

Sample pages

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Sweeteners and Starch Price Monitoring

*Monthly Price Review of Starches, their derivatives and Sugar
in Key World Markets*

By

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- Key Comments

For each of the 9 regions (Argentina, P.R. China, EU, Hungary, India, Poland, Russia, Thailand, USA):

- Exchange rates during the course of March 2003
- Price Tables in local currencies/kg and USD/kg
Price Trend Charts over the past 6 months
Running Annual Price Series Graphs
for each of the following:
 - Glucose syrup DE 40-42
 - Glucose syrup DE 63-65
 - High fructose syrup 42%
 - High fructose syrup 55%
 - Maize starch
 - Wheat starch
 - Potato starch
 - Tapioca starch
 - White sugar
 - Cationic starch

Key Comments – March 2003**USA**

- Emsland has started up a potato starch plant at Fort Fairfield, ME in late 2002. Due to a shortage of potatoes, the company had to import potato starch for modification. Imports appear to be continuing as a way to keep plant operating
- US potato starch production highly dependent upon recovery from “wash water” waste streams from french fry and chips operations. French fry demand has slackened, and hence less starch is available. Imported potato starch is filling the gap.
- Potato starch imports (mio kg):

1999	2000	2001	2002	Jan 2003	Est. 2003
34.4	33.4	32.0	43.3	3.5	42-43

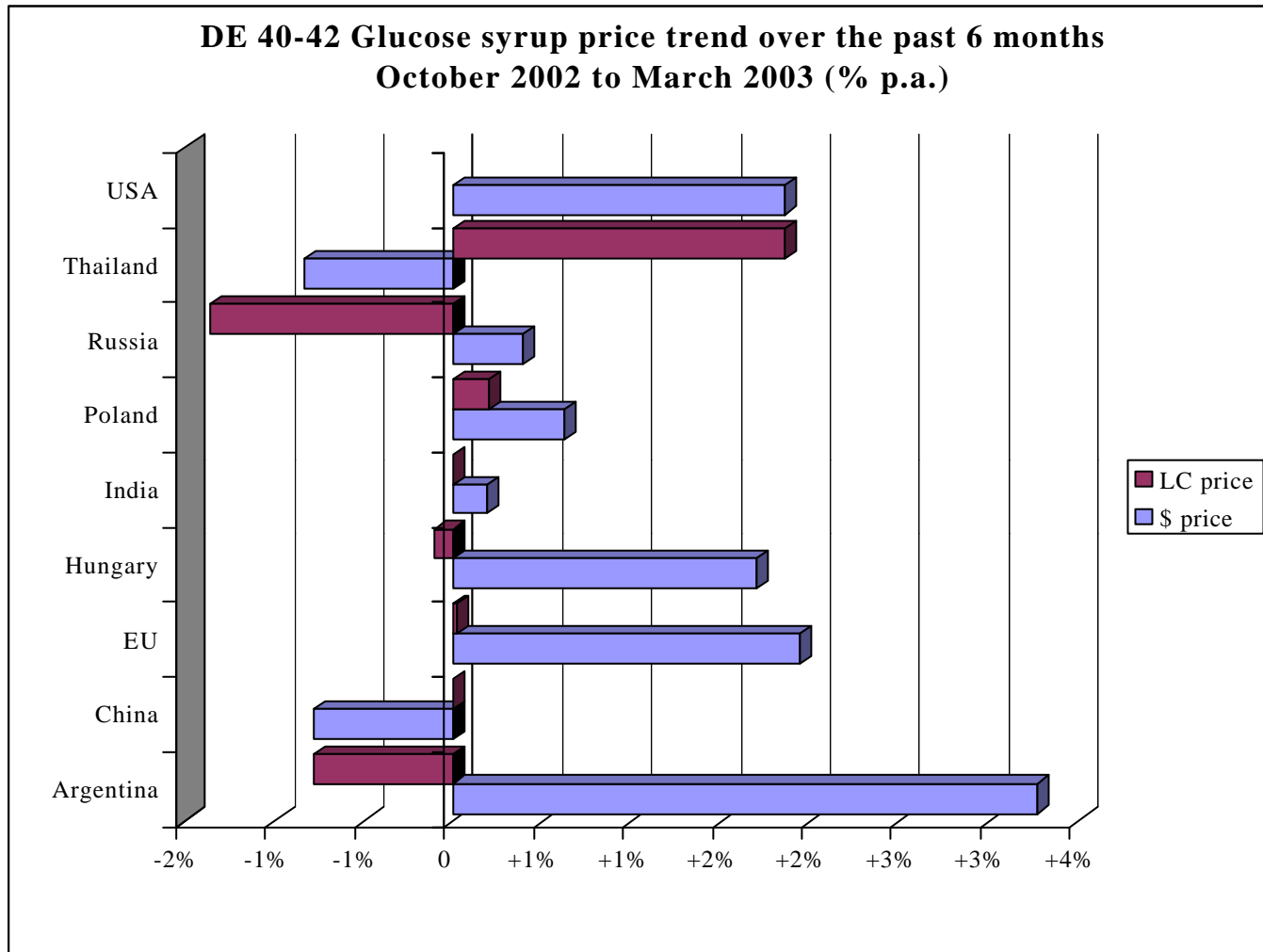
- Rumours of some occasional “backsliding” with HFCS prices but practice is not widespread
- On March 25, 2003, Guillermo Roldan, president of the Mexican Industry of Corn Food and Chemical Derivatives (IADQUIM) said he supported an agreement to allow importations of US corn syrup

