

SUGARCANE

2025/2026 OUTLOOK SUMMARY

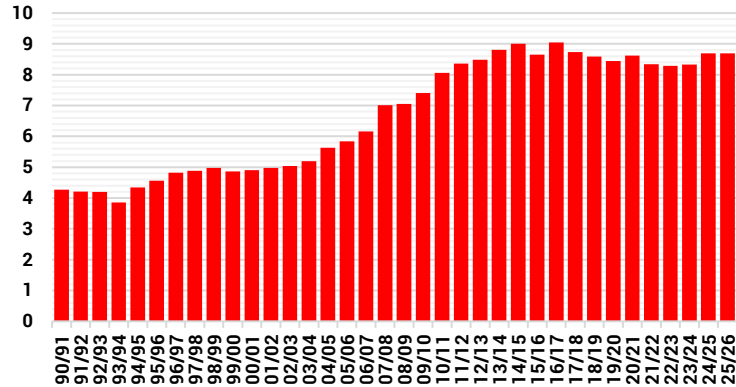


AUGUST/2025

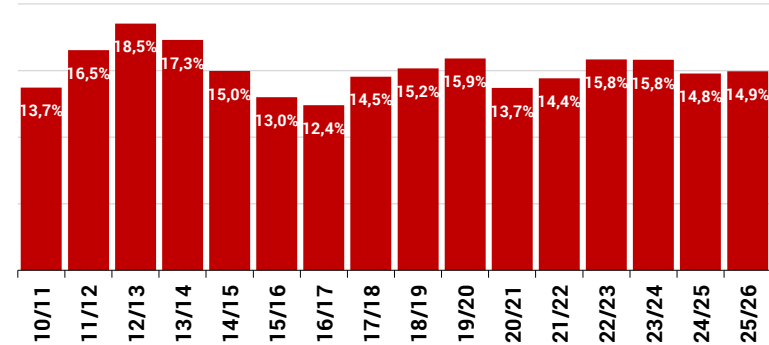


- In the 2025/2026 harvest year (April 1, 2025 to August 1, 2025), sugarcane crushing in the Center-South region reached 306.2 MMT, a decrease of 8.5% compared to the same period in the previous 2024/2025 season.
- From the beginning of the harvest to August 1, sugar production fell by 7.7%, while ethanol production fell even further, by 11.9%.
- In the harvest year, regarding raw material quality, the Total Recoverable Sugar (TRS) level reached 126.85 kg of TRS per tonne, a decrease of 4.7% compared to the previous harvest and the lowest level observed in 10 years.
- In the accumulated harvest, there was a 9.8% reduction in productivity, with an average of 79.8 tonnes per hectare compared to 88.4 in the previous cycle.
- The sector is experiencing an atypical situation this harvest: typically, there's an inverse relationship between agricultural productivity and raw material quality. However, this year, rainfall patterns were unfavorable during both critical phases of the sugarcane cycle.
- The 9.8% drop in productivity, combined with a 4.7% loss in TRS, resulted in a reduction of nearly 15% in the amount of TRS per harvested hectare, negatively impacting the product-per-area ratio.

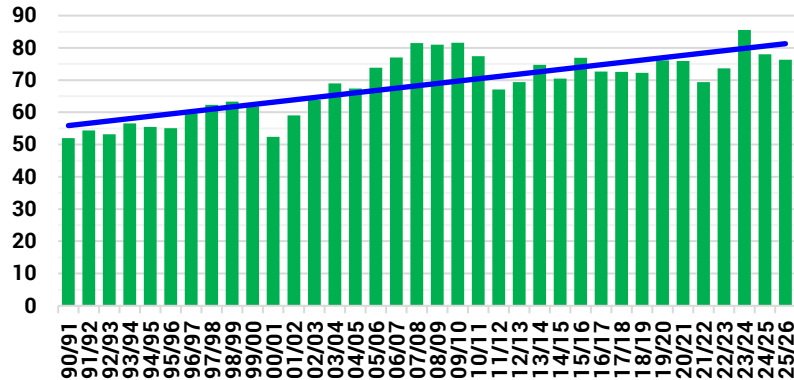
SUGARCANE: BRAZIL AREA AND PRODUCTION



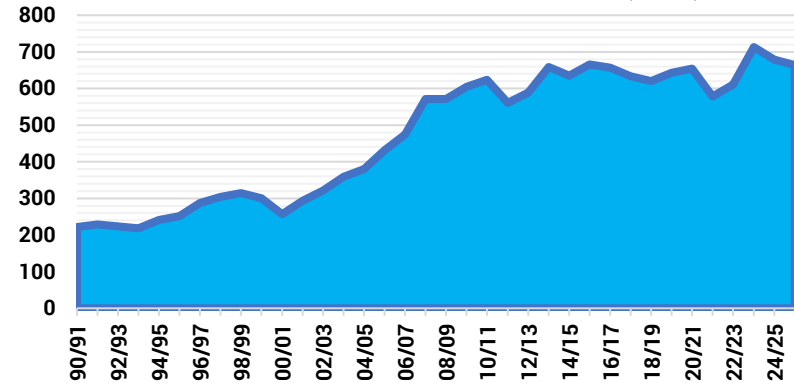
SUGARCANE: RENOVATION AREAS % OF TOTAL AREA



