

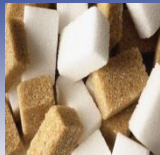


**The European Association of Sugar Traders**

## Meeting of the Expert Group on Sugar Market Observatory

*12 November 2020*

*Emilian Dobrescu  
ASSUC Vice-President*

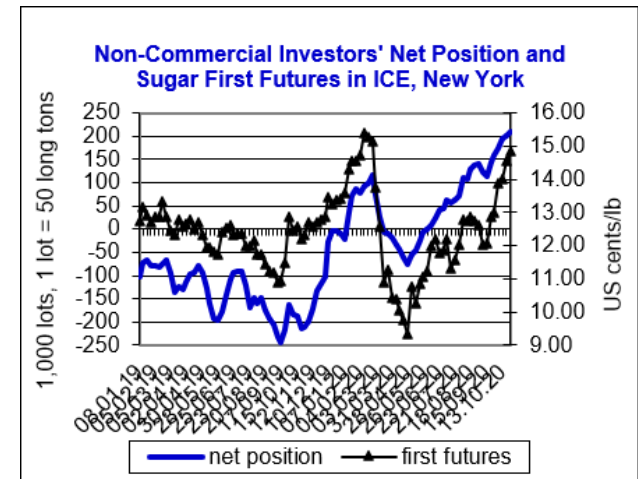
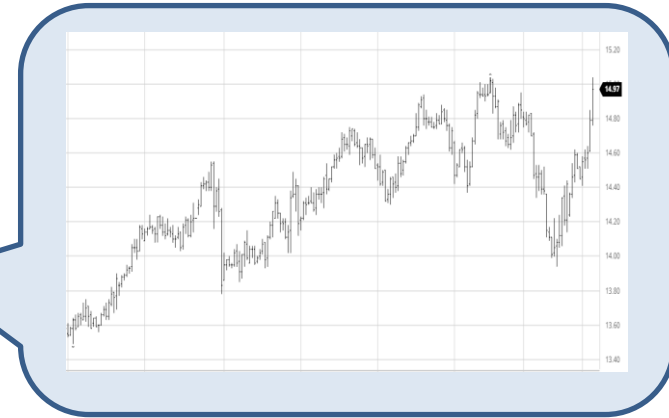


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## RAW SUGAR #11 – LAST TWELVE MONTHS

**EMERGENCE  
OF WORLD  
PANDEMIC  
COVID 19**



## WHITE SUGAR #11 – LAST TWELVE MONTHS

**EMERGENCE  
OF WORLD  
PANDEMIC  
COVID 19**



Emilian Dobrescu - AGRANA

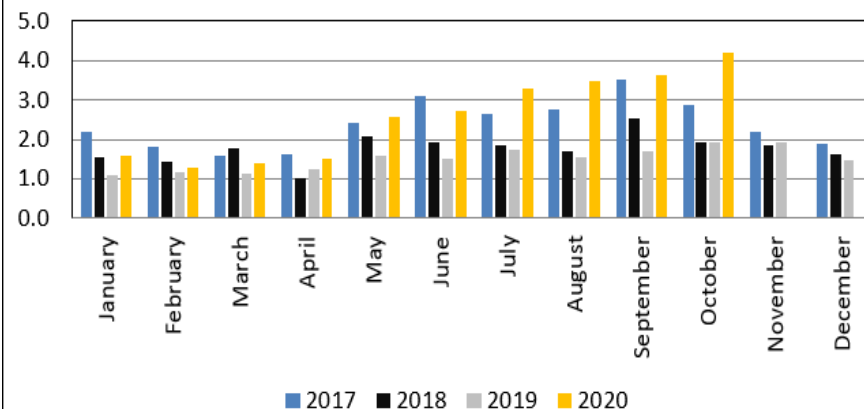
## FH of Oct cumulative results

	Units	19/20	20/21	Change/dif.
Cane crush	<i>mln ton</i>	512.2	538.1	5.1%
Sugar	<i>mln ton</i>	23.8	34.7	45.9%
Ethanol	<i>mln liters</i>	27,639	25,567	-7.5%
Anhydrous		8,315	7,913	-4.8%
Hydrous		19,324	17,654	-8.6%
ATR	<i>kg/ton</i>	138.1	144.3	4.5%
Sugar mix	%	35.3%	46.9%	11.6%
Ethanol sales*	<i>mln liters</i>	17,503	14,430	-17.6%
Anhydrous		4,788	4,456	-6.9%
Hydrous		12,715	9,974	-21.6%



