

# The European Association of Sugar Traders

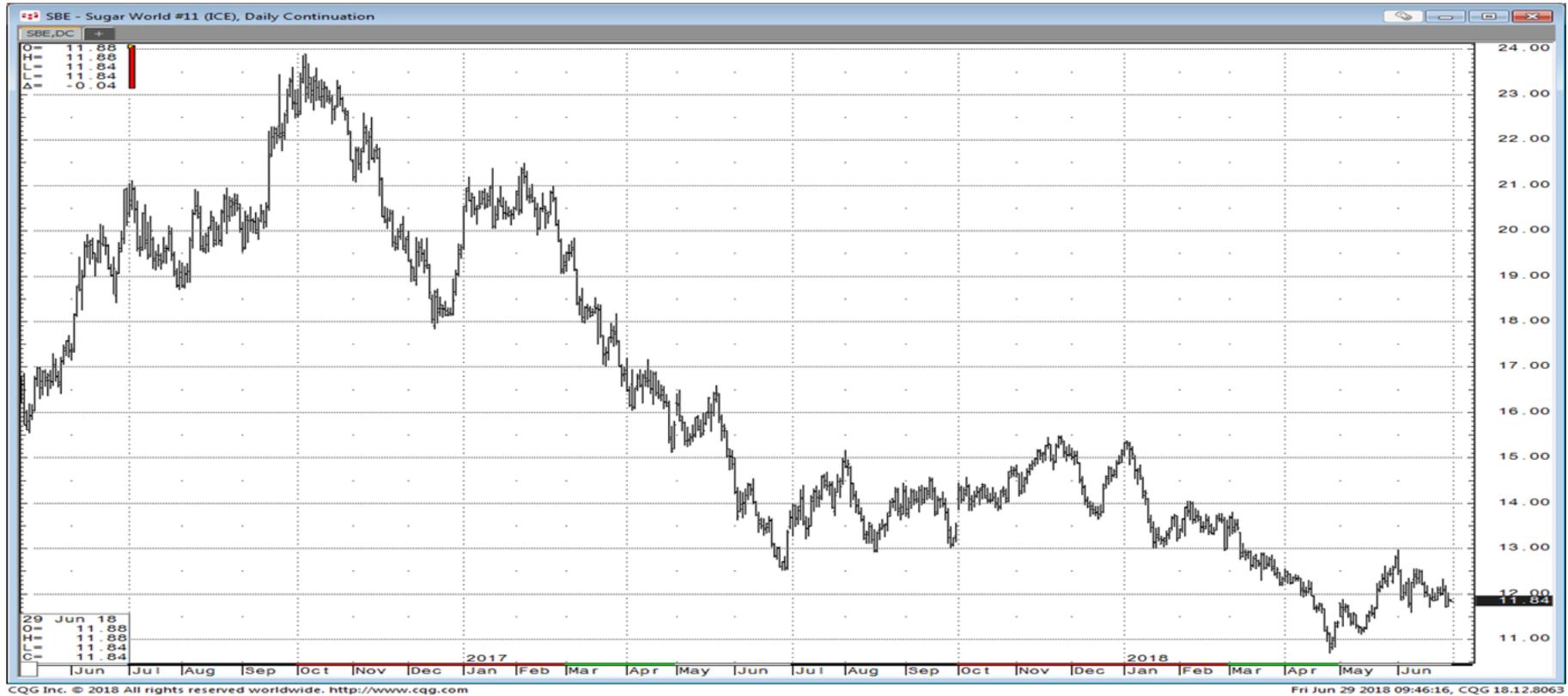


## Sugar Market Observatory meeting

3 July 2018



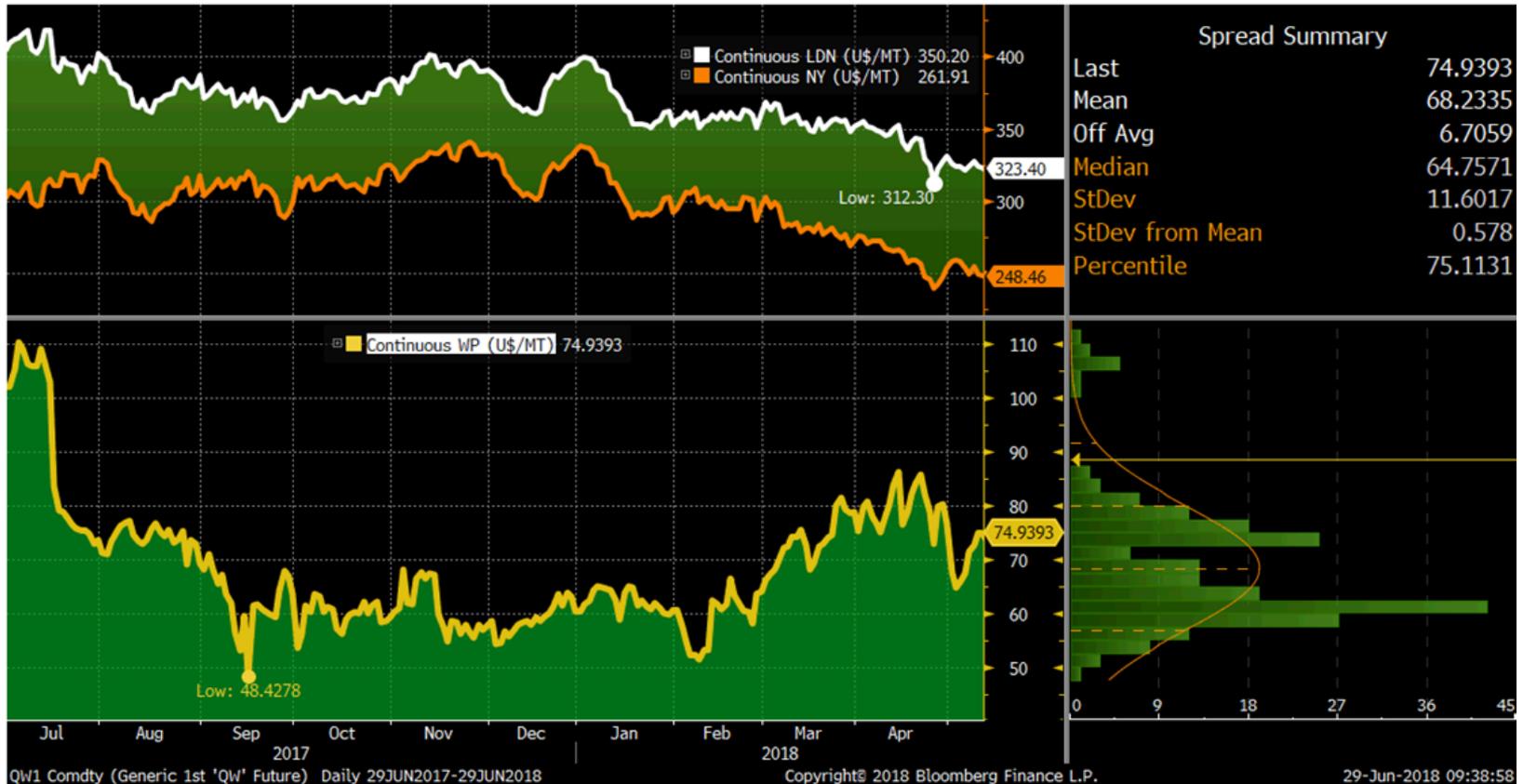
# NEW YORK N°11 RAW SUGAR FUTURE MARKET



# LONDON N°5 WHITE SUGAR FUTURE MARKET

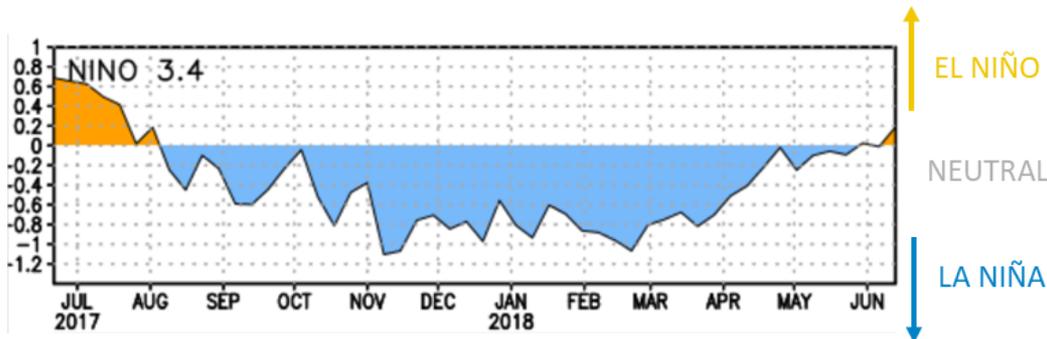


# WHITE PREMIUM-DAILY CONTINUATION BASIS



# CLIMATOLOGY

Oceanic Niño Index in the region 3.4  
[°C]



## ENSO ALERT STATUS: El Niño Watch

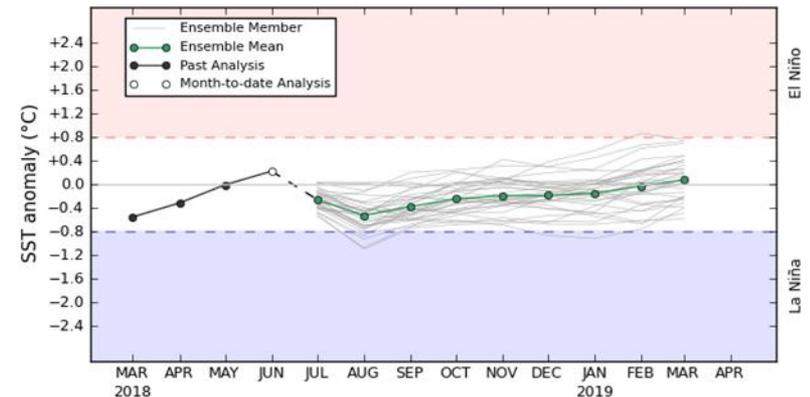
- ENSO-neutral condition are present.
