



Sugar #11 and #5 : prices

August: sugar decreased for the second consecutive month and approached 15cts/lb...

This month, speculators – who began to leave the sugar market in July – were, once again, the main drivers of the market. For the second consecutive month, they went away from sugar and ended August with net short positions not far from the ones they had in January – when sugar went under 15cts/lb (p. 2)...

Speculators seemed to keep in mind that ‘El Niño’ would certainly not come soon, and that 2014-15 would be the 5th consecutive surplus year. Indeed, ISO published their last World Sugar Balance at the end of the month, which indicated a small surplus for 2014-15 (+1.3Mt compared to 4.0Mt last year and 9.7 the year before). Thus, we will have to wait another year to have a deficit... and begin to reduce our huge stocks, which, according to sources, amount to 42 to 47% of our annual consumption!

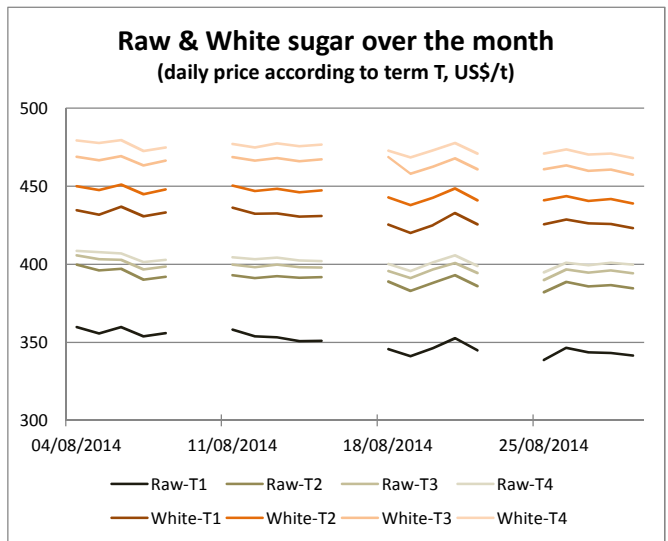
As a result, the raw sugar value lost 4 %, for the second consecutive month, on the front term: raw entered September under 15.50cts/lb (around 340US\$/t). White lost a bit less (-2%) but still entered September below 430US\$/t (p. 1). This gave the white premium a more reasonable value, over 80US\$/t, after days under 70US\$ in July (p. 3). The difference between terms was still incredibly huge (p. 1) and gave optimists some reasons to hope for a better sugar value next year...?

The impact of currency was low this month, keeping in mind that the Euro, compared to the dollar, lost 1.5% for the second consecutive month (p.7).

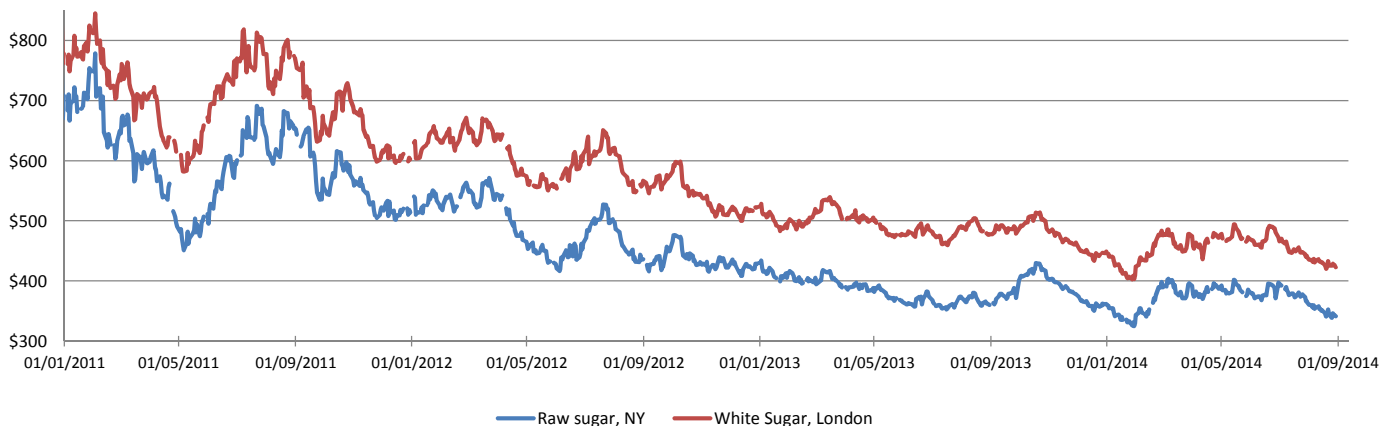
Corn seemed slightly convalescent in August, after the massive loss in July (-10%), and stayed around 140US\$/t throughout the month – as did wheat, staying around 200US\$/t. The dramatic fall was for soy (-12%) which reached its lowest 2-year value at 400US\$/t when entering September (p. 5).

Ethanol began to wake up (+6% in US, +13% in Europe), but was still very low: 0.57\$/l in USA, and just over 50€/hl in Europe. Petrol slightly decreased for the second consecutive month (almost -2%, p. 4). Freight indexes began to warm up – except for Supramax (the one used for sugar transportation) which remained surprisingly low (p.8).