SUGARCANE: AVERAGE YIELD (T/HA)



SUGARCANE: BRAZIL PRODUCTION (MMT)

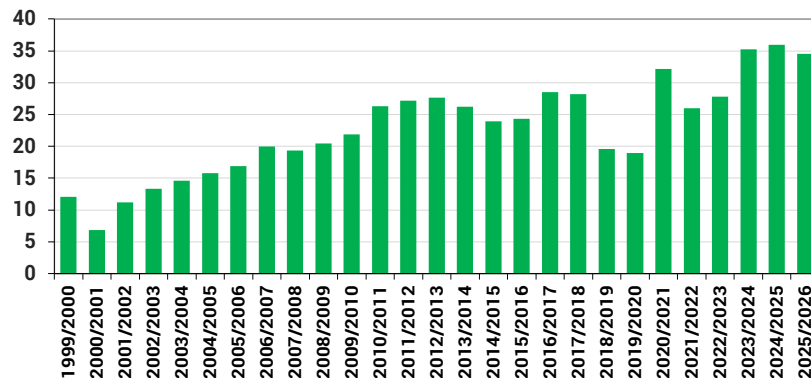


- The CEPEA/ESALQ crystal sugar indicator (ICUMSA color 130 to 180) is quoted at R\$121.11 per 50 kg, a slight increase of 0.1% over the last 30 days, but a decline of 7.4% over the last 12 months.
- This recovery is the result of negotiations involving higher-quality crystal sugar (ICUMSA 150 type) at higher prices.
- Regarding the production mix, 54.1% of the sugarcane harvested in the partial current harvest in the Center-South region was used for sugar production.
- Sugar sales on the spot market yield 4.1% more than export sales.
- In the international scenario, demerara sugar prices on the New York Stock Exchange are supported by lower sugarcane productivity in Brazil's Center-South region and, consequently, reduced sugar production.
- Sugarcane fields harvested in the current 2025/2026 season faced adverse weather conditions, such as drought and multiple fires in the second half of 2024, resulting in lower sucrose content and thus reducing the potential for sugar exports.
- On the New York Stock Exchange (ICE US), sugar contracts for maturities in 2025/2026 range from 16.25¢ to 16.83¢ per pound, an average decline of 16.2% over the last 12 months.

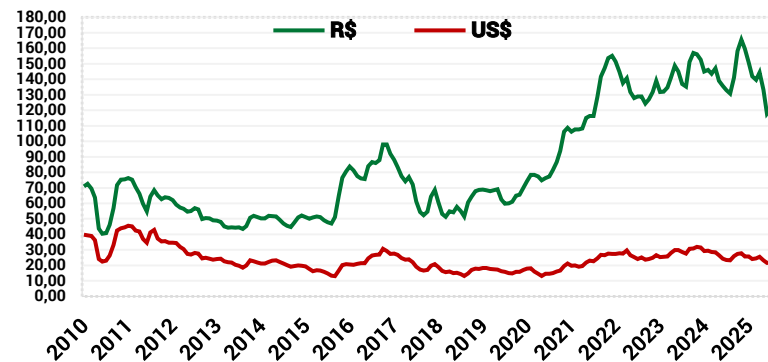
RAW SUGAR: FUTURES AT ICE US (NEW YORK) ¢ PER POUND



