



The European Association of Sugar Traders

Meeting of the Economic Board of the Sugar Market Observatory

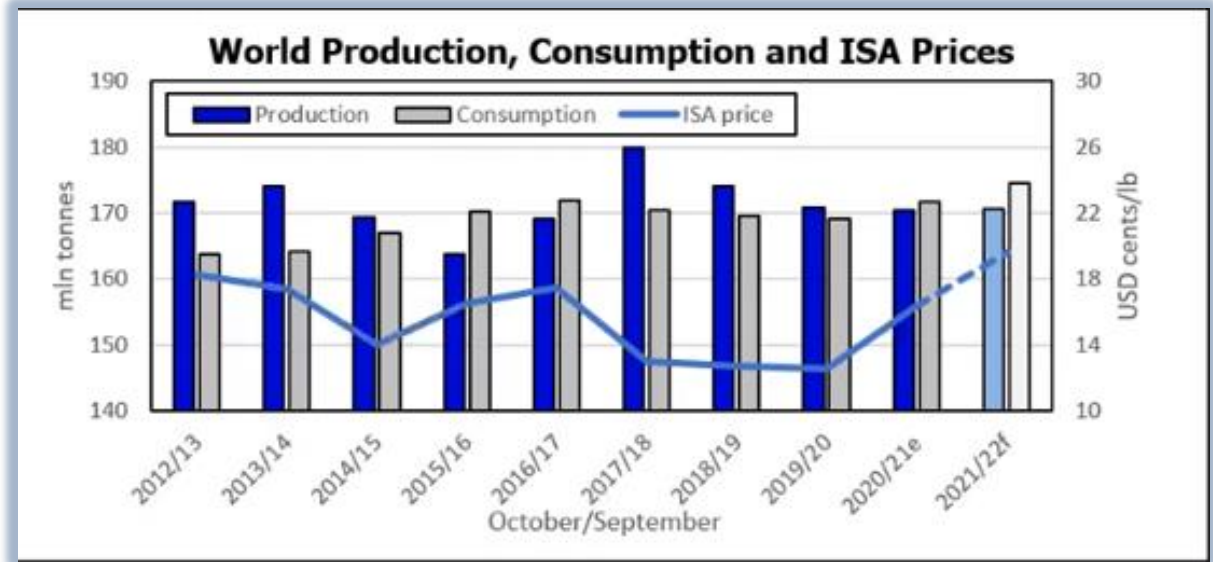
9 NOVEMBER 2021

Sources: UNICA, sugaronline.com, ICE, ISMA, Platts, ISO, USDA



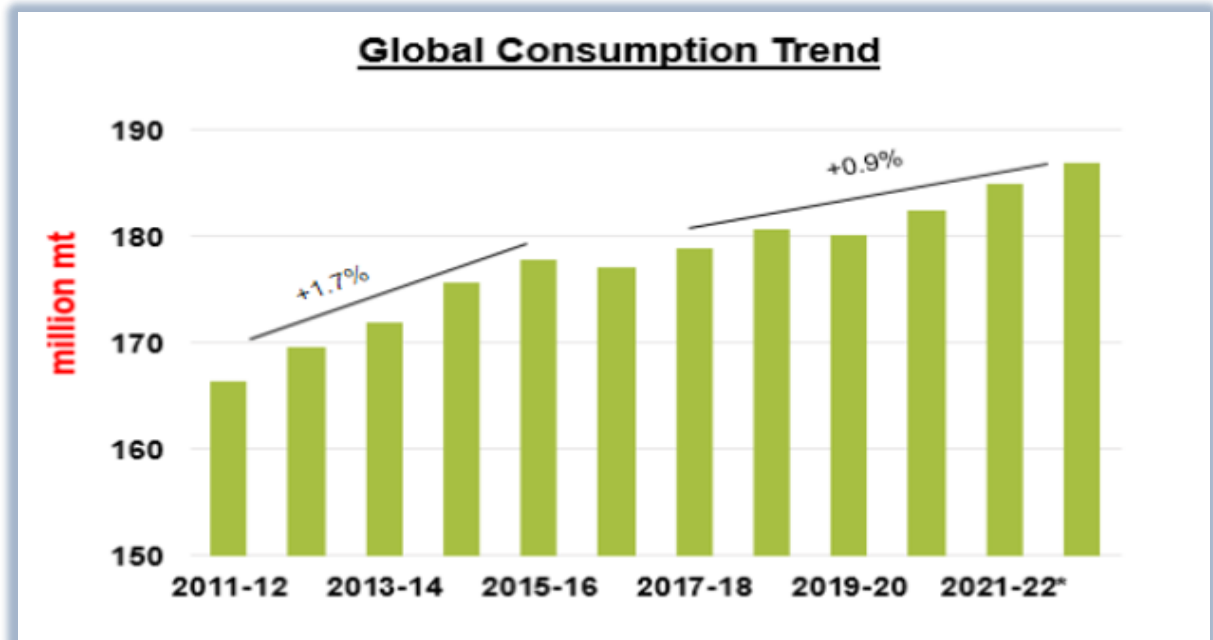
ANOTHER YEAR OF SUGAR DEFICIT AHEAD: EST. 3 TO 5 MILLION TONS

