



**Sugar #11 and #5 : prices**

**December: fundamentals brought sugar value to a 3.5 year high**

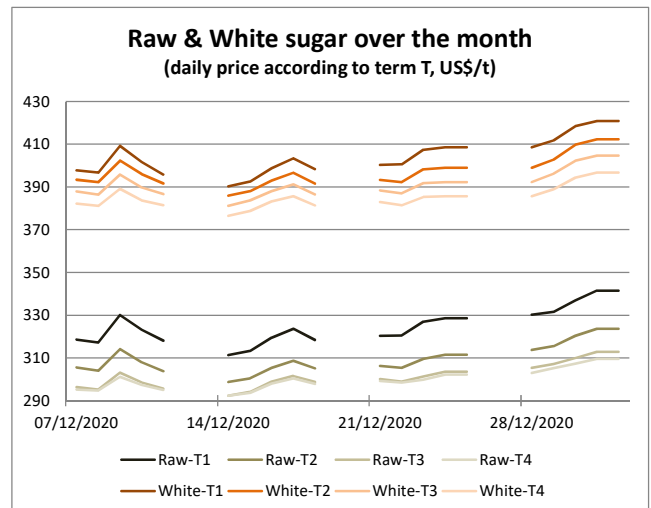
The year ended well for almost all commodities: corn and soy gained 12 %, wheat gained 8 % (p. 5). Sugar followed the trend: raw sugar gained almost 5 %. With the announcement mid-December of new subsidies to help the Indian sector to export (476 M\$, with the objective to reach a level of export of 6 Mt for the 2020/21 season), the evolution of white sugar value slightly less significant: the white premium remained low (under 80 US\$/t), but white sugar still gained 4 % during the month. And January began really strong: raw sugar went over 16 cts/lb on the 6<sup>th</sup> of January and white sugar went over 440 US\$/t the following day, a level that had not been seen for 3 and a half years!

This is particularly notable since funds continued to reduce their appetite for sugar: they are still net buyer of more than 7.5 Mt (p. 2): a high level, but much less than mid-November (over 10 Mt). But fundamentals (lack of sugar in the short term) are so strong that this had no impact, just like the decrease in the value of the Real (- 2%, p. 7) which did not impact sugar value.

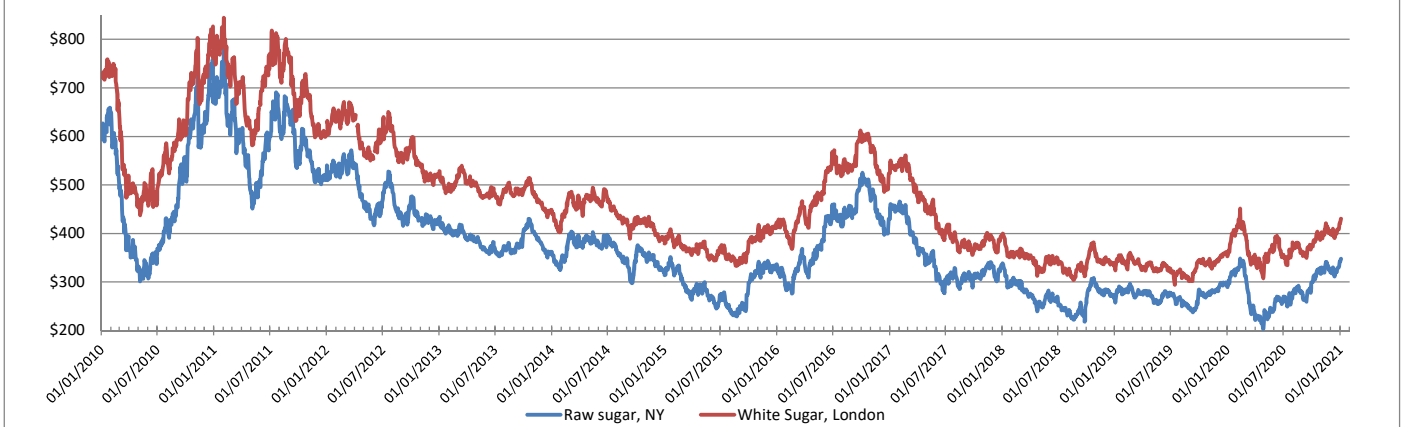
Oil gained 4%, and the Brent is now over 50 \$/barrel (p. 4). This impacted ethanol in USA (+ 10 %, also because of the increase in corn prices), but lockdowns in Europe (especially in Germany) caused a drop in European ethanol (-10 %). Ethanol in Brazil also suffered in Real (-1%) and even more in US\$ (-3%), but, here again, without any impact on sugar value (the graph p. 4 is clear!).

Will the trend go on? With the Indian subsidies now included in the market, there is no reason for a big change before the beginning of the Brazilian campaign, next April. Let's see now if the rise will spread in distant terms... But the October 2021 term is already over 14 cts/lb, thus, 1 cts/lb more than what it was a month ago.