- Pacific Ocean equatorial sea surface temperatures are near-to-above average.



## ENSO OUTLOOK

- ENSO-neutral will last up to Northern Hemisphere summer 2018.
- ENSO could increase to El Niño during fall with a probability of 50%, and during winter 65%.

POAMA monthly mean NINO34 - Forecast Start: 17 JUN 2018



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Base period 1981-2010

## INDIAN OCEAN DIPOLE STATUS

- IOD is currently neutral.

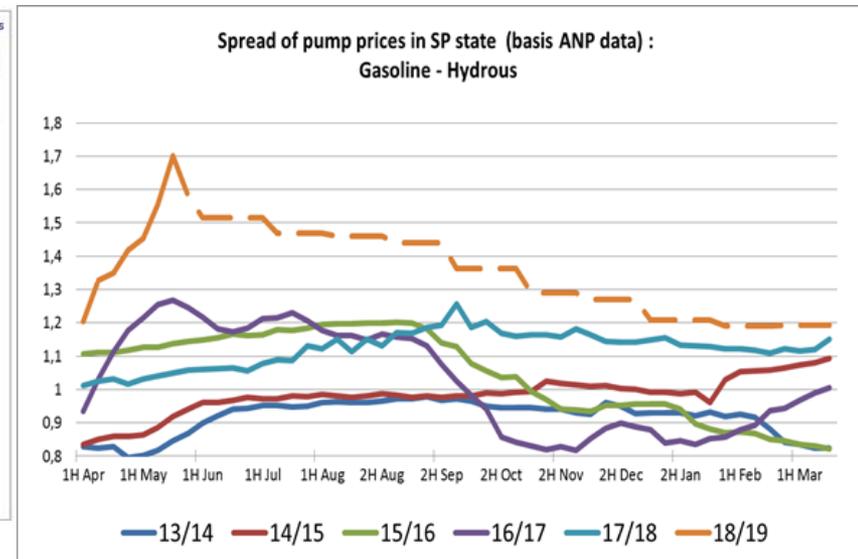
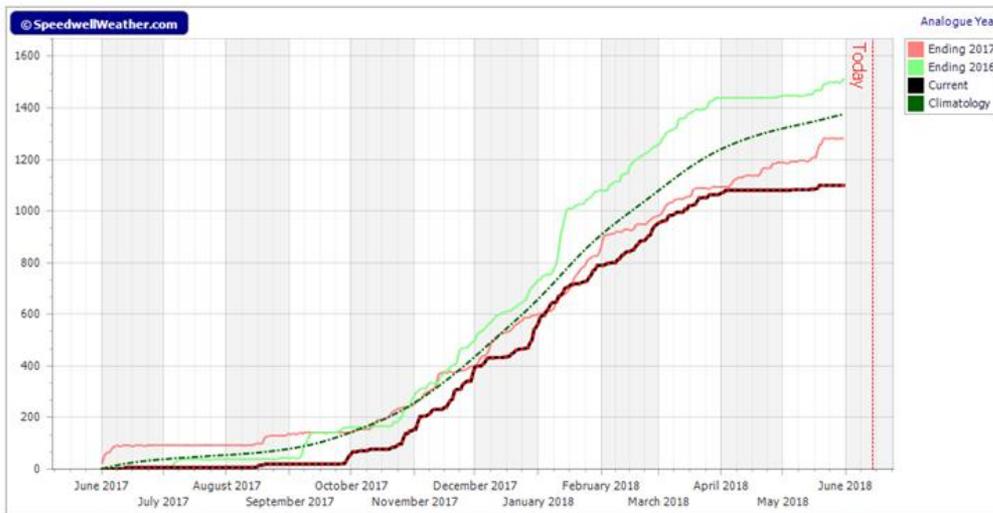
## IOD OUTLOOK

