



**The European Association of Sugar Traders**

## **Situation and prospects for the world sugar market**

Brussels, 26 April 2019  
Sugar Market Observatory



## WORLD SUGAR BALANCE – DEFICIT IN VIEW

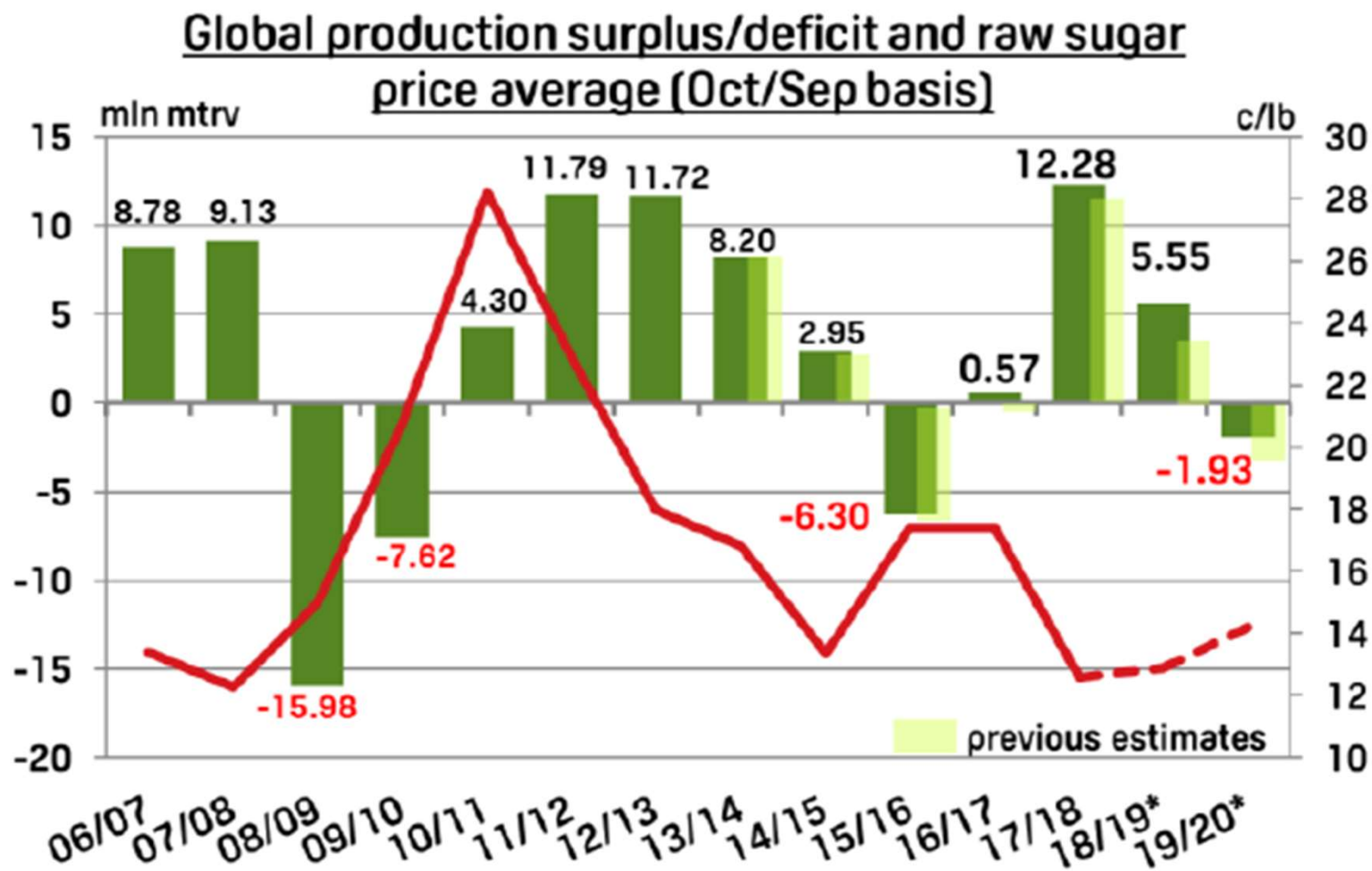
Basis Oct/Sept – 1.000 tons Raw Value

	2017/18	2018/19	2019/20
Prod.	193.133	188.599	182.801
Cons.	<u>180.850</u>	<u>183.045</u>	<u>184.735</u>
	+ 12.283	+ 5.554	- 1.934

