

THAILAND CRUSH REPORT



VOL. 01 – 2021/22

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1 – OVERVIEW

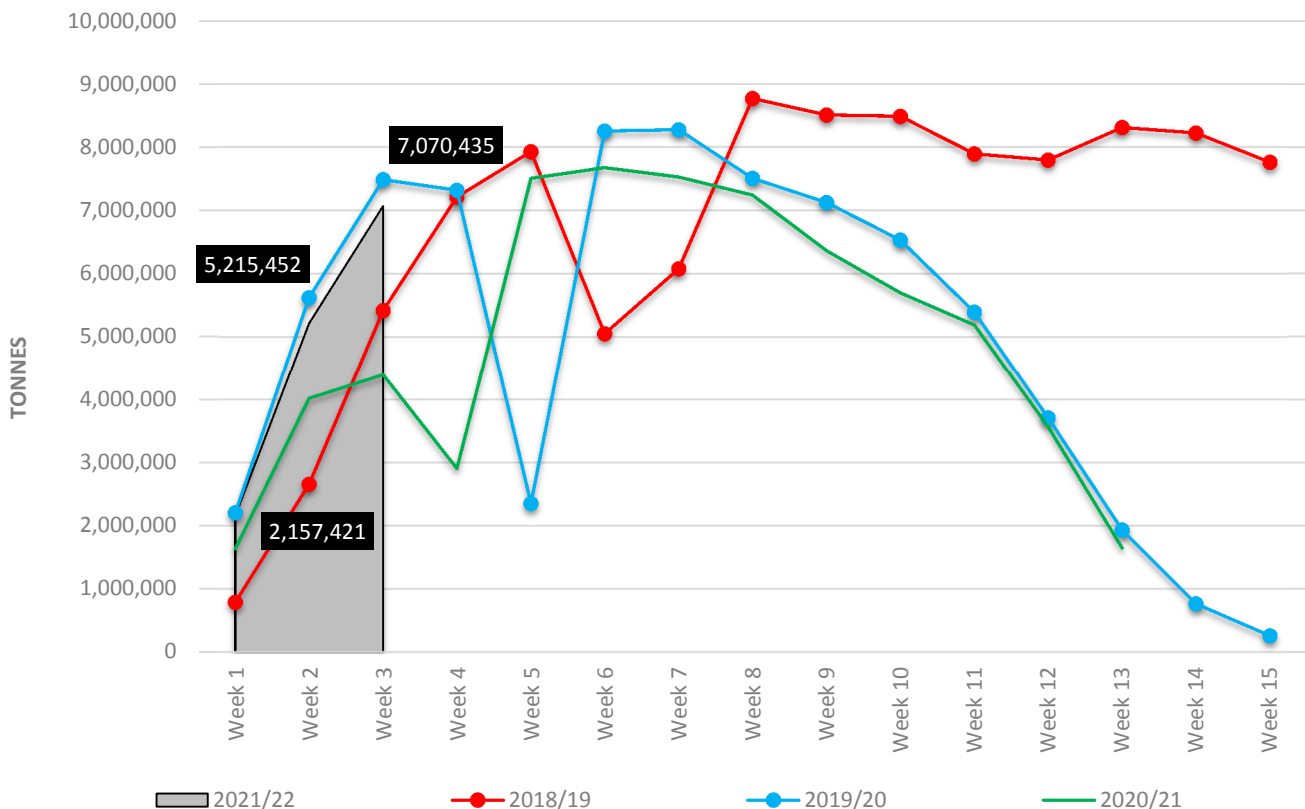
The 2021-22 Thai cane crush started on 7th December 2021: 3 days earlier than a year ago. Although it is still too early to determine the real potential of the season, statistical data analyzed up until 27 December suggests that the season may not be as promising as originally anticipated: cane quality and sugar content (measured as CCS) being quite low and having difficulties to improve over those first few weeks (in that regard, higher-than-normal rainfalls recorded throughout the cane development stages certainly did not help).

