



## WASDE – November 9, 2023

SUGAR: Mexico production for 2023/24 is reduced by 245,000 metric tons (MT) to 5.330 million. Mexico is currently experiencing widespread drought conditions. Growing areas most severely affected are in the western Pacific region and in San Luis Potosi. Other states like Veracruz and Quintana Roo (important regions for the production of low polarity sugar) are not as severely affected. State-weighted April-October rainfall data indicate rainfall in cane growing regions is about 23 percent below normal. This level is lower than, but comparable to the situation in 2019, the next lowest annual level. The effects on yields vary depending on irrigation but will be lower overall. Many factors besides rainfall enter into yield forecasting. USDA analysis suggests a national sugar yield of 61.3 MT/hectare, lower than the 62.9 in 2019 but higher than the 59.0 last year when fertilizer use was at a record low due to extremely high prices. With extremely high sugar prices, area harvested should remain at about 800,000 hectares. Sucrose recovery should be about 10.9 percent.

Lower 2023/24 production implies changes in other components of Mexico supply and use. Deliveries into the IMMEX program are decreased by 50,000 MT to 400,000, a level similar to last year when production was at its low 5.224 million MT level. The production of low polarity sugar for export to the U.S. market should be around the 70 percent of U.S. Needs as determined by the DOC in September. Similar to last year, low polarity sugar is assumed to be about 75 percent of total exports to the United States, implying total exports at 1.051 million MT (1.026 million for the United States and 25,000 to other destinations). Ending stocks are set at the level to meet delivery requirements into the beginning 2.5 months of 2024/25 before the start of the new campaign. