

SUGARCANE

2025/2026 OUTLOOK SUMMARY

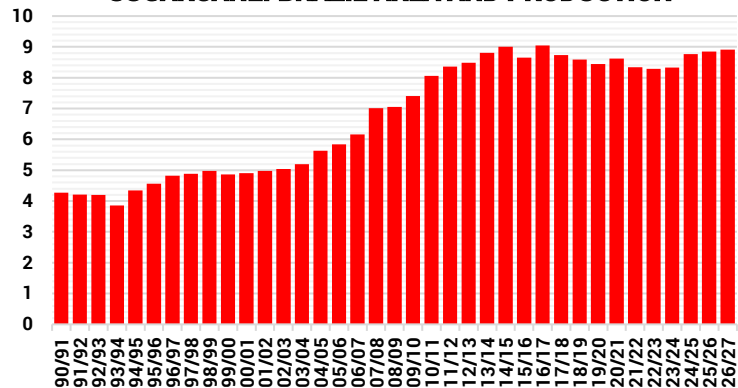


OCTOBER/2025

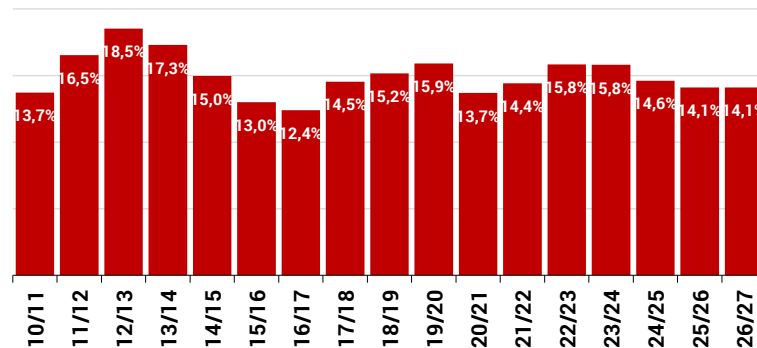


- In the 2025/2026 harvest year (April 1, 2025, to September 30, 2025), sugarcane crushing in the Center-South region reached 490.9 MMT, a 3.0% decrease compared to the same period in the previous 2024/2025 season.
- There are 259 mills operating in the Center-South region.
- In the 2025/2026 harvest year, sugar production grew 0.8% compared to the same period in the previous season, while ethanol production declined 8.8%.
- Crushing, average sugarcane productivity, and the TRS level are lower in the 2025/2026 harvest year.
- According to the Sugarcane Technology Center (CTC), sugarcane productivity in South-Central Brazil reached 77.7 tonnes/hectare this harvest (April to September), down 5.5 tonnes/hectare from the previous harvest's 83.2 tonnes/hectare.
- Regarding raw material quality, Total Recoverable Sugar (TRS) for the entire harvest reached 136.04 kg of TRS per tonne, a 3.6% decrease compared to the previous harvest.
- Agricultural productivity is expected to increase in the upcoming 2026/2027 harvest, with younger sugarcane fields and a recovery in TRS after a weak start to the current harvest.

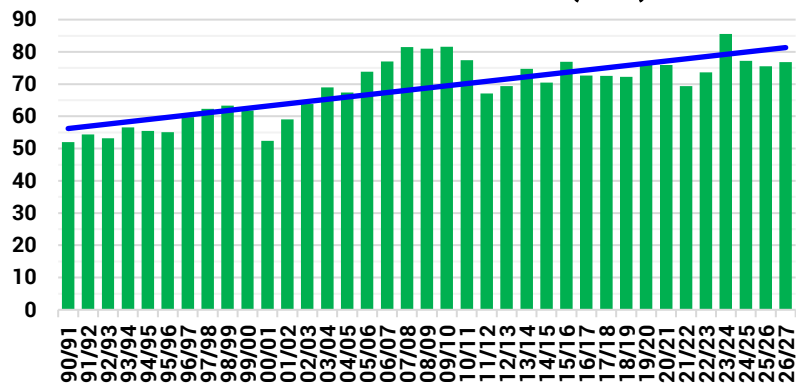
SUGARCANE: BRAZIL AREA AND PRODUCTION



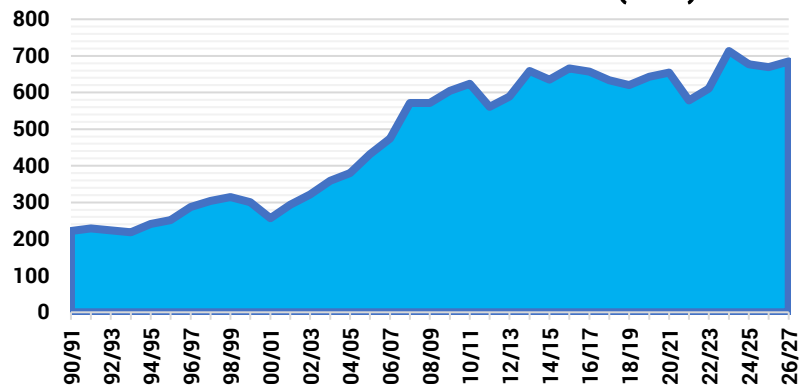
SUGARCANE: RENOVATION AREAS % OF TOTAL AREA



