

Ups and Downs of Marketing Raw Sugar

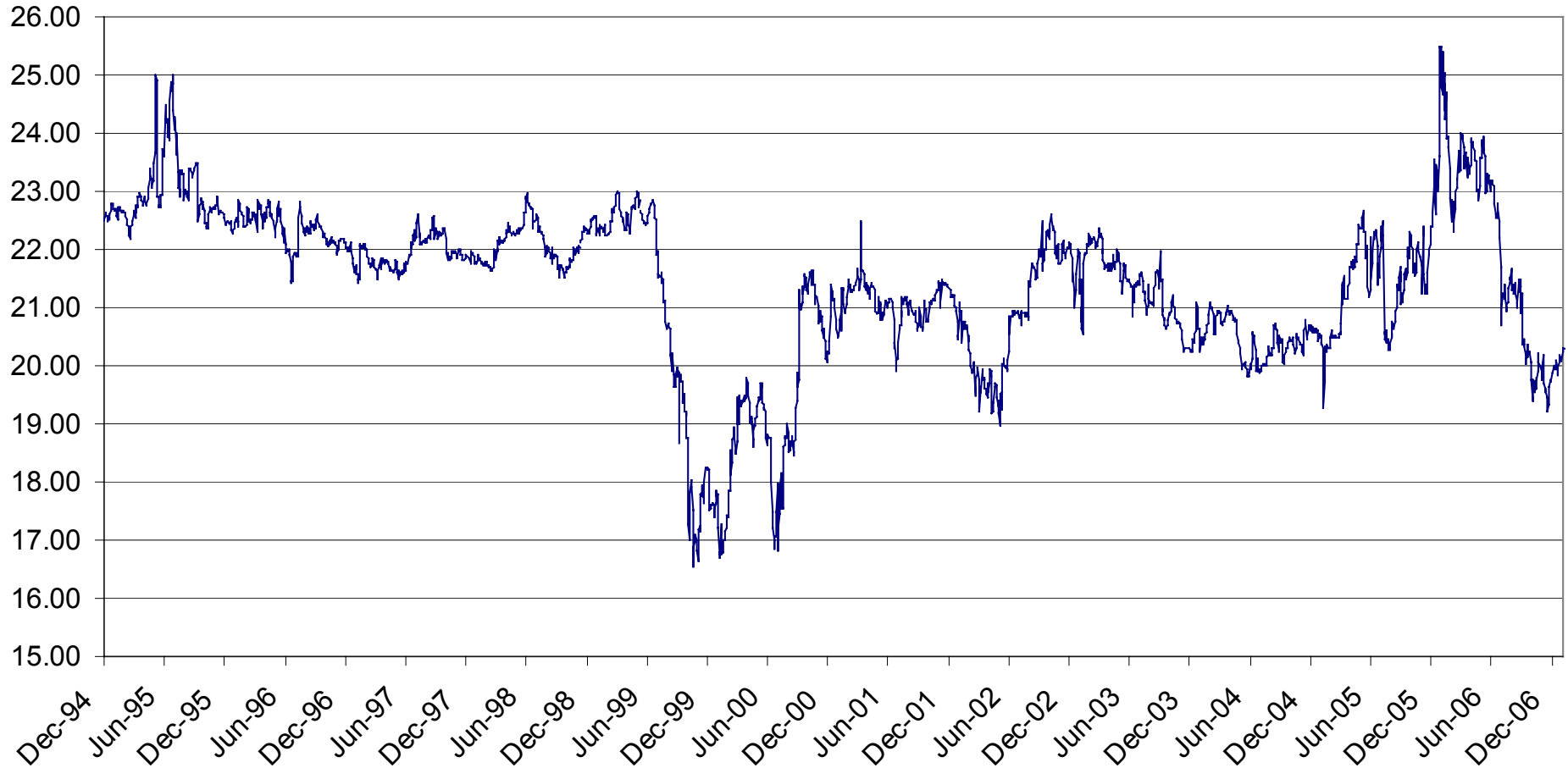
February 9, 2007

Lonnie Champagne &
Alan Chatman

