



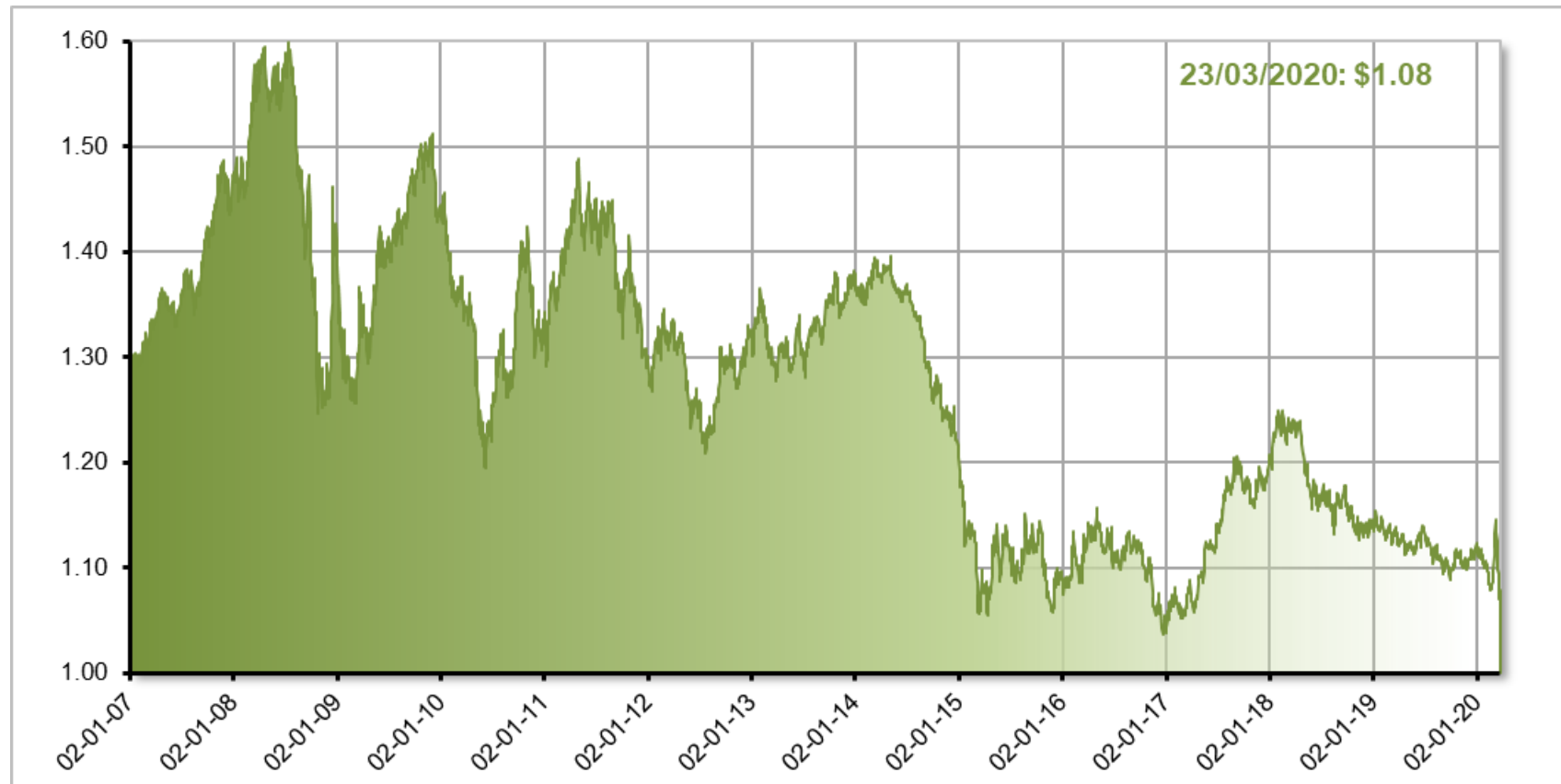
Sugar Market situation

AGRI G 4 - Committee for the
Common Organisation of Agricultural Markets

26 March 2020

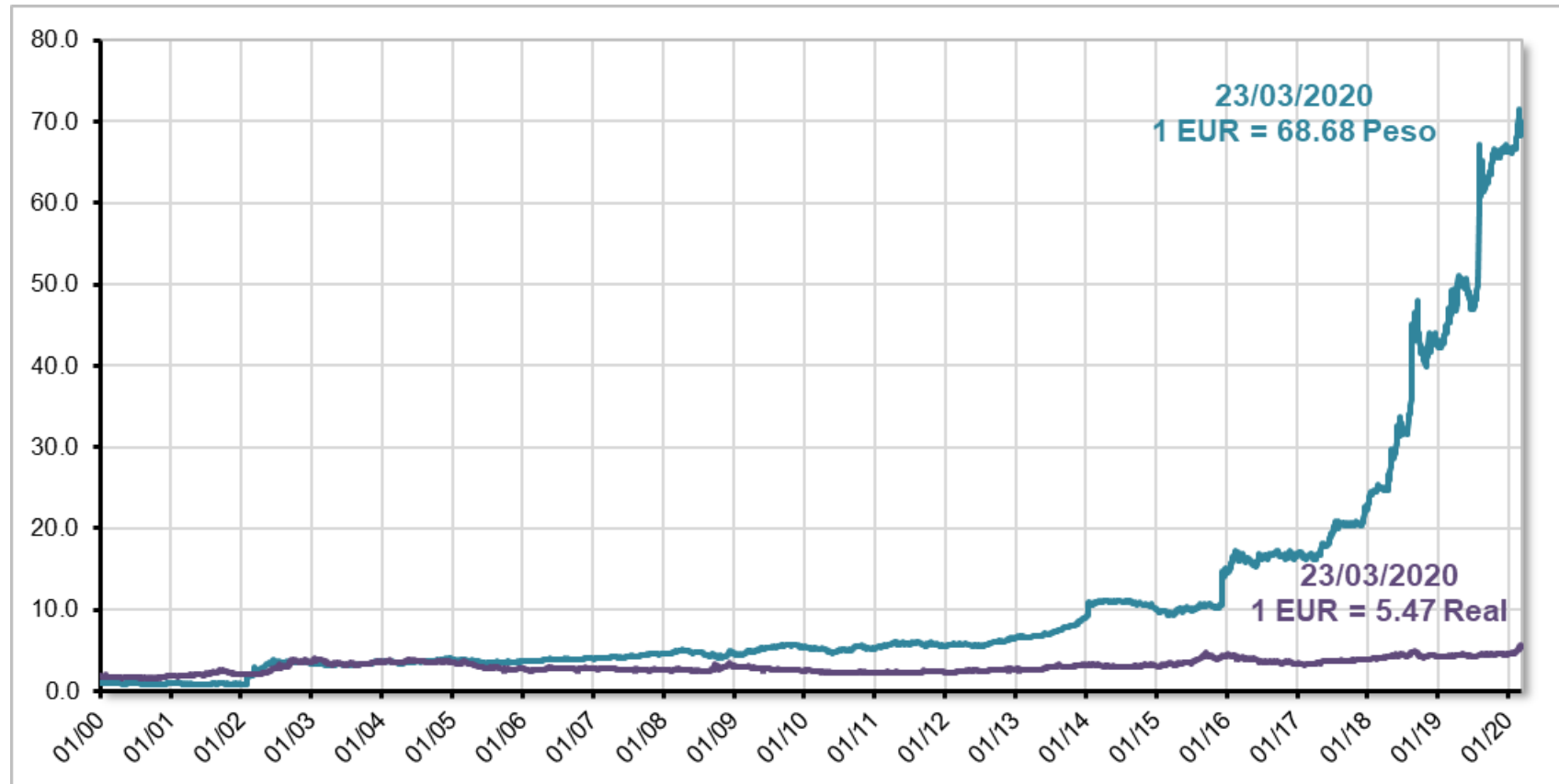
World Sugar Market

Exchange rates (23/3/2020)



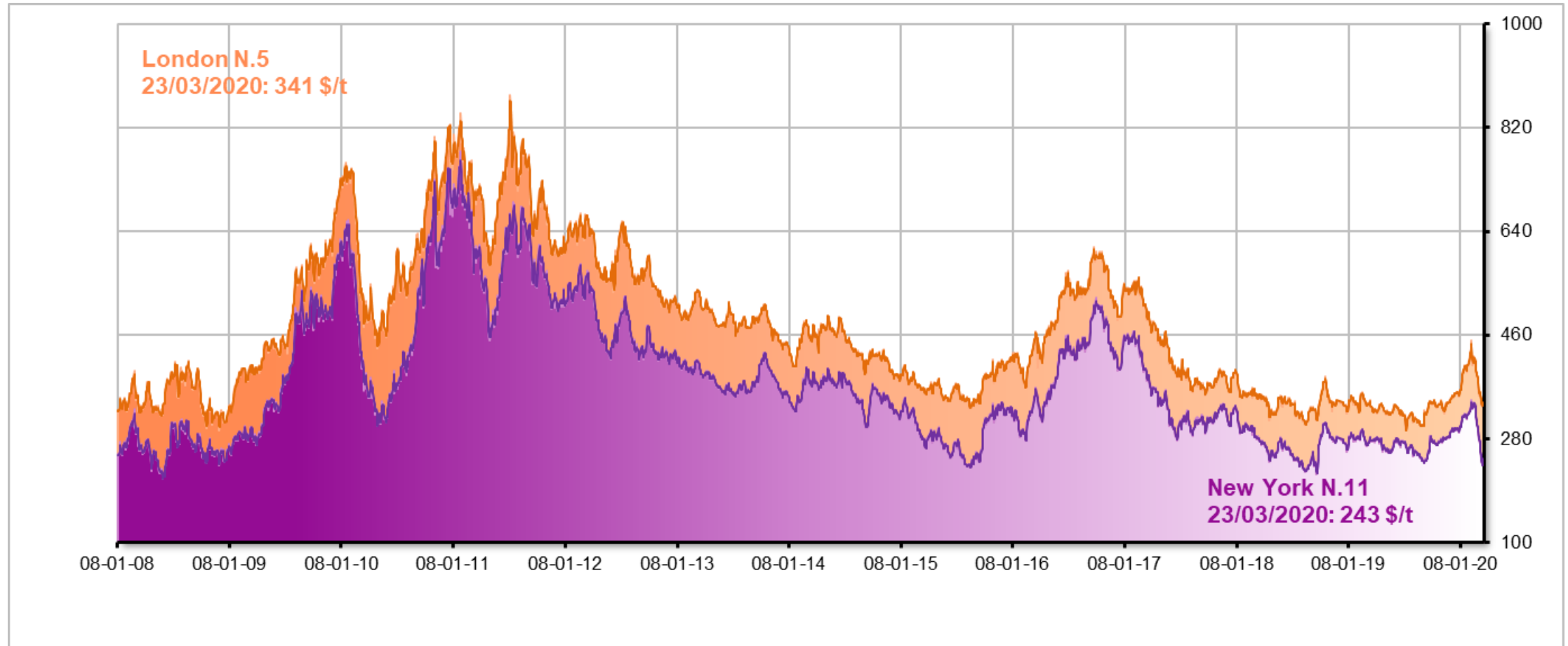
- Euro – Dollar exchange rate:
 $1 \text{ €} = \$1.078$
- One month ago:
 $1 \text{ €} = \$ 1.082$

Exchange rates (23/3/2020)



- Euro – Real exchange rate:
 $1 \text{ €} = 5.475 \text{ Real}$
- One month ago:
 $1 \text{ €} = 4.747 \text{ Real}$

World prices

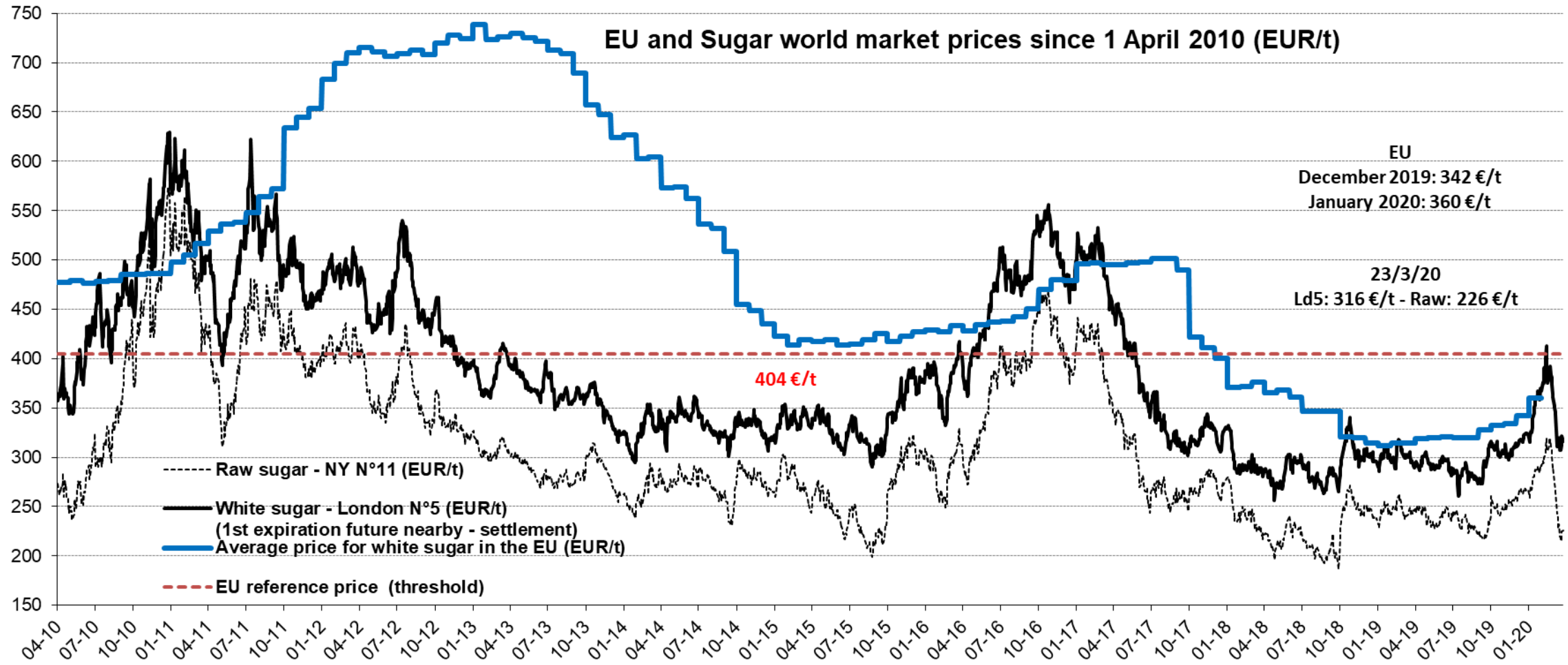


World prices

- **White sugar** (23/3/2020 vs. 24/2/2020)
 - May 20: 341.4 \$/t (- 17.7 %; 316.6 €/t)
 - August 20: 332.5 \$/t (- 18.2 %; 308.4 €/t)
- **Raw sugar** (23/3/2020 vs. 24/2/2020)
 - March 20: 11.04 \$cts/lb (- 27.7 %; 225.0 €/t)
 - May 20: 10.90 \$cts/lb (- 26.0 %; 222.1 €/t)

