



Re-adjustment of sugar prices

In February 2011 and in the context of profit taking strategies from the operators, world sugar prices have readjusted with May contract becoming the new front-term. On February 25, raw sugar was traded at 460 €/t (634 \$/t) while white sugar reached 528 €/t (726 \$/t). Recent news from the EU as well as downward revisions from the 2010/11 world sugar balance by the ISO (p.9) have probably favoured a rebound during the last sessions in New-York and London. Considering soaring oil prices (p.4) as well as depreciation of the dollar against other currencies except Mexican Peso (p.7), white premium is now above the 90\$-level.

On the energetic markets (p.4) and due to current political instability in Libya, oil prices (above 100 \$/barrel) have helped ethanol prices to appreciate on the different markets (US, Brazil and EU).

In the US, ethanol producers' margin is slightly appreciating as maize prices remained relatively stable around 272 \$/t (p.5) : US ethanol is now traded 65 \$/hl.

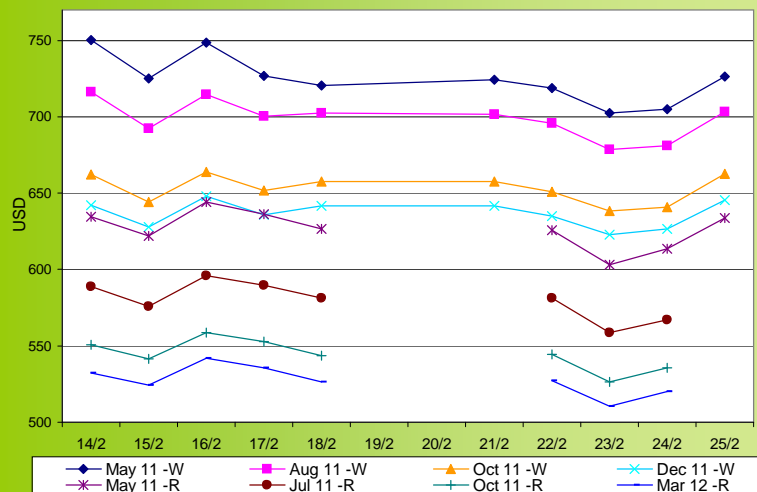
In Brazil, the pursuit of the the inter-crop season together has helped ethanol prices to remain firm: anhydrous ethanol is above the 80\$-level at the moment. The trend is similar on the EU market where FOB T2 quotation is appreciating at 64 €/hl.

It also has to be noted that HFCS prices have appreciated substantially in the last few months (p.7), probably boosted by an increase of demand in South-Eastern Asia. The trend is similar for fertilizers with prices on the rise (p.8).

SUGAR #11 and #5 - Prices

Settling date	Previous week	Current week	Difference
Refined sugar price - London Euronext (USD/t)			
May 11	734.4	715.5	-18.9
Aug 11	705.3	692.2	-13.2
Oct 11	655.9	650.2	-5.8
Dec 11	639.1	634.3	-4.8
Raw sugar - ICE #11 (USD/t)			
May 11	632.7	619.0	-13.7
Jul 11	586.3	569.0	-17.3
Oct 11	549.5	535.4	-14.1
Mar 12	532.2	519.2	-13.0
Raw sugar - ICE #11 (cts/lb)			
May 11	28.70	28.08	-0.62
Jul 11	26.60	26.02	-0.57
Oct 11	24.93	24.54	-0.39
White premium (USD/t)			
May/May	101.7	96.5	-5.2

Raw and white sugar prices on the past two weeks USD/t (daily prices)



Sugar Prices #11 and #5 since January 08

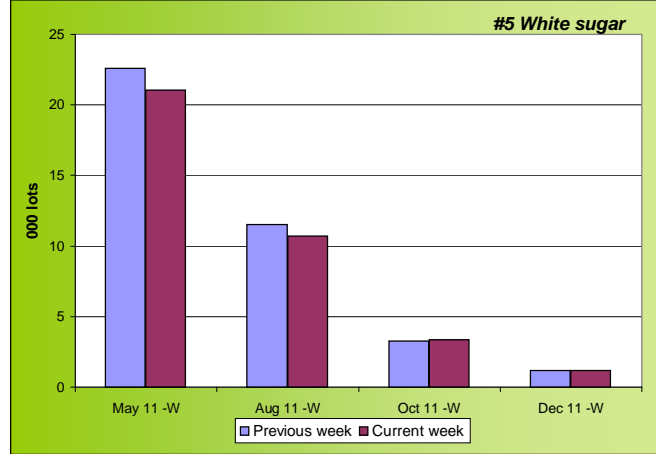
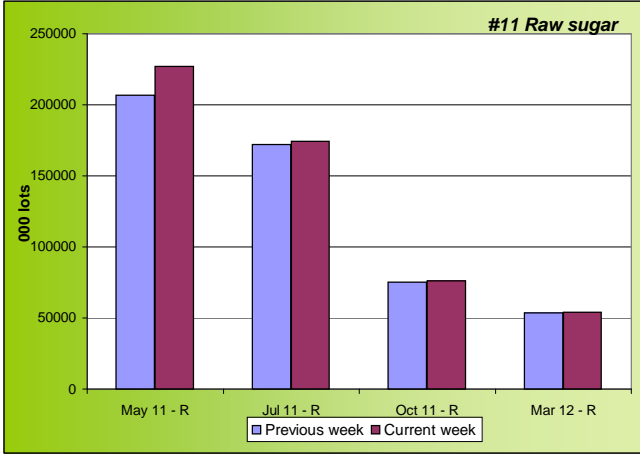