However, the campaign is off to a fast start with all but one sugar mills operating by now.

By 27 of December, a total of 14.44 Mt of cane had been crushed nationwide against a mere 10 Mt a year ago after the same number of crushing days.

As for sugar, a total of 1.28 Mt had been produced after 21 days into the campaign: significantly up from the 0.93 Mt produced over the same period.

Thailand: Weekly cane crush



2 - THAILAND CANE CRUSHING DASHBOARD

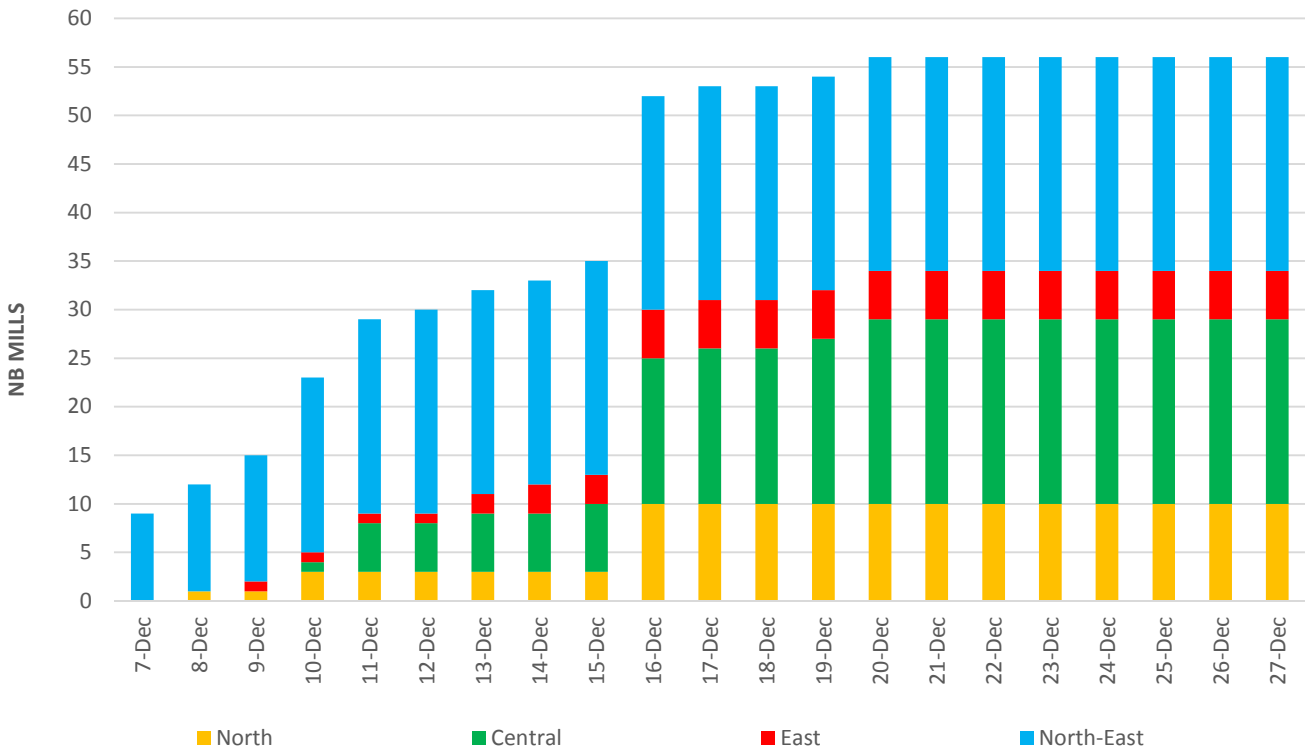
[After 21 crushing days]