- 5 of the 6 international models anticipate that the IOD will remain neutral until at least the Southern Hemisphere spring.
- One model indicates a positive IOD is likely to develop in the next month.

# BRAZIL CS: LESS CANE & MORE ETHANOL, LESS SUGAR

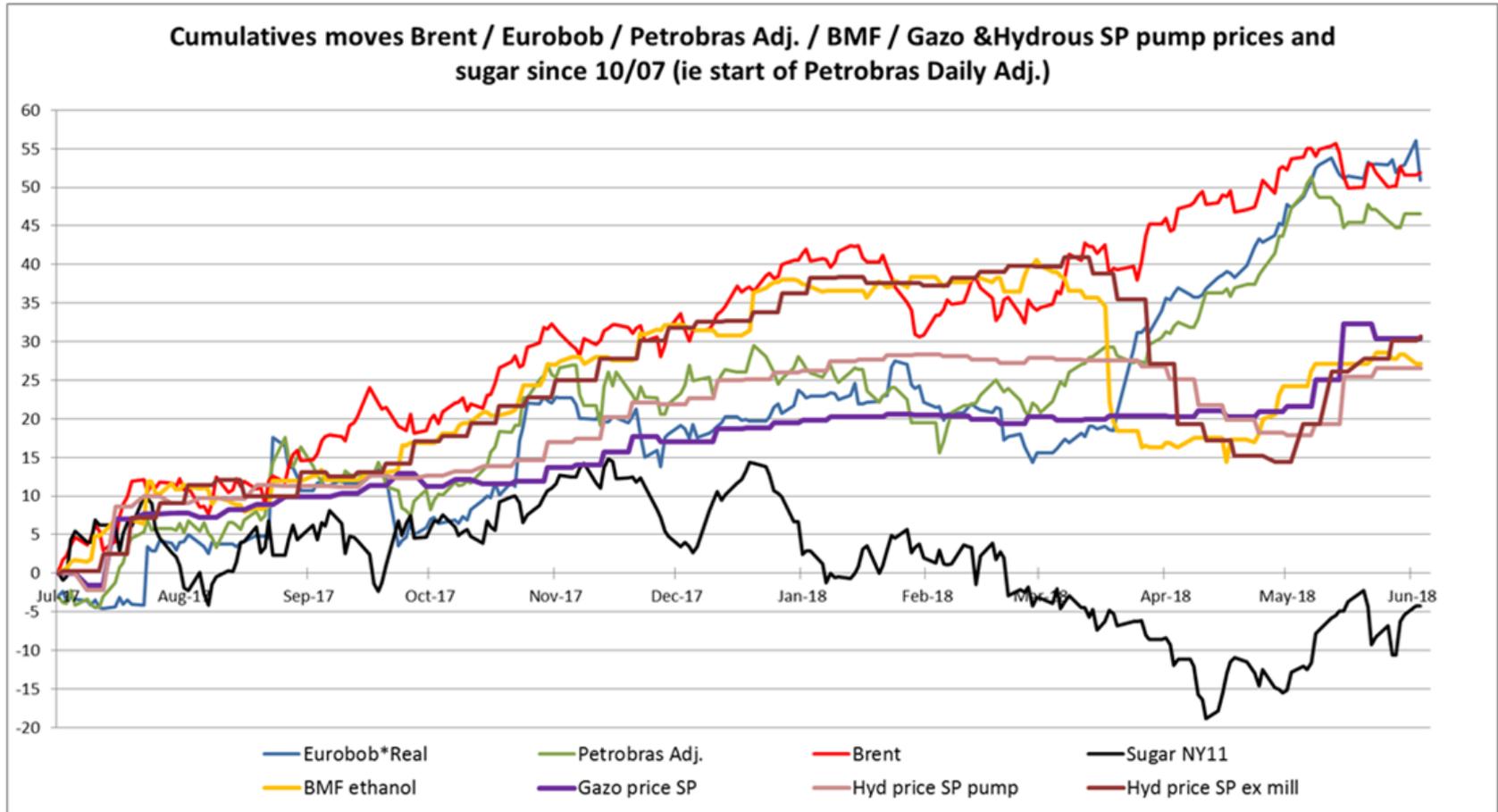


Cumulative Rainfall since June 2017 to May 2018 versus 10-year average and the previous year [mm]