Basis Nat. Crop Year – 1.000 tons Raw Value

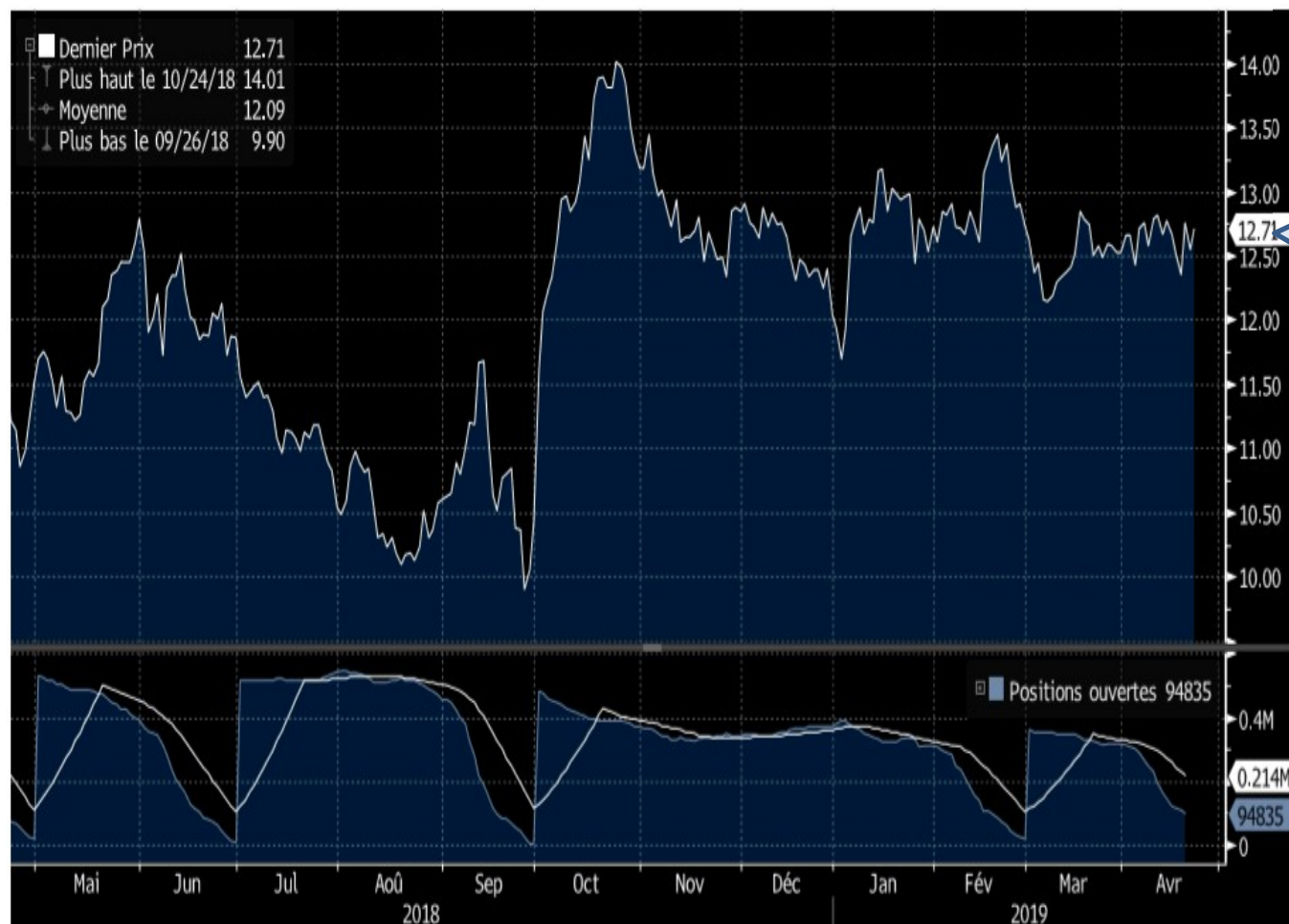
	2017/18	2018/19	2019/20
Prod.	200.323	186.353	182.833
Cons.	<u>180.463</u>	<u>182.502</u>	<u>183.918</u>
	+ 19.860	+ 3.851	- 1.085