## Brazil's monthly sugar exports

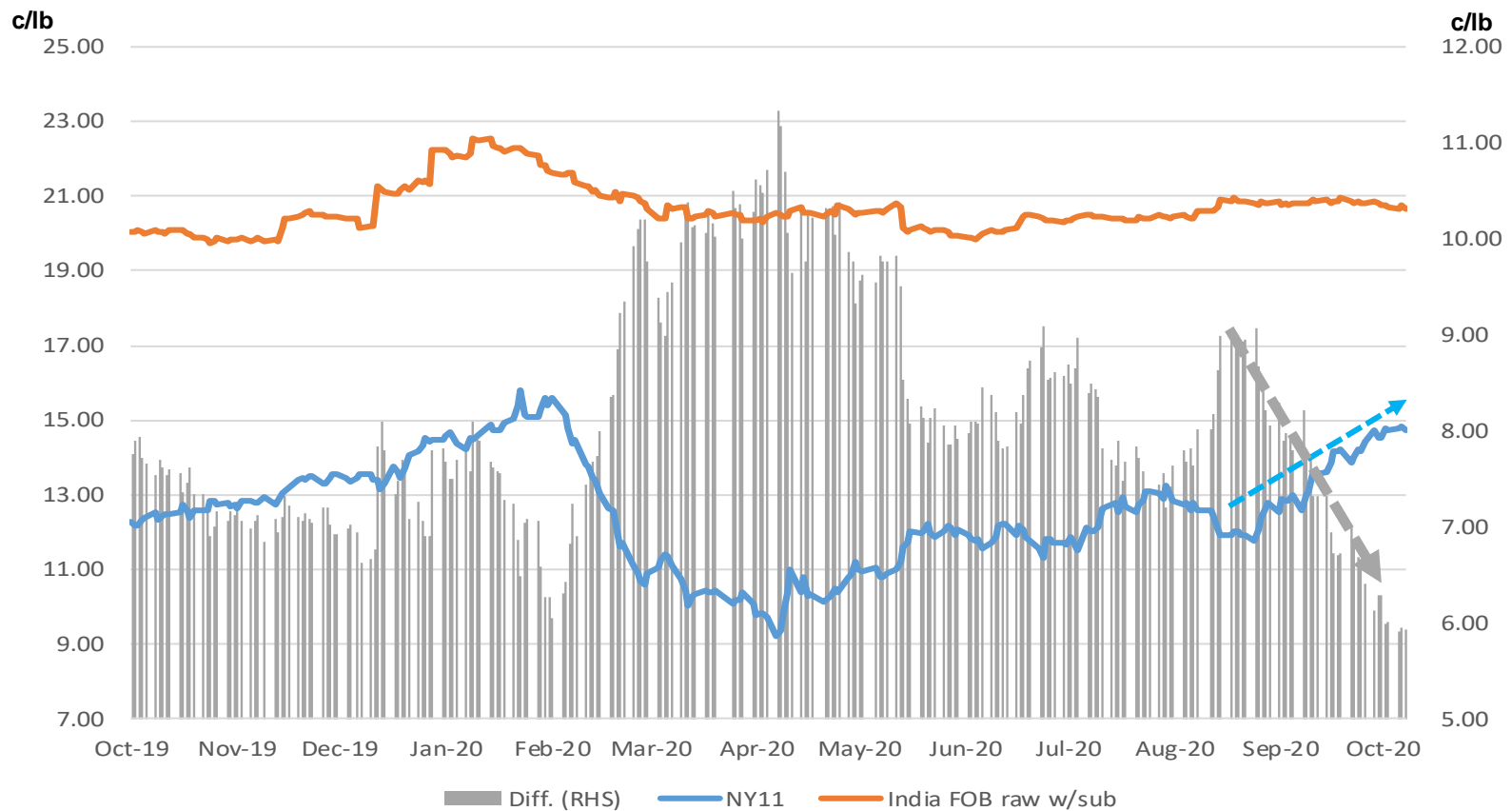
(in mln tonnes)