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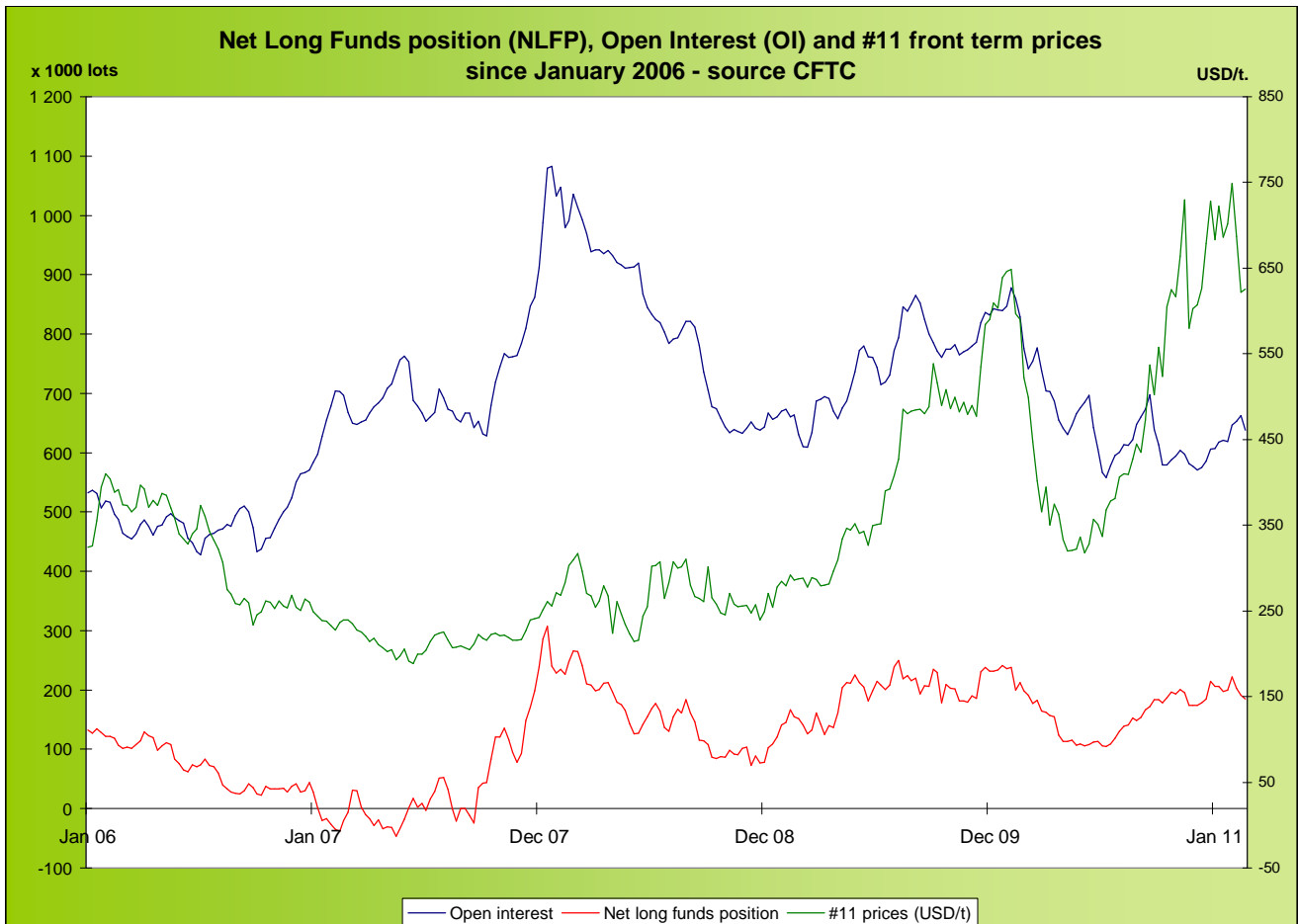
SUGAR #11 & #5 - Open interest + Funds positions

Average weekly Open Interest per settling date contract (1 lot= 50t)



#11 Average weekly open interest				
(1000 lots)	Week n-1	Week n	Diff (lots)	Diff (%)
May 11 - R	206765	226809	20044.2	10%
Jul 11 - R	171883	174134	2250.8	1%
Oct 11 - R	75426	76116	689.8	1%
Mar 12 - R	53684	54098	414.1	1%
Total	660011	626105	-33905.4	-5%

