



WASDE – July 12, 2022

SUGAR: Estimated U.S. ending sugar stocks for 2021/22 are increased 64,410 short tons, raw value (STRV) to 1,781,774, as an increase in supply is only partially offset by an increase in use. USDA estimates imports to increase by 217,197 STRV. On July 1, the Department of Commerce increased the 2021/22 Mexico export limit by 135,000 STRV. This is counted as “Additional U.S. Needs Sugar” that has a polarity of less than 99.5 degrees, meaning that it is considered as raw sugar. All of this sugar is projected to enter in 2021/22. Last week USDA increased the 2021/22 raw sugar TRQ by 99,999 STRV and also extended the period for this sugar to enter the United States until the end of October. Although USTR has not yet allocated the TRQ to supplying countries, USDA projects that 38,270 STRV will enter in September for 2021/22 and 55,115 will enter in October for 2022/23 with the remainder adding to the raw sugar TRQ shortfall. USDA increased its estimate of high-tier tariff imports by 43,927 STRV to 278,436 on additional high-duty raw sugar entering in June and on an increase in the expected pace of high-duty refined sugar entering for the remainder of the year. Other than imports, supply is slightly decreased by a reduction in Florida cane sugar production only partially offset by a small increase in beet sugar production as reported by processors.

A partial offset to the supply increase comes from a 150,000 STRV increase in deliveries for human consumption to 12,600,000. The delivery pace for the first 8 months of the fiscal year is up 3.9 percent compared with the same period average for the 5 preceding years. The strong pace of deliveries is expected to continue into 2022/23 for a period of time and is presently projected to add 75,000 STRV to bring the total up to 12,525,000.

Projected beet sugar production in 2022/23 is increased by 124,335 STRV to 4,933,728 based on the 3.1 percent increase in NASS estimated planted area in the June 30 Acreage report over that indicated in Prospective Plantings at the end of March. Most notably, area planted in the Upper Midwest is estimated 7.4 percent higher than in Prospective Plantings as additional area was planted to compensate for expected low yields due to delays in planting in May. Sugarbeet harvested area is projected at 1,146,100 acres, up 3.5 percent over last year. Yield and recovery parameters, as well as August-September production (500,000 STRV), are unchanged from last month.

Imports for 2022/23 are projected at 3,501,025 STRV, an increase of 487,829 over last month. As indicated above, some of the increase is due to additional raw sugar entering in October from the increase in the 2021/22 raw sugar TRQ. Sugar entering under the 2022/23 TRQs is still projected at the minimum levels with the WTO and FTA bindings and with a raw sugar TRQ shortfall projected at 99,208 STRV. To date there has been no announcement regarding additional specialty TRQ sugar. Given these aforementioned 2022/23 projections and under the terms of the AD/CVD Suspension Agreements, sugar imported from Mexico would be expected to be projected at a level resulting in an ending U.S. stocks-to-use ratio of 13.5 percent assuming sufficient Mexican sugar for export after meeting domestic requirements in Mexico. Because USDA is not making any changes to Mexico supply and use projections for 2022/23 at this time, the implied maximum sugar available for export to the U.S. is projected at 1,756,180 STRV. This is less than the 1,900,775 STRV needed to result in ending stocks of 1,709,775 for a 13.5 percent stocks-to-use ratio.



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U.S. Sugar Supply and Use 1/

	2020/21	2021/22 Est.	2022/23 Proj.	2022/23 Proj.
			Jun	Jul
		<i>1,000 Short Tons,</i>	<i>Raw Value</i>	
Beginning Stocks	1618	1705	1717	1782
Production 2/	9233	9118	8822	8947
Beet Sugar	5092	5156	4809	4934
Cane Sugar	4141	3961	4013	4013
Florida	2090	1933	2000	2000
Louisiana	1918	1906	1910	1910
Texas	134	122	103	103
Imports	3195	3699	3013	3501
TRQ 3/	1749	1766	1390	1445
Other Program 4/	292	300	250	250
Non-program	1154	1634	1373	1806
Mexico	968	1355	1323	1756
High-tier tariff/other	186	278	50	50
Total Supply	14046	14522	13553	14229
Exports	49	35	35	35
Deliveries	12252	12705	12555	12630
Food	12135	12600	12450	12525
Other 5/	116	105	105	105
Miscellaneous	40	0	0	0
Total Use	12341	12740	12590	12665
Ending Stocks	1705	1782	963	1564
Stocks to Use Ratio	13.8	14	7.6	12.4

1/ Fiscal years beginning Oct 1. Data and projections correspond to category components from "Sweetener Market Data" (SMD). 2/ Production projections for 2021/22 and 2022/23 are based on Crop Production and/or processor projections/industry data and/or sugar ICEC analysis where appropriate. 3/ For 2021/22, WTO raw sugar TRQ shortfall (77) and for 2022/23 (99). 4/ Composed of sugar under the re-export and polyhydric alcohol programs. 5/ 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: 2020/21 -- 298; estimated 2021/22 -- 314; projected 2022/23 -- 315



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

		Beginning Stocks	Production	Imports	Domestic 2/	Exports	Ending Stocks
Sugar				<i>1,000 Metric Tons,</i>	<i>Actual Weight</i>		
2021/22	Jun						
Est.		1053	6208	50	4547	1817	947
	Jul	1053	6180	50	4547	1789	947
2022/23	Jun						
Proj.		947	6000	50	4547	1503	947
	Jul	947	6000	50	4547	1503	947

1/ HFCS consumption by Mexico (1,000 metric tons, dry basis): 2020/21 = 1,320; Estimated 2020/21 = 1,310; Projected 2022/23 = 1,317; Estimated Oct - May 2022 = 837, Oct - May 2021 = 870. 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: 2021/22 (497 est =462 dom.+35 import); 2022/23 (497 proj = 462 dom.+35 import). Statistical Adjustments: 2021/22 (0), 2022/23 (0).