



European  
Commission

# Market situation

*Sugar Market Observatory  
12 April 2018*

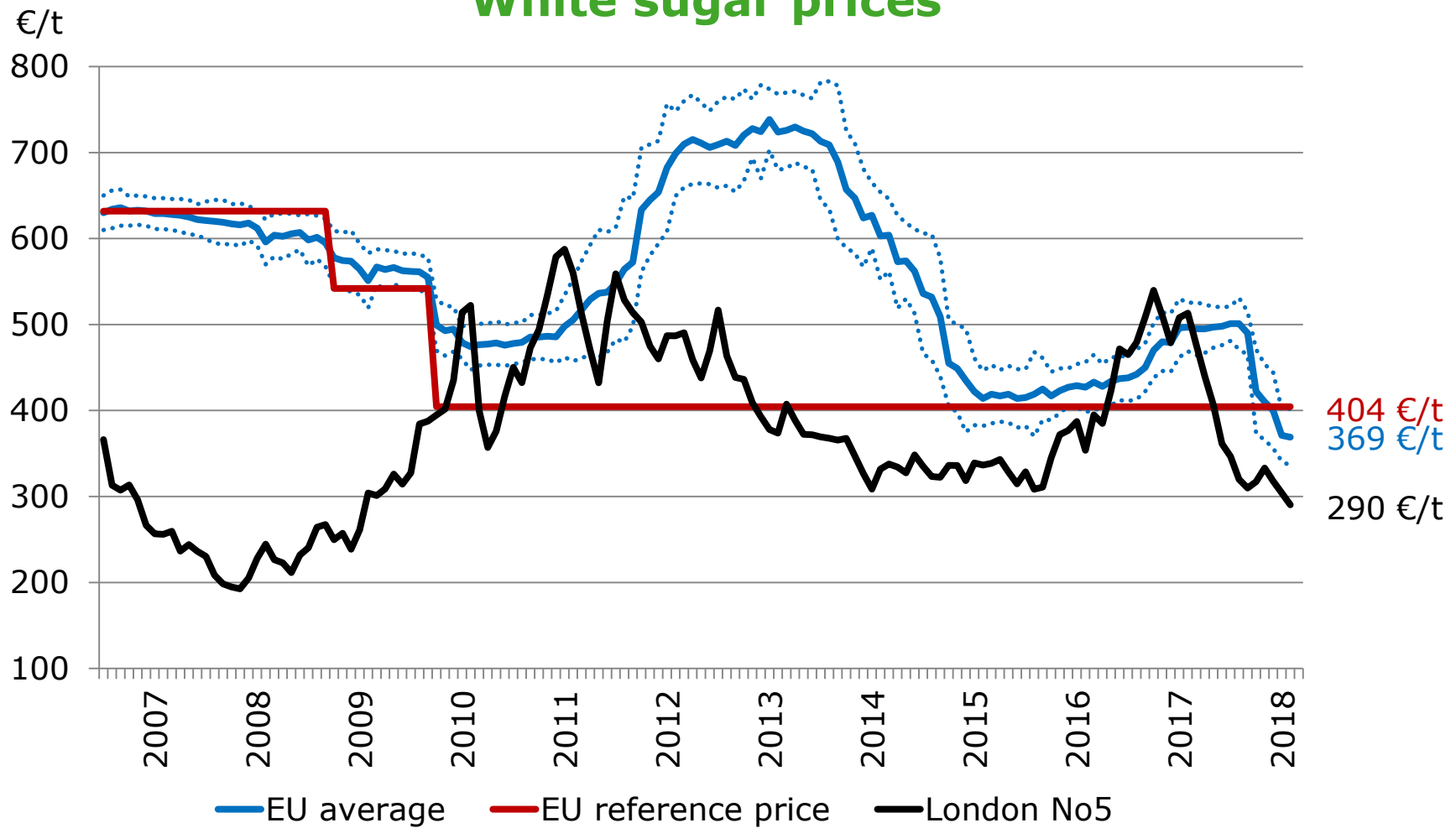
*Arable crops, Sugar team  
DG Agriculture and Rural Development  
European Commission*