N.Hemisphere vs S.Hemisphere

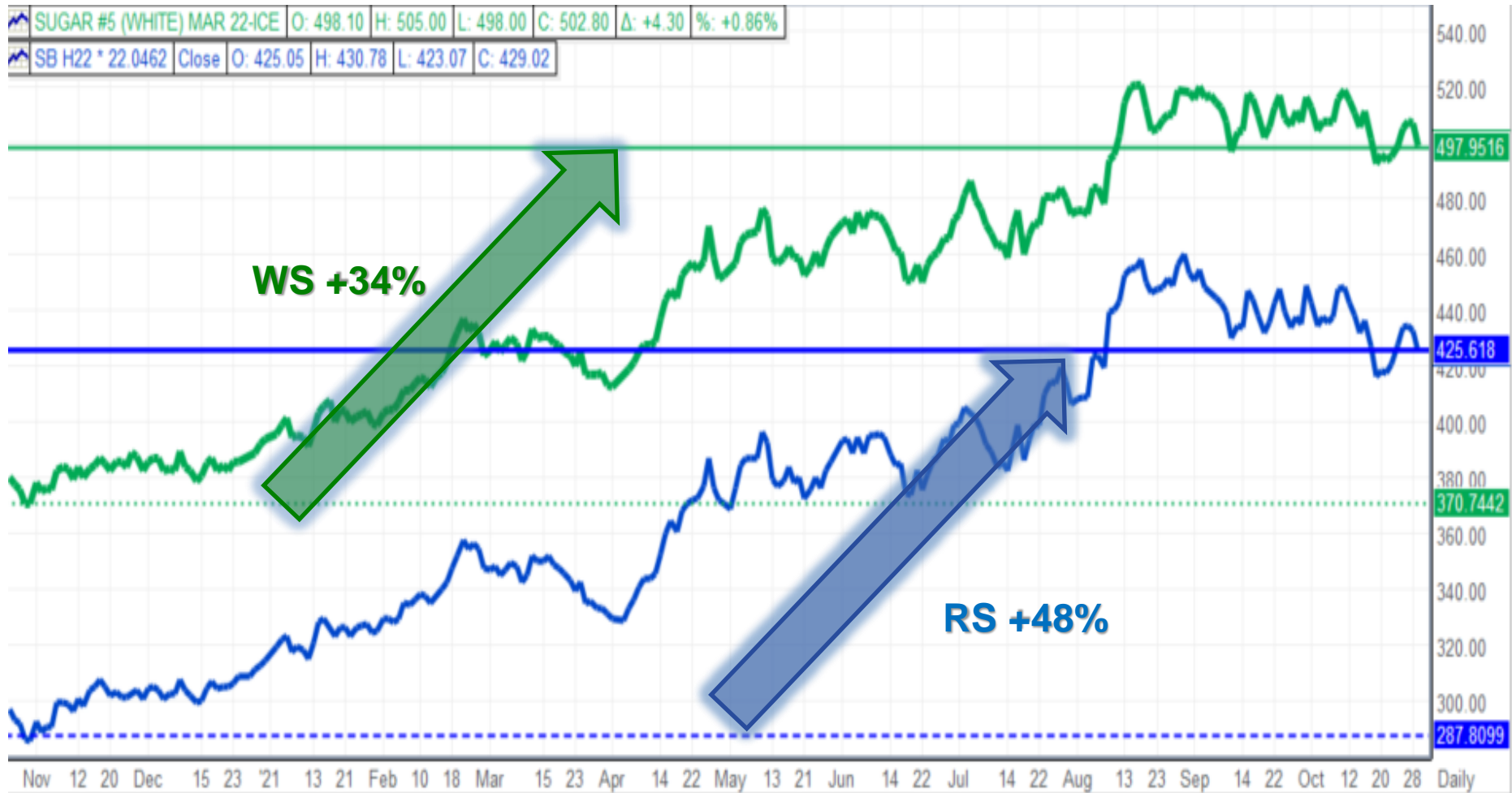


SUGAR CONSUMPTION DRIVERS:

- COVID19
- CONSUMPTION HABITS
- HEALTHIER FOOD TENDENCY ENHANCE
- WAR AGAINST SUGAR
- POPULATION GROWTH



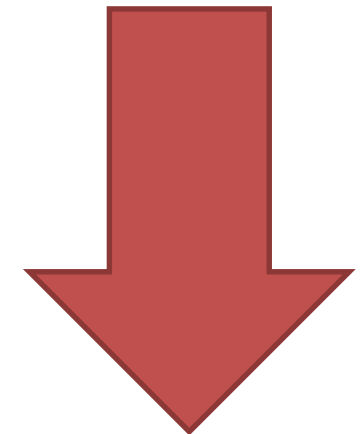
