



WASDE – October 12, 2023

SUGAR: Mexico sugar supply for 2022/23 is increased by 31,402 metric tons (MT) to 6.474 million on increased imports. Sugar exports are reduced by 54,098 MT to 1.011 million. This reduction is based on a full-year accounting made by FAS of imports from Mexico. This final estimate becomes the USDA estimate of sugar exported from Mexico to the United States. Other exports not under license are estimated at 21,860 MT, an amount that has not changed for several months. Domestic deliveries are increased by 129,521 MT attributed mainly to a strong pace of deliveries for human consumption. Ending stocks are residually estimated at 835,501 MT, a reduction of 44,022 from last month.

Mexico production for 2023/24 is reduced by 225,000 MT to 5.575 million. Mexico is currently experiencing widespread drought conditions. Rainfall amounts for the April-September period have been at their lowest levels since 2013 in 12 out of the 15 states in which sugarcane is grown. Regions most severely affected are in the western Pacific region. The effects on yields vary depending on irrigation but will be lower overall. The states of Veracruz (the largest producing state in Mexico) and Quintana Roo have not experienced the worst of the drought, so production of low polarity sugar for the U.S. market may not be affected as much as might be expected. Imports are expected to increase as they have in 2022/23 to compensate for the lower production and are projected at 322,039 MT. Overall supply projected this month ends up being close to that projected last month and will be needed to meet exports to the United States, increased domestic delivery needs for consumption and IMMEX, and ending stocks to cover the period in 2024/25 before the start of that season's sugar campaign.

U.S. sugar supply for 2022/23 is decreased by 178,935 short tons, raw value (STRV) on lower-than-expected Louisiana cane sugar production in September that gets pushed into 2023/24 but mostly on a decrease in imports. Imports under the WTO raw and FTA TRQs plus re-export programs are down 93,785 STRV. Imports from Mexico are down 63,211 STRV. High-tier tariff imports are up a small amount but the total for the year is a record at 452,626 STRV. Total deliveries are down by 21,000 STRV as those made for human consumption are down by 25,000 on pace with only a small offset for increased re-export products. Exports are increased 25,000 STRV on pace. Ending stocks at 1.977 million STRV are down 182,935 from last month.

U.S. sugar supply for 2023/24 is decreased by 182,212 STRV attributable to lower beginning stocks. Import and production changes are largely offsetting. FTA TRQ imports set on a calendar year basis are increased 13,099 STRV on imports expected to enter in third quarter 2023 now expected in the fourth quarter of 2023. NASS lowered sugarbeet yields in several States implying a 71,200 STRV reduction in beet sugar production. NASS increased the sugarcane yield in Louisiana and production expected in September is pushed over to 2023/24. Deliveries for human consumption are down 25,000 STRV in line with the reduction made for 2022/23. Ending stocks are residually projected at 1.557 million STRV for an ending stocks-to-use ratio of 12.29 percent, down from 13.51 last month.



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**WASDE - 641 - 16
U.S. Sugar Supply and Use 1/**

	2021/22	2022/23 Est.	2023/24 Proj.	2023/24 Proj.
			Sep	Oct
		<i>1,000 Short</i>		
		<i>Tons, Raw Value</i>		
Beginning Stocks	1705	1820	2159	1977
Production 2/	9157	9237	8981	8969
Beet Sugar	5155	5168	5223	5151
Cane Sugar	4002	4069	3758	3817
Florida	1934	1983	2034	2037
Louisiana	1944	2010	1682	1738
Texas	124	76	42	42
Imports	3646	3584	3264	3277
TRQ 3/	1579	1834	1604	1617
Other Program 4/	298	141	200	200
Non-program	1769	1608	1459	1459
Mexico	1379	1156	1284	1284
High-tier tariff/other	390	453	175	175
Total Supply	14508	14641	14404	14222
Exports	29	70	35	35
Deliveries	12578	12594	12655	12630
Food	12470	12475	12550	12525
Other 5/	107	119	105	105
Miscellaneous	81	0	0	0
Total Use	12688	12664	12690	12665
Ending Stocks	1820	1977	1714	1557
Stocks to Use Ratio	14.3	15.6	13.5	12.3

1/ Fiscal years beginning Oct 1. Data and projections correspond to category components from "Sweetener Market Data" (SMD). 2/ Production projections for 2022/23 and 2023/24 are based on Crop Production and/or processor projections/industry data and/or sugar ICEC analysis where appropriate. 3/ For 2022/23, WTO raw sugar TRQ shortfall (190) and for 2023/24 (94). 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: 2021/22 -- 303; estimated 2022/23 -- 299; projected 2023/24 -- 291



WASDE – October 12, 2023

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>	
2022/23 Est.	Sep	964	5224	254	4498	880
	Oct	964	5224	285	4627	836
2023/24 Proj.	Sep	880	5800	45	4589	888
	Oct	836	5575	322	4699	909

1/ HFCS consumption by Mexico (1,000 metric tons, dry basis): 2021/22 = 1,320; Estimated 2022/23 = 1,407; Projected 2023/24 = 1,407; Estimated Oct.- Aug. 2023 =1,285; Estimated Oct. - Aug. 2022 = 1,184. 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: 2022/23 (406 est =381 dom.+25 import); 2023/24 (450 proj = 425 dom.+25 import). Statistical Adjustments: 2022/23 (27), 2023/24 (0).