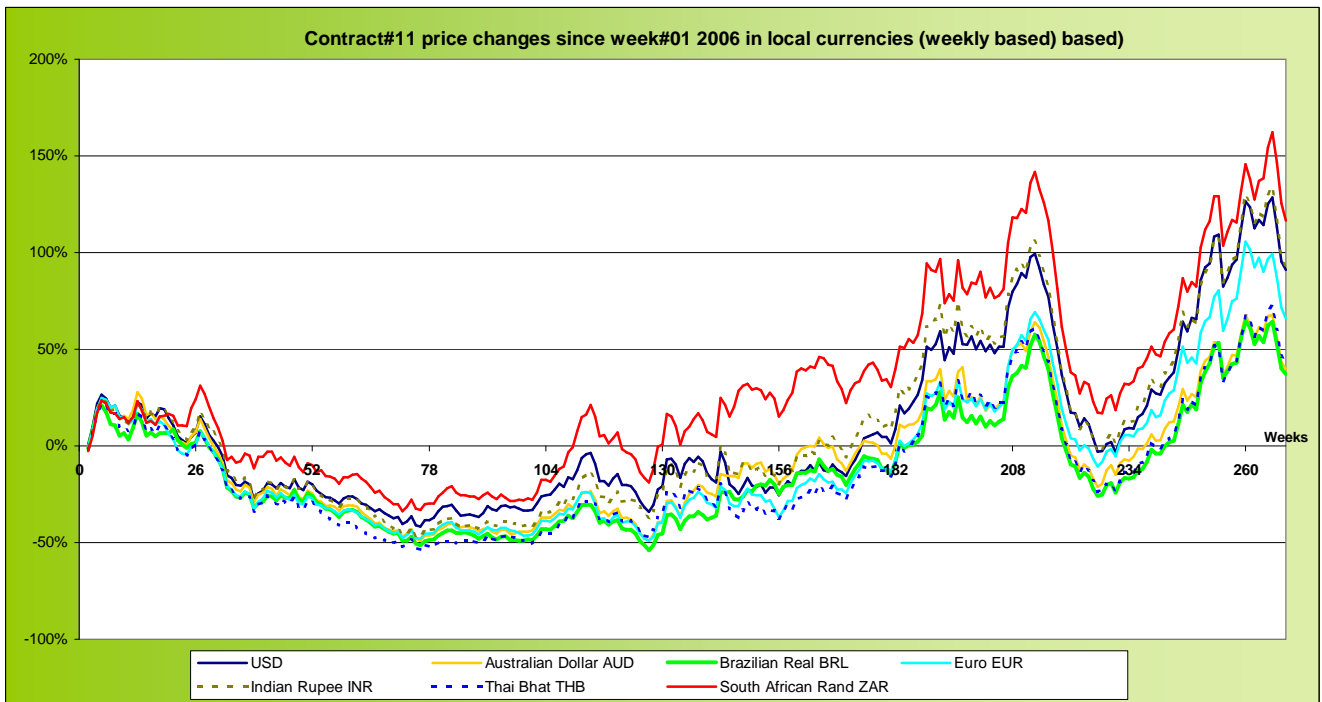
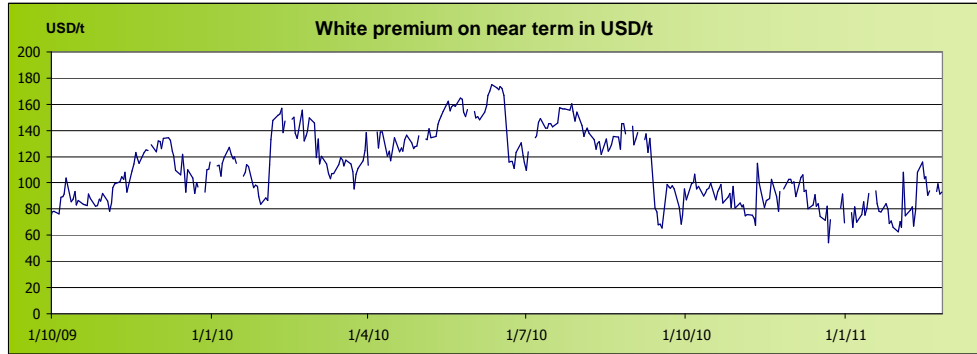
#5 Average weekly open interest				
(1000 lots)	Week n-1	Week n	Diff (lots)	Diff (%)
May 11 - W	22.6	21.0	-1.6	-7%
Aug 11 - W	11.5	10.7	-0.8	-7%
Oct 11 - W	3.3	3.4	0.1	4%
Dec 11 - W	1.2	1.2	0.0	0%
Total	40	38	-2.0	-5%





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SUGAR #11 - White premium + Prices in local currencies



Contract#11 sugar price changes from past week and from week#01 2006 in local currency and in percentage

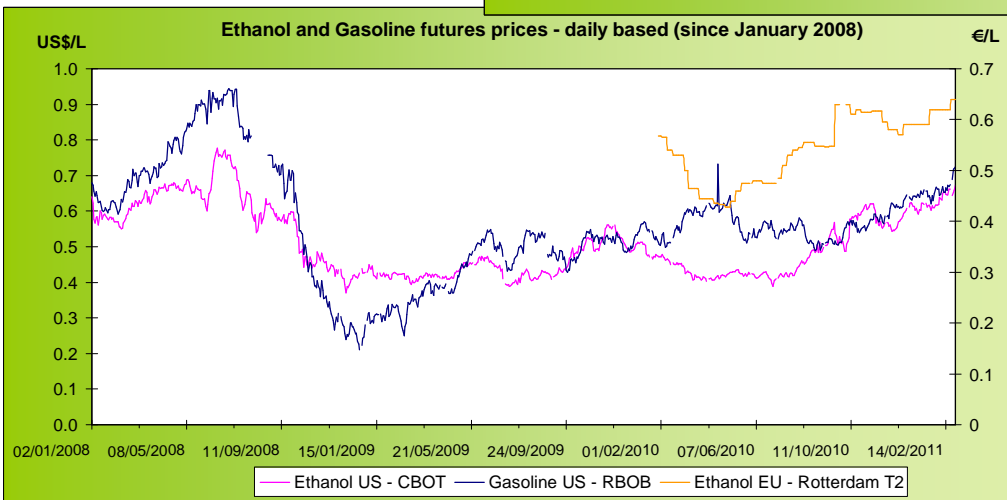
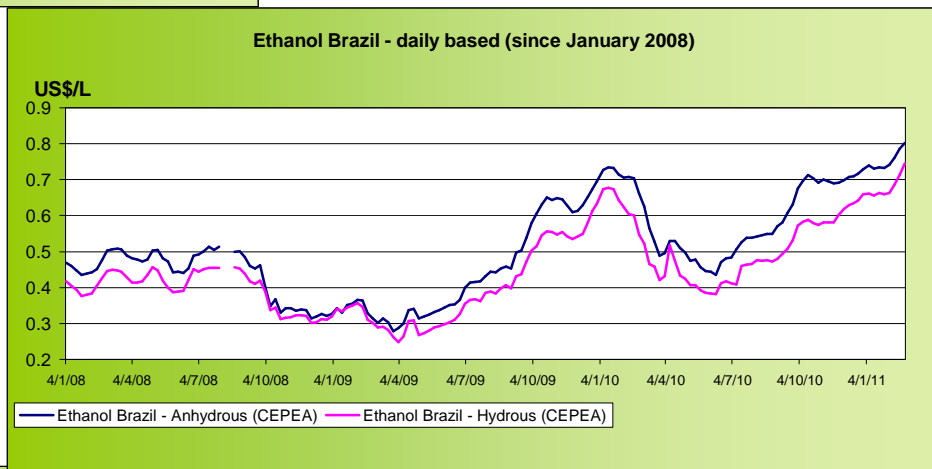
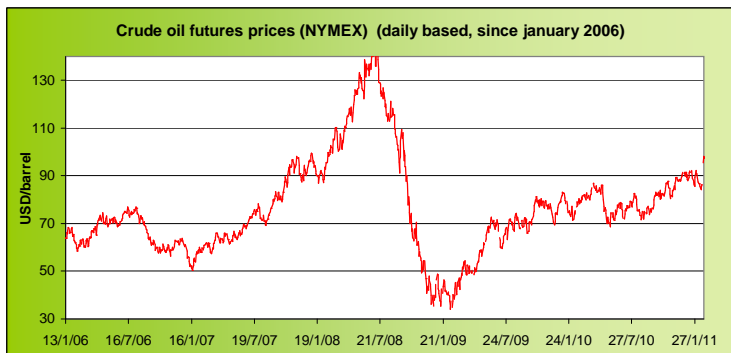
Currencies	Sugar prices in currency	Sugar prices in currency	Difference from previous week	Difference from previous week	Difference from week#1 2006
	Past week	Current week	In currency	In %	In %
USD	632.7	619.0	-13.7	-2.2%	91.1%
Australian Dollar AUD	629.2	613.0	-16.2	-2.6%	39.6%
Brazilian Real BRL	1052.8	1030.4	-22.3	-2.1%	37.0%
Chinese Yuan CNY	4160.3	4064.4	-95.9	-2.3%	55.5%
Euro EUR	466.3	451.1	-15.2	-3.3%	66.0%
Indian Rupee INR	28742.5	28006.8	-735.7	-2.6%	92.8%
Mexican Peso MXN	7613.7	7485.4	-128.3	-1.7%	117.8%
Russian Rouble RUB	18493.1	18007.5	-485.5	-2.6%	93.5%
Thai Bhat THB	19286.5	18831.2	-455.3	-2.4%	42.8%
South African Rand ZAR	4569.9	4384.9	-185.0	-4.0%	116.4%

