



From 23rd august to 3rd september 2010

Week # 35

New rise in prices on the markets

Sugar prices are continuing to follow the upward trend of the last two weeks. On 3 September, white sugar for delivery in October 2010 was trading at 592 \$/t (461 €/t) while raw sugar was fetching 454 \$/t (353 €/t). White premium (P.3) is therefore now selling at just under 140 \$/t (109 €/t).

With rising agricultural raw material prices, funds seem to be repositioning themselves on these markets and sugar is no exception, with activity on commodities markets rising fast (P.2). On the currency markets (P.7) the dollar has fallen against the other foreign currencies except the Yuan and Mexican Peso, pushing up prices to compensate this trend and provide the same return in national currencies.

Energy (P.4) crude oil prices are fairly stable at 74 \$/barrel, with the same trend for gasoline, currently fetching just over 50\$/hl. Thanks to a sharp rise in the cost of maize, US ethanol prices have risen to just over 51\$/hl. The same trend can be seen in Brazil: anhydrous ethanol is now 57 \$/hl. In Europe, the FOB T2 price in Rotterdam is currently just under the 55 €/hl mark.

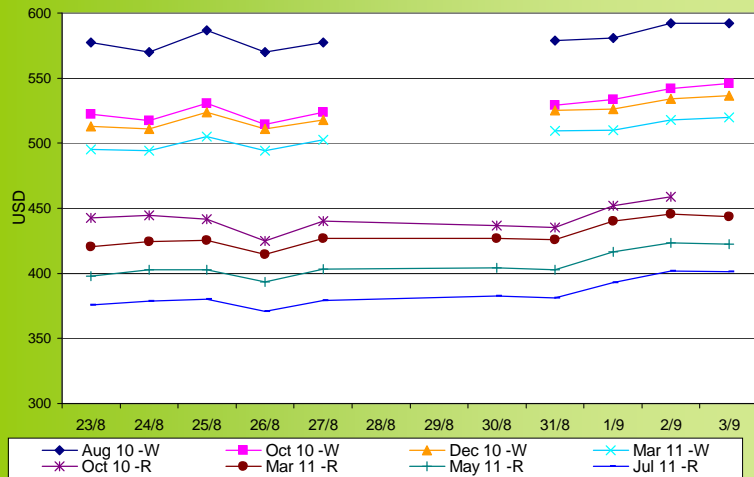
The pulp market (P.6) has readjusted considerably over the last few months in the wake of the hike in wheat prices, currently around 250\$/t in Chicago.

The Baltic Dry freight index is falling. The only shadow cast upon these prices concerns the generalised rise in inputs (P.8).

SUGAR #11 and #5 - Prices

Settling date	Previous week	Current week	Difference
Refined sugar price - London Euronext (USD/t)			
Aug 10	576.3	586.0	9.7
Oct 10	521.8	537.8	16.0
Dec 10	515.4	530.6	15.1
Mar 11	498.4	514.2	15.8
Raw sugar - ICE #11 (USD/t)			
Oct 10	438.7	447.4	8.7
Mar 11	422.4	436.5	14.1
May 11	400.0	413.9	13.9
Jul 11	377.0	391.9	14.9
Raw sugar - ICE #11 (cts/lb)			
Oct 10	19.90	20.29	0.39
Mar 10	19.16	19.80	0.64
May 11	18.14	18.77	0.63
White premium (USD/t)			
Oct/Aug	137.6	138.7	1.1

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



Sugar Prices #11 and #5 since January 08

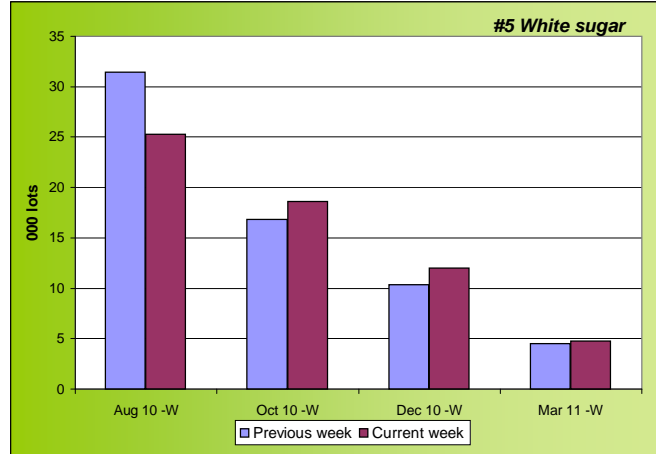
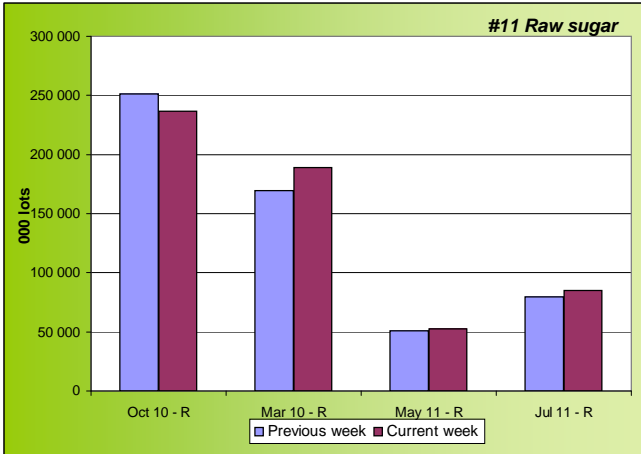