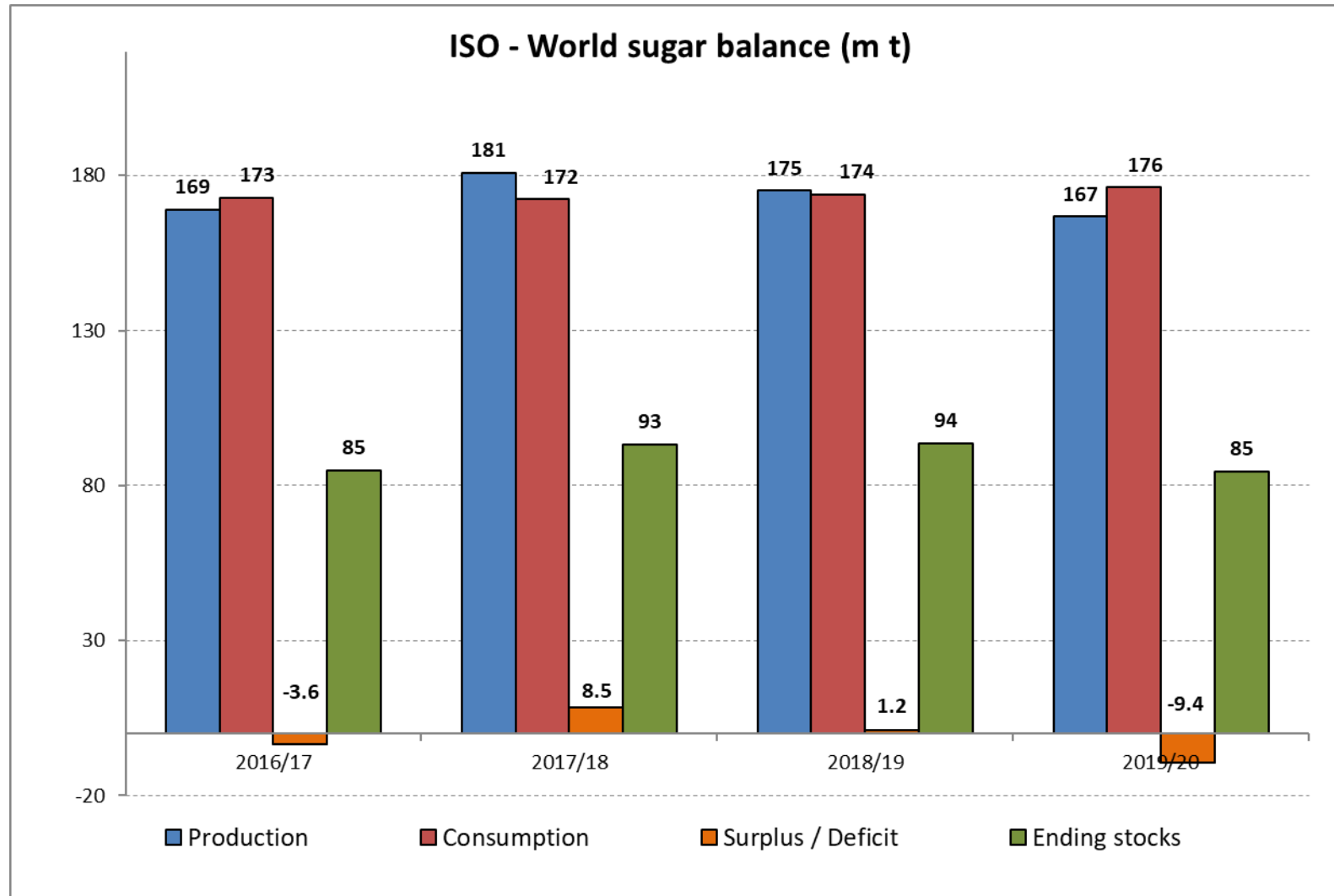
White premium: around 98 \$/t on May/March basis (white/raw).

World prices



World Market News

World Market News ISO 02/2020



- The statistical global deficit has been revised upwards to 9.435 million tonnes.
- This is the biggest deficit in 11 marketing years.

World Market News ISO 02/2020

World Sugar Balance

(October/September, in mln tonnes, tel quel)

	2019/20	2018/19	Changes	
			in mln tonnes	in %
Production	166.661	175.018	-8.357	-4.77
Consumption	176.096	173.788	2.308	1.33
Surplus/Deficit	-9.435	1.230		
Import demand	59.739	57.214	2.525	4.41
Export availability	59.324	57.214	2.110	3.69
End Stocks	84.541	93.561	-9.020	-9.64
Stocks/Consumption ratio in %	48.01	53.84		

- World consumption is expected to grow moderately by

2.308 million tonnes

or 1.33% from the previous season.

Table A1 Main Production Falls and Rises in 2019/20 (October/September)

Falls	Changes from 2018/19 in mln tonnes, tel quel	Rises	Changes from 2018/19 in mln tonnes, tel quel
India	-6.360	Brazil	+3.550
Thailand	-5.441	Russia	+1.800
USA	-0.740		

WORLD PRODUCTION IN 2019/20 – 166.871 mln tonnes

WORLD PRODUCTION IN 2018/19– 175.018 mln tonnes

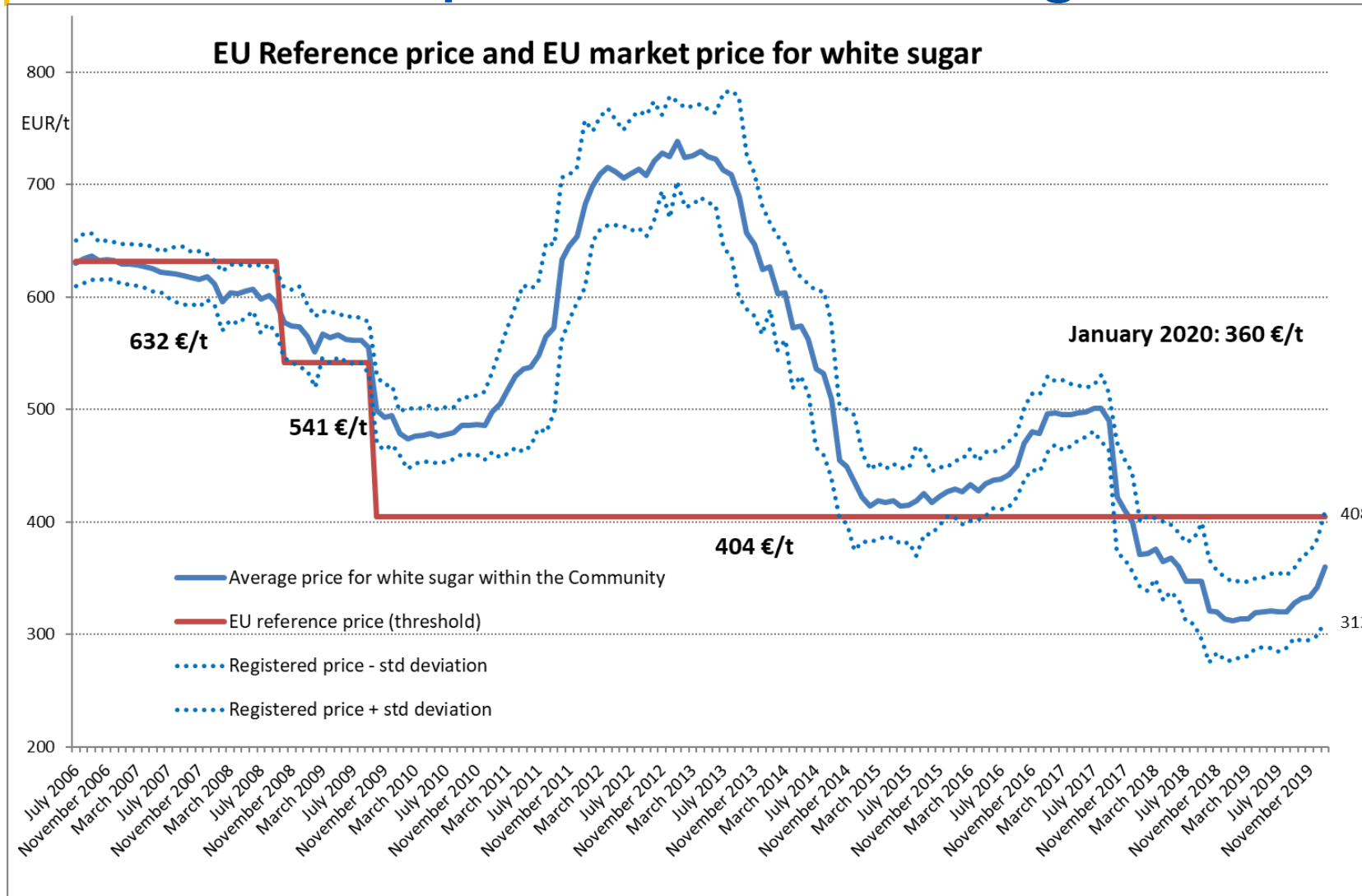


Sugar Price reporting

AGRI G 4 - Committee for the
Common Organisation of Agricultural Markets

26 March 2020

EU market price for white sugar



- + EUR 18 / T compared to previous month

EU and Regional market prices for white sugar

Commission Regulation - R 2017/1185 Art. 12 (a) - Annex II 1.