Sugar prices and currencies data are based on weekly average.



January 31 - February 25

ENERGY MARKETS - Ethanol, Crude oil and Gazoline



Oil, gasoline and ethanol price changes from past week and from week#01 2006

	Price in USD	Price in USD	Difference	Difference past week	Difference from the week#1
Products	Past week	Current week	In USD	In %	In %
Ethanol CBOT (USD/l)	0.6529	0.6569	0.0040	0.61%	17.8%
Ethanol CBOT (USD/gal)	2.4680	2.4830	0.0150		
Oil (USD/barrel)	85.34	97.17	11.83	13.87%	52.6%
Gazoline RBOB (USD/l)	0.6682	0.7125	0.044	6.62%	164.0%
Sugar #11 (USD/t)	632.68	619.00	-13.7	-2.16%	91.1%
Products	Past week	Current week	In USD	In %	In %
Ethanol CEPEA (USD/l) - Anyhydrous	0.7860	0.8024	0.0164	2.09%	70.7%
Ethanol CEPEA (USD/l) - Hydrous	0.7135	0.7455	0.0320	4.48%	66.1%
Products	Past week (€/l)	Current week (€/l)	In €	In %	In %
Ethanol EU - Rotterdam T2	0.62	0.64	0.02		



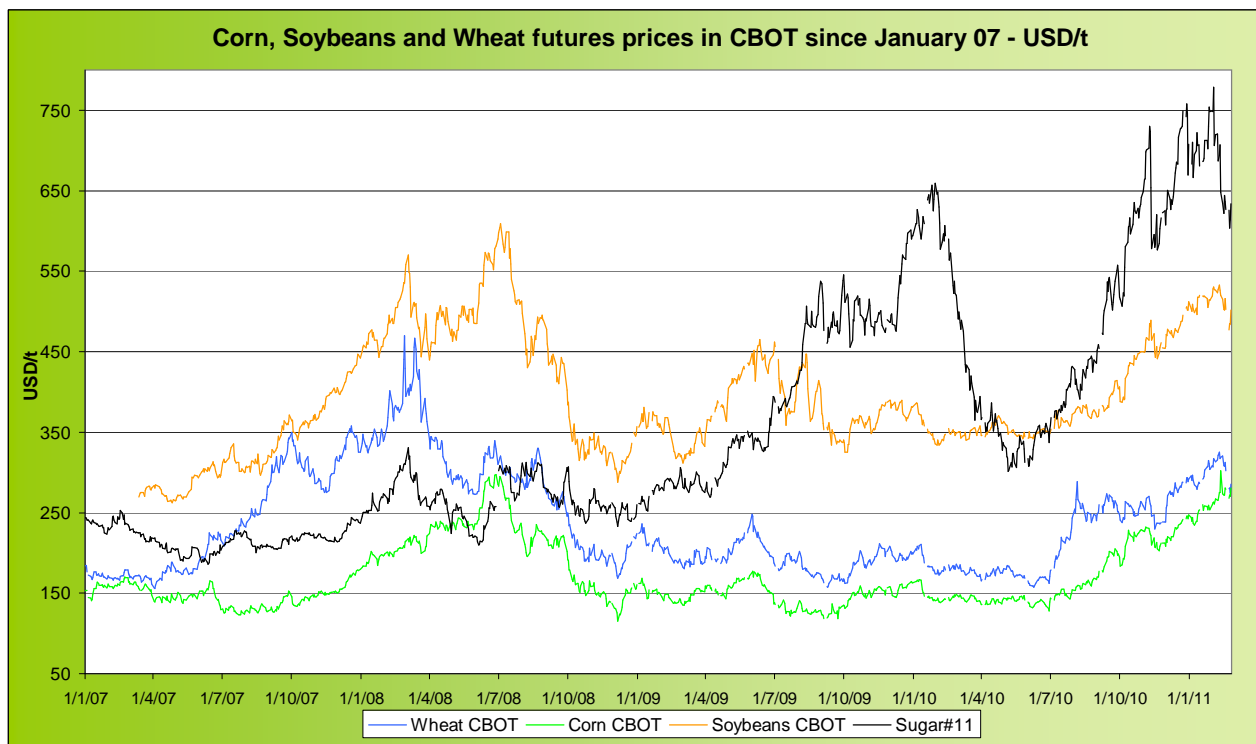
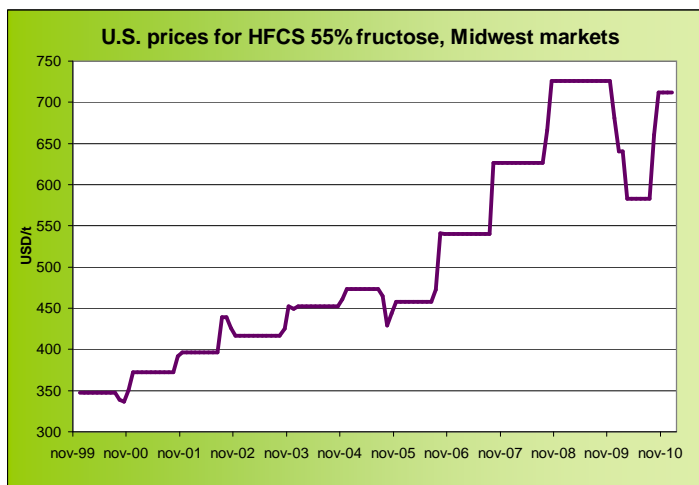
January 31 - February 25

