



## Sugar #11 and #5 : prices

### September: a quiet month that ended with a bang!

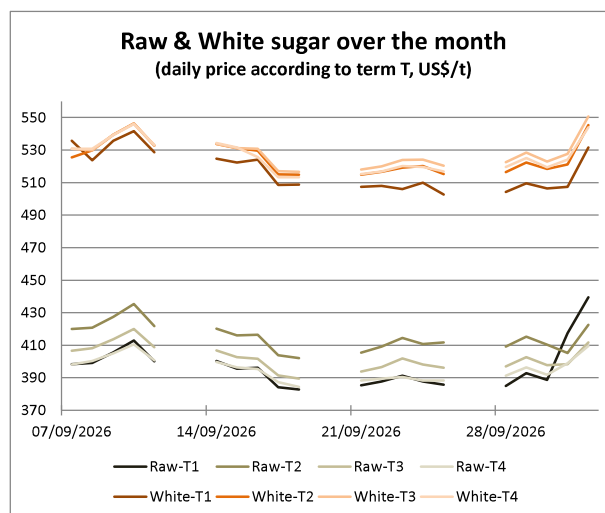
September was a very quiet month, with little in the way of concrete news. But what a wake-up call at the very start of October! Raw sugar prices have surged in these first few days of October, which also mark the start of the new 2026–2027 global marketing year when considered from October to September, following the European or Indian model.

It's a bit like a 'Weather Market' – that is, a sudden market shift triggered by a weather forecast from some corner of the globe. In our case, it's clearly the continuing rains in Brazil, which are disrupting the harvest. But this could be a little more serious than a flash move, as it is indeed the El Niño effect that market participants are anticipating in the current weather events. S&P has just cut 2 Mt from its production estimate for Brazil for the current crop year and, along with other adjustments, the analyst revised all its forecasts on 5 October. The 2025–2026 season, which is drawing to a close, is expected to end with a deficit of –0.5 Mt (whereas the analyst had previously anticipated a surplus of +1.4 Mt), and the global balance for 2026–2027, which was forecast to show a surplus of +3.9 Mt, is now expected to have a surplus of less than +0.4 Mt.

Speculators are keen on this sort of news and, although we do not yet have the latest statistics available (p. 2), there is no doubt that they are increasing their long positions. As a result, prices are hovering around 20 cts/lb and even reached 21 cts/lb during 5<sup>th</sup> October trading session – a level not seen for two years. White sugar is struggling to keep pace, and the white sugar premium is collapsing to around \$90/t – but it shouldn't be long before it catches up.

Oil remains expensive, very expensive indeed (p. 4), and is driving up ethanol prices worldwide: in Brazil, it has risen by 7 % in Réal!

|                                     | Settling date | First week of September-26 | Last week of September-26 | Difference in currency | Difference in % |
|-------------------------------------|---------------|----------------------------|---------------------------|------------------------|-----------------|
| White sugar (sugar#5, London, \$/t) | Oct 26        | 533,1                      | 511,7                     | -21,3                  | -4,0%           |
|                                     | Dec 26        | 534,7                      | 524,7                     | -10,0                  | -1,9%           |
|                                     | Mar 27        | 535,8                      | 530,4                     | -5,4                   | -1,0%           |
|                                     | May 27        | 536,0                      | 526,4                     | -9,6                   | -1,8%           |
| Raw sugar (sugar#11, NY, cts/lb)    | Oct 26        | 18,29                      | 18,36                     | 0,07                   | 0,4%            |
|                                     | Mar 27        | 19,28                      | 18,71                     | -0,57                  | -3,0%           |
|                                     | May 27        | 18,66                      | 18,21                     | -0,45                  | -2,4%           |
|                                     | Jul 27        | 18,28                      | 18,03                     | -0,25                  | -1,4%           |
| Raw sugar (sugar#11, NY, \$/t)      | Oct 26        | 403,2                      | 404,7                     | 1,5                    | 0,4%            |
|                                     | Mar 27        | 425,1                      | 412,5                     | -12,6                  | -3,0%           |
|                                     | May 27        | 411,4                      | 401,5                     | -9,9                   | -2,4%           |
|                                     | Jul 27        | 403,0                      | 397,5                     | -5,5                   | -1,4%           |
| Premium                             | Oct 26-Oct 26 | 129,8                      | 107,1                     | -22,8                  | -17,5%          |



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

