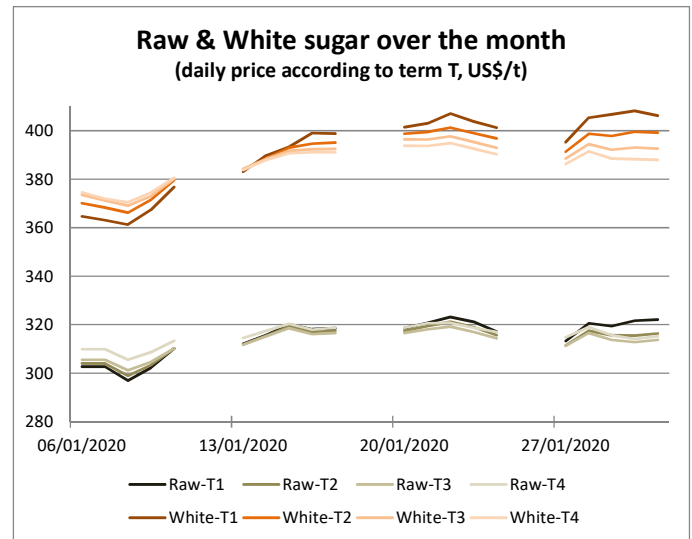
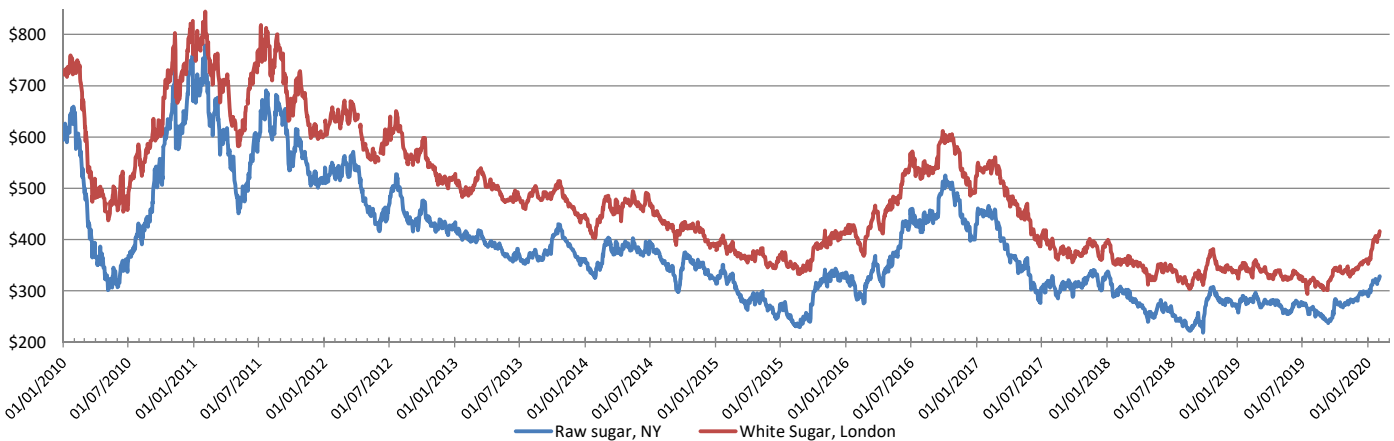
But despite this, raw sugar gained 5 % in Real, and even went over 15 cts/lb during the session on the 31st of January! Low white availability brought white premium to over 85 US\$/t: a rise of 33% in a month! This brought white sugar to over 415 US\$/t on the 3rd of February: a record high for 2.5 years!

Fundamentals are now playing their role. A deficit is still predicted over 10 Mt, but Thai prospects for the current 2019-2020 campaign can be far below the first estimates – although analysts thought Thailand would reach 12.5 Mt (compared to last year's 14.8 Mt), it may not even reach 10 Mt. India may reach just 28 Mt – it is 7 Mt less than last year. Chinese and European stocks are at a lowest.

The big question now is to know how much the Brazilians can switch their cane to ethanol instead of sugar when their campaign will begin in early April? It is more difficult to answer this than in the past. Because, even if sugar value rises, demand for ethanol in Brazil remains really strong. Ethanol stocks are low in Brazil, despite the fact that production was at a record high last year: 65% of the cane was used to produce ethanol, and corn ethanol now represents 7% of ethanol – against 1% in 2016. Just have a look at ethanol prices in Brazil (p. 4): they are at a record high!

And, last but not least, after 2.5 years as net-sellers, speculators are now net-buyers of almost 3.3 Mt... A completely crazy month!

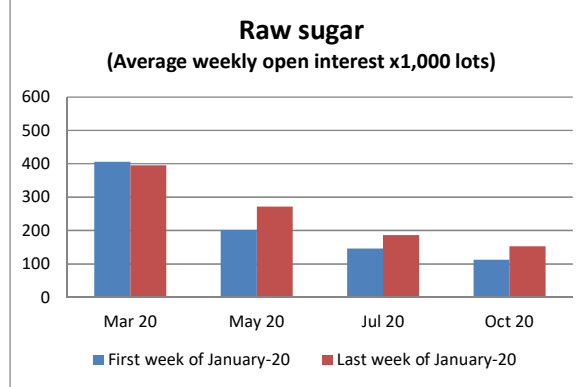
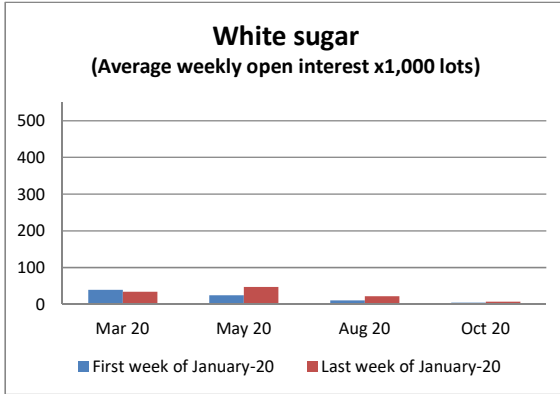
	Settling date	First week of January-20	Last week of January-20	Difference in currency	Difference in %
White sugar (sugar#5, London, \$/t)	Mar 20	366,7	404,4	37,7	10,3%
	May 20	371,2	397,3	26,2	7,1%
	Aug 20	373,4	392,2	18,8	5,0%
	Oct 20	374,4	388,5	14,1	3,8%
Raw sugar (sugar#11, NY, cts/lb)	Mar 20	13,74	14,49	0,75	5,4%
	May 20	13,79	14,30	0,51	3,7%
	Jul 20	13,85	14,23	0,37	2,7%
	Oct 20	14,04	14,32	0,29	2,0%
Raw sugar (sugar#11, NY, \$/t)	Mar 20	303,0	319,4	16,4	5,4%
	May 20	304,1	315,3	11,2	3,7%
	Jul 20	305,4	313,6	8,2	2,7%
	Oct 20	309,5	315,8	6,3	2,0%
Premium	Mar 20/Mar 20	63,7	85,0	21,3	33,4%

Sugar#11 and #5 prices since January 2010
front term, US\$/t



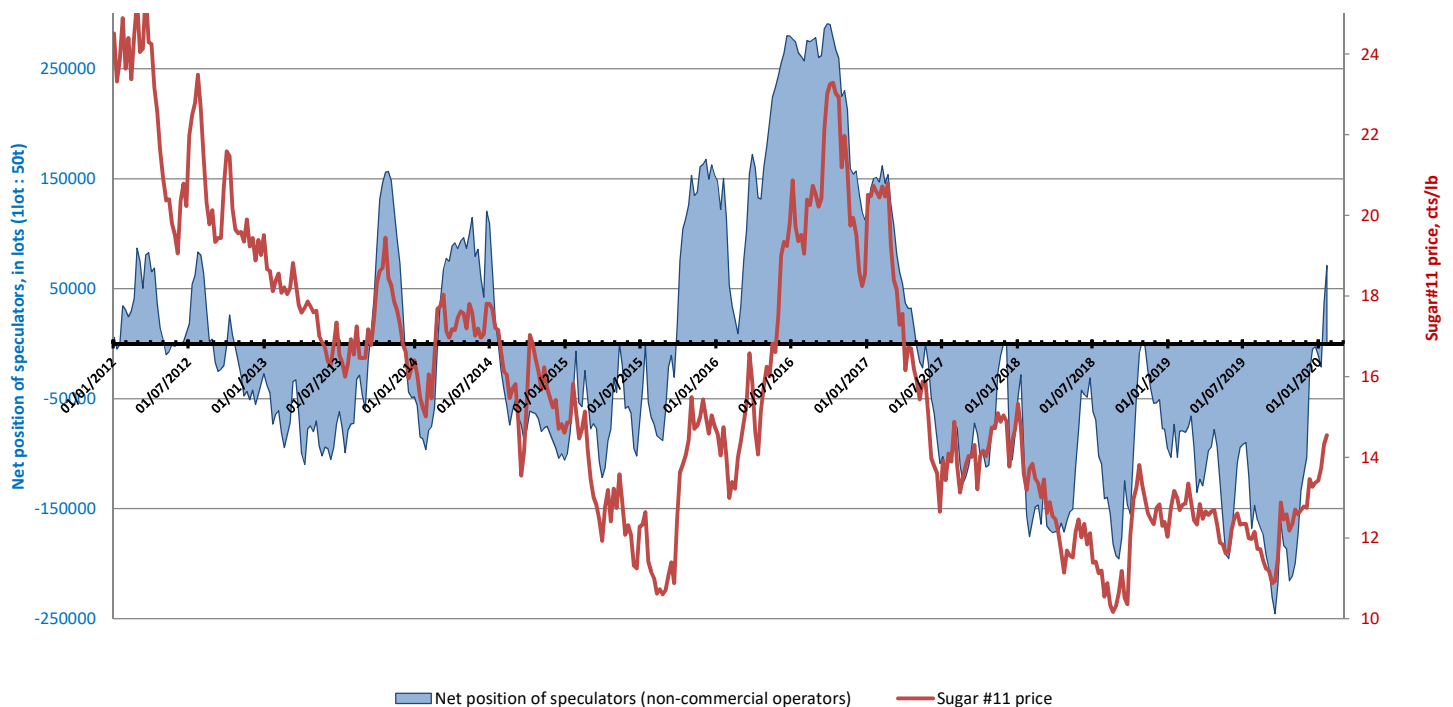
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Sugar #11 and #5 : open interest & non-commercial operators positions



Term	Average weekly open interest per term (x1,000 lots)							
	White sugar (sugar#5, London, 1lot=50t)				Raw sugar (sugar#11, NY, 1lot=112,000lb=50.8t)			
	First week of January-20	Last week of January-20	Difference in number	Difference in %	First week of January-20	Last week of January-20	Difference in number	Difference in %
T1	38,9	34,1	-4,8	-12,4%	406,2	395,1	-11,1	-2,7%
T2	24,8	47,2	22,5	90,7%	202,5	271,8	69,3	34,2%
T3	10,7	21,5	10,7	100,2%	146,7	186,6	39,9	27,2%
T4	4,2	6,6	2,4	57,8%	112,8	152,6	39,8	35,3%
Total	82,7	116,8	34,0	41,1%	984,9	1166,8	181,9	18,5%

Net position of speculators on sugar#11 in New-York & front term prices



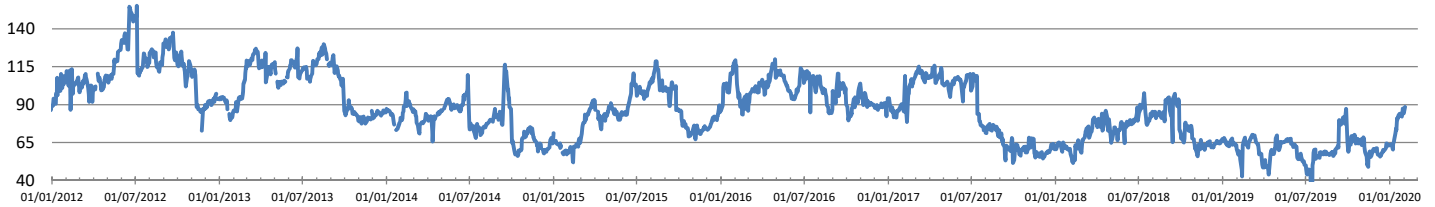


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Sugar #11 : premium compared to Sugar#5 and prices in local currencies

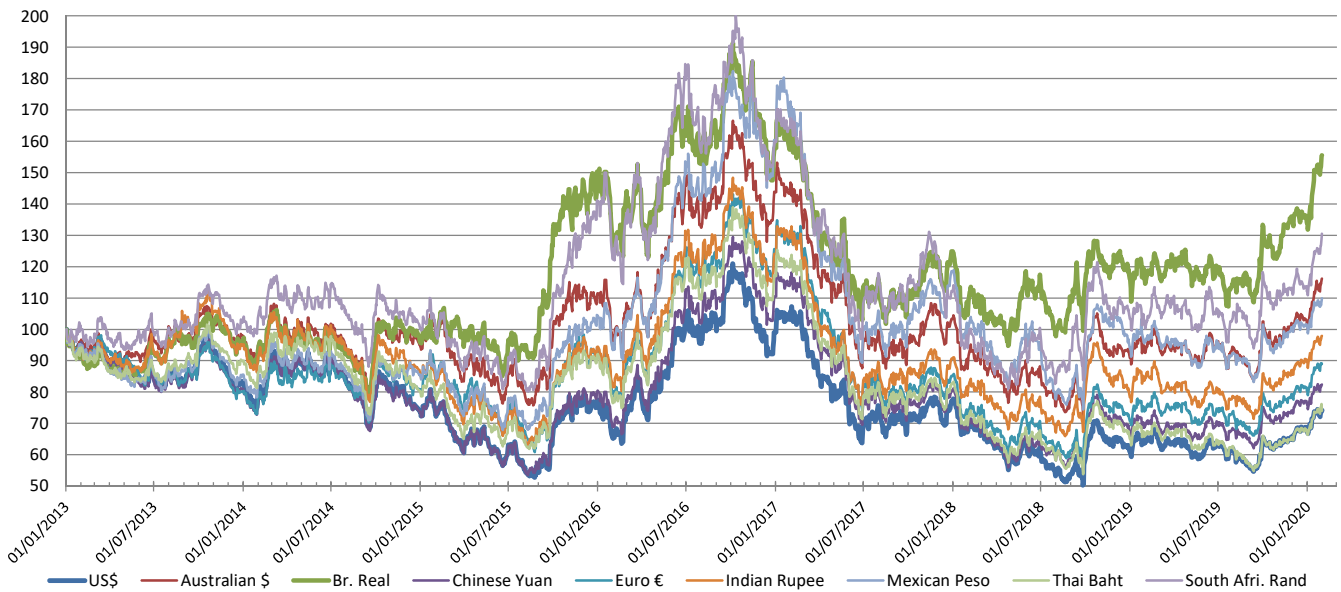
Front term white premium since January 2012

Front term, US\$/t



Price Changes since January 2013

Front term, in local currencies, from a Basis 100 on the 01/01/2013



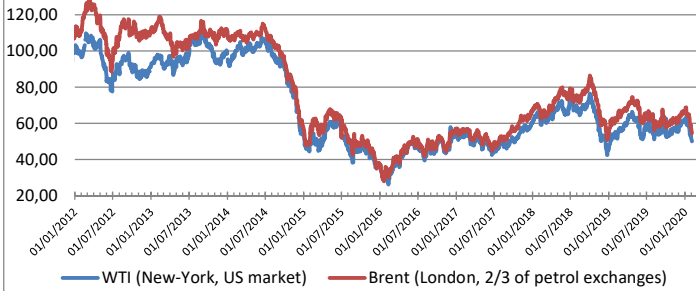
Currency	Sugar#11 Front term			
	First week of January-20	Last week of January-20	Difference in currency	Difference in %
US \$	302,96	319,40	16,45	5,4%
Australian \$	440,06	474,36	34,30	7,8%
Brazilian Real	1 232,11	1 355,12	123,01	10,0%
Chinese Yuan	2 103,24	2 209,02	105,78	5,0%
European €	272,05	289,78	17,73	6,5%
Indian Rupee	21 649,04	22 814,33	1165,29	5,4%
Mexican Peso	5 699,67	6 011,33	311,65	5,5%
South African Rand	4 309,25	4 696,93	387,67	9,0%
Thai Baht	9 167,87	9 828,65	660,78	7,2%



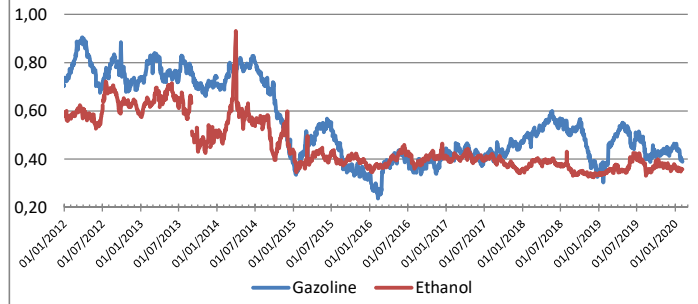
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Energy markets : ethanol, crude oil & gasoline

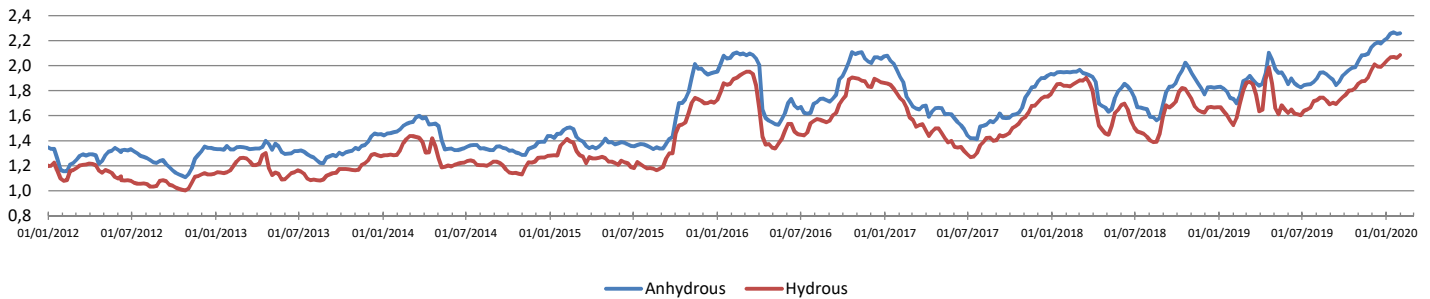
Crude oil prices since January 2012
US\$/barrel



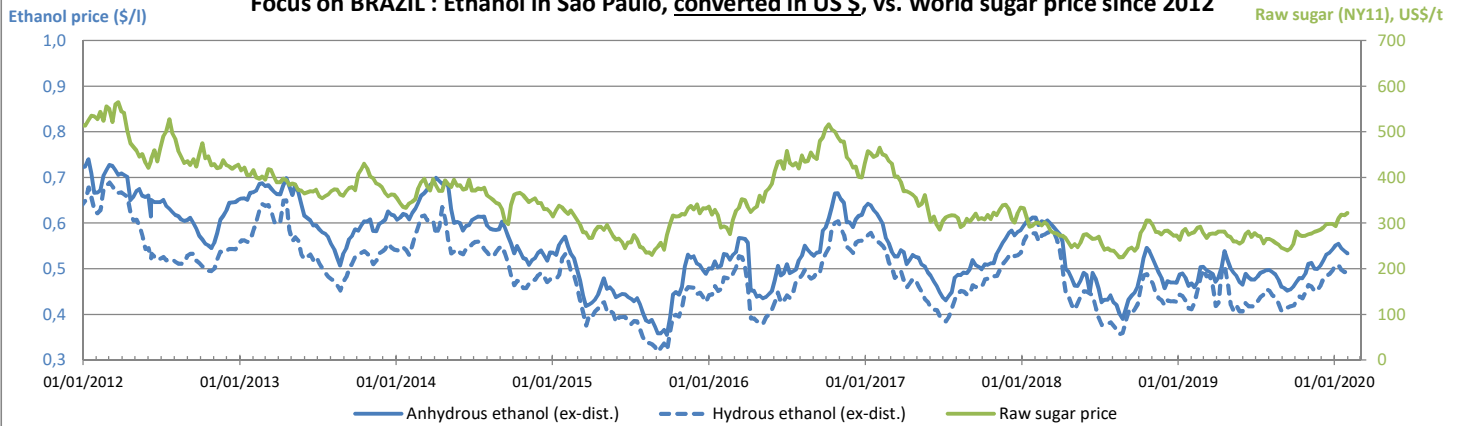
Focus on USA : Ethanol & Gasoline prices since January 2012
Front term CBOT (Ethanol) & RBOB (Gasoline), US\$/l



Focus on BRAZIL : Ethanol in Sao Paulo since January 2012
Price Ex-distillery, Real/l



Focus on BRAZIL : Ethanol in Sao Paulo, converted in US \$, vs. World sugar price since 2012

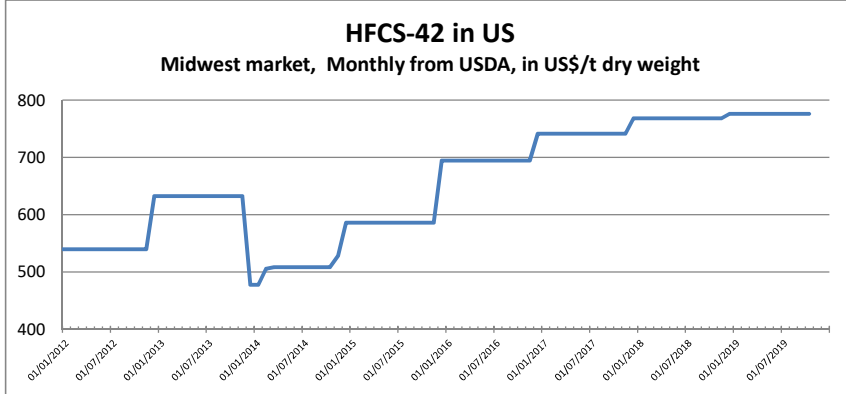


		First week of January-20	Last week of January-20	Difference in value	Difference in %	
Oil	WTI, US\$/barrel	60,84	52,73	-8,11	-13,3%	
	Brent, US\$/barrel	66,59	58,05	-8,54	-12,8%	
Gazoline	RBOB, US\$/l	0,45	0,40	-0,05	-10,4%	
Ethanol	In Brazil (ex. dist.)	Real/l (Anh., S. Paulo)	2,26	2,26	0,00	0,1%
		US\$/l (Anh., S. Paulo)	0,55	0,53	-0,02	-3,7%
	In USA (CBOT)	US\$/gal	1,35	1,35	0,00	-0,1%
		US\$/l	0,36	0,36	0,00	
	In Europe (T2 Rtdam)	€/l	0,65	0,67	0,01	2,1%
US\$/l		0,73	0,74	0,01	1,0%	

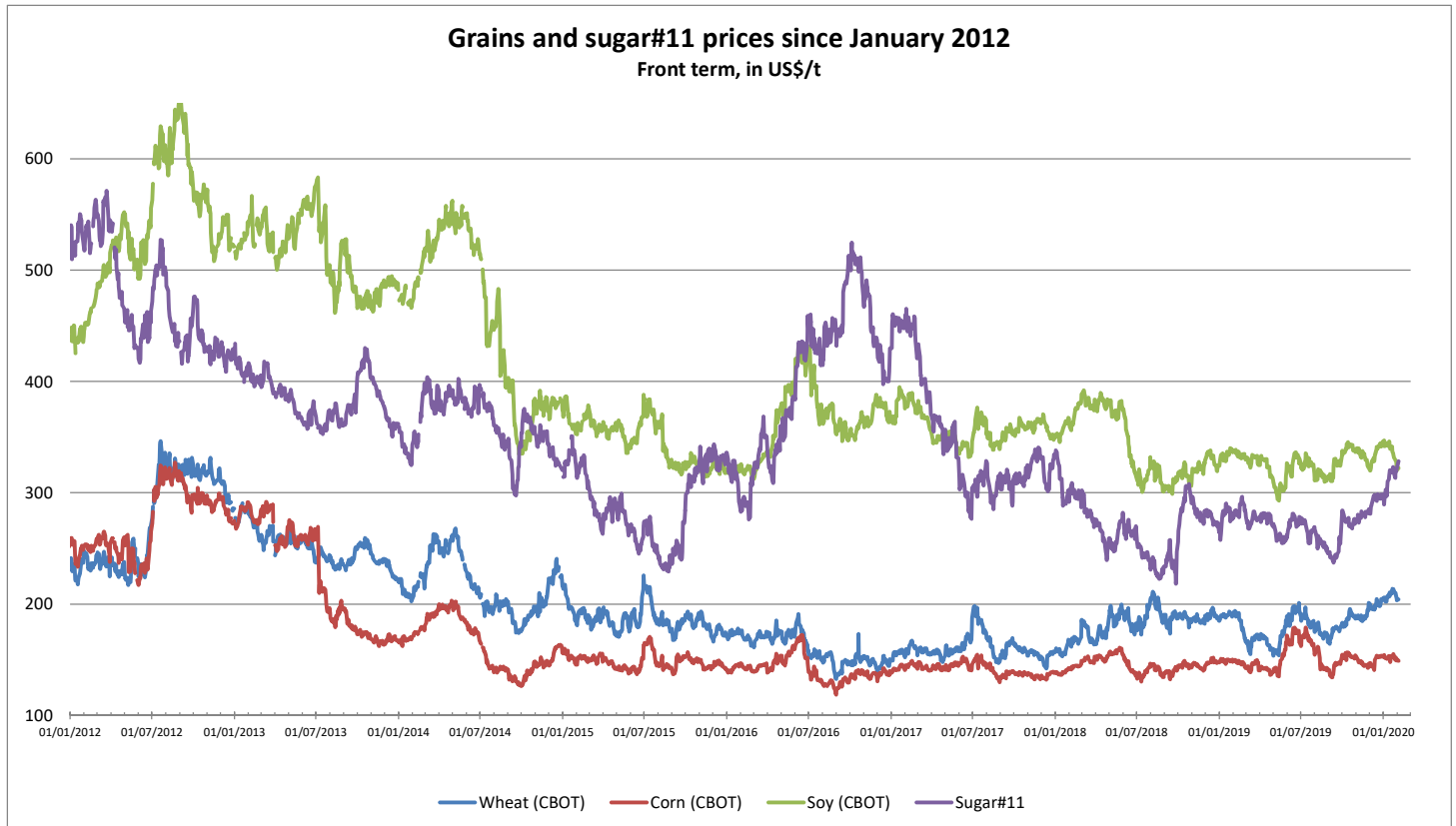


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Grain markets : corn, soybeans, wheat, HFCS



Dry HFCS 42 monthly Price in USA			
	December-18	December-19	Difference in %
US\$/t	768,31	776,03	1,0%
cts/lb	34,86	35,21	



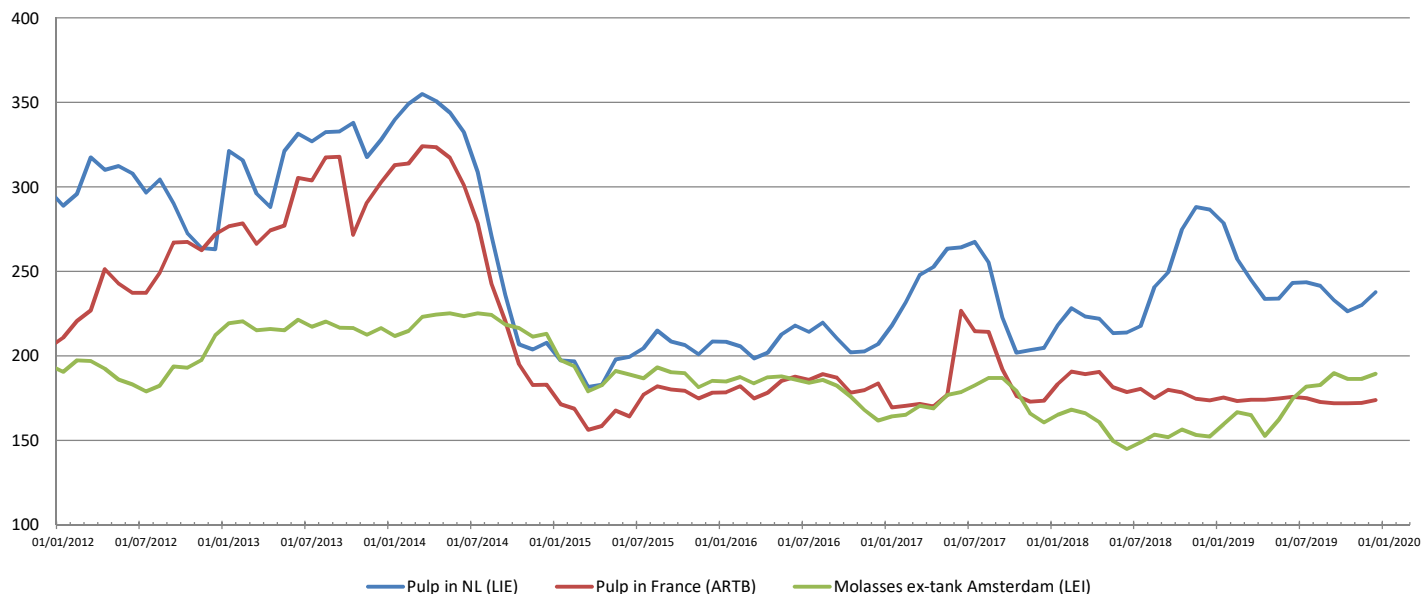
		Front term (CBOT)			
		First week of January-20	Last week of January-20	Difference in currency	Difference in %
Corn	US\$/t	151,38	150,55	-0,83	-0,5%
	cts/bsl	384,50	382,40	-2,10	
Soy	US\$/t	343,50	325,81	-17,69	-5,2%
	cts/bsl	934,95	886,80	-48,15	
Wheat	US\$/t	204,26	207,10	2,85	1,4%
	cts/bsl	555,95	563,70	7,75	



data from 06/01/2020 to 31/01/2020

By-products : molasses and beet pulps

Cane molasses and beet pulp since January 2012
In France and Netherlands, ex-tank, in US\$/t



Warning! No data for January in France (reconduction of the previous month)

		By-products prices				
		November-19	December-19	Difference in currency	Difference in %	
Beet pulp pellets	NL	US\$/t	230,00	237,74	7,74	3,4%
		€/t	208,45	213,30	4,85	2,3%
	France	US\$/t	172,13	173,88	1,75	1,0%
		€/t	156,00	156,00	0,00	0,0%
Cane molasses (ex-tank Amsterdam)		US\$/t	186,47	189,48	3,01	1,6%
		€/t	169,00	170,00	1,00	0,6%

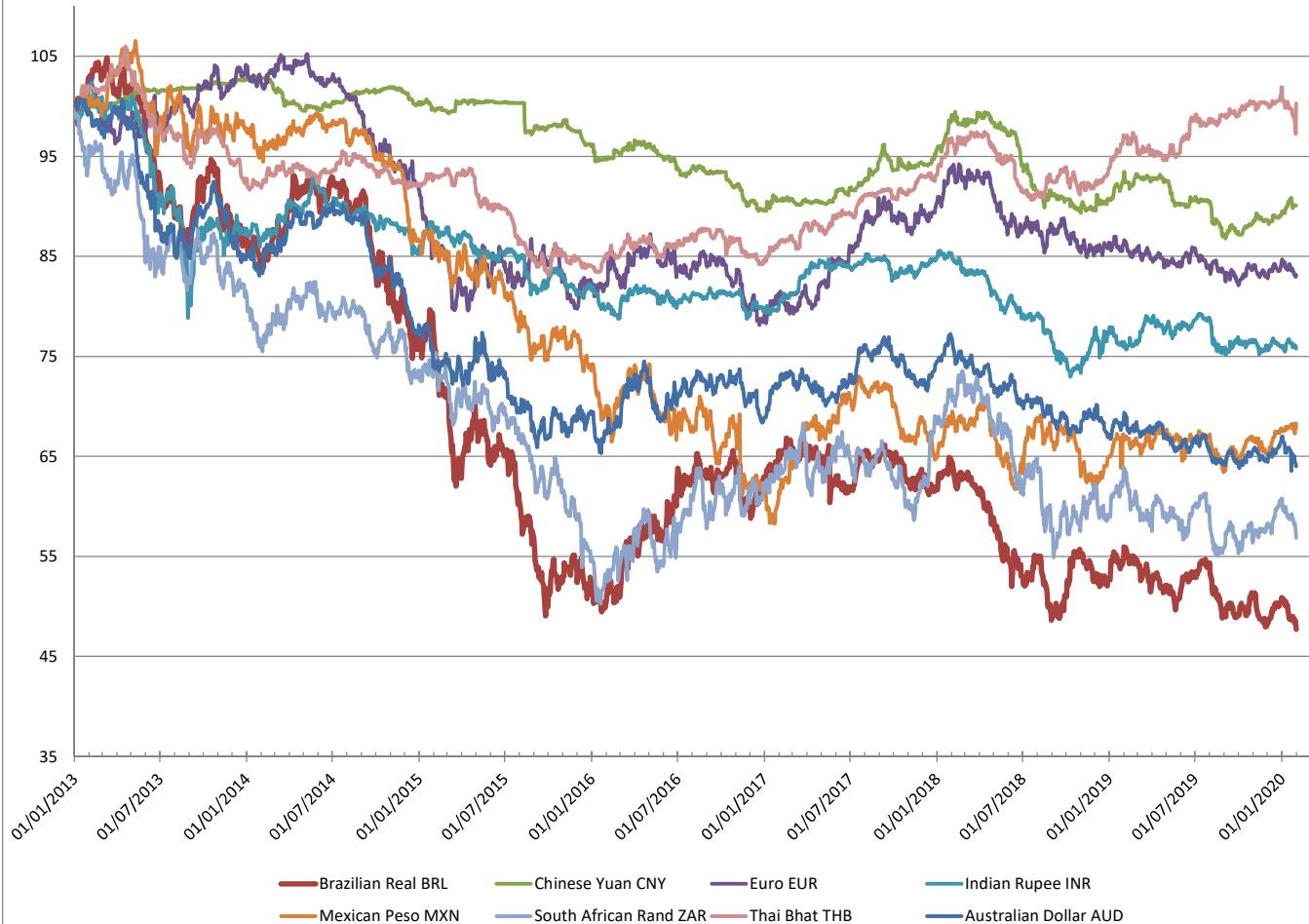
Warning! No data for January in France (reconduction of the previous month)



data from 06/01/2020 to 31/01/2020

Exchange rates

Currency changes, compared to US\$, since January 2013
Daily based, basis 100 on the first day of 2010



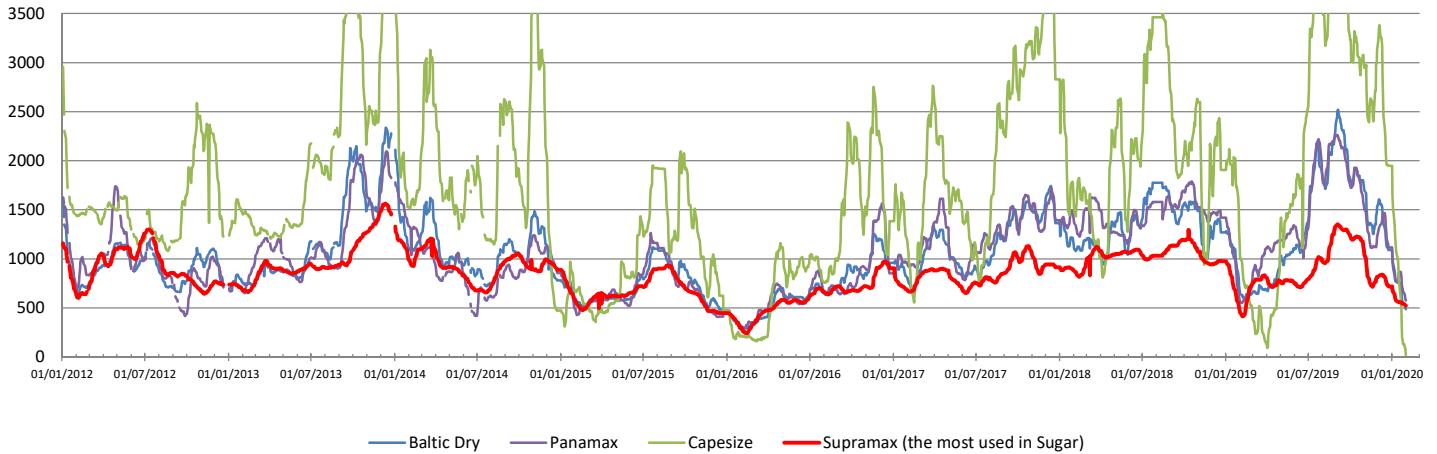
Currency	Value, in US\$, of the currency			
	First week of January-20	Last week of January-20	Difference in currency	Difference in %
Australian \$	0,6884	0,6734	-0,0151	-2,2%
Brazilian Real	0,2459	0,2357	-0,0102	-4,1%
Chinese Yuan	0,1440	0,1446	0,0005	0,4%
European €	1,1136	1,1022	-0,0114	-1,0%
Indian Rupee	0,0140	0,0140	0,0000	0,0%
Mexican Peso	0,0532	0,0531	0,0000	0,0%
South African Rand	0,0703	0,0680	-0,0023	-3,3%
Thai Baht	0,0330	0,0325	-0,0005	-1,6%



