

Harvest Update for the Australian Sugar Industry

Fortnight Ending 25 July 2021

Photo supplied by CANEGROWERS



VOL 4 NO. 4
[29 JULY 2021]

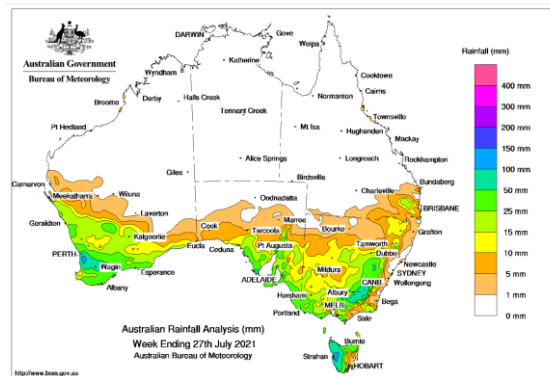
Editor: LINDSAY JOLLY

Better Weather Boosts Australian Crush

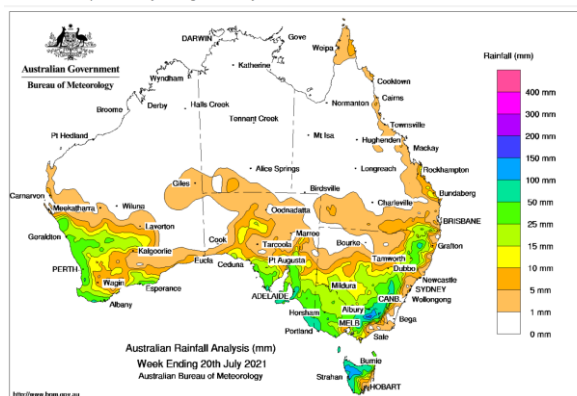
Australia’s crush rate improved tremendously over the fortnight ending 25 July (Week 8) with harvesting getting back up to speed after rain interfered with operations in weeks 5 and 6, in particular. All mills are crushing except the small Rocky Point mill in Queensland which is due to start operations around 26 July. Week 7 and week 8 achieved a crush tally of █ mln tonnes and █ mln tonnes respectively, much more typical volumes for this stage of the crushing season. The fourth fortnight saw the cumulative Australian crush volume reach almost █ mln tonnes – more than █ of the expected cane supply. The comparable figure last season was lower at █ mln tonnes, █. Queensland’s to-date crush had reached █ mln tonnes and NSW around █ tonnes by the end of week 8. The to-date CCS level for the Australian industry remains comparatively high and so far has averaged █ units, █ units associated with the horror start to last season’s campaign.

Australia’s 22 sugar mills (2 mills fewer than last season with the closure of Maryborough and Bundaberg Sugar’s Bingara Mill – both in the South) should process close to █ mln tonnes of cane, according to the ASMC, as against █ mln tonnes last season. Assuming that the crush progresses well over coming weeks – allowing solid harvest progress and good sugar recovery - WKS maintains █.