From 26th of april to 7th of may 2010

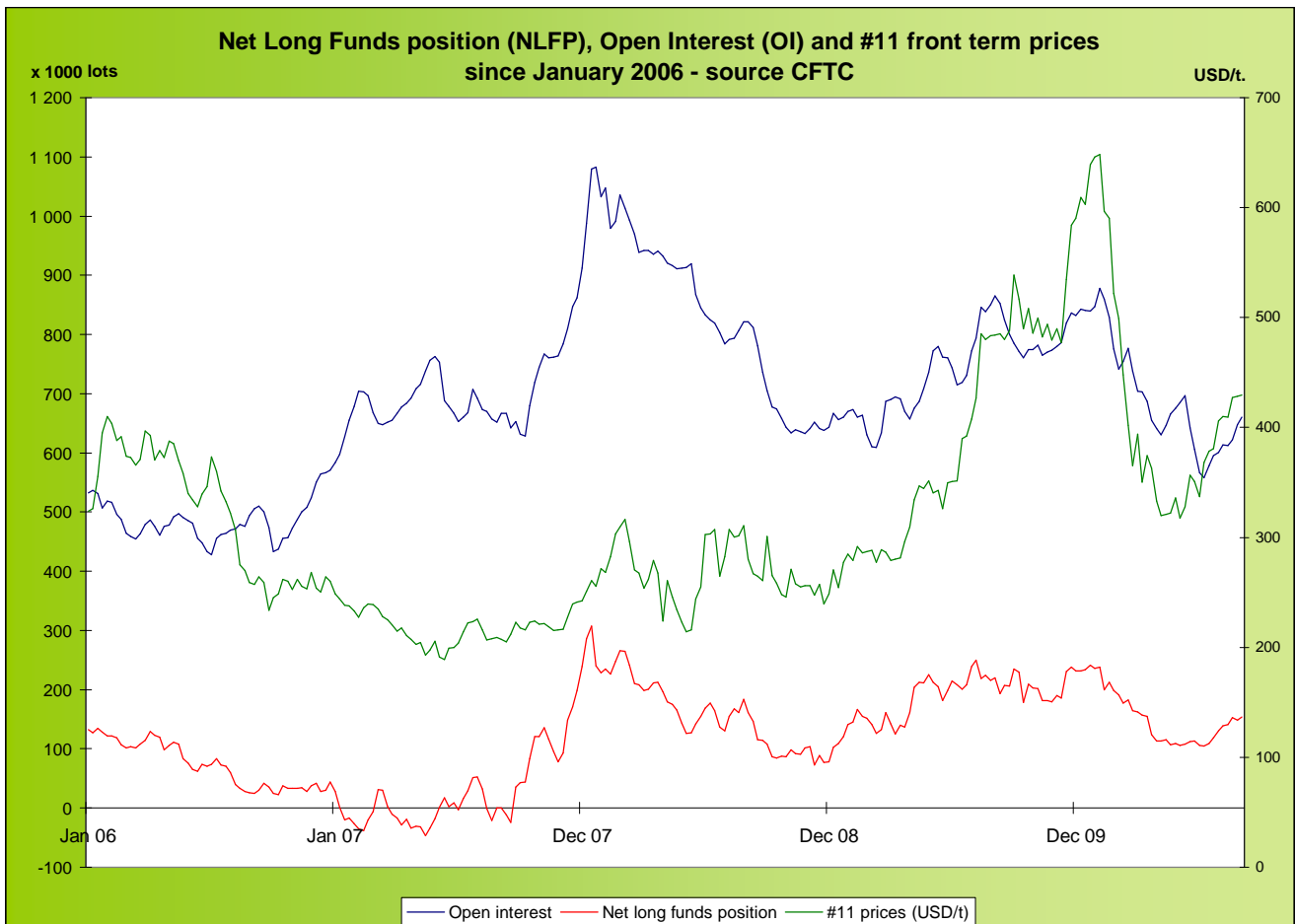
SUGAR #11 & #5 - Open interest + Funds positions

