Weekly Market Overview

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Indicative ICE 11 Prices

<table>
<thead>
<tr>
<th>Season</th>
<th>AUD/MT*</th>
<th>Weekly Change</th>
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</thead>
<tbody>
<tr>
<td>2019</td>
<td>460.21</td>
<td>-0.01%</td>
</tr>
<tr>
<td>2020</td>
<td>464.05</td>
<td>0.75%</td>
</tr>
<tr>
<td>2021</td>
<td>454.96</td>
<td>1.60%</td>
</tr>
<tr>
<td>2022</td>
<td>444.51</td>
<td>1.41%</td>
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*These figures are indicative of available ICE 11 prices as at 28 January 2020 and reflect the weighted average AUD/mt price. The prices have been adjusted to include Over-the-Counter margin fees charged by banking institutions and so may differ from daily prices quoted by the ICE 11 Exchange and/or other Marketers of Growers’ Economic Interest in Sugar. Values also do not account for any adjustments resulting from local Grower-Miller pricing arrangements.

Sugar

• Indian sugar exports have been lower than expected, despite a government export subsidy of $145.58/tonne. This is primarily due to Maharashtra state expecting much lower sugar production this season.
• The Commitments of Traders report as of 21 January 2020 showed speculators continued to buy contracts and have reached a 2-year record 111,000 lot net-long position (Those with a net-long position generally buy sugar contracts in the belief that the price will increase).

![Weekly Price Movements](image)

**Currency**

• The Australian Dollar fell slightly over the course of the week, closing the period at 0.6842 AUD/USD.
• Australia's December Labor Force data surprised the market, with a 28,900 gain in total employment and unemployment falling to 5.1%.
• The Coronavirus outbreak from China dragged down the Chinese Yuan and Australian Dollar. This may affect local tourism in the short to medium term.
The Australian inflation CPI (Consumer Price Index) was slightly stronger than expected at 0.7 quarter-on-quarter, compared to the predicted 0.6. This measure tracks the inflation on a weighted average price for a basket of consumer goods and services, such as transportation, food and medical care.

**Jargon Buster**

**Who are Speculators?**

Speculators in the ICE #11 market are participants who do not physically hold or want sugar. Instead, they attempt to make a profit by correctly predicting price movements. Speculators are ready to buy or sell instantly on any new information, bringing extra liquidity to the market.

QSL is Australia's largest and most experienced raw sugar marketer.

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