SUGAR: Mexico sugar production is reduced by 50,000 metric tons (MT) to 5.900 million on lower projections of sugarcane and sugar yields based on analysis of yields reported through the end of February. Deliveries for human consumption are reduced on the pace to date but the reduction is limited by an increase made by CONADESUCA to its own projection. The new projection is 4.030 million MT. That projection plus expected deliveries to IMMEX put total deliveries at 4.445 million MT. There is a minor adjustment to expected ending stocks based on reduced deliveries, and total exports are residually increased to 1.492 million MT. Exports to the United States this month are adjusted in Mexico by the new export limit to be established by the U.S. Department of Commerce after the publication of this March 2021 WASDE as set out in the AD/CVD Suspension Agreement. Because the export limit set by Commerce in December 2020 is larger than U.S. Needs based on this WASDE, the export limit is projected to be set at 794,146 MT, the same as set by Commerce in December. Added to this is a small amount exported to the United States in October 2020 from last year's allocation to bring the total to 796,528 MT or 903,703 STRV. Exports to third countries that can include exports to the U.S. re-export import program are residually projected at 695,475 MT.

U.S. sugar supply for 2020/21 is decreased 219,671 short tons, raw value (STRV) to 14.113 million on projected increases in production being more than offset by decreases in expected imports. Beet sugar production is increased 46,895 STRV to 5.093 million on a projected increase in national sucrose recovery to 15.275 percent. Recoveries in all regions including the Upper Midwest are projected to be at above-average high levels, pushing the national recovery projection 1.50 standard deviations above its 8-year average since 2012/13. Processor forecasts of beet pile shrink have not varied much during the campaign. Estimates of an above-average proportion of sugarbeets sliced relative to beets harvested through the end of January is a sign of reduced probability of shrink for the remainder of the campaign. Processors indicate that recent above-average temperatures are not a major concern for shrink. Cane sugar production in Louisiana is increased by 17,666 STRV to 1.949 million on crop year estimates published in the Sweetener Market Data. Cane sugar production in Texas is reduced 2,252 STRV to 131,748 on a processor report at the end of the campaign. Re-export imports are decreased by 50,000 STRV on the slow pace to date and the likelihood of a continuation of lower margins between U.S. and world raw sugar prices. Imports from Mexico are reduced by 231,980 STRV to 903,703 as detailed in the preceding paragraph.

U.S. deliveries for human consumption are reduced by 75,000 STRV to 12.125 million on the slow pace through one-third of the fiscal year. These deliveries have been difficult to project because of the unusually high Direct Consumption Imports of 204,670 STRV recorded as entering in September of 2019/20 but unlikely to have been delivered to actual end users until sometime in 2020/21. A precise allocation is difficult to establish but this season's slow pace of recorded deliveries is indicative of the effect. Ending stocks are residually projected at 1.848 million STRV, implying an ending stocks-to-use ratio of 15.07 percent.

WASDE – March 9, 2021

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U.S. Sugar Supply and Use 1/

	2018/19	2019/20 Est.	2020/21 Proj. Feb	2020/21 Proj. Mar
		1,000 Short Tons,	*Raw Value*	
Beginning Stocks	2008	1783	1618	1618
Production 2/	8999	8149	9312	9374
Beet Sugar	4939	4351	5046	5093
Cane Sugar	4060	3798	4265	4281
Florida	2005	2106	2200	2200
Hawaii	0	0	0	0
Louisiana	1907	1566	1931	1949
Texas	147	126	134	132
Imports	3070	4235	3404	3122
TRQ 3/	1541	2152	1721	1721
Other Program 4/	438	432	350	300
Other 5/	1092	1651	1333	1101
Mexico	1000	1376	1163	931
Total Supply	14077	14166	14333	14113
Exports	35	61	35	35
Deliveries	12231	12414	12305	12230
Food	12106	12316	12200	12125
Other 6/	126	98	105	105
Miscellaneous	28	74	0	0
Total Use	12294	12549	12340	12265
Ending Stocks	1783	1618	1993	1848
Stocks to Use Ratio	14.5	12.9	16.1	15.1

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 (80) 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 (275) and 2020/21 (170). 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 -- 298; projected 2020/21 -- 347.

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

		Beginning Stocks	Production	Imports	Domestic 2/	Exports	Ending Stocks
				1,000 Metric Tons,	*Actual Weight*		
Sugar							
2019/20 Est.	Feb	1169	5278	77	4455	1212	858
	Mar	1169	5278	77	4455	1212	858
2020/21 Proj.	Feb	858	5950	105	4488	1490	935
	Mar	858	5900	105	4445	1492	926

1/ HFCS consumption by Mexico (1,000 metric tons, dry basis): 2018/19 = 1,528; Estimated 2019/20 = 1,388; Projected 2020/21 = 1,377; Estimated Oct-Jan 2020/21 = 441; Estimated Oct-Jan 2019/20 = 460. Footnote source for estimate: Comite Nacional para el Desarollo Sustentable de la Cana de Azucar. 2/Includes deliveries for consumption, Mexico's products export program (IMMEX), and Other Deliveries/Ending Year Statistical Adjustments. IMMEX: 2019/20 (352 est =330 dom.+23 import); 2020/21 (415 proj =350 dom.+65 import). Statistical Adjustments: 2019/20 (1), 2020/21 (0).