

*WABCG/ISO informal consultations
London, November 2011*

Sugar Market Overview and Future Picture

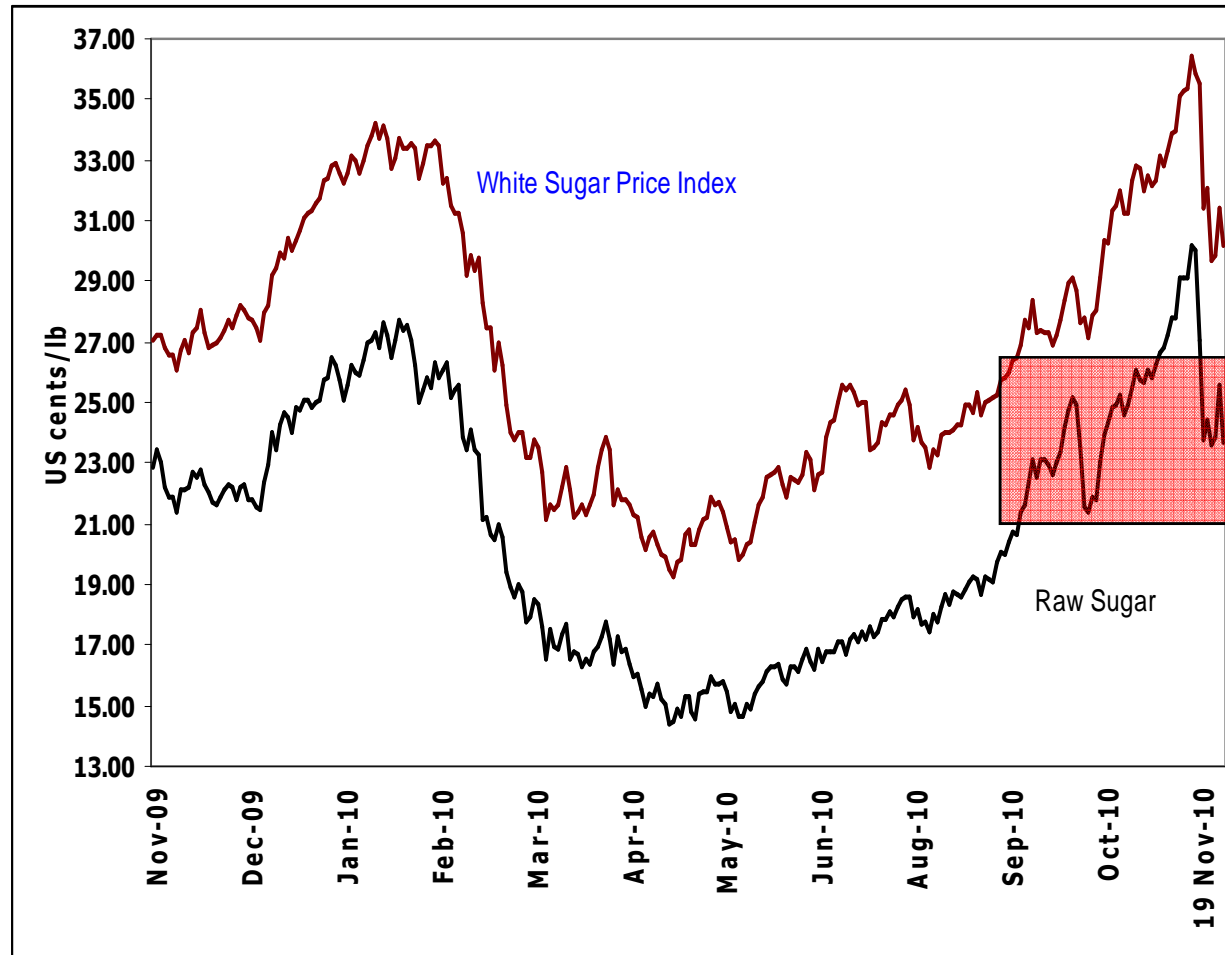
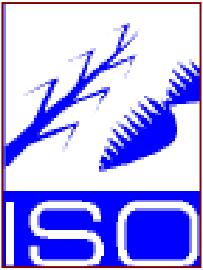
**Sergey Gudoshnikov
Senior Economist, ISO**

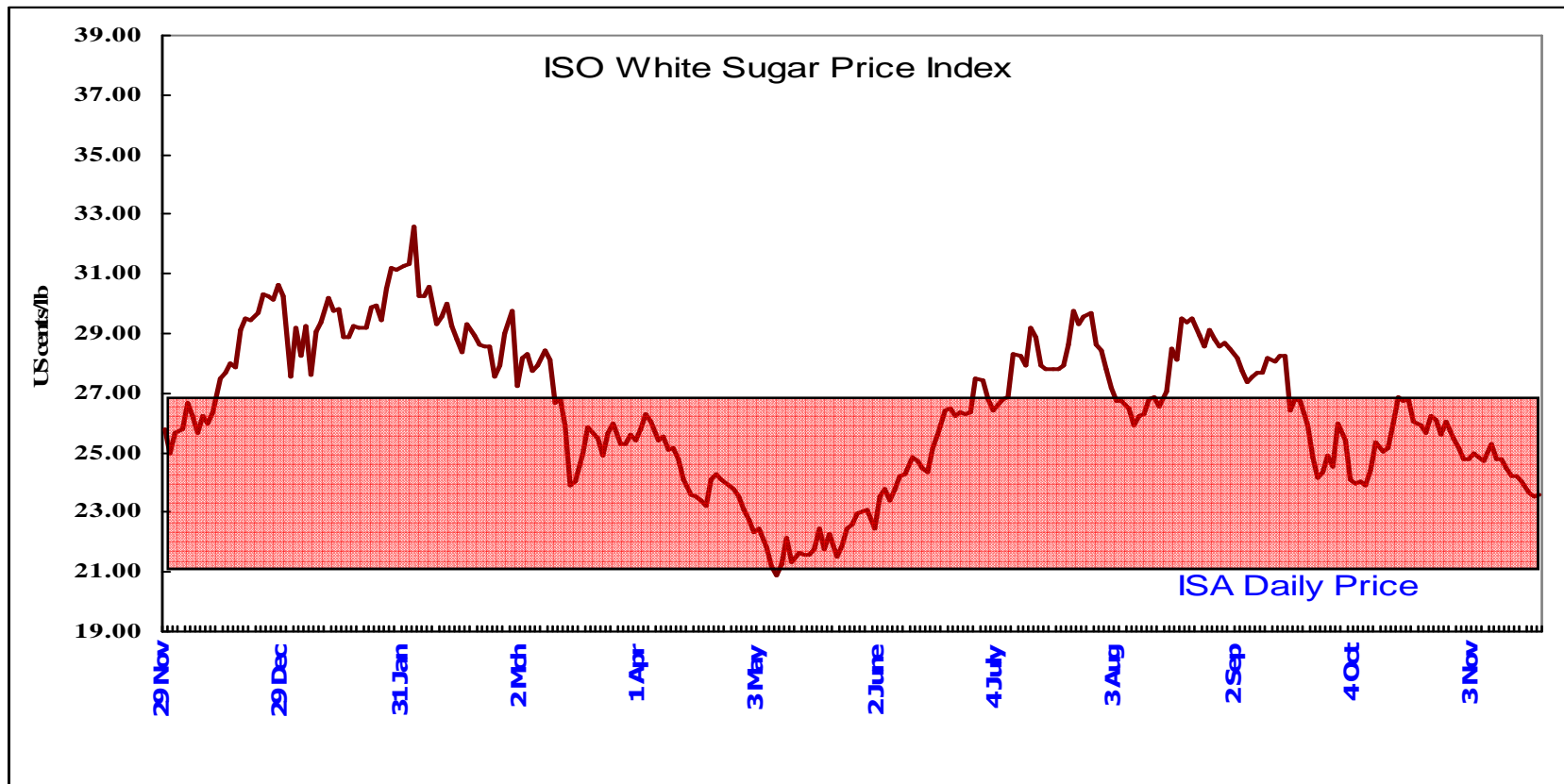
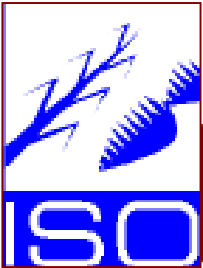