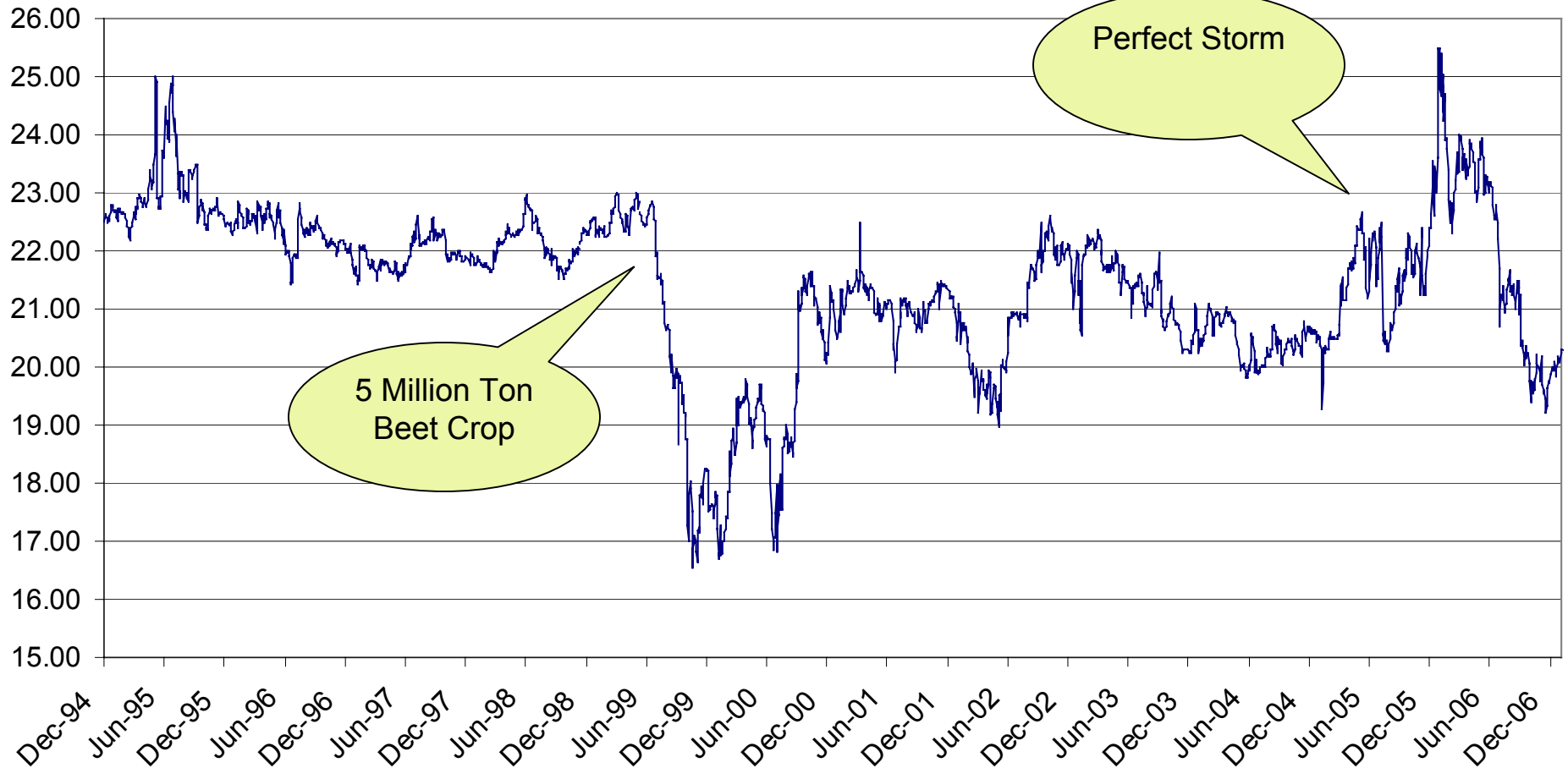
PLAN

- History
- Current Market
- **FUTURE**

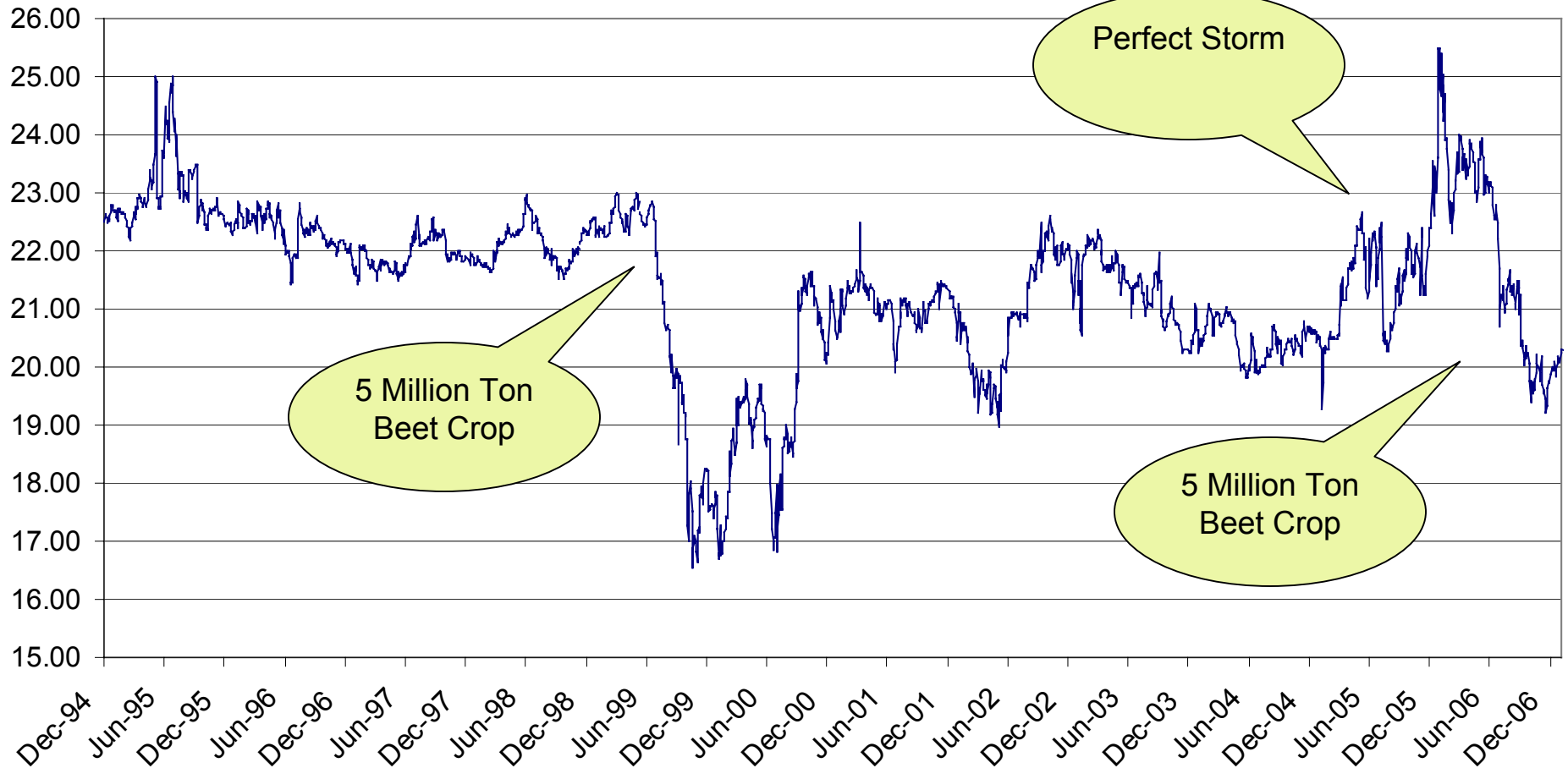