Average price for white sugar within the Community

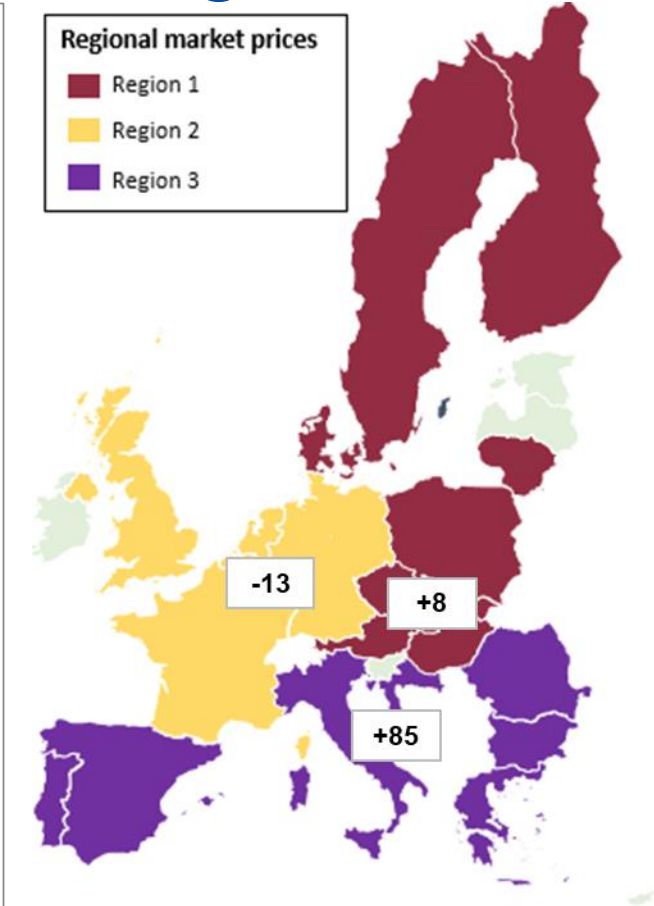
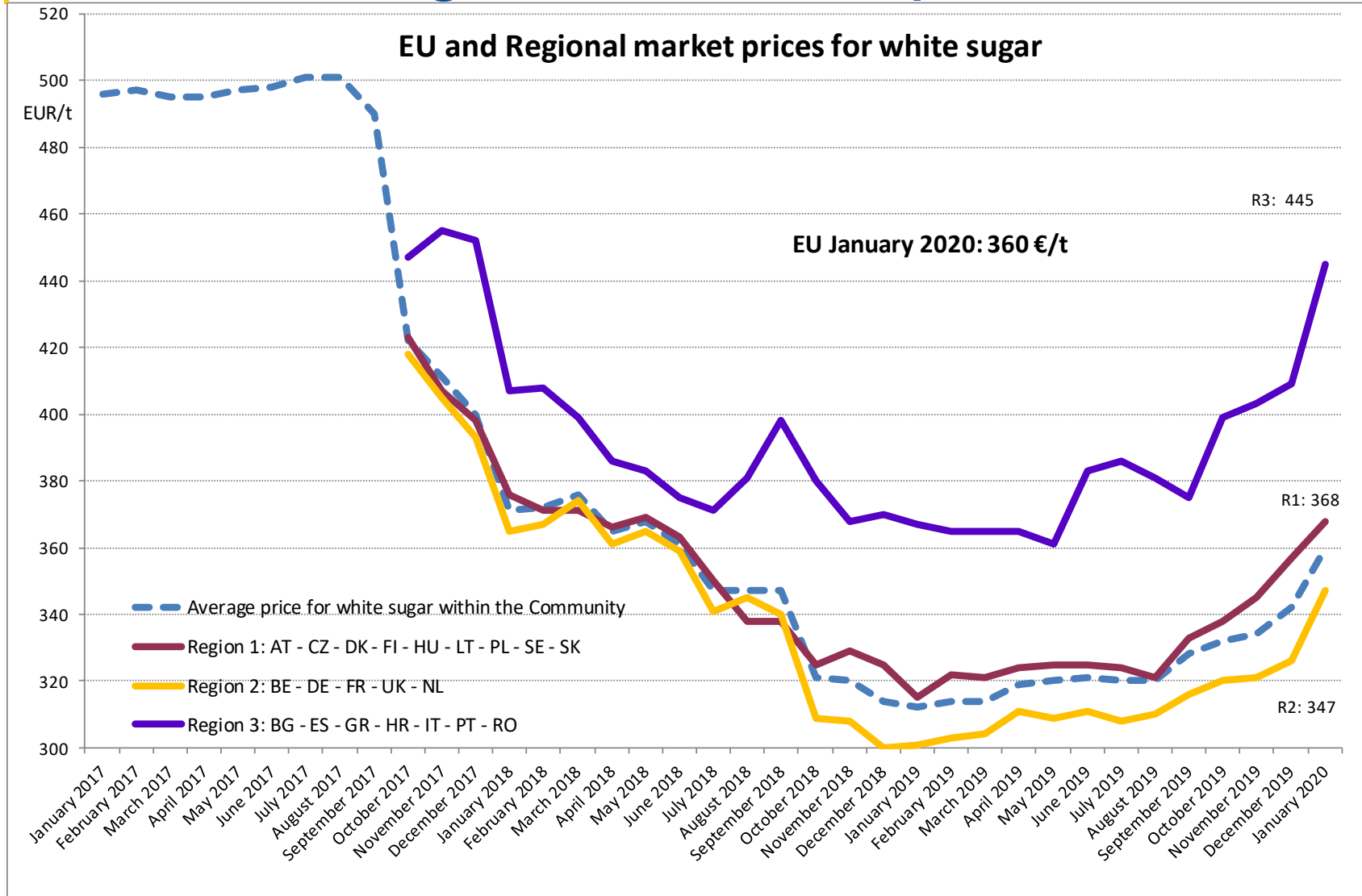
Ex-work prices for homogeneous granulated crystal, standard quality, in bulk or big bags

Region 1: AT – CZ – DK – FI – HU – LT – PL – SE – SK
 Region 2: BE – DE – FR – UK – NL
 Region 3: BG – ES – GR – HR – IT – PT – RO

in €/t	EU		Region 1	Region 2	Region 3
	average (1)	std dev (2)	average (1)	average (1)	average (1)
January 2019	312	35	315	301	367
February 2019	314	34	322	303	365
March 2019	314	33	321	304	365
April 2019	319	31	324	311	365
May 2019	320	31	325	309	361
June 2019	321	33	325	311	383
July 2019	320	35	324	308	386
August 2019	320	32	321	310	381
September 2019	328	31	333	316	375
October 2019	332	38	338	320	399
November 2019	334	39	345	321	403
December 2019	342	43	357	326	409
January 2020	360	48	368	347	445

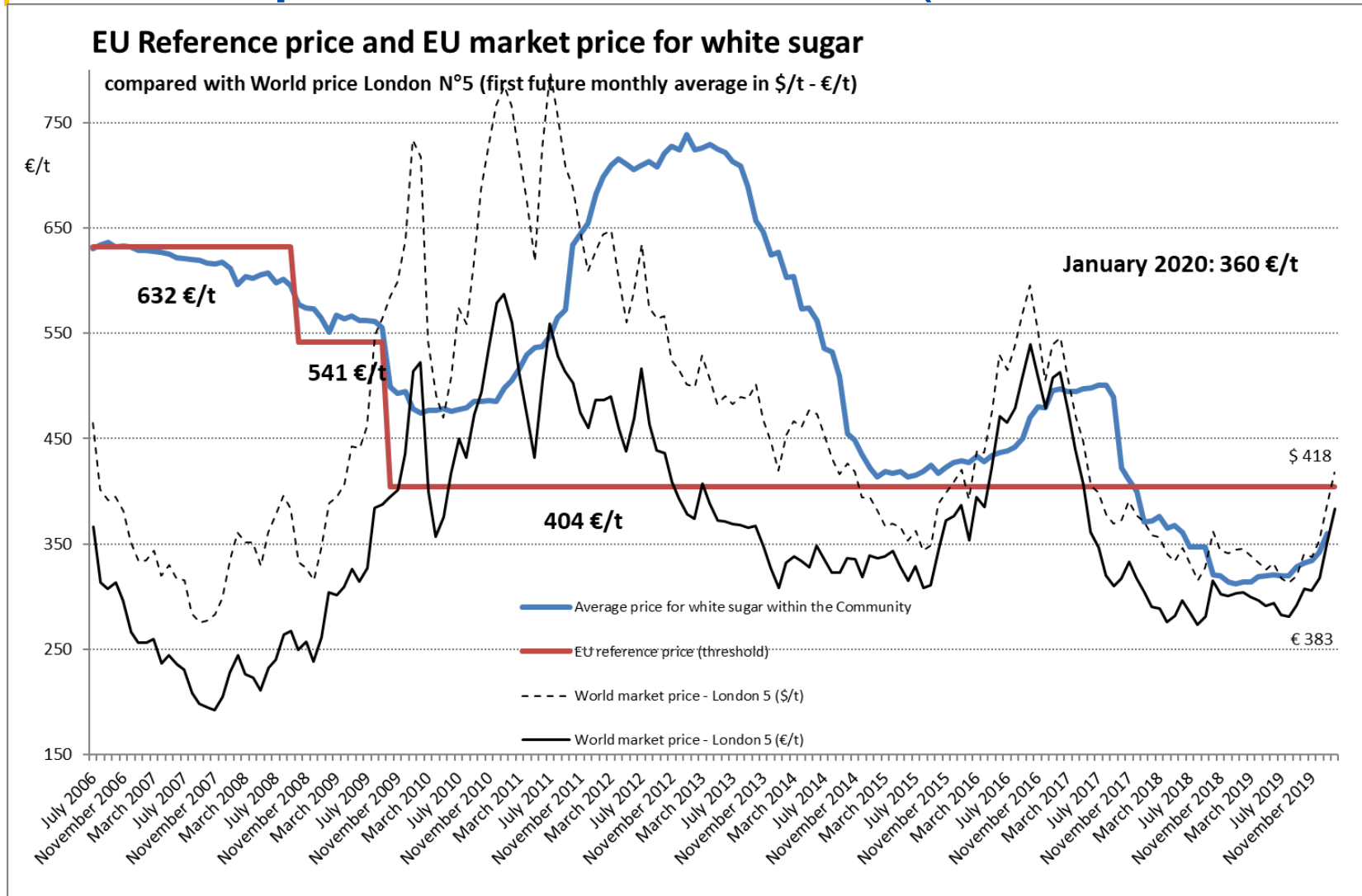
- + EUR 48 / T compared to previous year

EU and Regional market prices for white sugar

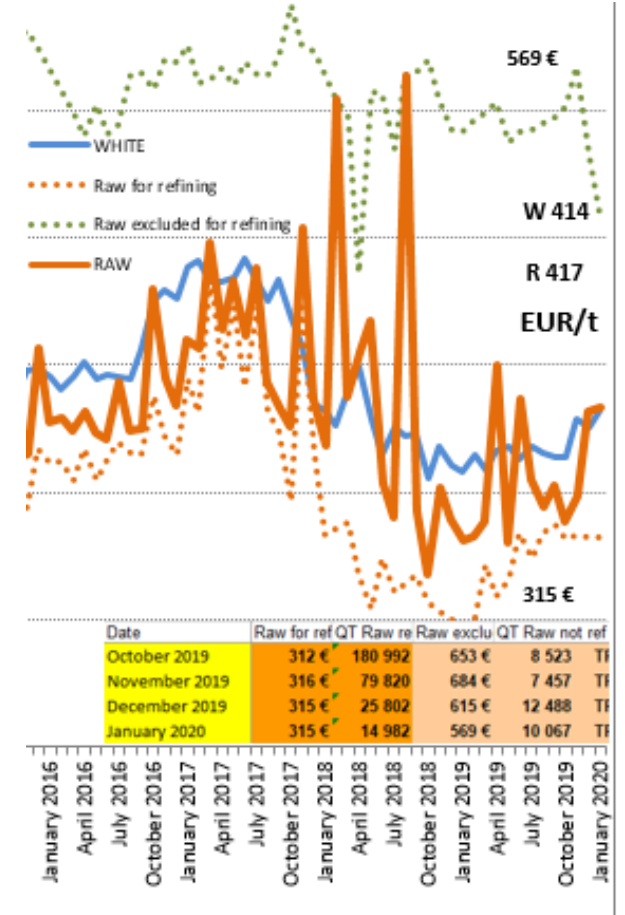
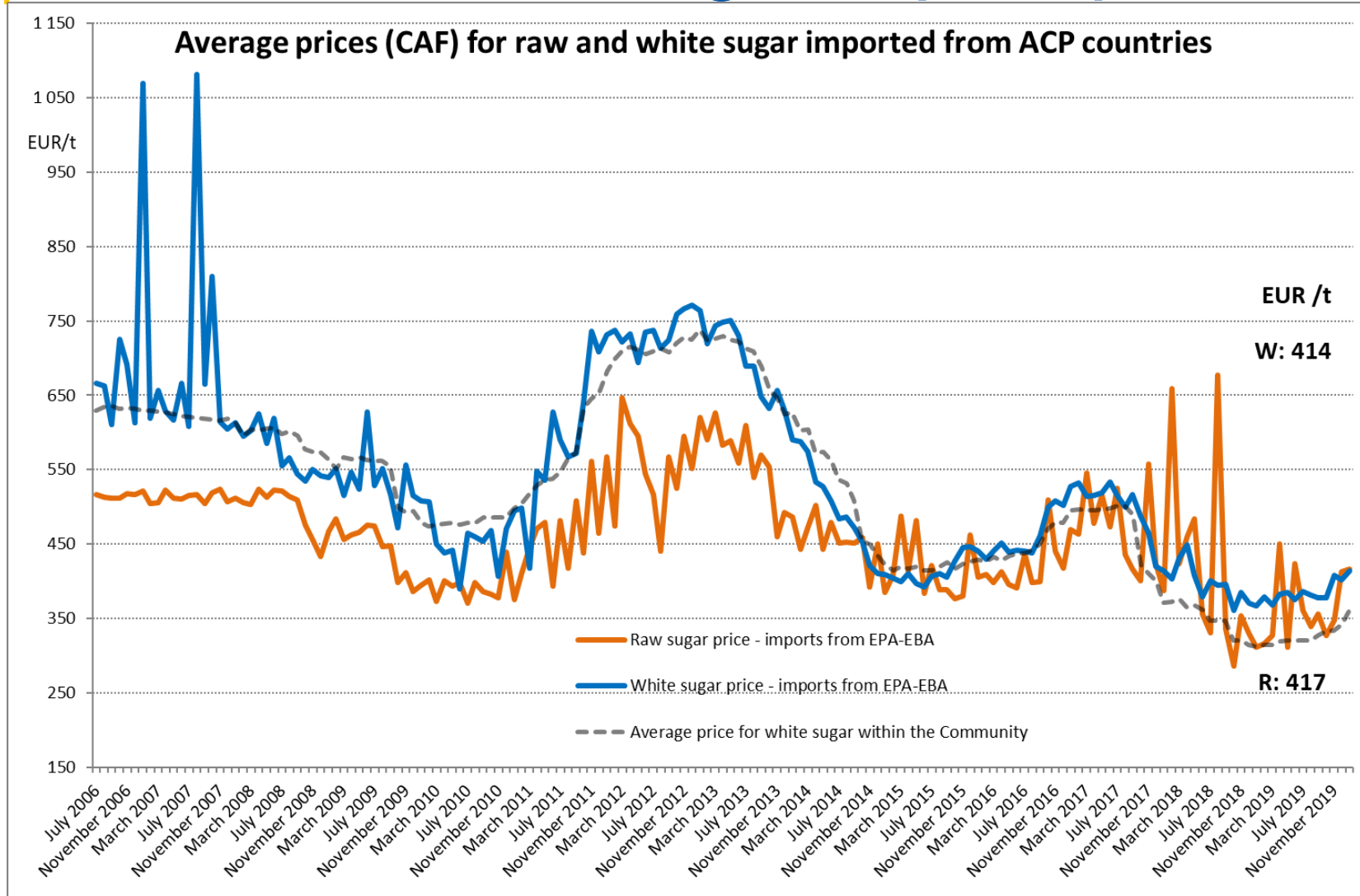


Differences between EU average price and regional average prices

EU market price for white sugar compared with World price London N°5 (first future - \$/t - €/t)



EPA / EBA average import price



Sugar Beet Price

Average price for sugar beet

Average price for sugar beet :

R 2017/1185 Art 12 (a) - Annex II 1.