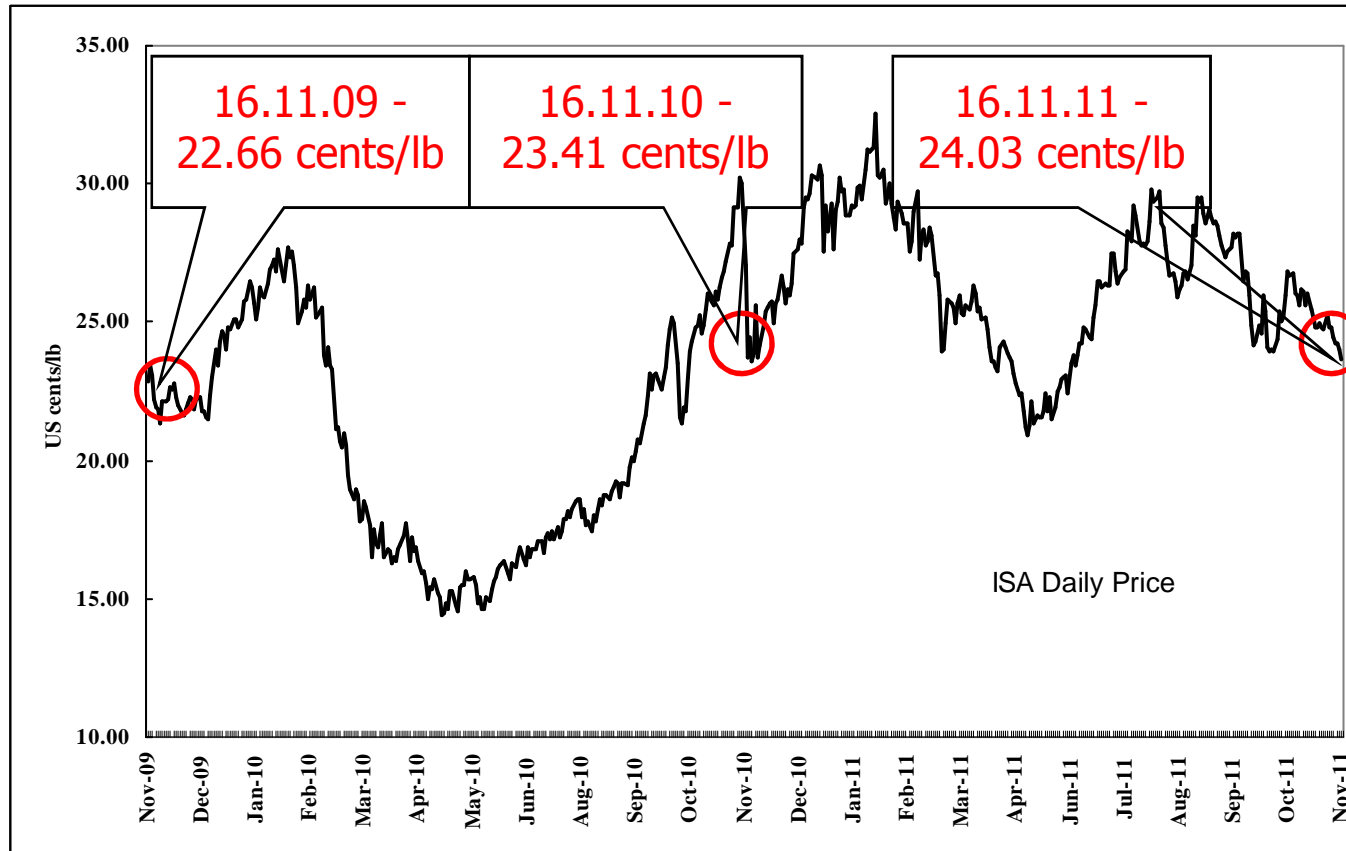
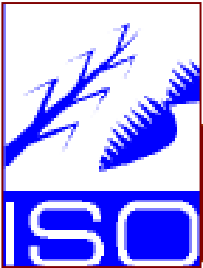
November 2010