Agriculture  
and Rural  
Development

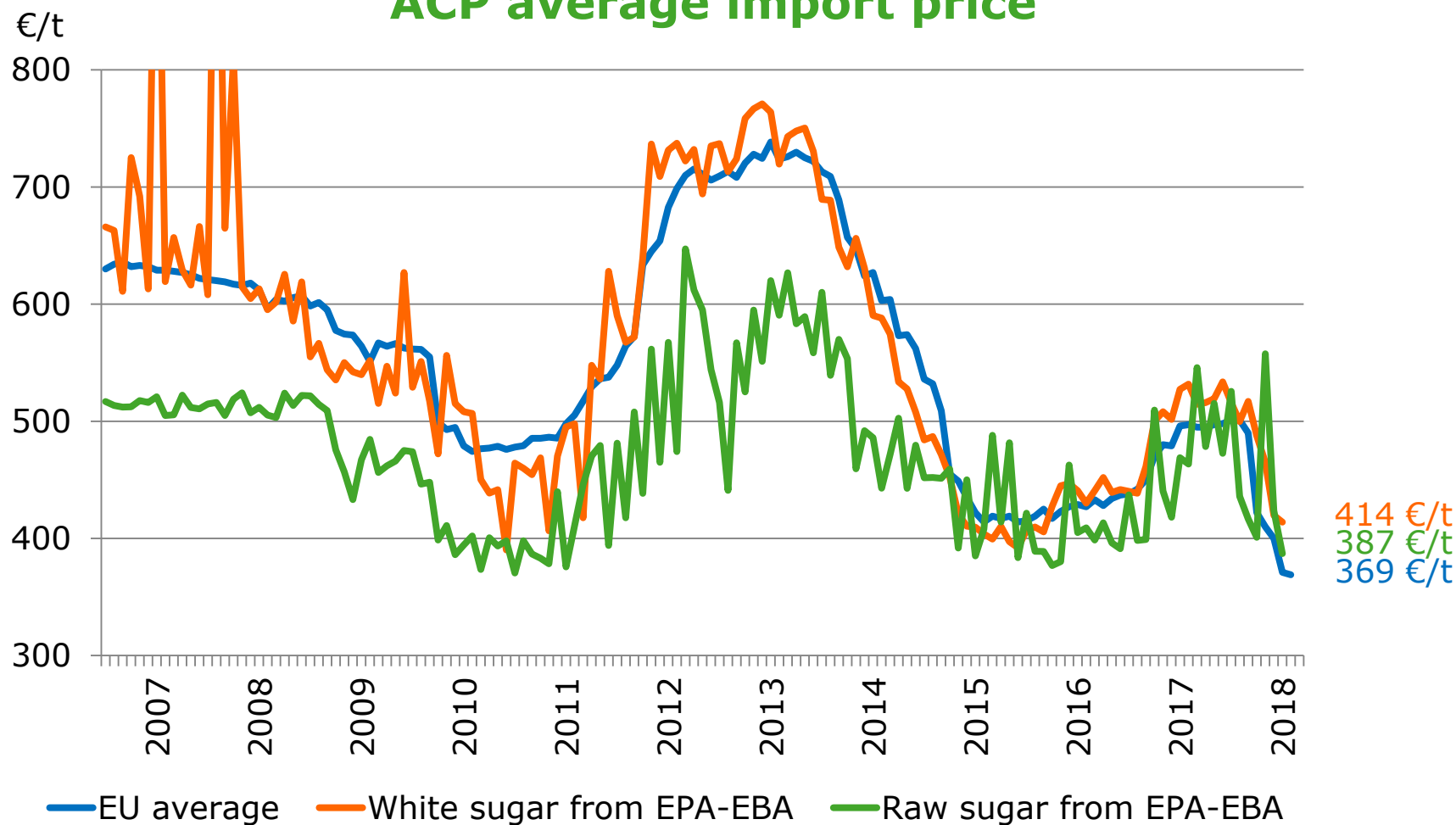
# Sugar Prices

***Sugar Market Observatory***  
***12 April 2018***

## White sugar prices



## ACP average import price



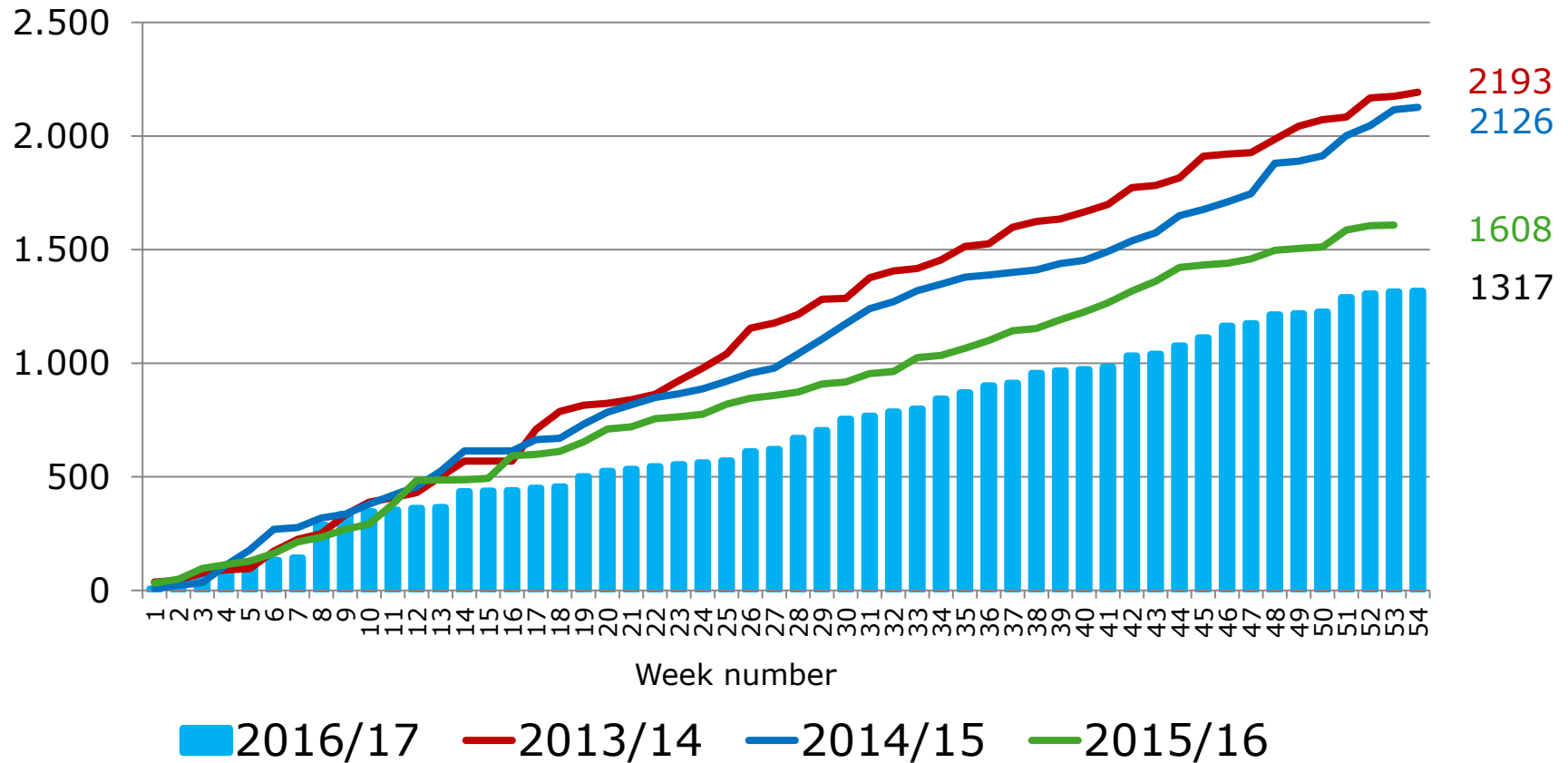
# EU Sugar Import

***Sugar Market Observatory***  
***12 April 2018***

## Imports from EPA/EBA

### Weekly cumulated imports licence application

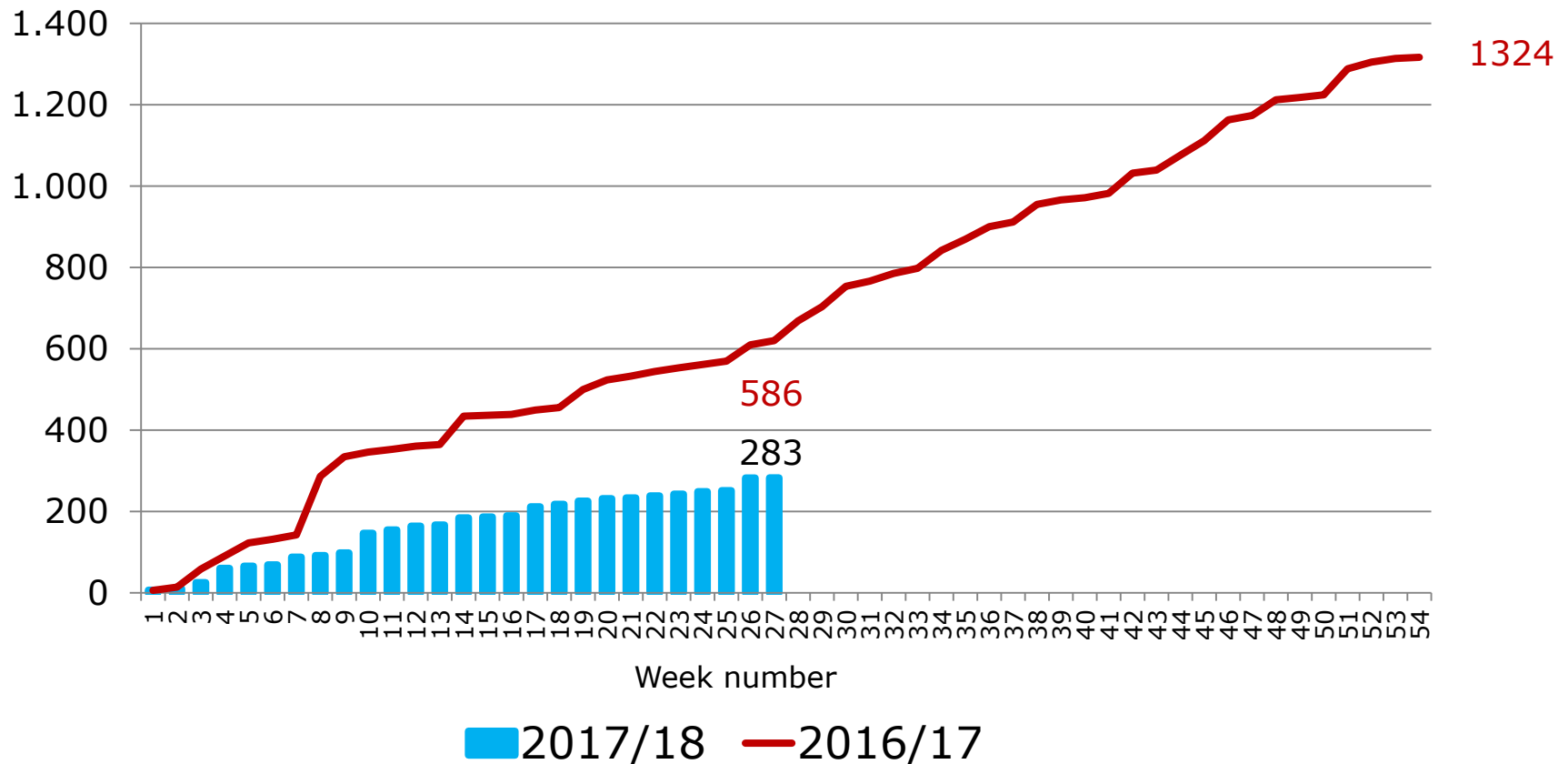
'000 t wse



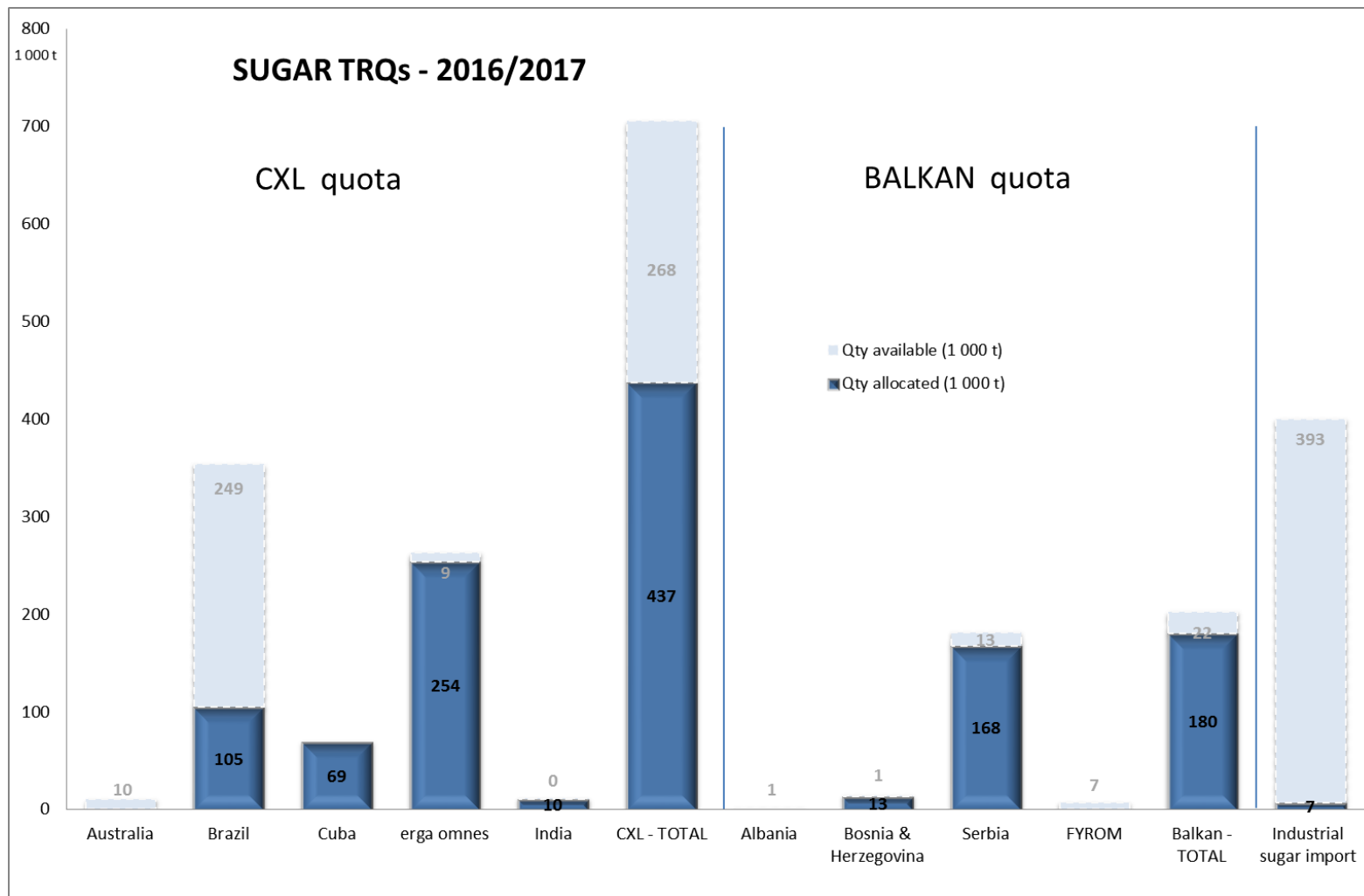
## Imports from EPA/EBA

Weekly cumulated imports (from TAXUD Surveillance 2)