Rainfall totals map for the 7 days ending 9 am 27 July 2021



Rainfall totals map for the 7 days ending 9 am 20 July 2021



<http://www.bom.gov.au/climate/rainfall/>

Fig. 1 Australia: Weekly Crush

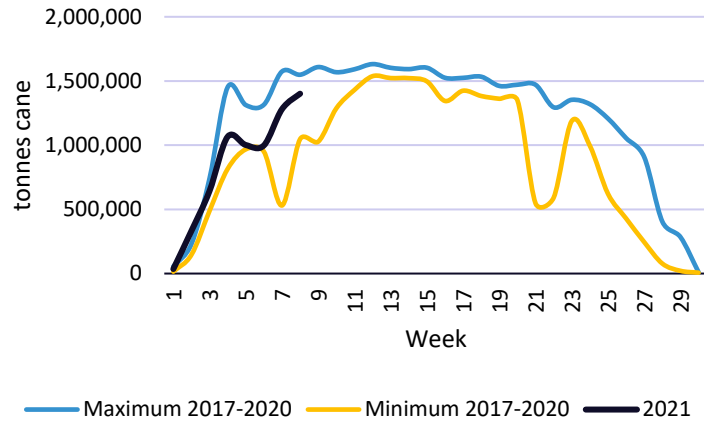


Fig. 2 Australia: Cumulative Weekly Crush

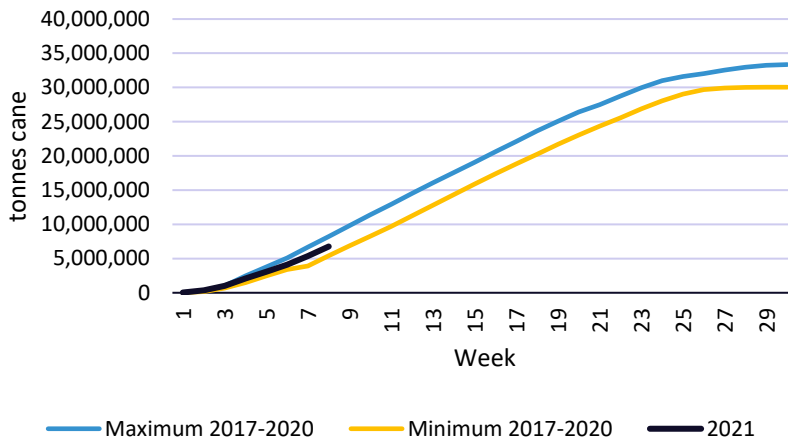
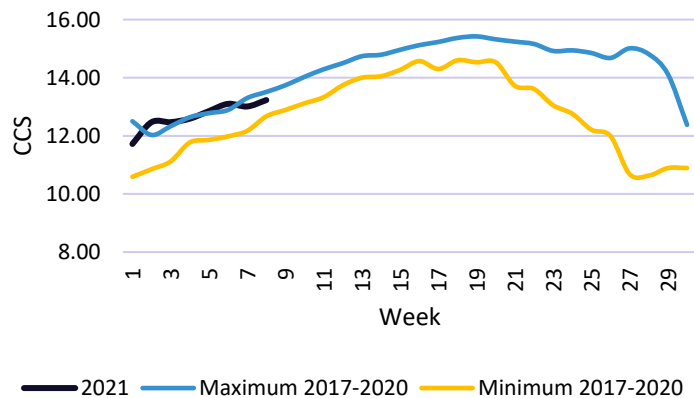