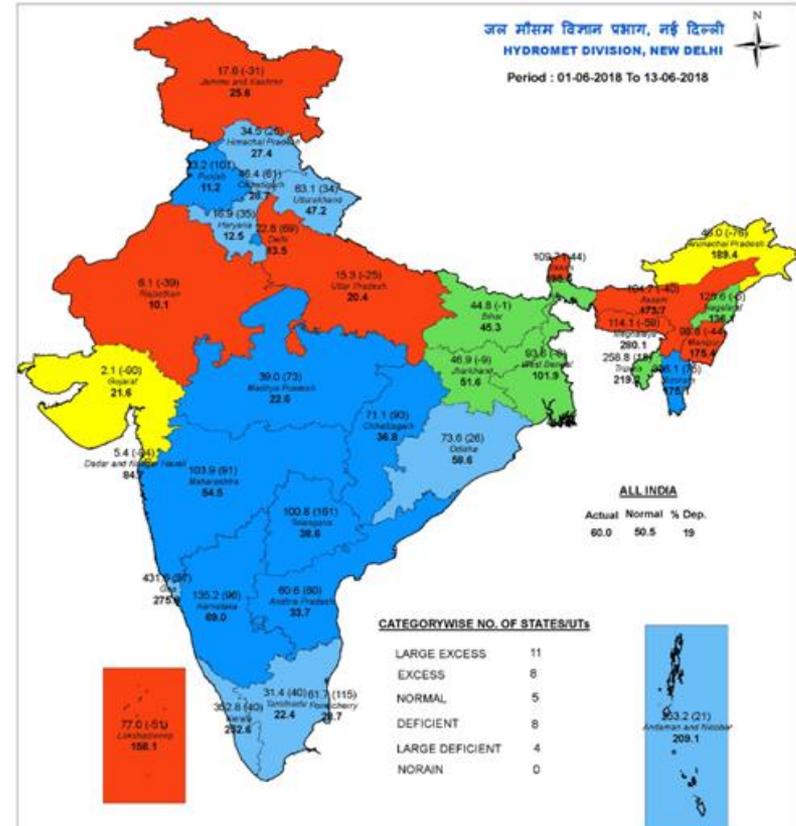
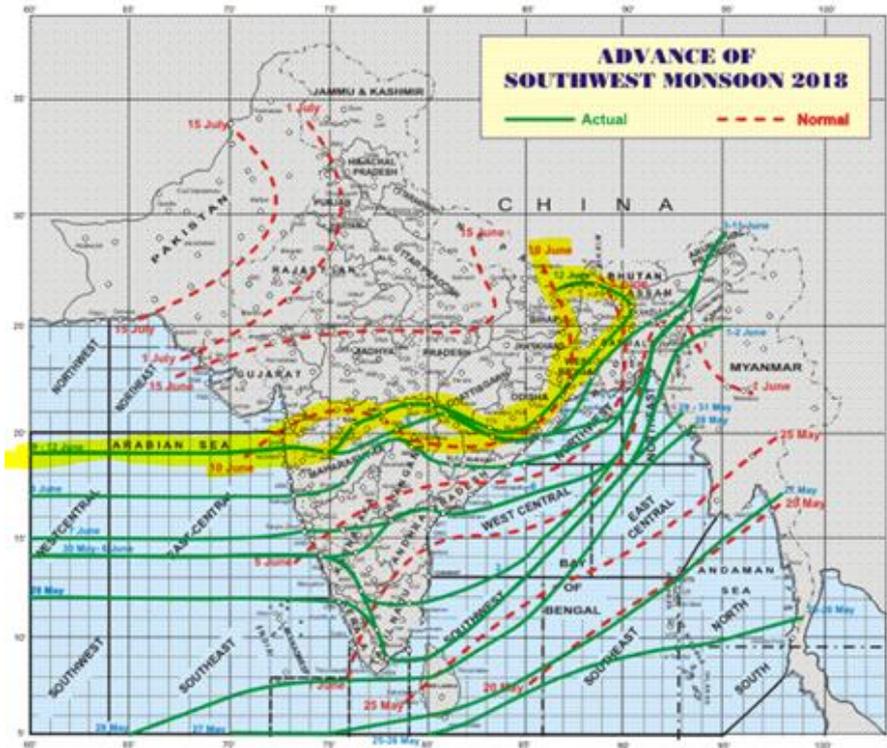