	Settling date	First week of December-20	Last week of December-20	Difference in currency	Difference in %
<b>White sugar</b> (sugar#5, London, \$/t)	Mar 21	400,2	416,1	15,9	<b>4,0%</b>
	May 21	395,1	407,2	12,1	<b>3,1%</b>
	Aug 21	389,3	400,0	10,7	<b>2,8%</b>
	Oct 21	383,5	392,5	8,9	<b>2,3%</b>
<b>Raw sugar</b> (sugar#11, NY, cts/lb)	Mar 21	14,58	15,26	0,68	<b>4,6%</b>
	May 21	13,93	14,49	0,56	<b>4,0%</b>
	Jul 21	13,51	14,04	0,54	<b>4,0%</b>
	Oct 21	13,46	13,92	0,46	<b>3,4%</b>
<b>Raw sugar</b> (sugar#11, NY, \$/t)	Mar 21	321,4	336,3	14,9	<b>4,6%</b>
	May 21	307,1	319,4	12,3	<b>4,0%</b>
	Jul 21	297,8	309,6	11,9	<b>4,0%</b>
	Oct 21	296,7	306,9	10,2	<b>3,4%</b>
<b>Premium</b>	Dec 20-Mar 21	78,8	79,8	1,0	<b>1,3%</b>

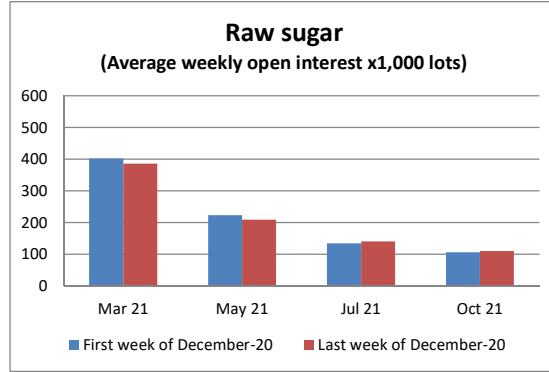
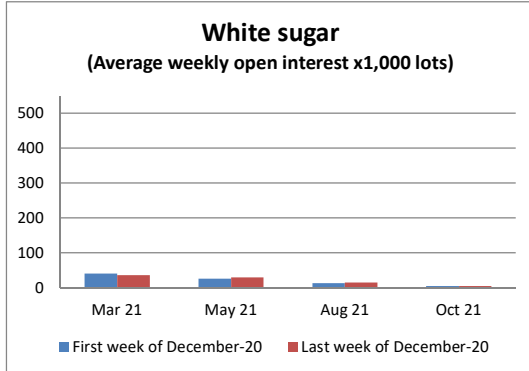