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



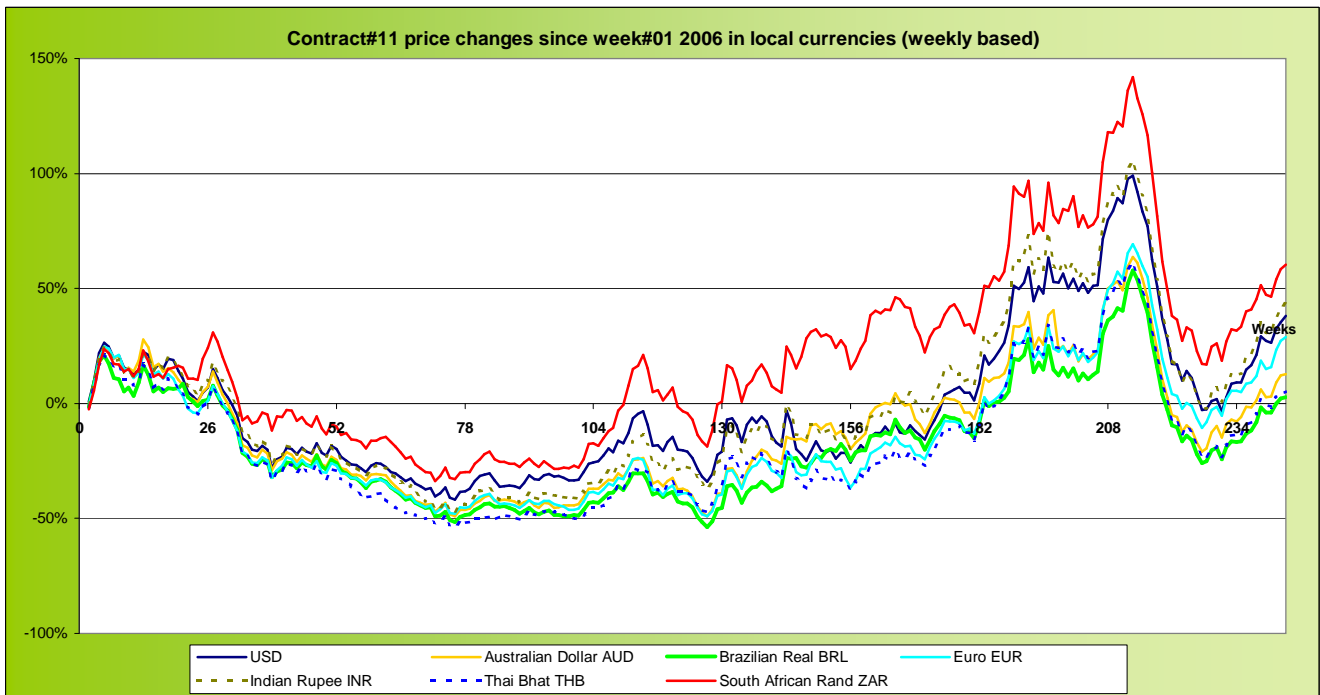
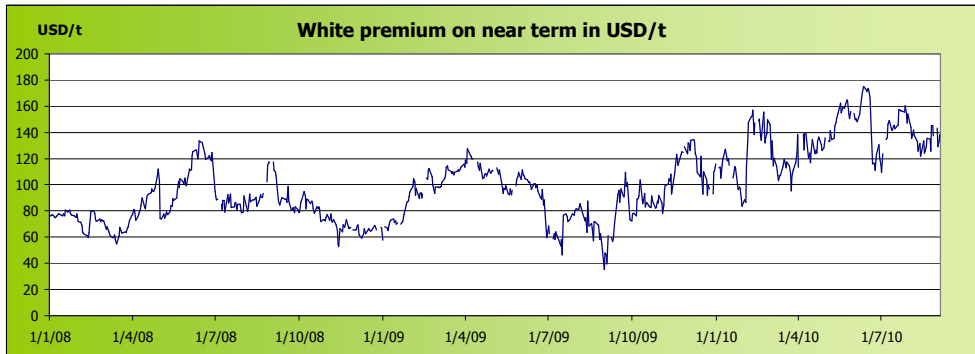
#11 Average weekly open interest				
(1000 lots)	Week n-1	Week n	Diff (lots)	Diff (%)
Oct 10 - R	251025	236440	-14585.0	-6%
Mar 10 - R	169611	189097	19486.2	11%
May 11 - R	51134	52279	1145.2	2%
Jul 11 - R	79800	85251	5451.2	7%
Total	571090	665659	94569.2	17%

#5 Average weekly open interest				
(1000 lots)	Week n-1	Week n	Diff (lots)	Diff (%)
Aug 10 -W	31.5	25.3	-6.2	-20%
Oct 10 -W	16.8	18.6	1.7	10%
Dec 10 -W	10.3	12.0	1.7	16%
Mar 11 -W	4.5	4.7	0.2	5%
Total	67	65	-2.2	-3%