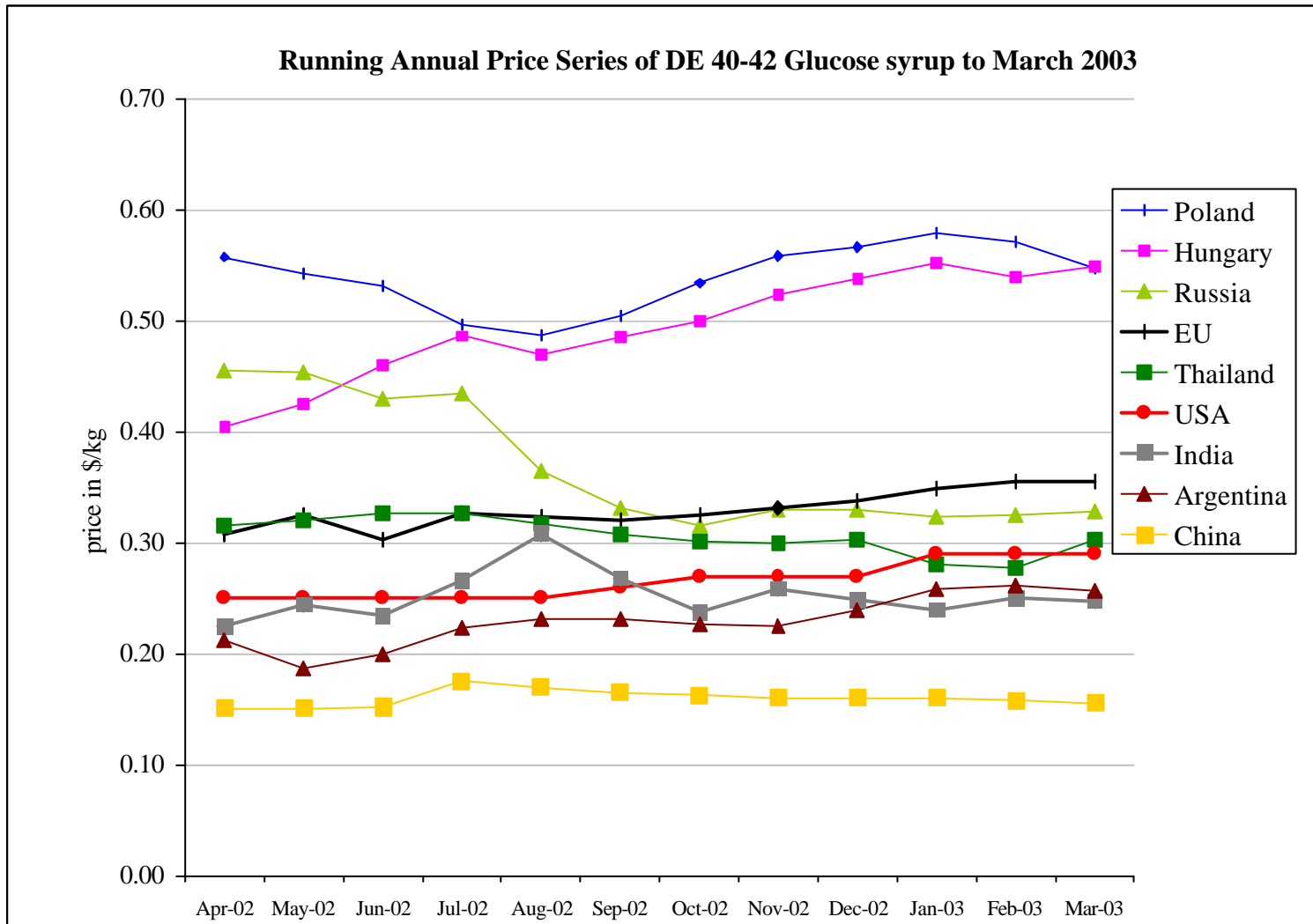
EU

- The European Commissioner for Agriculture, Franz Fischler, argued that the EU should be given credit for shifting of parts of the farm support programme into the Blue Box. In effect, he was arguing that, from the recent Harbinson Paper, a greater burden of adjustment would fall on the EU than the US. He then moved to attack the US position, especially the *de minimis* clause, stating that it “accounted for 51% of the current AMS (Aggregate Measure of Support) in the US”. Mr. Fischler continues to call for the *de minimis* exception to be abandoned for developed countries
- Across the EU as a whole, there is little support for applications of biotechnology to GM foods, according to a new pan-European survey commissioned by the European Commission. The countries currently in favour of maintaining the moratorium on GM crop approvals – France, Greece, Italy, Denmark, Austria and Luxembourg – all have public opinion in balance opposed to GM crops. Spain is the only country showing strong support for GM crops. Opposition to GM foods is much more pronounced with 11 out of 15 European countries’ public opinion being on balance opposed to it
- In another EU study, the number of GMO field trial applications has dropped by 76% since 1998. In addition, 39% of survey respondents has cancelled R&D projects on GMOs in the last 4 years. For the private sector alone, this figure rises to 61%
- High level of HFS prices is to be noted

