WASDE – March 9, 2016

SUGAR: U.S. sugar beginning stocks for 2015/16 are increased by 40,990 short tons, raw value (STRV) based on refiners' corrected data for 2014/15 as published in Sweetener Market Data.

U.S. sugar production for 2015/16 is projected at 8.827 million STRV, a decrease of 21,901. Florida cane sugar is decreased 27,492 STRV to 2.108 million. While Florida cane processors have produced only 1.084 million STRV through January due to difficult harvest conditions, no processor has forecast reduced sugarcane production, with all maintaining that the harvest will be extended by at least a month to meet all individual processor sugarcane production goals. The National Agricultural Statistics Service (NASS) forecasts Florida sugarcane for sugar at 16.974 million tons. Based on refiner projections, sucrose recovery will be lower by 2.5 percent due to the extended harvest. Cane sugar production levels for all other States are unchanged from last month. Beet sugar production is increased by a small 5,591 STRV to 5.016 million as reduced beet pile shrink is partially offset by lower expected sucrose recovery.

On March 7, 2016, the Office of the U.S. Trade Representative (USTR) provided notice of a reallocation of 85,533 metric tons, raw value (MTRV) of the 2015/16 raw sugar tariff-rate quota (TRQ) from countries unable to fill their original allocations to the other countries capable of filling. As a consequence, the raw sugar TRQ shortfall is revised downward from 99,208 STRV to 27,558, a reduction of 71,650. Imports from Mexico are reduced by 33,424 STRV to 1.299 million.

Exports to Mexico for 2015/16 are expected to be lower by 23,476 STRV. Also, since last month, U.S. cane sugar refiners have become more pessimistic about generating export alternatives after Mexico banned duty-free imports of U.S. sugar benefitting from the reexport import program. Sugar exports are, therefore, projected at 100,000 STRV. No other changes to sugar use were made. Ending stocks for 2015/16 are projected at 1.646 million STRV, implying an ending stocks-to-use ratio of 13.5 percent.

For the 2015/16 Mexico sugar supply and use balance, imports are decreased by 20,092 MT to match the decrease in U.S. exports to Mexico. Mexico exports are projected at 1.122 million MT, a decrease of 28,606 from last month. Exports to the United States are projected at 1.112 million MT, based on changes made in the March 2016 WASDE for the United States as per the Countervailing Duty (CVD) Suspension Agreement of December 19, 2014 ("Target Quantity of U.S. Sugar Needs").

	2013/14	2014/15 Est.	2015/16 Proj. Feb	2015/16 Proj. Mar
		1,000 Short Tons,	*Raw Value*	
Beginning Stocks	2158	1810	1768	1809
Production 2/	8462	8649	8849	8827
Beet Sugar	4794	4893	5010	5016
Cane Sugar	3667	3756	3839	3811
Florida	1763	1975	2136	2108
Hawaii	168	146	165	165
Louisiana	1591	1513	1423	1423
Texas	145	123	115	115
Imports	3742	3553	3162	3200
TRQ 3/	1302	1536	1514	1586
Other Program 4/	305	471	300	300
Other 5/	2135	1546	1348	1314
Mexico	2130	1532	1333	1299
Total Supply	14361	14012	13778	13836
Exports	306	185	123	100
Deliveries	12246	12019	12090	12090
Food 6/	11819	11888	11955	11955
Other 7/	427	131	135	135

Miscellaneous	0	0	0	0
Total Use	12552	12204	12213	12190
Ending Stocks	1810	1809	1565	1646
Stocks to Use Ratio	14.4	14.8	12.8	13.5

1/ Fiscal years beginning Oct 1. Historical data are from FSA "Sweetener Market Data" (SMD). 2/ Production projections for 2014/15 and 2015/16 are based on Crop Production and processor projections where appropriate. 3/ For 2015/16, WTO raw sugar TRQ shortfall (28). For 2014/15, WTO raw sugar TRQ shortfall (69). 4/ Includes sugar under the re-export and polyhydric alcohol programs. 5/ For 2013/14, other high-tier (5) and other (0). For 2014/15, other high-tier (15) and other (0). For 2015/16, other high-tier (15) and other (0). 6/Combines SMD deliveries for domestic human food use and SMD miscellaneous uses. 7/ Transfers to sugar-containing products for reexport, and for nonedible alcohol, feed, and ethanol.

Mexico Sugar Supply and Use and High Fructose Corn Syrup Imports 1/

		Beginning Stocks	Production	Imports	Domestic 2/	Exports	Ending Stocks
Sugar				*1,000 Metric Tons,*	*Actual Weight*		
2014/15 Est.	Feb	831	5985	128	4691	1442	811
	Mar	831	5985	128	4691	1442	811
2015/16 Proj.	Feb	811	6056	90	4681	1150	1125
	Mar	811	6056	70	4681	1122	1134

1/ HFCS imports by Mexico (1,000 metric tons, dry basis): Oct-Sep 2014/15 = 979; Oct-Jan 2014/15 = 311, Oct-Jan 2015/16 = 291 . Footnote source: Comite Nacional para el Desarollo Sustentable de la Cana de Azucar. 2/Includes domestic consumption, Mexico's products export program (IMMEX), and any residual statistical discrepancies. IMMEX: 2014/15 (337 est), 2015/16 (337 proj). Statistical Adjustment: 2014/15 (-54), 2015/16 (0).