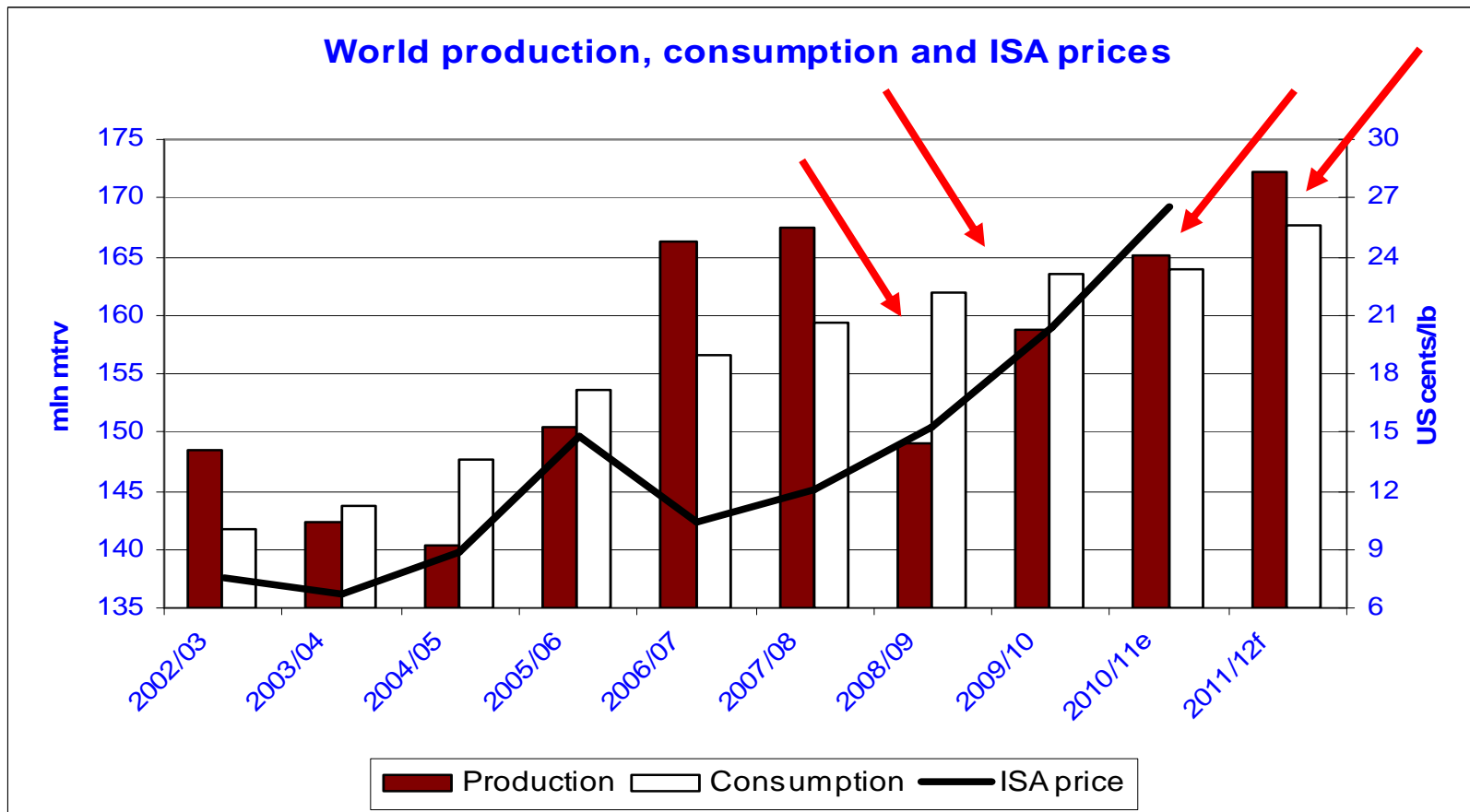
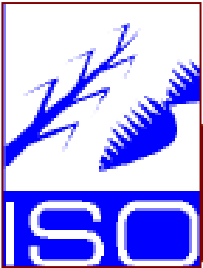
- ❖ 2010/11 – although the growth in global output was sufficient to cover sugar consumption global
- ❖ Fundamentals were not bearish.
- ❖ Meantime, the initial tentative indication for 2011/12 cycles pointed towards a higher surplus.
- ❖ ~24.5 cents/lb

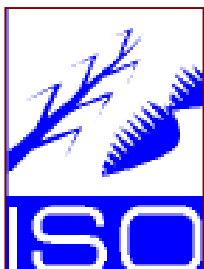










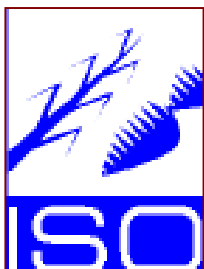


World Sugar Balance

(mln tonnes, raw value)

	2011/12	2010/11	Change	
			in mln t	in %
Production	172.818	165.193	6.998	4.24
Consumption	167.717	163.989	3.728	2.27
Surplus/Deficit	+4.464	+1.194		
Import demand	48.071	51.650	-3.569	-6.91
Export availability	52.080	51.749	0.331	0.64
End Stocks	57.605	57.140	0.465	0.81
Stocks/Consumption ratio in%	34.35	34.84		





Main production falls and rises in 2011/12 (October/September)

Falls (from 2010/11 in mln tonnes)

Brazil -3.325

Rises (from 2010/11 in mln tonnes)

Russia +2.315

India +2.050

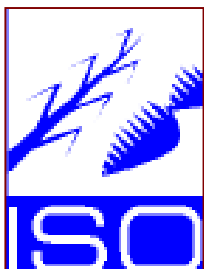
EU +1.850

China +1.850

WORLD PRODUCTION IN 2011/12 – 172.181 mln tonnes, raw value
WORLD PRODUCTION IN 2010/11 – 163.989 mln tonnes, raw value