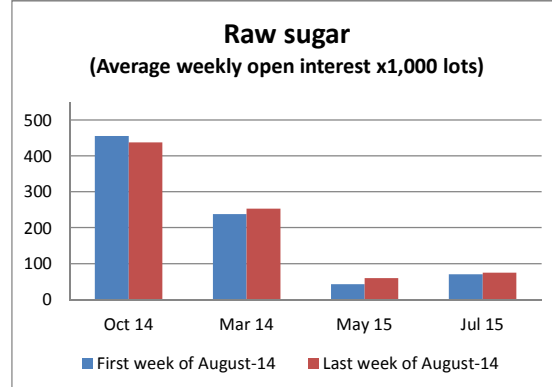
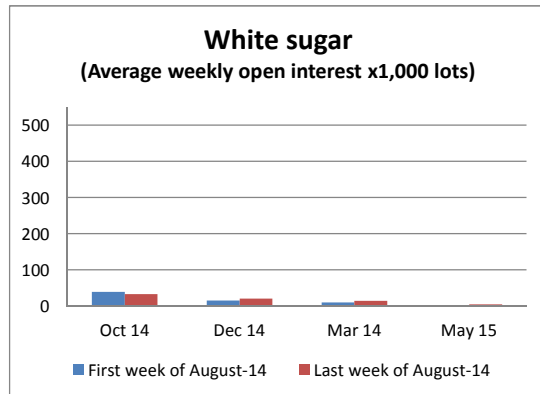
	Settling date	First week of August-14	Last week of August-14	Difference in currency	Difference in %
White sugar (sugar#5, London, \$/t)	Oct 14	433,4	425,9	-7,5	-1,7%
	Dec 14	448,3	441,2	-7,1	-1,6%
	Mar 14	467,0	460,4	-6,6	-1,4%
	May 15	476,9	470,8	-6,1	-1,3%
Raw sugar (sugar#11, NY, cts/lb)	Oct 14	16,19	15,54	-0,65	-4,0%
	Mar 14	17,92	17,49	-0,43	-2,4%
	May 15	18,21	17,89	-0,32	-1,8%
	Jul 15	18,39	18,11	-0,29	-1,6%
Raw sugar (sugar#11, NY, \$/t)	Oct 14	357,0	342,6	-14,37	-4,0%
	Mar 14	395,0	385,5	-9,5	-2,4%
	May 15	401,4	394,3	-7,1	-1,8%
	Jul 15	405,5	399,2	-6,3	-1,6%
Premium	Oct/Oct	76,5	83,3	6,9	9,0%