Source: Kingsman/March 2019

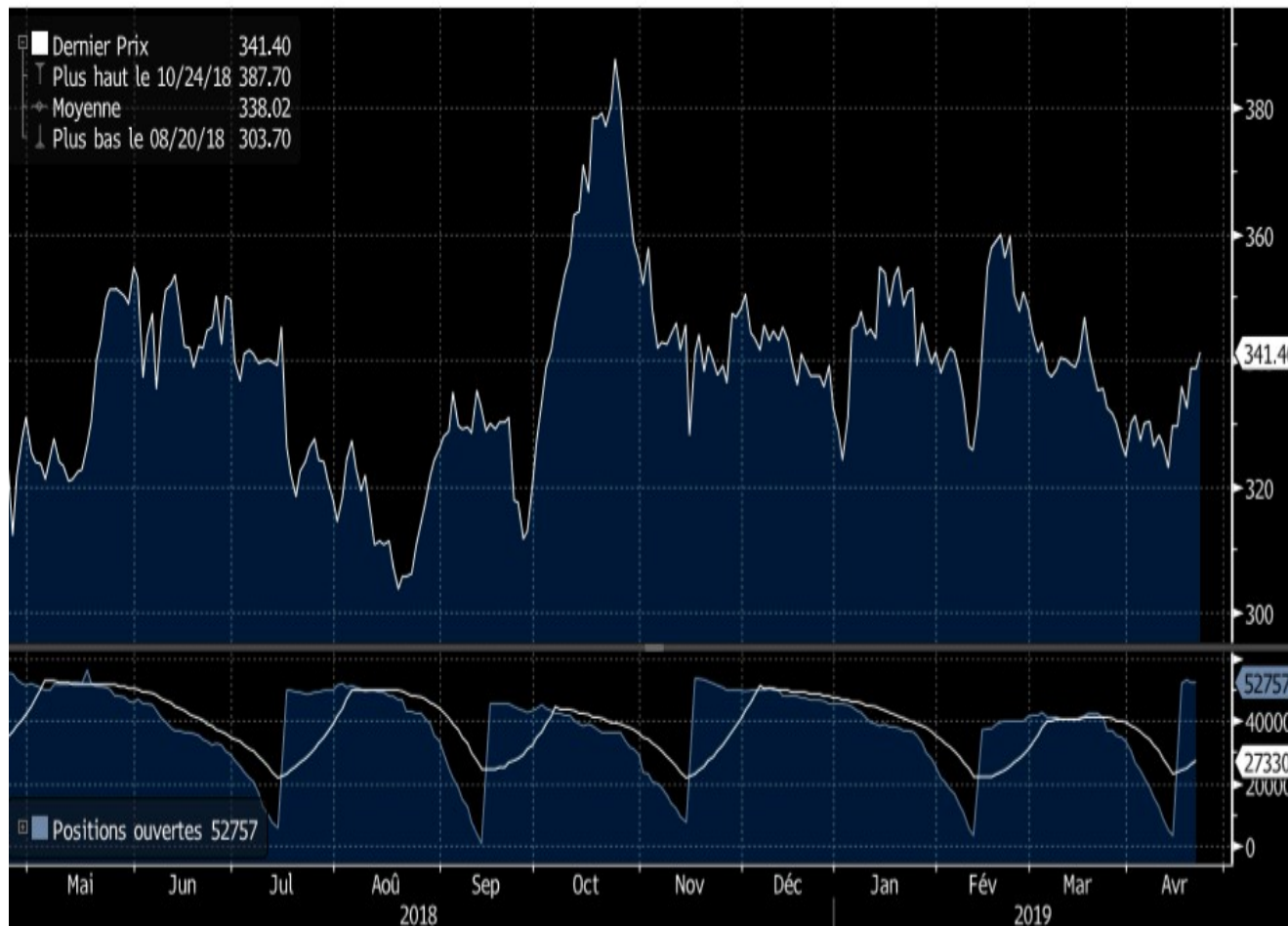


Source: S&P Global Platts Analytics

## NY RAW SUGAR 2018 – 2019 (¢/lb fob stowed)



## LDN WHITE SUGAR 2018 – 2019 US-\$/ton fob stowed



# WORLD SUGAR PRODUCTION – UPDATE FORECAST 2018/19

Basis Oct/Sept – 1.000 tons Raw Value

Forecast November '18	194.203
Forecast March '19	<u>188.599</u>
	<b>- 5.604</b>

Main changes	EU	- 1.267
	Ukraine	- 252
	Brasil CS	- 1.418
	Brasil NNE	- 257
	South Africa	+ 104
	Iran	+ 490
	India	- 816
	Pakistan	- 1.466
	Thailand	- 602
	Vietnam	- 185

Source: Kingsman

## WORLD SUGAR PRODUCTION – UPDATE FORECAST 2019/20

Basis Oct/Sept – 1.000 tons Raw Value

2019/20                      182.801

2018/19                      188.599

**- 5.798**

Main changes	EU + UK	- 141	India	- 4.739
	Ukraine	- 333	Pakistan	- 734
	US + Mexico	+ 235	Thailand	- 753
	Cuba	+ 398	Australian	+ 100
	Guatemala	- 103		
	Brasil CS	- 691		
	Brasil NNE	- 381		
	Egypt	+ 110		
	China	+ 327		

Source: Kingsman March '19