Source: MDIC/COMEX Stat



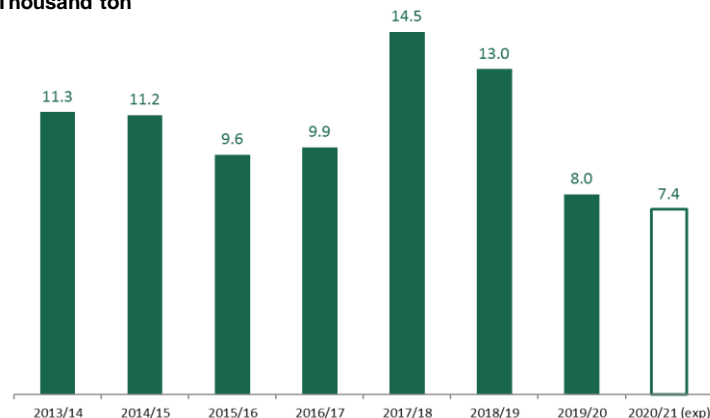
## India FOB prices vs. NY11



## Thailand production and WP implications

### Thailand sugar production

Thousand ton

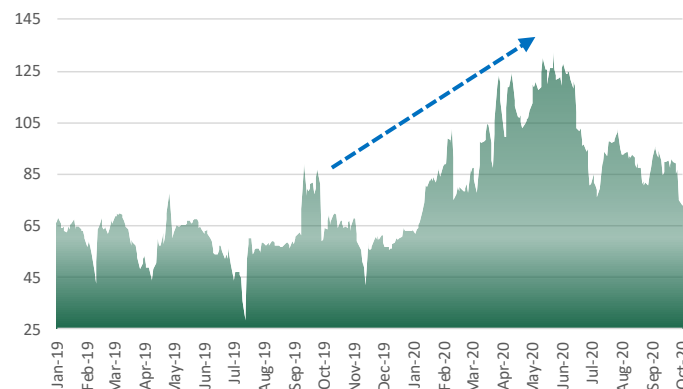


### Lowest crop of the past 10 years

- Thailand crop ended being 8.1mmt, 4mmmt less than the market was expecting in De/19, lowest crop since crop 2009/10.
- Despite the poor crop, exports were still strong till Jul/20 given high stocks generated in the crops 17/18 and 18/19.

### White Premium (front month)

US\$/ton



### Revival!

- Thailand, being the second biggest exporter of sugar and the biggest exporter of refined sugar changed considerably the market dynamic.
- White Premiums stood above US\$100/ton for the first time since Jul/2017.