**Sugar#11 and #5 prices since January 2010 front term, US\$/t**



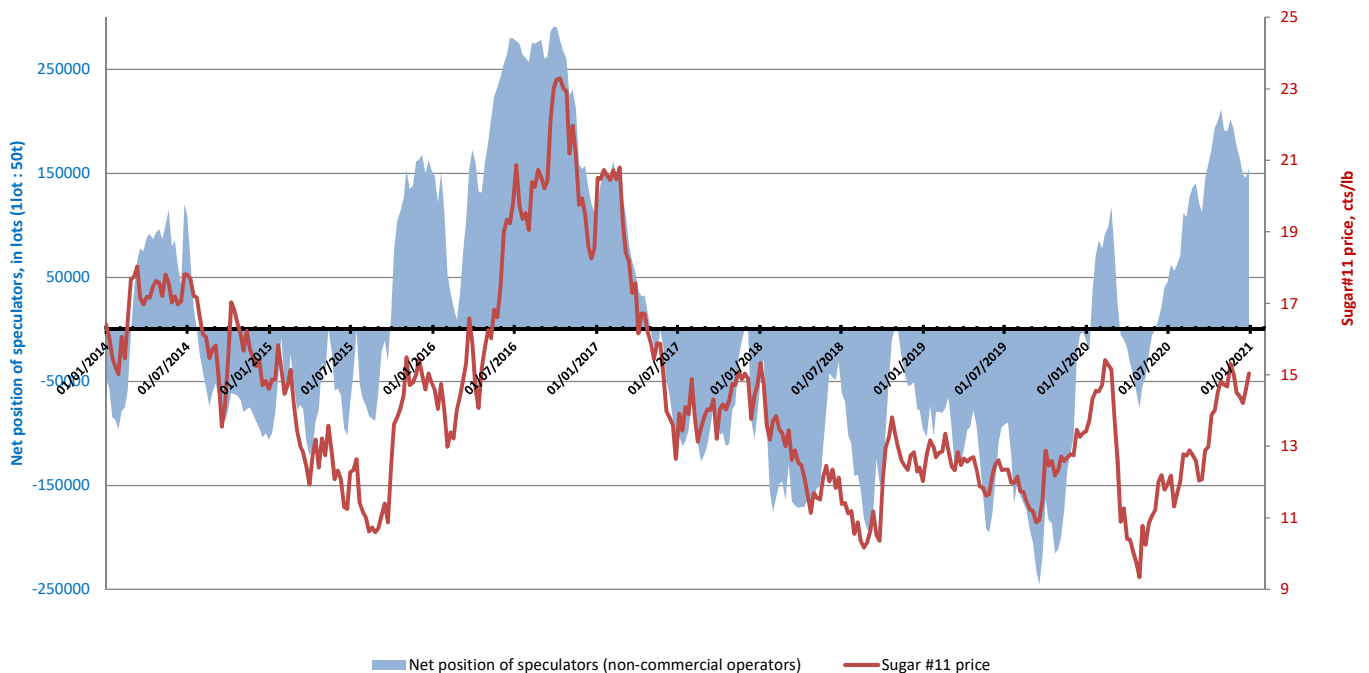


**Sugar #11 and #5 : open interest & non-commercial operators positions**



Term	Average weekly open interest per term (x1,000 lots)							
	White sugar (sugar#5, London, 1lot=50t)				Raw sugar (sugar#11, NY, 1lot=112,000lb=50.8t)			
	First week of December-20	Last week of December-20	Difference in number	Difference in %	First week of December-20	Last week of December-20	Difference in number	Difference in %
T1	40,6	35,5	-5,1	-12,5%	402,9	385,6	-17,3	-4,3%
T2	25,9	29,4	3,6	13,8%	223,5	209,9	-13,6	-6,1%
T3	12,9	14,4	1,4	11,1%	135,0	141,0	6,1	4,5%
T4	4,4	4,7	0,3	7,4%	106,3	110,6	4,3	4,1%
Total	89,2	89,8	0,6	0,7%	1069,6	1052,4	-17,2	-1,6%

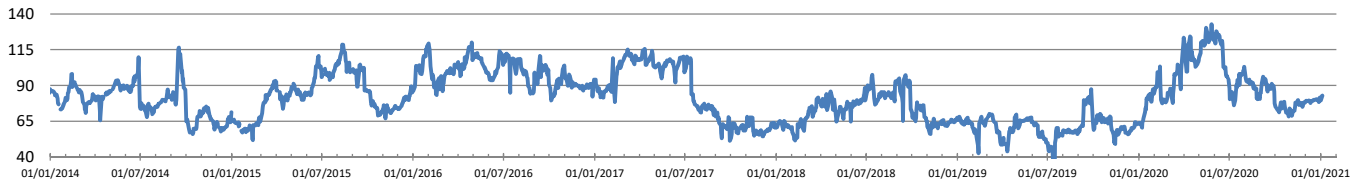
**Net position of speculators on sugar#11 in New-York & front term prices**



