



## QSL Update week ending 19.9.14

By Cathy Kelly and Carla Keith, QSL Industry Relationship Managers

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### Annual General Meeting

QSL's Annual General Meeting (AGM) will be held at 2pm on Monday 20 October at the Christie Conference Centre, 320 Adelaide Street, Brisbane. All QSL members are invited to attend. QSL's 2013/2014 Annual Report will be available from our website - [www.qsl.com.au](http://www.qsl.com.au) - from Monday 22 September 2014. Hard copies will also be available at your local bargaining agent's office.

### Grower Information Sessions

MSF growers who wish to choose QSL's pricing and pooling offerings commencing from the 2015 season are reminded they must complete and return the necessary MSF documentation to MSF by Friday 26 September. QSL Finance and Supplier Relations Manager Bryce Wenham will provide an overview of the QSL pricing options available to MSF growers for the 2015 season at information sessions in Maryborough and Gordonvale in coming days. These sessions will also include updates on indicative results for QSL's 2014 pricing pools as well as the current raw sugar market. Details of these QSL grower information sessions are as follows:

#### Maryborough Grower Information Session

**WHEN:** 7pm, Thursday 18 September 2014

**WHERE:** Maryborough CANEGROWERS Hall, 106 Bazaar St, Maryborough

**MORE INFORMATION:** Cathy Kelly – Phone 0409 285 974 or email [cathy.kelly@qsl.com.au](mailto:cathy.kelly@qsl.com.au)

#### Mulgrave Grower Information Session

**WHEN:** 6.30pm, Tuesday 23 September 2014

**WHERE:** Gordonvale Bowls Club, Corner of Mill and Swan streets, Gordonvale.

**MORE INFORMATION:** Carla Keith – Phone 0409 372 305 or email [carla.keith@qsl.com.au](mailto:carla.keith@qsl.com.au)

Both sessions are open to all interested persons. For further information regarding the MSF nomination documentation please contact Catherine Schutt on 4043 3318.

Carla Keith will also meet with Babinda growers at the Mirriwinni Hotel at 7.30pm Monday 22 September to provide a QSL update. All interested growers are welcome to attend.



### **2014 QSL Pool Performance**

All prices quoted below are indicative only and do not include an allocation from the QSL Shared Pool. Growers should always consult their mill for information about their individual cane payments.

<b>QSL Pool - as at 12 September 2014</b>	<b>Gross \$A per mt IPS</b>
QSL Harvest Pool	\$402
QSL Discretionary Pool	\$419
QSL Actively Managed Pool	\$425
QSL Guaranteed Floor Pool	\$425
QSL Growth Pool	\$425
QSL Forward Season Pool (2014)	\$418
QSL US Quota Pool	\$586

### **Advances Program**

The QSL Board reviewed the current advances program at its meeting on 15 September and approved the 70 percent Advance payment rate scheduled for 22 October. The proposed December Advance increase will be considered by the Board at coming meetings.

The 2014 season indicative Advances program is currently as follows:

<b>Pay date</b>	<b>2014 Season % Rate</b>
Initial	57.5%
Wed 20 August 2014	65.0%
Wed 22 October 2014	70.0%
Wed 17 December 2014	75.0%
Wed 21 January 2015	80.0%
Wed 18 February 2015	82.5%
Wed 18 March 2015	87.5%
Wed 22 April 2015	92.5%
Wed 20 May 2015	95.0%
Wed 24 June 2015	97.5%
July 2015 (date to be confirmed)	100.0%



## **Market Update**

By Ginette Barrett, QSL Liquidity Manager

Current as of 15 September 2014

## **Market Commentary**

### **Sugar**

The raw sugar market has continued its relentless free-fall, with the prompt breaking 14c/lb-levels which have not been seen since 2010. October 14 traded from a high of 15.87 to close over 200 points lower at 13.78c/lb, while the March and May contracts also closed significantly lower at 16.32 and 16.82c/lb.

One factor is the Brazilian Real closing sharply lower and the other is in the lead-up to October expiry non-index funds are rolling their positions, adding to the net short position.

There is plenty of bullish news in the market, with UNICA showing further decreases for Brazilian sugar production and yields. Also the ethanol parity price now stands at the 18 cent level, over 400 points ahead of the October futures, lowering the sugar mix numbers.

Regardless of the bullish news, the market remains obsessed with the October expiry and the associated Thai surplus. With this in mind we anticipate some further volatility, with prices trending at the lower end of the range as we approach the October expiry, but maintain our view of stronger prices into mid-2015.

### **Currency**

The Australian dollar has seen a little more life over the past fortnight, trading over nearly 400 points and finally falling below 90 US cents to a low of 89.84 US cents.

After months of over-performing the Aussie dollar is finally correcting itself against a stronger US dollar. Positive US data has assisted the Greenback to strengthen against most currencies, while weaker Chinese data has assisted the fall in the Aussie dollar. The AUD is now range trading between 90.80 and 89.90 US cents.

The US is finally showing signs of economic recovery giving some immediate relief to the Australian exporters in a difficult sugar market

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