From 26th of april to 7th of may 2010

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

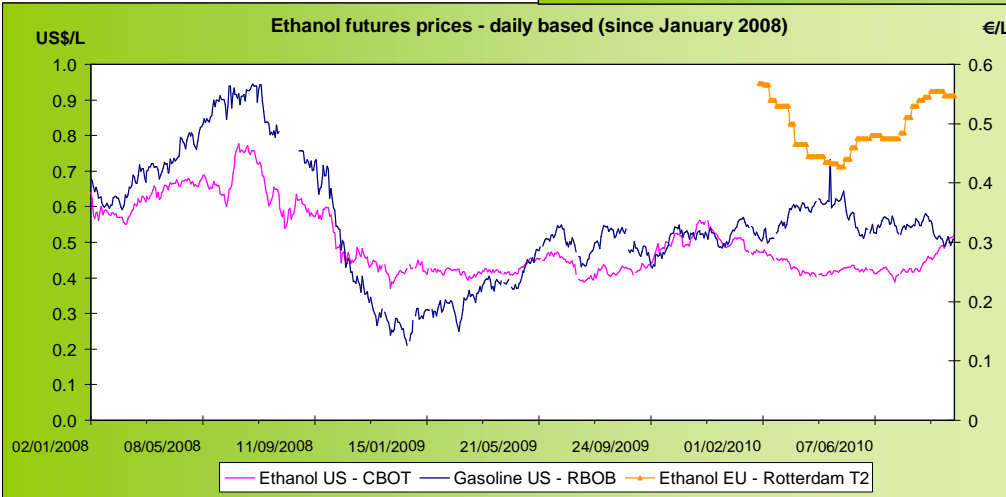
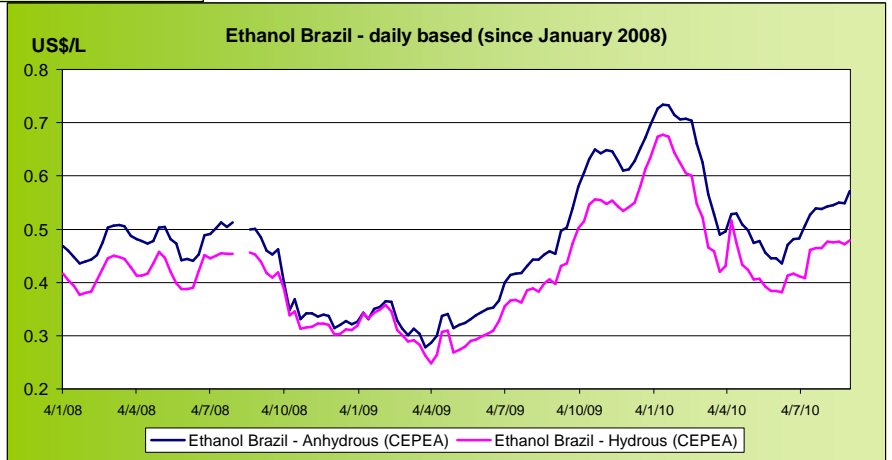
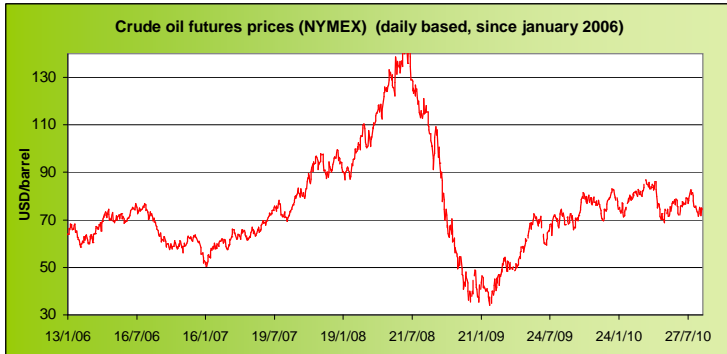
Currencies	Sugar prices in currency	Sugar prices in currency	Difference from previous week	Difference from previous week	Difference from week#1
	Past week	Current week	In currency	In %	In %
USD	438.7	447.4	8.7	2.0%	38.1%
Australian Dollar AUD	492.6	494.7	2.1	0.4%	12.7%
Brazilian Real BRL	767.9	772.3	4.4	0.6%	2.7%
Chinese Yuan CNY	2977.6	3039.7	62.1	2.1%	16.3%
Euro EUR	345.4	349.9	4.5	1.3%	28.8%
Indian Rupee INR	20503.1	20861.7	358.6	1.7%	43.6%
Mexican Peso MXN	5672.5	5835.7	163.2	2.9%	69.8%
Russian Rouble RUB	13423.5	13667.9	244.4	1.8%	46.9%
Thai Bhat THB	13685.2	13865.5	180.3	1.3%	5.2%
South African Rand ZAR	3207.1	3249.1	42.0	1.3%	60.4%

Sugar prices and currencies data are based on weekly average.



From 26th of april to 7th of may 2010

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)	0.4957	0.5155	0.0198	3.99%	-8.8%
Ethanol CBOT (USD/gal)	1.8738	1.9486	0.0748		
Oil (USD/barrel)	73.16	74.03	0.87	1.19%	16.3%
Gazoline RBOB (USD/l)	0.5000	0.5024	0.002	0.47%	164.0%
Sugar #11 (USD/t)	438.68	447.36	8.7	1.98%	38.1%
Products	Past week	Current week	In USD	In %	In %
Ethanol CEPEA (USD/l) - Anhydrous	0.5491	0.5712	0.0221	4.02%	21.5%
Ethanol CEPEA (USD/l) - Hydrous	0.4718	0.4788	0.0070	1.48%	6.7%
Products	Past week (€/l)	Current week (€/l)	In €	In %	In %
Ethanol EU - Rotterdam T2	0.5475				