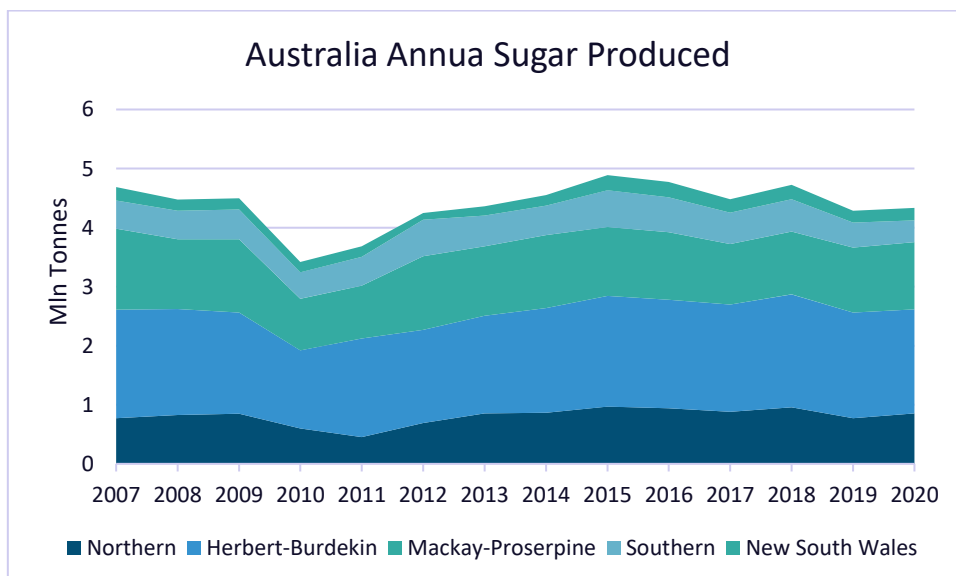
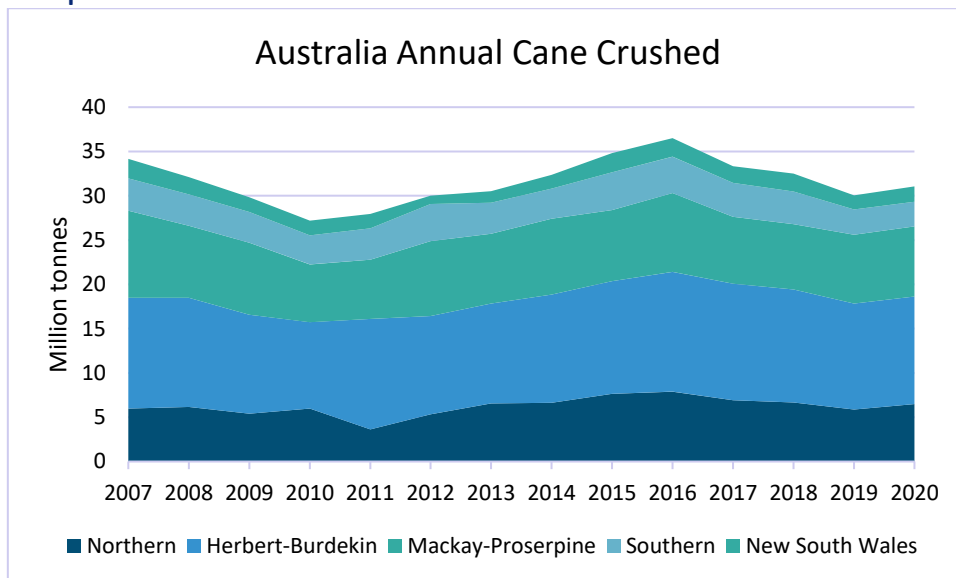
Fig. 3 Australia Weekly CCS



Why don't we report sugar production?

There are no sugar production data in the public domain issued in conjunction with the weekly cane crush for the Australian sugar industry. Considerable caution needs to be exercised if approximating actual sugar production from cane tonnage crushed and sugar content. Commercial Cane Sugar (CCS) is an estimate of the amount of recoverable sugar in sugarcane, measured as a percentage of the cane by weight. Importantly, sugar content needs to be taken together with mill recovery of sugar. Mill recoveries are improving along with improvements in technology. Some mills reportedly recover as much as 1.02kg sugar per kg of CCS. A rough estimate of sugar production (tonnes tel quel) can therefore be derived using the following formula: total sugar make = CCS x tonnes cane x 1.02. The actual number however can vary from this "theoretical calculation" depending on each mill's recovery rate which also reflects losses in bagasse, mud and molasses. In short, the Co-efficient of Work characteristics of sugar mills do vary quite significantly. Furthermore, the crush numbers are derived by totalling the crush across multiple mills, so using a simple theoretical formula can yield a distorted sugar production estimate as against the actual.