DOMESTIC SUGAR No.14 CONTRACT



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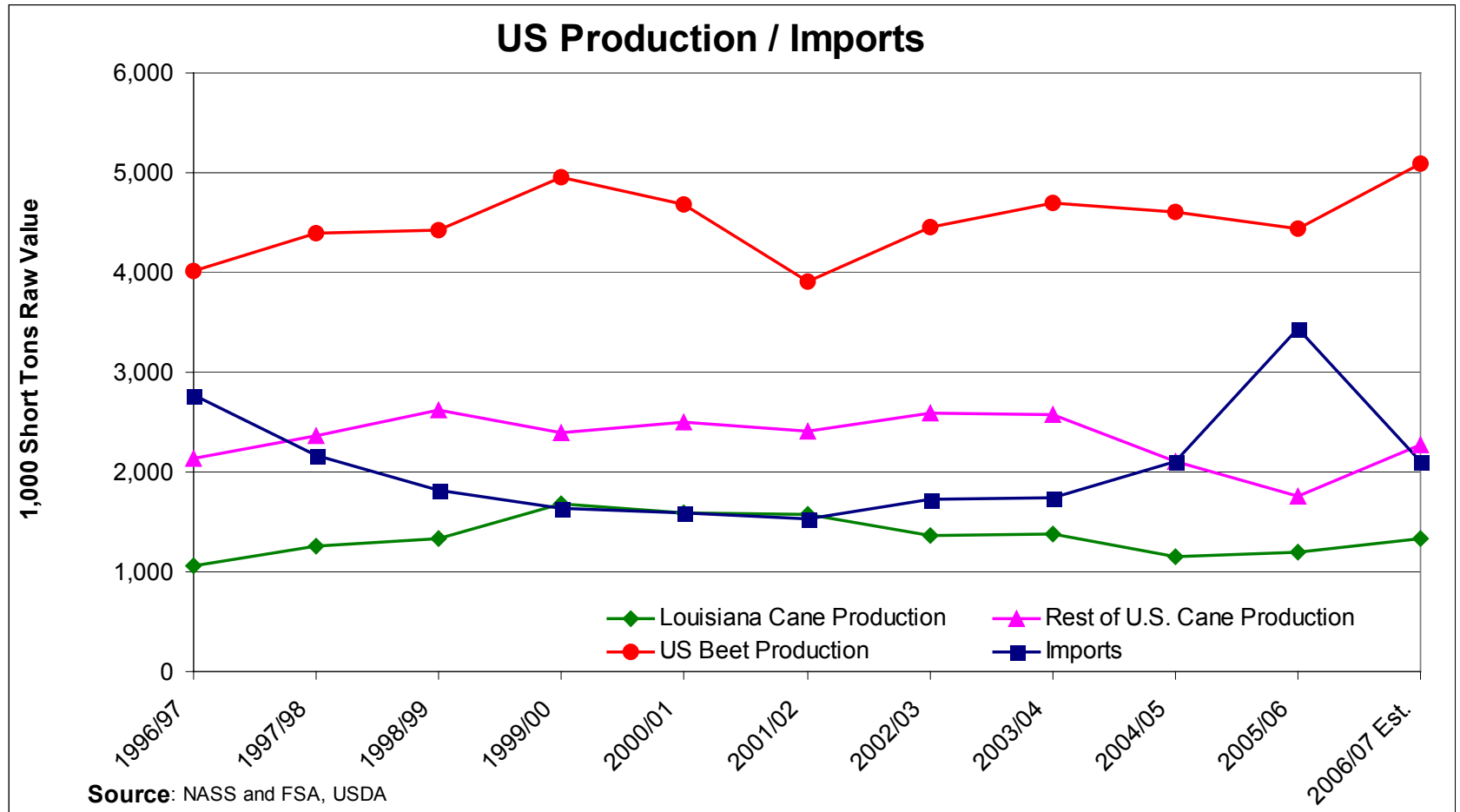