'000 t wse

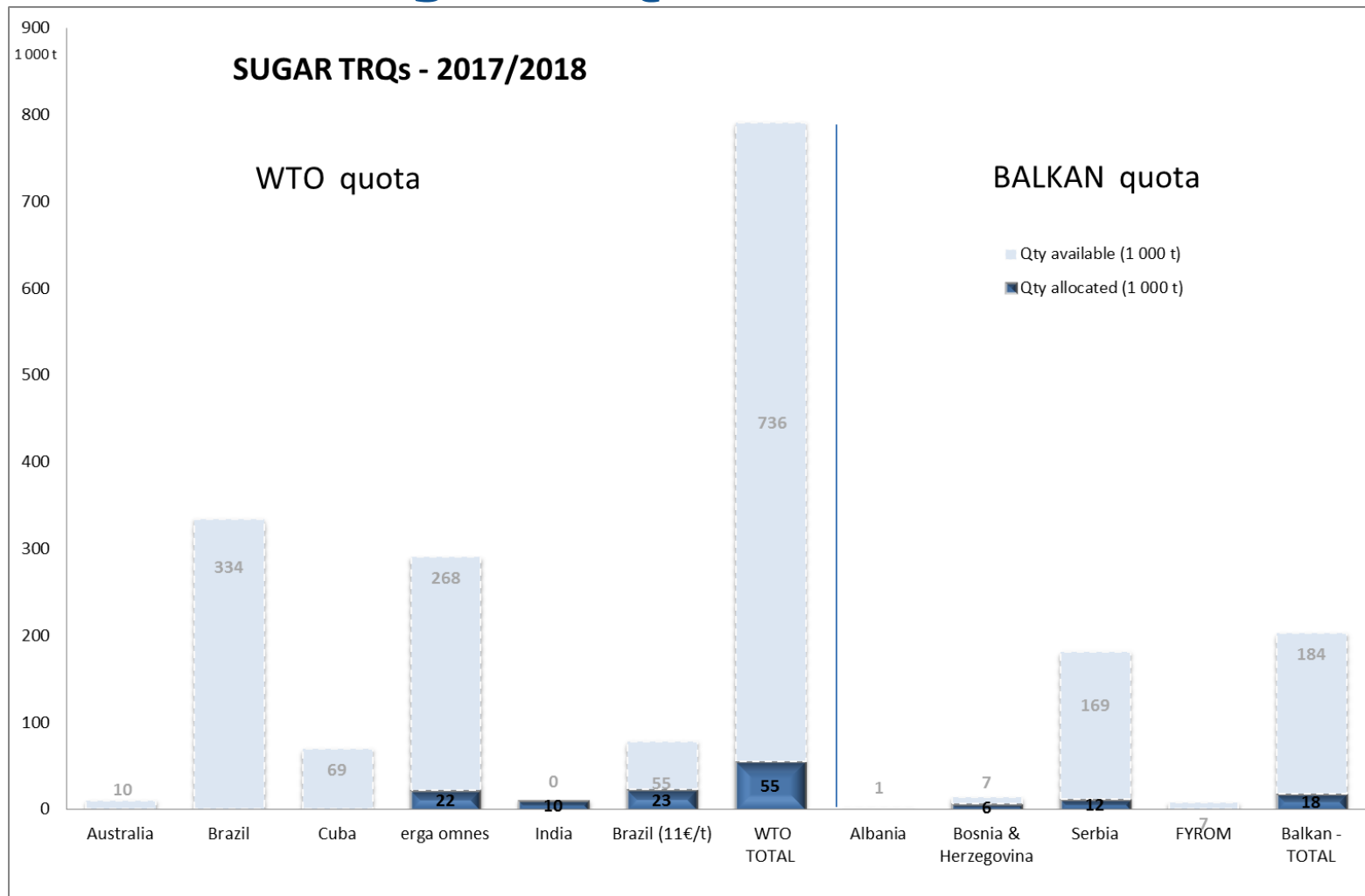


# Sugar TRQs 2016-2017

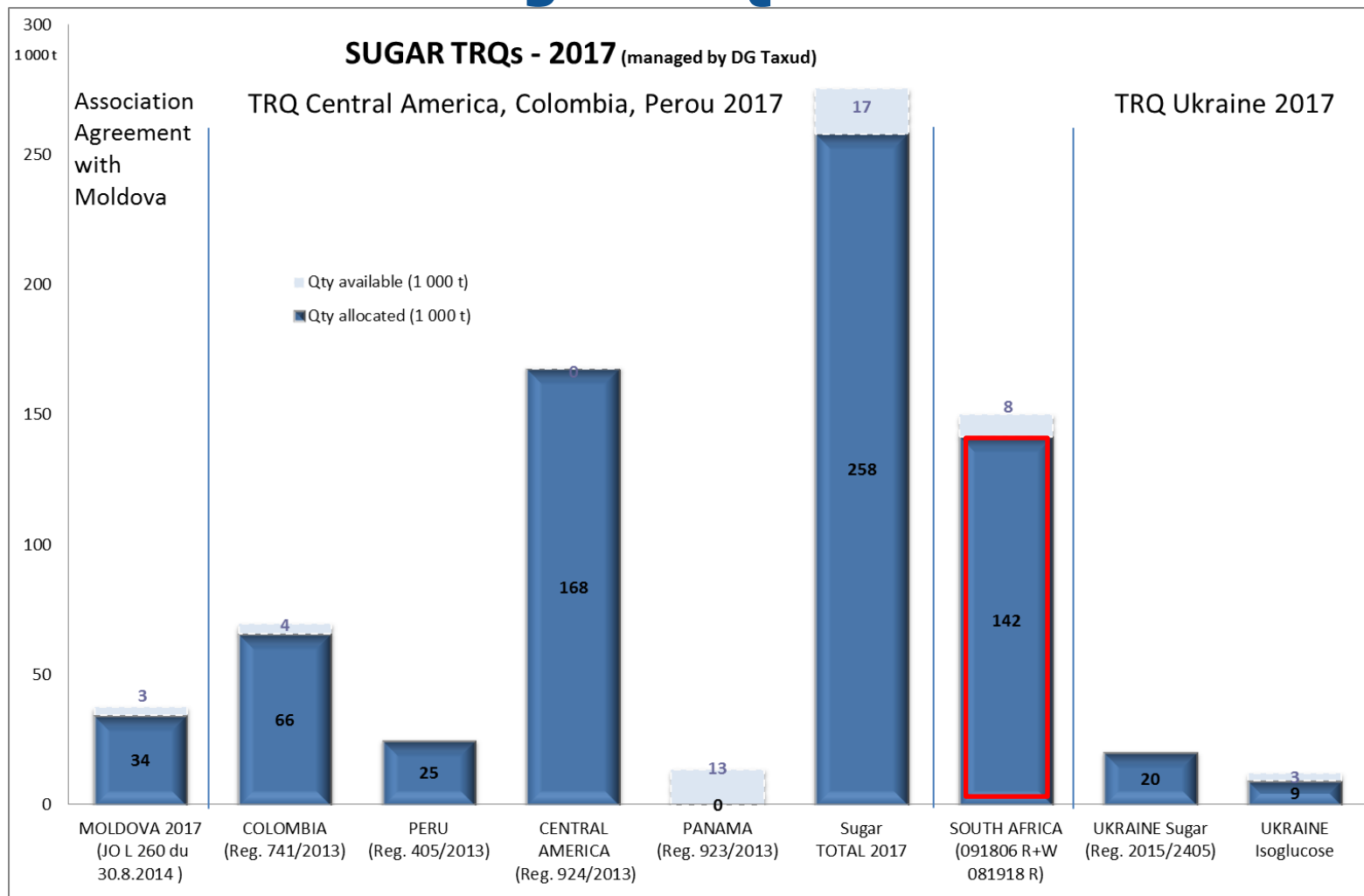




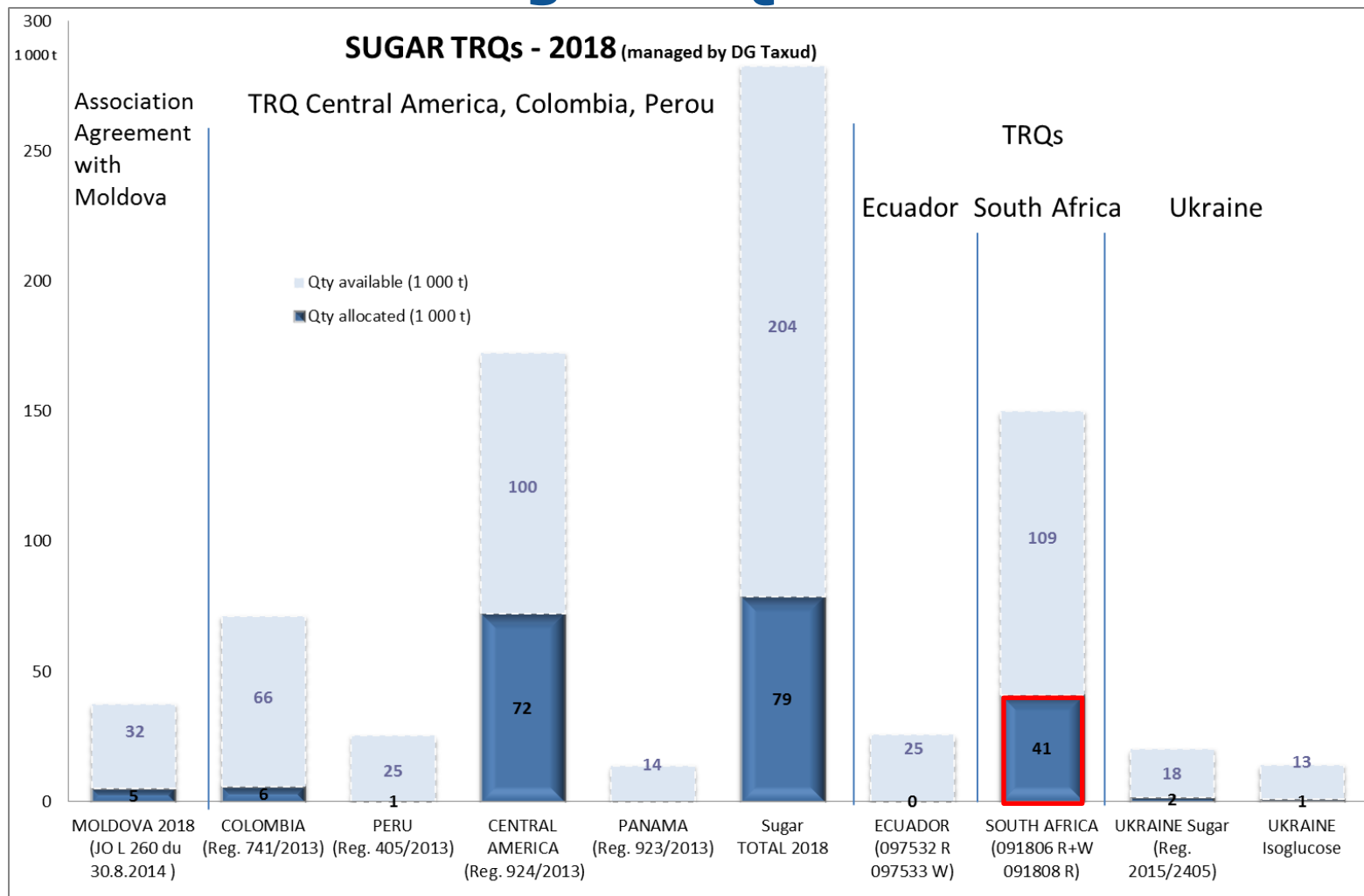
# Sugar TRQs 2017-2018



# Sugar TRQs 2017

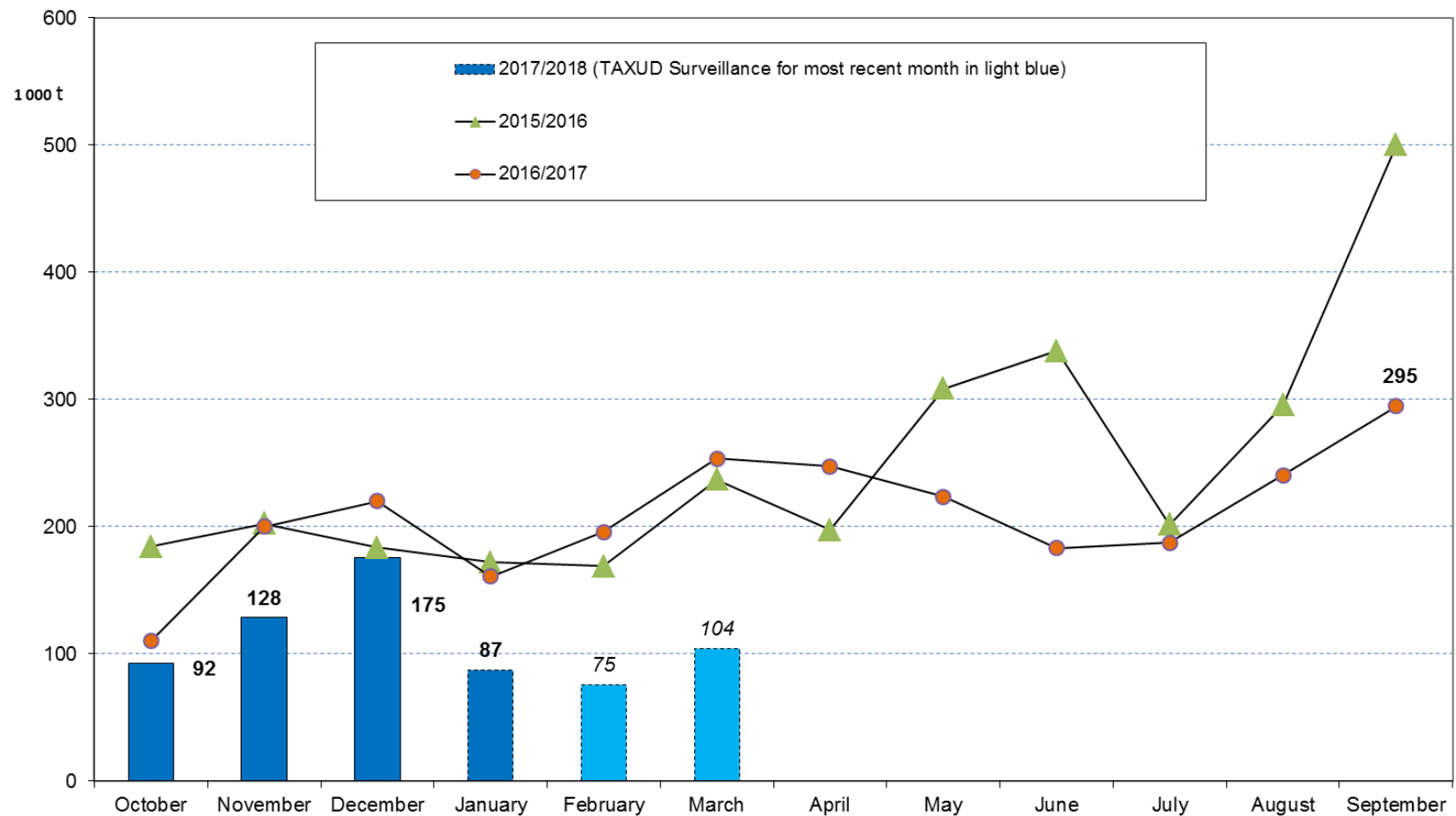


# Sugar TRQs 2018



# EU Total imports

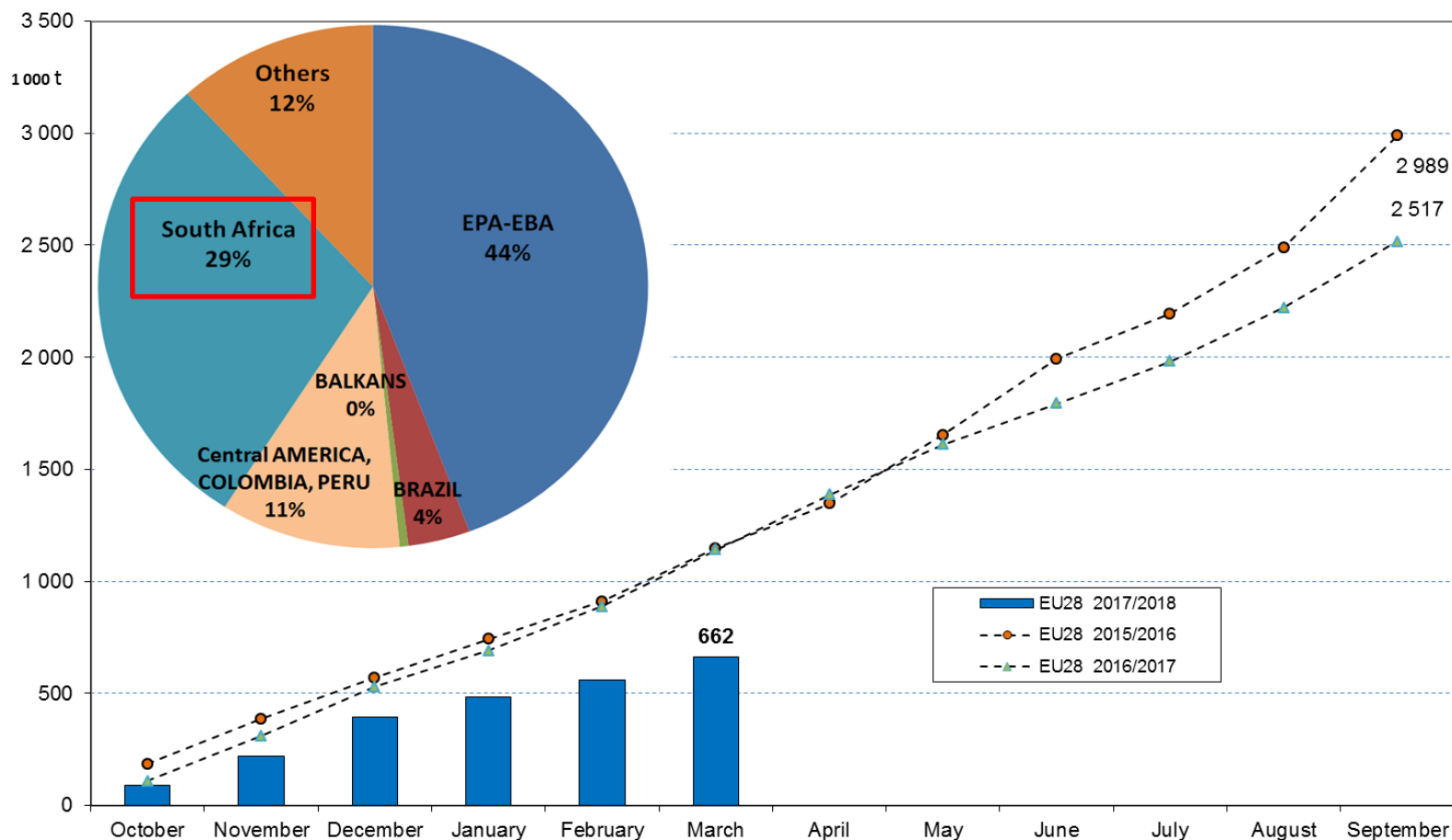
## EU27 Monthly sugar imports (CN 1701)



Sources: EUROSTAT - DG TAXUD

# EU Total imports

EU cumulated imports (CN 1701)



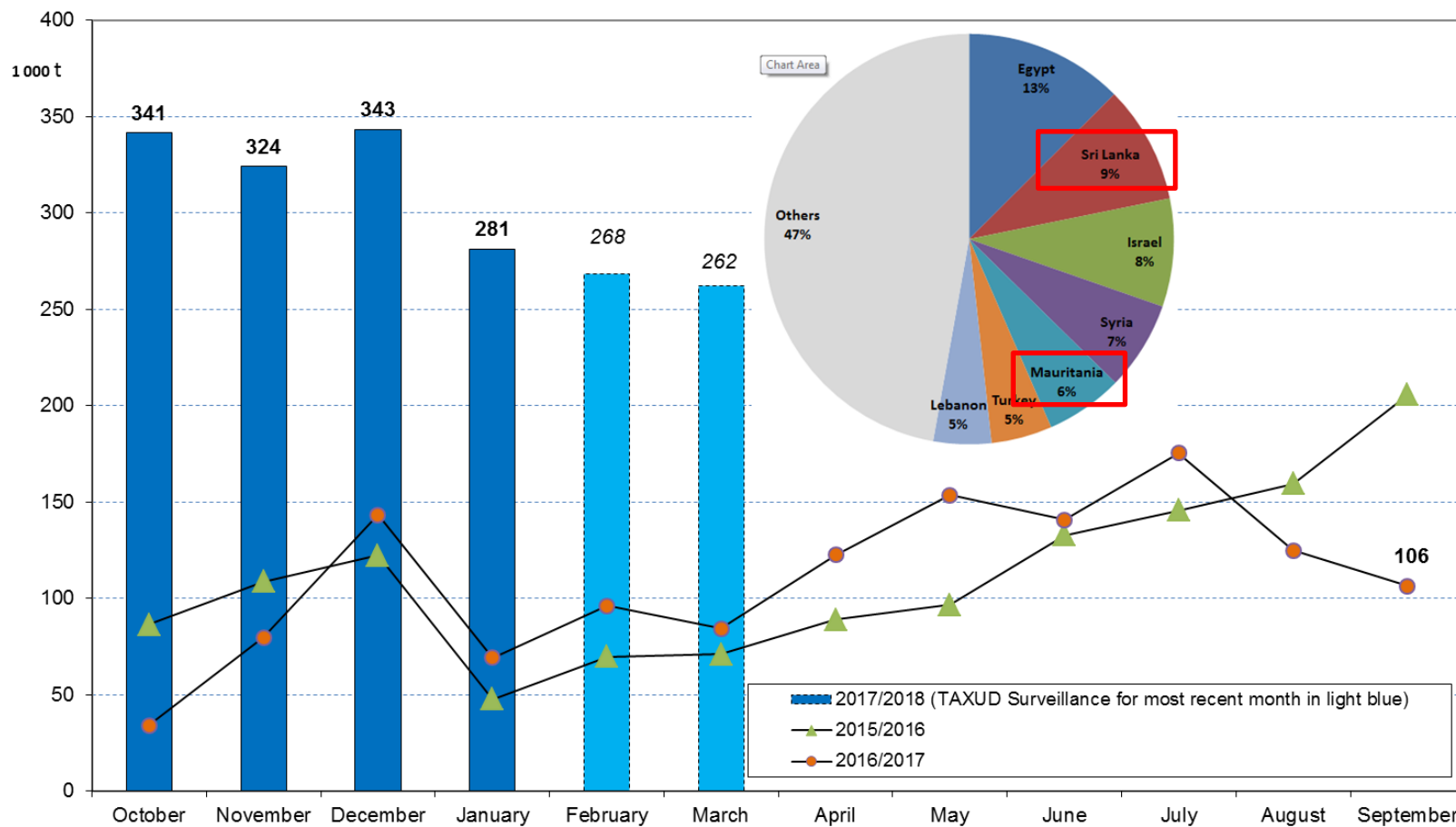
Source: EUROSTAT

# EU Sugar Export

***Sugar Market Observatory***  
***12 April 2018***

# EU Total exports

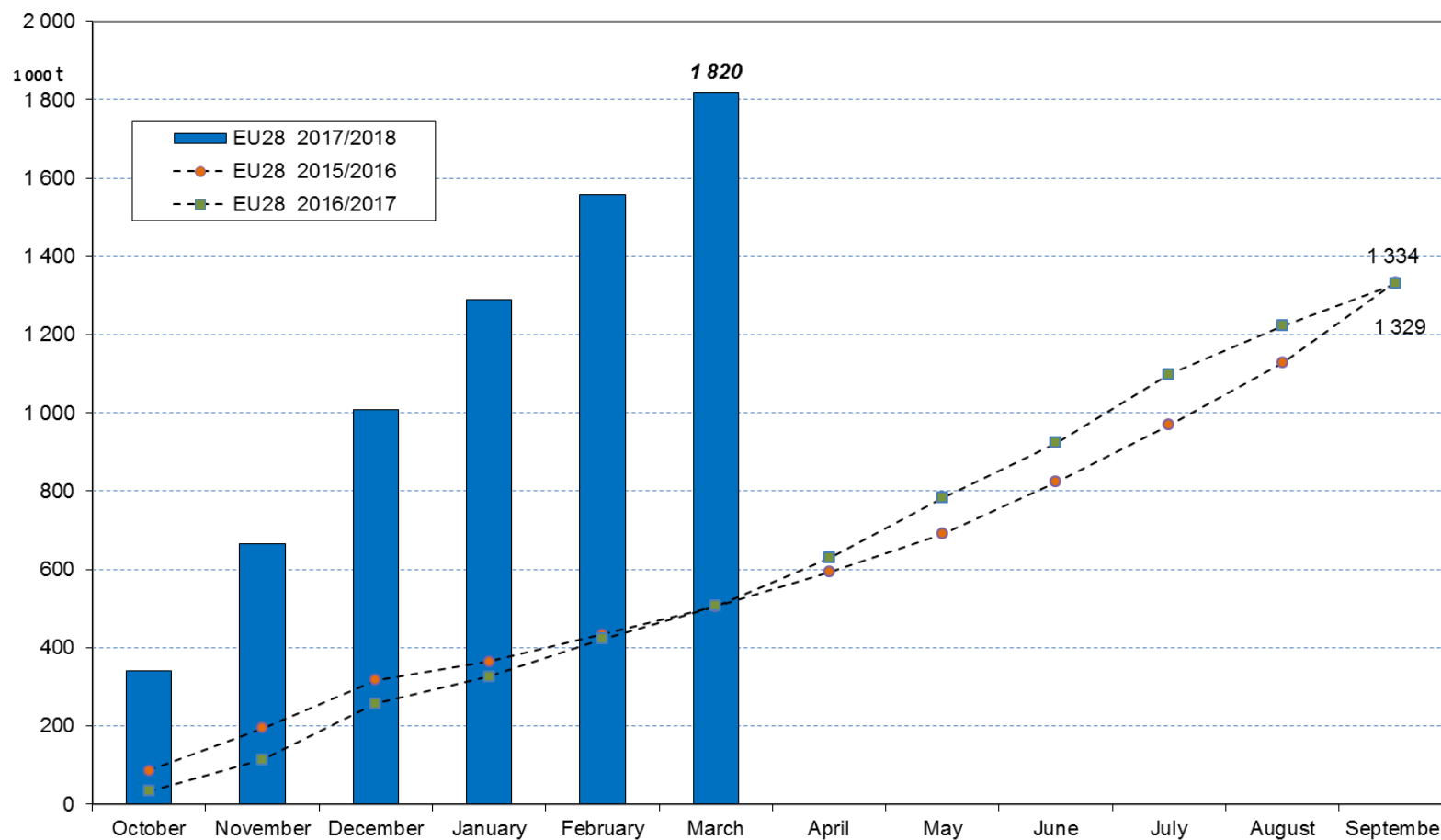
EU27 Monthly sugar exports (CN 1701)