International Sugar Organization

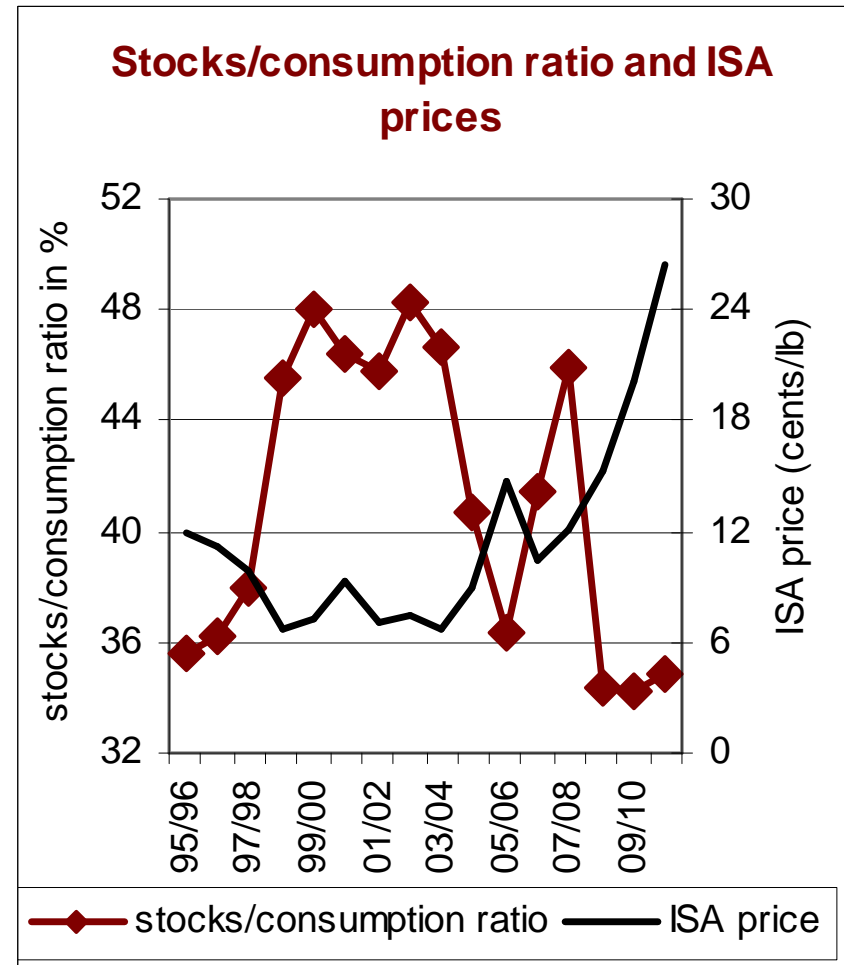
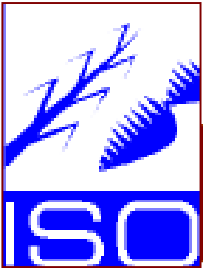