5 Million Ton
Beet Crop

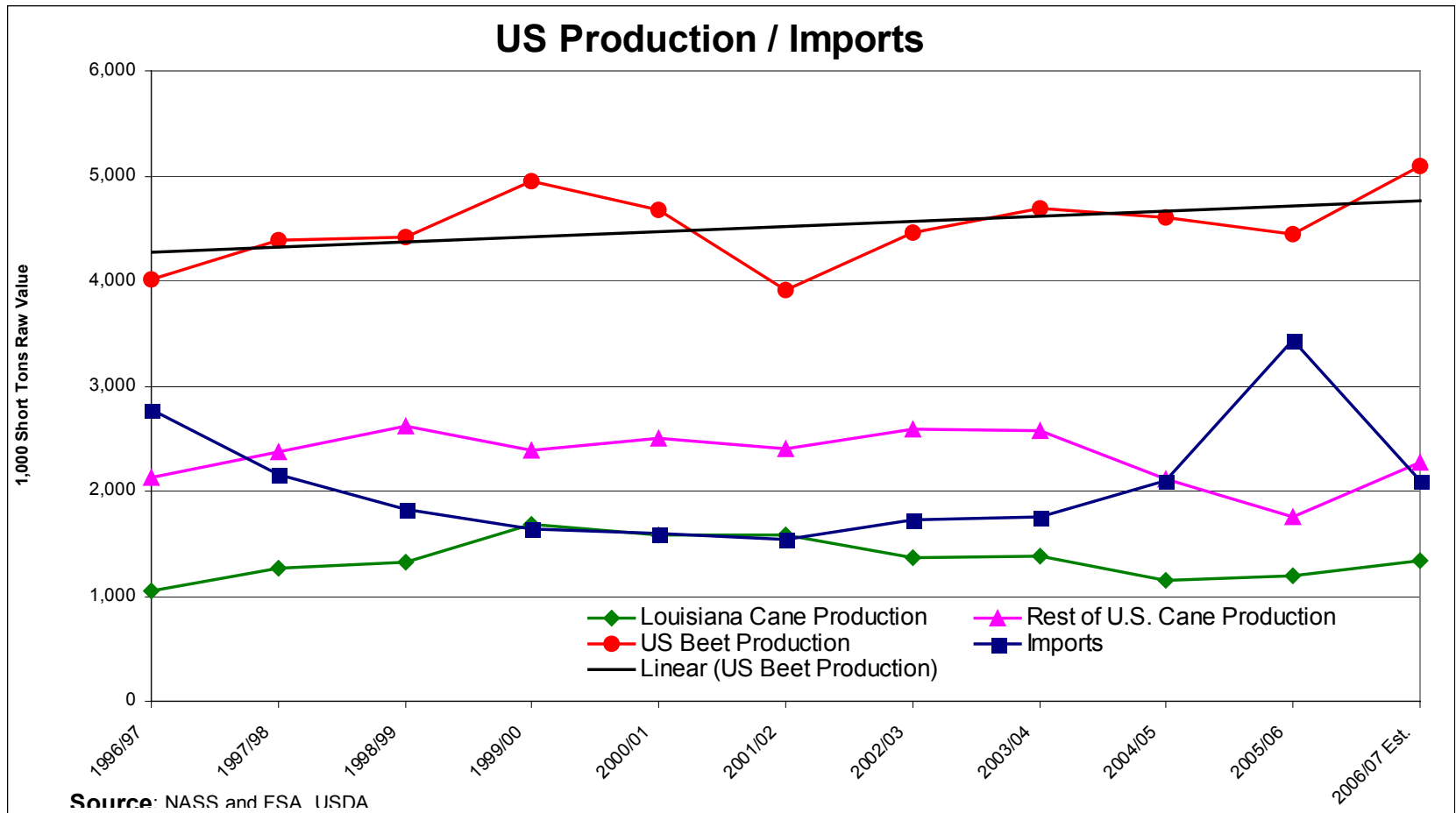
Perfect Storm

5 Million Ton
Beet Crop

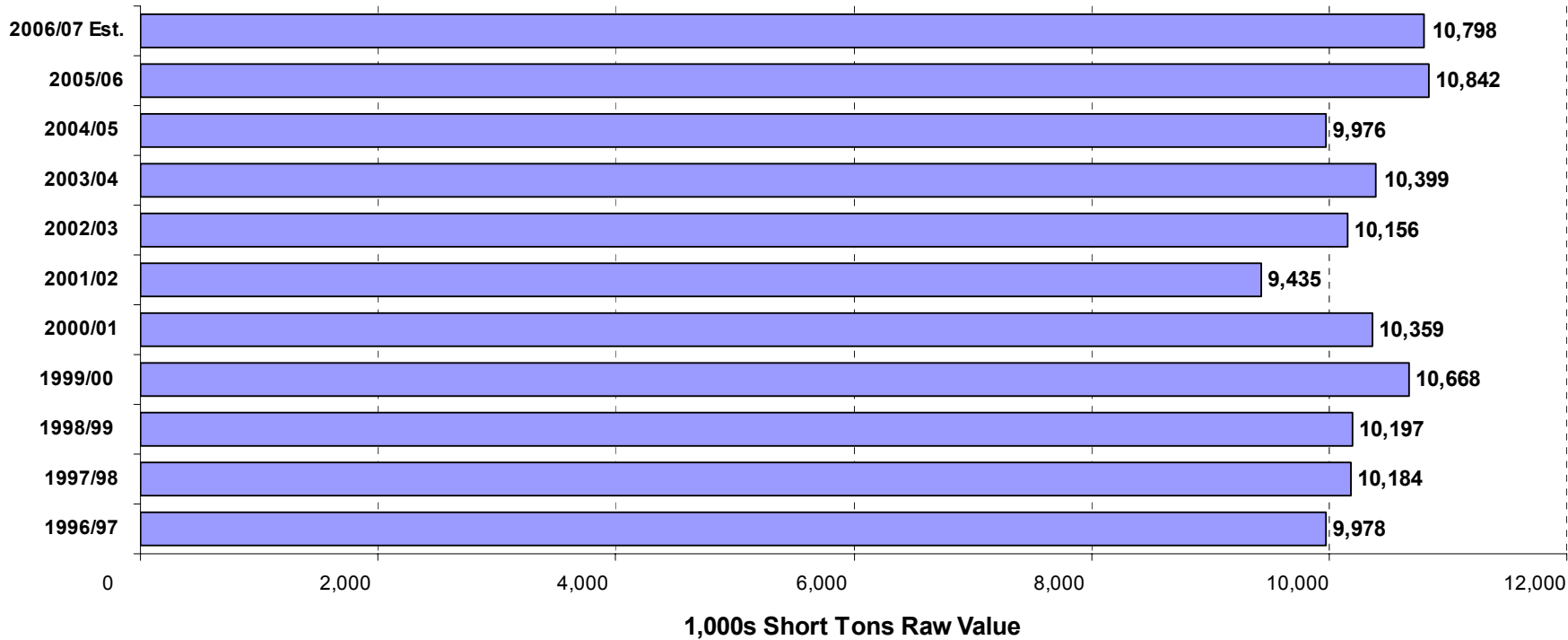
Supply History



Supply History

