



GLOBAL WEATHER AND COMMODITY RESEARCH: SUGAR/SOFTS

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LAST WEEK'S RECAP

Mixed weather in the major sugar origins last week; cooler temperatures dominated in Brazil's Centre-South, while rainfall was mixed. The North/Northeast fields are still mostly dry. In other origins, dry conditions have been persistent in both of India's main growing belts (north-central and south), with the dryness being a bit more pronounced in the north. Following planting, a shift to a wetter pattern is needed to stimulate growth, and the outlook for the next few weeks is for conditions to remain on the dry side. Australia's cane regions in coastal Queensland experienced mixed conditions, with fields to the north receiving good weekly totals (2-3 inches). World sugar traded relatively rangebound for most of the week, with the March contract staying in a 11.8-12.2 range until Friday when futures moved to the upper 12 cent range. Friday's mild spike was related more to the events surrounding the explosion at Imperial Sugar's Georgia refinery than any weather drivers. Crude trended higher, also supporting higher sugar futures.

MEDIUM RANGE OUTLOOK

Following some warmer temperatures for the start of this week, a cold front accompanied by a strong high pressure ridge will lead to cooler conditions for much of Brazil's Centre-South later this week; this pattern will extend into early next week, and the average temperatures for the 14th through the 17th will be up to 3° colder than normal for the period - unseasonably cool temperatures for mid February. By the end of February, the pattern going forward is favorable for developing cane; this is particularly important for April, as April's rainfall is highly correlated with final yields. Our weekly rainfall forecast for Brazil continues to verify, and with a good weather outlook for Brazil, our attention will now start to turn to the start of the Indian Monsoon. While the start of the Monsoon season in the northwest is going to be later than last year, it will still be earlier than the normal onset dates (refer to June maps vs. LY and normal in the attachment provided). Overall, the monthly pattern looks favorable for most of the cane regions. During the monsoon season, weekly maps showing progression and outlook will be provided.

Despite fundamentals which still appear to support a large global sugar surplus, activity in grains and crude will continue to be constructive for sugar. While Brazil's weather has thus far been positive, Argentina's weather has not, and negative impacts are expected for soybeans and wheat due to dry conditions. Further, cold weather in the northeastern and northcentral US for the current week into next will keep energy demand requirements firm, and this will translate into more support for grains and sugar futures in the near term. While Monday's trading have not yet extended Friday's rally, technicals are pointing towards higher March futures in the near term.



Location	Normal		LAST YEAR		THIS YEAR		Temp Change TY - LY (°F)	Precip Change TY - LY (in.)
	Mean Temp (°F)	Normal Precip (in.)	Mean Temp (°F)	LAST YEAR Precip (in.)	THIS YEAR Mean Temp (°F)	THIS YEAR Precip (in.)		
Rio de Janeiro, BRAZIL	85.0	0.69	83.2	2.80	82.2	0.15	-1.8	-2.65
Colaba, BRAZIL	84.2	1.32	82.9	1.67	77.0	2.31	-5.9	0.44
Londrina, BRAZIL	77.7	1.22	78.8	1.70	71.2	3.63	-7.6	1.93
Campinas, BRAZIL	76.6	0.89	79.6	1.09	71.7	3.00	-7.9	1.91
Foz Do Iguaçu, BRAZIL	79.3	0.73	77.0	2.26	73.1	3.97	-3.9	1.71
Sao Paulo, BRAZIL	76.1	0.71	76.6	0.69	72.6	3.16	-6.1	2.57
Canberra, AUSTRALIA	81.4	2.34	79.6	4.67	80.9	2.17	1.3	-2.50
Brisbane, AUSTRALIA	76.3	1.32	74.7	0.29	74.8	6.67	0.1	6.38
Nanning, CHINA	60.7	0.64	70.7	0.00	54.4	0.78	-16.3	0.78
Guangzhou, CHINA	61.6	0.74	67.0	0.67	60.8	0.00	-6.3	-0.57
Gwalior, INDIA	67.2	0.09	67.9	0.04	71.3	0.00	3.5	-0.94
Lucknow, INDIA	68.2	0.07	66.3	0.00	69.6	0.00	3.3	0.00
Panna, INDIA	68.8	0.21	67.2	0.00	62.0	0.00	-5.1	0.00
Coimbatore, INDIA	81.1	0.11	79.2	0.10	75.1	0.00	-4.1	-0.10
Roshekhaen, THAILAND	80.5	0.12	85.8	0.00	74.2	0.00	-12.6	0.00
New Orleans, USA	66.8	1.34	65.9	0.65	61.0	0.00	-5.1	-0.55
Lafayette, USA	65.1	0.98	57.9	0.25	58.6	0.19	0.3	-0.86