	2021/22			2020/21			Y-o-Y Variations		
Total Harvested cane [t]	14,443,308			10,047,908			44%		
	Green	Burnt		Green	Burnt		Green	Burnt	
	11,614,070	2,829,238		8,091,658	1,956,250		44%	45%	
	80%	20%		81%	19%				
Sugar production [t, tel quel]	1,278,813			930,306			37%		
	Whites	Raws	Specials	Whites	Raws	Specials	Whites	Raws	Specials
	124,566	1,114,221	40,025	121,719	774,347	34,241	2.34%	43.89%	16.89%
Sugar recovery [kg sugar/t cane]	88.5			92.6			-4%		
CCS	11.52			11.68			-1%		
Molasses production [t]	403,537			313,705			29%		
Nb operating mills	56			44			↑12		
Campaign start date	7-Dec-20			10-Dec-20			3 days earlier		
Campaign end date	-			2-Apr-21					

Editor’s note: In order to provide an accurate comparison of the current and past crushing season’s progress, data comparisons are indexed on a “number of crushing days” basis (as opposed to a “date” basis). The bias resulting from differences in starting dates between seasons is therefore mitigated.

3 – OPERATING MILLS

As of 27th Dec 2021, a total of 56 mills had started operations: significantly up from a year ago when only 44 mills were operating after a similar number of crushing days. As usual, the Northeast region was the first to start the crush. Although other regions officially started over the next couple of days, a number of mills from those regions decided to start operations a week later, possibly hoping for an improvement in cane quality and sugar recovery thanks to warmer weather conditions.



4 – HARVESTED CANE

By 27 Dec 2021, a total of 14.44 Mt of cane had been harvested:

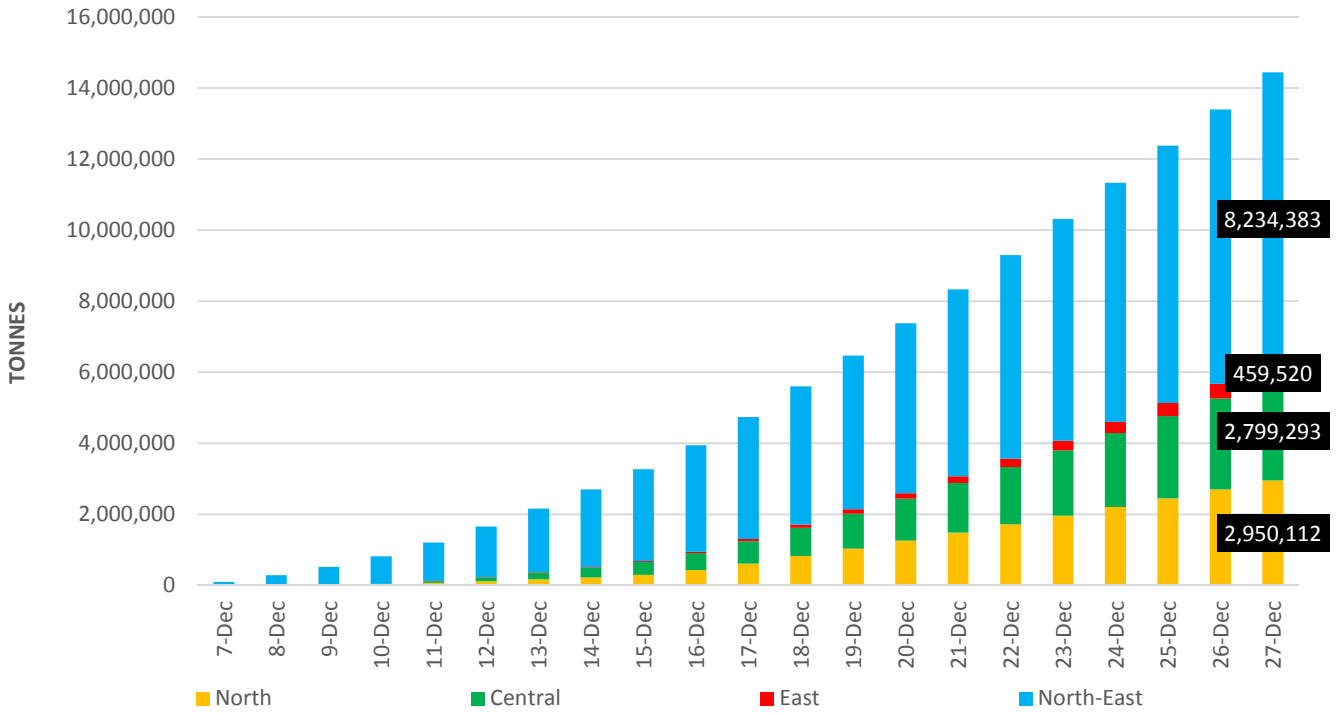
- up from the 10 Mt crushed at the same time a year ago (i.e. after 21 days of crush),
- up from the 8.5 Mt of cane being crushed by 27 Dec 2020.