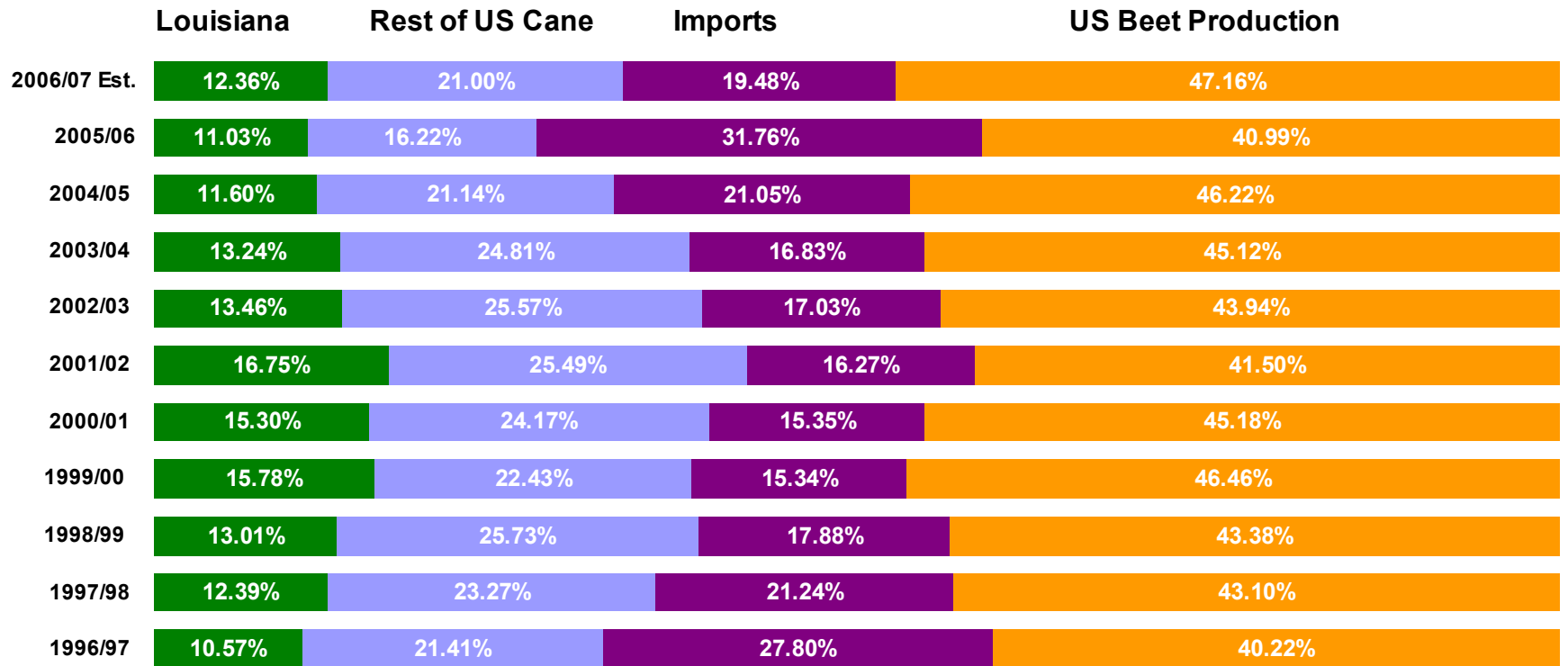


US SUGAR SUPPLY



Source: National Agricultural Statistics Service and Farm Service Agency, USDA

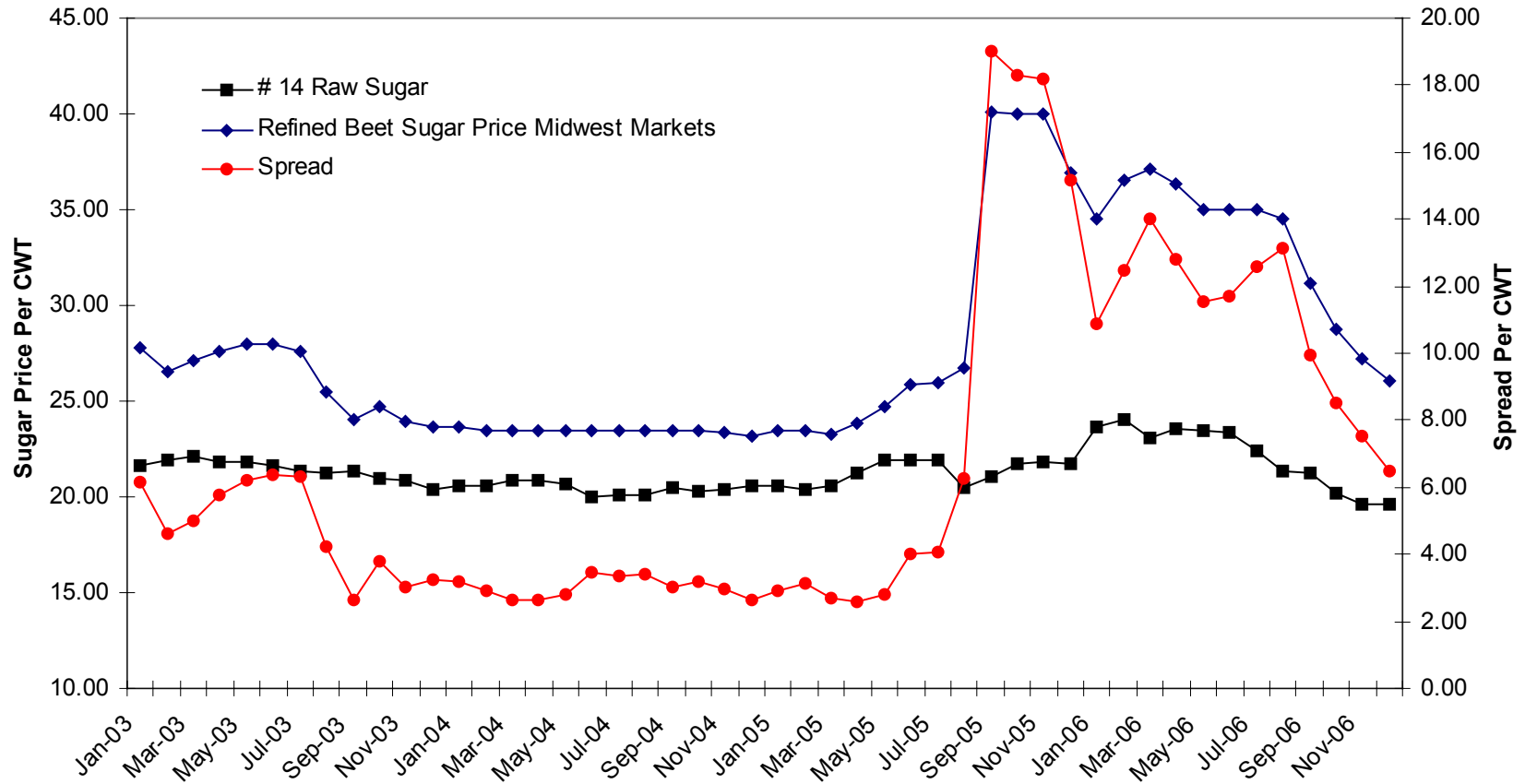