SUGARCANE: AVERAGE YIELD (T/HA)



SUGARCANE: BRAZIL PRODUCTION (MMT)

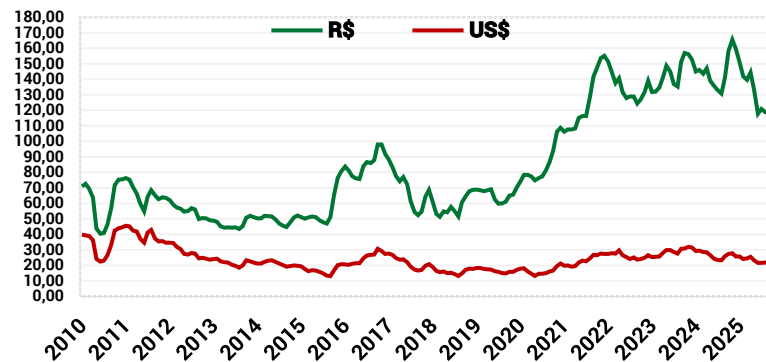


- The CEPEA/ESALQ crystal sugar indicator (ICUMSA color 130 to 180) is quoted at R\$116.10 per 50 kg, a 2.0% decline in the last 30 days and a strong 26.6% decline in the last 12 months.
- Although spot market demand has shown occasional signs of recovery throughout the 2025/2026 harvest, this movement has still been insufficient to provide greater support for negotiated prices.
- In the international market, demerara sugar prices are facing strong downward pressure on the New York Stock Exchange, amid forecasts indicating abundant supply for the 2025/2026 global cycle.
- On the New York Stock Exchange (ICE US), sugar contracts for maturities in 2025/2026 range from 14.85 ¢ to 15.50 ¢ per pound.
- In Brazil, sugar supply is expected to expand in the upcoming 2026/2027 season, with a larger harvested area, with the reforms implemented after the 2025 fires.
- In the long term, the market will reflect the global surplus, with supply expansion in Brazil, India, and Thailand.
- India is expected to increase production by 6 MMT following above-average monsoons, while Thailand is expected to see a 14% increase in production due to the increased harvested area.

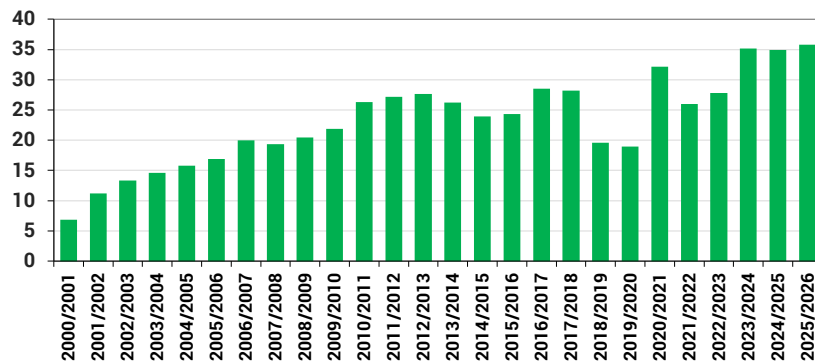
RAW SUGAR: FUTURES AT ICE US (NEW YORK) ¢ PER POUND



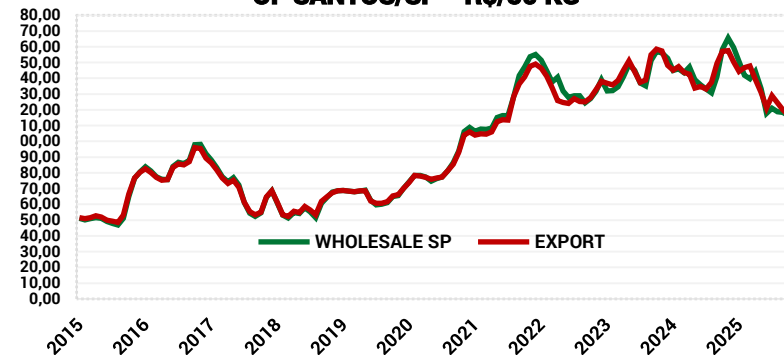
GRANULATED SUGAR: SÃO PAULO WHOLESALE PRICES - R\$/50 KG



