



# The Beet Brief

7 May 2021

## UK beet price tracker

£/adjusted tonne	Base price, £/t (inc. crown tare)	Bonus, €/t (latest month)	ECB £/€ rate (monthly average)	Bonus, £/t (latest month)	Bonus, £/t (cumulative to Nov)
2020 one-year contract	<b>£20.99</b> (contracted at £19.60 / zero crown)	<b>EU+UK prices no longer being reported</b>			<b>£0.018</b>
2018 three-year contract	<b>£22.50</b>	<i>Market bonus from December onwards will be based on British Sugar's sales price compared to the EU average, relative to British Sugar's existing premium/discount pre-Brexit.</i>			<b>0</b>
2020 three-year contract	<b>£21.90</b> (contracted at £20.45 / zero crown)				<b>0</b>

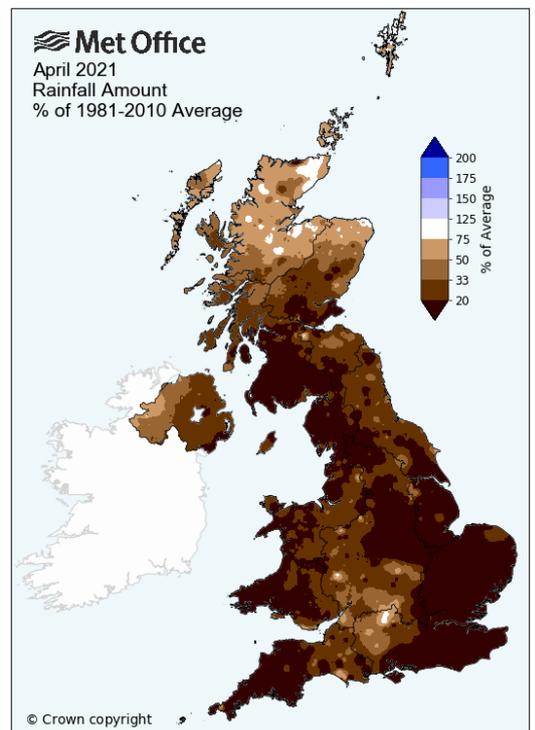
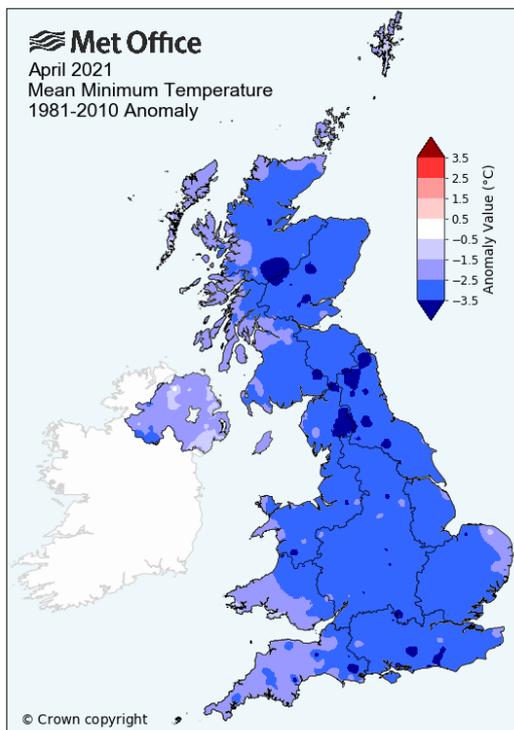
Bonuses apply when EU+UK price >€475/t (2018 contract), >€400/t (2020 3-year contract) or >€375/t (2020 1-year contract).

### Highlights

- The EU27 average white sugar price in Feb 2021 was €390/t, up €2/t from the January figure.
- Cold, dry April weather will have held back rapid growth but is not likely to significantly influence UK yields
- Particularly harsh frosts in some EU areas are expected to shave the top end off European yield potential

**The average EU27 white sugar price in February 2021 was €390/t**, only slightly above the January figure. As we have shown in previous editions of The Beet Brief, this is not unexpected as the nature of European sugar contracting structures means that month-on-month prices changes are often small outside of the main contract periods when new contracts would commence.

**April has been noticeably dry and cold in the UK (see maps), with the lowest average daily minimum temperature in East Anglia in over 100 years preventing rapid progress in the crop, though not causing widespread damage either.** However, perhaps unsurprisingly given the length of time the crop has in the ground, there is no clear correlation between either temperature or rainfall in April and final yields at either a national or regional level. [As shown in the July 2018 edition](#), June rainfall historically holds a strong relationship with final yields. However, the springtime relationship appears weaker. There appears to be some association between drier springs and generally higher yields (2010 and 2020 apart, for obvious reasons), suggesting if dry weather continues throughout the season there could be an influence on yield, though this would easily be overridden by stronger factors that may emerge later in the year.



Reviewing the last 10 years suggests dry (and by association, frosty and sunny) Aprils are becoming more of a pattern. There have been much more dry, frosty and sunny Aprils compared to the long term average than wetter, cloudier Aprils. While of course this is simply observation and not robust climate science, if this is to be a pattern that continues these will each have different impacts on the crop which should be planned for.

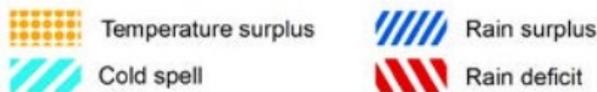
**Across the European beet belt, April has been cold and unusually frosty, with further particularly sharp frosts in France in the first half of April and further east later in the month.** While the dryness in April was more pronounced in the UK than elsewhere in the beet belt, the cold weather will have impacted crops in some way across the region (see figure 2). The consensus at this point seems to be that while it is too early to forecast yields and therefore the impact on the European market balance for 2021/22 with any certainty (noting that area changes alone imply a deficit market), the likelihood of above average yields has reduced.

Further to the damage reported last month, additional hard frosts have led to the ITB now estimating that 60kha of beet has been destroyed in France—equal to about half of the entire UK crop, and around 15% of the French beet area. Although the yield from later drilled beet can still be respectable if conditions are favourable, this clearly takes the edge off the yield potential of a sizeable chunk of the French crop. Furthermore, our French counterparts tell us that a particular concern is that under the terms of their Emergency Authorisation, re-drilled beet cannot be treated with neonics. Combined with the anticipated later flight of aphids this year, it means these crops will be potentially vulnerable at the peak of the aphid flight there.

Harsh frosts also hit southern Germany in mid-April and eastern Germany/Poland in late April, though it is too early to tell the scale of the impact.

### AREAS OF CONCERN - EXTREME WEATHER EVENTS

Based on weather data from 1 March 2021 until 21 April 2021



Next issue expected: Friday 4 June 2021



Your NFU Sugar:  
Helpline: 0370 066 1974

Written by Arthur Marshall

Arthur.Marshall@nfu.org.uk 07827 291 684

Michael Sly | Simon Smith | James Northen | Greg Brighthouse | Charlie Parkin | Arthur Marshall  
Chairman | Vice Chairman | Head of Sugar | Beet Intake Manager | Sugar Adviser | Senior Commercial Analyst