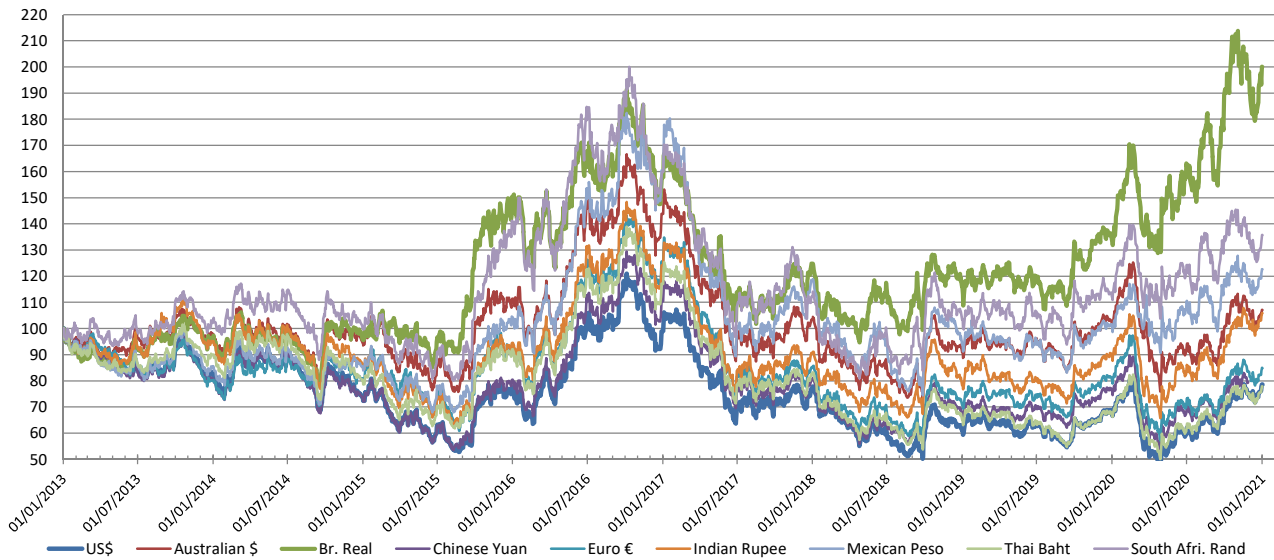


**Sugar #11 : premium compared to Sugar#5 and prices in local currencies**

**Front term white premium since January 2014**  
Front term, US\$/t



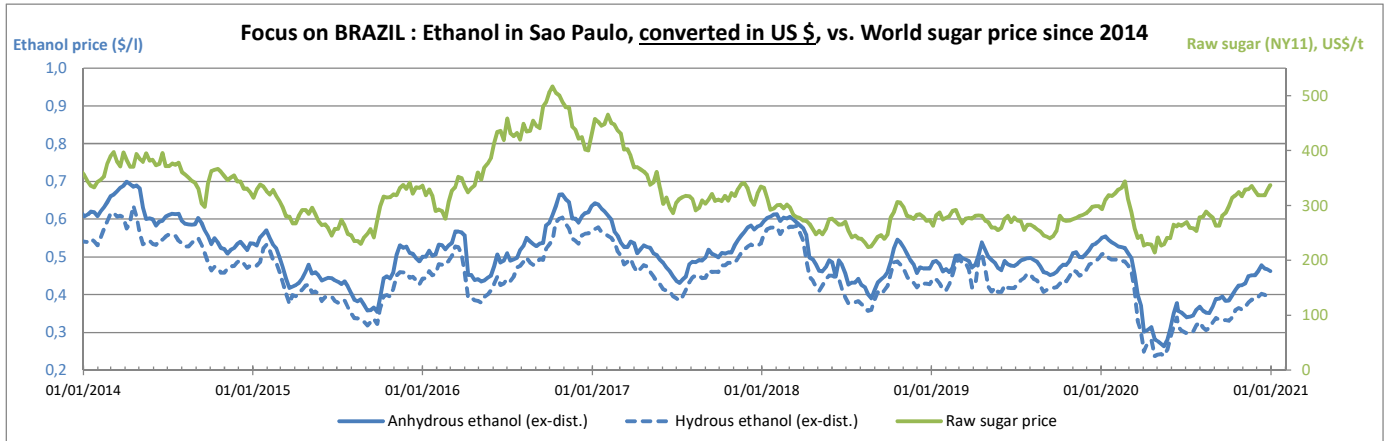
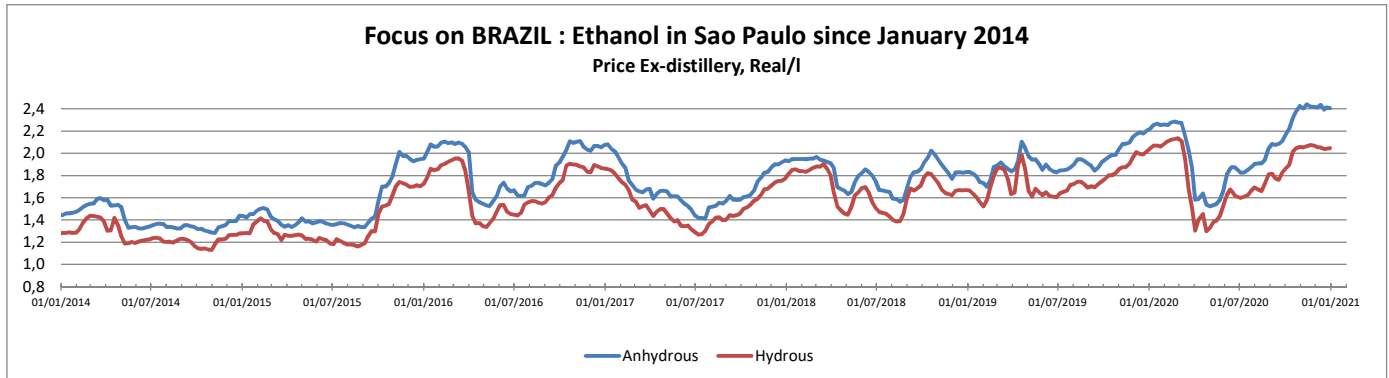
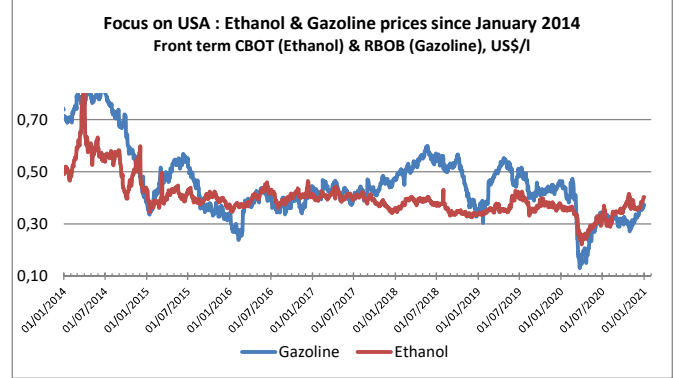
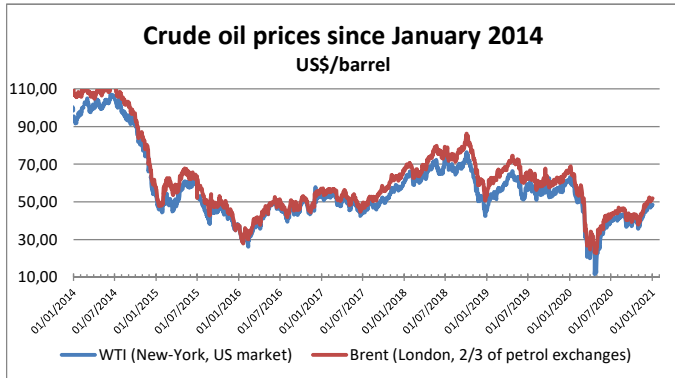
**Price Changes since January 2013**  
Front term, in local currencies, from a Basis 100 on the 01/01/2013



Currency	Sugar#11 Front term			
	First week of December-20	Last week of December-20	Difference in currency	Difference in %
US \$	321,43	336,33	14,90	<b>4,6%</b>
Australian \$	430,13	439,16	9,03	<b>2,1%</b>
Brazilian Real	1 634,79	1 751,01	116,22	<b>7,1%</b>
Chinese Yuan	2 101,37	2 195,26	93,89	<b>4,5%</b>
European €	265,24	273,98	8,74	<b>3,3%</b>
Indian Rupee	23 700,32	24 617,40	917,08	<b>3,9%</b>
Mexican Peso	6 393,73	6 705,21	311,47	<b>4,9%</b>
South African Rand	4 838,57	4 924,27	85,70	<b>1,8%</b>
Thai Baht	9 667,29	10 102,60	435,31	<b>4,5%</b>