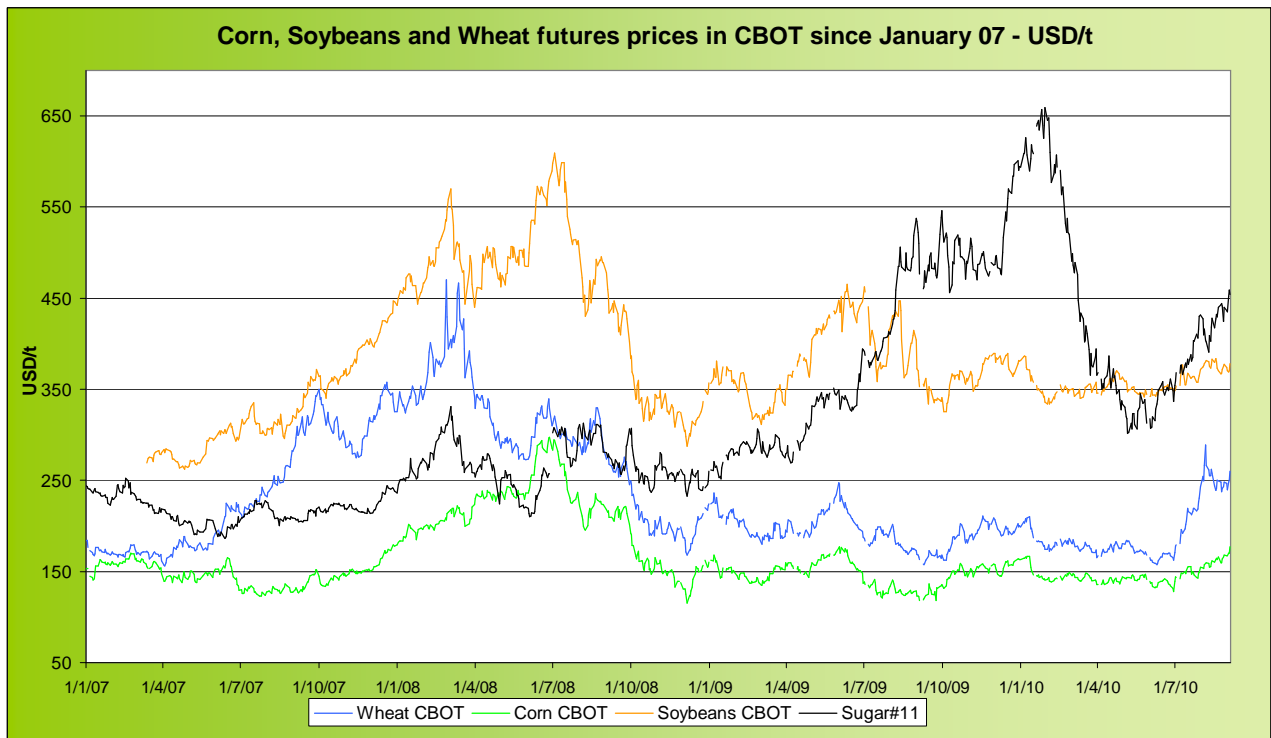
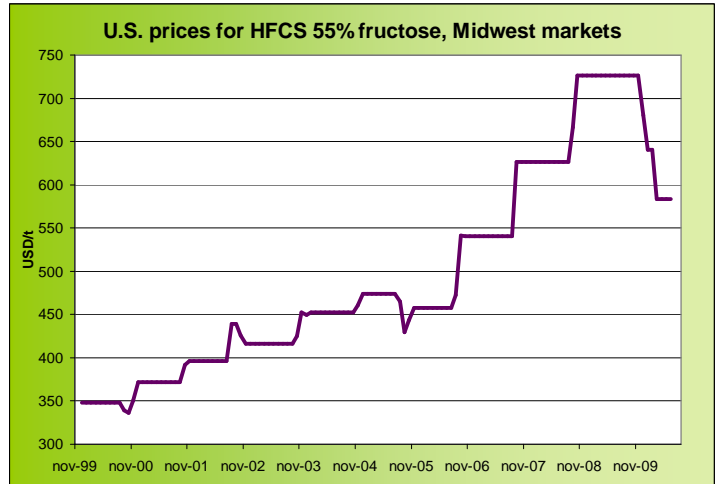
From 26th of april to 7th of may 2010

GRAINS MARKETS - Corn, Soybeans, Wheat and HFCS

Price changes

	Current month-3	Current Month-2	In USD
HFCS 55 - USD/t	583.18	583.18	0.00
HFCS 55 - cts/lb	26.46	26.46	0.00

Dry weight, monthly averages, source Milling and baking news



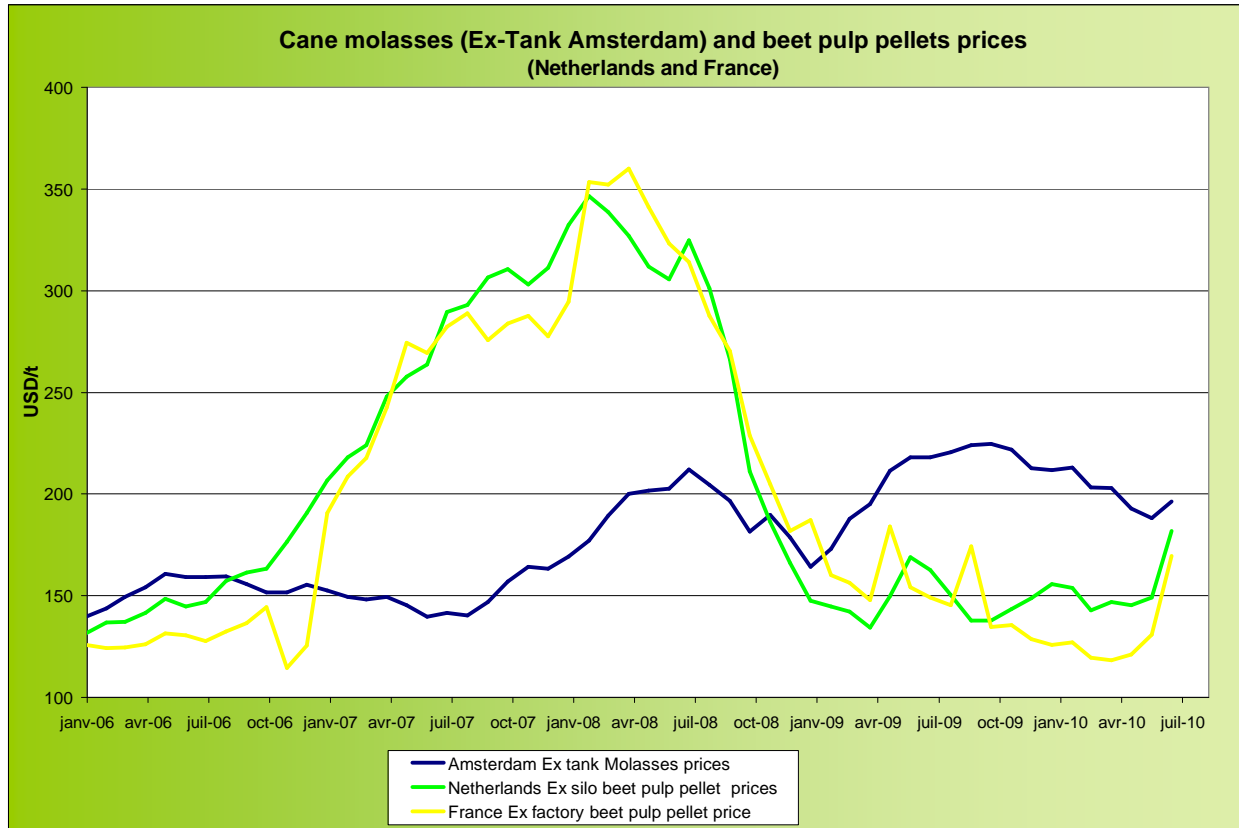
Corn, soybeans and wheat prices, changes from the past week and from the week#01 2006 in USD/t and in percentage