Sugar#11 and #5 prices since January 2010
front term, US\$/t

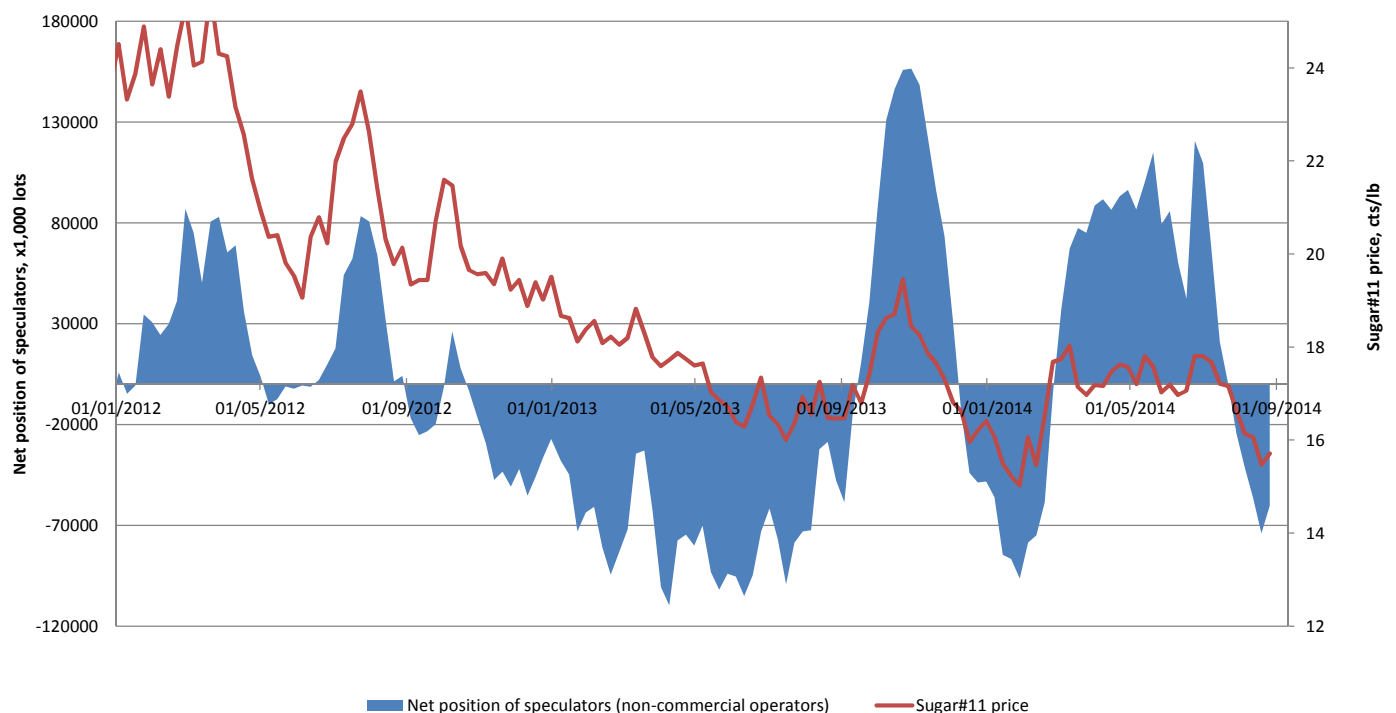


Sugar #11 and #5 : open interest & non-commercial operators positions



Term	Average weekly open interest per term (x1,000 lots)							
	White sugar (sugar#5, London, 1lot=50t)				Raw sugar (sugar#11, NY, 1lot=112,000lb=50.8t)			
	First week of August-14	Last week of August-14	Difference in currency	Difference in %	First week of August-14	Last week of August-14	Difference in currency	Difference in %
T1	39,0	32,9	-6,1	-15,7%	454,9	437,5	-17,4	-3,8%
T2	15,2	20,7	5,5	35,9%	237,3	252,6	15,3	6,4%
T3	10,5	14,7	4,2	39,7%	42,3	59,6	17,3	41,0%
T4	3,4	4,9	1,6	46,4%	70,4	74,6	4,2	5,9%
Total	71,8	77,6	5,7	8,0%	868,7	893,7	24,9	2,9%

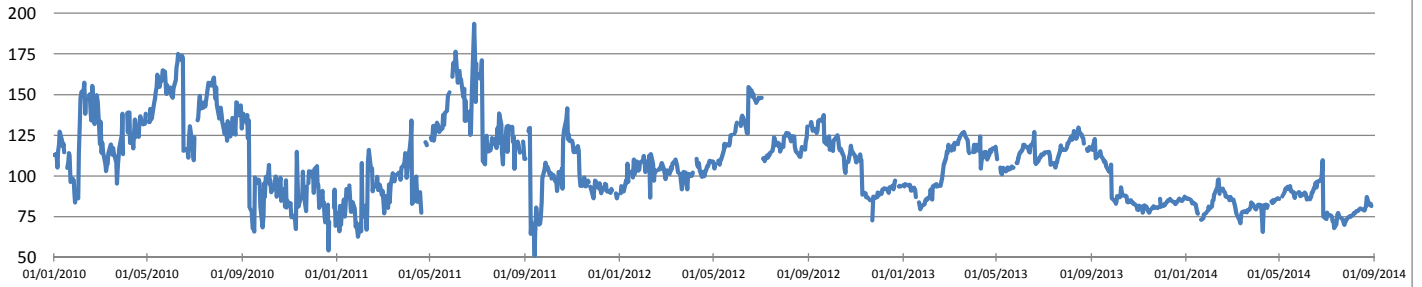
Net position of speculators on sugar#11 in New-York & front term prices