GRAINS MARKETS - Corn, Soybeans, Wheat and HFCS

Price changes

	Current month-3	Current Month-2	In USD
HFCS 55 - USD/t	660.54	712.11	51.57
HFCS 55 - cts/lb	29.97	32.31	2.34

Dry weight, monthly averages, source Milling and baking news

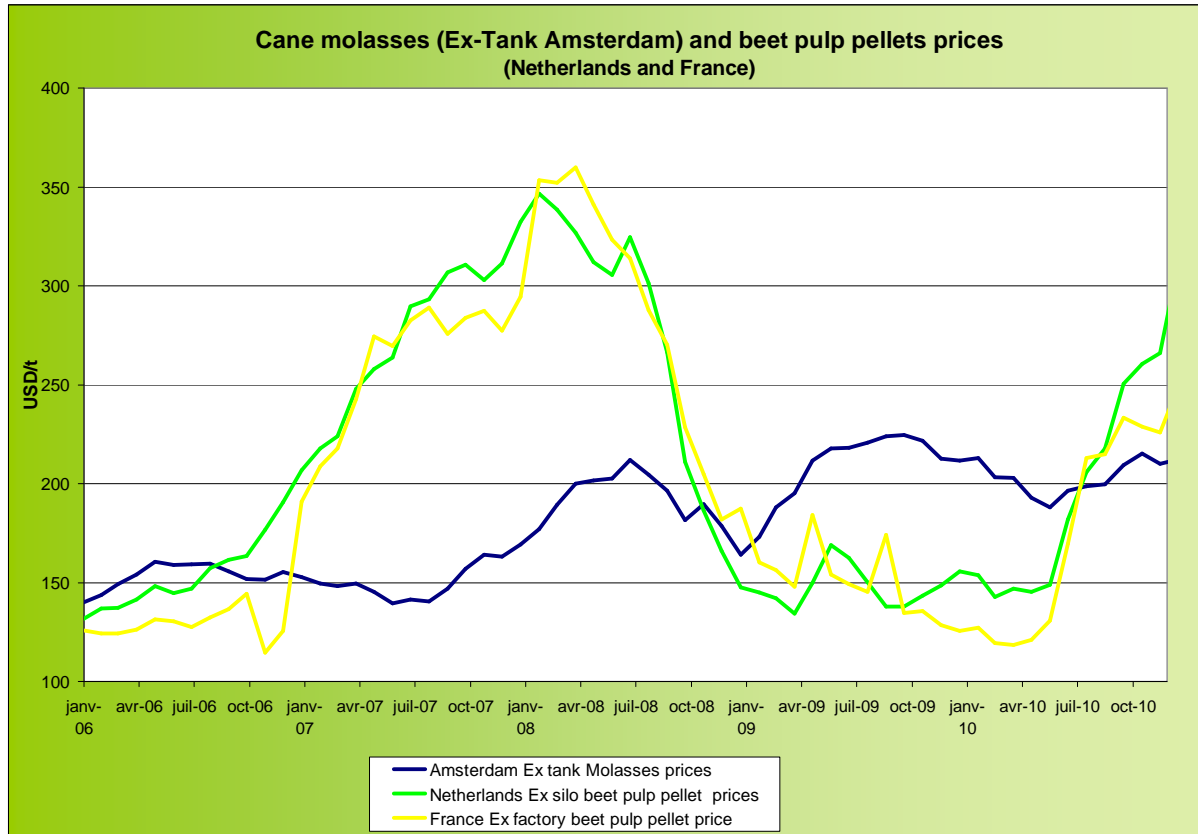


Corn, soybeans and wheat prices, changes from the past week and from the week#01 2006 in USD/t and in percentage

Products		Front term	Front term	Difference	Difference	Diff week#1 2006
		Past week	Current week	In USD	In %	In %
Corn (CBOT)	USD/t	275.48	272.50	-2.98	-1.1%	220.8%
	cts/bsl	699.72	692.15	-7.57		
Soybeans (CBOT)	USD/t	507.67	486.95	-20.72	-4.1%	130.1%
	cts/bsl	1381.80	1325.40	-56.40		
Wheat (CBOT)	USD/t	310.23	280.03	-30.20	-9.7%	124.7%
	cts/bsl	844.40	762.20	-82.20		