Reference period: 1/10/2017 to 30/09/2018

EU weighted average price: EUR 25.7/t

Region 1: EUR 25.1/t (AT – CZ – DK – FI – HU – LT – PL – SE – SK)

Region 2: EUR 25.4/t (BE – DE – FR – UK – NL)

Region 3: EUR 31.7/t (ES – HR – IT – RO)

Average price for sugar beet

METHODOLOGY FOR THE ESTABLISHMENT OF SUGAR BEET PRICES

- The price shall be notified as follows:
 - one weighted average price per marketing year;
 - in national currency, per tonne;
 - taking account of all of the quantities purchased by sugar beet processors from beet growers in respect of the marketing year for which the price is notified;
 - converted to 16% equivalent sugar content.
- The total corresponding quantity of sugar beet shall be notified in tonnes.

Average price for sugar beet

METHODOLOGY FOR THE ESTABLISHMENT OF SUGAR BEET PRICES

Document available on CIRCACB:

<https://circabc.europa.eu/faces/jsp/extension/wai/navigation/container.jsp>

Follow these links:

- Browse by categories (top left on the screen)
- Agriculture
- Fibres naturelles et sucre
- Library (top left on the screen)
- In Spaces section, select Sugar
- In Spaces section, select Public information
- In Spaces section, select Prix/Prices
- In Spaces section, select règles techniques



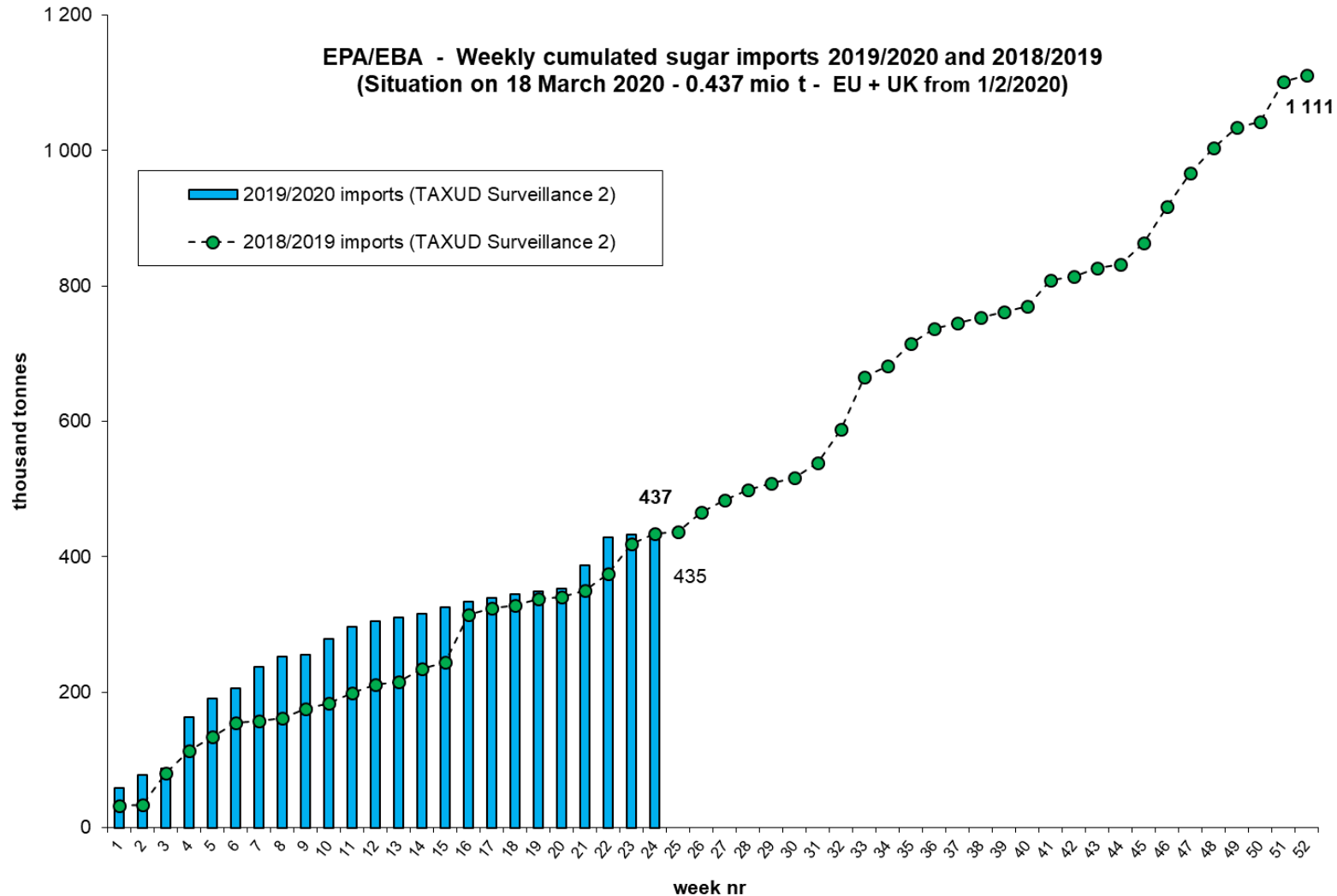
Sugar Trade statistics

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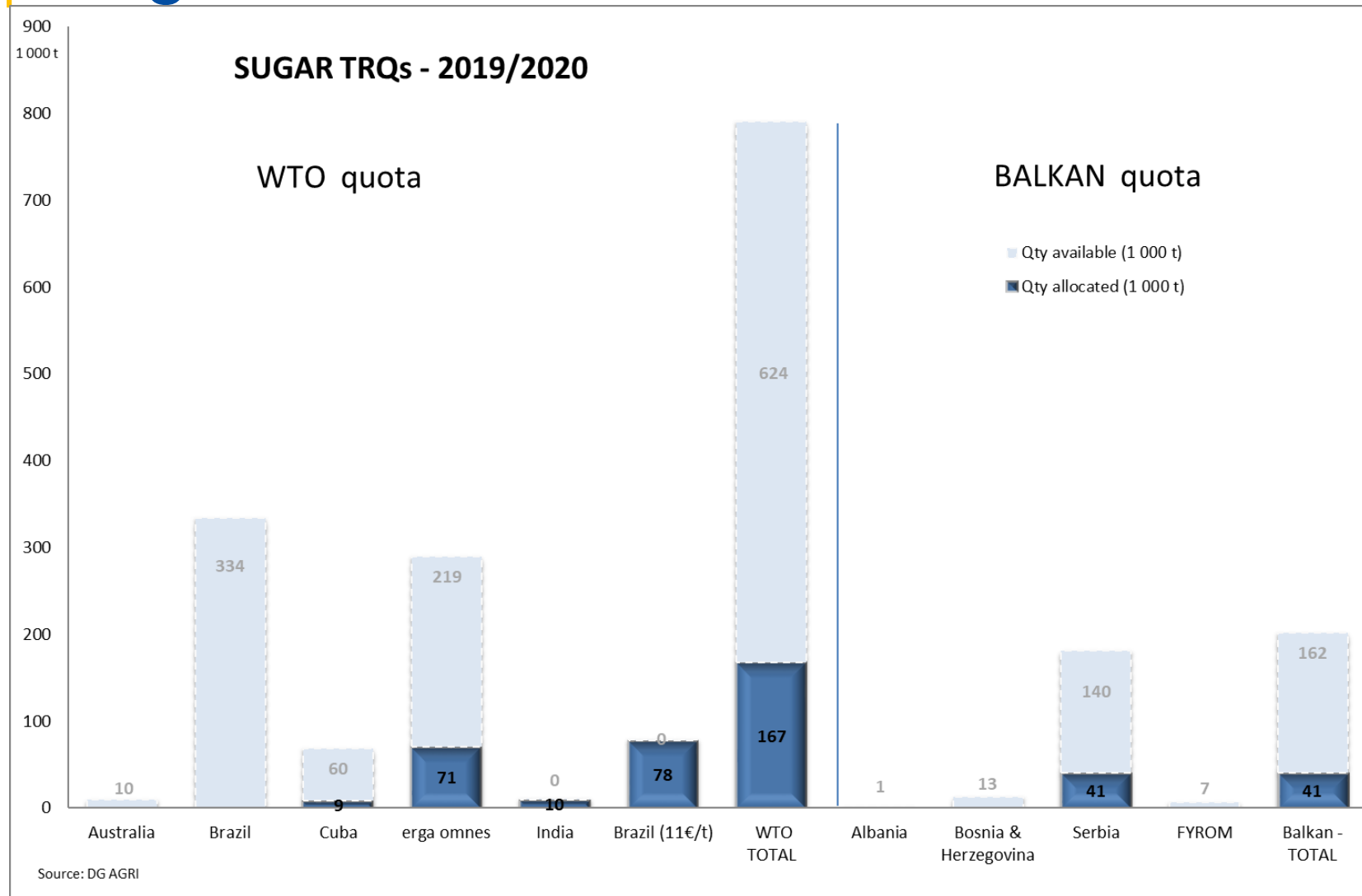
EU Sugar Preferential Imports

Imports EPA / EBA in 2019/2020

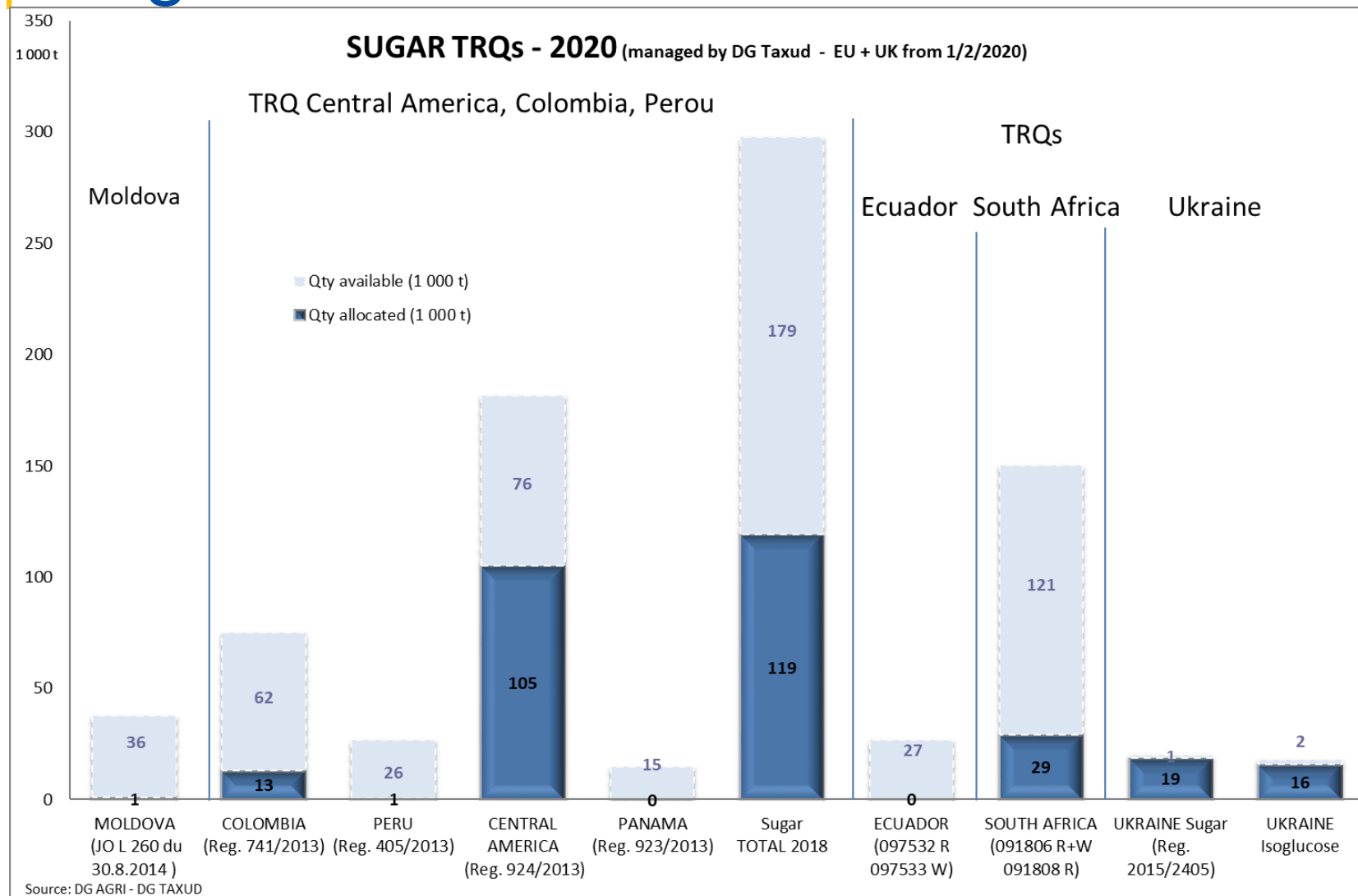


Source: DG TAXUD - DG AGRI

Sugar TRQs 2019-2020 (20/3/2020)