Industry consensus: 28,5 Mt

# BRAZIL CS: LESS CANE & MORE ETHANOL, LESS SUGAR



## INDIA – GOOD MONSOON AND WATER AVAILABILITY

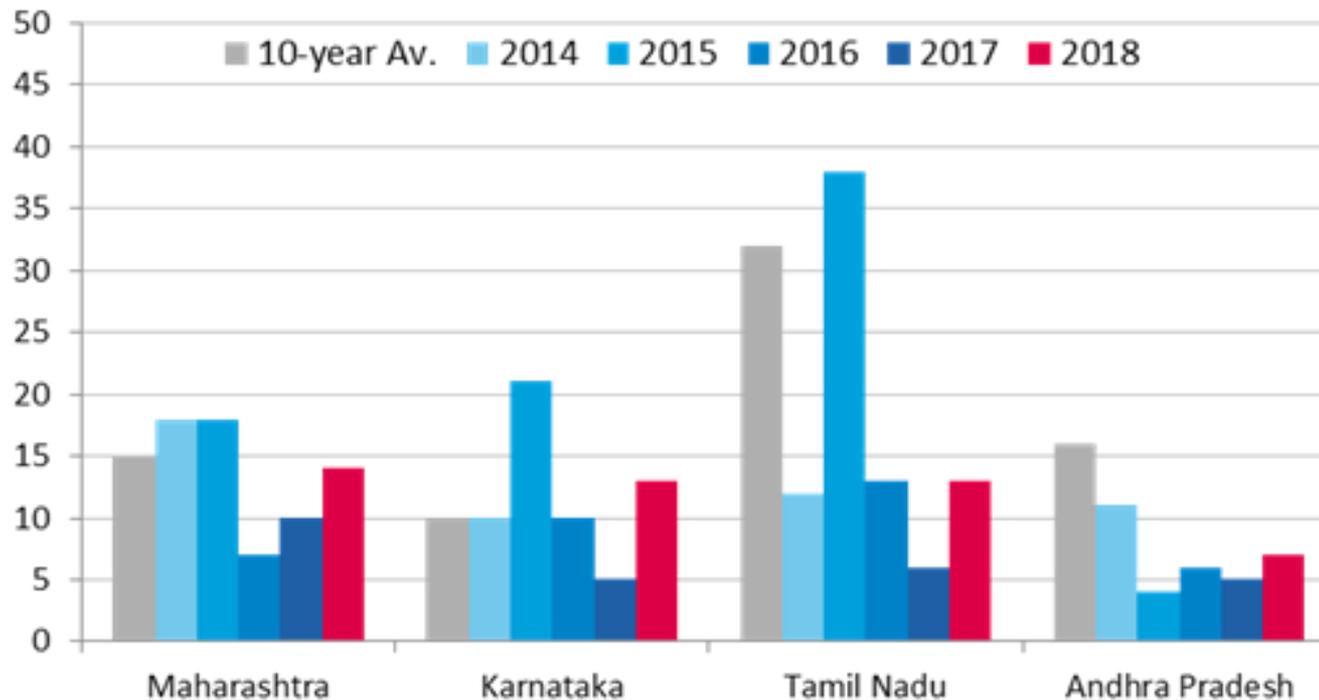


Legend  
 Large Excess [ 60% or more ]    Excess [ 20% to 59% ]    Normal [ -19% to 19% ]    Deficient [ -59% to -20% ]    Large Deficient [ -99% to -40% ]    No Rain [ -100% ]    NO DATA

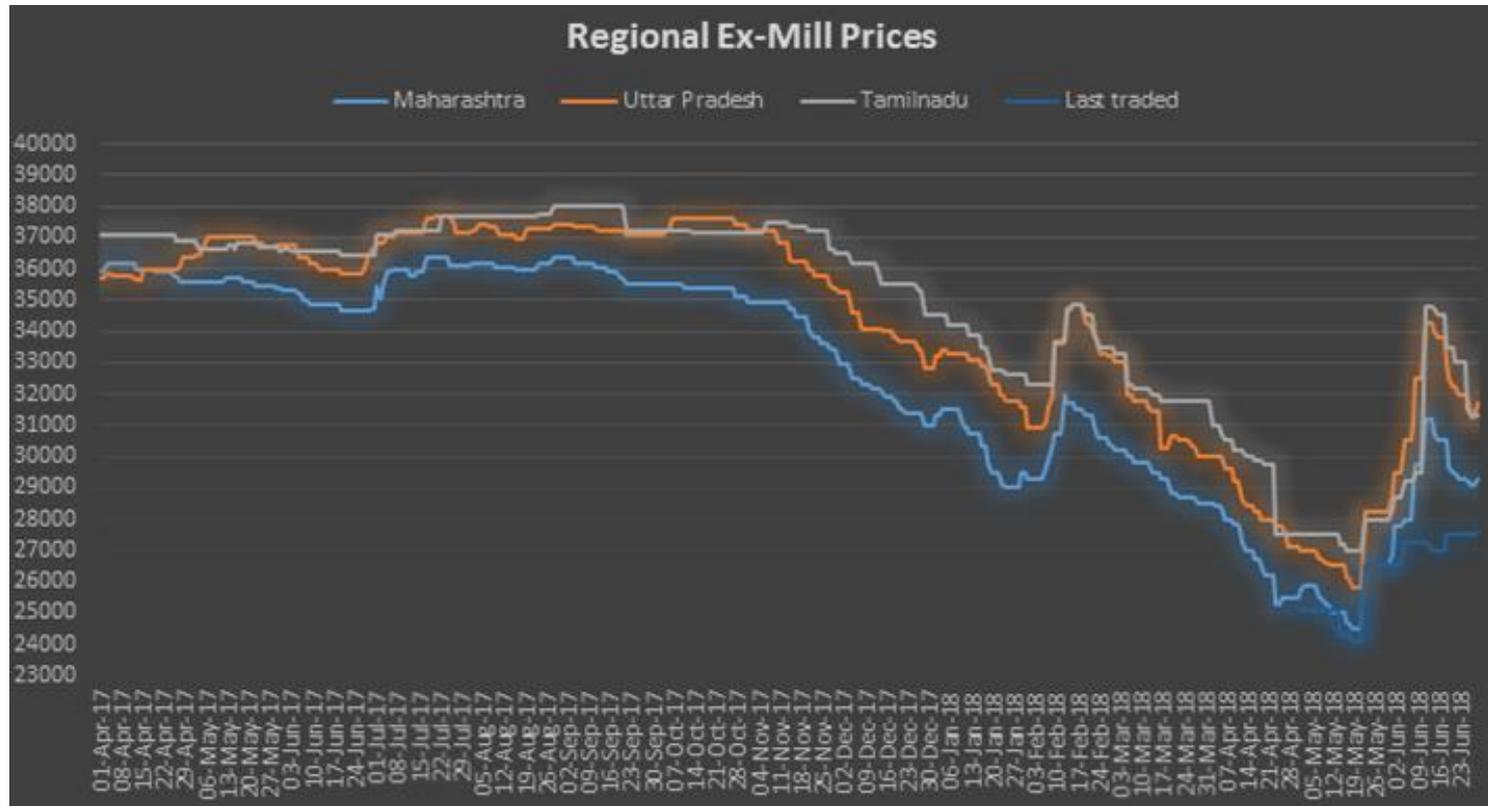
# INDIA – GOOD MONSOON AND WATER AVAILABILITY



Indian Reservoirs Level [% storage capacity]