SUGAR: BRAZIL EXPORTS - MMT

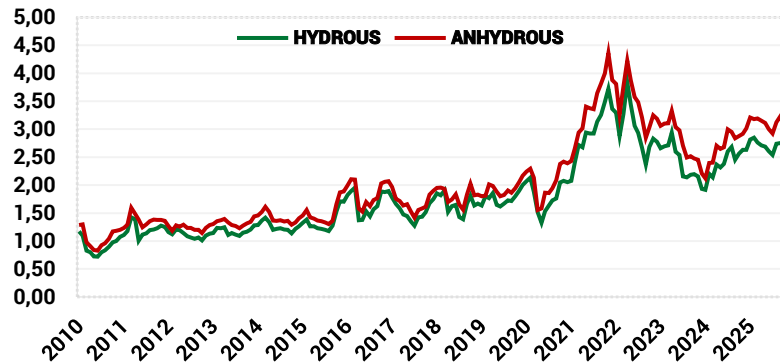


GRANULATED SUGAR: WHOLESALE SP X FAS PORT OF SANTOS/SP - R\$/50 KG

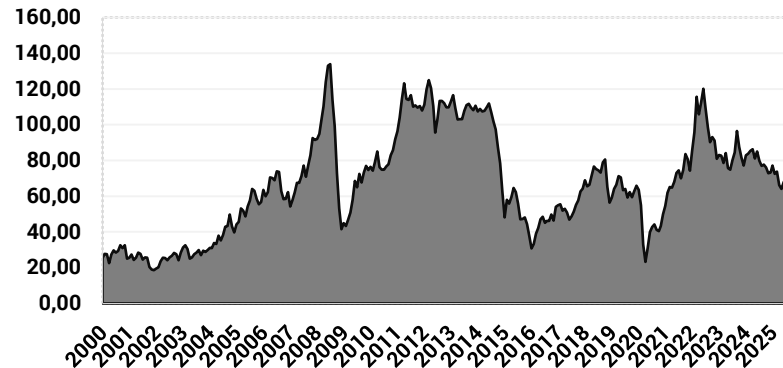


- The price of hydrous ethanol FOB at São Paulo mills is quoted, on average, at R\$2.74 per liter (excluding ICMS and PIS/COFINS), a 0.4% decrease in the last 30 days but a 7.0% increase in the last 12 months.
- The price of anhydrous ethanol FOB at São Paulo mills is quoted, on average, at R\$3.11 per liter (excluding PIS/COFINS), a 3.4% decrease in the last 30 days but an 8.2% increase in the last 12 months.
- The increased demand for hydrous ethanol is driving sales, and buyers are aware of the lower inventories at mills compared to 2024, a situation that may be encouraging more transactions.
- Sugarcane ethanol supply remains limited in the 2025/2026 harvest, with expectations of lower sugarcane availability and a smaller ethanol mix.
- Even increased corn ethanol production is not enough to offset the decline in sugarcane ethanol.
- This scenario indicates lower ethanol competitiveness at the gas station compared to gasoline, which translates into greater price parity at the pump.
- Regarding the relative prices of sugar and ethanol, sugar remains more advantageous, yielding 28.4% more than hydrous ethanol and 16.9% more than anhydrous ethanol.

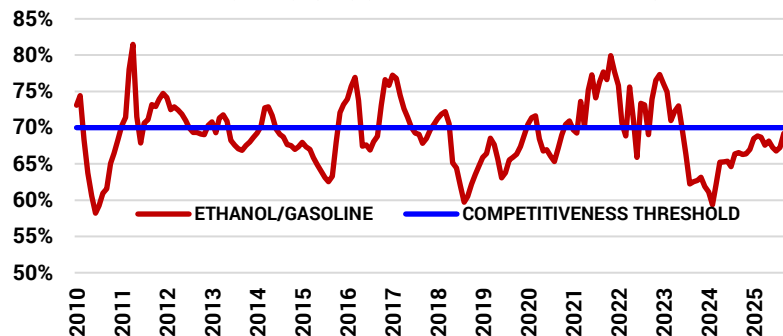
ETHANOL: HYDROUS AND ANHYDROUS PRICES FOB SÃO PAULO PLANT - R\$/L



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 | 3,09 | 0,56 | 2,68 | 0,49 |
| 30 DAYS CHANGE | -3,4% | -5,2% | -0,4% | -2,2% |
| 12 MO CHANGE | 8,2% | 15,1% | 7,0% | 13,8% |



+55 51 3248 1117
+55 51 999 867 666



www.carloscogo.com.br/en



consultoria@carloscogo.com.br



@cogointeligencia