Overall, we continue to anticipate that total cane output will reach about 91 Mt.

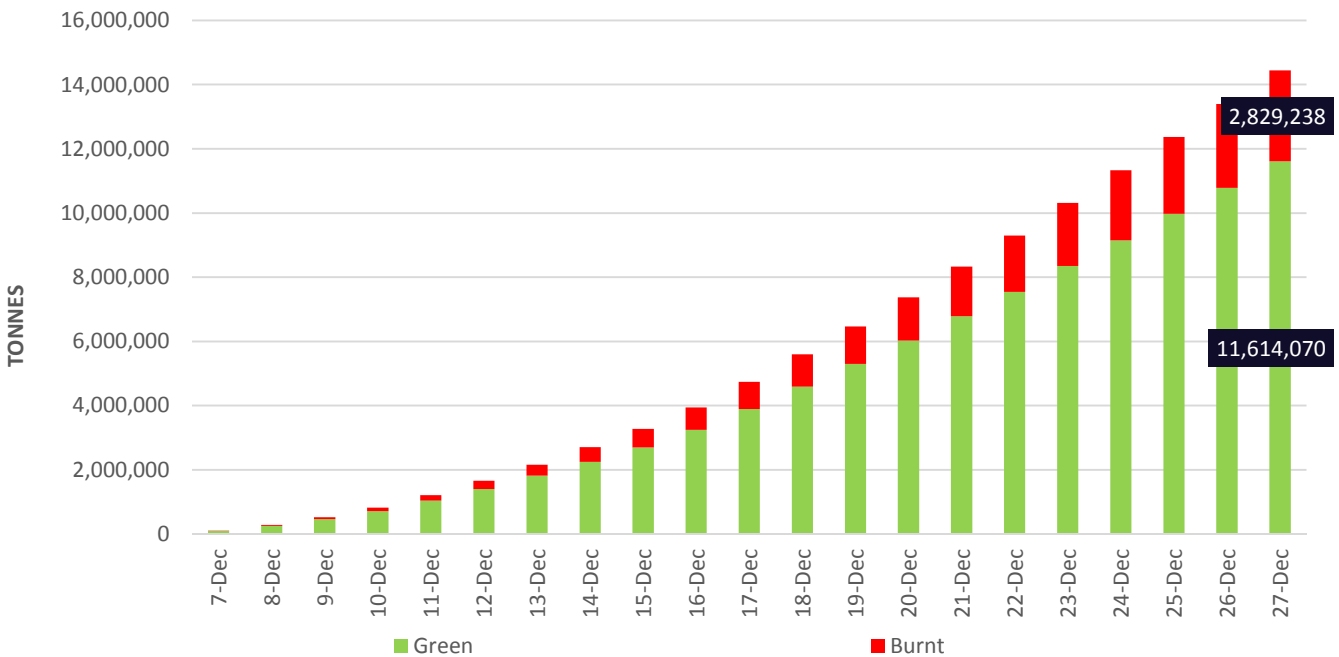
Meanwhile, the proportion of green cane stood at 80% by 27 Dec 2021: below the mandatory 90/10 ratio¹ but in line with the previous season which marked a drastic improvement (cane burning only accounting for 26% - against a traditional 50% or higher proportion in the past - of the total volume of cane that was harvested in 2019-20).