US Sugar Supply



Source: National Agricultural Statistics Service and Farm Service Agency, USDA

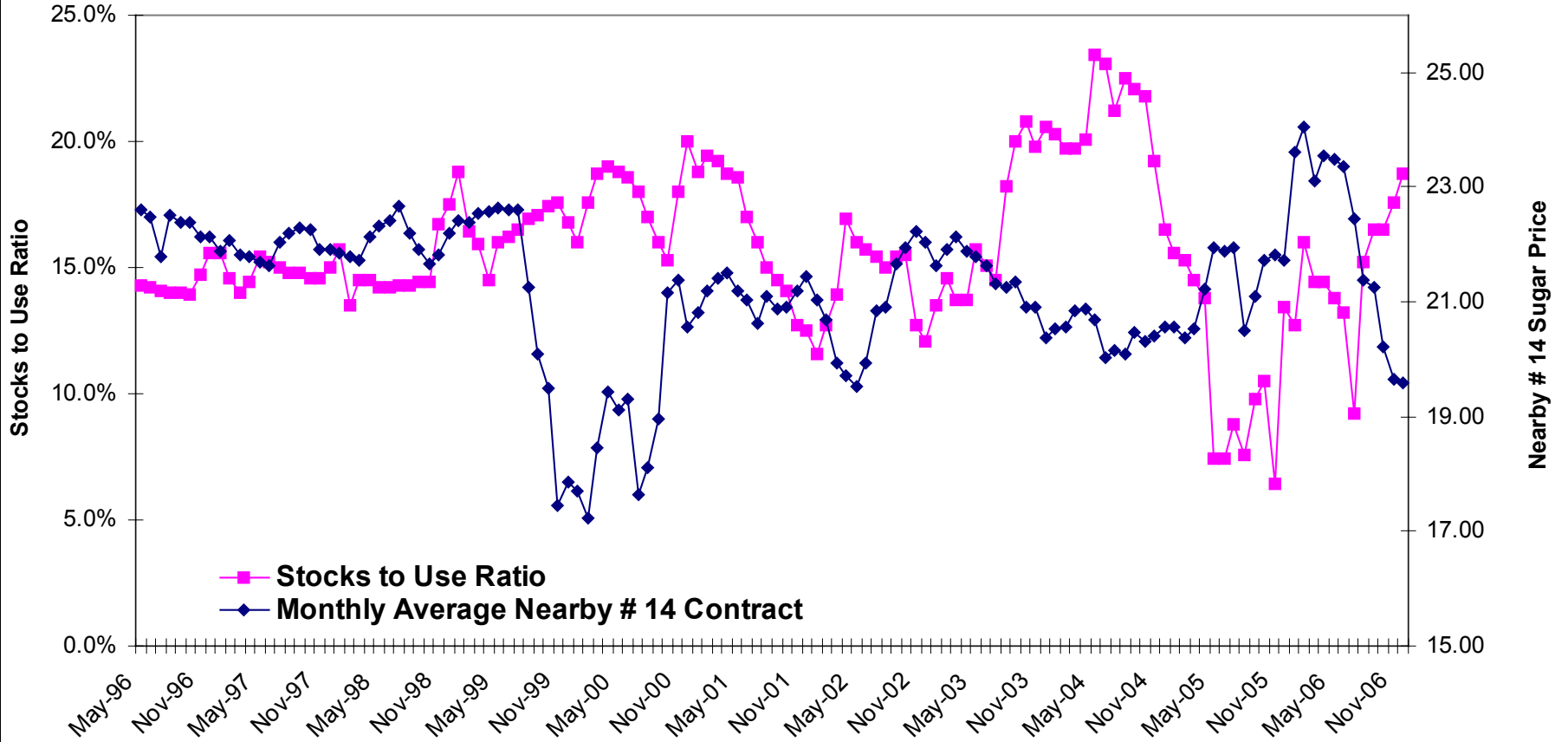
Raw / Refined Sugar 2003 - 06

Monthly Average Prices