Source: EUROSTAT - DG TAXUD

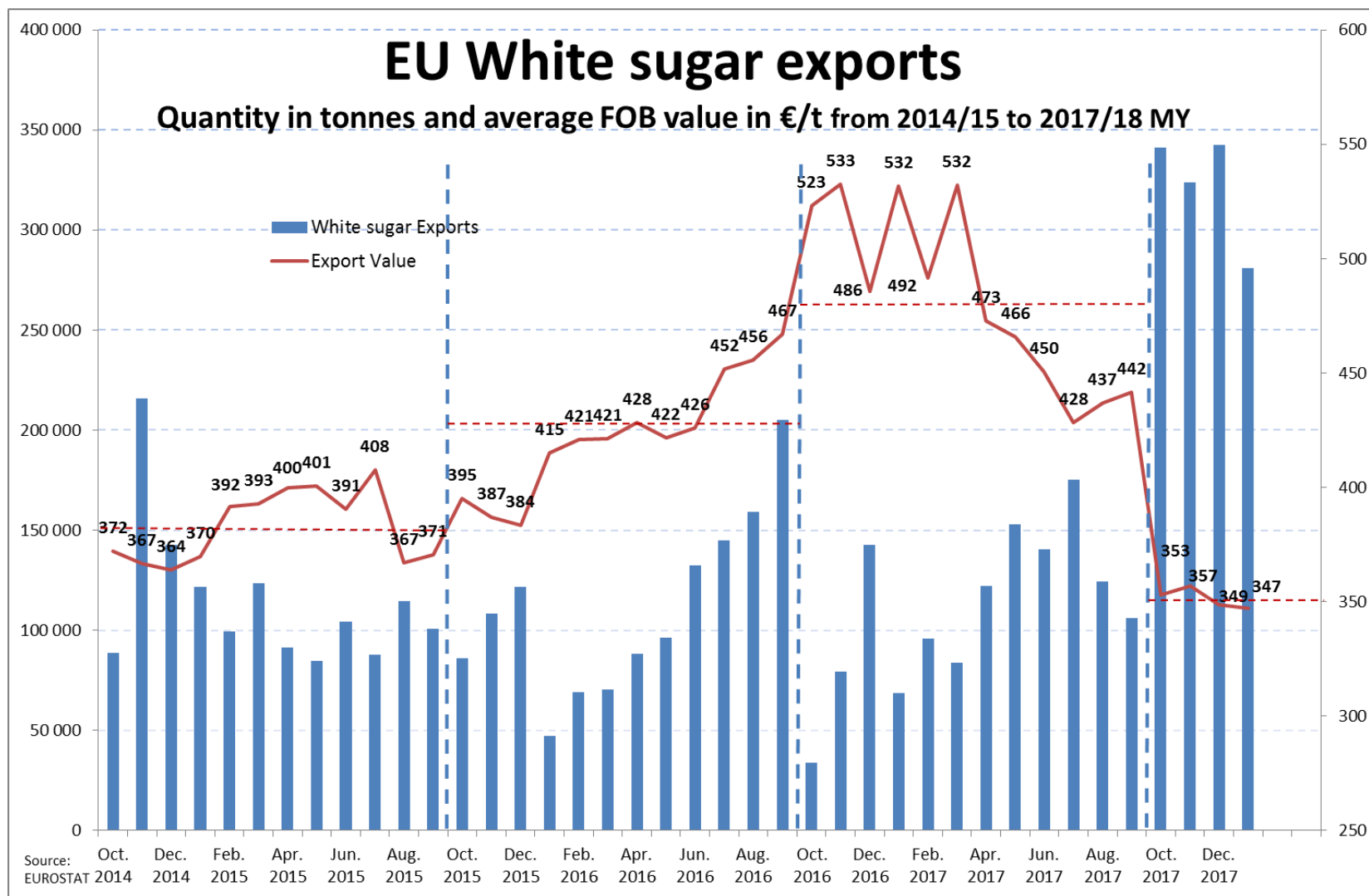
# EU Total exports

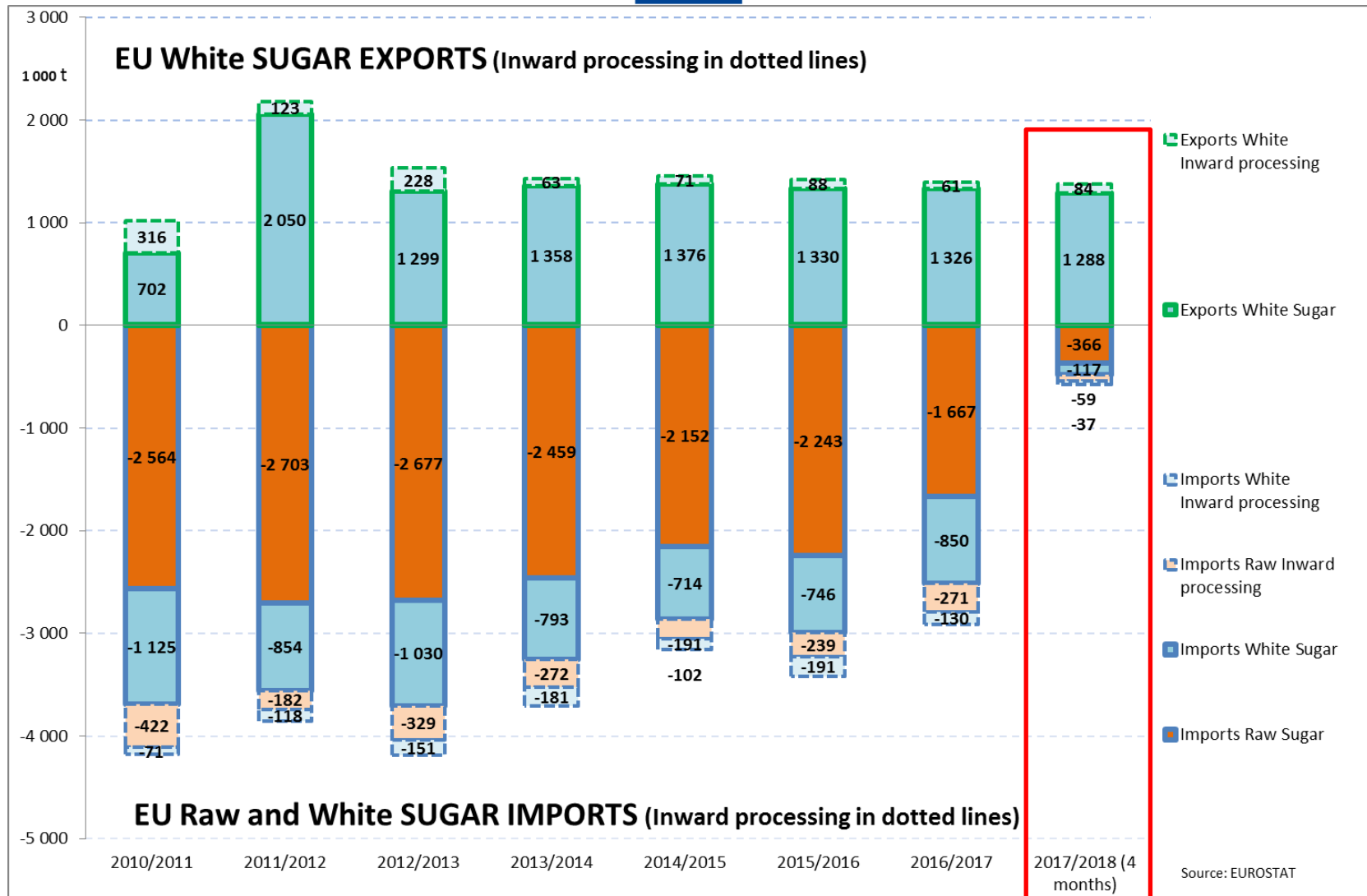
EU cumulated exports (CN 1701)