Russia

- Total Russian grain production in 2003 is forecast at 75.7 mio tons, 10.5 mio tons lower than in 2002. This decrease is due to a smaller area sown to winter grains and increased winterkill. Additionally, low grain prices and ample stocks may act as a damper on spring planting decisions. This forecast assumes normal weather
- Sugar prices have been quite stable, even slightly declining towards the end of the month to return to “normal” levels. Further price increases are anticipated since the stock of beet sourced sugar is coming to an end and the more expensive imported raw sugar will be used





In local currencies/kg

Price – Mar 2003 (com.weight basis)	White sugar					
	Confectionery					
	Oct	Nov	Dec	Jan	Feb	Mar
Argentin ARS/kg	0.85	0.80	0.89	0.85	0.85	0.86
China CNY/kg	2.24	2.24	2.03	1.85	1.88	1.98
EU EUR/kg	0.68	0.68	0.68	0.68	0.68	0.68
Hungary HUF/kg	154	156	158	149	149	149
India INR/kg	15.00	14.50	14.00	13.00	13.00	11.50
Poland PLZ/kg	1.85	1.88	1.88	1.85	1.85	1.85
Russia RUR/kg	13.59	14.45	14.29	14.85	15.45	15.46
Thailand Baht/kg	7.60	9.51	11.77	10.01	10.01	10.01
USA USD/kg	0.62	0.62	0.62	0.62	0.62	0.61

Price – Mar 2003 (com.weight basis)	Cationic Starch					
	paper grade					
	Oct	Nov	Dec	Jan	Feb	Mar
Argentina ARS/kg	1.70	1.80	1.80	1.80	1.80	1.70
China CNY/kg	3.61	3.60	3.78	3.75	3.72	3.71
EU EUR/kg	0.52	0.48	0.48	0.49	0.48	0.48
Hungary HUF/kg						
India INR/kg	25.50	25.50	25.50	25.50	25.50	25.50
Poland PLZ/kg	4.40	4.40	4.40	4.40	4.40	4.40
Russia RUR/kg	<u>22.70</u>	<u>22.70</u>	<u>22.70</u>	<u>22.70</u>	<u>22.70</u>	22.70
Thailand Baht/kg	<u>22.00</u>	<u>21.50</u>	<u>22.00</u>	<u>22.00</u>	<u>22.50</u>	23.00
USA USD/kg	0.63	0.63	0.63	0.64	0.62	0.63

In USD/kg

Price – Mar 2003 (com.weight basis)	White sugar					
	Confectionery					
	Oct	Nov	Dec	Jan	Feb	Mar
Argentin USD/kg	0.23	0.23	0.25	0.26	0.27	0.28
China USD/kg	0.27	0.27	0.24	0.22	0.23	0.24
EU USD/kg	0.67	0.68	0.70	0.72	0.73	0.73
Hungary USD/kg	0.62	0.66	0.68	0.67	0.65	0.65
India USD/kg	0.31	0.30	0.29	0.27	0.27	0.24
Poland USD/kg	0.45	0.48	0.48	0.49	0.48	0.46
Russia USD/kg	0.43	0.45	0.45	0.47	0.49	0.49
Thailand USD/kg	0.17	0.22	0.27	0.23	0.23	0.23
USA USD/kg	0.62	0.62	0.62	0.62	0.62	0.61

Price – Mar 2003 (com.weight basis)	Cationic Starch					
	paper grade					
	Oct	Nov	Dec	Jan	Feb	Mar
Argentina USD/kg	0.46	0.51	0.51	0.55	0.57	0.54
China USD/kg	0.44	0.43	0.46	0.45	0.45	0.45
EU USD/kg	0.51	0.48	0.49	0.52	0.52	0.52
Hungary USD/kg						
India USD/kg	0.53	0.53	0.53	0.53	0.53	0.53
Poland USD/kg	1.07	1.12	1.13	1.16	1.14	1.09
Russia USD/kg	<u>0.72</u>	<u>0.71</u>	<u>0.71</u>	<u>0.71</u>	<u>0.72</u>	0.72
Thailand USD/kg	<u>0.50</u>	<u>0.50</u>	<u>0.51</u>	<u>0.52</u>	<u>0.52</u>	0.54
USA USD/kg	0.63	0.63	0.63	0.64	0.62	0.63