Historical Perspective 2021



STATISTICS

Table 1: Australia Weekly Crush (tonnes)

Week Ending	Weekly Crush	To-Date Crush	Weekly CCS	To-Date CCS
2021				
6/06/2021	35,151	35,151	11.72	11.72
13/06/2021	332,511	367,662	12.47	12.39
20/06/2021	643,916	1,011,578	12.47	12.44
27/06/2021	1,065,965	2,077,543	12.59	12.54
4/07/2021				
11/07/2021				
18/07/2021				
25/07/2021				
2020				
7/06/2020	14,891	14,891	12.28	12.28
14/06/2020	146,629	161,520	12.03	12.06
21/06/2020	507,354	668,839	11.74	11.81
28/06/2020	900,277	1,569,115	11.90	11.86
5/07/2020	1,032,063	2,601,178	12.22	11.91
12/07/2020	1,267,116	3,868,294	12.40	12.07
19/07/2020	1,410,548	5,278,842	12.84	12.28
26/07/2020	1,047,408	6,323,196	12.68	12.34

Table 2: Australian Weekly Crush by Region (tonnes)

Week	North	Herbert/Burdekin	Central	South	Queensland	NSW	Australia
6/06/2021	19,602	-	15,549	-	35,151	-	35,151
13/06/2021	28,184	209,072	60,288	-	297,544	34,967	332,511
20/06/2021	156,244	330,223	104,392	-	590,859	53,057	643,916
27/06/2021	291,638	485,428	189,332	35,709	1,002,107	63,858	1,065,965
4/07/2021							
11/07/2021							
18/07/2021							
25/07/2021							

Source: ASMC, WKS Estimates.

Table 3: Australian Cumulative Weekly Crush by Region (tonnes)

Week	North	Herbert/Burdekin	Central	South	Queensland	NSW	Australia
6/06/2021	19,602	-	15,549	-	35,151	-	35,151
13/06/2021	47,786	209,078	75,831	-	332,695	34,967	367,662
20/06/2021	204,030	539,301	180,223	-	923,554	88,024	1,011,578
27/06/2021	495,668	1,024,729	369,555	35,709	1,925,661	151,882	2,077,543
4/07/2021							
11/07/2021							
18/07/2021							
25/07/2021							

Source: ASMC, WKS Estimates.

Table 4: Australian CCS Content by Region (%)

Week	North	Herbert/Burdekin	Central	South	Queensland	NSW	Australia
6/06/2021	12.35	-	10.93	-	11.72	-	11.72
13/06/2021	13.01	12.85	11.67	-	12.62	11.11	12.47
20/06/2021	12.11	13.00	11.84	-	12.56	11.51	12.47
27/06/2021	12.02	13.02	12.26	12.64	12.57	11.60	12.59
4/07/2021							
11/07/2021							
18/07/2021							
25/07/2021							

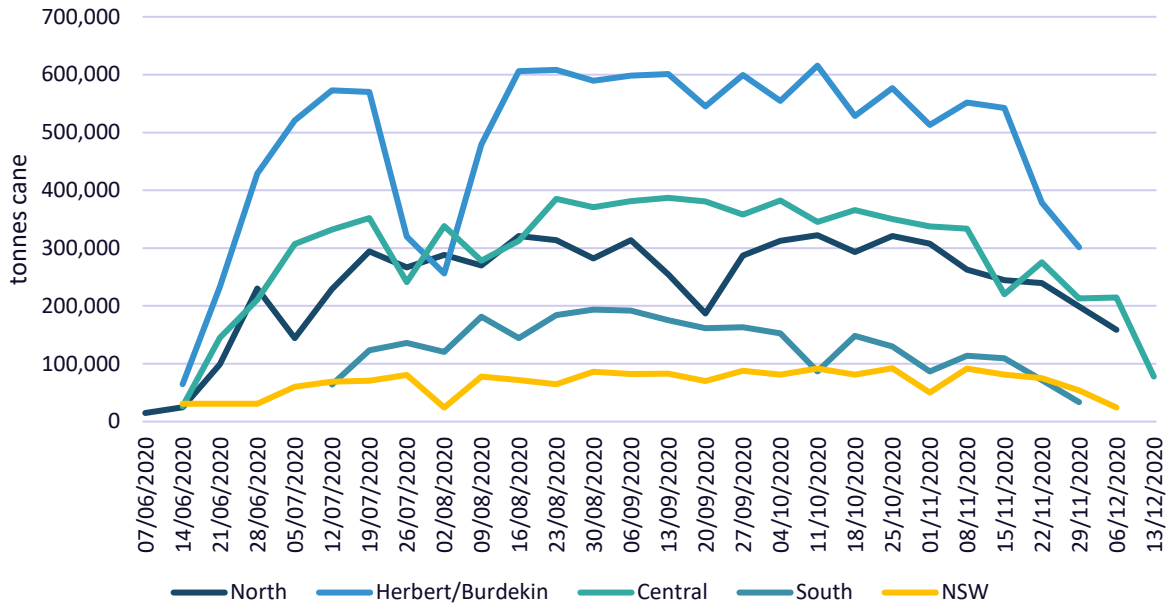
Source: ASMC, WKS Estimates.