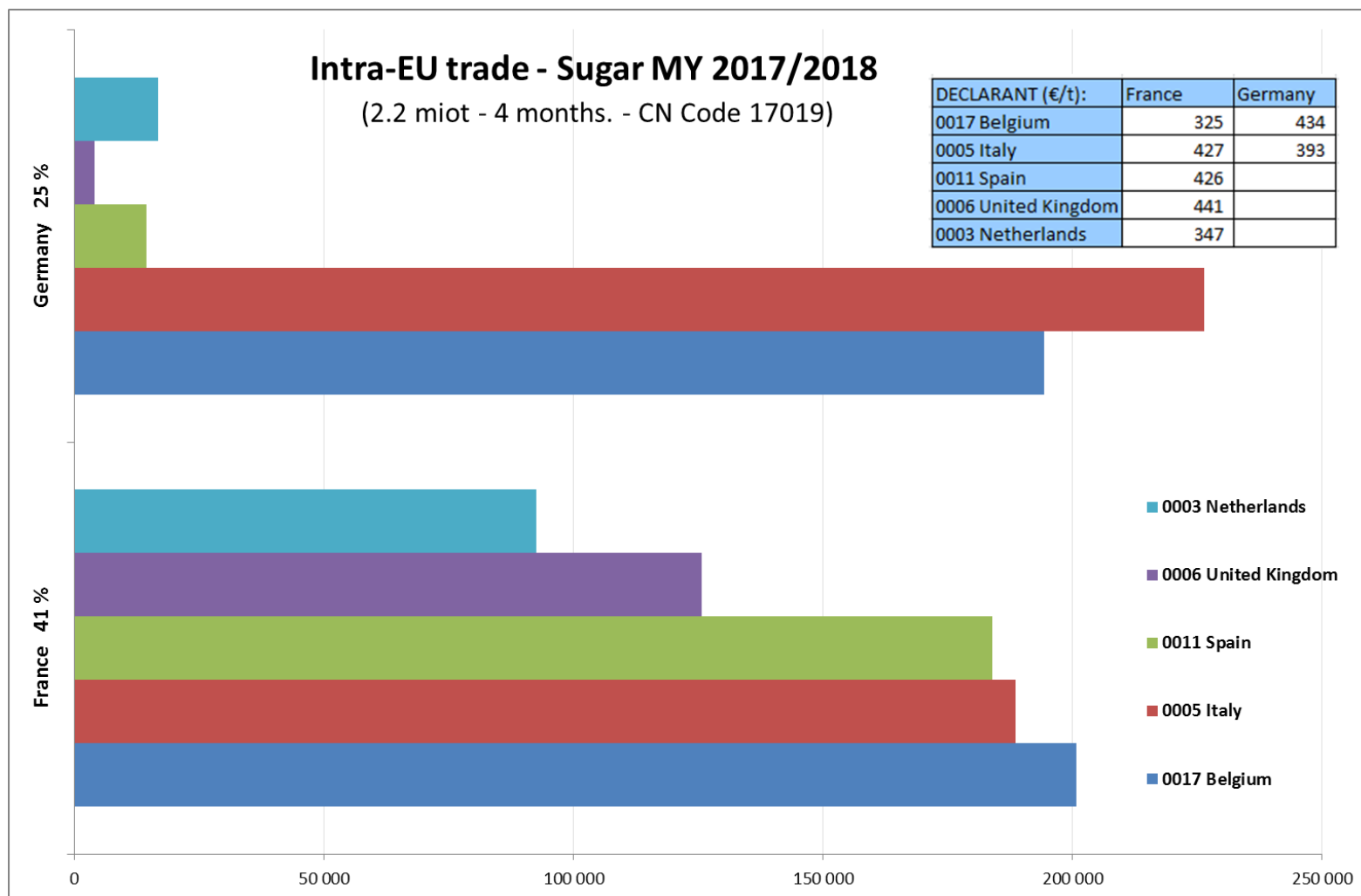
Source: EUROSTAT







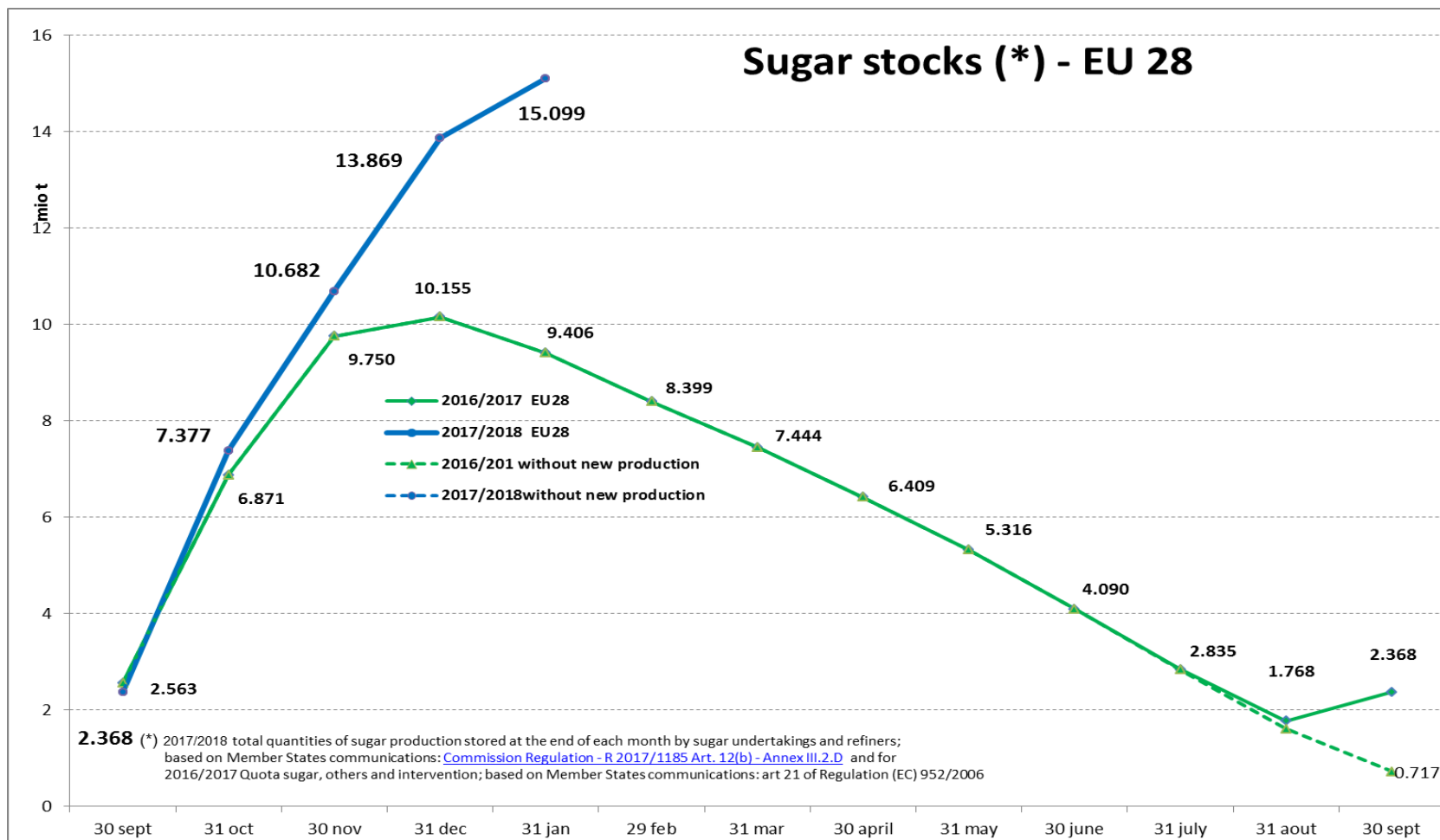
# Intra-EU trade for Sugar



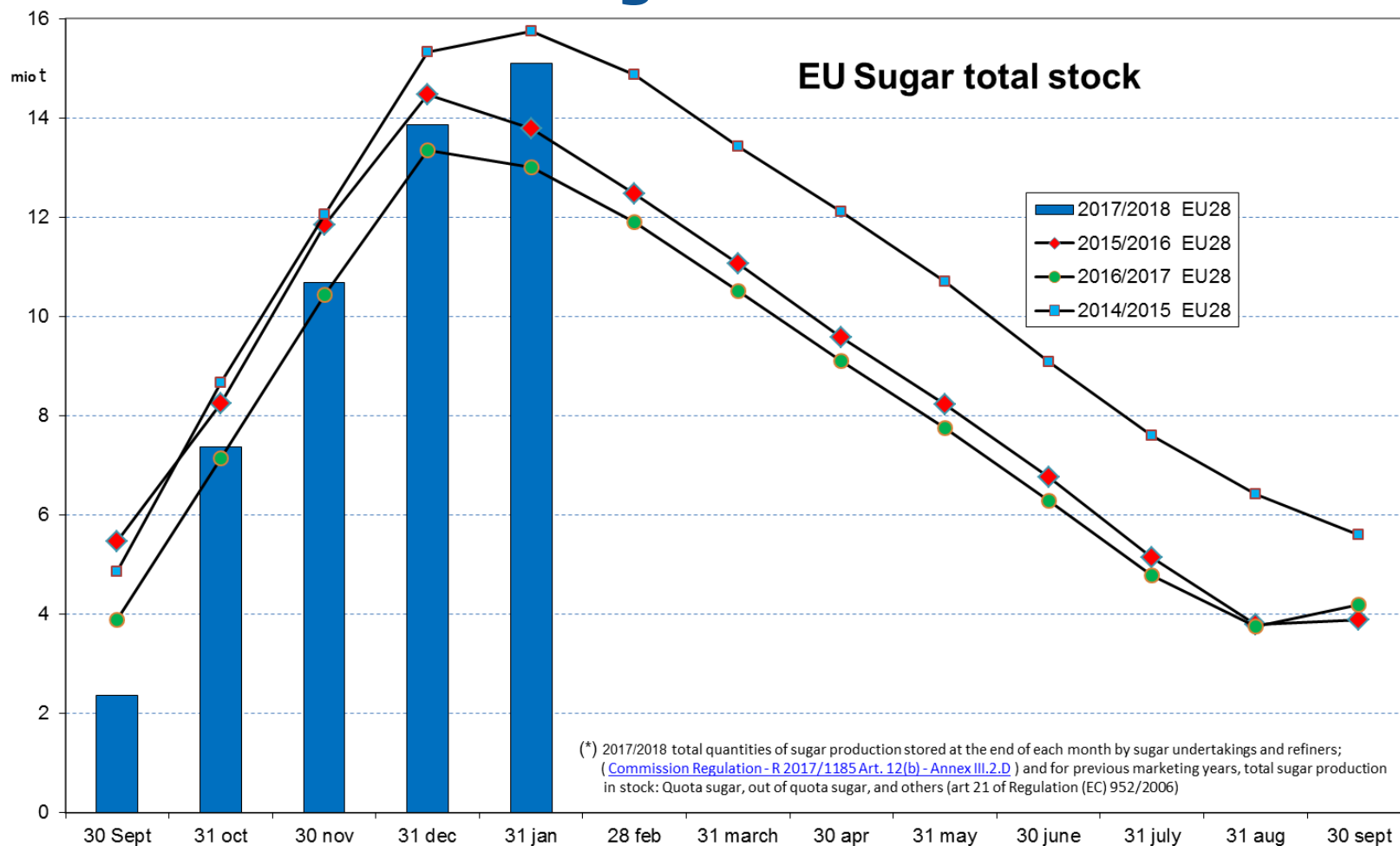
# EU Sugar Stocks

***Sugar Market Observatory***  
***12 April 2018***

# Sugar stocks



# Sugar stocks



# EU Sugar Balance Sheet

***Sugar Market Observatory***  
***12 April 2018***

# SUGAR AND ISOGLUCOSE PRODUCTION 2016/17

Final production of Marketing Year 2016/2017 (EU 28)

Source: Communications from Members States (R 952/2006 art 22§2)

tonnes white sugar equivalent	QUOTA  R 183/2009	SUCRE							ISOGLUCOSE	ISOGLUCOSE	SUCRE+ ISOGLUCOSE available QUOTA PRODUCTION
		areas	yield	Production	carry forward	carry forward	Total	PRODUCTION	OUT OF	OUT OF	
		'000 ha	t/ha	of the	from 15/16	from 16/17	Production	under Quota	QUOTA	QUOTA	
		(a)	(b)	(c)	to 16/17	to 17/18	(f) = (c) + (d) - (e)	(h)	(indust. + carry.f.)	(export / release	
					(d)	(e)			(g) = (f) - (h)	EU market)	
BE	676 235	56.4	11.4	729 058	34 750	29 786	734 022	676 235	57 787		790 815
BG					0	0	0	0		11 581	89 198
CZ	372 459	52.3	11.9	593 684	14 669	47 872	560 481	372 459	188 022		372 459
DK	372 383	32.7	12.2	400 284	3 135	8 600	394 819	372 383	22 436		372 383
DE	2 898 256	310.4	12.3	3 567 861	220 594	233 312	3 555 144	2 898 256	656 888	56 638	2 954 894
EL	158 702	5.3	6.0	221 421	0	13 519	207 902	158 702	49 200	0	158 702
ES	498 480	32.8	14.6	468 244	120 762	90 526	498 480	498 480	0	53 810	552 290
FR (Met.)	3 004 811	375.0	12.4	4 132 626	60 798	351 619	3 841 805	3 004 811	836 994		3 004 811
FR (Dom) <sup>1</sup>	432 220			547 674			547 674	432 220	115 454		432 220
HR	192 877	18.8	11.0	362 990	3 613	60 213	306 390	192 877	113 513		192 877
IT	508 379	32.4	7.8	377 838	166 137	35 785	508 190	508 190	0	30 256	538 446
LT	90 252	14.7	9.7	163 229	0	38 076	125 153	90 252	34 901		90 252
HU	105 420	13.7	10.5	158 250	4 584	22 582	140 253	105 420	34 833	225 239	330 659
NL	804 888	66.8	13.1	872 805	25 000	27 500	870 305	804 888	65 417	0	804 888
AT	351 027	43.6	12.0	486 518	80	81 270	405 328	351 027	54 301		351 027
PL	1 405 608	202.9	10.3	1 960 739	90 160	265 840	1 785 060	1 405 608	379 452	42 861	1 448 470
PT (Continental)	0			0		0				3 740	3 740
PT (Açores)	9 937	0.1		9 937		0	9 937	9 937	0		9 937
RO	104 689	23.7	7.0	170 995	13 612	21 320	163 287	104 689	58 598		104 689
SK	112 320	21.7	9.5	221 046	0	52 127	168 919	112 320	56 599	68 095	180 414
FI	80 999	11.6	6.1	137 953	0	27 842	110 111	80 999	29 112	0	80 999
SE	293 186	30.1	10.8	336 477	0	27 000	309 477	293 186	16 291		293 186
UK	1 056 474	70.6	12.7	917 064	168 949	22 510	1 063 503	1 056 474	7 029		1 056 474
TOTAL	13 529 618	1 416	11.5	16 836 694	926 845	1 457 299	16 306 240	13 529 413	2 776 827	684 417	14 213 830

(\*) AT : including sugar from molasses

BE Travail à façon 87 000 tonnes

HR Travail à façon 155 000 tonnes

SK Travail à façon 16 000 t quota disponible

<sup>1</sup> FR (Dom) : included 59 354 t Antilles + 191 940 t

LT Travail à façon 20 000 tonnes

IT Travail à façon 124 000 tonnes

FI Travail à façon 67 000 t HU: TàF 15 000 tonnes

Réunion + 296 380 TAF from FR (Met)

EL Travail à façon 190 000 tonnes

RO Travail à façon 5 000 tonnes

SE Travail à façon 12 000 t UK: TàF 20 000 tonnes



# SUGAR AND ISOGLUCOSE BALANCE SHEET

## 2016/17 – April 2018

### SUGAR AND ISOGLUCOSE

	<b>Final</b>	
x 1000 tonnes wse	<b>2016/17 (oct-sept)</b>	
	EU 28	
	<b>quota</b>	<b>out of quota</b>
<b>1 Beginning stocks</b>	<b>1 001</b>	<b>0</b>
1 1 private	1 001	
1 2 intervention	0	
<b>2 Production</b>	<b>14 214</b>	<b>4 338</b>
of which quota / out-of-quota	14 214	4 338
release out-of-quota	0	0
<b>3 Imports</b>	<b>3 035</b>	<b>7</b>
3 1 - as such (*)	2 481	
3 2 - in processed products	554	
<b>4 TOTAL AVAILABLE</b>	<b>18 249</b>	<b>4 345</b>
$4 = 1 + 2 + 3$		

### SUGAR AND ISOGLUCOSE

	<b>Final</b>	
x 1000 tonnes wse	<b>2016/17 (oct-sept)</b>	
	EU 28	
	<b>quota</b>	<b>out of quota</b>
<b>1 Beginning stocks</b>	<b>1 001</b>	<b>0</b>
1 1 private	1 001	
1 2 intervention	0	
<b>2 Production</b>	<b>14 214</b>	<b>4 338</b>
of which quota / out-of-quota	14 214	4 338
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3 1 - as such (*)	2 480	
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<b>4 TOTAL AVAILABLE</b>	<b>18 249</b>	<b>4 345</b>
$4 = 1 + 2 + 3$		

# SUGAR AND ISOGLUCOSE BALANCE SHEET 2016/17 – April 2018

## SUGAR AND ISOGLUCOSE

	Final	
x 1000 tonnes wse	2016/17 (oct-sept) EU 28	
	quota	out of quota
<b>5 Consumption/disappearance</b>	<b>15 886</b>	<b>1 580</b>
		indust. 760
		bioeth. 774
		isoglucose 45
<b>6 Exports</b>	<b>1 627</b>	<b>1 299</b>
6 1 - as such (**)	77	
6 2 in processed products	1 550	
		carry forward
<b>7 Ending stocks</b>	<b>737</b>	<b>1 467</b>
7 1- private	737	
(of which stock declared by manufacturers and refiners)		
7 2 - intervention	0	
<b>8 TOTAL OUTLETS</b>	<b>18 249</b>	<b>4 345</b>
$8 = 5 + 6 + 7 = 4$		

## SUGAR AND ISOGLUCOSE

	Final	
x 1000 tonnes wse	2016/17 (oct-sept) EU 28	
	quota	out of quota
<b>5 Consumption/disappearance</b>	<b>15 874</b>	<b>1 571</b>
		indust. 800
		bioeth. 726
		isoglucose 45
<b>6 Exports</b>	<b>1 639</b>	<b>1 307</b>
6 1 - as such (**)	77	
6 2 in processed products	1 562	
		carry forward
<b>7 Ending stocks</b>	<b>737</b>	<b>1 467</b>
7 1- private	737	
(of which stock declared by manufacturers and refiners)		
7 2 - intervention	0	
<b>8 TOTAL OUTLETS</b>	<b>18 249</b>	<b>4 345</b>
$8 = 5 + 6 + 7 = 4$		

# 2017/2018 Sugar Production

Provisional data April 2018

Sugar Production  
20.9 mio t

Provisional production of the 2017/2018 MY (EU 28)

tonnes white sugar equivalent				SUGAR	ISOGLUCOSE
		areas '000 ha (a)	yield t/ha (b)=(c)/(a)	Production of the campaign (c)	Production of the campaign
BE		64.5	15.1	972 109	
BG					
CZ		58.3	11.2	655 468	
DK		33.0	12.0	396 893	
DE		374.8	13.1	4 895 088	
EL		6.4	5.7	36 514	
ES		32.8	17.3	567 589	
FR (Met.)		450.8	13.5	6 096 118	
FR (Dom.)				191 247	
HR		23.8	9.6	229 143	
IT		37.0	8.3	305 254	
LT		16.3	8.6	140 615	
HU		15.4	9.5	146 000	
NL		86.1	15.4	1 325 501	
AT		42.8	10.9	467 735	
PL		231.9	10.0	2 312 844	
PT (Continent)					
PT (Açores)		0.1		9 937	
RO		27.2	8.0	218 477	
SK		22.6	7.9	179 591	
FI		12.0	6.0	71 598	
SE		30.8	10.0	306 906	
UK		94.3	14.8	1 400 000	
TOTAL		1 661	12.6	20 924 626	900 000

