

January 9, 2017

Domestic Prices

Refined sugar held steady while estandar continued dropping, following the seasonal trend. The peso fell to a record low before a rebounding slightly. Fears of changes in free-trade agreements as well as the announcement that Ford may abandon a plant in Mexico have accelerated a flight to safer currencies.

SNIIM Price - National Average

| | <u>Refinado</u> | <u>Estandar</u> | <u>Freight</u> | <u>Refinado</u> | <u>Estandar</u> | <u>Ex. Rate</u> | <u>Refinado</u> | <u>Estandar</u> |
|---------------|--------------------------------|-----------------|----------------|------------------------------|-----------------|-------------------|---------------------------|-----------------|
| | <i>pesos/50 kg bag, deliv.</i> | | <i>average</i> | <i>pesos/50 kg, FOB mill</i> | | <i>pesos/US\$</i> | <i>\$US/cwt, FOB mill</i> | |
| Jan. 9, 2016 | 792.92 | 706.48 | 35.00 | 757.92 | 671.48 | 21.21 | \$32.43 | \$28.73 |
| Previous Week | 792.13 | 710.76 | 35.00 | 757.13 | 675.76 | 20.72 | \$33.15 | \$29.59 |

Source: CNDSCA

Exports

| Monthly Exports | <u>2015/16</u> | <u>2016/17</u> | <u>Change</u> |
|-----------------|----------------|----------------|---------------|
| | <u>MT</u> | <u>MT</u> | <u>%</u> |
| October | 42,682 | 60,474 | 42% |
| November | 42,507 | 47,922 | 13% |
| December | 80,297 | 89,928 | 12% |
| Total | 165,486 | 198,324 | 20% |

| Monthly by Polarization | <u><99.5</u> | <u>>=99.5</u> | <u>Monthly Total</u> |
|-------------------------|-----------------|------------------|----------------------|
| <u>Raw Value</u> | <u>MT</u> | <u>MT</u> | <u>MT</u> |
| October | 38,782 | 8,175 | 46,957 |
| November | 17,286 | 14,996 | 32,282 |
| December | 56,341 | 21,314 | 77,655 |
| Total | 112,409 | 44,485 | 156,894 |

Sector News

Despite uncertainty regarding Suspension Agreements negotiations, Mexico's exports are up compared to the same time last year. As of Dec. 31, total exports were 198,324 MT, up 20 percent from 2015/16. Total exports to the U.S. were 147,947 MT. Exports of sugar with polarity below 99.5 are significantly higher than exports with polarity above that level. Refiners in Mexico may be less eager to export high-polarity sugar before the current dispute is resolved.

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