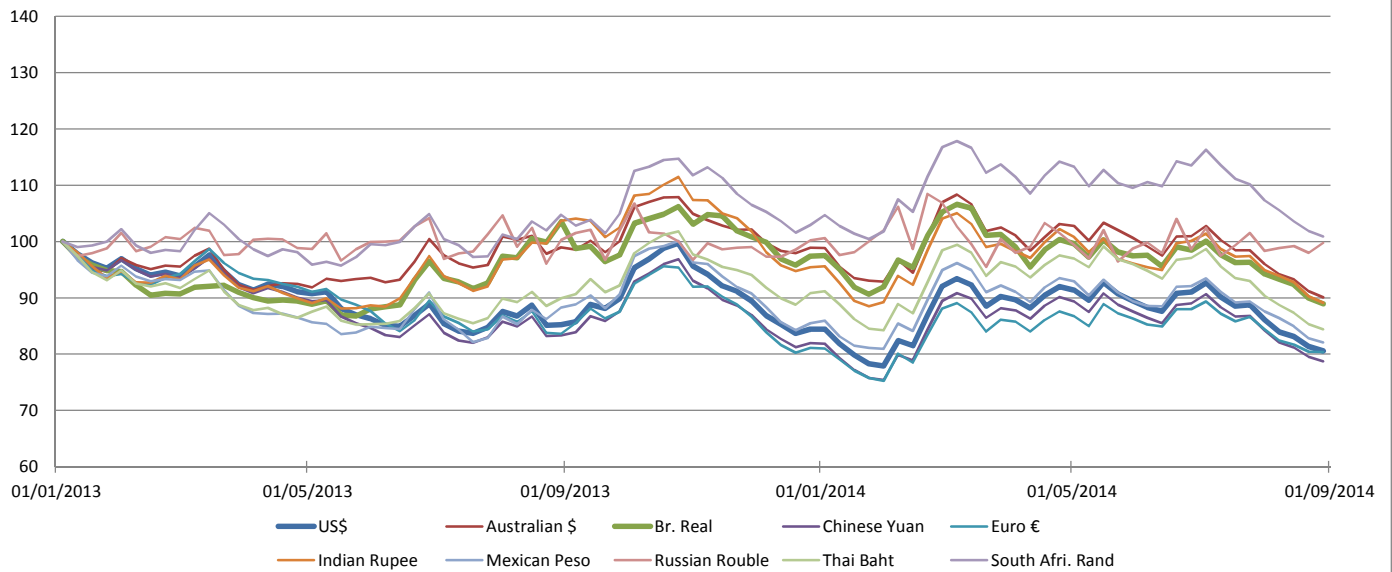


Sugar #11 : premium compared to Sugar#5 and prices in local currencies

Front term white premium since January 2010
Front term, US\$/t

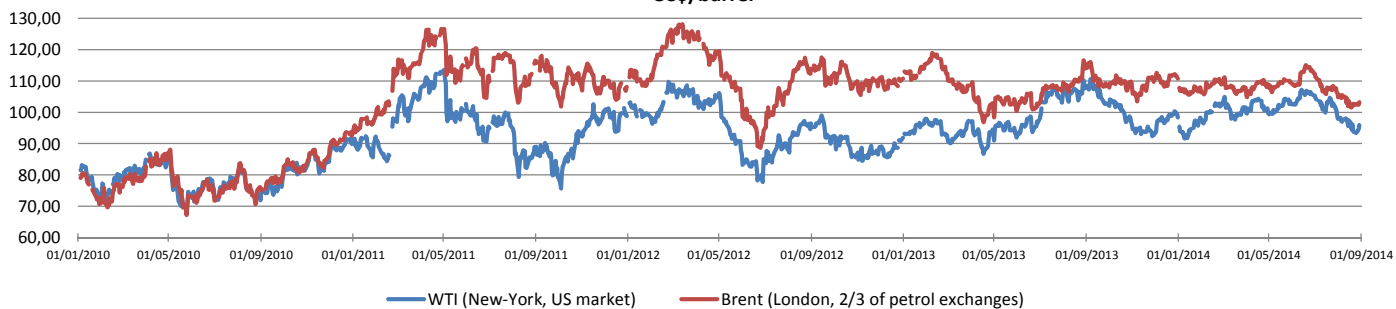
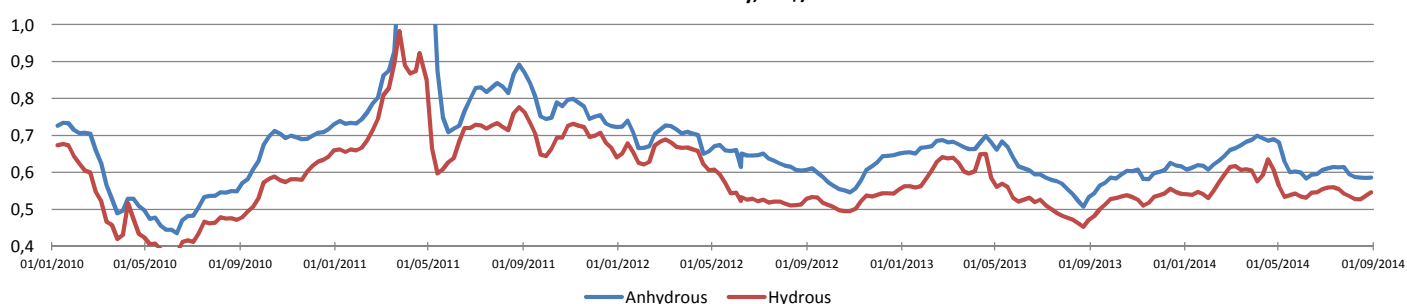
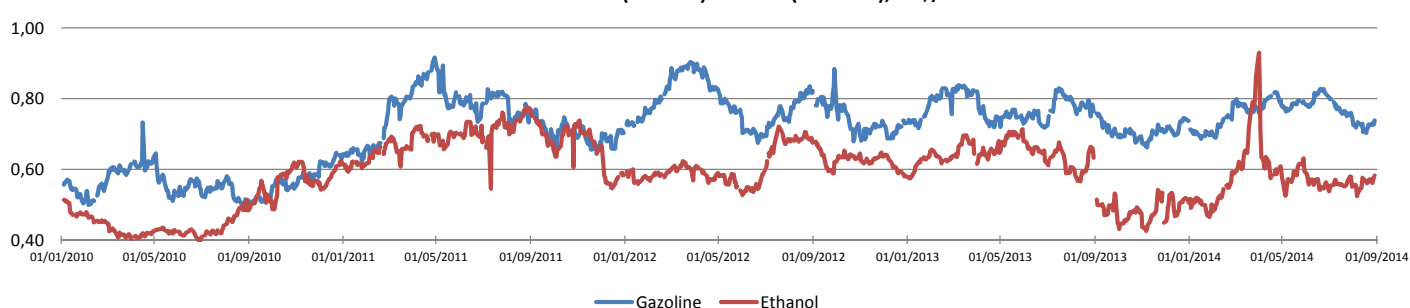


Price Changes since January 2010
Front term, in local currencies, from a Basis 100 on the 01/01/2010



Currency	Sugar#11 Front term			
	First week of August-14	Last week of August-14	Difference in currency	Difference in %
US \$	356,97	342,59	-14,37	-4,0%
Australian \$	383,75	367,25	-16,50	-4,3%
Brazilian Real	810,11	772,80	-37,31	-4,6%
Chinese Yuan	2 198,89	2 109,02	-89,88	-4,1%
European €	266,41	259,77	-6,64	-2,5%
Indian Rupee	21 807,58	20 695,32	-1112,26	-5,1%
Mexican Peso	4 724,08	4 488,92	-235,16	-5,0%
Russian Rouble	12 854,34	12 463,93	-390,41	-3,0%
Thai Bhat	11 467,56	10 904,91	-562,65	-4,9%
South African Rand	3 818,62	3 651,73	-166,88	-4,4%