SUGAR MARKET EVOLUTION IN THE LAST TWELVE MONTHS



WS PREMIUM EVOLUTION IN THE LAST TWELVE MONTHS (USD/TON)



IN THE MONEY ?



OUT OF THE MONEY



BRAZIL

2021/22 FORECAST

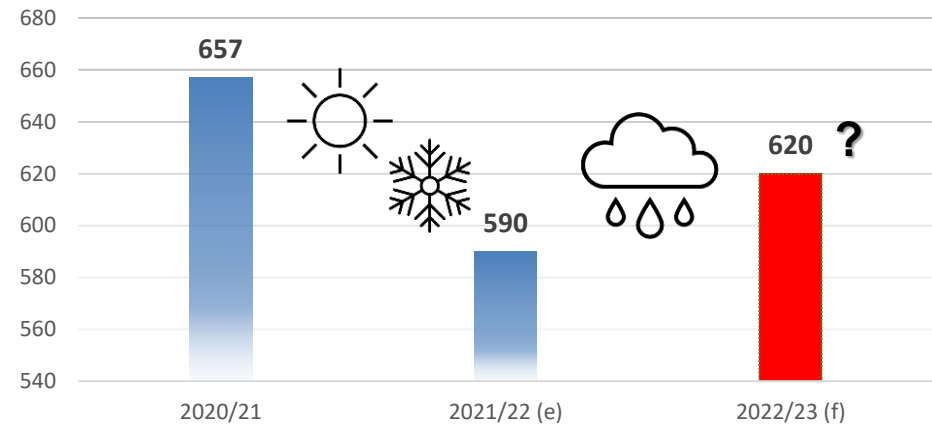
(DEPENDING ON SEVERAL FACTORS):

- CANE: ABT. 590 MMT
- EXPORTS: 26 MMT (- 6 MMT)