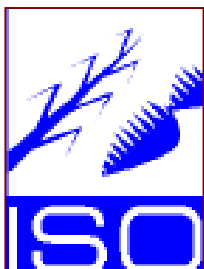


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2012/13 – early indications

Consumption
Growth
+2.1%

=171.1 mln t

Current
production

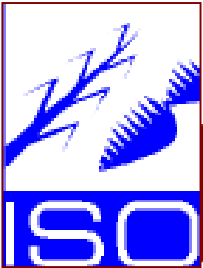
=172.2 mln t

Surplus

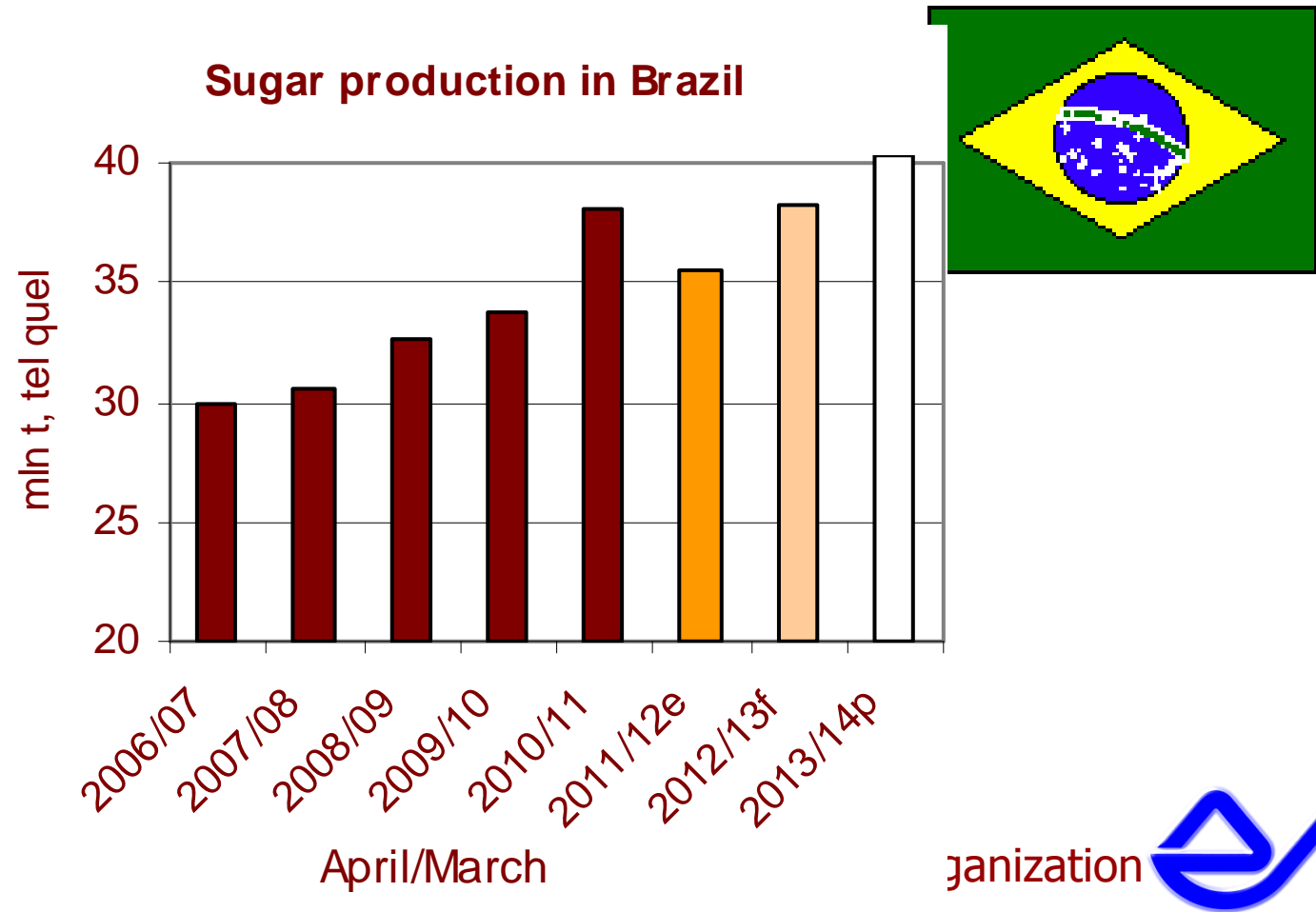
1.1 mln t

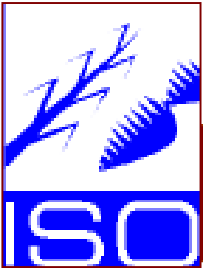
International Sugar Organization



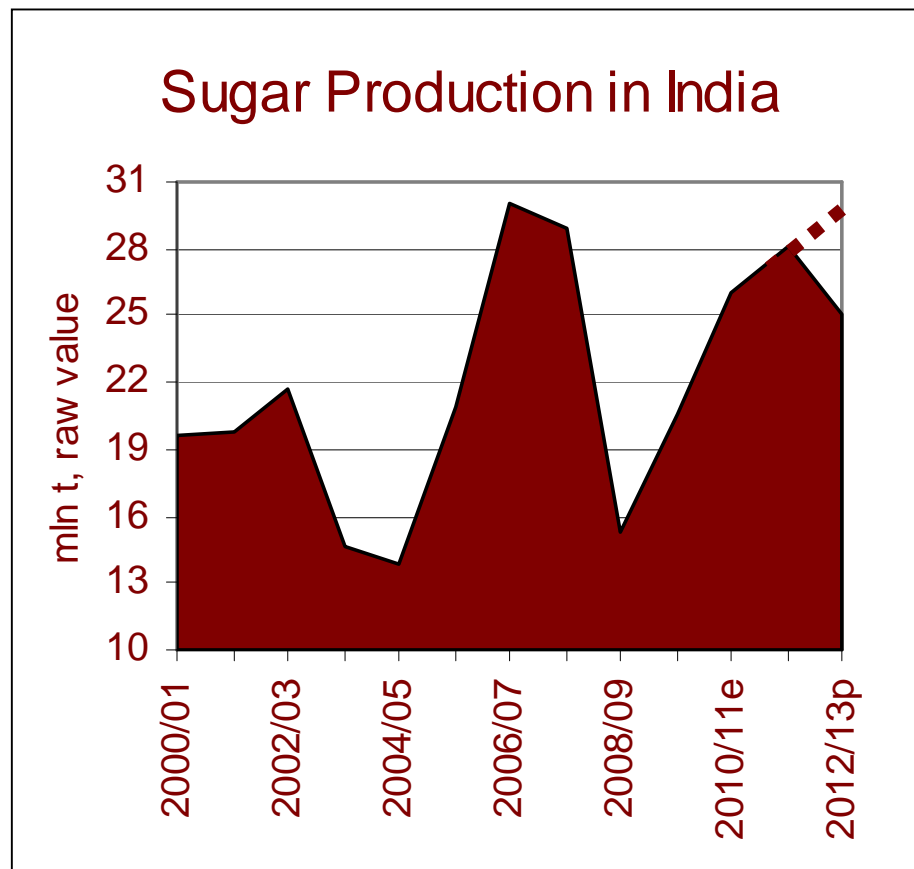


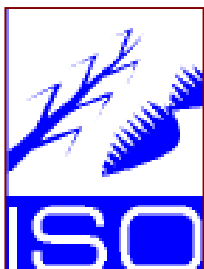
2012/13 – early indications





2011/12 – early indications





2012/13 – early indications

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Current
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= **171.1 mln t**
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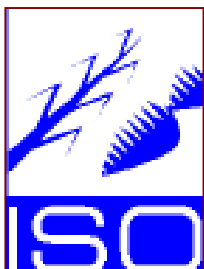
Brazil	+ 2.1
India	- 3.0-4.0
EU	- 1.0
Australia	+ 0.5
China	+ 1.0