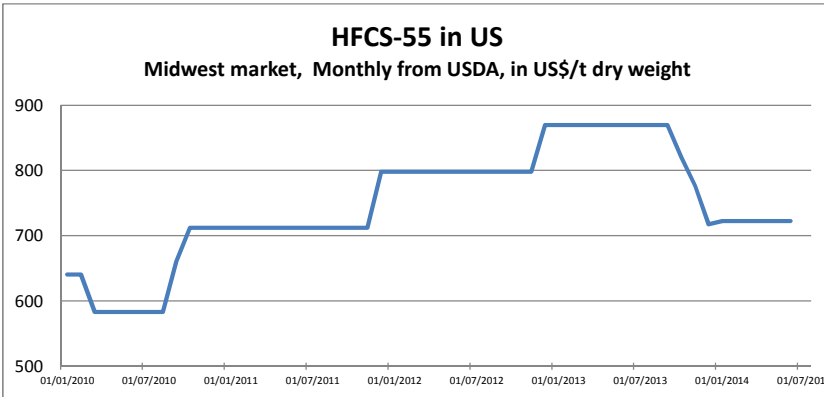
Energy markets : ethanol, crude oil & gasoline

Crude oil prices since January 2010
US\$/barrelFocus on BRAZIL : Ethanol in Sao Paulo since January 2010
Price Ex-distillery, US\$/lFocus on USA : Ethanol & Gasoline prices since January 2010
Front term CBOT (Ethanol) & RBOB (Gasoline), US\$/l

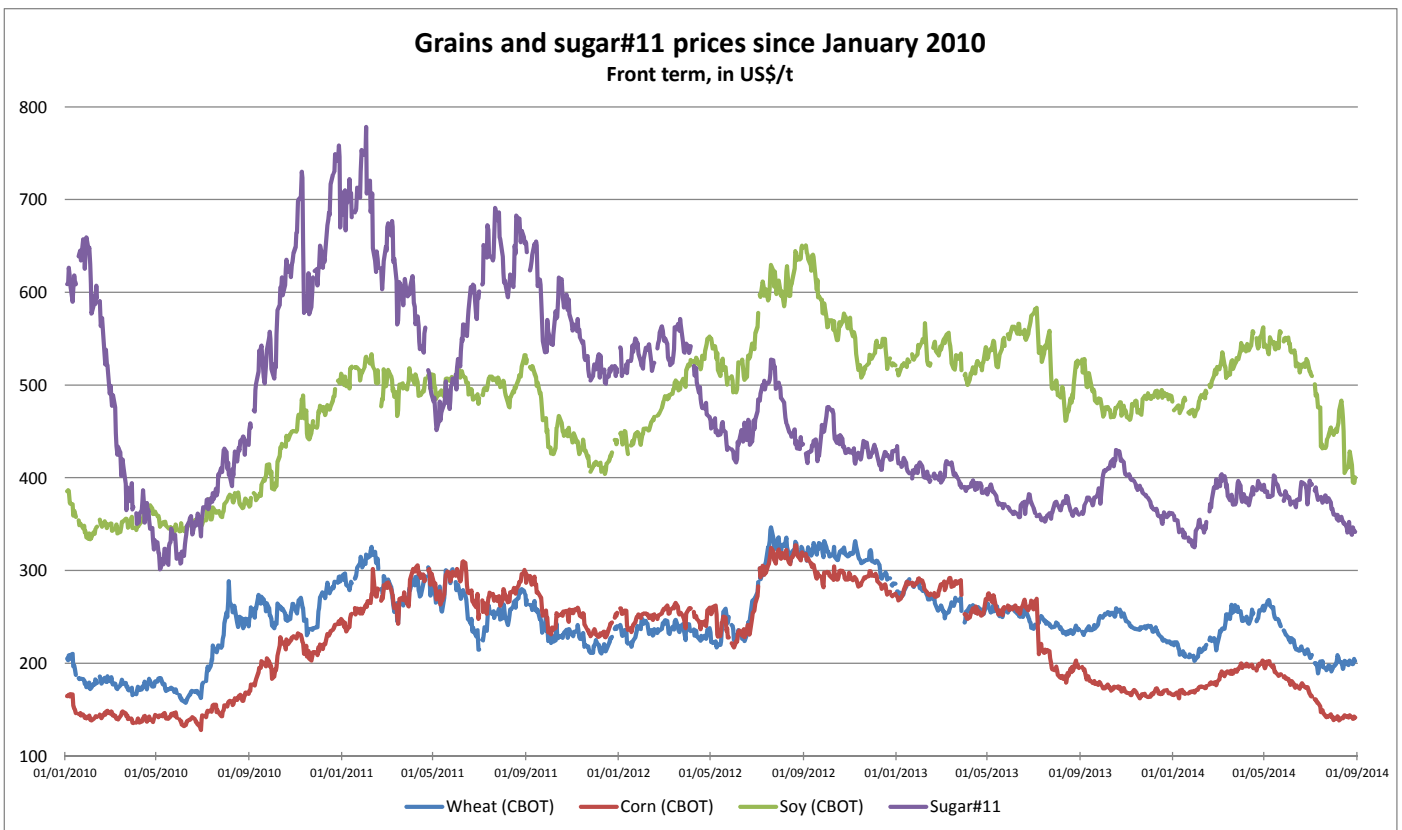
		First week of August-14	Last week of August-14	Difference in US\$	Difference in %	
Oil	WTI, US\$/barrel	97,52	94,32	-3,20	-3,3%	
	Brent, US\$/barrel	105,01	102,70	-2,31	-2,2%	
Gasoline	RBOB, US\$/l	0,73	0,73	0,00	0,7%	
Ethanol	In Brazil (ex. dist.)	US\$/l (Anh., S. Paulo)	0,59	0,59	0,00	-0,2%
		US\$/l (Hydr., Sao Paulo)	0,53	0,55	0,02	3,4%
	In USA (CBOT)	US\$/gal	2,04	2,17	0,12	6,1%
		US\$/l	0,54	0,57	0,03	
	In Europe (T2 Rtdam)	€/l	0,45	0,51	0,07	14,6%
US\$/l		0,60	0,67	0,08	12,9%	