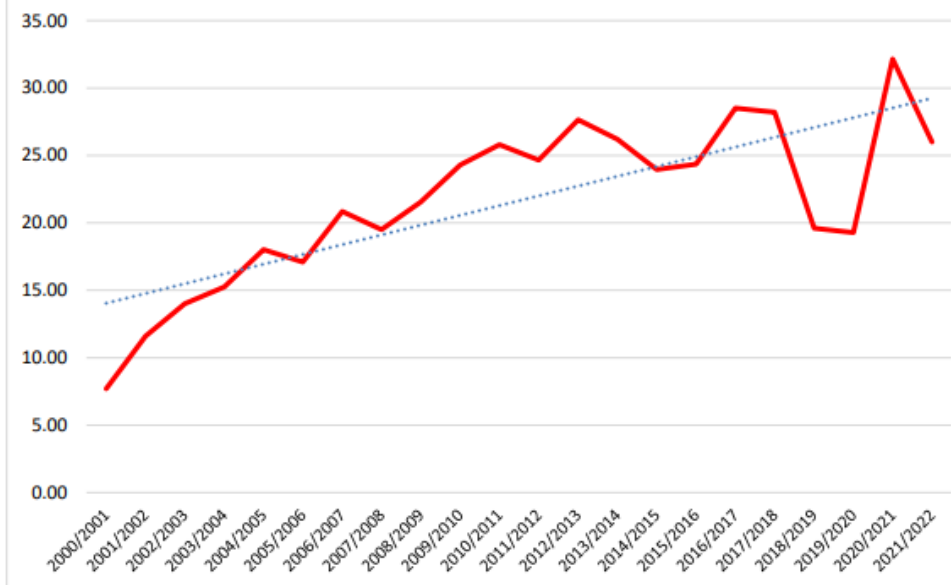
2022/23

GOOD RAINS - > BUT WHAT
SUGAR/ETHANOL RATIO?
CAP ON ETHANOL PRICES?
ECONOMIC RECOVERY?
FREIGHT

CANE PRODUCTION (MILL. TONS)

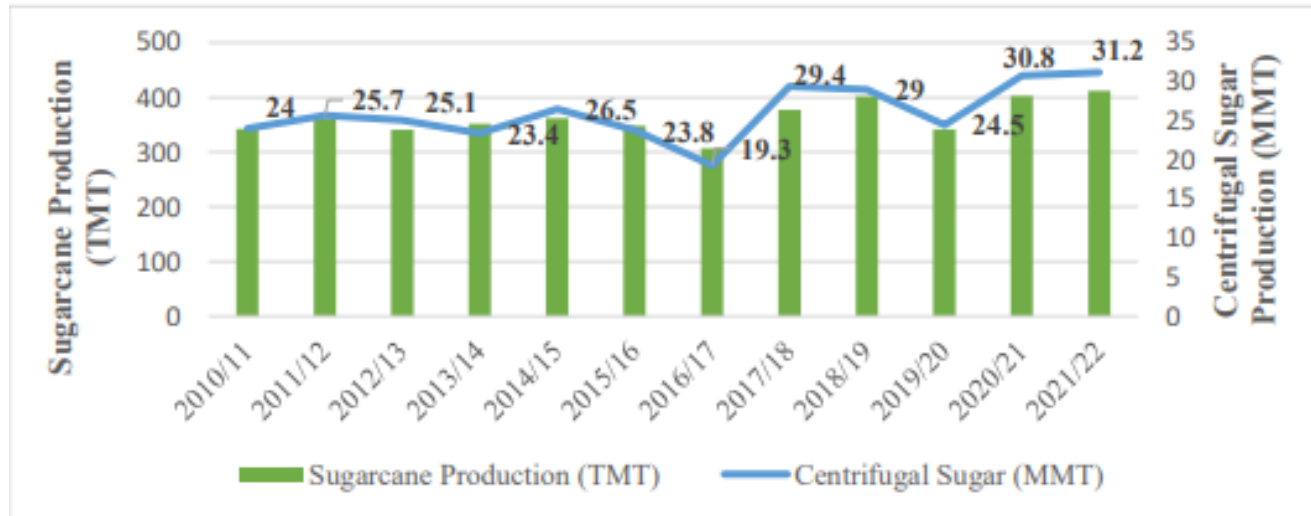


Brazil Sugar Exports (million metric tons)





INDIA



2020/21

PRODUCTION: 31.2 MILLION TONS

SUGAR EXPORTS 7.2 MILLION TONS (+20%)
(6 MILLION TONS WITH SUBSIDY)

2021/22

CROP EST.: 31 MILLION TONS
(3.4-3.5 MILLION TONS TO ETHANOL)

