



Sugar #11 and #5 : prices

April: Sugar resisted the global storm quite well!

What a month! On 2 April, Trump's announcement of a "liberation day" caused a storm on markets. Oil returned to around \$60/barrel, a level not seen for almost 5 years (p. 4). Currency movements were very mixed: The Indian rupee and the Brazilian Real fell sharply against the US dollar (the chart on page 7 is astonishing).

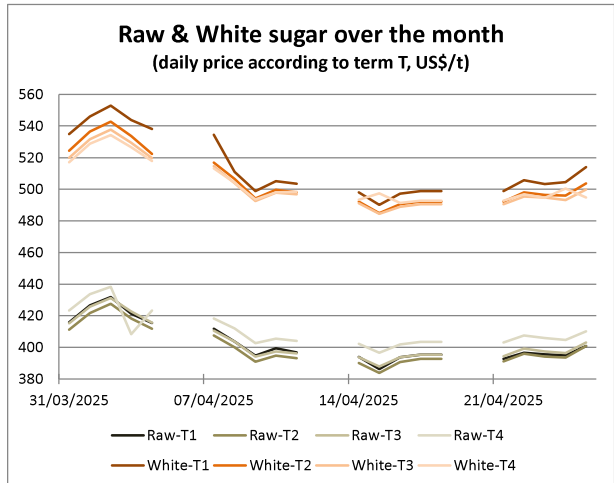
After this strong shock, the market reacted. Currencies returned to normal and, if we look only at the beginning and the end of the month, the pace is flat (table on page 7!) - except for the euro, which rose 5% against the US dollar.

In this context, the fall in sugar (-6% over the month) looks like quite a good performance!

This can be explained by the fact that speculators have not changed their views on the market (p. 2). Everyone seems to be waiting for something to happen. And this could be next June, when the first robust results from the Brazilian crop (which opened this month) will be known... And indeed, the Brazilian situation will be really decisive: in the current campaign (according to S&P), 52% of the world's exports come from Brazil - a record high. The second largest exporter, Thailand, only accounts for 13%!

So all eyes are on Brazil. On 23 April, S&P published new figures: the analyst expects a disappointing harvest: 602 million tonnes of cane processed during the campaign, but with a record allocation to sugar (51.5%). Despite this expected performance, S&P is forecasting a global deficit of -3.9 Mt for the current marketing year (Oct2024-Sep25) and a further deficit of -1.5 Mt next year. Note that this is also due to a record diversion of sugar to ethanol in India : 5 Mt in 2025-26 – a new record high for a country that almost did not divert sugar to ethanol 5 years ago!

| | Settling date | First week of April-25 | Last week of April-25 | Difference in currency | Difference in % |
|-------------------------------------|---------------|------------------------|-----------------------|------------------------|-----------------|
| White sugar (sugar#5, London, \$/t) | May 25 | 543,1 | 505,3 | -37,8 | -7,0% |
| | Aug 25 | 531,9 | 497,3 | -34,6 | -6,5% |
| | Oct 25 | 527,7 | 494,7 | -33,0 | -6,2% |
| | Dec 25 | 524,9 | 495,9 | -29,0 | -5,5% |
| Raw sugar (sugar#11, NY, cts/lb) | May 25 | 19,15 | 17,97 | -1,18 | -6,2% |
| | Jul 25 | 18,96 | 17,92 | -1,04 | -5,5% |
| | Oct 25 | 19,14 | 18,06 | -1,09 | -5,7% |
| | Mar 26 | 19,29 | 18,43 | -0,87 | -4,5% |
| Raw sugar (sugar#11, NY, \$/t) | May 25 | 422,2 | 396,1 | -26,1 | -6,2% |
| | Jul 25 | 418,1 | 395,1 | -23,0 | -5,5% |
| | Oct 25 | 422,0 | 398,1 | -23,9 | -5,7% |
| | Mar 26 | 425,4 | 406,3 | -19,1 | -4,5% |
| Premium | May 25 | 121,0 | 109,2 | -11,8 | -9,7% |



Warning ! Terms changes for the white at mid Apr. And for the raw at the end of April ! Thus, the last week in the table above refers to the new terms (white only).

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