Surplus

> 1.0

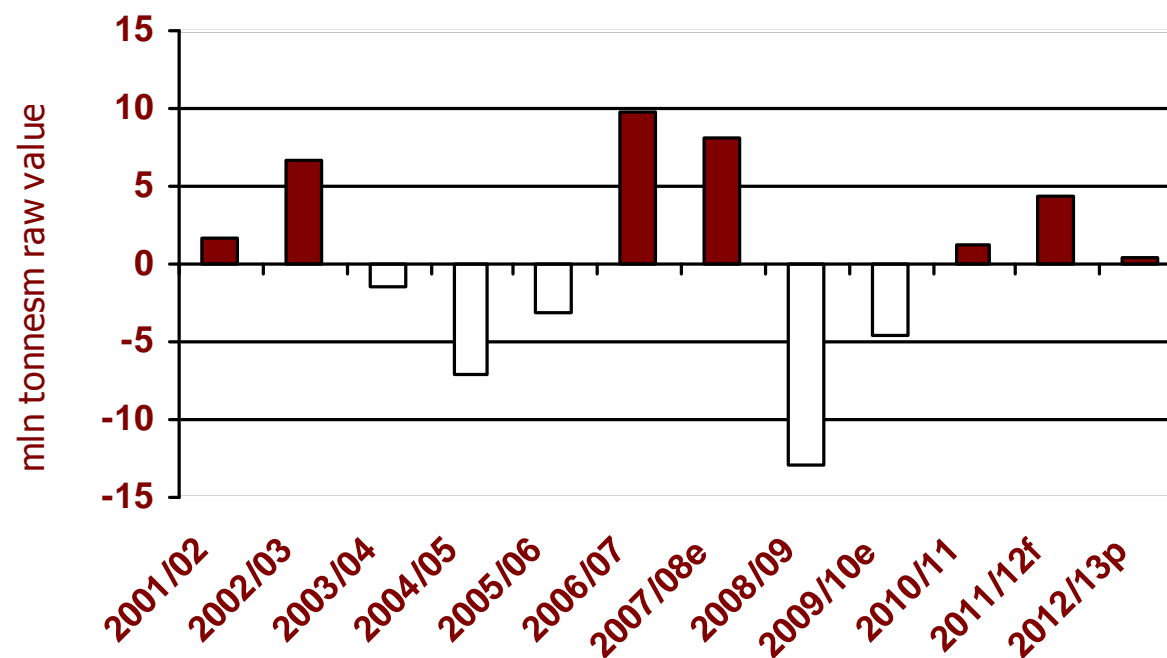
International Sugar Organization

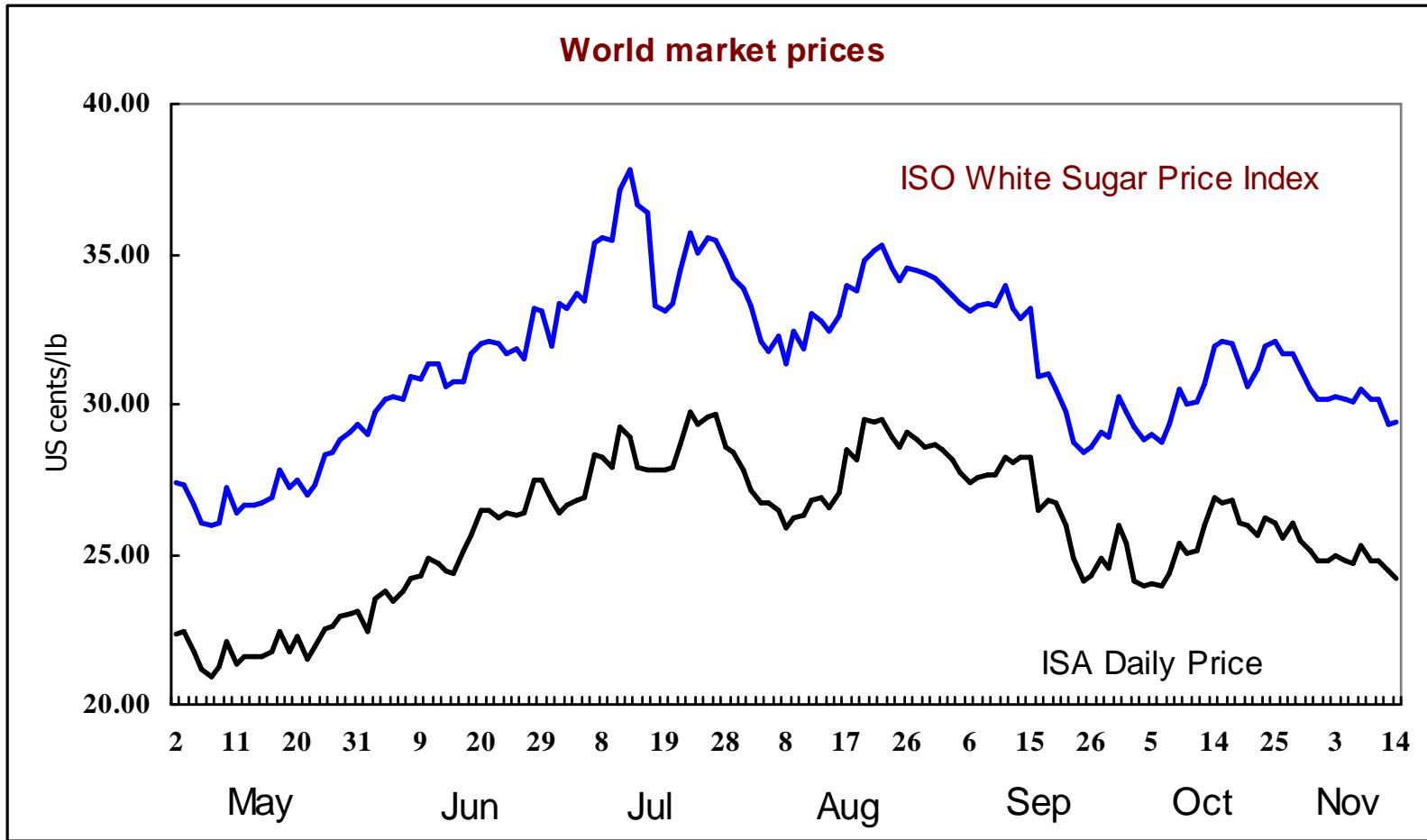
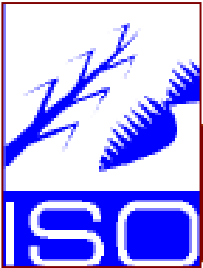