¹ For more details, about the reasons behind such a drastic change, please refer to our “Thailand Sugar Update Report – Q4 2020”.

Harvested cane: geographical distribution



Harvested cane: Green VS Burnt



[2021/22] Statistics - weekly basis

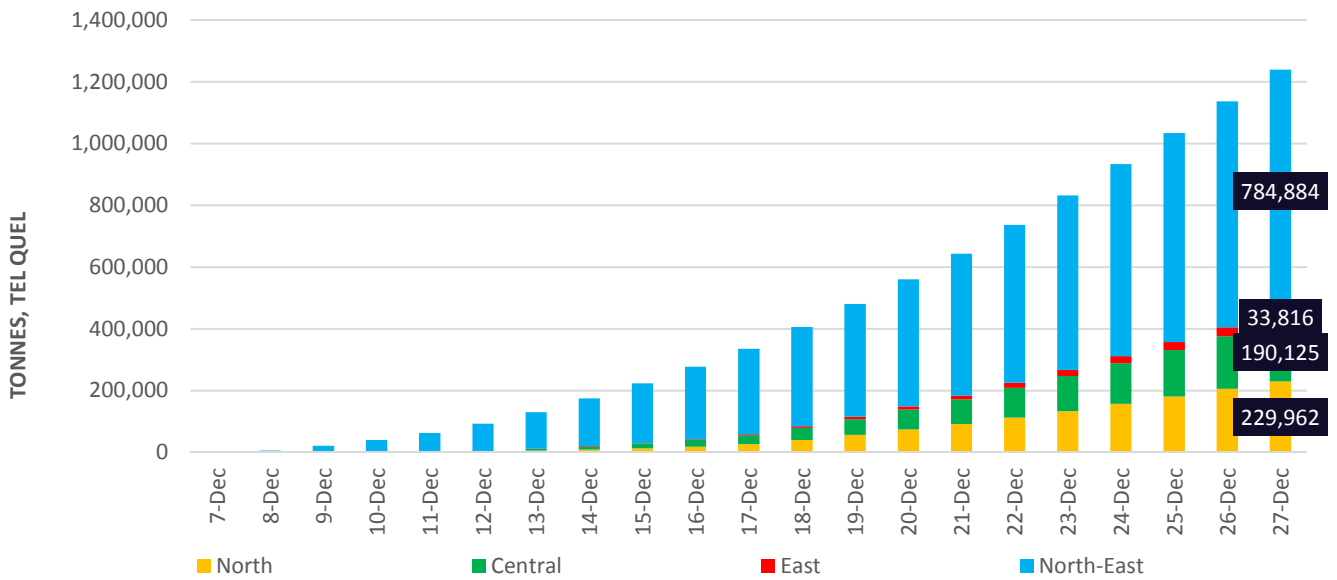
	North	Central	East	Northeast	Green	Burnt	TOTAL
Week 1	171,860	179,760	13,059	1,792,742	1,813,090	344,331	2,157,421
Week 2	1,087,070	999,095	141,723	2,987,565	4,210,545	1,004,907	5,215,452
Week 3	1,691,182	1,620,438	304,739	3,454,076	5,590,436	1,479,999	7,070,435

5 – SUGAR PRODUCTION

By 27 Dec 2021, a total of 1.28 Mt of sugar - predominantly raws - had been produced. This is up from the:

- 0.93 Mt produced at the same time a year ago (i.e. after 21 days of crush),
- 0.74 Mt recorded on 27 Dec 2020.

Sugar production [whites + raws]: geographical distribution



Meanwhile, the amount of special sugars produced this season is also ahead of last year and therefore suggests i) a growing demand – although still very marginal in proportion of raws and whites – for this type of products as well as ii) attractive returns offered by this niche market².

Overall and based on an average sugar recovery of 112 kg sugar/t cane by the end of the season, total sugar output is expected to total 10.19 Mt.