## BRAZIL CS

### CS Brazil production estimates (Apr/March crop year)

		2016/17	2017/18	2018/19*	2019/20*
		Final estimates	Final estimates	Latest estimates	Basic scenario
Cane crush	mln mt	607.14	596.31	569.00	570.00
ATR	kg/mt cane	133.03	136.60	137.85	137.50
Sugar	mln mt	35.63	36.06	26.48	28.01
Total Ethanol	bln ltr	25.65	26.09	29.83	28.81
Sugar Mix		46.29%	46.46%	35.43%	37.50%
Ethanol Mix		53.71%	53.54%	64.57%	62.50%
<i>Cana bisada</i>	mln mt	7.0	8.0	4.0	6.0

Source: UNICA and S&P Global Platts Analytics



## BRAZIL NNE

### NNE Brazil production estimates (Oct/Sep crop year)

		2016/17	2017/18	2018/19*	2018/19*
		Final estimates	Final estimates	Prev. estimates	Latest estimates
Cane crush	mln mt	44.78	44.87	47.00	48.00
ATR	kg/mt cane	135.22	128.08	133.00	133.20
Sugar	mln mttq	3.116	2.548	2.621	2.559
Total Ethanol	bln ltr	1.605	1.776	1.980	2.100
Sugar Mix		54.01%	48.40%	44.00%	42.00%
Ethanol Mix		45.99%	51.60%	56.00%	58.00%
<i>Cana bisada</i>	<i>mln mt</i>	<i>1.0</i>	<i>1.0</i>	<i>1.0</i>	<i>1.0</i>