Grain markets : corn, soybeans, wheat, HFCS

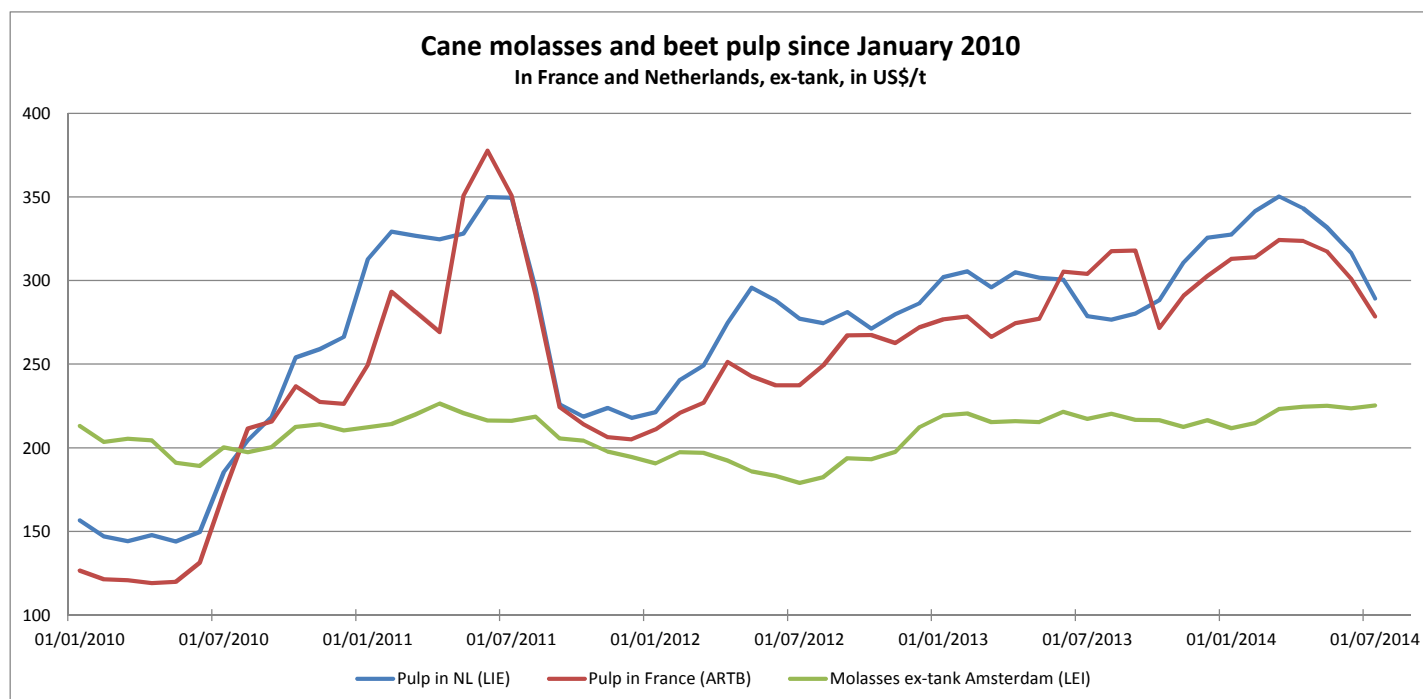


Dry HFCS 55 monthly Price in USA			
	July-13	July-14	Difference in %
US\$/t	869,48	722,69	-16,9%
cts/lb	39,45	32,79	



		Front term (CBOT)			
		First week of August-14	Last week of August-14	Difference in currency	Difference in %
Corn	US\$/t	140,91	141,16	0,26	0,2%
	cts/bsl	357,90	358,55	0,65	
Soy	US\$/t	457,56	400,48	-57,08	-12,5%
	cts/bsl	1 245,40	1 090,05	-155,35	
Wheat	US\$/t	203,93	201,19	-2,74	-1,3%
	cts/bsl	555,05	547,60	-7,45	