Products		Front term	Front term	Difference	Difference	Diff week#1 2006
		Past week	Current week	In USD	In %	In %
Corn (CBOT)	USD/t	163.35	170.44	7.09	4.3%	100.7%
	cts/bsl	414.92	432.92	18.00		
Soybeans (CBOT)	USD/t	371.99	372.35	0.37	0.1%	68.6%
	cts/bsl	1012.48	1013.48	1.00		
Wheat (CBOT)	USD/t	243.69	248.94	5.25	2.2%	99.8%
	cts/bsl	663.28	677.56	14.28		



From 26th of april to 7th of may 2010

BY-PRODUCTS - Molasses and Beet Pulp



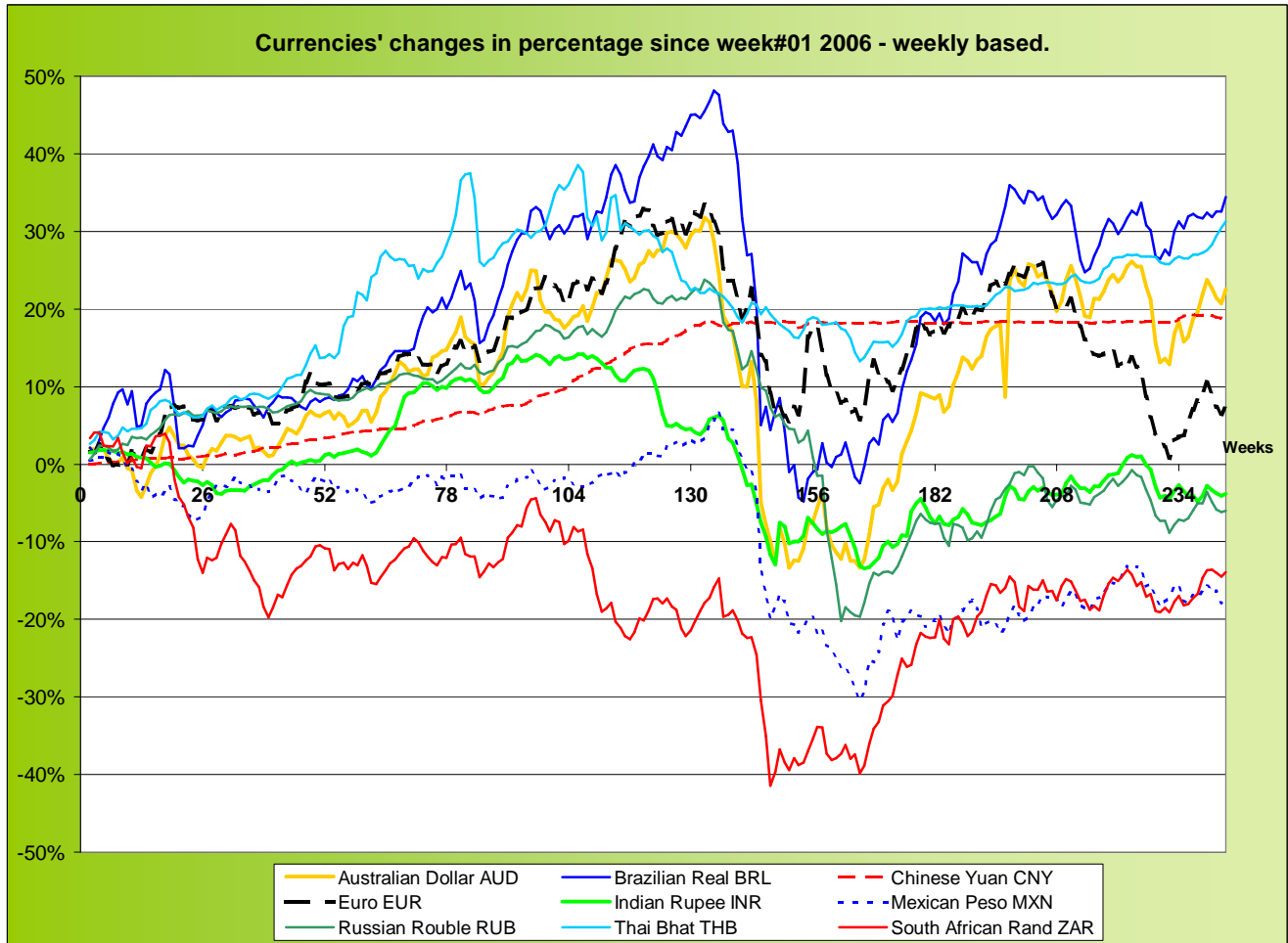
Molasses and beet pulp pellets prices and changes between three and two months before and from month#01 2006