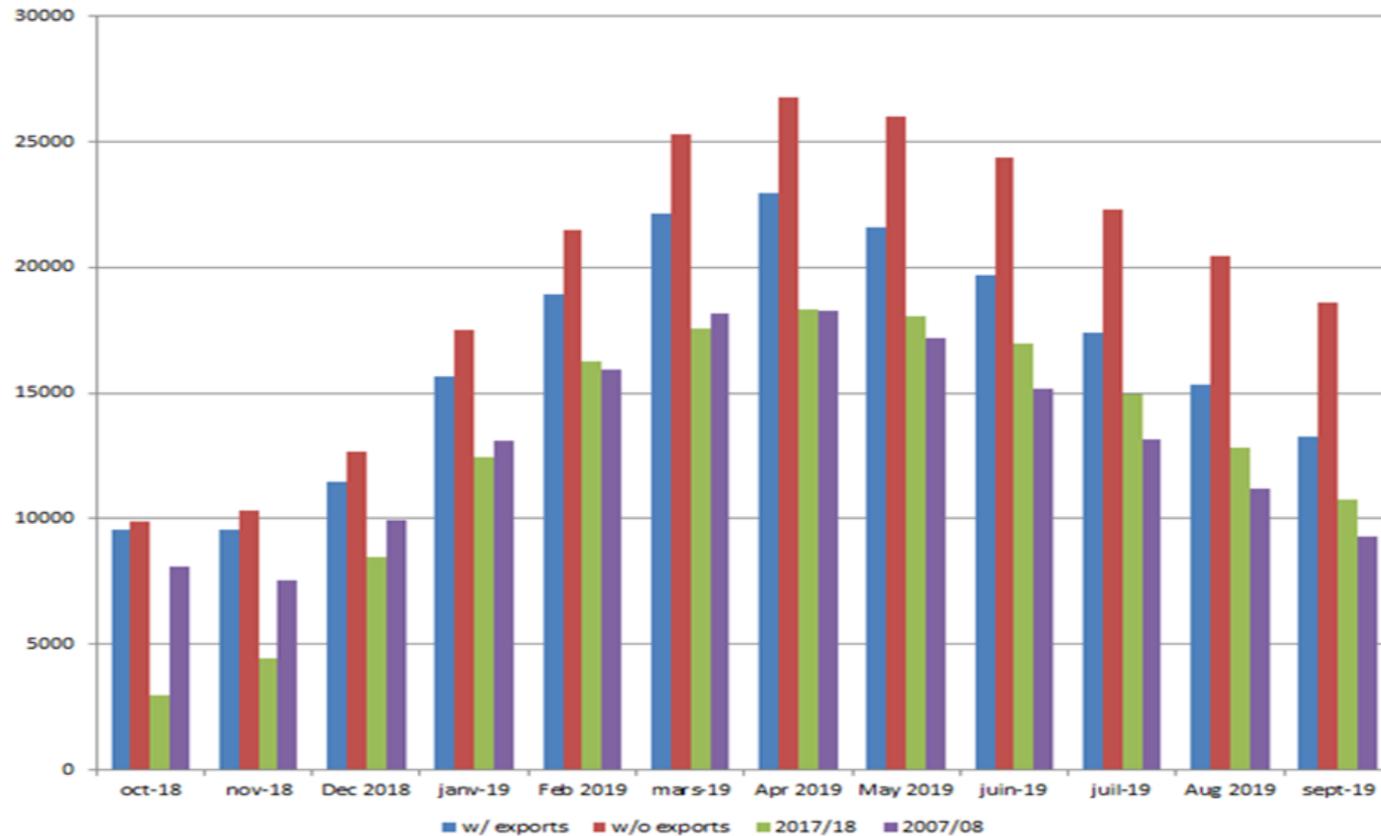


## INDIA – PRICES VOLATILITY UNDER POLICY MOVES



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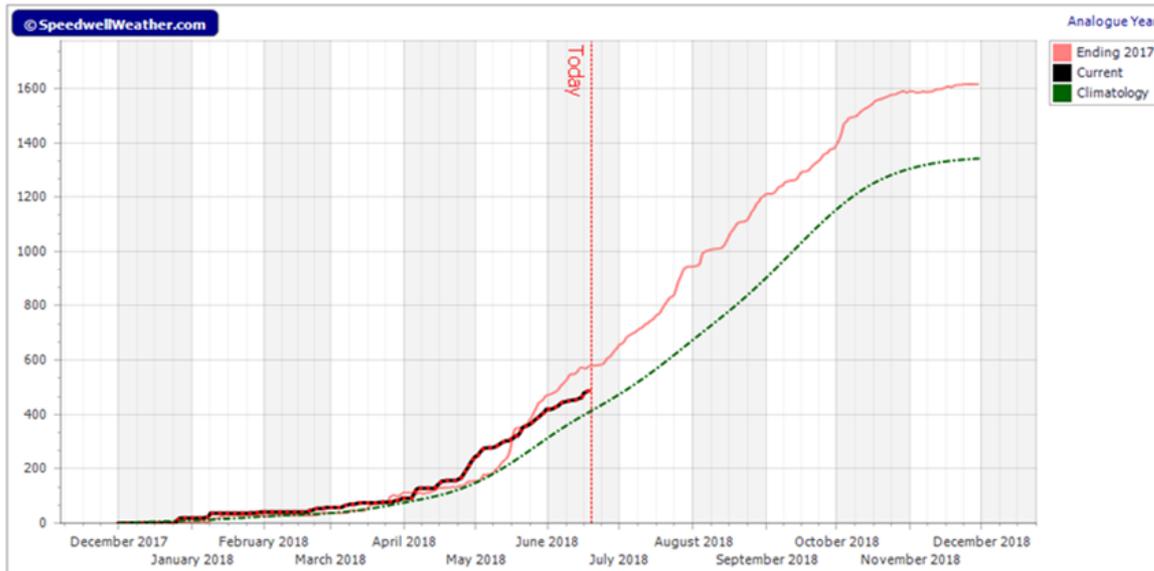
Scenario for stocks in India by end Sept 19  
according exports policy [MT]



# THAILAND



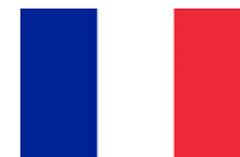
Cumulative Rainfall since December 2017 versus 10-year average and the previous year [mm]



- Thai rainfall since December are still 20% above the 10-year average.
- These rains are beneficial for the standing sugarcane.
- Industry forecast is at 130 Mt of cane (6 Mt lower than last year).