Table 5: Australian Cumulative CCS Content by Region (%)

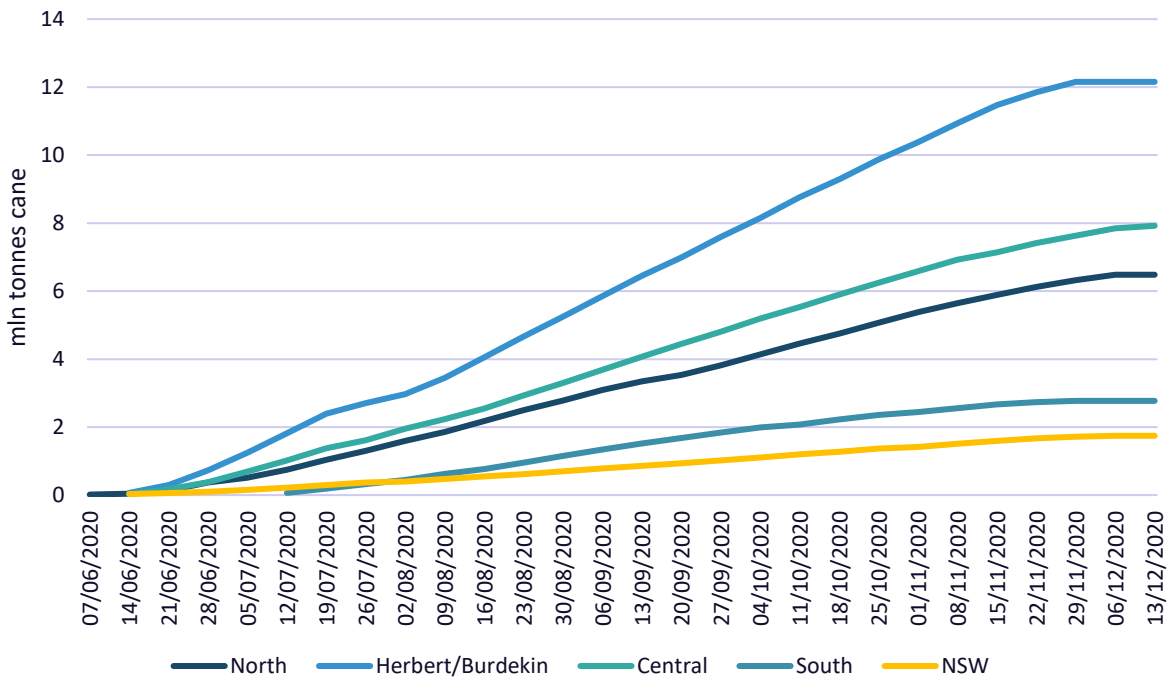
Week	North	Herbert/Burdekin	Central	South	Queensland	NSW	Australia
6/06/2021	12.35	-	10.93	-	11.72	-	11.72
13/06/2021	12.70	12.85	11.52	-	12.52	11.11	12.39
20/06/2021	12.25	12.94	11.71	-	12.55	11.36	12.44
27/06/2021	12.12	12.98	11.99	12.64	12.56	11.46	12.54
4/07/2021							
11/07/2021							
18/07/2021							
25/07/2021							

Source: ASMC, WKS Estimates.