By-products : molasses and beet pulps

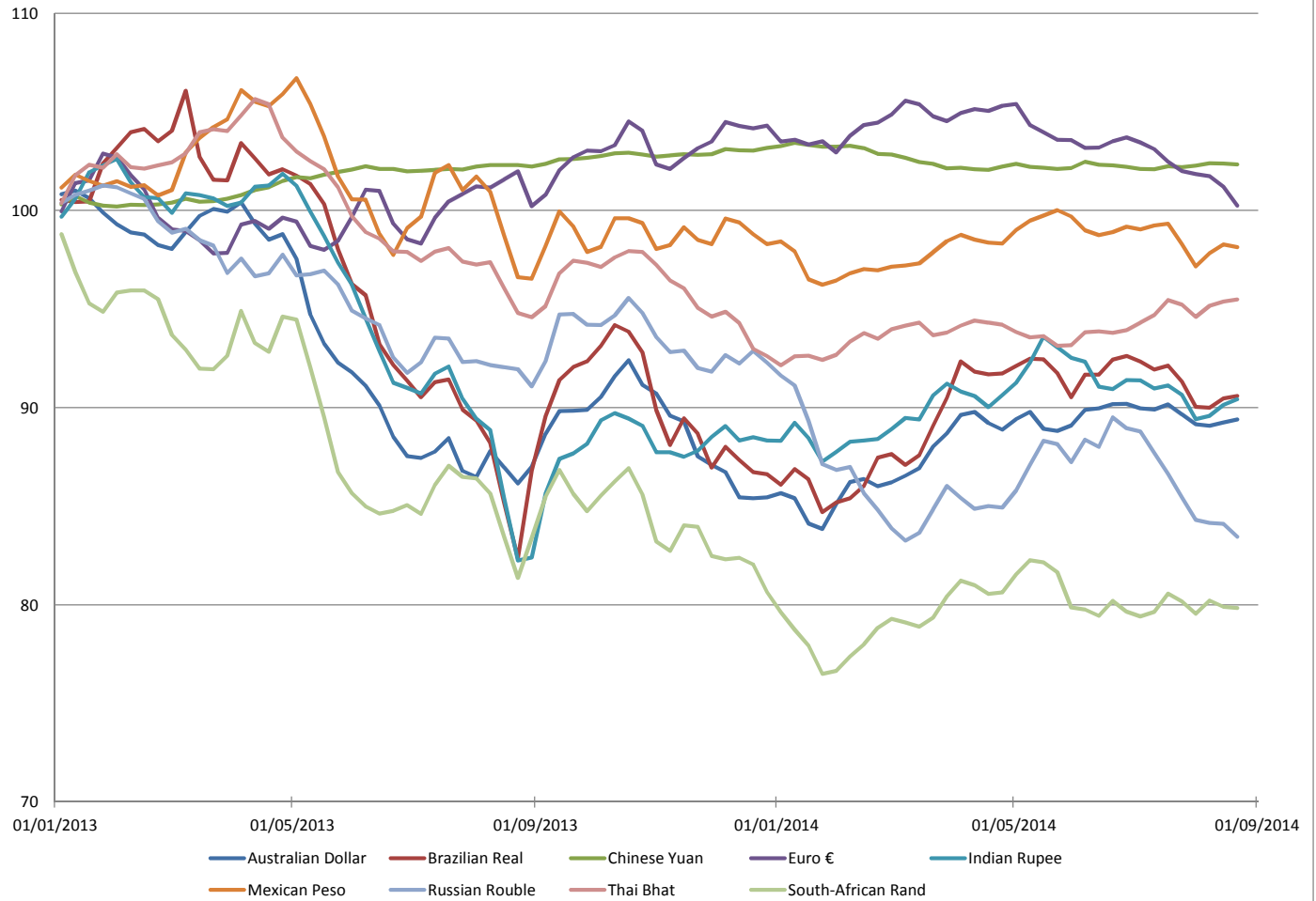


		By-products prices				
		July-14	June-14	Difference in currency	Difference in %	
Beet pulp pellets	NL	US\$/t	316,65	289,25	-27,40	-8,7%
		€/t	234,00	213,75	-20,25	-8,7%
	France	US\$/t	301,09	278,49	-22,60	-7,5%
		€/t	222,50	205,80	-16,70	-7,5%
Cane molasses (ex-tank Amsterdam)		US\$/t	223,62	225,31	1,69	0,8%
		€/t	165,25	166,50	1,25	0,8%



Exchange rates

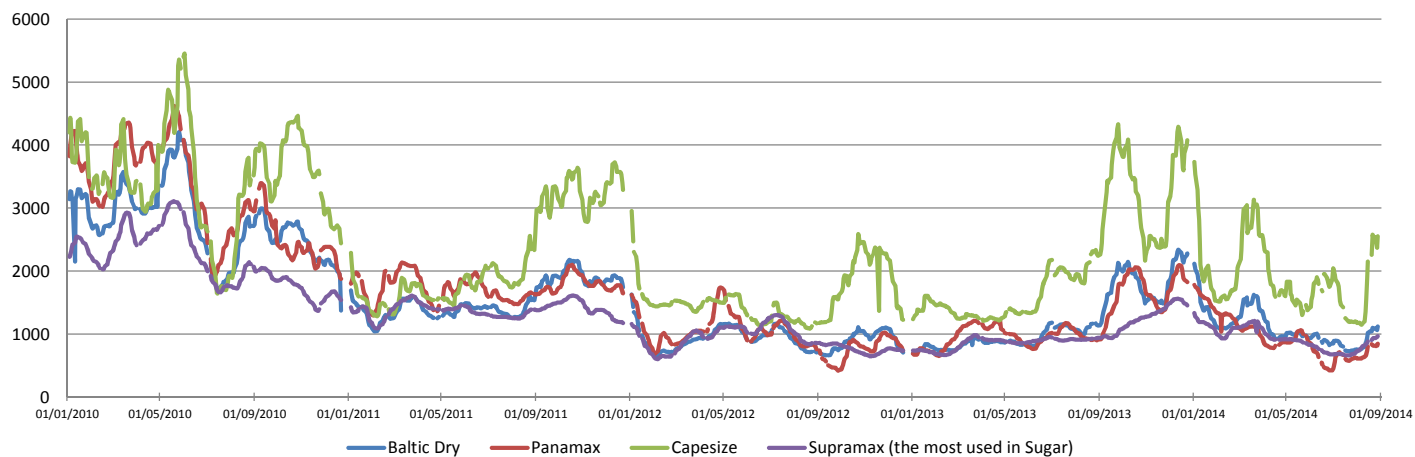
Currency changes, compared to US\$, since January 2013
Weekly based, basis 100 on the first week of 2010