BY-PRODUCTS - Molasses and Beet Pulp



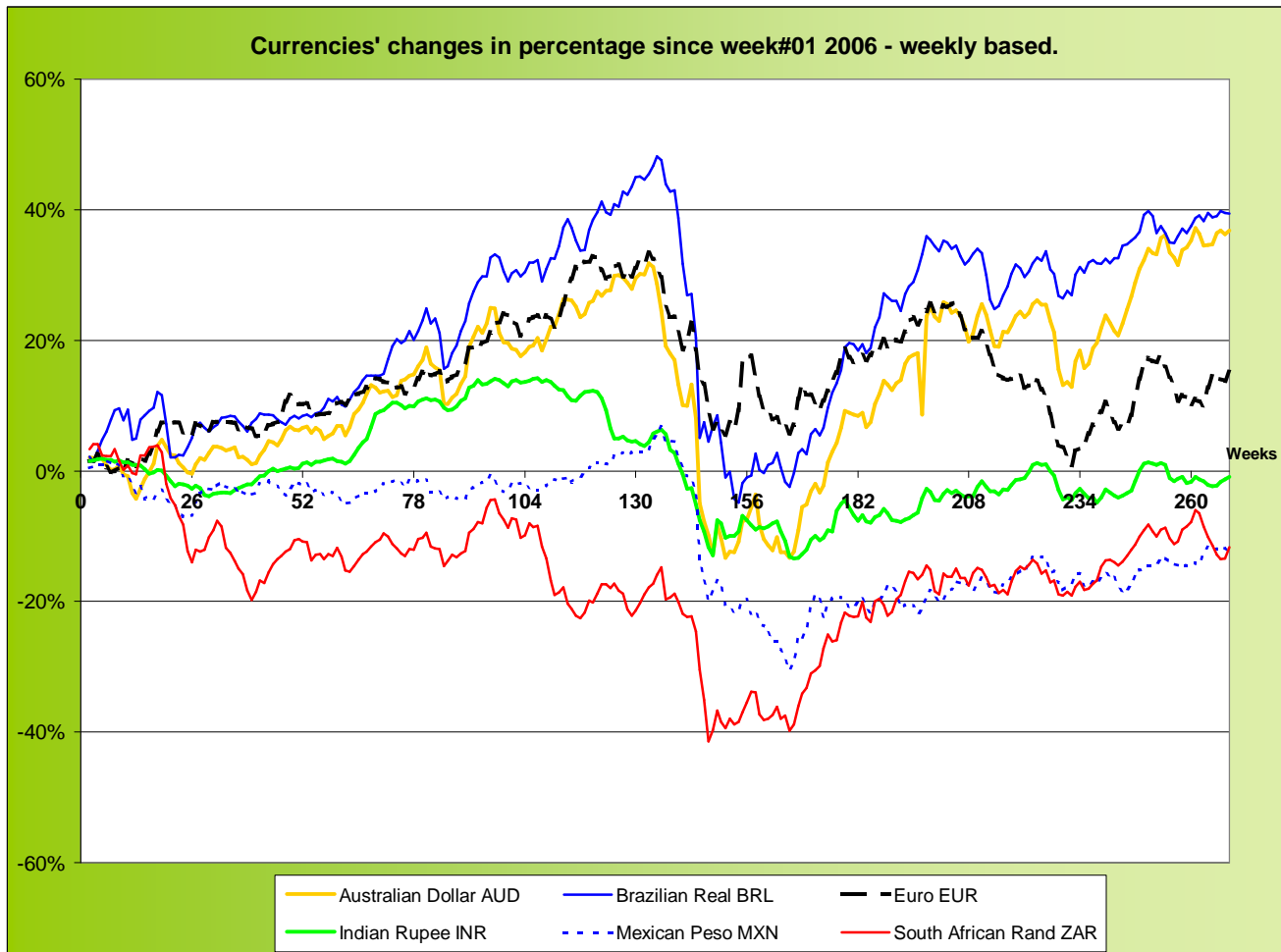
Molasses and beet pulp pellets prices and changes between three and two months before and from month#01 2006

		Commodity	Commodity	Difference from previous month	Difference from previous month	Difference from month#1 2006
<i>Products</i>		Month -3	Month -2	In USD and €	In %	In %
Amsterdam Ex tank Cane Molasses	<i>USD/t</i>	209.46	215.30	5.85	2.8%	54.1%
	<i>EUR/t</i>	150.75	157.25	6.50	4.3%	36.1%
Netherlands Beet Pulp Pellets	<i>USD/t</i>	250.44	260.49	10.05	4.0%	98.3%
	<i>EUR/t</i>	180.25	190.25	10.00	5.5%	75.1%
<i>Products</i>		Month -3	Month -2	In USD and €	In %	In %
France Beet Pulp Pellets	<i>USD/t</i>	233.42	228.65	-4.77	-2.0%	81.8%
	<i>EUR/t</i>	168.00	167.00	-1.00	-0.6%	60.6%