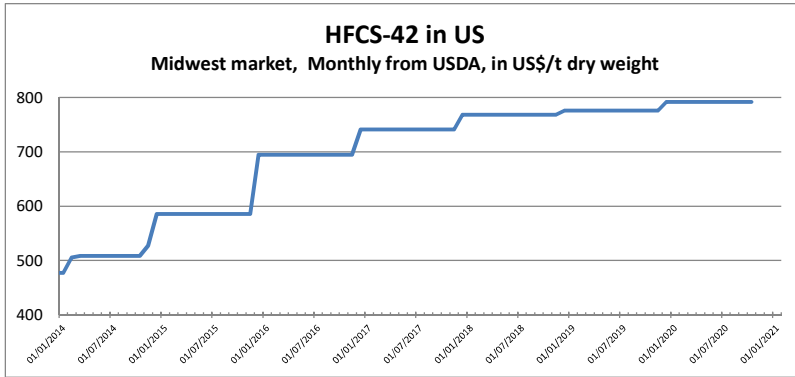
**Energy markets : ethanol, crude oil & gasoline**



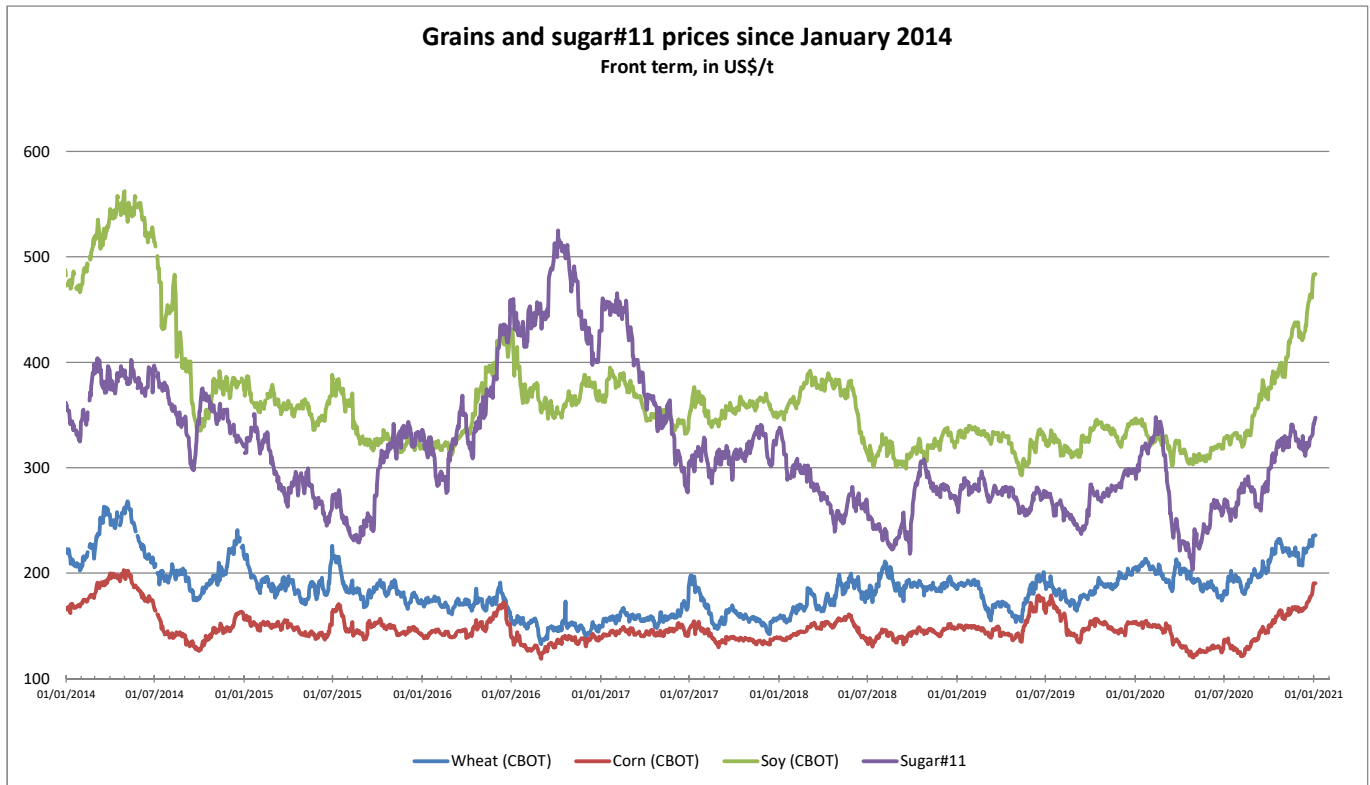
		First week of December-20	Last week of December-20	Difference in value	Difference in %	
Oil	WTI, US\$/barrel	46,16	48,21	2,05	<b>4,4%</b>	
	Brent, US\$/barrel	49,30	51,47	2,17	<b>4,4%</b>	
Gasoline	RBOB, US\$/l	0,34	0,37	0,03	<b>8,4%</b>	
Ethanol	In Brazil (ex. dist.)	Real/l (Anh., S. Paulo)	2,43	2,41	-0,03	<b>-1,2%</b>
		US\$/l (Anh., S. Paulo)	0,48	0,46	-0,02	<b>-3,2%</b>
	In USA (CBOT)	US\$/gal	1,38	1,51	0,14	<b>10,1%</b>
		US\$/l	0,36	0,40	0,04	
	In Europe (T2 Rtdam)	€/l	0,56	0,50	-0,06	<b>-10,0%</b>
		US\$/l	0,68	0,62	-0,06	<b>-8,9%</b>