# 2017/2018 - Sugar Production

Provisional data April 2018

tonnes white sugar equivalent		SUGAR		
		areas '000 ha (a)	yield t/ha (b)=(c)/(a)	Production of the campaign (c)
BE		64.5	15.1	972 109
BG				
CZ		58.3	11.2	655 468
DK		33.0	12.0	396 893
DE		374.8	13.1	4 895 088
EL		6.4	5.7	36 514
ES		32.8	17.3	567 589
FR (Met.)		450.8	13.5	6 096 118
FR (Dom.)				191 247
HR		23.8	9.6	229 143
IT		37.0	8.3	305 254
LT		16.3	8.6	140 615

tonnes white sugar equivalent		SUGAR		
		areas '000 ha (a)	yield t/ha (b)=(c)/(a)	Production of the campaign (c)
HU		15.4	9.5	146 000
NL		86.1	15.4	1 325 501
AT		42.8	10.9	467 735
PL		231.9	10.0	2 312 844
PT (Continent)				
PT (Açores)		0.1		9 937
RO		27.2	8.0	218 477
SK		22.6	7.9	179 591
FI		12.0	6.0	71 598
SE		30.8	10.0	306 906
UK		94.3	14.8	1 400 000
TOTAL		1 661	12.6	20 924 626

# SUGAR BALANCE SHEET

## 2017/18 – April 2018

Provisional			
2017/18 (oct-sept) EU 28		x 1000 tonnes wse	
Sugar		Forecast	
		2017/18 (oct-sept) EU 28	x 1000 tonnes wse
2 174		2 174	1 Beginning stocks
20 925		20 578	2 Production
1 755		1 855	3 Imports
1 200		1 300	3 1 - as such (*)
555		555	3 2 - in processed products
24 854		24 607	4 TOTAL AVAILABLE
			$4 = 1 + 2 + 3$

# SUGAR BALANCE SHEET

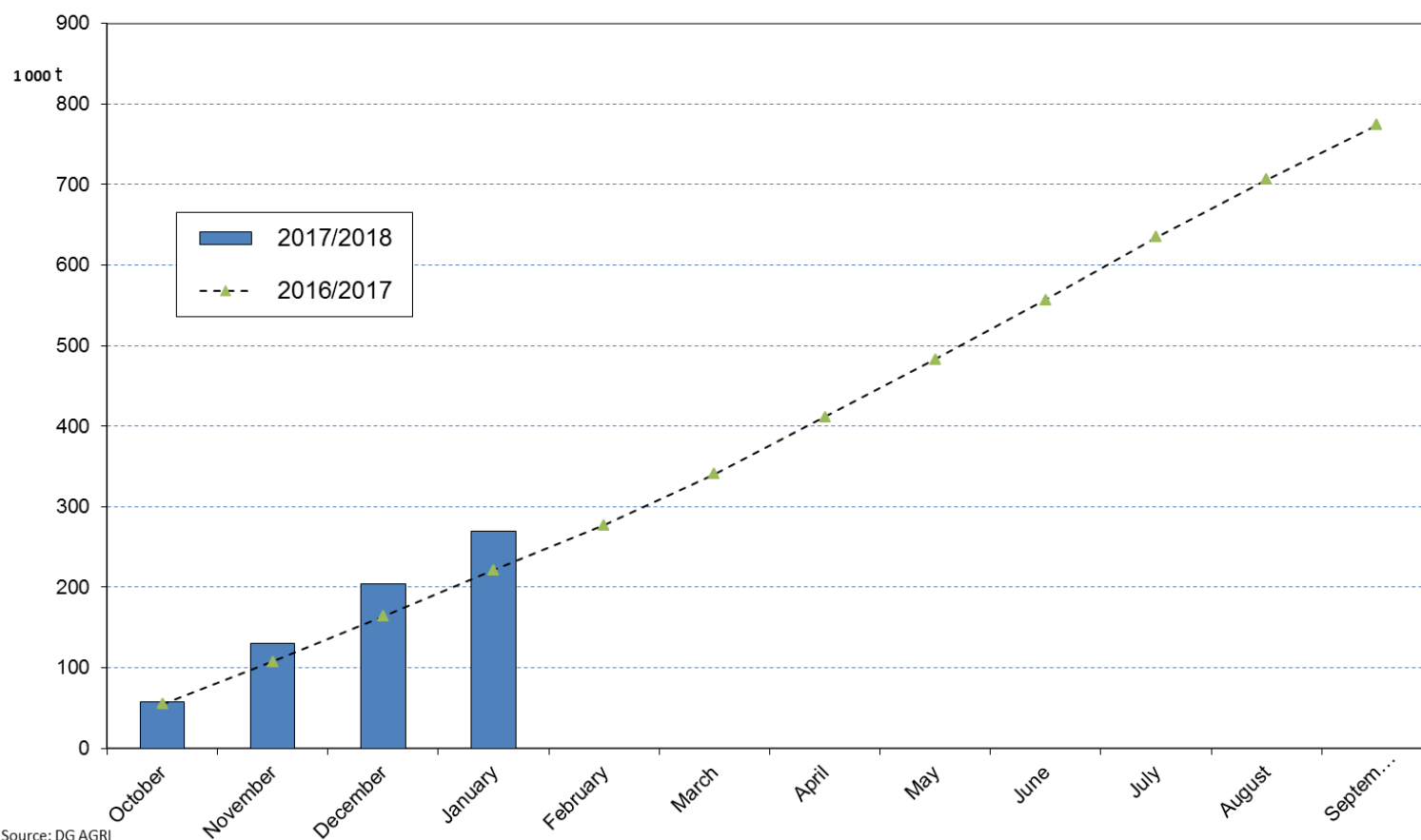
## 2017/18 – April 2018

Provisional			Forecast		
2017/18 (oct-sept) EU 28		x 1000 tonnes wse	2017/18 (oct-sept) EU 28		x 1000 tonnes wse
Sugar			Sugar		
17 650		5 Consumption/disappearance	17 650		5 Consumption/disappearance
800		of which industrial use	800		of which industrial use
1 350		of which bioethanol	1 350		of which bioethanol
15 500		other	15 500		other
4 800		6 Exports	4 800		6 Exports
3 200		6 1 - as such (**)	3 200		6 1 - as such (**)
1 600		6 2 in processed products	1 600		6 2 in processed products
2 404		7 Ending stocks	2 158		7 Ending stocks
24 854		8 TOTAL OUTLETS	24 607		8 TOTAL OUTLETS
		$8 = 5 + 6 + 7 = 4$			$8 = 5 + 6 + 7 = 4$



# Isoglucose production in 2017/18

ISOGLUCOSE - EU monthly cumulated production for 2017/2018



Source: DG AGRI



# ISOGLUCOSE BALANCE SHEET

## 2017/18 – April 2018

Forecast	
<b>2017/18 (oct-sept)</b> EU 28	x 1000 tonnes wse
<b>Isoglucose</b>	
<b>29</b>	<b>1 Beginning stocks</b>
<b>900</b>	<b>2 Production</b>
<b>10</b>	<b>3 Imports</b> 3 1 - as such (*) 3 2 - in processed products
<b>939</b>	<b>4 TOTAL AVAILABLE</b> $4 = 1 + 2 + 3$

Forecast	
<b>2017/18 (oct-sept)</b> EU 28	x 1000 tonnes wse
<b>Isoglucose</b>	
<b>860</b>	<b>5 Consumption/disappearance</b> of which industrial use of which bioethanol other
<b>50</b>	<b>6 Exports</b> 6 1 - as such (**) 6 2 in processed products
<b>29</b>	<b>7 Ending stocks</b>
<b>939</b>	<b>8 TOTAL OUTLETS</b> $8 = 5 + 6 + 7 = 4$



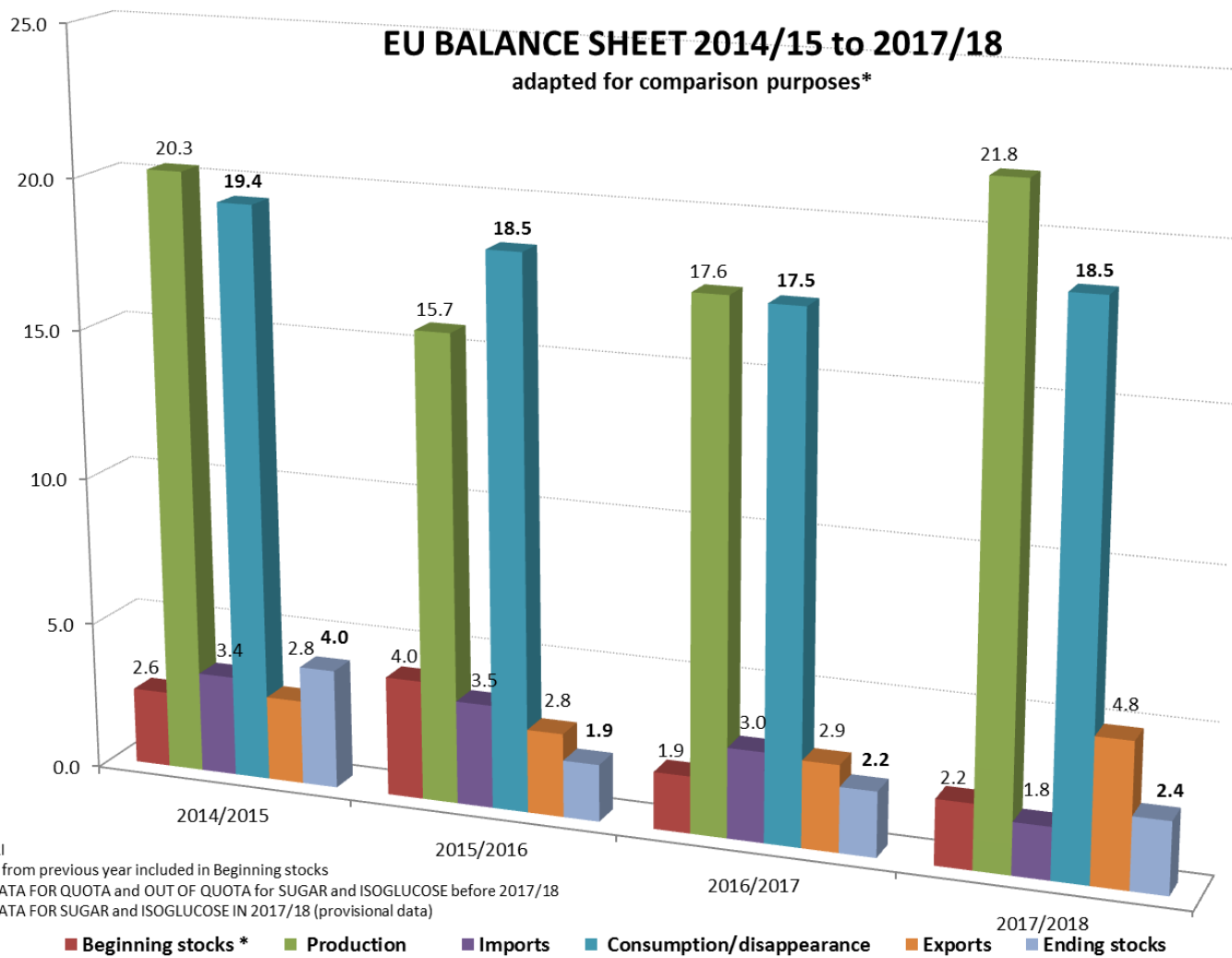
<b>FINAL</b>	<b>2014/2015 to 2016/2017</b>
<b>PROVISIONAL</b>	<b>2017/2018</b>

## SUGAR AND ISOGLUCOSE

SUGAR AND ISOGULOSE		Final		Final		Final		Provisional			
x 1000 tonnes wse		2014/15 (oct-sept) EU 28		2015/16 (oct-sept) EU 28		2016/17 (oct-sept) EU 28		2017/18 (oct-sept) EU 28		x 1000 tonnes wse	
		quota	out of quota	quota	out of quota	quota	out of quota				
		AVAILABILITIES									
1 Beginning stocks	2 013	0	1 331	0	1 001	0	2 174	29	1 Beginning stocks		
1 1 private	2 013		1 331		1 001						
1 2 intervention	0		0		0						
2 Production	14 234	6 603	14 237	4 169	14 214	4 338	20 925	900	2 Production		
of which quota / out-of-quota	14 234	6 603	14 237	4 169	14 214	4 338					
release out-of-quota	0	0	0	0	0	0					
3 Imports	3 381	4	3 460	34	3 035	7	1 755	10	3 Imports		
3 1 - as such (*)	2 814		2 907		2 481				3 1 - as such (*)		
3 2 - in processed products	567		553		554		1 200	555	3 2 - in processed products		
4 TOTAL AVAILABLE	19 628	6 607	19 028	4 203	18 249	4 345	24 854	939	4 TOTAL AVAILABLE		
4 = 1 + 2 + 3									4 = 1 + 2 + 3		
		OUTLETS									
5 Consumption/disappearance	16 754	2 608	16 520	1 962	15 886	1 580	17 650	860	5 Consumption/disappearance		
		indust. 870		indust. 800		indust. 760		800			
		bioeth. 1 738		bioeth. 1 162		bioeth. 774		1 350			
						isoglucose 45		15 500			
6 Exports	1 543	1 301	1 507	1 314	1 627	1 299	4 800	50	6 Exports		
6 1 - as such (**)	129		80		77		3 200		6 1 - as such (**)		
6 2 in processed products	1 414		1 427		1 550		1 600		6 2 in processed products		
7 Ending stocks	1 331	2 698	1 001	927	737	1 467	2 404	29	7 Ending stocks		
7 1- private	1 331		1 001		737						
(of which stock declared by manufacturers and refiners)											
7 2- intervention	0		0		0						
8 TOTAL OUTLETS	19 628	6 607	19 028	4 203	18 249	4 345	24 854	939	8 TOTAL OUTLETS		
8 = 5 + 6 + 7 = 4									8 = 5 + 6 + 7 = 4		

## EU BALANCE SHEET 2014/15 to 2017/18

adapted for comparison purposes\*



## Open questions

- Imports at 1.2 mio t
- Exports at 3.2 mio t

**Is there consensus on these figures?**

- Industrial use at 0.8 mio t
- Bioethanol production at 1.35 mio t
- Other use at 15.5 mio t