2 MILLION TONS ALREADY CONTRACTED

EXPORTS MAY REACH 5-6 MILLION TONS (IF WM STAYS HIGH) – NO SUBSIDY IN VIEW



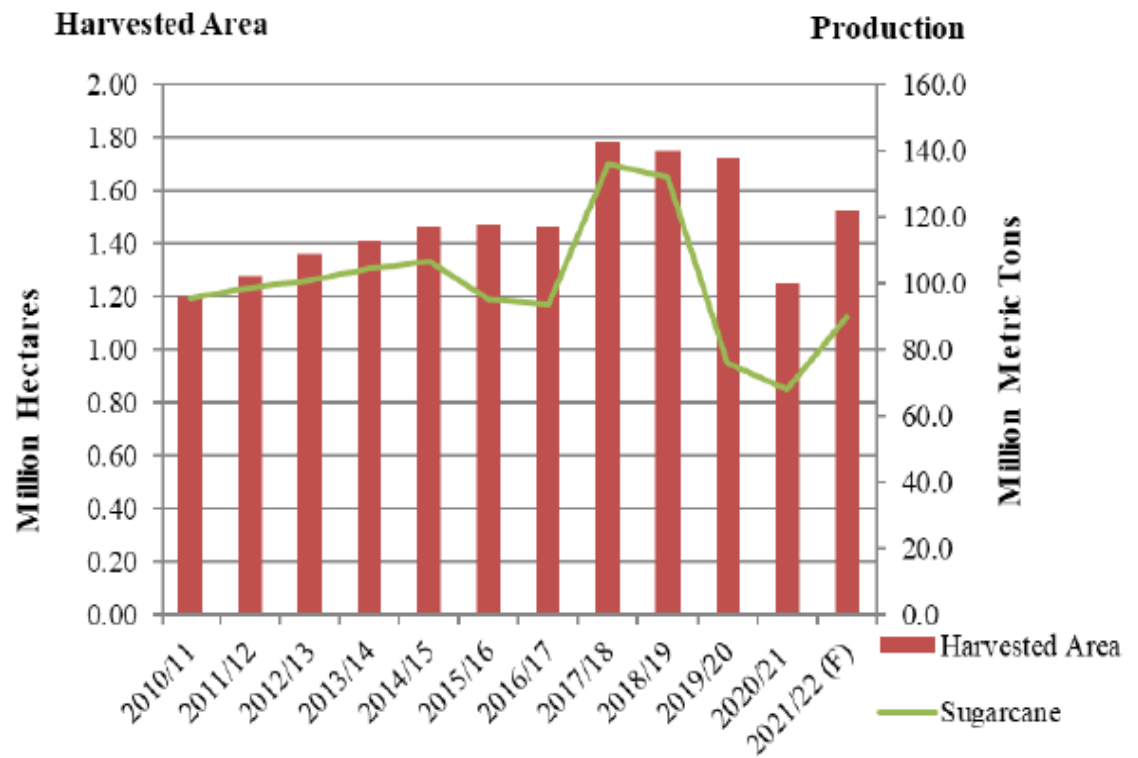
THAILAND

SUGAR PRODUCTION

2020/21: 7.5 MMT

2021/22 FORECAST:

- PRODUCTION: 10.5 MMT



WORLD MARKET DRIVERS

- ✓ ENERGY PRICES
- ✓ POST-PANDEMIC RECOVERY
- ✓ FREIGHT
- ✓ INVESTORS LONG SALES ON COMMODITIES
- ✓ CRUDE OIL PRICES
- ✓ ETHANOL DEMAND IN BRAZIL
- ✓ BOTTLENECKS ON ROUTES TO MARKET
- ✓ WEATHER IN BRAZIL
- ✓ ASIA'S DEMAND
- ✓ INFLATION
- ✓ ECONOMIC RECOVERY
- ✓ REVIVAL OF THAILAND'S OUTPUT
- ✓ SUGAR DEMAND IN CHINA
- ✓ SUGAR S&D IN EU
- ✓ SUGAR/ETHANOL SPLIT IN BRAZIL 2022
- ✓ INDIA EXPORTS



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SOURCES USED IN THIS MATERIAL: ISO, sugaronline, USDA, Czarnikow, UNICA, S&D Global Platts