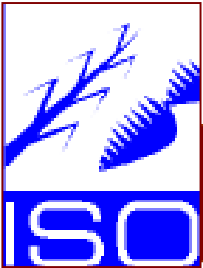


2012/13 – early indications

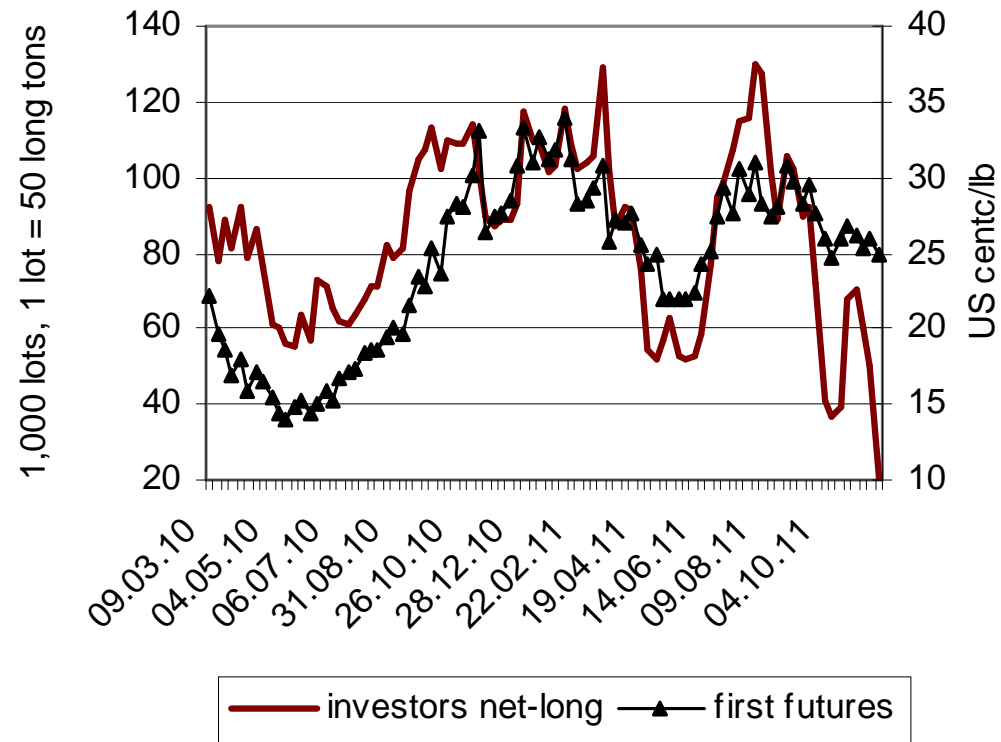
World surplus/deficit, 2000/01-2012/13

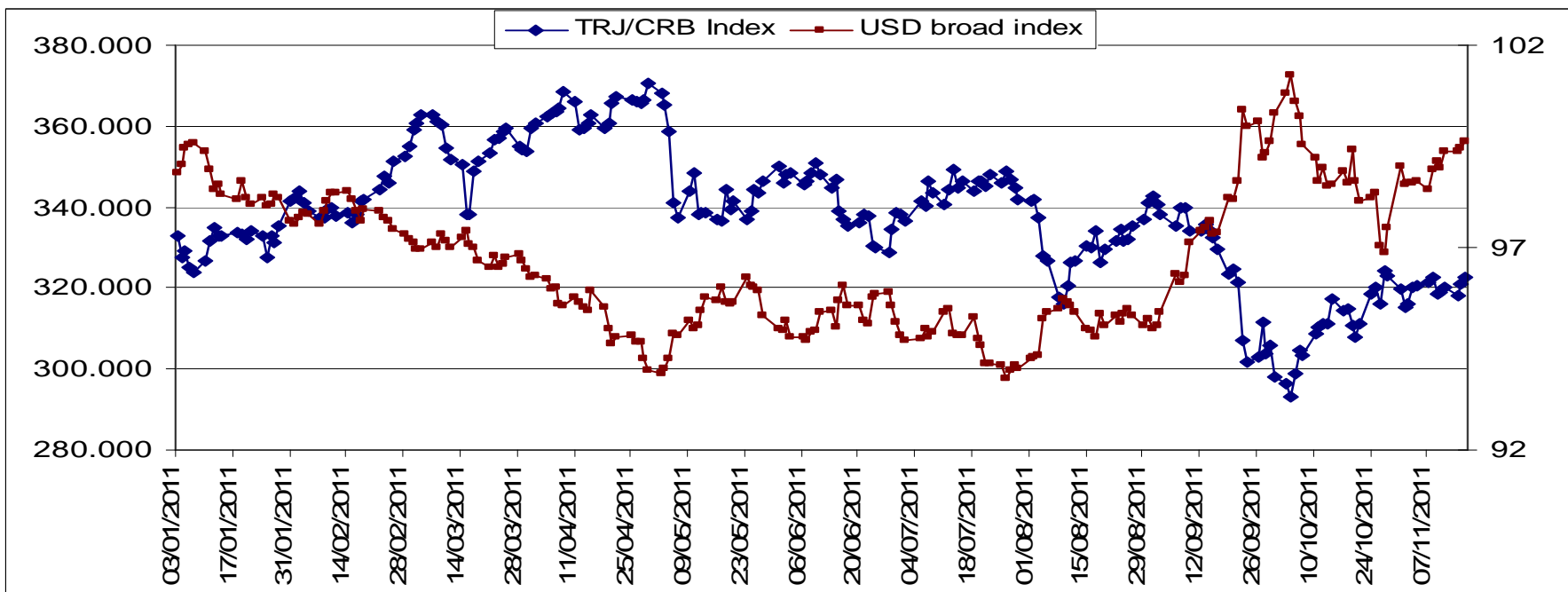
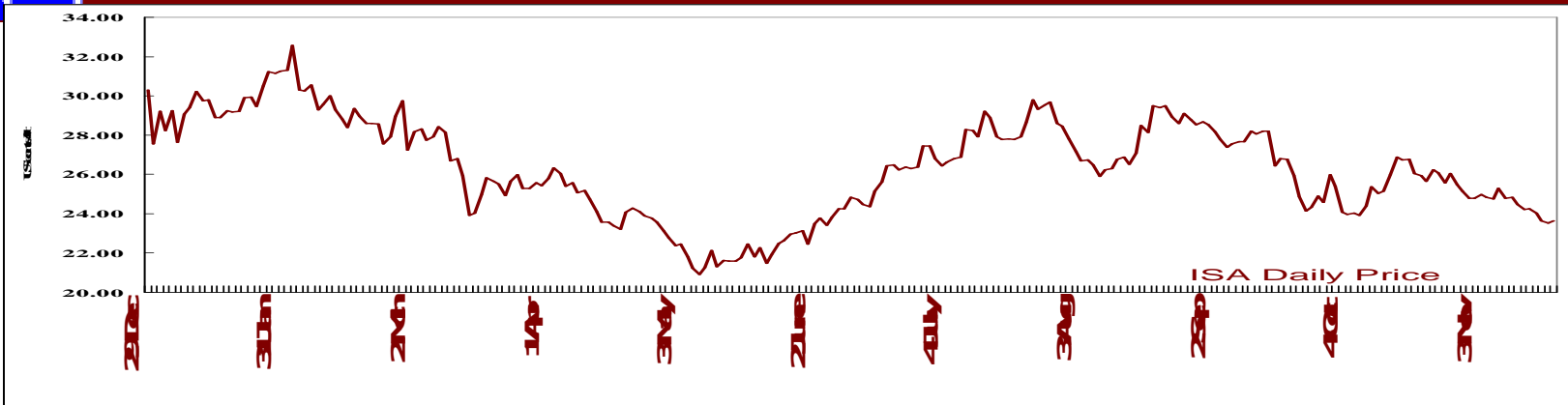
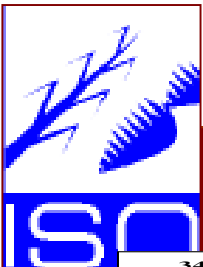