Grain markets : corn, soybeans, wheat, HFCS



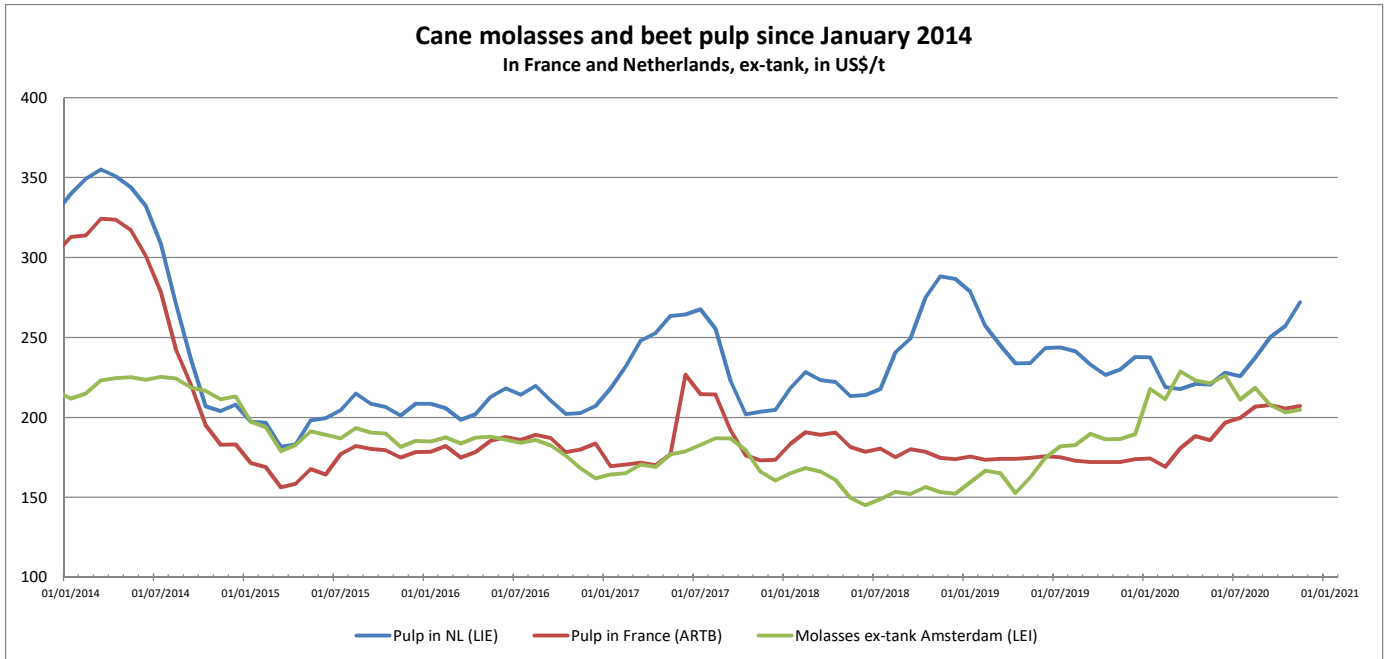
Dry HFCS 42 monthly Price in USA			
	November-19	November-20	Difference in %
US\$/t	776,03	791,68	<b>2,0%</b>
cts/lb	35,21	35,92	



		Front term (CBOT)			
		First week of December-20	Last week of December-20	Difference in currency	Difference in %
Corn	US\$/t	165,59	186,22	20,63	<b>12,5%</b>
	cts/bsl	420,60	473,00	52,40	
Soy	US\$/t	424,42	476,52	52,10	<b>12,3%</b>
	cts/bsl	1 155,20	1 297,00	141,80	
Wheat	US\$/t	213,86	231,79	17,93	<b>8,4%</b>
	cts/bsl	582,10	630,90	48,80	



By-products : molasses and beet pulps



*No cotation for French and NL pulp & molasses: the value is the same than last month!*