		Commodity	Commodity	Difference from previous month	Difference from previous month	Difference from month#1 2006
<i>Products</i>		Month -3 (apr)	Month -2 (may)	In USD and €	In %	In %
<i>Amsterdam Ex tank Cane Molasses</i>	<i>USD/t</i>	188.10	196.43	8.33	4.4%	40.6%
	<i>EUR/t</i>	154.00	154.00	0.00	0.0%	33.3%
<i>Netherlands Beet Pulp Pellets</i>	<i>USD/t</i>	148.96	181.95	33.00	22.2%	38.5%
	<i>EUR/t</i>	121.95	142.65	20.70	17.0%	31.3%
<i>Products</i>		Month -3 (apr)	Month -2 (may)	In USD and €	In %	In %
<i>France Beet Pulp Pellets</i>	<i>USD/t</i>	130.70	169.64	38.95	29.8%	34.9%
	<i>EUR/t</i>	107.00	133.00	26.00	24.3%	27.9%



From 26th of april to 7th of may 2010

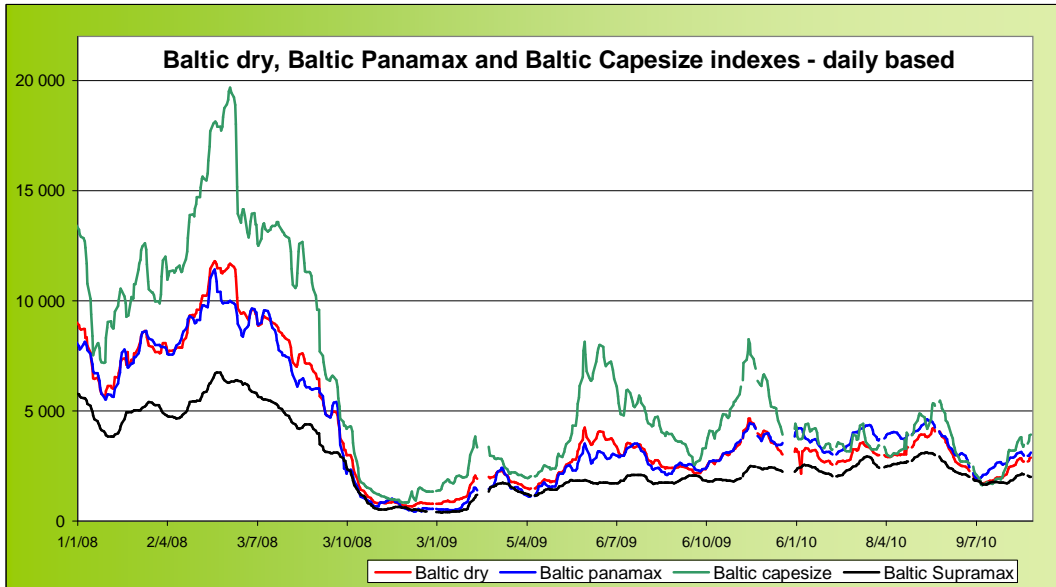
EXCHANGE RATES



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

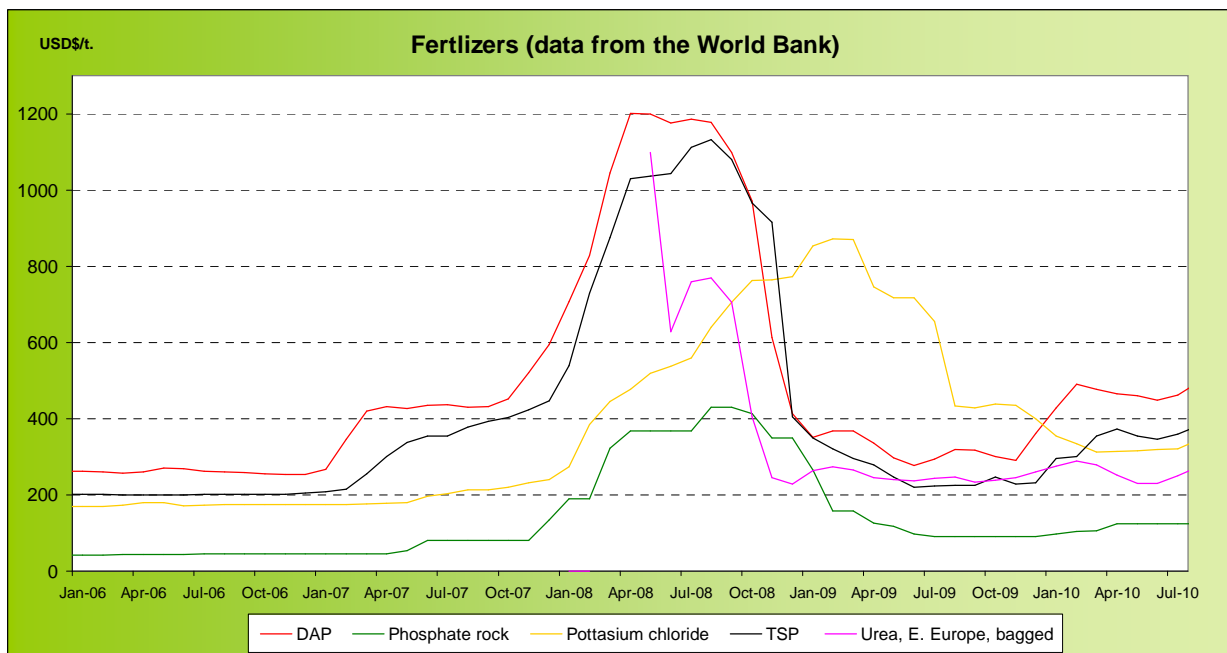
Currencies	Currencies in USD - Week#:	Currencies in USD - Week#:	Difference from previous week	Difference from previous week	Difference from week#1 2006
	Past week	Current week	In USD	In %	In %
<i>Australian Dollar AUD</i>	0.8906	0.9042	0.01370	1.5%	22.6%
<i>Brazilian Real BRL</i>	0.5713	0.5793	0.00800	1.4%	34.5%
<i>Chinese Yuan CNY</i>	0.1473	0.1472	-0.00015	-0.1%	18.7%
<i>Euro EUR</i>	1.2702	1.2786	0.00836	0.7%	7.2%
<i>Indian Rupee INR</i>	0.0214	0.0214	0.00005	0.2%	-3.8%
<i>Mexican Peso MXN</i>	0.0773	0.0767	-0.00067	-0.9%	-18.7%
<i>Russian Rouble RUB</i>	0.0327	0.0327	0.00005	0.2%	-6.0%
<i>Thai Bhat THB</i>	0.0321	0.0323	0.00021	0.7%	31.3%
<i>South African Rand ZAR</i>	0.1368	0.1377	0.00091	0.7%	-13.9%

