FlashMarket December-25

The 'FlashMarket' is the monthly market news issued by the World Association of Beet and Cane Growers to its members

data from 08/12/2025 to 02/01/2026

Sugar #11 and #5 : prices

December: a stable month but speculators (slowly) normalize their positions

December was very quiet in terms of fundamental news. The month ended much as it began, with raw sugar trading below 15 cts/lb, although it briefly moved above this psychological threshold.

The outlook for the Indian harvest remains positive. Data from the first two months point to a very strong start to the season, but this does not yet allow for firm conclusions on final output, particularly given the uncertainty surrounding ethanol diversion. At this stage, S&P maintains its estimate of a global world surplus at 3.9 Mt.

One development is nevertheless worth highlighting: speculators slightly reduced their short positions by nearly 2.5 Mt (p. 2). The resulting market rebound was only moderate, as commercial players probably took advantage of this uptick to hedge, having been considered behind the curve until now (especially from Brazil?). Despite this adjustment, speculators continue to weigh heavily on prices, remaining net short by more than 8 Mt of sugar.

Oil prices are at historically low levels. At around USD 60 per barrel, such levels had not been seen for five years (p. 4). This has not prevented Brazilian ethanol from performing well (p. 3), at levels that now stand in sharp contrast to raw sugar prices (see the chart at the bottom of page 3).

At this time of year, a comparison between the last week of 2026 and the last week of 2025 is interesting. Raw sugar prices fell by 23%, significantly underperforming grains (wheat: –7%, corn: –3%). By contrast, ethanol prices in Brazil rose by 11% in reais, a currency that has appreciated by more than 10% against the US dollar over the year. Finally, Brent crude lost 19%, yet this did not prevent Supramax freight rates from rising by 24%.

	Settling date	First week of December-25	Last week of December-25	Difference in currency	Difference in %
White sugar (sugar#5, London, $/t)	Dec 25	424,2	426,8	2,6	***0,6%***
	Mar 26	421,3	424,6	3,3	***0,8%***
	May 26	417,2	422,0	4,8	***1,1%***
	Aug 26	416,5	421,3	4,9	***1,2%***
Raw sugar (sugar#11, NY, cts/lb)	Mar 26	14,87	14,94	0,07	***0,5%***
	May 26	14,48	14,61	0,13	***0,9%***
	Jul 26	14,46	14,67	0,21	***1,4%***
	Oct 26	14,77	14,97	0,21	***1,4%***
Raw sugar (sugar#11, NY, $/t)	Mar 26	327,8	329,5	1,6	***0,5%***
	May 26	319,2	322,1	2,9	***0,9%***
	Jul 26	318,7	323,3	4,6	***1,4%***
	Oct 26	325,5	330,1	4,5	***1,4%***
Premium	Dec 25-Mar 26	96,4	97,4	1,0	***1,0%***