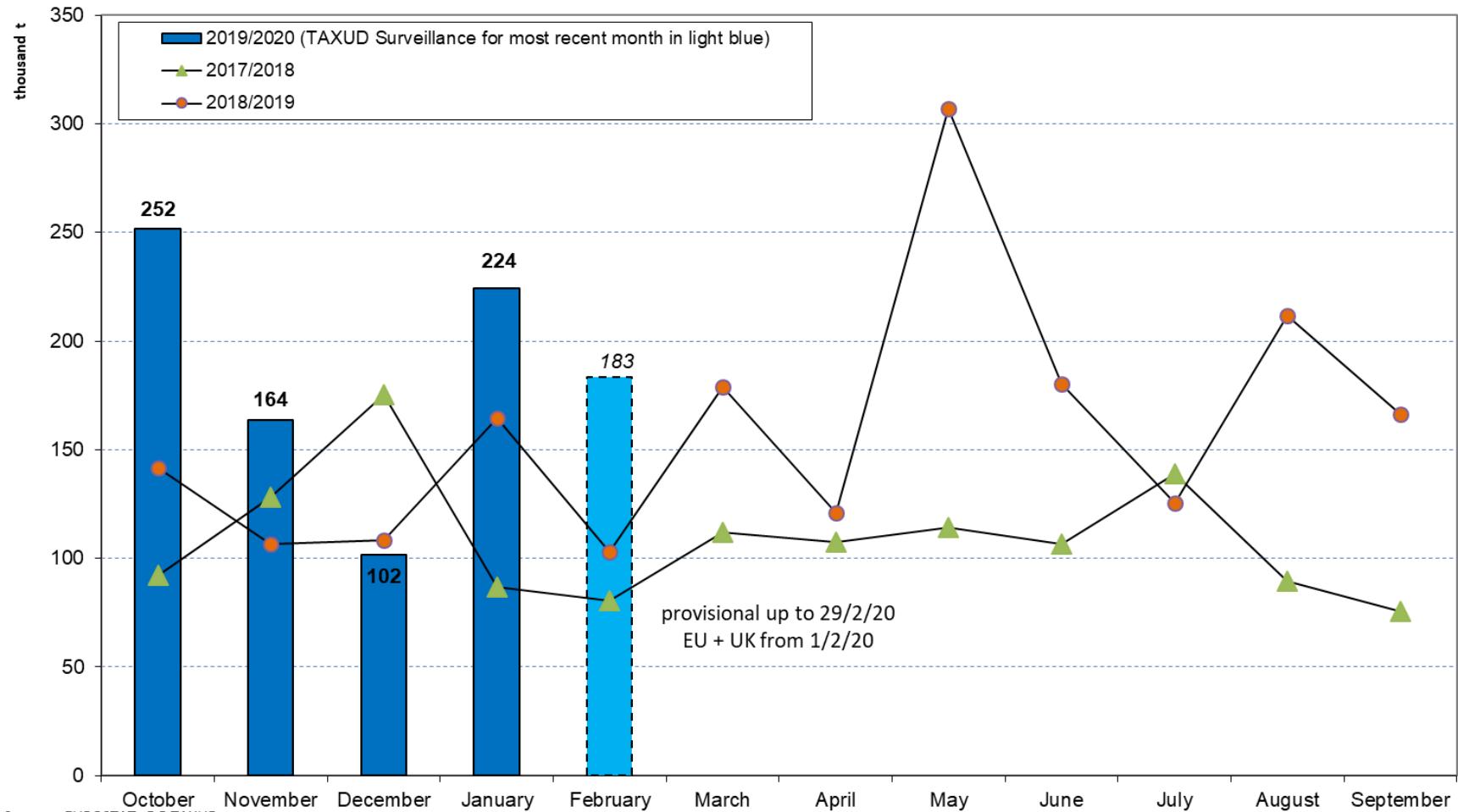
Sugar TRQs 2019-2020 (23/3/2020)



EU Sugar Imports

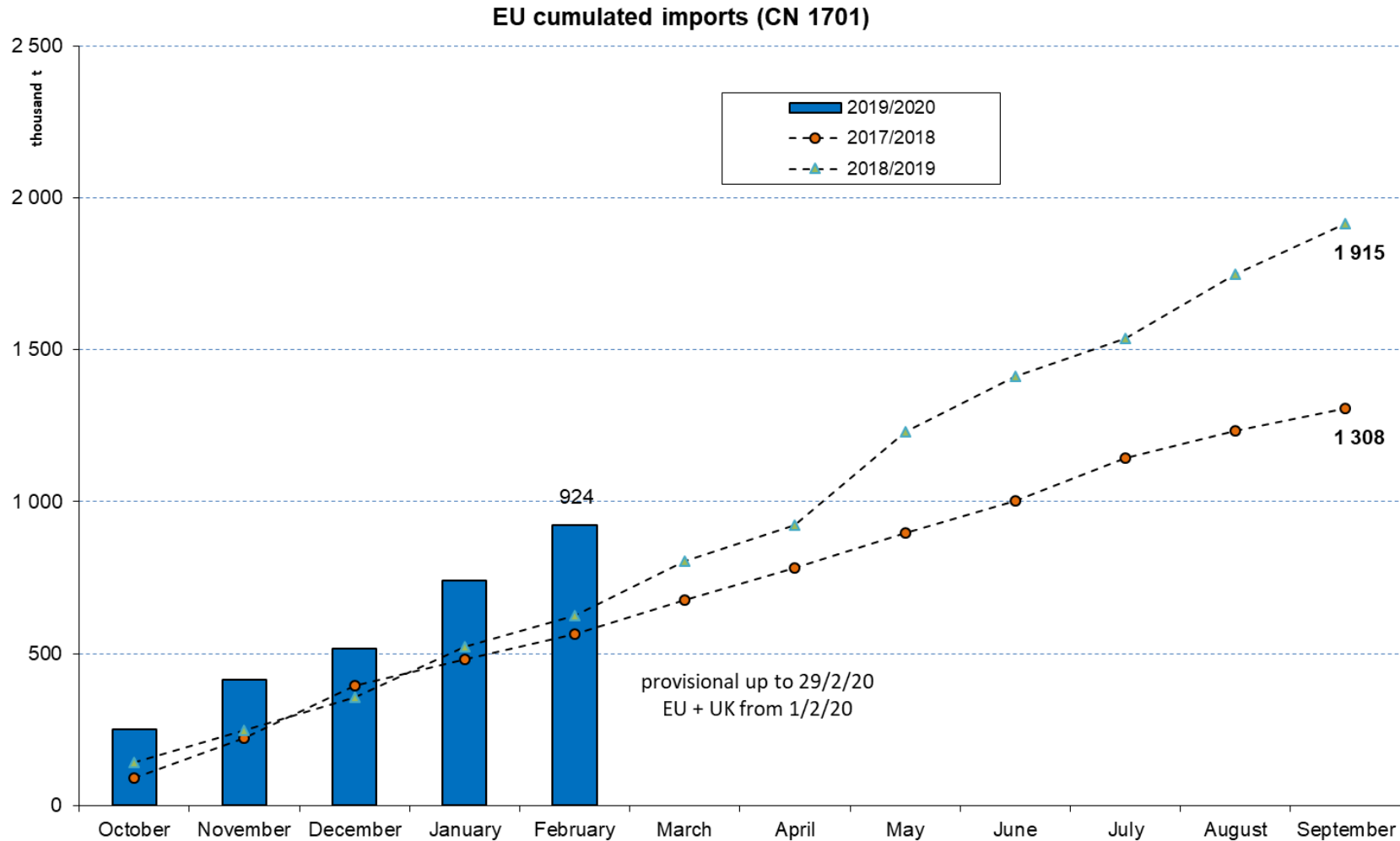
EU Total imports

EU Monthly sugar imports (CN 1701)



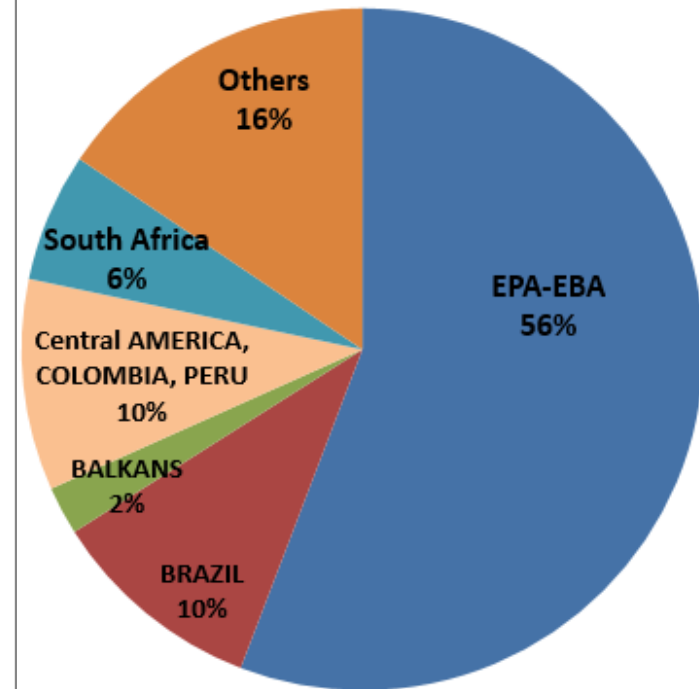
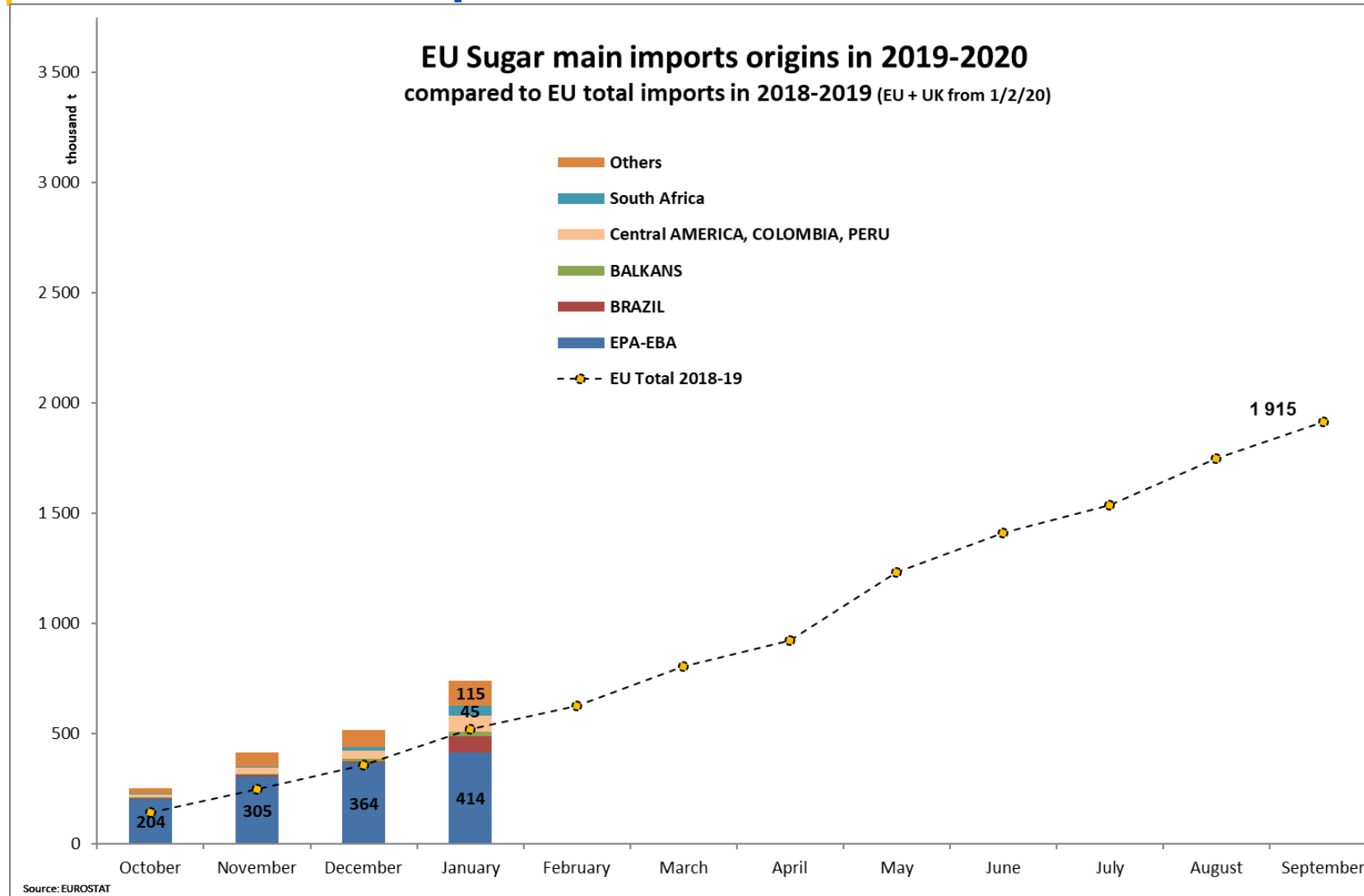
Sources: EUROSTAT - DG TAXUD