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 %
Baltic dry	2778.0	2233.0	-545.0	-19.6%	-51.8%
Baltic Supramax	2119.6	1617.0	-502.6	-23.7%	-45.9%
Baltic panamax	3068.0	2411.6	-656.4	-21.4%	-44.4%
Baltic capesize	3577.2	2999.2	-578.0	-16.2%	-51.2%



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)



From 26th of april to 7th of may 2010

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	438.68	447.36	8.69	2.0%	38.1%
	Cts/lb	19.90	20.29	0.39		
Sugar #5	USD/t	576.28	586.03	9.75	1.7%	66.1%
Corn (CBOT)	USD/t	163.35	170.44	7.09	4.3%	100.7%
	cts/bsl	414.92	432.92	18.00		
Soybeans (CBOT)	USD/t	371.99	372.35	0.37	0.1%	68.6%
	cts/bsl	1012.48	1013.48	1.00		
Wheat (CBOT)	USD/t	243.69	248.94	5.25	2.2%	99.8%
	cts/bsl	663.28	677.56	14.28		
Ethanol	EU (€/l)	0.55	0.55	0.00	0.0%	
	US (USD/l)	0.4957	0.5155	0.02	4.0%	-8.8%
	Brazil (USD/l) Anhydrous	0.5491	0.5712	0.02	4.0%	21.5%
Crude oil	USD/barrel	73.16	74.03	0.87	1.2%	16.3%
Freight supramax	Index	2119.60	1617.00	-502.60	-23.7%	-45.9%

IN BRIEF (Source : FO Licht Sugar Daily)

Belgium : Total sugar output may fall by around 14% to 750 000 t, raw value, from 889 000 t last year.

Brazil (Centre/South region only) : as of August 16, the total cane crush in Centre/South region has reached 338 Mt, almost 60% of the total expected for the current season (2010/11). Sugar production reached 19,5 Mt. Ethanol production reached 14.8 bln litres of which around 11 bln litres hydrous alcohol and the remainder anhydrous. The total cane crush is now seen at 570,1 Mt, down from a previous estimate of 595,9 Mt (The 2009/10 cane harvest was 542 Mt).

Germany : Sugar production in 2010/11 is forecast to reach 3,672 Mtwv, down from 4,207 Mt produced in 2009/10. These quantities include the white sugar equivalent used for fuel ethanol production.

India: The area under sugarcane cultivation grew by 14,1% to 4,77 Mha as of August 20, government data showed. India's summer planting season starts in the 11th week of May and picks up with the onset of monsoon rains in June.

Indonesia : The country will enter its wet season in October this year, slightly earlier than usual, with heavy rains predicted to last until January 2011, the country's state weather agency said. Total sugar production is estimated to reach 2,48 Mt according to the Agriculture Ministry.

ISO : The ISO is expecting a surplus in 2010/11 (Oct/Sep) to reach 3,22 Mt compared with a deficit of 4,95 Mt in 009/10. Production is put at 170,38 Mt, up 7% year-on-year, while consumption will rise by only 2% to 167,15 Mt. Most of the production increase is in India where output will rise by nearly 7 Mt to 25 Mt. As a result, India may have net exports of 945 000 t compared with net imports of 3,3 Mt in 2009/10, the ISO said.

Mexico: Sugar production in 2010/11 will reach at least 5,1 Mt, tel quel, the Sugar and Alcohol Chamber said. Mexican sugar exports to the US could reach close to 1 Mt over the next 18 months. Due to abundant rains.

Philippines : Sugar production in 2010/11 is put at 1,87 Mt, down from 1.97 forecast for the 2009/10 crop. This would be the third consecutive year of falling production.

Russia : The 2010/11 season is off to an early start. The industry has produced 106 800 t of white sugar from beet in the period to August 21 compared with 5 600 t during the same period a year ago, the Russian Sugar Producers Union said. Hot weather has prompted Russia's southern regions to start harvesting sugar beet three weeks earlier than last year. The area to be harvested in 2010/11 is estimated at 968 000 ha, up from 779 000 ha in 2009/10. On the basis of the current beet test results, the lower yields may compensate for the higher area with total production remaining at 3,5 Mtrw (unchanged compared to 2009/10).

Switzerland : The total beet harvest in 2010 is now forecast at 1,4 Mt, the industry said. In order to give the crop more time for the development beet slicing will not start before September 30.

USA : Increased tightness in the US raw sugar market has prompted the USDA to allow 2011 sugar imports to enter from September 1, a month earlier than usual. At the same time, the deadline for 2010 imports will be extended by a month to October 31. In July, the USDA made an early announcement of its import quota for 2011 of 1,231 million short tons rw, the minimum amount it is obliged to accept under WTO commitments. In fiscal 2010, the USDA also started off with the WTO minimum but later increased the sugar quota twice by a total of 500 000 short tons.