



## Sugar #11 and #5 : prices

### October: a depressing month!

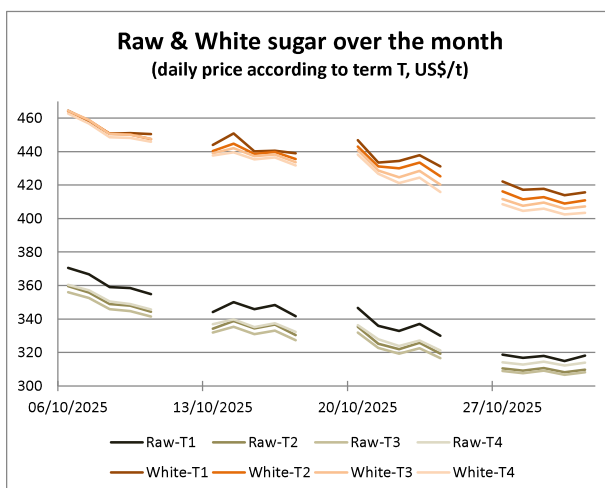
A sense of pessimism has taken hold of the global market, and this was particularly evident in October, with raw sugar falling by over 10% and white sugar by more than 8% in just one month. November began with prices not seen since 2020 (see p. 1): raw sugar delivered in March is now trading below 14.5 cents per pound.

Due to the US government shutdown, data on speculators' positions has not been available since the end of September, but many are anticipating record levels. And with good reason: the last time the data was published, they were already net sellers of more than 8.5 Mt (p. 2).

We will therefore be keen to verify this when the situation returns to normal, because for now, the latest news from India is not alarming! In fact, the country has just announced that it exported only 0.8 Mt of sugar during the last marketing year, which is less than its quota of 1 Mt. This suggests that it could have a limited presence on the export markets during the coming marketing year. This is all the more probable given that the market is hardly profitable for India's model of exporting white sugar. Furthermore, ready-to-consume sugar is holding up slightly better than sugar for refining, with the white sugar premium once again above \$100/t (p. 3).

But raw sugar is having a hard time in an atmosphere that feels a bit like letting things slide... Some are anticipating another bumper harvest in Brazil, where cane ethanol is facing strong competition from cheap corn. However, the next season doesn't start for another six months! In any case, given the availability in India and Brazil, on 4 November S&P revised its global surplus for the current season to +5.0 Mt, which is a truly significant level. However, this is once again based on optimistic production forecasts.

|                                               | Settling date | First week of October-25 | Last week of October-25 | Difference in currency | Difference in % |
|-----------------------------------------------|---------------|--------------------------|-------------------------|------------------------|-----------------|
| <b>White sugar</b><br>(sugar#5, London, \$/t) | Dec 25        | 454,9                    | 417,3                   | -37,6                  | <b>-8,3%</b>    |
|                                               | Mar 26        | 454,2                    | 412,0                   | -42,2                  | <b>-9,3%</b>    |
|                                               | May 26        | 454,3                    | 408,4                   | -45,9                  | <b>-10,1%</b>   |
|                                               | Aug 26        | 452,4                    | 405,0                   | -47,4                  | <b>-10,5%</b>   |
| <b>Raw sugar</b><br>(sugar#11, NY, cts/lb)    | Mar 26        | 16,42                    | 14,39                   | -2,03                  | <b>-12,3%</b>   |
|                                               | May 26        | 15,94                    | 14,04                   | -1,89                  | <b>-11,9%</b>   |
|                                               | Jul 26        | 15,79                    | 13,98                   | -1,82                  | <b>-11,5%</b>   |
|                                               | Oct 26        | 15,99                    | 14,22                   | -1,77                  | <b>-11,1%</b>   |
| <b>Raw sugar</b><br>(sugar#11, NY, \$/t)      | Mar 26        | 362,0                    | 317,3                   | -44,7                  | <b>-12,3%</b>   |
|                                               | May 26        | 351,3                    | 309,6                   | -41,7                  | <b>-11,9%</b>   |
|                                               | Jul 26        | 348,2                    | 308,1                   | -40,0                  | <b>-11,5%</b>   |
|                                               | Oct 26        | 352,6                    | 313,5                   | -39,0                  | <b>-11,1%</b>   |
| <b>Premium</b>                                | Dec 25-Mar 26 | 93,0                     | 100,1                   | 7,1                    | <b>7,6%</b>     |



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