EU Total imports

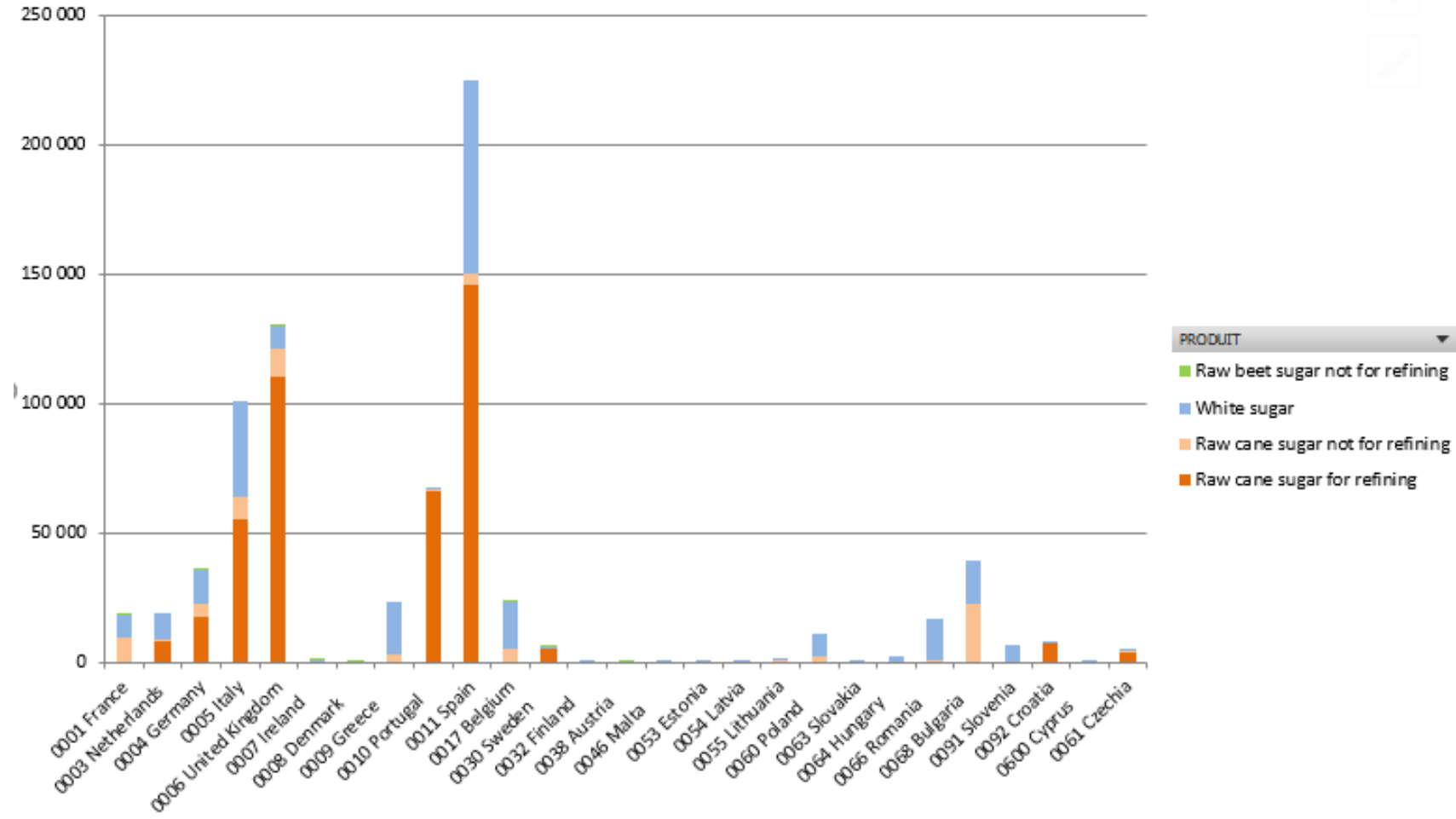


- By end of February total imports in 2019/20 are 48% higher than last year at the same period

EU Total imports



EU Total imports (2019/2020 – 4 m. - 0.741 m t)



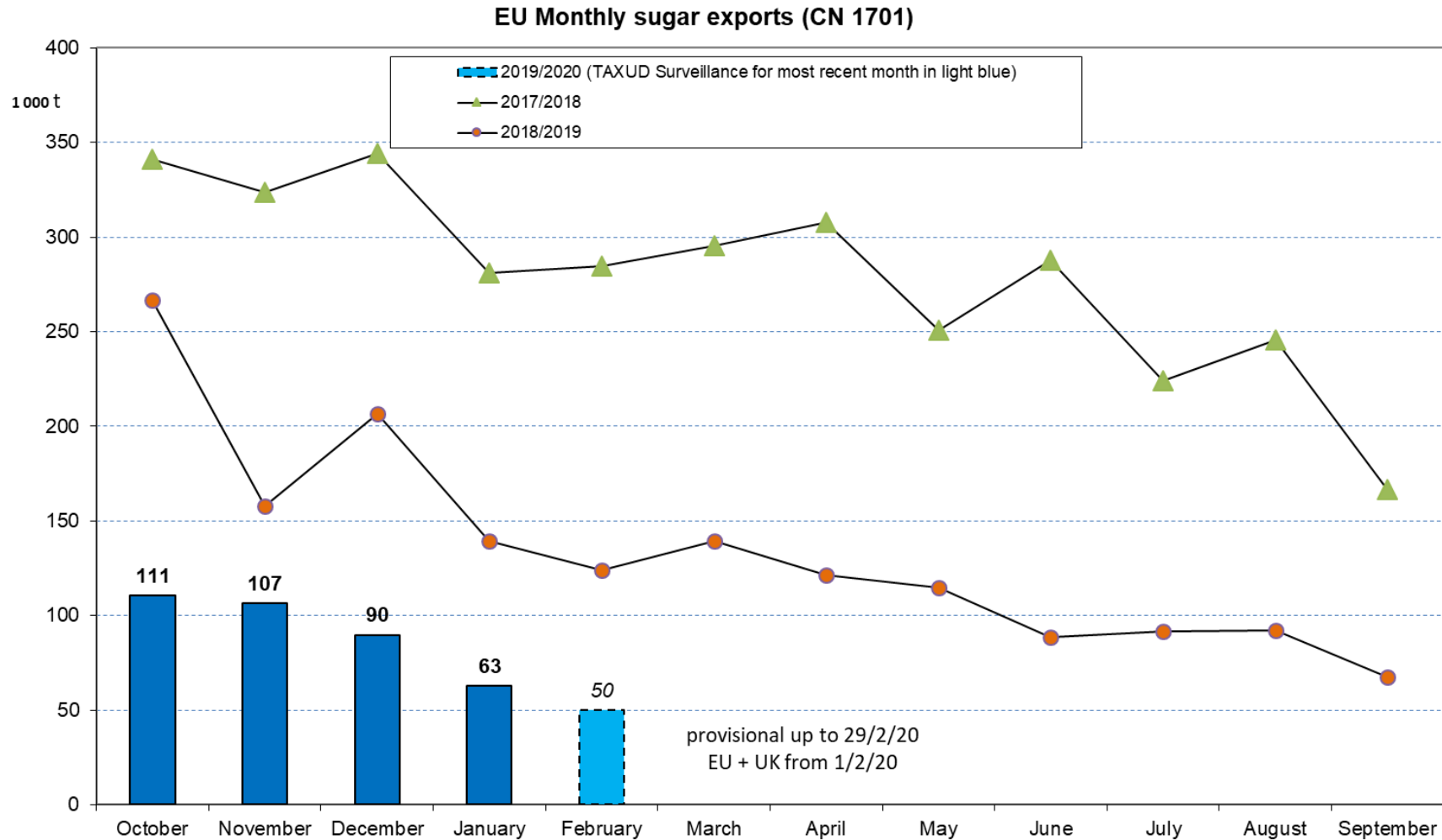
- Top 3 = 61%

In thousand tonnes:

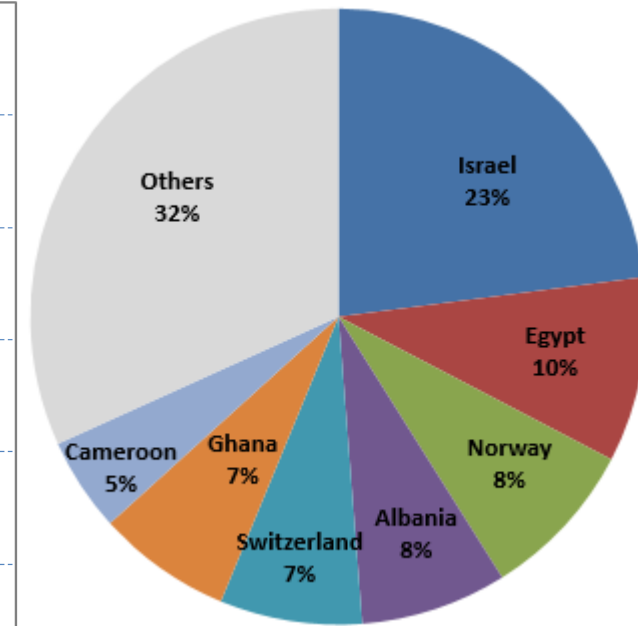
- SP: 225 or 30%
- UK: 130 or 18%
- IT: 101 or 14%

EU Sugar Exports

EU Total exports

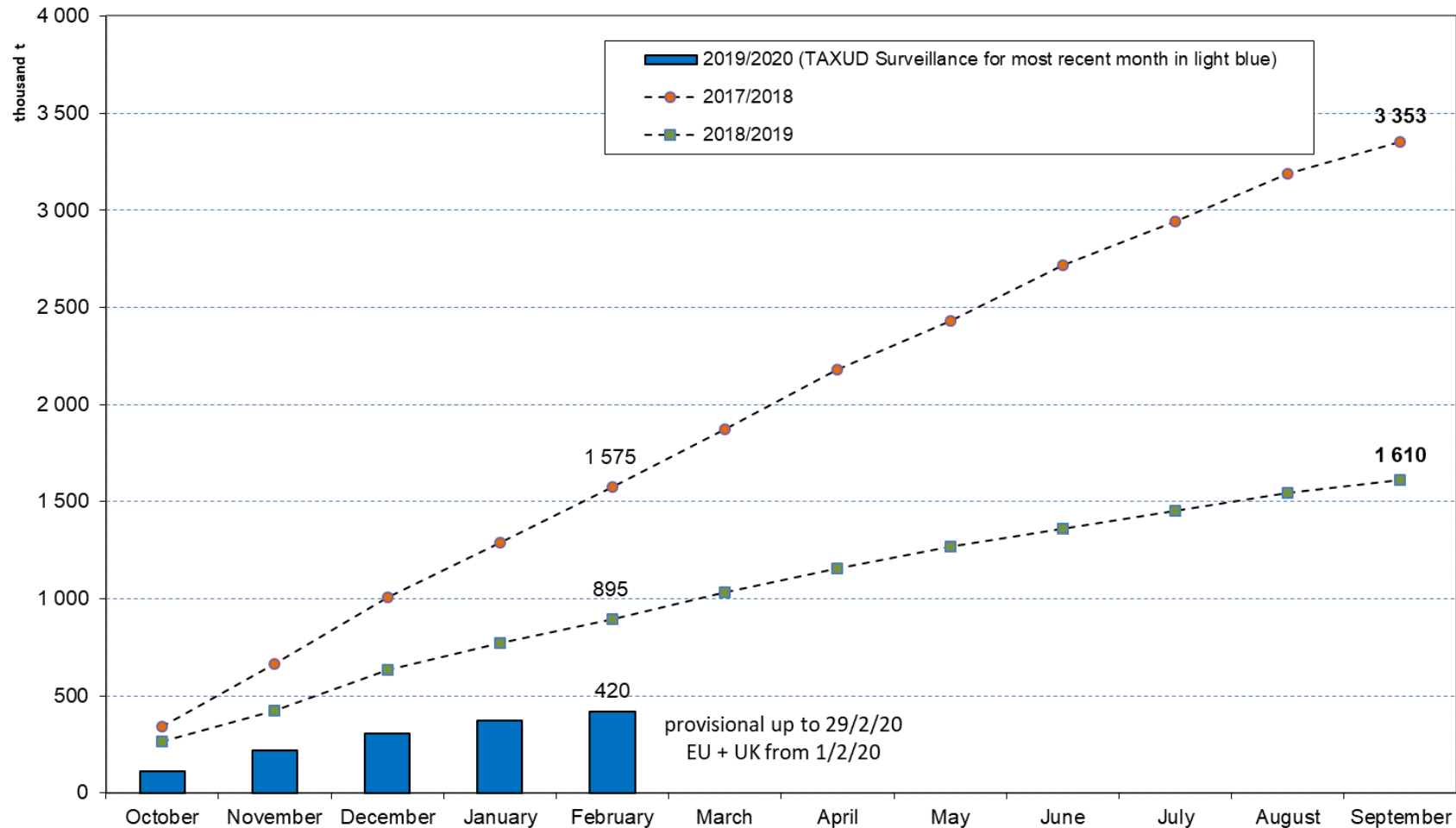


Source: EUROSTAT - DG TAXUD

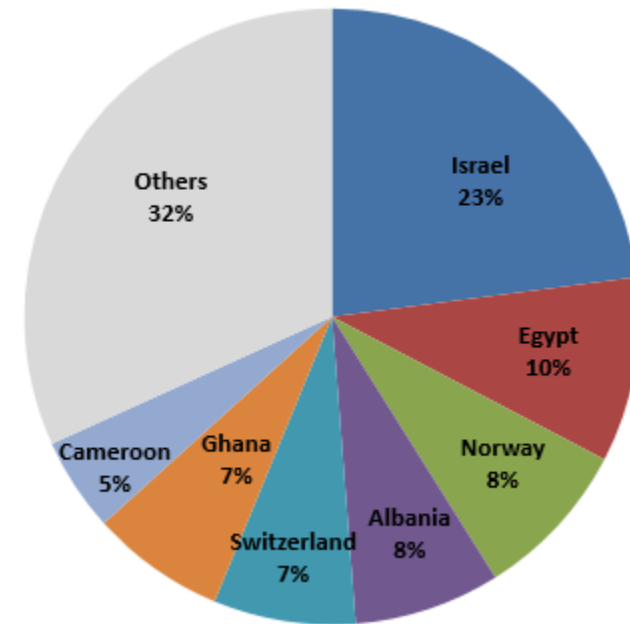


EU Total exports

EU cumulated exports (CN 1701)