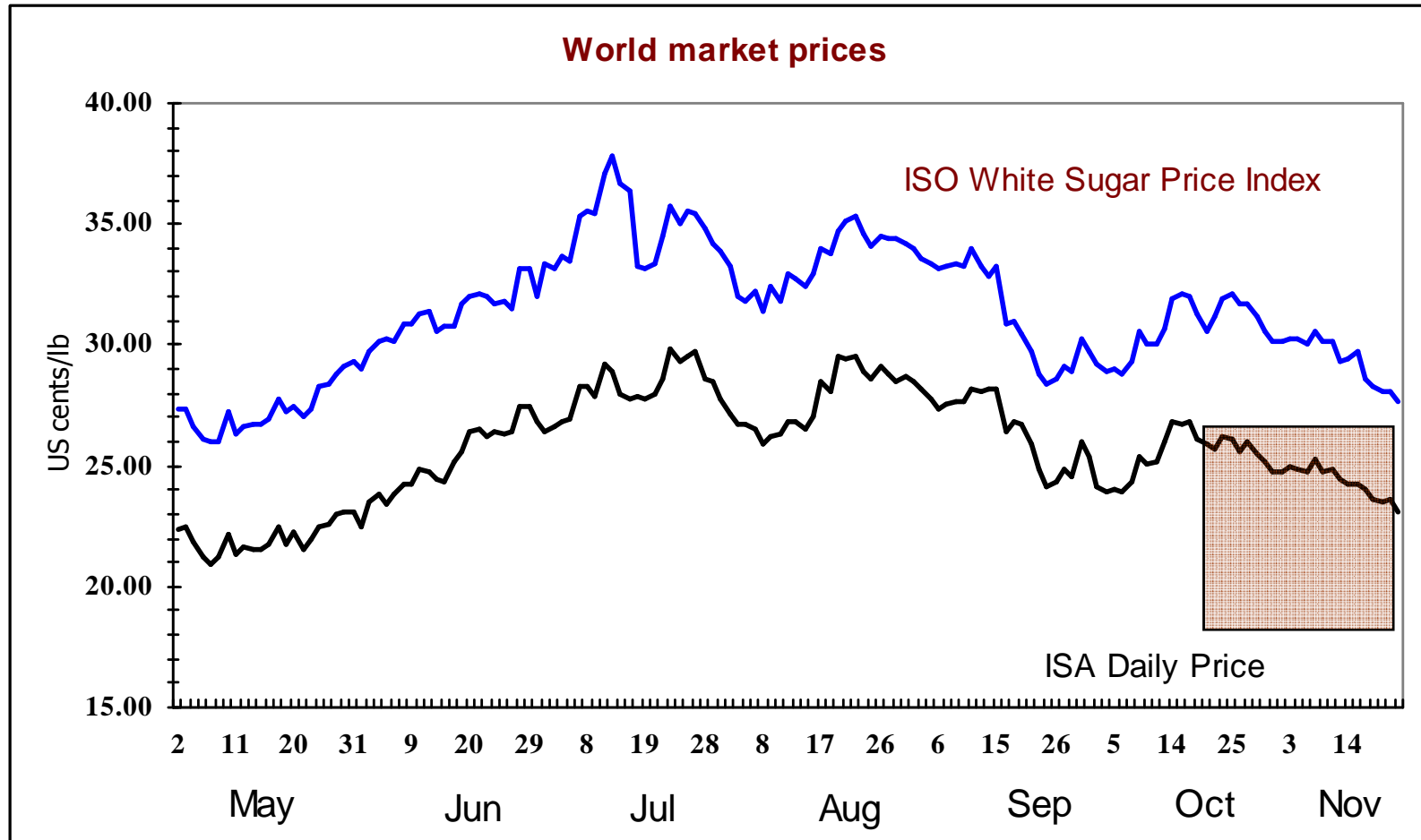
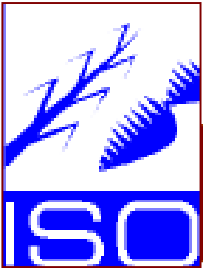


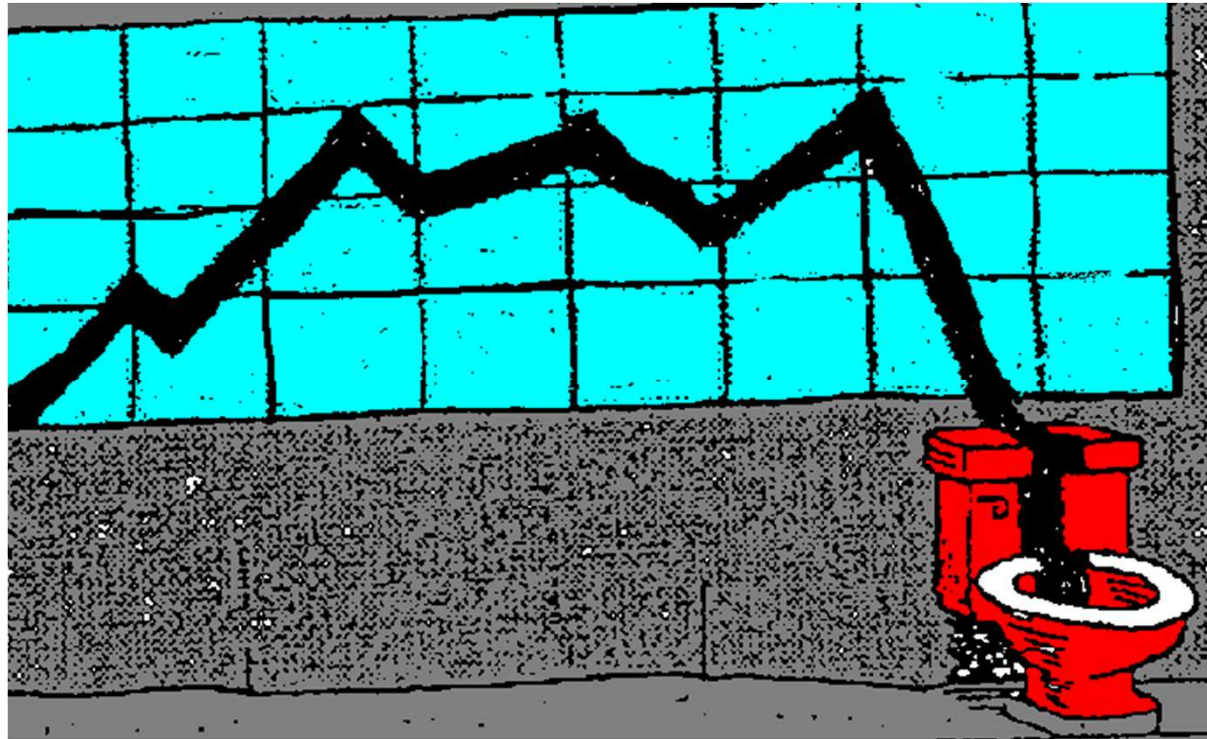
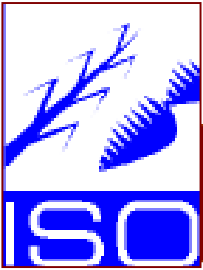


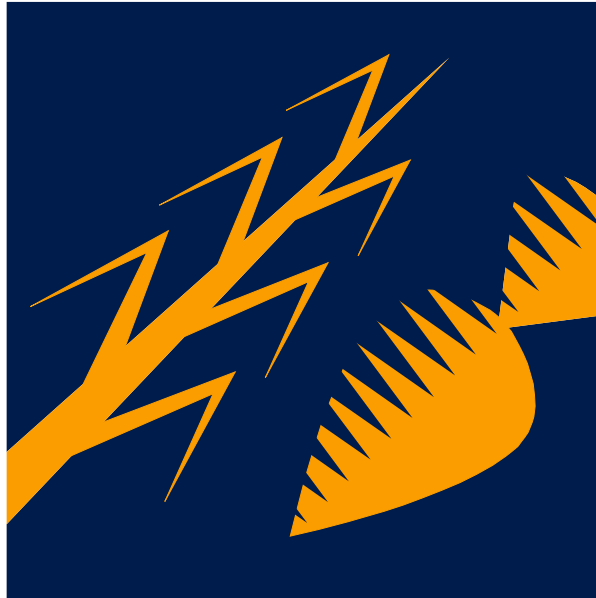
**Non-Commercial Investors' Net Long Position
and first futures quotations in ICE, New York**











ISO