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EXCHANGE RATES

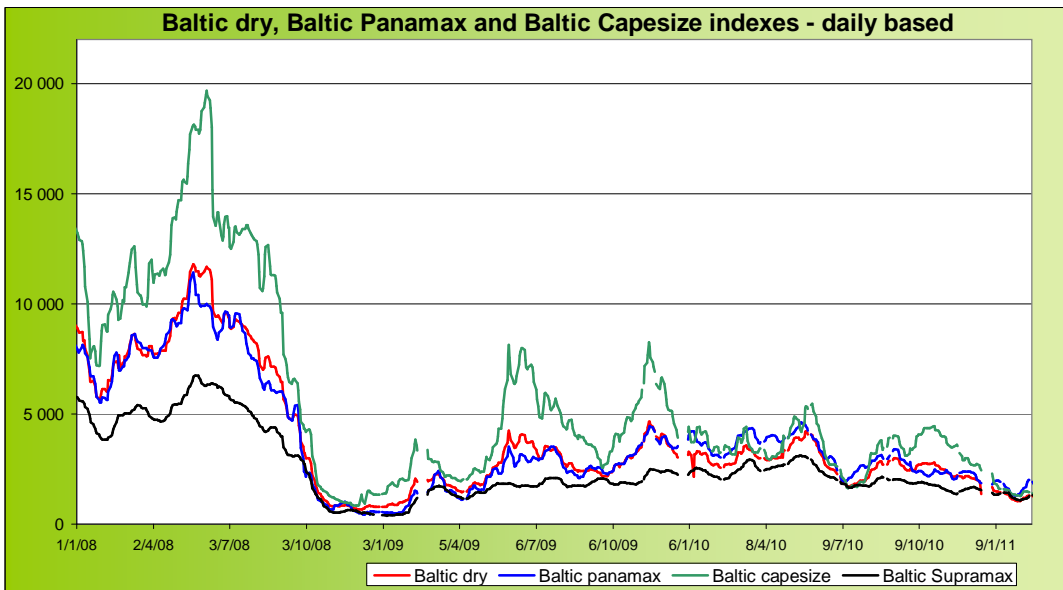


**Currencies' changes from the past week and from the week#01 2006
in USD and in percentage**

	Currencies in USD - Week#:	Currencies in USD - Week#:	Difference from previous week	Difference from previous week	Difference from week#1 2006
<i>Currencies</i>	Past week	Current week	In USD	In %	In %
<i>Australian Dollar AUD</i>	1.0055	1.0098	0.00423	0.4%	36.9%
<i>Brazilian Real BRL</i>	0.6010	0.6007	-0.00025	0.0%	39.4%
<i>Chinese Yuan CNY</i>	0.1521	0.1523	0.00022	0.1%	22.9%
<i>Euro EUR</i>	1.3568	1.3722	0.01536	1.1%	15.1%
<i>Indian Rupee INR</i>	0.0220	0.0221	0.00009	0.4%	-0.9%
<i>Mexican Peso MXN</i>	0.0831	0.0827	-0.00040	-0.5%	-12.3%
<i>Russian Rouble RUB</i>	0.0342	0.0344	0.00016	0.5%	-1.3%
<i>Thai Bhat THB</i>	0.0328	0.0329	0.00007	0.2%	33.8%
<i>South African Rand ZAR</i>	0.1384	0.1412	0.00272	2.0%	-11.7%

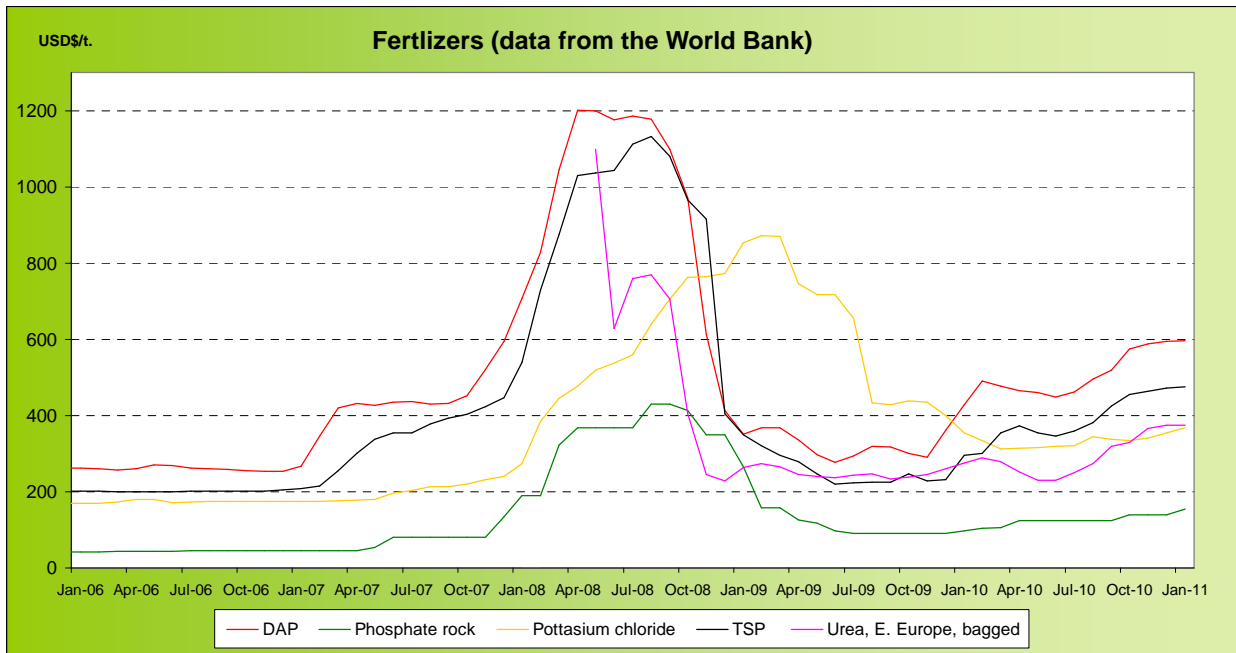


FREIGHT - Baltic Indexes



Baltic indexes, changes from the past week and from the week#01 2007

	Freight indexes	Freight indexes	Difference from previous week	Difference from previous week	Difference from week#01 2007
Indexes	Past week	Current week	Index	In %	In %
<i>Baltic dry</i>	1576.5	1003.8	-572.7	-36.3%	-80.1%
<i>Baltic Supramax</i>	1506.3	1078.0	-428.3	-28.4%	-63.9%
<i>Baltic panamax</i>	2355.5	1477.8	-877.7	-37.3%	-65.9%
<i>Baltic capesize</i>	1839.0	1073.8	-765.2	-41.6%	-82.5%



Explanations :
 DAP (diammonium phosphate), standard size, bulk, spot, f.o.b. US Gulf
 Phosphate rock (Moroccan), 70% BPL, contract, f.a.s. Casablanca
 Potassium chloride (muriate of potash), standard grade, spot, f.o.b. Vancouver
 TSP (triple superphosphate), onwards Tunisian, granular, f.o.b.
 Urea, (Black Sea), bulk, spot, f.o.b. Black Sea (primarily Yuzhnyy)