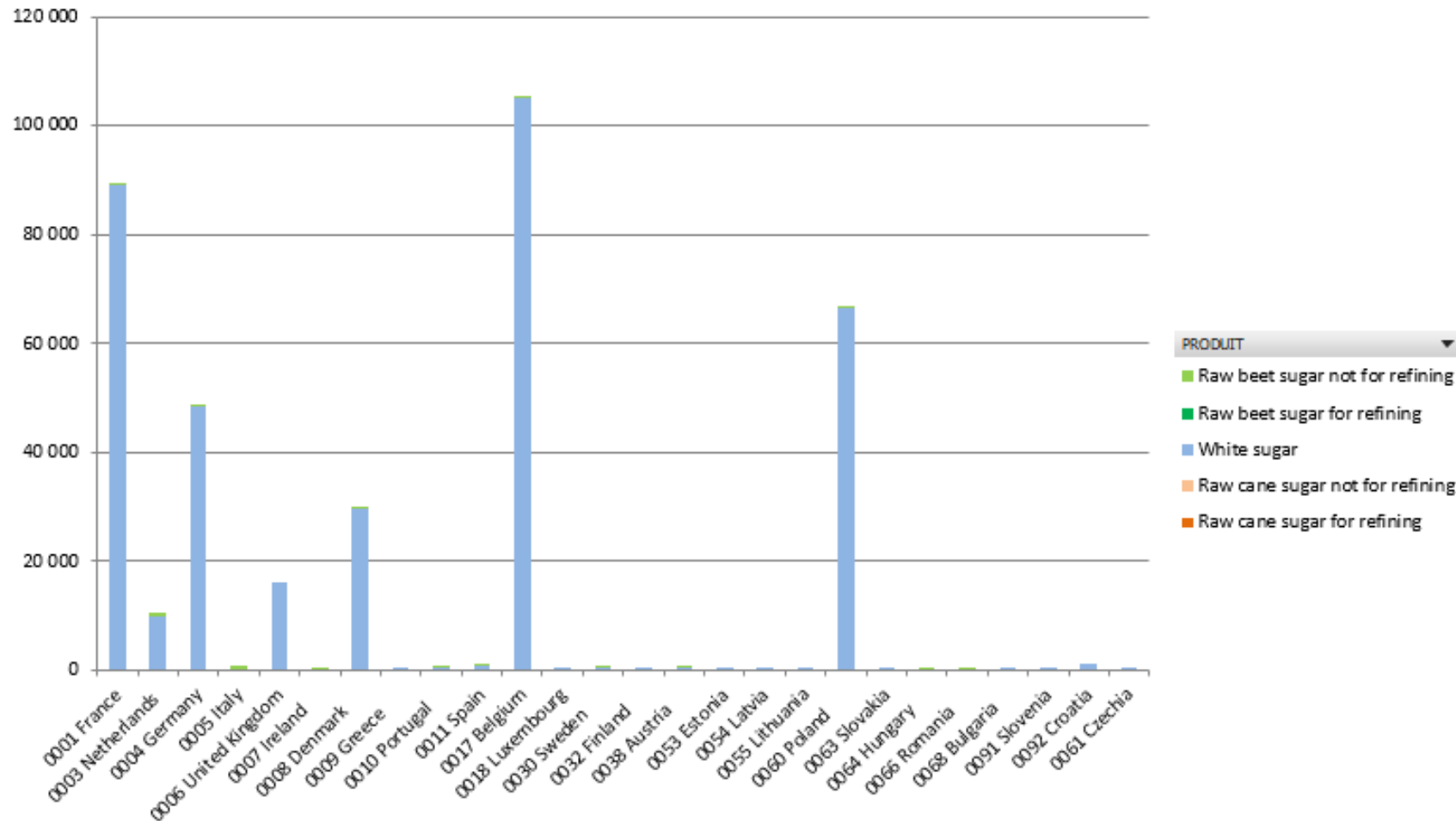


Source: EUROSTAT-DG TAXUD



- By end of February total exports in 2019/20 are 53% lower than last year at the same time

EU Total exports (2019/2020 – 4 m. - 0.370 m t)

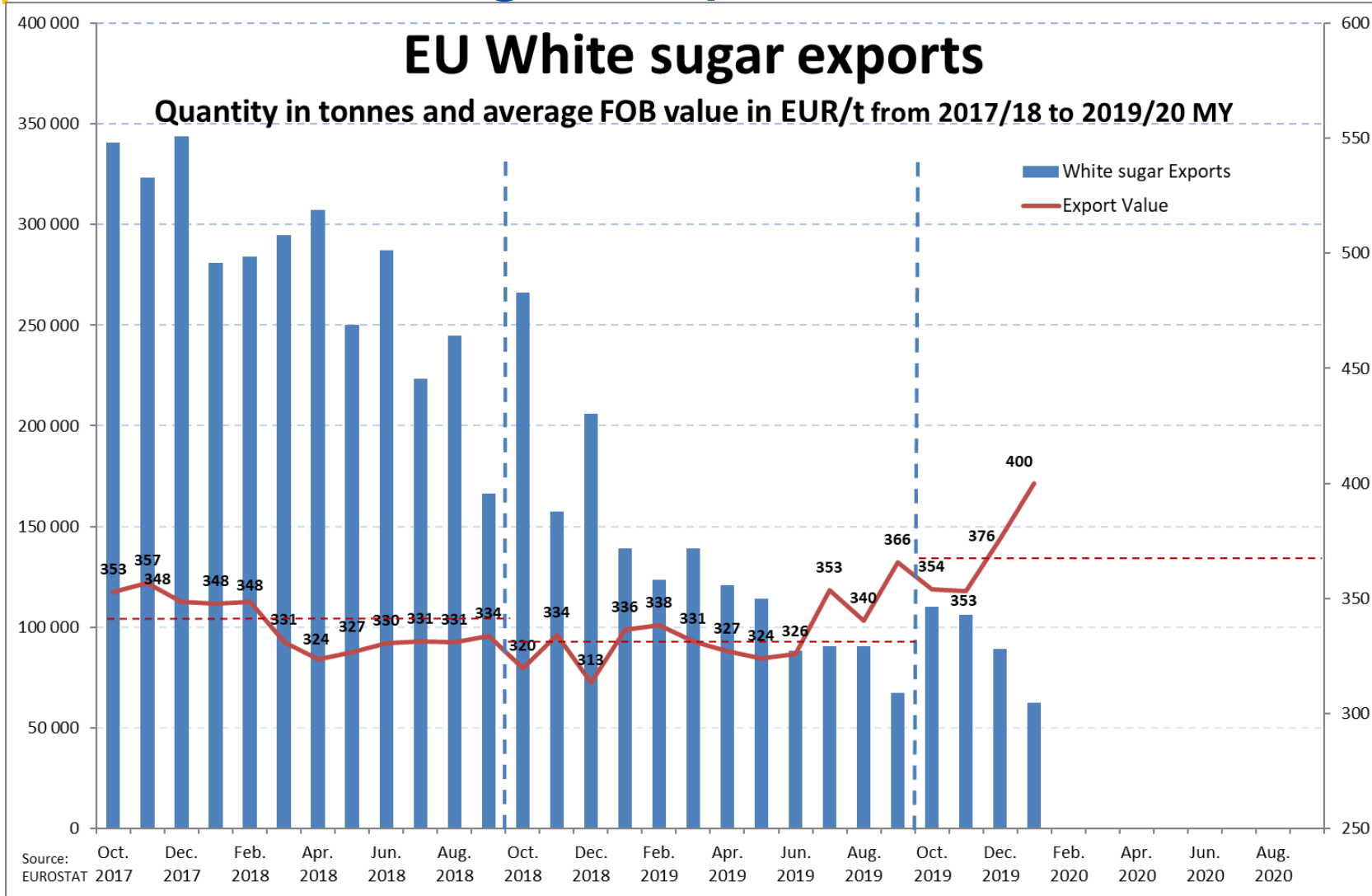


- Top 3 = 77%

In thousand tonnes:

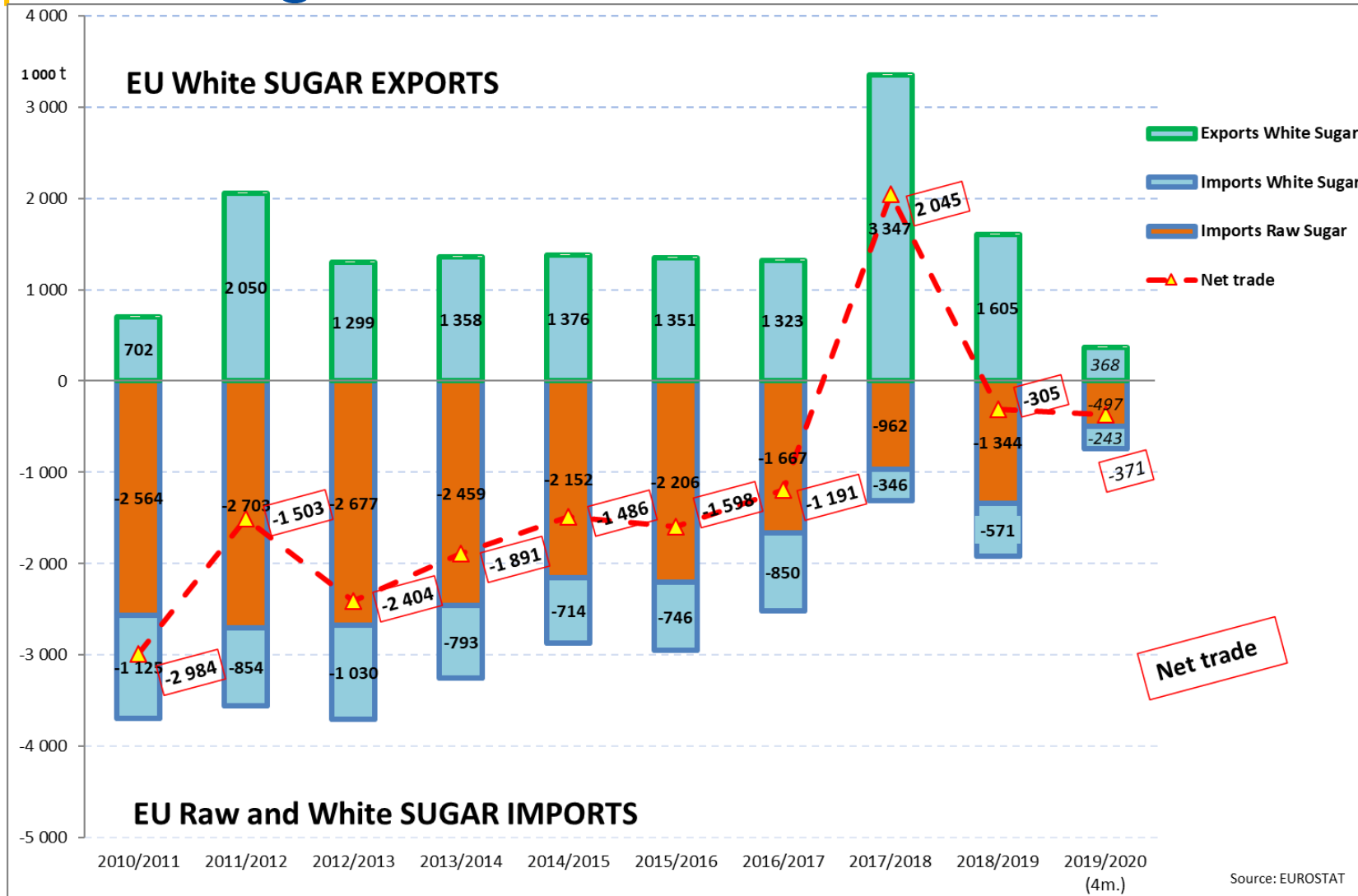
- BE: 105 or 31%
- FR: 89 or 26%
- PL: 66 or 20%