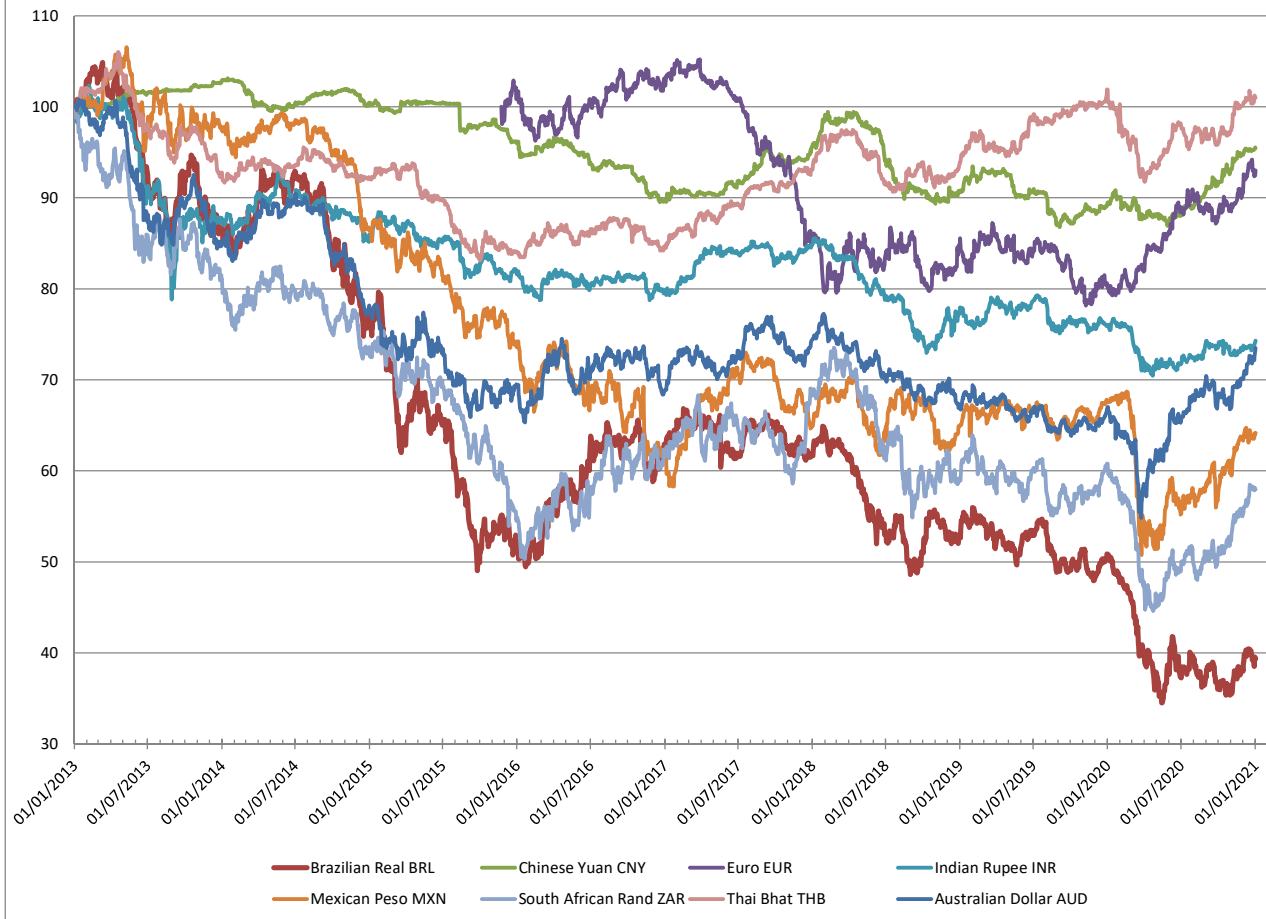
		By-products prices				
		October-20	November-20	Difference in currency	Difference in %	
Beet pulp pellets	NL	US\$/t	257,19	272,09	14,90	<b>5,8%</b>
		€/t	219,05	230,00	10,95	<b>5,0%</b>
	France	US\$/t	205,47	207,03	1,56	<b>0,8%</b>
		€/t	175,00	175,00	0,00	<b>0,0%</b>
Cane molasses (ex-tank Amsterdam)		US\$/t	203,12	204,66	1,54	<b>0,8%</b>
		€/t	173,00	173,00	0,00	<b>0,0%</b>



Exchange rates

Currency changes, compared to US\$, since January 2013

Daily based, basis 100 on the first day of 2010

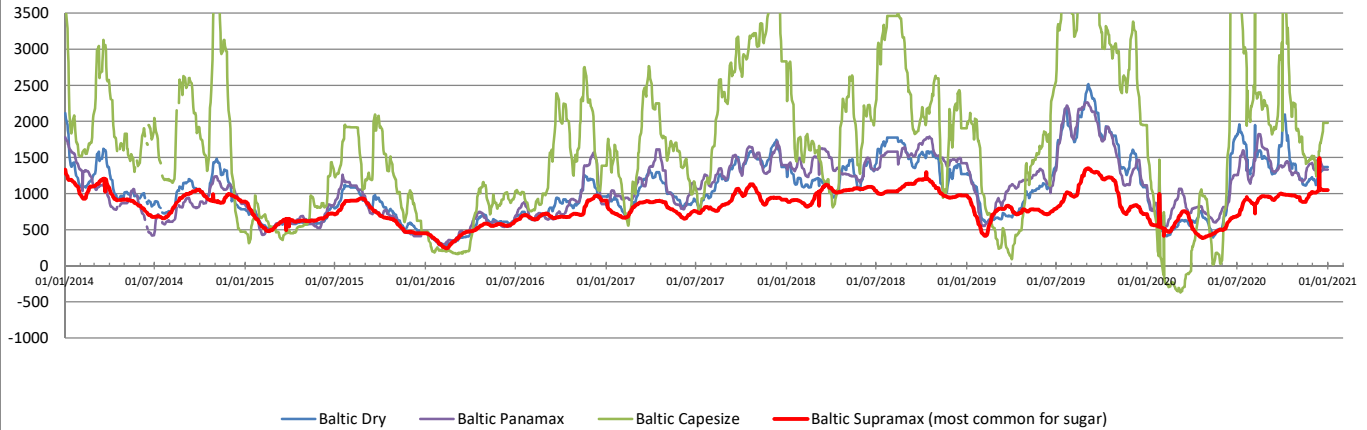


Currency	Value, in US\$, of the currency			
	First week of December-20	Last week of December-20	Difference in currency	Difference in %
Australian \$	0,7473	0,7658	0,0185	<b>2,5%</b>
Brazilian Real	0,1966	0,1921	-0,0046	<b>-2,3%</b>
Chinese Yuan	0,1530	0,1532	0,0002	<b>0,2%</b>
European €	1,2119	1,2276	0,0157	<b>1,3%</b>
Indian Rupee	0,0136	0,0137	0,0001	<b>0,7%</b>
Mexican Peso	0,0503	0,0502	-0,0001	<b>-0,2%</b>
South African Rand	0,0664	0,0683	0,0019	<b>2,8%</b>
Thai Baht	0,0332	0,0333	0,0000	<b>0,1%</b>



