



## WASDE – July 10, 2020

SUGAR: U.S. sugar supply for 2020/21 is increased 187,367 short tons, raw value (STRV) to 13.921 million based on an increase in beginning stocks and production only partially offset by a reduction in imports. An increase in beginning stocks of 140,070 STRV results from increases in 2019/20 FTA TRQ imports from the implementation of USMCA and in 2019/20 imports from Mexico. Combined national beet sugar production and cane sugar production in 2020/21 are increased by 85,000 STRV based on projected increases in area harvested reported in the NASS Acreage report. TRQ imports for 2020/21 are increased by the quantity of specialty sugar beyond the WTO minimum as announced by the Secretary of Agriculture (154,323 STRV) and by projected FTA imports from Canada under USMCA (30,581 STRV). Imports from Mexico are projected at 1.079 million STRV, a reduction of 222,607 from last month. Net imports for 2020/21 are thereby reduced 37,703 STRV. There are no changes to use. Ending stocks are projected at 1.656 million STRV for an ending stocks-to-use ratio of 13.5 percent.

Under the USMCA effective July 1, 2020, Canada is to receive a calendar year export allotment of 9,600 metric tons (MT) of refined beet sugar for the entry into the U.S. market. USTR set the allotment for the remainder of 2020 at 4,800 MT, one-half of the annual amount. The allotment for 2021 is assumed at the full statutory level. USTR also granted Canada 20 percent of the 181,437 MT additional refined sugar TRQ established in April before the implementation of the USMCA. The 20-percent level of any addition to the refined sugar TRQ is set out in the USMCA and only applies in this case to calendar year 2020. These allocated amounts are prorated on a quarterly basis across the final two quarters of 2020 and the first three quarters of 2021.

Mexico production for 2019/20 is estimated at 5.282 million MT. This is an increase of 52,000 MT over last month mostly on better yields. FAS Mexico City Post reporting supports downward adjustments of 43,604 MT reflecting combined lower deliveries to the IMMEX re-export program and for human consumption. Required ending stocks to meet delivery needs for the 2.5 months before the start of the 2020/21 sugarcane campaign are lowered on the basis of lower projected deliveries in 2020/21. The net result of these changes is to increase residually determined exportable supply by 119,979 MT. Exports to the United States are increased to 1.194 million MT. Raw exports to the United States are estimated between 740,000 and 757,000 MT from 2019/20 production and beginning raw sugar stock levels.

Mexico sugar supply and use for 2020/21 has fewer beginning stocks, lower projected deliveries for IMMEX and human consumption, and reduced stocks. The net effect is to increase exports by 117,000 MT to 1.731 million. Exports to the United States are reduced to 923,253 MT on calculated U.S. Needs as set out in the AD/CVD Suspension Agreements. Exports to third-country destinations are residually increased to 807,747 MT.



WASDE – July 10, 2020

WASDE - 602 - 16  
U.S. Sugar Supply and Use 1/

	2018/19	2019/20 Est.	2020/21 Proj.	2020/21 Proj.
			Jun	Jul
		<i>1,000 Short</i>		
		<i>Tons,</i>	<i>Raw Value</i>	
Beginning Stocks	2008	1783	1632	1772
Production 2/	8999	8002	9005	9090
Beet Sugar	4939	4256	4965	5000
Cane Sugar	4060	3746	4040	4090
Florida	2005	2106	2105	2105
Hawaii	0	0	0	0
Louisiana	1907	1513	1800	1850
Texas	147	127	135	135
Imports	3070	4178	3097	3059
TRQ 3/	1541	2203	1395	1580
Other Program 4/	438	350	350	350
Other 5/	1092	1625	1351	1129
Mexico	1000	1395	1301	1079
Total Supply	14077	13962	13733	13921
Exports	35	35	35	35
Deliveries	12231	12155	12230	12230
Food	12106	12050	12125	12125
Other 6/	126	105	105	105
Miscellaneous	28	0	0	0
Total Use	12294	12190	12265	12265
Ending Stocks	1783	1772	1468	1656
Stocks to Use Ratio	14.5	14.5	12	13.5

1/ Fiscal years beginning Oct 1. Data and projections correspond to category components from "Sweetener Market Data" (SMD). 2/ Production projections for 2019/20 and 2020/21 are based on Crop Production and/or processor projections/industry data and/or sugar ICEC analysis where appropriate. 3/ For 2019/20, WTO raw sugar TRQ shortfall (84) and for 2020/21 (99). 4/ Composed of sugar under the re-export and polyhydric alcohol programs. 5/ Imports from Mexico; and high-tier tariff sugar and syrups not otherwise specified -- for 2019/20 (230) and 2020/21 (50). 6/ Transfers accompanying deliveries for sugar-containing products to be exported (SCP) and polyhydric alcohol manufacture (POLY), and deliveries for livestock feed and ethanol. Total refiner license transfers for SCP and POLY inclusive of WASDE-reported deliveries: 2018/19 -- 374; estimated 2019/20 -- 340; projected 2020/21 -- 353.



WASDE – July 10, 2020

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

		Beginning Stocks	Production	Imports	Domestic 2/	Exports	Ending Stocks
		<i>1,000 Metric Tons,</i>			<i>Actual Weight</i>		
<b>Sugar</b> 2019/20 Est.	Jun	1169	5230	89	4422	1113	953
	Jul	1169	5282	89	4378	1233	929
2020/21 Proj.	Jun	953	6100	89	4575	1614	953
	Jul	929	6100	89	4458	1731	929

1/ HFCS consumption by Mexico (1,000 metric tons, dry basis): 2018/19 = 1,528; Estimated 2019/20 = 1,470; Projected 2020/21 = 1,470; Estimated Oct-May 2019/20 = 915, Oct-May 2018/19 = 1,005. Footnote source for estimate: Comité Nacional para el Desarrollo Sustentable de la Cana de Azúcar. 2/ Includes deliveries for consumption, Mexico's products export program (IMMEX), and Other Deliveries/Ending Year Statistical Adjustments. IMMEX: 2019/20 (301 est); 2020/21 (385 proj). Other Deliveries/Ending Year Statistical Adjustments: 2019/20 (0), 2020/21 (0).