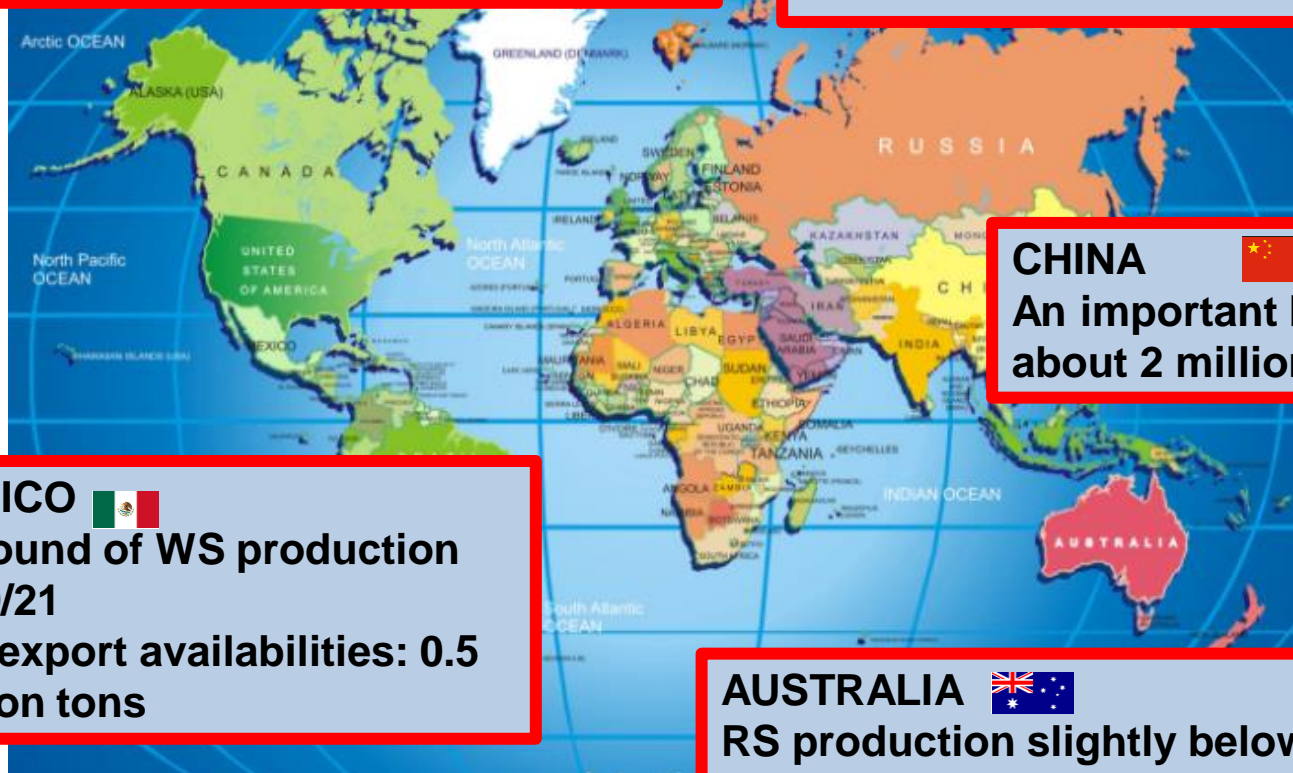
## OTHERS

### UKRAINE

- 15% less sugar production versus last season (est.1.2 – 1.3 million tons)