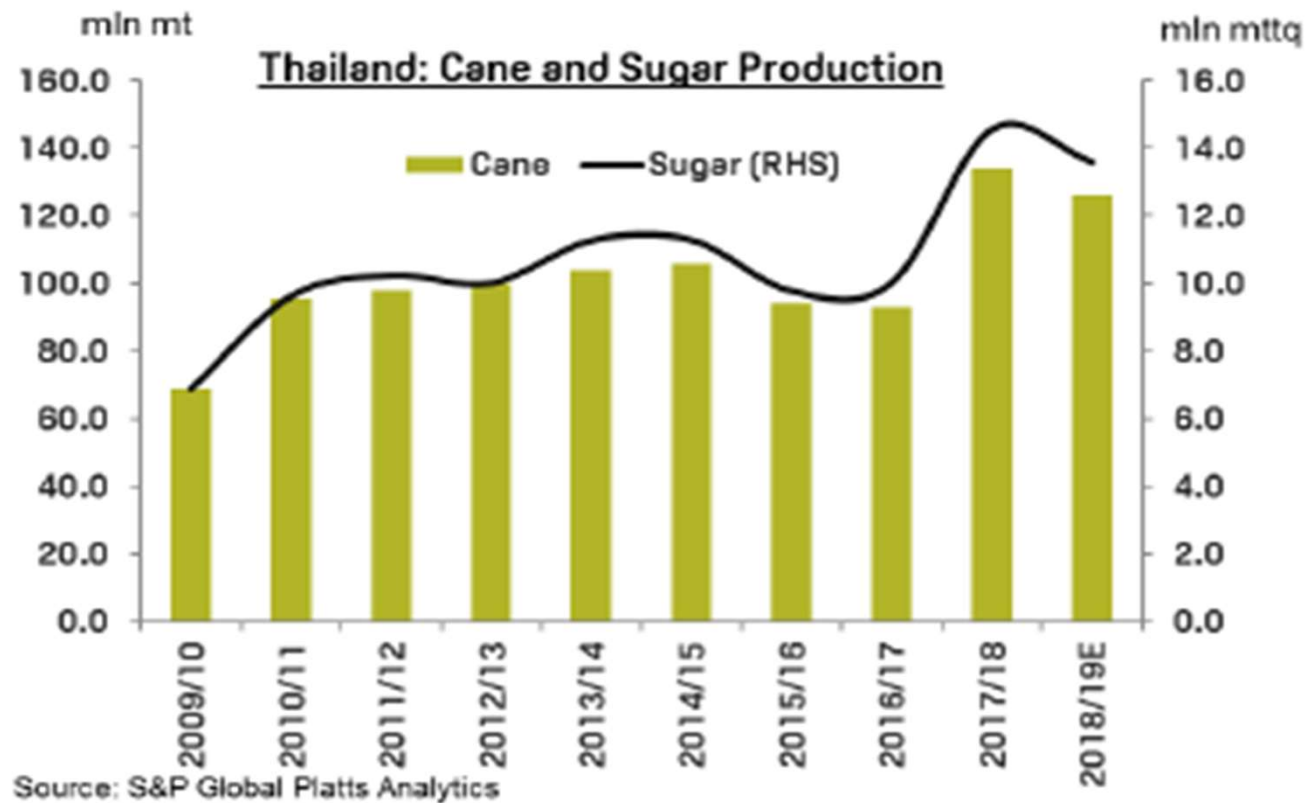
Source: MAPA and S&P Global Platts Analytics