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Freight : Baltic indexes

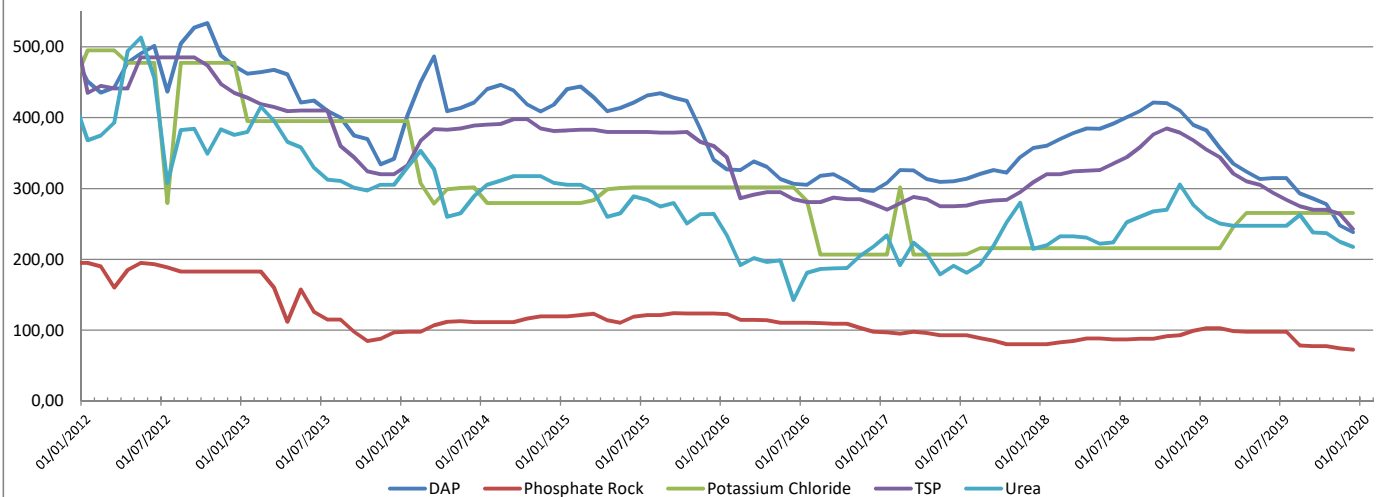
Freight indexes since January 2012



Index	Freight index (Baltic)			
	First week of January-20	Last week of January-20	Difference in index	Difference in %
Baltic Dry	791	519	-272	-34%
Baltic Supramax	599	533	-66	-11%
Baltic Panamax	819	624	-195	-24%
Baltic Capesize	1 215	94	-1 122	-92%

Fertilizers prices since January 2012

World bank, in US\$/t



DAP (diammonium phosphate), standard size, bulk, spot, f.o.b. US Gulf

Phosphate rock (Moroccan), 70% BPL, contract, f.a.s. Casablanca

Potassium chloride (muriate of potash), standard grade, spot, f.o.b. Vancouver

TSP (triple superphosphate), up to September 2006 bulk, spot, f.o.b. US Gulf; from October 2006 onwards Tunisian, granular, f.o.b.

Urea (Black Sea), bulk, spot, for 1985-91 (June) f.o.b. Eastern Europe; 1991 (July) onwards f.o.b. Black Sea (primarily Yuzhnyy)



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Market overview : the grower dashboard

			First week of January-20	Last week of January-20	Difference	Difference in %
Sugar	Sugar#11	cts/lb	13,74	14,49	0,75	5,4%
		US\$/t	302,96	319,40	16,45	
	Sugar#5	US\$/t	366,66	404,38	37,72	10,3%
Grains	Corn (CBOT)	cts/bsl	384,50	382,40	-2,10	-0,5%
		US\$/t	151,38	150,55	-0,83	
	Soybeans (CBOT)	cts/bsl	934,95	886,80	-48,15	-5,2%
		US\$/t	343,50	325,81	-17,69	
	Wheat (CBOT)	cts/bsl	555,95	563,70	7,75	1,4%
		US\$/t	204,26	207,10	2,85	
Ethanol	EU spot	€/l	0,65	0,67	0,01	2,1%
		US\$/l	0,73	0,74	0,01	1,0%
	US	US\$/l	0,36	0,36	0,00	-0,1%
	Brazil Anydr.	Real/l	2,26	2,26	0,00	0,1%
		US\$/l	0,55	0,53	-0,02	-3,7%
Oil	Brent	US\$/barrel	66,59	58,05	-8,54	-12,8%
Freight	Supramax	Index	599	533	-66	-11,1%
Brazilian Currency	Value of 1 Real	US\$	0,2459	0,2357	-0,0102	-4,1%
	Value of 1 US\$	Real	4,067	4,242	0,175	4,1%