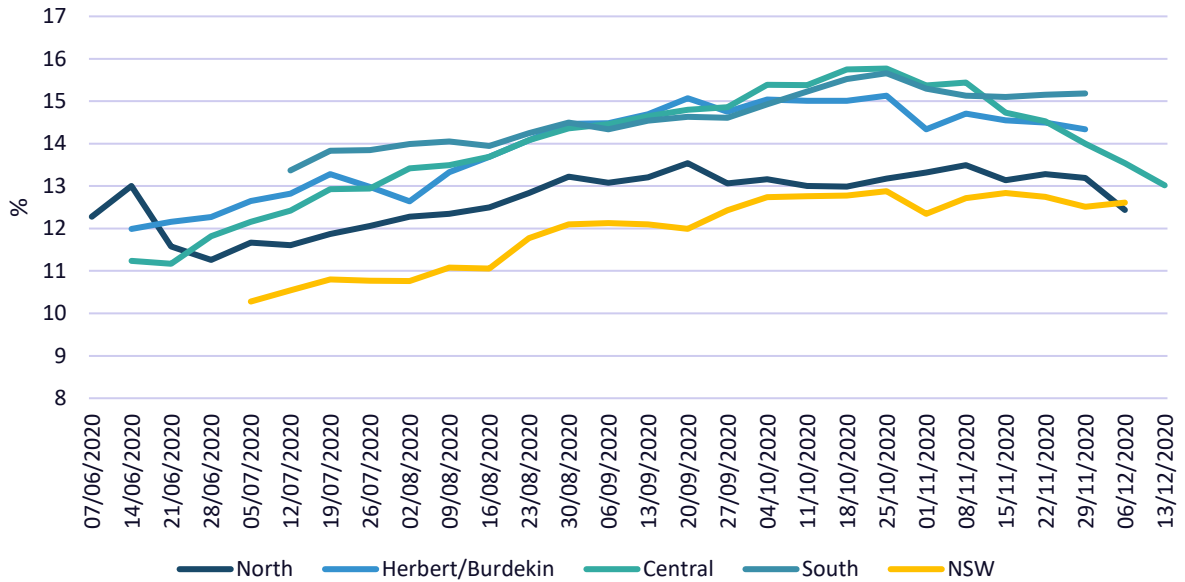
Weekly Crush by Region 2020



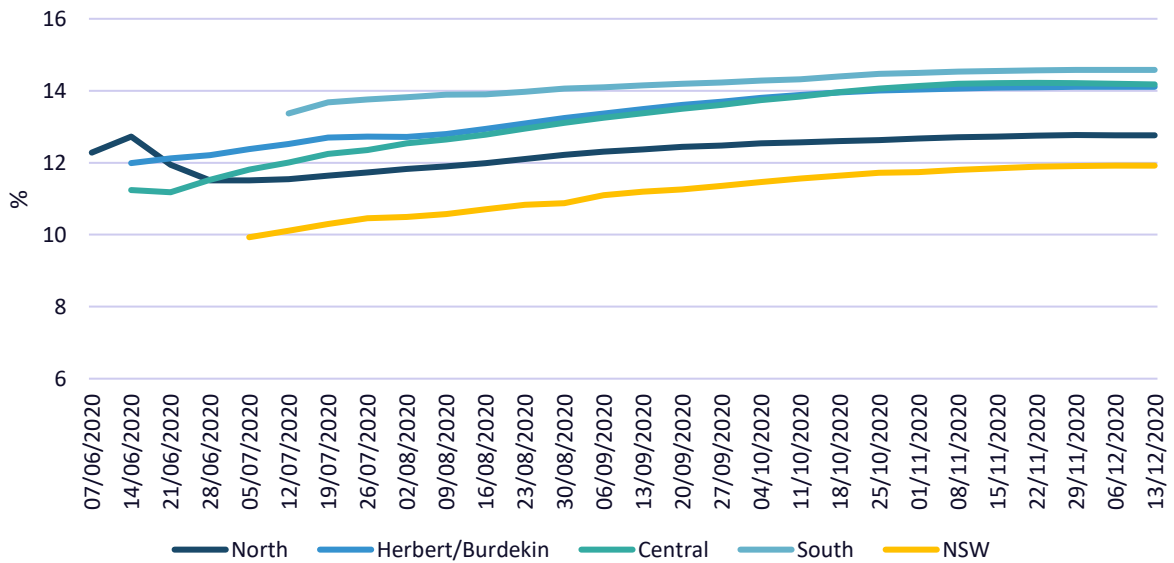
Cumulative Weekly Crush by Region 2020



Weekly CCS Content by Region 2020



Cumulative CCS Content by Region 2020





PRESS REPORT

Sugar Industry AUD 1 Bln Hit From India's Sugar Subsidies

New analysis has calculated an AUD 1 bln cost to the Queensland sugar industry from Indian Government price and export subsidies currently under investigation by the World Trade Organisation (WTO). The finding has alarmed but not surprised peak industry organisations the Australian Sugar Milling Council (ASMC) and CANEGROWERS, who say it confirms the need for continued pressure from the Australian Government and industry against India's subsidies.

The Green Pool Commodity Specialists report, commissioned by ASMC, found Indian Government sugarcane price regulation was causing large production surpluses and India's subsidised exports had contributed to substantially lower global sugar prices. The report concludes that Queensland cane growers and sugar millers had incurred an estimated AUD 1 bln revenue hit between 2017/18 and 2020/21 – or almost AUD5 mln every week.

Australia, Brazil and Guatemala made a formal complaint to the WTO in February 2019 regarding the harm caused by the Indian Government subsidies to their sugar industries. The WTO panel's report on the complaint may be handed down during 2021. The ASMC is commissioning further analysis to determine the wider impact on the regions and the State's economy.

The Green Pool report concluded that India's current sugar production of more than 33 mln tonnes exceeded its domestic sugar consumption of about 26 mln tonnes. This excess subsidised production means export subsidies are likely to be an ongoing feature for many years if it is not reined in.