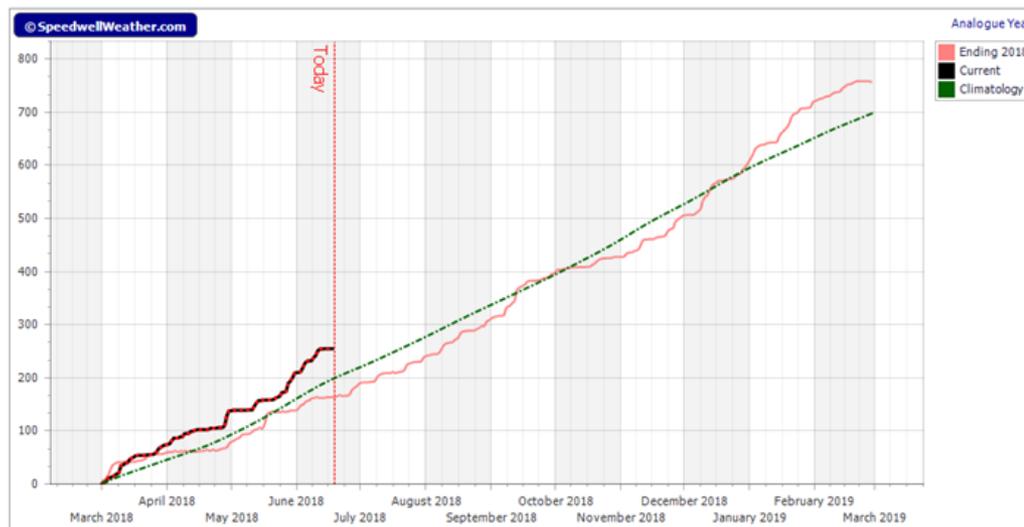
From December to Date		[mm]
Ongoing	<b>2017/18</b>	488
Previous	<b>2016/17</b>	578
Average	<b>10-year</b>	408
<i>Diff. with average</i>		19%

Industry consensus 18/19: 14 Mt



## FRANCE

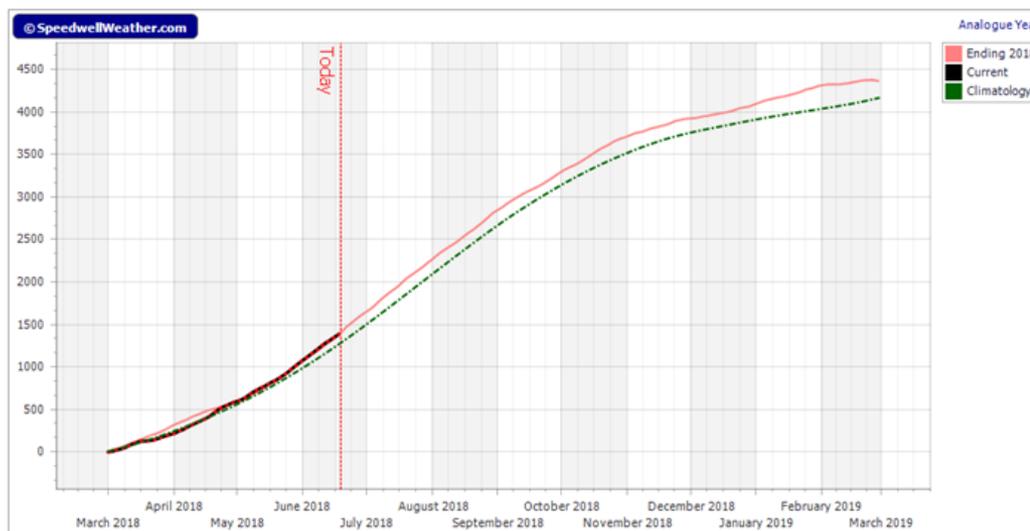
Cumulative Rainfall since March 2018 versus 10-year average and the previous year  
[mm]



RAINFALL

From March to Date		[mm]
Ongoing	<b>2018/19</b>	255
Previous	<b>2017/18</b>	163
Average	<b>10-year</b>	198
<i>Diff. with average</i>		29%

Cumulative Average Temperature since March 2018 versus 10-year average and the previous year  
[°C]



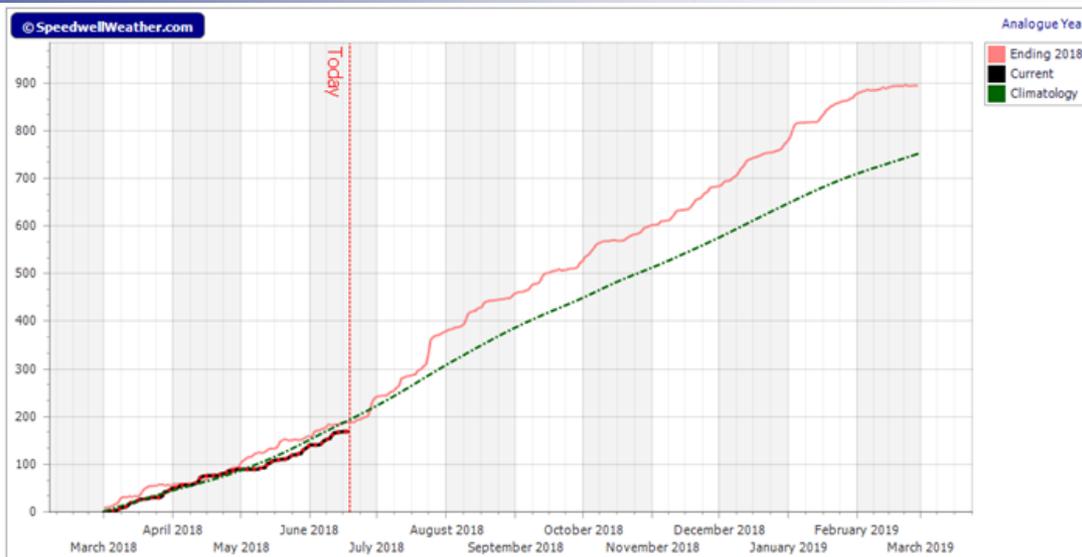
TEMPERATURE

From March to Date		[°C]
Ongoing	<b>2018/19</b>	1 388
Previous	<b>2017/18</b>	1 383
Average	<b>10-year</b>	1 269
<i>Diff. with average</i>		9%