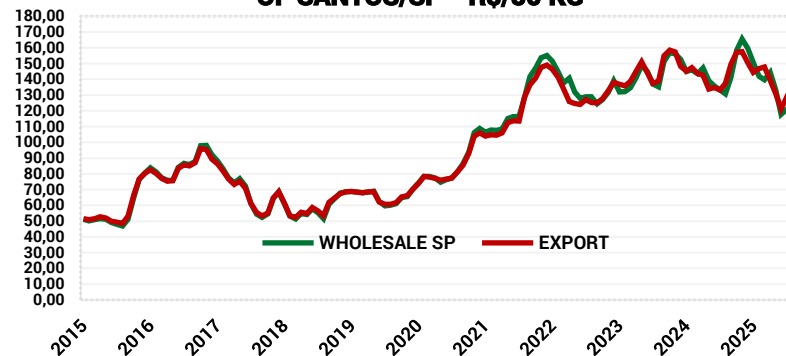
SUGAR: BRAZIL EXPORTS - MMT



GRANULATED SUGAR: SÃO PAULO WHOLESALE PRICES - R\$/50 KG

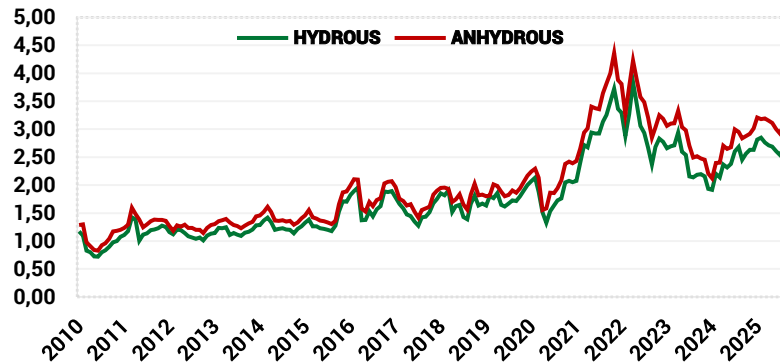


GRANULATED SUGAR: WHOLESALE SP X FAS PORT OF SANTOS/SP - R\$/50 KG

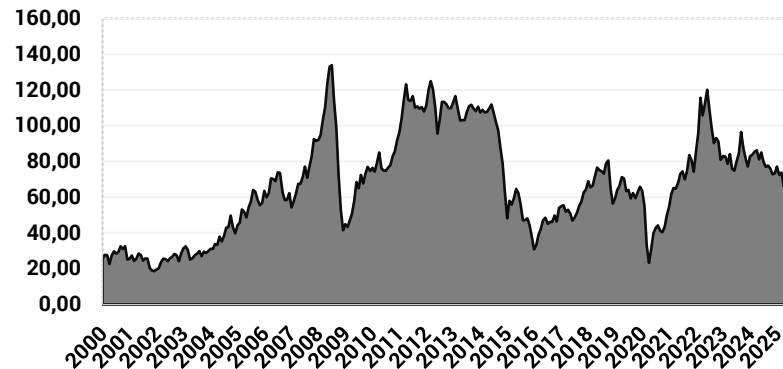


- The price of hydrous ethanol FOB at São Paulo mills is quoted, on average, at R\$2.66 per liter (excluding ICMS and PIS/COFINS), an increase of 4.7% in the last 30 days and a decrease of 0.7% in 12 months.
- The price of anhydrous ethanol FOB at São Paulo mills is quoted, on average, at R\$3.09 per liter (excluding PIS/COFINS), an increase of 5.8% in the last 30 days and 4.7% in the last 12 months.
- Prices remain firm despite weakened demand for hydrous ethanol.
- However, the volume of biofuel traded in the State of São Paulo remains stable.
- This situation stems from the fact that many buyers are making purchases in other states in the Center-South, particularly in MT, MS, and GO, already stocked at the Paulínia/SP and Guarulhos/SP bases.
- These volumes have been negotiated, in some cases, at more competitive prices for buyers.
- The increase in prices in the producer segment in recent weeks and the resulting price increases at the retail level are somewhat restricting new hydrous ethanol purchases by distributors.
- The wholesale price of sugar is 34.2% higher than that of hydrous ethanol and 20.4% higher than anhydrous ethanol.

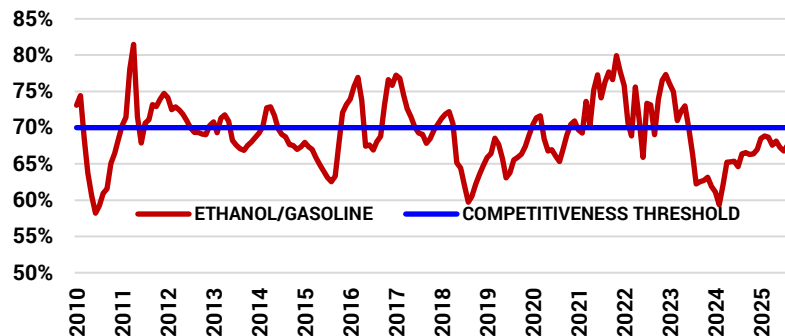
ETHANOL: HYDROUS AND ANHYDROUS PRICES FOB SÃO PAULO PLANT - R\$/L



BRENT OIL: AVERAGE PRICE – US\$/BARREL



HYDROUS ETHANOL COMPETITIVENESS IN RELATION TO GASOLINE – BRAZIL AVERAGE



ETHANOL AVERAGE PRICES - FOB SÃO PAULO PLANTS

HARVEST	ANHYDROUS ETHANOL		HYDROUS ETHANOL	
	R\$/l	US\$/l	R\$/l	US\$/l
2019/2020	2,01	0,49	1,83	0,45
2020/2021	2,17	0,40	1,91	0,35
2021/2022	3,64	0,68	3,16	0,59
2022/2023	3,33	0,65	2,89	0,56
2023/2024	2,61	0,53	2,27	0,46
2024/2025	2,89	0,51	2,55	0,45
2025/2026	3,05	0,55	2,64	0,48
30 DAYS CHANGE	5,8%	9,0%	4,7%	7,9%
12 MO CHANGE	4,7%	8,6%	-0,7%	2,9%



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