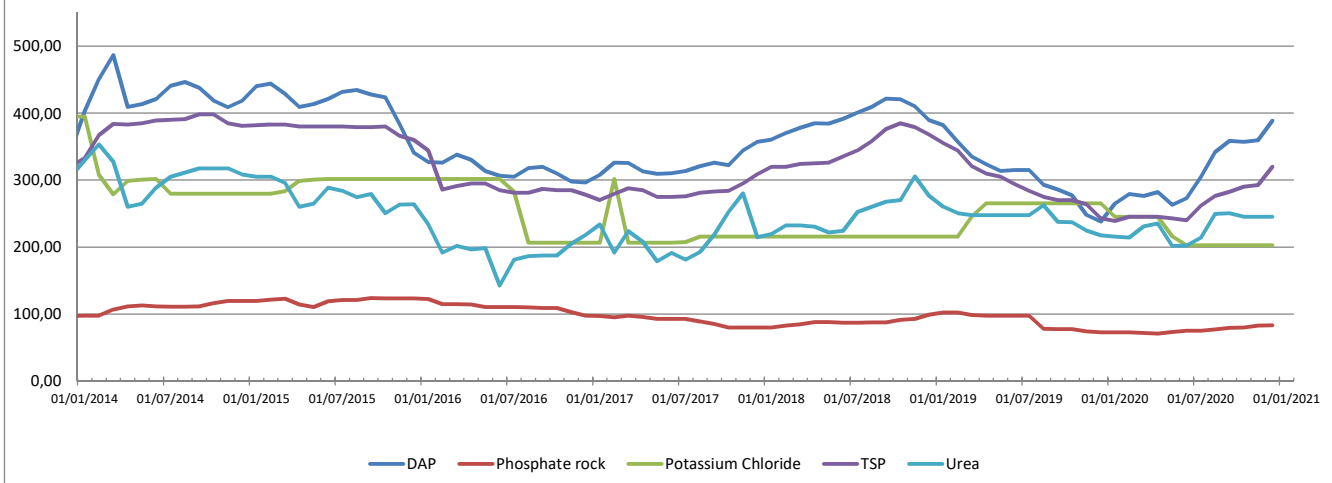
Freight : Baltic indexes

Freight indexes since January 2014



Freight index (Baltic)				
Index	First week of December-20	Last week of December-20	Difference in index	Difference in %
Baltic Dry	1 155	1 366	211	18%
Baltic Supramax	1 019	1 047	28	3%
Baltic Panamax	1 390	1 333	-57	-4%
Baltic Capesize	1 339	1 979	640	48%

Fertilizers prices since January 2014  
World bank, in US\$/t



DAP (diammonium phosphate), standard size, bulk, spot, f.o.b. US Gulf

Phosphate rock (Moroccan), 70% BPL, contract, f.a.s. Casablanca

Potassium chloride (muriate of potash), standard grade, spot, f.o.b. Vancouver

TSP (triple superphosphate), up to September 2006 bulk, spot, f.o.b. US Gulf; from October 2006 onwards Tunisian, granular, f.o.b.

Urea (Black Sea), bulk, spot, for 1985-91 (June) f.o.b. Eastern Europe; 1991 (July) onwards f.o.b. Black Sea (primarily Yuzhnyy)





Market overview : the grower dashboard

			First week of December-20	Last week of December-20	Difference	Difference in %
Sugar	Sugar#11	cts/lb	14,58	15,26	0,68	<b>4,6%</b>
		US\$/t	321,43	336,33	14,90	
	Sugar#5	US\$/t	400,20	416,12	15,92	<b>4,0%</b>
Grains	Corn (CBOT)	cts/bsl	420,60	473,00	52,40	<b>12,5%</b>
		US\$/t	165,59	186,22	20,63	
	Soybeans (CBOT)	cts/bsl	1 155,20	1 297,00	141,80	<b>12,3%</b>
		US\$/t	424,42	476,52	52,10	
	Wheat (CBOT)	cts/bsl	582,10	630,90	48,80	<b>8,4%</b>
		US\$/t	213,86	231,79	17,93	
Ethanol	EU spot	€/l	0,56	0,50	-0,06	<b>-10,0%</b>
		US\$/l	0,68	0,62	-0,06	<b>-8,9%</b>
	US	US\$/l	0,36	0,40	0,04	<b>10,1%</b>
	Brazil Anydr.	Real/l	2,43	2,41	-0,03	<b>-1,2%</b>
		US\$/l	0,48	0,46	-0,02	<b>-3,2%</b>
Oil	Brent	US\$/barrel	49,30	51,47	2,17	<b>4,4%</b>
Freight	Supramax	Index	1 019	1 047	28	<b>2,8%</b>
Brazilian Currency	Value of 1 Real	US\$	0,1966	0,1921	-0,0046	<b>-2,3%</b>
	Value of 1 US\$	Real	5,085	5,206	0,121	<b>2,3%</b>