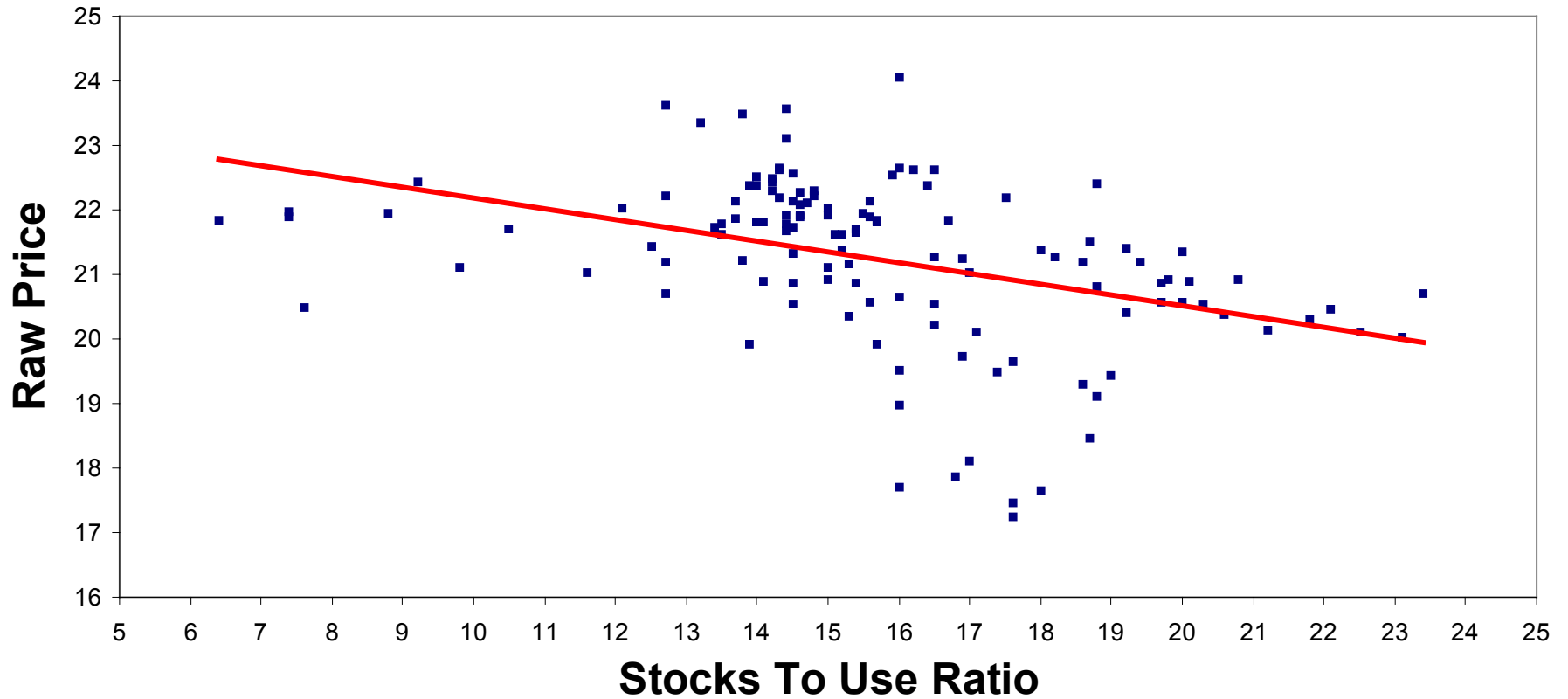
Source: USDA ERS www.ers.usda.gov/briefing/sugar/data.htm, New York Board of Trade www.nybot.com, Milling and Baking News Sosland Publishing