MARKET OVERVIEW - The Grower Dashboard

Comparison of futures prices for sugar, ethanol, crude oil, grains in USD and in %

	Commodity	Commodity	Difference from	Difference from	Difference from	
			previous week	previous week	week#1 2006	
	Products	Past week	Current week	In USD	In %	In %
Sugar (#11)	USD/t	632.68	619.00	-13.68	-2.2%	91.1%
	Cts/lb	28.70	28.08	-0.62		
Sugar #5	USD/t	734.38	715.50	-18.88	-2.6%	102.7%
Corn (CBOT)	USD/t	275.48	272.50	-2.98	-1.1%	220.8%
	cts/bsl	699.72	692.15	-7.57		
Soybeans (CBOT)	USD/t	507.67	486.95	-20.72	-4.1%	130.1%
	cts/bsl	1381.80	1325.40	-56.40		
Wheat (CBOT)	USD/t	310.23	280.03	-30.20	-9.7%	124.7%
	cts/bsl	844.40	762.20	-82.20		
Ethanol	EU (€/l)	0.58	0.58	0.00	0.0%	
	US (USD/l)	0.6529	0.6569	0.00	0.6%	17.8%
	Brazil (USD/l) Anhydrous	0.7860	0.8024	0.02	2.1%	70.7%
Crude oil	USD/barrel	85.34	97.17	11.83	13.9%	52.6%
Freight supramax	Index	1506.25	1078.00	-428.25	-28.4%	-63.9%

IN BRIEF (Source : FO Licht Sugar Daily)

Australia: Australia's raw sugar production in 2011/12 is estimated (Abares) to increase to 3,85 Mt from 3,62 Mt in 2010/11. Australian exports in 2011/12 will remain depressed at 2,476 Mt compared with 2,429 Mt this season. Exports in 2009/10 were 3,5 Mt when production reached 4,52 Mt.

Brazil: According to DATAGRO, the key Centre/South cane region is expected to produce 35,1 Mt of sugar, tel quel, in 2011/12, up 4,6% from the 33,5 Mt produced in 2010/11 and despite an expected 1,2% drop in the region's total cane output next season to 550 Mt from 556,9 Mt in 2010/11.

China: The government has now sold 771 706 t of sugar from reserves in the current marketing year. The country's sugar production in 2010/11 is expected to reach only 10,9-11,1 Mt, whit value, down sharply from the China Sugar Association estimate of 12Mt issued last November.

Dubai: The Al Khalej sugar refinery, one of the biggest in the world, is undergoing an expansion during a shutdown that will boost its capacity to 7 500 t/day from 5 000 t/day. The refinery shut down on February 1 and is expected to reopen around February 25. (Sugar Journal- February 23, 2011)

EU: The Commission has approved the sell of 500,000 tonnes of EU "out-of-quota" sugar on the European market without the usual super-levy of EUR500 per tonne. This measure aims at easing current tensions on the European market and the Commission has also expressed its will to vote the opening of an additional 300 000 t import quota at zero-duty during next sugar committee scheduled on march 10th.

Germany: According to WVZ Association, Germany produced an estimated 3,64 Mt of sugar, white value, in 2010/11. The WVZ's estimates include the sugar equivalent of beet processed into ethanol and the number is in line with the latest campaign report published in late January.

India: Sugar exports from India under OGL scheme will be further delayed by at least early march as the government has called for an inter-ministerial consultation before allowing shipments. Meanwhile, output in UP is forecast to reach 6 Mt in 2010/11, up from 5,2 Mt in 2009/10. However, nine sugar mills in the state have already shut down due to a lack of cane, Reuters reported.

ISO: The organization has cut its estimate for the 2010/11 world sugar production to 196 000 t from its previous November estimate of 1,28 Mt. The largest downward revisions were for Australia, China, USA, Japan and Ukraine while upward revisions were made for Thailand and Mexico.

Mexico: Total output in 2010/1 reached 2,57 Mt so far, up 31,5% from 1,95 Mt produced in the same period ago. Cane yields were up to 75,1 t/ha from 73,9 t/ha a year ago. The sugar recovery from cane increased to 11,32% from 10,41% a year ago. Mexico may produce 5,25 Mt of sugar, tel quel, slightly below an initial forecast of 5,37 Mt made in November but still up sharply from 4,8 Mt produced in 2009/10.

Russia: The customs union comprising Russia, Kazakhstan and Belarus will cut the import tariff for raw sugar to 50\$/t from 140\$/t for the period from march 1 to April 30. Russia produced 169 600 t of refined sugar between the start of the year and February 28, up from 120 200 t produced on the same period in 2010.

South Africa: The South African Sugar Association (SASA) expects the country to produce 1,91 Mt in 2010/11. The sugarcane crush reached 16,02 Mt. Producers are expecting a better crop in 2011/12 following good rains.

Thailand: The country will set aside 2,8 Mt of sugar from its 2010/11 crop for domestic consumption in 2011. Thailand has allocated [2-2,2] Mt of sugar per annum for domestic consumption in decades and traders believe domestic demand would not reach the OCSB allocation : sugar allocated for the domestic market could finally be smuggled to neighbouring countries (Laos, Cambodia) where it can be sold at a significant premium. Thailand is currently expected to produce up to 7,8 Mt of sugar, tel quel, in 2010/11, resulting in around 5 Mt left for export in 2011 (4,42 Mt exported in 2010).

USA: Us sugar production in 2011/12 will likely increase to 8,22 Mt short tons, up 2,6% from 8Mt projected for 2010/11. Beet sugar output could reach 4,845 Mt (4,8 Mt in 210/11) while cane sugar production is seen rising to 3,377 Mt from 3,21 Mt in 2010/11.