Currency	Value of 1 US\$			
	First week of August-14	Last week of August-14	Difference in currency	Difference in %
Australian \$	0,9302	0,9329	0,0026	0,3%
Brazilian Real	0,4406	0,4433	0,0027	0,6%
Chinese Yuan	0,1623	0,1624	0,0001	0,1%
European €	1,3399	1,3188	-0,0211	-1,6%
Indian Rupee	0,0164	0,0166	0,0002	1,1%
Mexican Peso	0,0756	0,0763	0,0008	1,0%
Russian Rouble	0,0278	0,0275	-0,0003	-1,0%
Thai Bhat	0,0311	0,0314	0,0003	0,9%
South African Rand	0,0935	0,0938	0,0003	0,4%

Freight : Baltic indexes

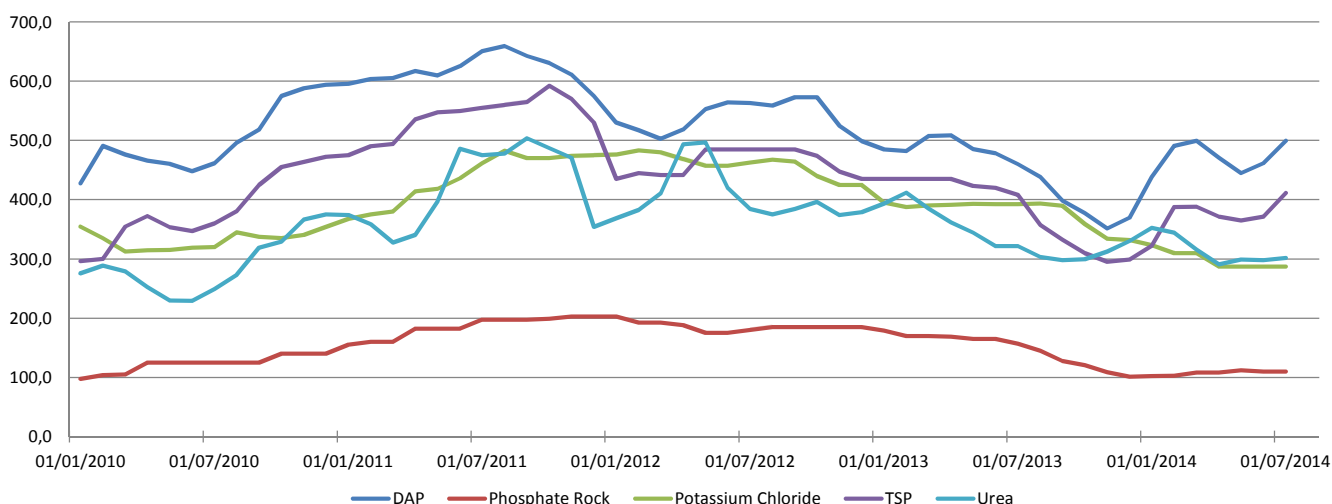
Freight indexes since January 2010



Index	Freight index (Baltic)			
	First week of August-14	Last week of August-14	Difference in index	Difference in %
Baltic Dry	762	868	106	14%
Baltic Supramax	770	759	-11	-1%
Baltic Panamax	614	655	41	7%
Baltic Capesize	1 162	1 976	814	70%

Fertilizers prices since January 2010

World bank, in US\$/t



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), up to September 2006 bulk, spot, f.o.b. US Gulf; from October 2006 onwards Tunisian, granular, f.o.b.

Urea (Black Sea), bulk, spot, for 1985-91 (June) f.o.b. Eastern Europe; 1991 (July) onwards f.o.b. Black Sea (primarily Yuzhnyy)



Market overview : the grower dashboard

			Freight index (Baltic)			
			First week of August-14	Last week of August-14	Difference	Difference in %
Sugar	Sugar#11	cts/lb	16,19	15,54	-0,65	-4,0%
		US\$/t	356,97	342,59	-14,37	
	Sugar#5	US\$/t	433,44	425,94	-7,50	-1,7%
Grains	Corn (CBOT)	cts/bsl	357,90	358,55	0,65	0,2%
		US\$/t	140,91	141,16	0,26	
	Soybeans (CBOT)	cts/bsl	1 245,40	1 090,05	-155,35	-12,5%
		US\$/t	457,56	400,48	-57,08	
	Wheat (CBOT)	cts/bsl	555,05	547,60	-7,45	-1,3%
		US\$/t	203,93	201,19	-2,74	
Ethanol	EU spot	€/l	0,45	0,51	0,07	14,6%
		US\$/l	0,60	0,67	0,08	12,9%
	US	US\$/l	0,54	0,57	0,03	6,1%
	Brazil Anydr.	US\$/l	0,59	0,59	0,00	-0,2%
Oil	Brent	US\$/barrel	105,01	102,70	-2,31	-2,2%
Freight	Supramax	Index	770	759	-11	-1,4%