## INDIA

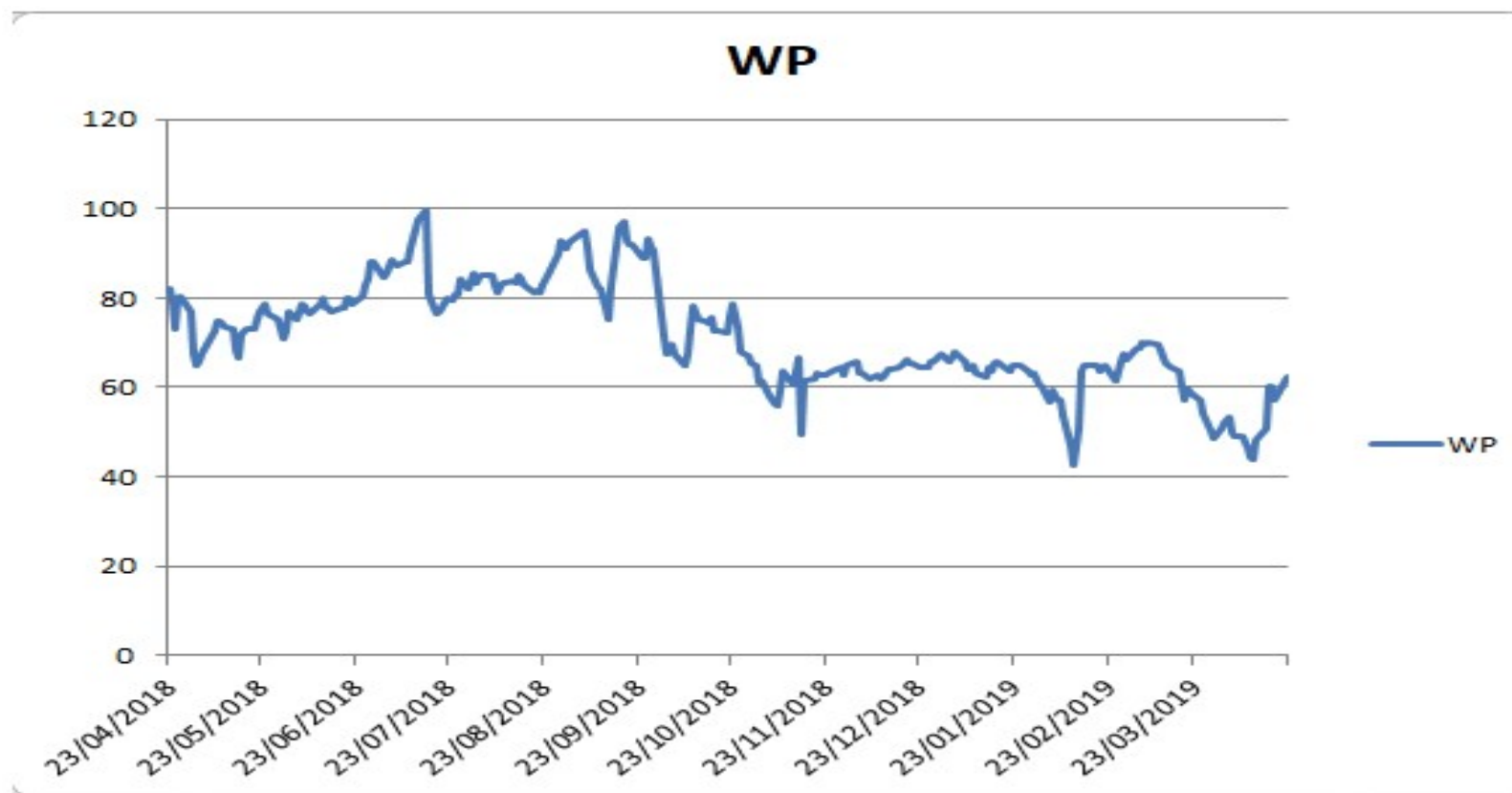
(Mil mttq)	2017/18	2018/19E	YoY (%)
Maharashtra	10.7	10.4	-2.9
Uttar Pradesh	12.1	12.1	0.1
Karnataka	3.7	4.4	18.5
Tamil Nadu	0.6	0.9	54.1
Others	5.0	4.9	-1.3
<b>Total</b>	<b>32.2</b>	<b>32.9</b>	<b>2.1</b>

Source:S&P Global Platts Analytics

# THAILAND



## WHITE SUGAR PREMIUM @ APRIL 2019



## WORLD MARKET DRIVERS TO WATCH... JUST A FEW

- ✓ Oil prices – Brazil's gasoline policy
- ✓ Lower sugar output in main producing areas: EU, Thailand, Brazil, Russia
- ✓ WTO panel/consultations India vs. Australia &co.
- ✓ Oil prices/production
- ✓ Exchange rates
- ✓ TRUMP's twitters (US trade)
- ✓ Indian cane price policy
- ✓ Indian ancillary measures
- ✓ Biochemical project in Thailand
- ✓ Sugar consumption growth
- ✓ Sugar = health risk
- ✓ Closures of mills/production's sites
- ✓ La Nina / El Nino
- ✓ Weather – El Niño?
- ✓ Fund commitment
- ✓ Production increase net importers
- ✓ .....



# CRUDE OIL April'19





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