Stocks to Use Ratio and Price



Source: NASS and FSA, USDA and NYBOT

Trend: Stocks to Use Ratio and Price May 1996 - Dec 2006



Source: NASS and FSA, USDA and NYBOT

Demand

- Economics 1001:
 - “Supply will equal Demand”

» Jack Roney ASA

Supply Factors

- Mother Nature
- Other Crops
- Trade Agreements (NAFTA, CAFTA, FTAA, **Taiwan**, ?)
- GOVERNMENT

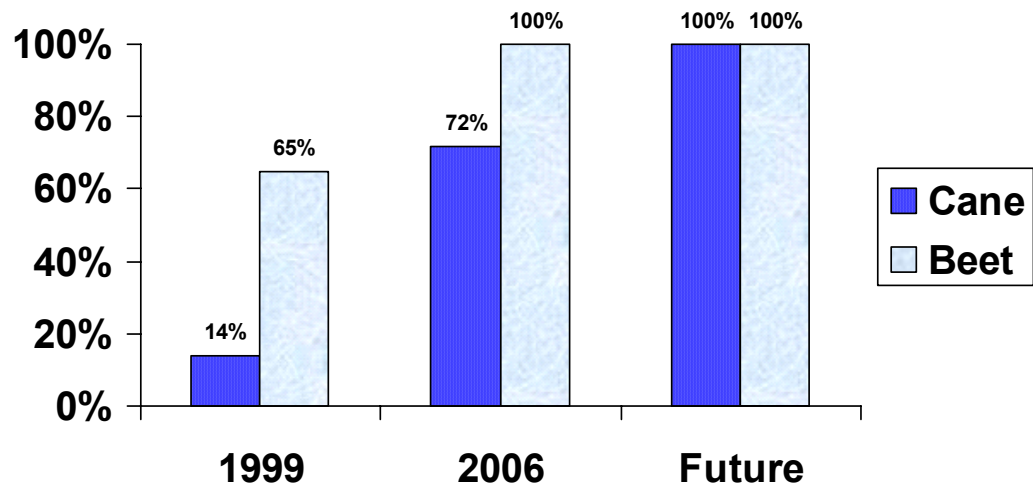
Policy / Farm Bill

- Status Quo
- Elimination of 1.5 Million Trigger
- WTO
- Doha
- Energy

Survival Factors

- Engagement in Washington, D.C.
- Integration

US Cane and Beet Production Owned by Growers Groups



Survival Factors

- Efficiency

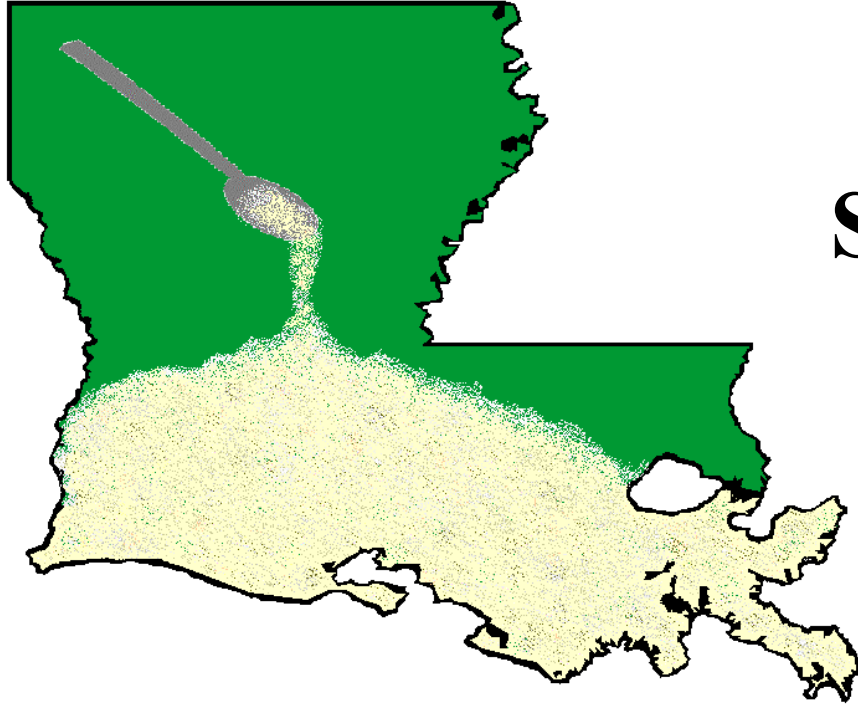
How Can You help your
Customers?

How Can You help your Customers?

WHAT DOES IT COST?

How Can You help your
Customers?

WHAT DOES IT COST?



**LOUISIANA
SUGAR CANE
PRODUCTS,
INC.**



“We want clean air, clear water, good living conditions, the best health care in the world—yet we aren’t willing to pay for anything manufactured under those restrictions.” Steve Dobbinsl, Carolina Textile Mill