Sugar market update:

NAFTA sugar markets
Agenda

• Shifting dynamics
  – Supply
  – Demand

• Reflection in ICE Sugar #16 futures
Shifting dynamic is US market:

- Shift from HFCS to sugar
- Shift from refined beet (GM) to refined cane
- Fewer imports for traditional refiners
- Tighter #16 futures market
- Mars, Hershey, General Mills, Panera, among others
- Numerous – perception is running out ahead of reality, but growing
- Mexican imports for direct consumption ~725,000 MT in FY’15
Non-GM Preference

How real?
And how important a factor?
The Non-GMO Project is a non-profit organization committed to preserving and building the non-GMO food supply, educating consumers, and providing verified non-GMO choices.

Sampling of brands with at least some products verified non-GM:
You are what you eat: FY’08

10.502 million strv

- Non GM: 4721
- Beet: 3431
- Domestic ravs: 1053
- TRQ - ravs: 264
- TRQ - refined: 99
- FTA: 430
- Mexico - CR: 202
- Mexico - NR: 135
- High tier: 7
- Stocks reduction: 160

Source: USDA
You are what you eat: FY’15

11.929 million strv

33.5 % to ASR or Imperial
47.6 % to Refiners

Source: USDA
Imports from Mexico:

FY’15 1.326 million tonnes

- Savannah, 154,545
- Baltimore, 203,680
- Laredo, 288,269
- El Paso, 138,633
- Philadelphia, 119,777
- New York, 36,250
- San Francisco, 49,903
- New Orleans, 34,000
- Detroit, 33,301
- Other, 63,075
- Tampa, 34,628
- Nogales, 36,250
- Mobile, 80,594
- Houston, 26,775
- San Juan, 12,558
- Cleveland, 13,825

47.6 % to Refiners
52.4 % “Direct consumption”

Source: USDA/FAS
ICE #16

Symptomatic of the underlying market
ICE #16 Price and Participation:

Source: ICE Futures US
ICE #16 Price and Participation:
6/1/2015-2/24/2016

Source: ICE Futures US
ICE #16 Price and Participation:

Source: ICE Futures US
#16 daily volume

Source: ICE Futures US
#16 daily volume

Source: ICE Futures US
US Raws vs. Refined:
1/1/2015 to present

Source: ICE/Milling & Baking News
Sugar market update:

NAFTA sugar markets