

Weather and Market Discussion

NYBOT:SB.V09.E

NYBOT SUGAR #11 (WORLD) Oct 2009 (E)

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Last week saw more choppy trade in world sugar, with Oct inching higher after dropping to below the 21 cent mark. Speculation about the size of the current Indian crop as well as expectations for next year are fueling the uncertainty on the supply side. India's southern cane belt received some needed moisture last week to help recharge dry soils, while the north remained on the dry side (see global summary map below). Brazil's pattern in the Centre-South was favorable for harvest activities, although production in the C-S is down significantly from last year, although production for

the season is still healthy. As we mentioned last week, we will really start to turn our attention to El Nino, and what the pattern over the next several months will mean for global sugar supplies. The International Sugar Organization has estimated a global deficit for the 2009/10 (Oct/Sep) crop year to scale back to 8.4 mmt, down from the 10.4 mmt shortfall in the current crop year.

Weekly Rainfall (13 SEP 2009 - 19 SEP 2009)