ASMC and CANEGROWERS have praised the Australian Government for its advocacy on behalf of the sugar industry to date and urged continued support for growers, millers, dependent businesses and regional communities which continue to feel the impact of price distortions in the global sugar market.

[Link](#) to the AMSC-commissioned Green Pool report "Indian Sugar –The Impact of Over-production on Sugar Industry Revenues"

[CANEGROWERS](#) 15 July

Wilmar Production Reports

Burdekin

Weekly production figures		
Burdekin region mills		
Week 7, ending 24 July 2021		
Cane crushed	This week	Season to date
Invicta	144,378	977,865
Pioneer	90,331	526,873
Kalamia	66,993	477,703
Inkerman	50,559	386,546
Burdekin	352,261	2,368,987

Throughput for the Burdekin mills in week seven was down with just over 350,000 tonnes of cane processed. The poor result was mainly due to a failure at Inkerman Mill’s No.1 boiler, which resulted in about 50 hours of lost time. Average weekly CCS was 14.45 thanks to the dry cool conditions.

[Wilmar](#) 29 July

Weekly production figures		
Burdekin region mills		
Week 6, ending 17 July 2021		
Cane crushed	This week	Season to date
Invicta	147,701	833,497
Pioneer	81,875	436,426
Kalamia	77,829	410,693
Inkerman	56,475	335,987
Burdekin	363,879	2,016,603

Throughput for the Burdekin mills in week six was good overall, with more than 360,000 tonnes put through the rollers. This brings the season-to-date total to just over 2mln tonnes – or 25% – of the estimated Burdekin crop. The weekly result was achieved even with unexpected stoppages at both Inkerman and Invicta Mill. Average weekly CCS was a high 14.28.