EU White sugar exports



EU Sugar Trade

EU Sugar trade

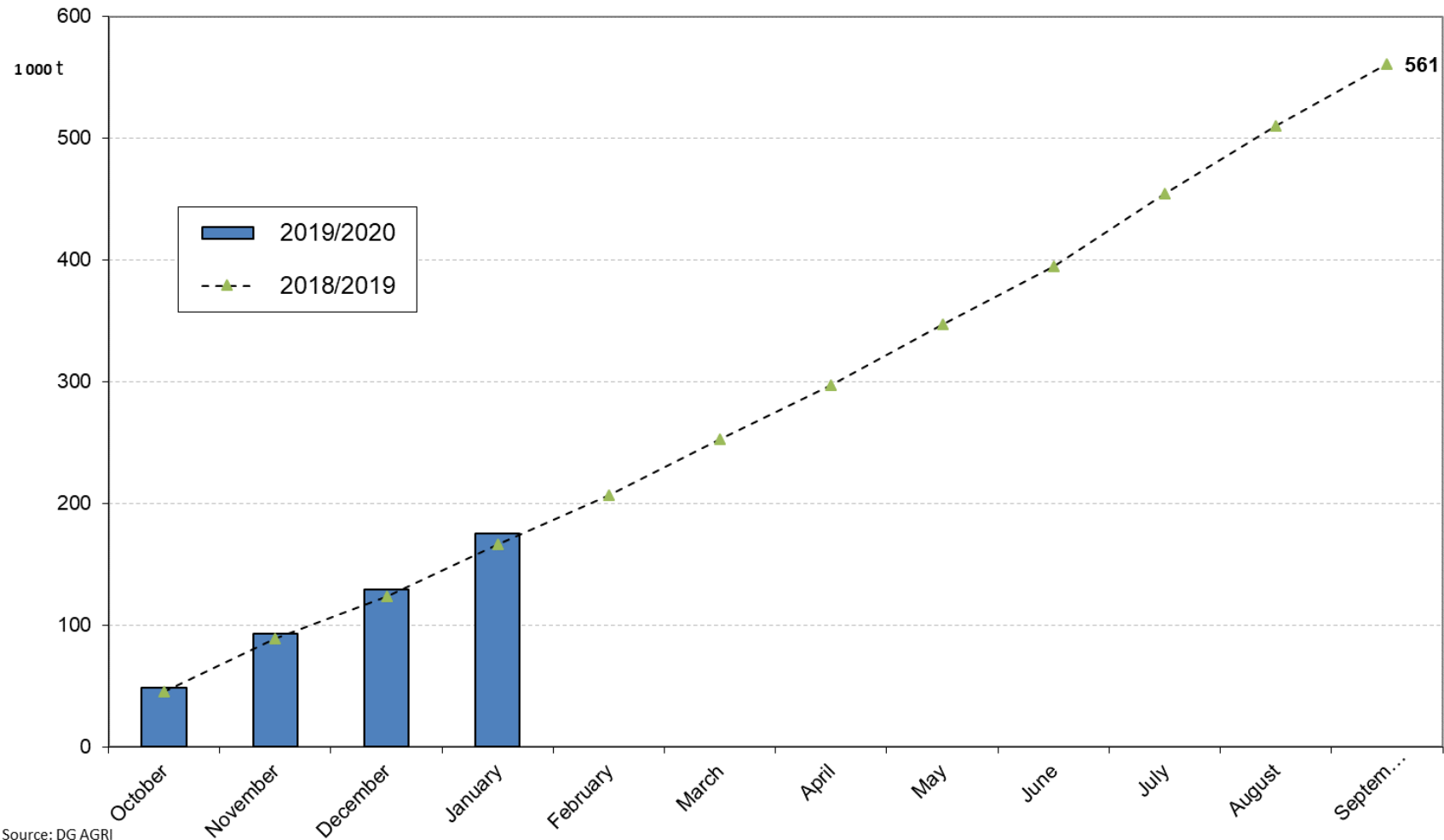


- By end of January 2020 trade deficit already higher than last marketing year:
- - 0.371 m t after 4 months compared to - 0.305 m t for 2018/19

EU Isoglucose

EU Isoglucose production

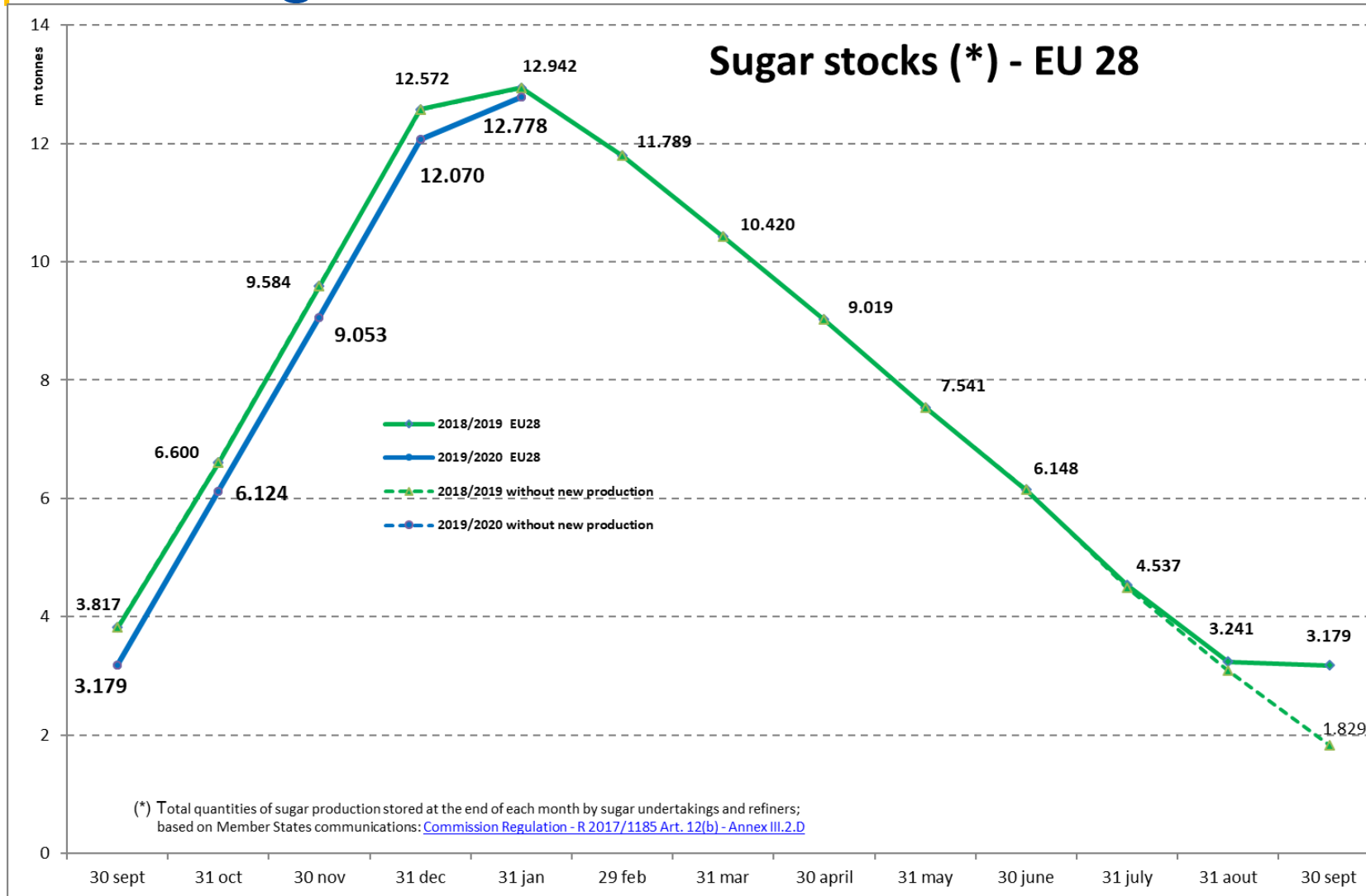
ISOGLUCOSE - EU monthly cumulated production for 2019/2020



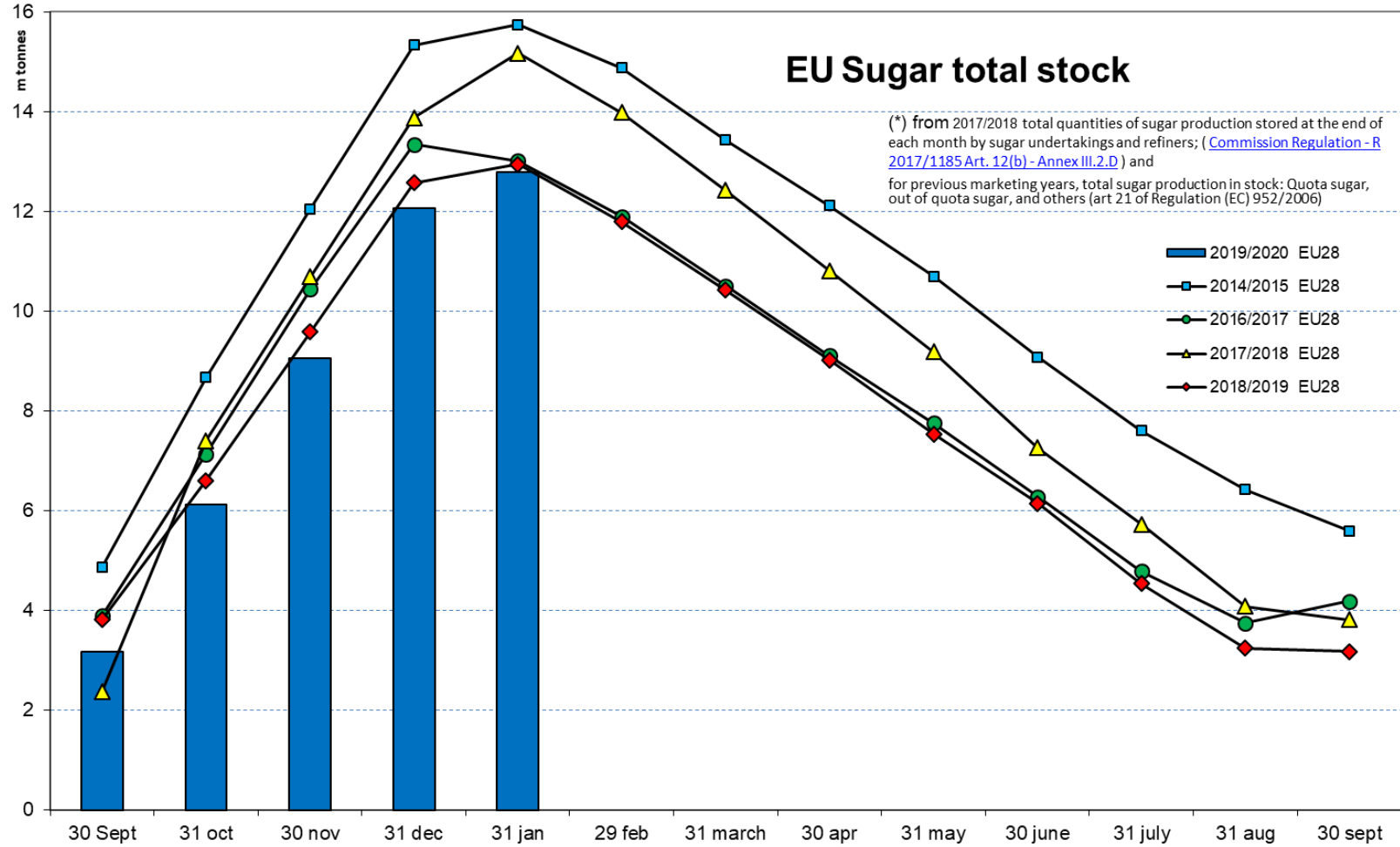
Source: DG AGRI

EU Sugar stocks

EU Sugar stocks



EU Sugar stocks



Impact of Corona virus in the sugar market: Questions to delegates.

Impact of Corona virus in the sugar sector:

Some partial news about Coronavirus impact in the sugar sector (1).

- Czarnikow has updated downwards the world sugar consumption in a sugar balance this month mainly due to the collapse in out-of-home food and drink consumption, and the difficulties faced in operating normal supply chains.
- On the other hand sugar manufacturers like Suedzucker said on Wednesday last week that sugar supplies are secure despite heavy demand as some European consumers stockpile during the coronavirus crisis
- In the United Kingdom Associated British Food the owner of British Sugar confirmed on March 23 that *"in aggregate, we have not seen a material impact in our sugar, grocery, ingredients and agriculture businesses."*

Impact of Corona virus in the sugar sector:

Some partial news about Coronavirus impact in the sugar sector (2).

- In France, the sugar and ethanol company Tereos has decided to boost the production of pharmaceutical alcohol. Cristal Union redirects its production from bioethanol towards ethyl alcohol in one plant located in Arcis sur Aube.
- In Belgium La Raffinerie Tirlemontoise indicates an increase in sugar sales in small packages and also starts producing alcohol in BioWanze.
- As a partial conclusion it seems that in Europe sugar consumption is seen increasing via products that can be stored at home (sugar, biscuits, chocolates, ...) and decreasing via products usually consumed in bars and restaurants (soft drinks, ice creams...).

Impact of Corona virus in the sugar sector:

Questions to delegates.

In view of the current situation:

- What could be the impact of the current crisis on sugar consumption?
- Have you noticed trade disruptions or supply chain disruptions in the sugar sector related to coronavirus outbreak and restrictions of movements of goods since the closing of borders?
- Do you have information on the main short and medium term impact of this crisis on other aspects of the sugar sector market development in your Member State (i.e. price, stocks) ?
- ...

Thank you

Disclaimer:

“The United Kingdom is no longer a Member State of the European Union, however where it is deemed relevant (e.g. for comparison purposes) an EU+UK aggregate may still be displayed.”