**What is your view on these figures?**

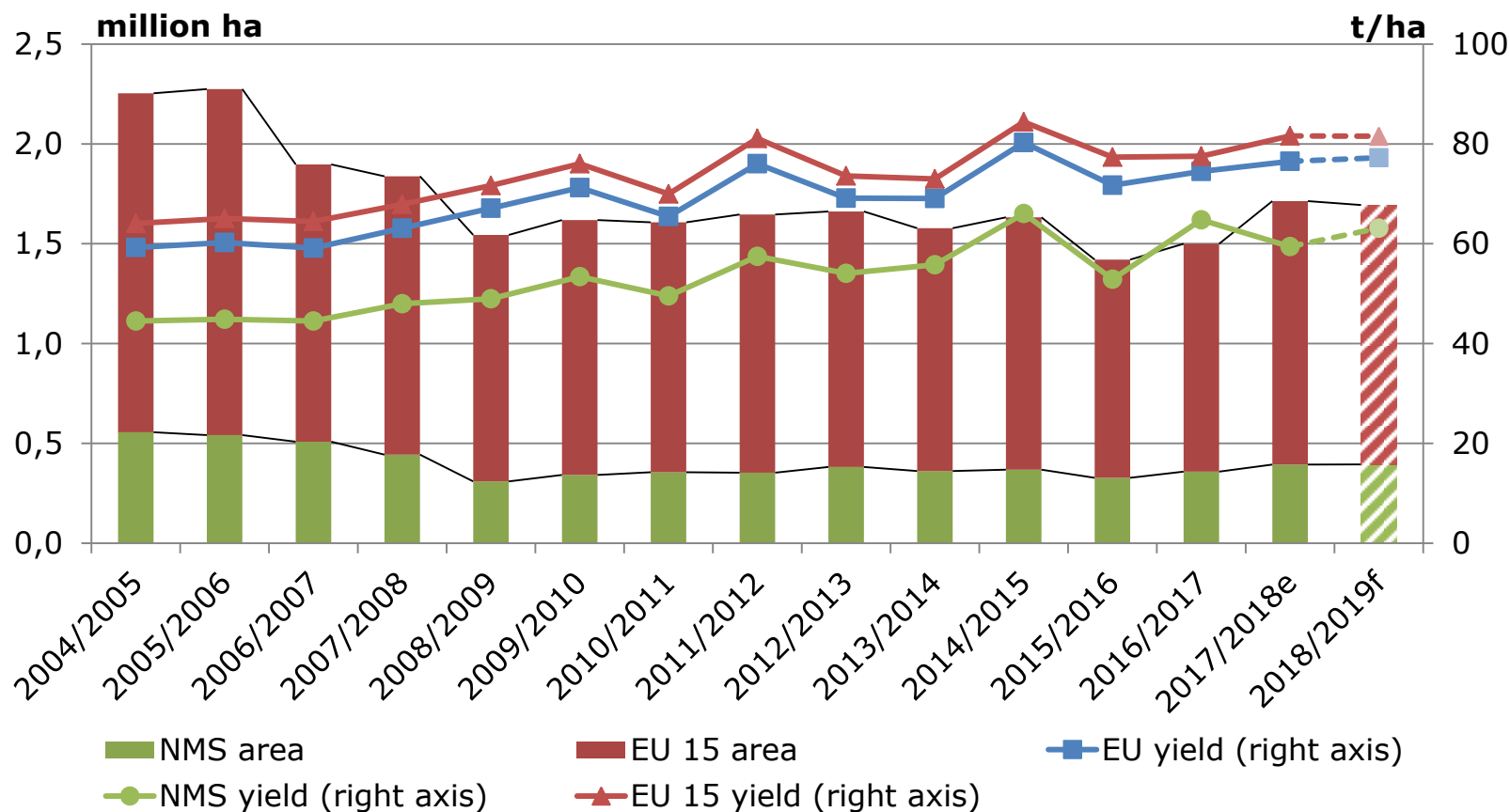
- Stocks at 2.4 mio t

**Can it be considered a post-quota equilibrium?**

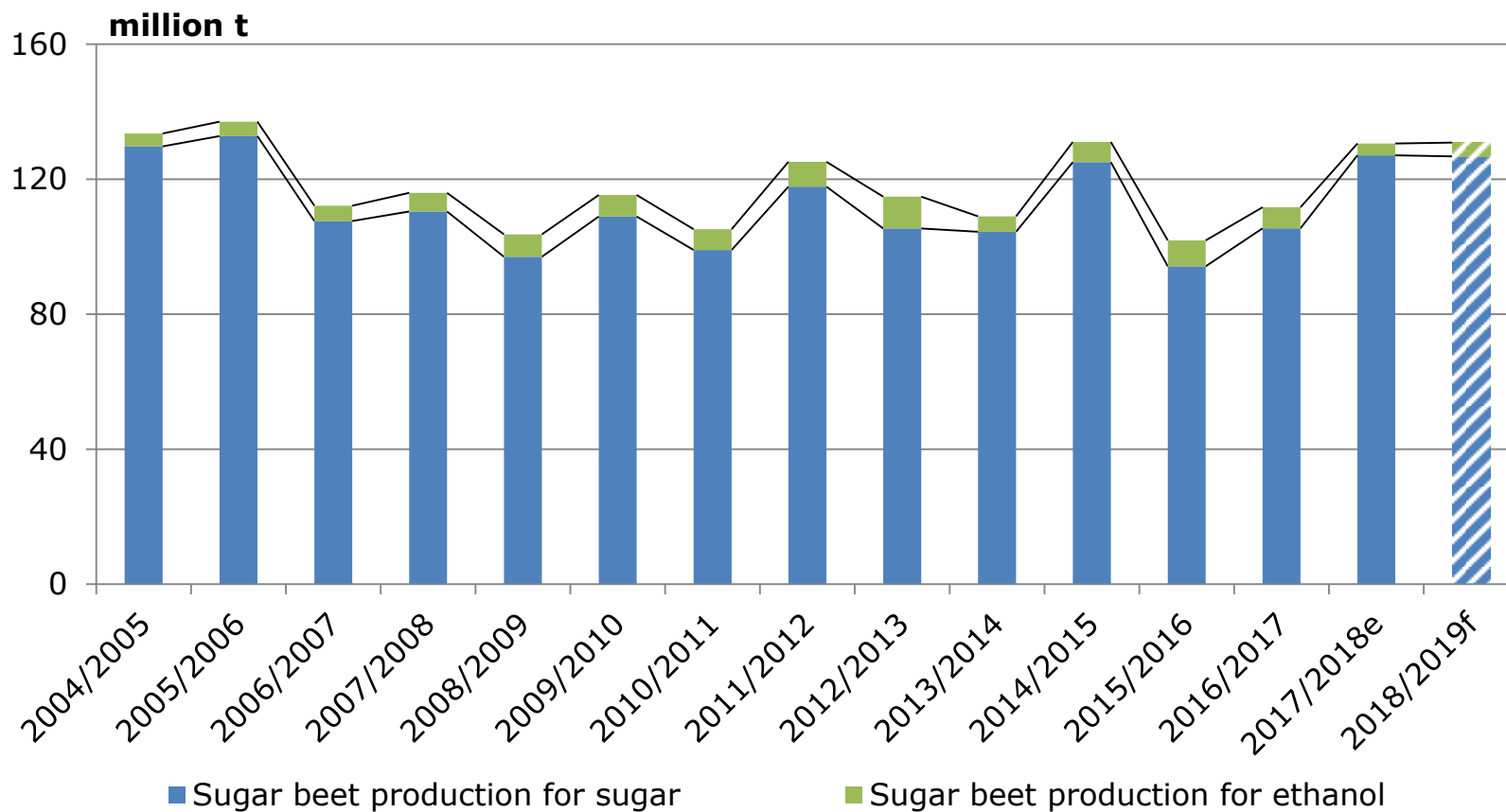
# Preliminary forecast for MY 2018/19

***Sugar Market Observatory***  
***12 April 2018***

## Minor decrease in sugar beet area (-1%) and yield following trend (+1%)

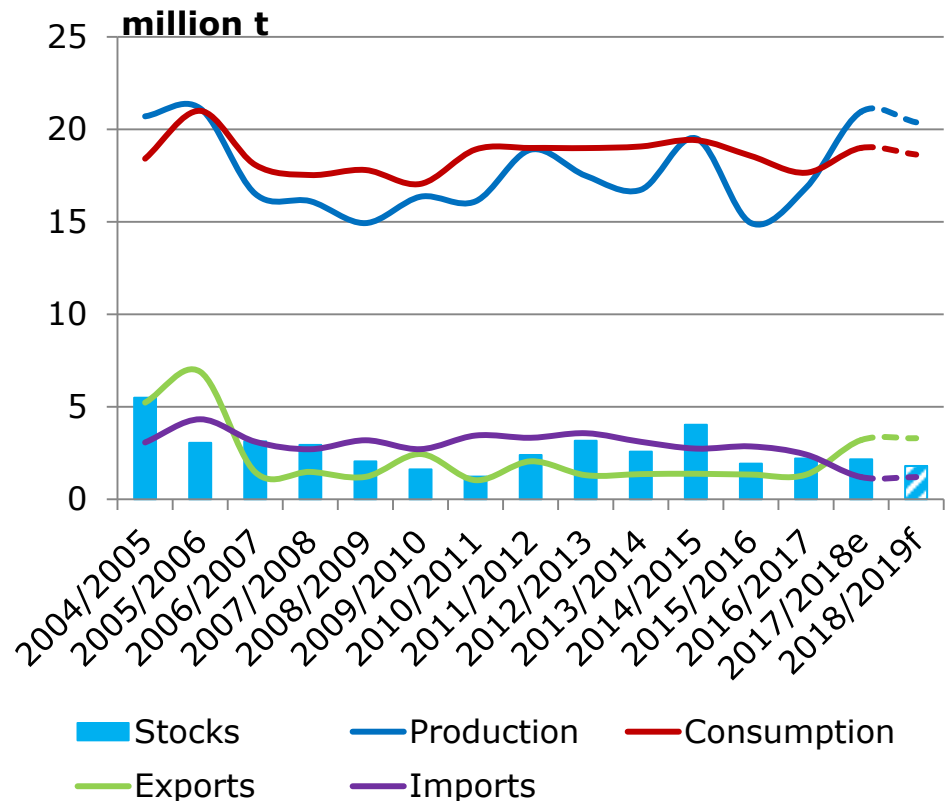


# Stable sugar beet production at 130 million t



## 2018/2019 sugar production forecast about 20.4 million t

- 2017/2018 sugar content  
~3% above average  
→ 2018/2019 forecast based  
on average sugar content  
results in 2.7% decrease in  
sugar production
- Further minor increase in  
exports (+3%)  
→ Slightly lower production  
levels expected at world  
level provides for some  
additional scope for exports