[Wilmar](#) 19 July

Herbert

Weekly production figures		
Wilmar Sugar Herbert region mills Week 6, ending 24 July 2021		
	This week	Season to date
Cane crushed		
Victoria	124,713	447,633
Macknade	65,593	209,503
Total	190,306	657,136
Crop forecast	4.38M	
	This week	Season to date
District CCS	12.27	12.12

Improved weather conditions saw just over 190,000 tonnes of cane crushed for the week. The fine, cool weather also saw CCS levels slowly increase, with a further 0.11 of a unit improvement on the previous week. This pushed the season-to-date CCS to 12.12 units..

[Wilmar](#), 26 July

Weekly production figures		
Wilmar Sugar Herbert region mills Week 5, ending 17 July 2021		
	This week	Season to date
Cane crushed		
Victoria	102,279	322,920
Macknade	47,596	143,910
Total	149,875	466,830
Crop forecast	4.38M	
	This week	Season to date
District CCS	12.16	12.05

Just under 150,000 tonnes of cane were crushed for the week. Wet weather continues to impact harvesting and crushing operations, with slowly drying ground conditions resulting in reduced throughput. The temporary stop to crushing enabled crews to conduct factory maintenance at both Herbert mills. CCS levels consistently remained around the 12.16 range for the week – slightly below original expectations.

[Wilmar](#), 19 July

Plane Creek

Weekly production figures		
Wilmar Sugar Plane Creek Mill Week 6, Week ending 24 July 2021		
	This week	Season to date
Cane crushed	65,286	318,920
Average bin weight	4.04	3.90
CCS	13.75	12.97

A reasonable weekly throughput of just over 65,000 tonnes brought the season total to 318,920 tonnes. There were minor disruptions to throughput. CCS levels continued an upward path resulting in season-to-date CCS closing out just below 13 units.

[Wilmar](#) 26 July

Weekly production figures		
Wilmar Sugar Plane Creek Mill Week 5, Week ending 17 July 2021		
	This week	Season to date
Cane crushed	63,803	253,634
Average bin weight	3.90	3.86
CCS	13.49	12.75

Plane Creek Mill crushed just under 64,000 tonnes of cane for the week, bringing the season total to nearly 254,000 tonnes. Weekly throughput was impacted by the failure of No. 5 pan condenser on Tuesday and a bagasse choke upon restart. Overnight drizzle and showers on Wednesday resulted in a five-hour cane supply shortfall on Thursday morning. There was a welcome 0.6 of a unit spike in CCS levels, taking the season-to-date CCS to 12.75 units.

[Wilmar](#) 19 July

Proserpine

Weekly production figures		
Wilmar Sugar Proserpine Mill Week 4, ending 24 July 2021		
	This week	Season to date
Cane crushed	87,162	256,771
Average bin weight	9.61	9.55
CCS	13.85	13.71

Throughput for the week was good with more than 87,000 tonnes of sugarcane crushed. Field conditions continue to be favourable for harvesting with good cane supply to the factory. Average weekly CCS jumped to 13.85.

[Wilmar](#) 26 July

Weekly production figures		
Wilmar Sugar Proserpine Mill Week 3, ending 17 July 2021		
	This week	Season to date
Cane crushed	88,633	169,609
Average bin weight	9.59	9.53
CCS	13.66	13.63

Throughput for the week was above expectations, with 88,633 tonnes of sugarcane crushed. Field conditions have been favourable for harvesting contractors to deliver a good supply of cane. Both the harvesting sector and factory are settling into a regular rhythm. Average weekly CCS was 13.66.

[Wilmar](#) 19 July



www.wks-weknowsugar.com | lindsayjolly@wks-weknowsugar.com



www.apic-consulting.com | alexis@apic-consulting.com

Disclaimer

With respect to all the information contained herein, neither APIC Consulting Pte. Ltd, nor We Know Sugar Consulting., nor any officer, servant, employee, agent or consultant thereof make any representations or give any warranties, expressed or implied, as to the accuracy, reliability or completeness of the information contained herein, including but not limited to opinions, information or advice which may be provided to users of the document. No responsibility is accepted to users of this document for any consequence of relying on the contents hereof.