## GERMANY

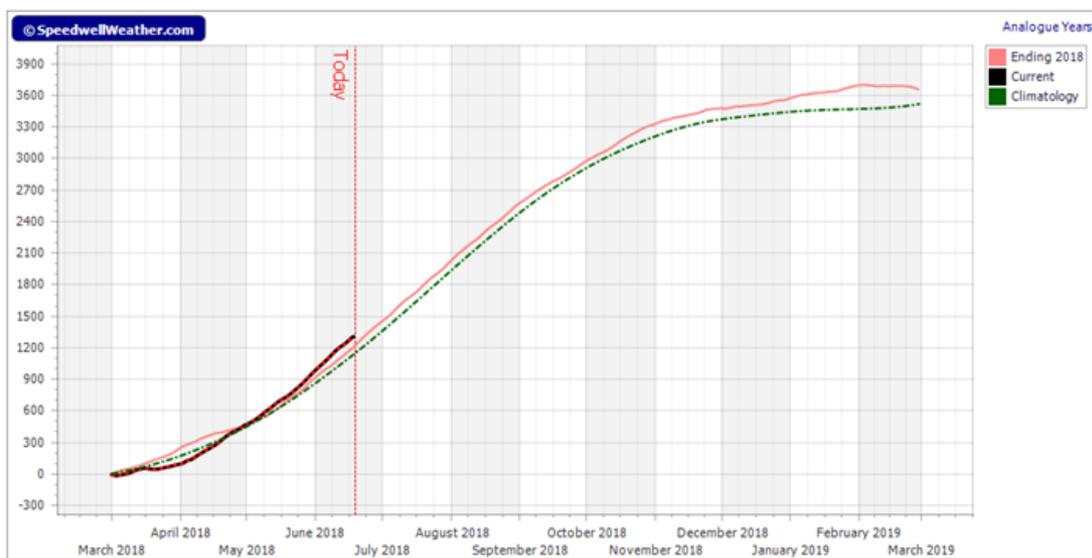
Cumulative Rainfall since March 2018 versus 10-year average and the previous year [mm]



RAINFALL

From March to Date		[mm]
Ongoing	<b>2018/19</b>	169
Previous	<b>2017/18</b>	188
Average	<b>10-year</b>	192
<i>Diff. with average</i>		-12%

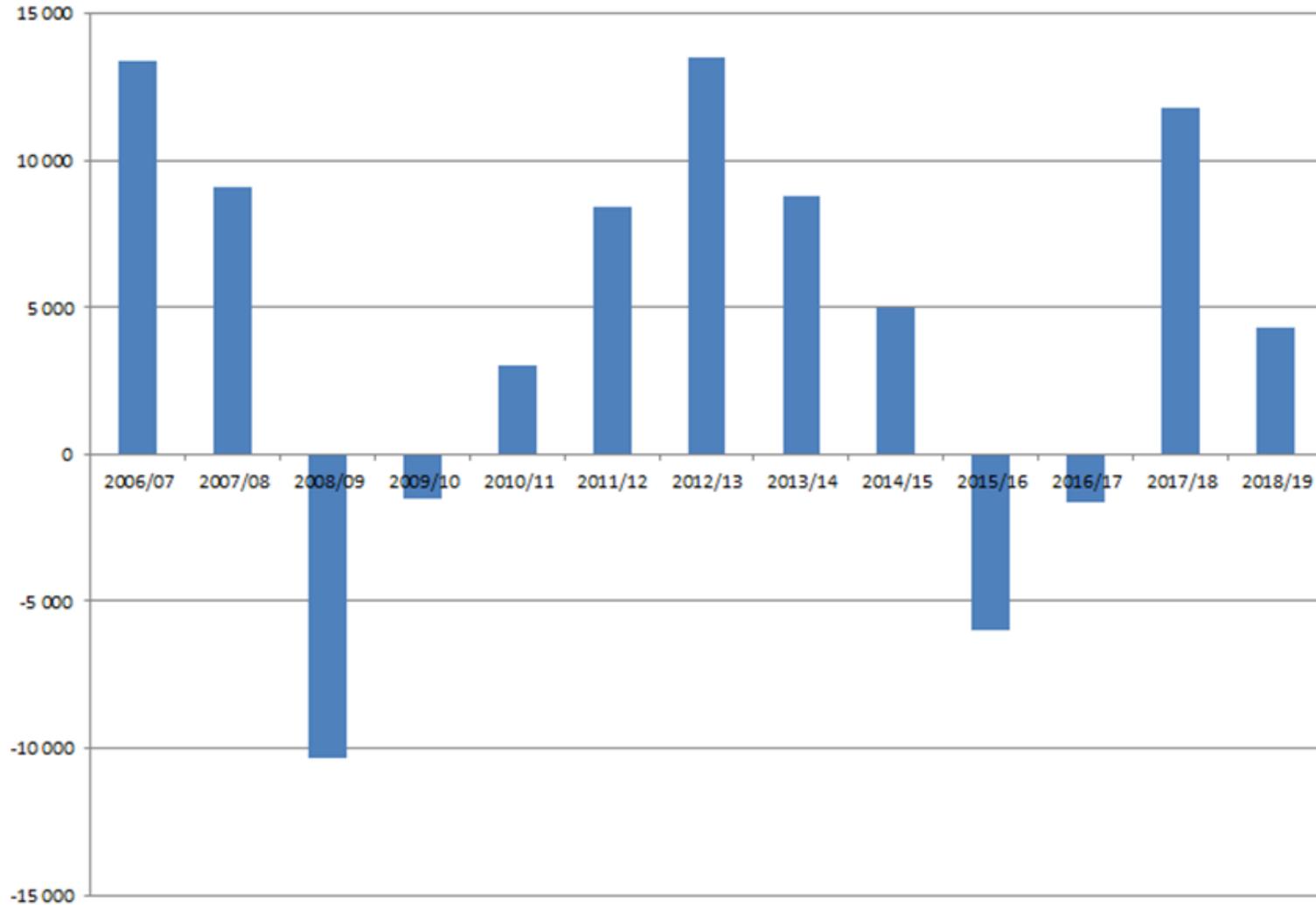
Cumulative Average Temperature since March 2018 versus 10-year average and the previous year [mm]



TEMPERATURE

From March to Date		[°C]
Ongoing	<b>2018/19</b>	1309
Previous	<b>2017/18</b>	1205
Average	<b>10-year</b>	1137
<i>Diff. with average</i>		15%

## OCT/SEP PRODUCTION-CONSUMPTION BALANCE



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