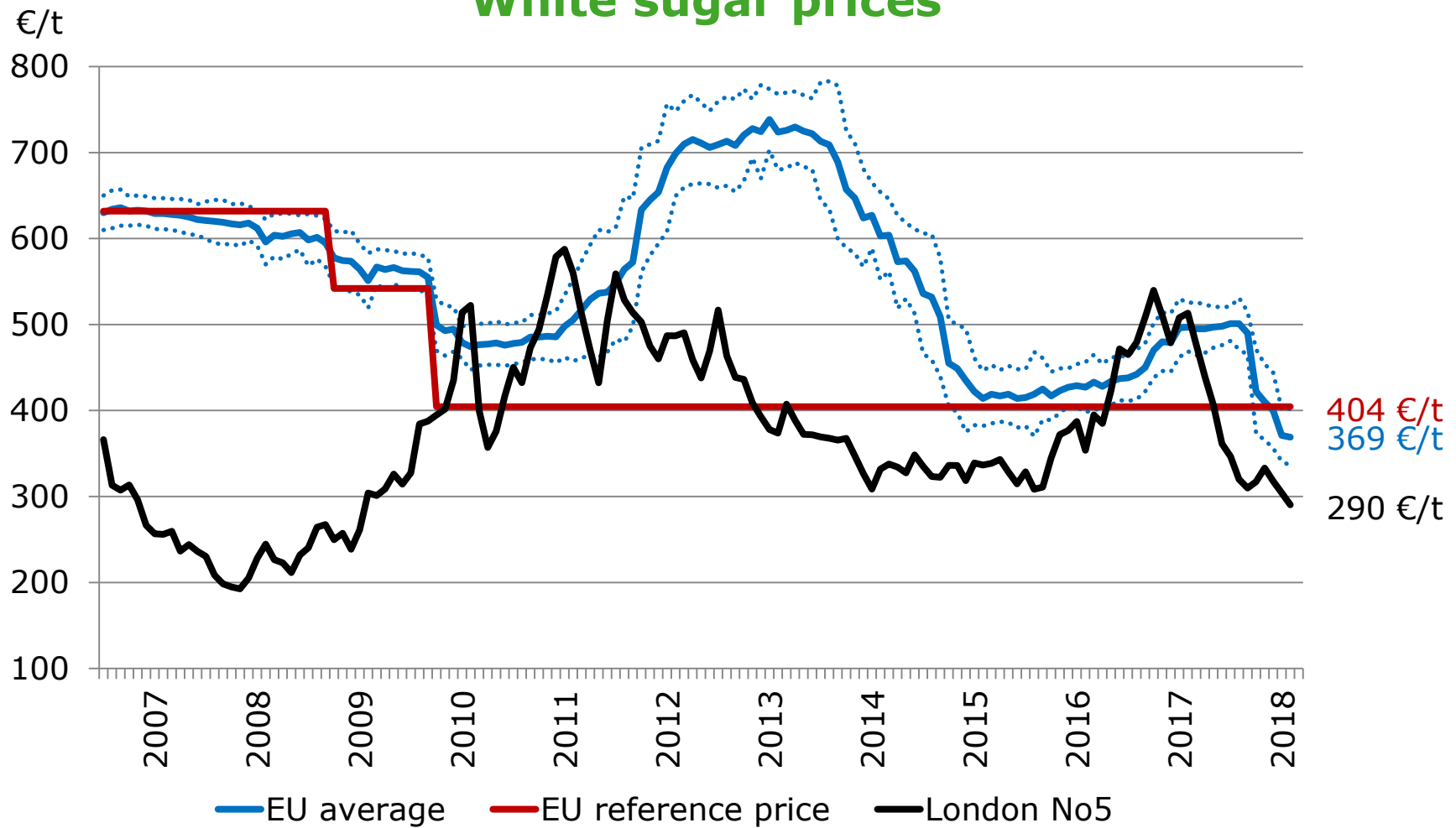




# Complement on prices

***Sugar Market Observatory***  
***12 April 2018***

## White sugar prices

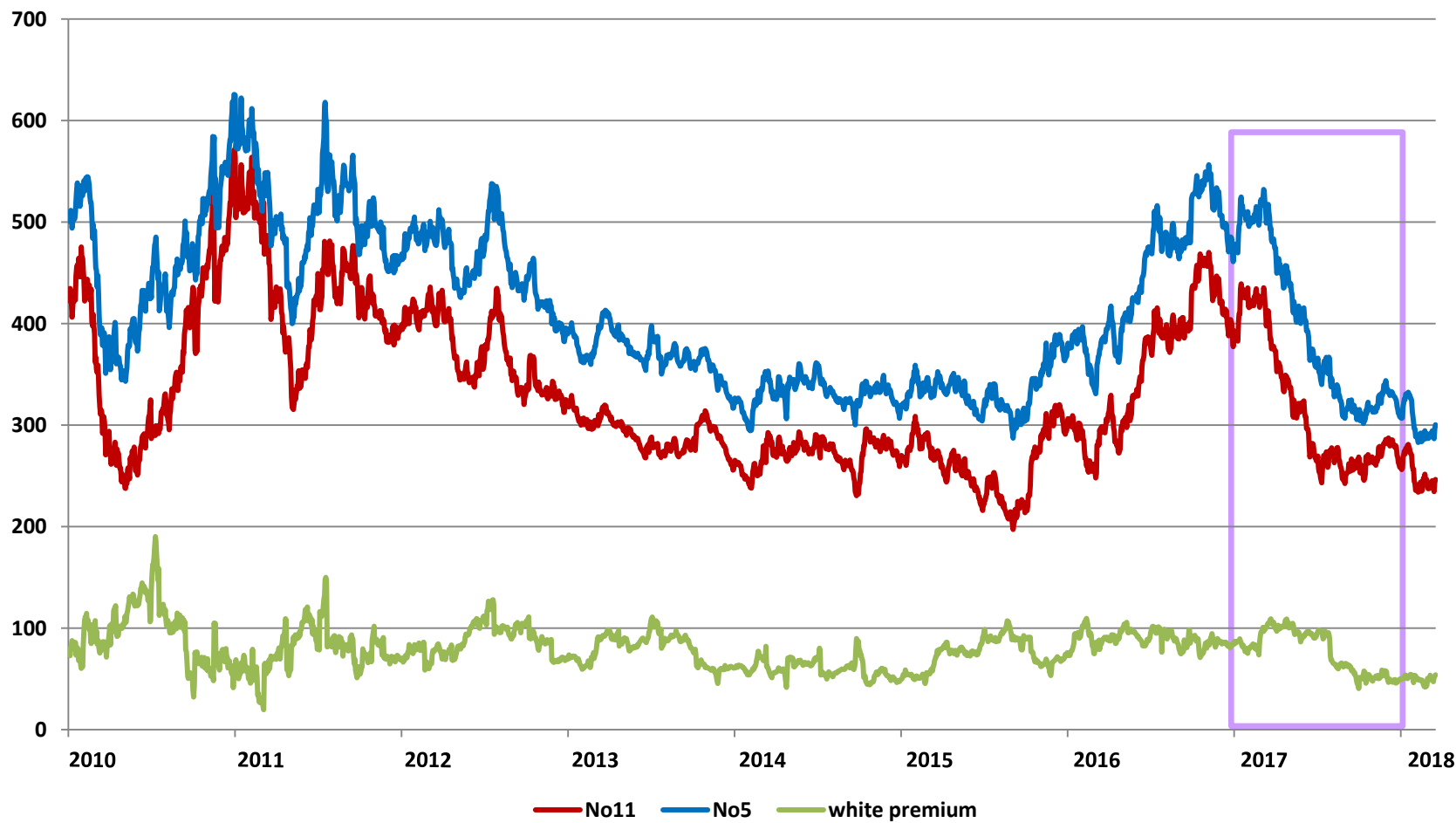


## Open questions

- **Will we have convergence among EU and world price?**
- **Will convergence in price trigger also convergence in volatility pattern?**

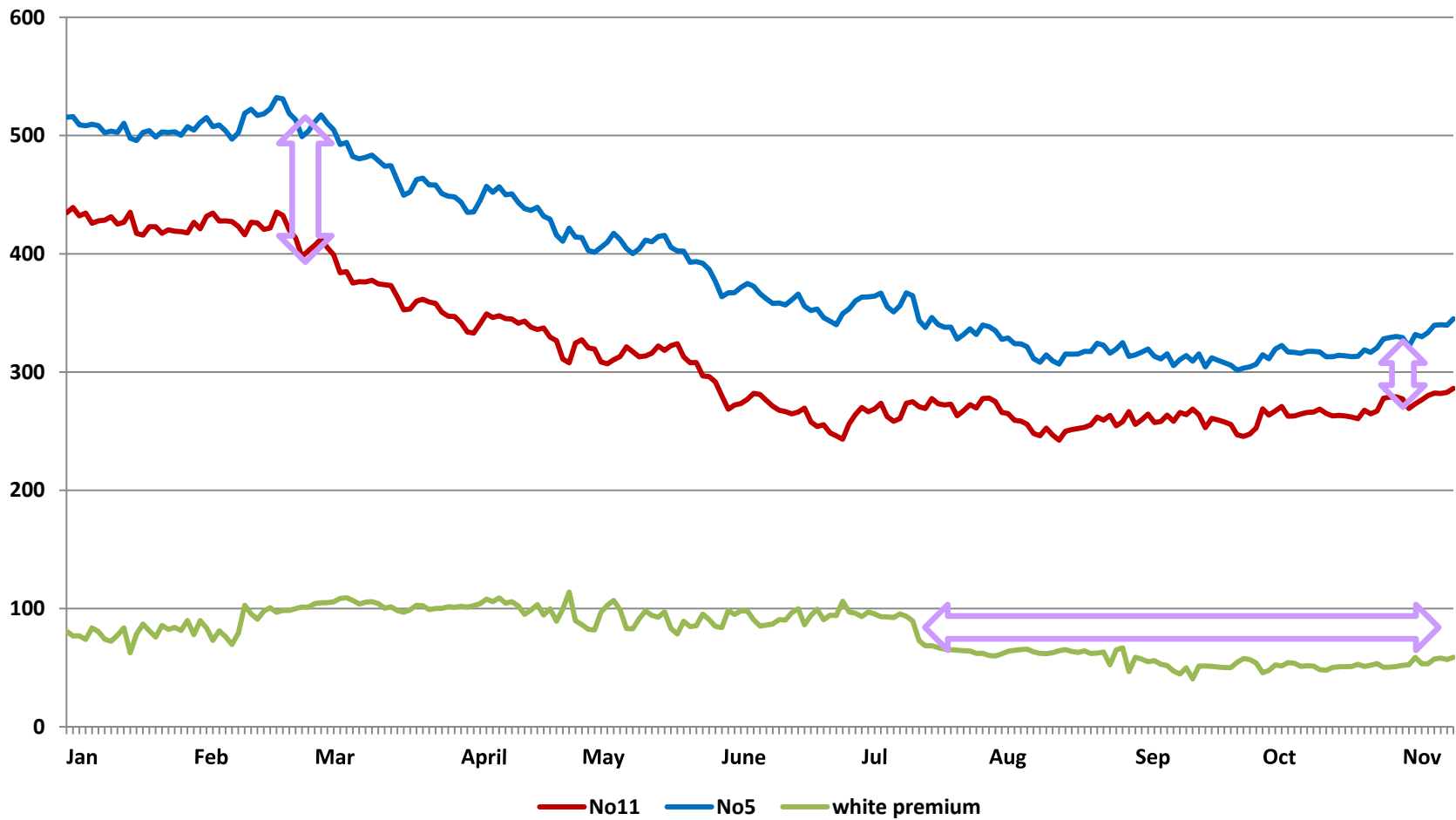
€/t

## World prices, raw and white sugar



€/t

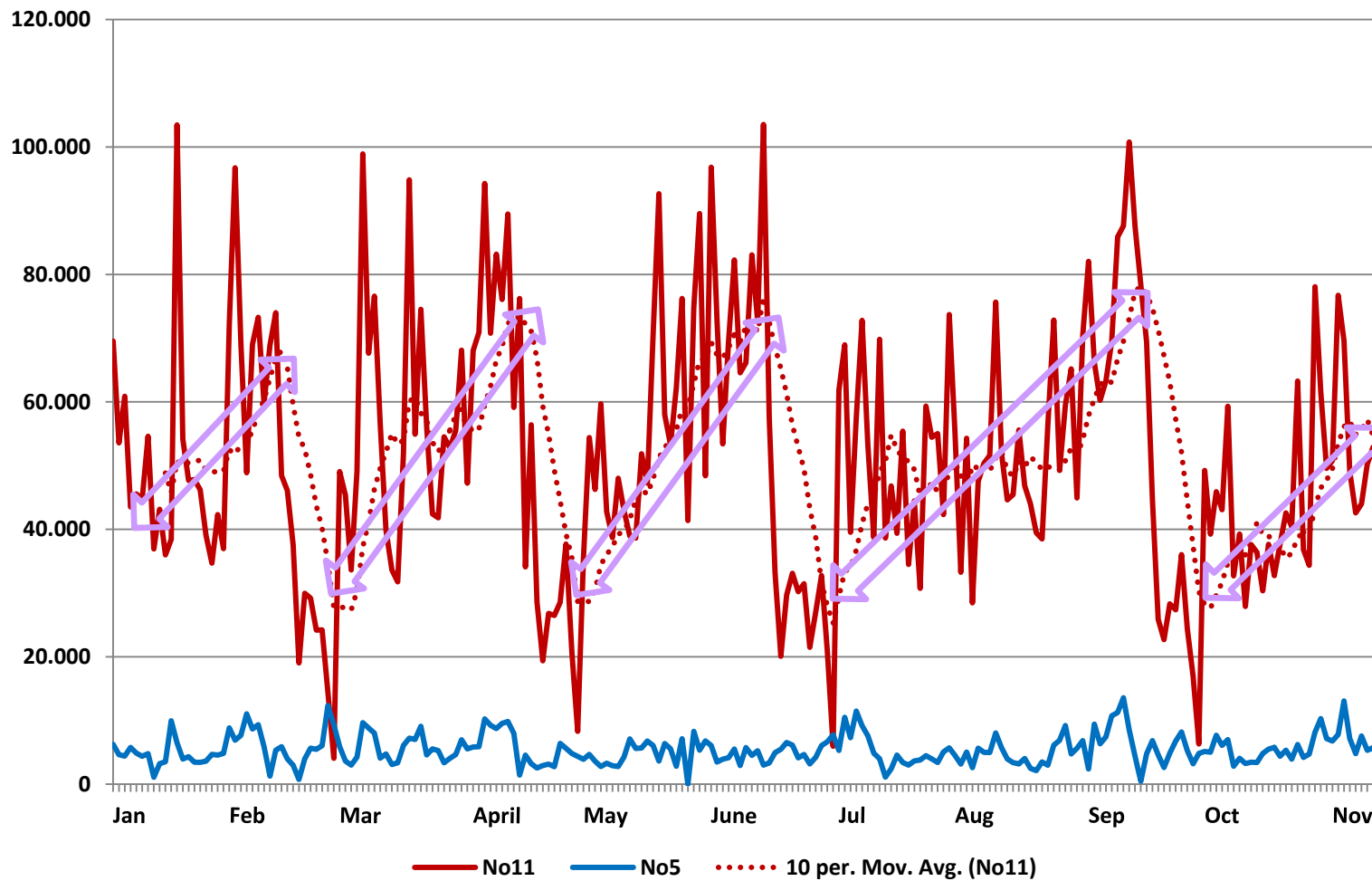
## World prices (2017 only)



## Open questions

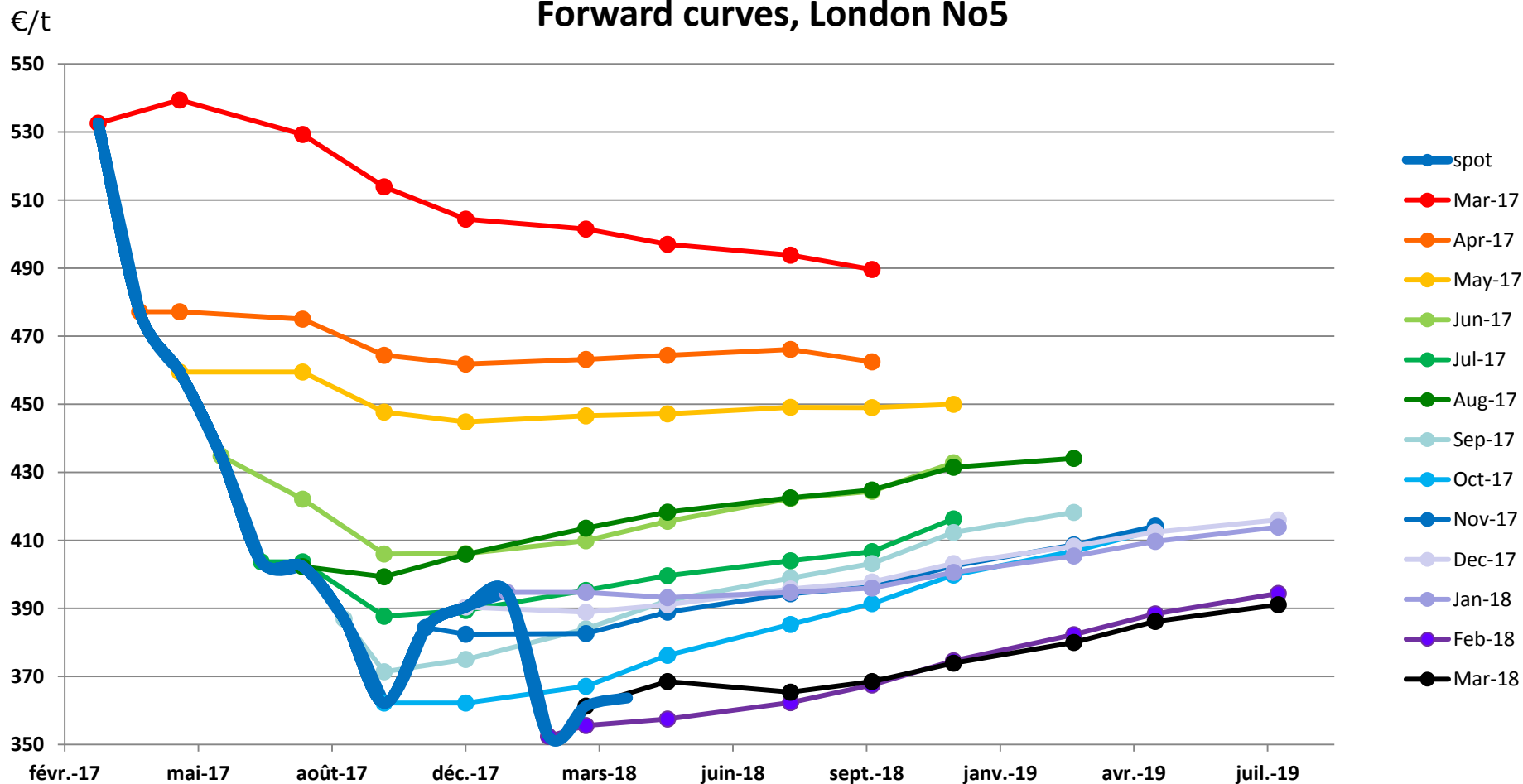
- **Will raw and white sugar prices continue to have synchronized movements?**
- **Will we have arbitrage opportunities among London No5 and NY No11?**

## Volumes (2017 only)



# Market signals

## Forward curves, London No5







**Thanks for your attention**