[2021/22] Statistics - weekly basis

Whites	North	Central	East	Northeast	TOTAL
Week 1	0	0	0	2,969	2,969
Week 2	3,223	7,843	0	20,463	31,529
Week 3	19,624	24,805	351	45,228	90,068

[2021/22] Statistics - weekly basis

Raws	North	Central	East	Northeast	TOTAL
Week 1	6,167	5,285	806	115,136	127,393
Week 2	64,963	51,700	9,179	272,510	398,352
Week 3	135,986	100,492	23,480	328,518	588,476

[2021/22] Statistics - weekly basis

Specials	TOTAL
Week 1	1,133
Week 2	12,662
Week 3	26,231

² For additional details about special sugars, please email us @ info@apic-consulting.com

6 - CCS

On 27 Dec 2021, the average CCS of the cane reached 11.52: down from the 11.68 recorded at the same time a year ago (i.e. after 21 days of crush last year) as well as from the 11.64 recorded by 27 Dec 2020.

All regions (but to a lesser extent in the Northern region) recording a lower CCS than last year, it looks as if rainfalls that largely exceeded the volume recorded in past seasons did have a non-negligible impact on the sugar content. However, it is still too early to assess the full impact as weather conditions prevailing by the beginning of 2022 could surely allow for CCS to climb up a little faster than what has been witnessed so far this season.

[2020/21] Statistics - weekly basis

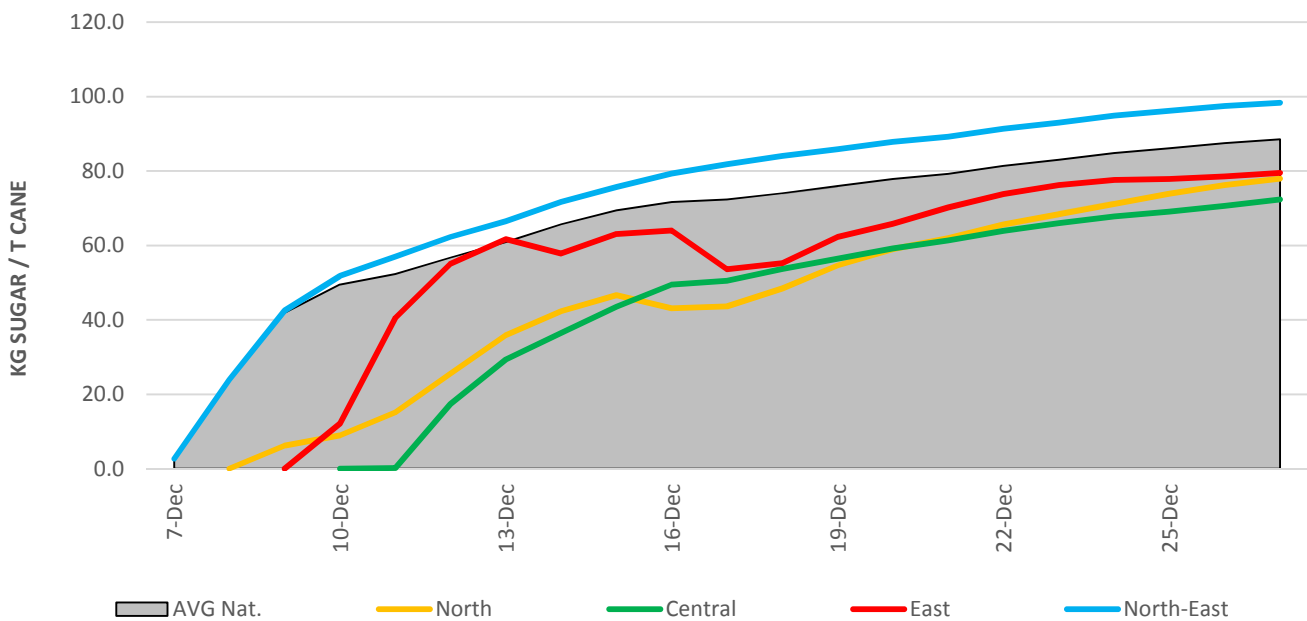
CCS	North	Central	East	Northeast	TOTAL
End of Week 1	9.85	9.62	10.31	11.92	11.55
End of Week 2	10.38	9.95	10.83	12.11	11.45
End of Week 3	10.71	10.18	11.12	12.29	11.52