### RUSSIA

- Much lower output due to lower acreage and yields: est.5.3 million tons



### CHINA

An important buyer of sugar – about 2 million tons from Brazil

### MEXICO

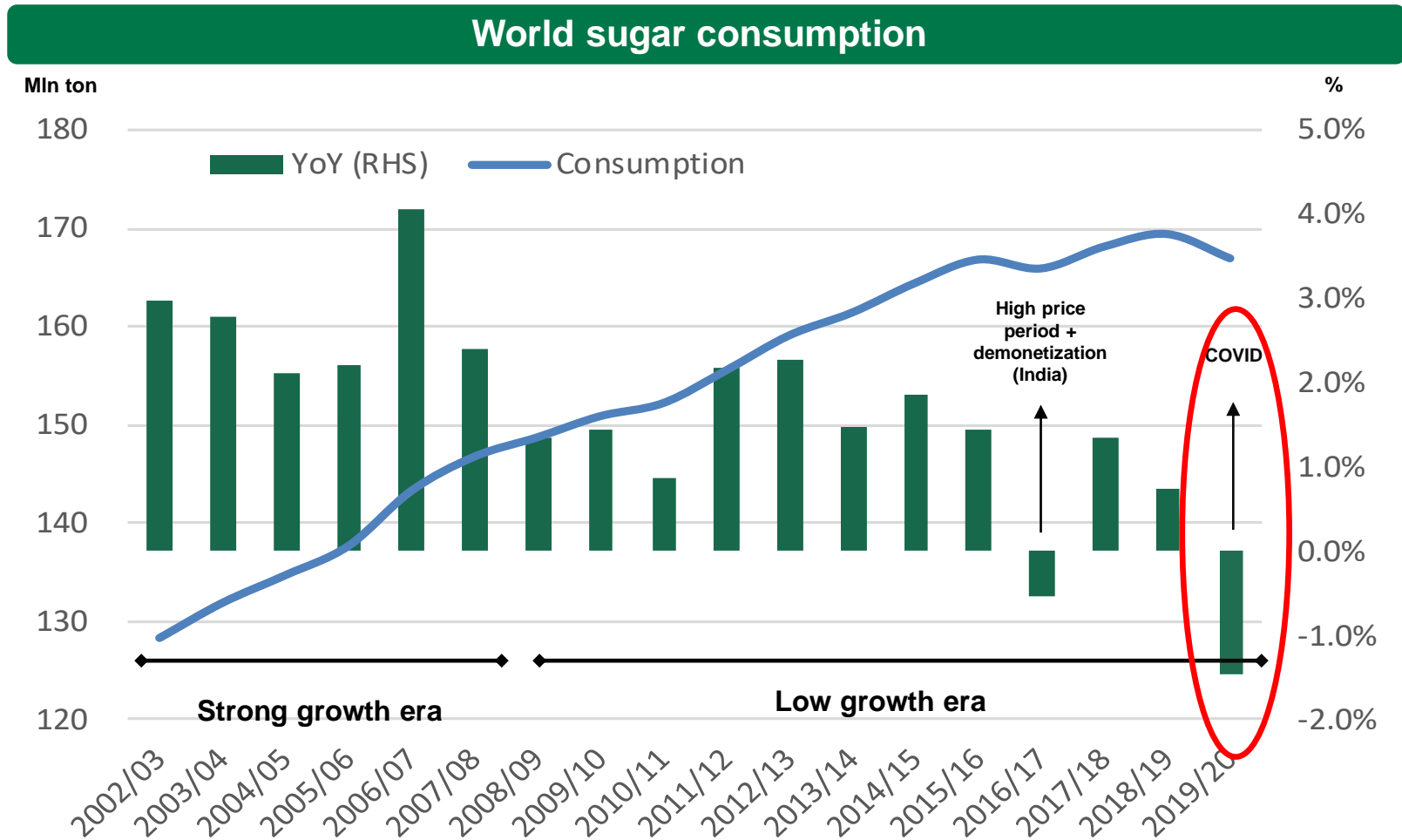
Rebound of WS production 2020/21

Est. export availabilities: 0.5 million tons

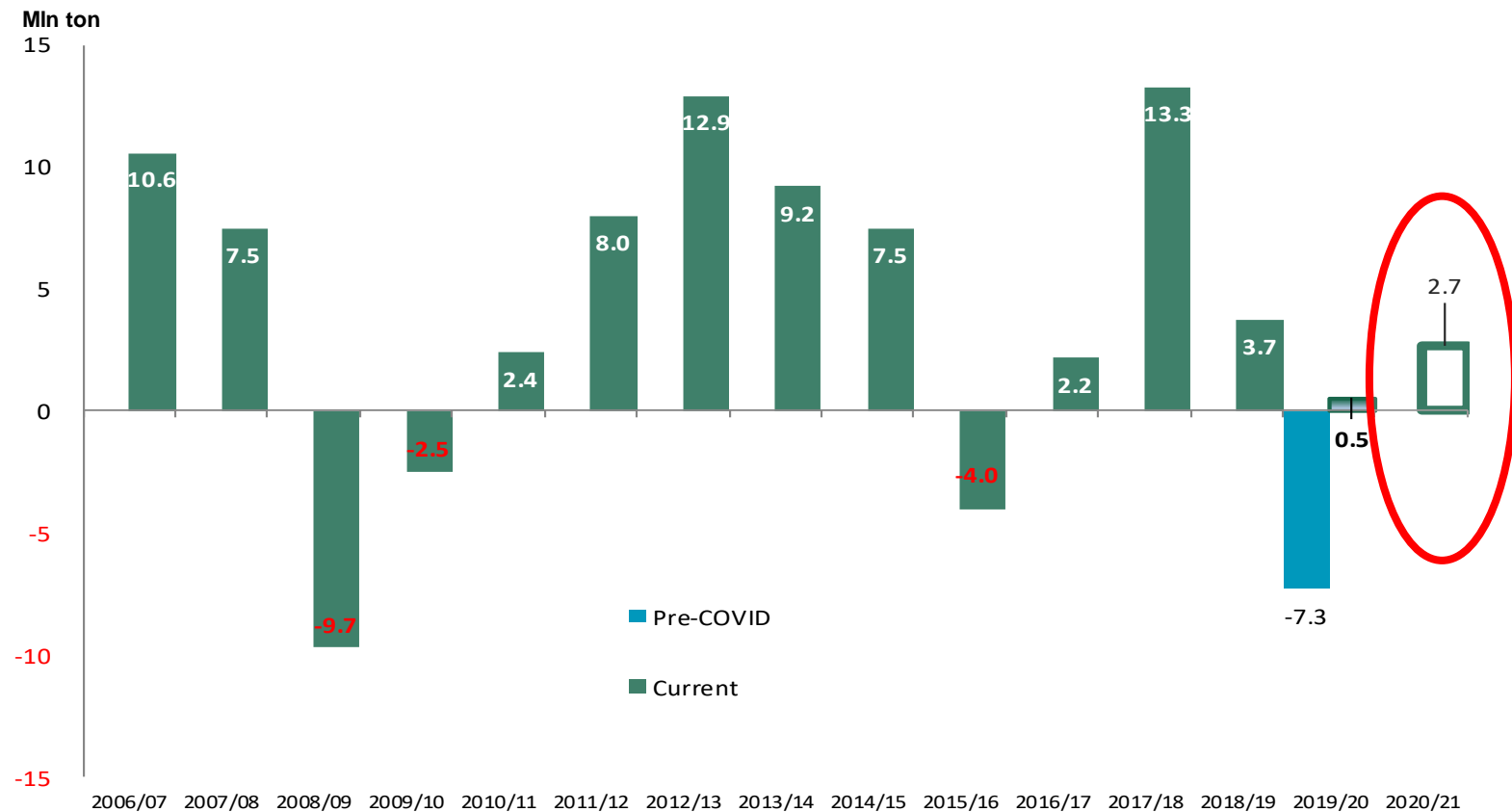
### AUSTRALIA

RS production slightly below last campaign: est.4.3 million tons (yet 30% of harvest is still on fields)





## World Market balance – (Oct/Sep basis)



## WORLD MARKET DRIVERS in 2020/21 – COVID19&Co.

- ✓ COVID19 EFFECTS ON SUGAR TRADE
- ✓ RECOVERY OF EU/ WORLD ECONOMY
- ✓ CHINA DEMAND AND RECOVERY
- ✓ SUGAR OUTPUT IN IMPORTANT PRODUCING AREAS: EU, THAILAND, RUSSIA
- ✓ La Niña / WEATHER
- ✓ OIL PRICES/PRODUCTION
- ✓ EXCHANGE RATES
- ✓ US TRADE POLICY
- ✓ SPECULATIVE FUNDS
- ✓ COVID19 EFFECTS ON CONSUMPTION
- ✓ INDIA'S EXPORT SUPPORT
- ✓ SUGAR CONSUMPTION
- ✓ SUGAR = HEALTH RISK
- ✓ CLOSURES OF MILLS/ PRODUCTION SITES



✓ .....

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