7 – SUGAR RECOVERY

By 27 Dec 2021, the average sugar recovery was equivalent to 88.5 kg sugar/t cane: down from 92.6 kg sugar/t cane recorded at the same time a year ago (i.e. after 21 days of crush last year) but higher than the 86.6 kg sugar/t cane recorded on 27 Dec 2020.

Overall and although it is still too early in the season, the average sugar recovery rate for 2021/22 is currently pegged at an average 112 kg sugar/t cane.

Average regional sugar recovery

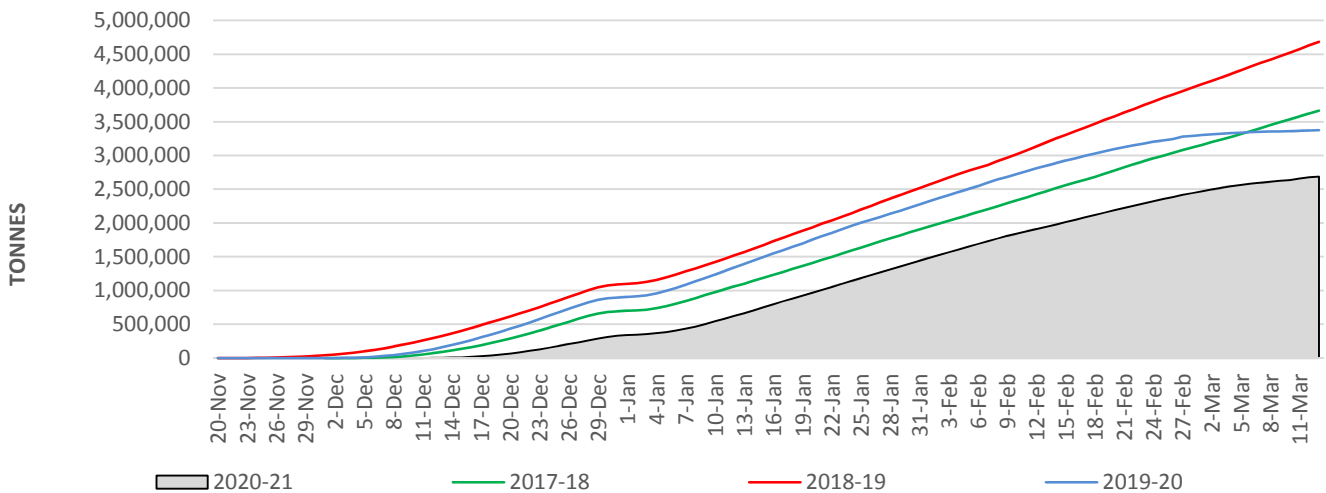


8 – MOLASSES

By 27 Dec 2021, Thailand had produced a total of 403 kt of molasses nationwide: up from the 313 kt recorded at the same time a year ago (i.e. after 21 days of crush last year).

With a higher volume of cane being crushed this season, molasses’ availabilities will certainly be on the rise and could indirectly affect domestic fuel EtOH prices which will also have to bear with the erratic evolution of the Covid-19 pandemic³.

Molasses production - cumulative basis



[2021/22] Statistics - weekly basis

Whites	North	Central	East	Northeast	TOTAL
Week 1	488	552	120	13,093	14,253
Week 2	14,103	17,843	1,278	99,858	133,081
Week 3	60,795	57,328	10,074	128,006	256,202

³ For additional details about the situation on the Thai EtOH market, please contact us : info@apic-cosnulting.com



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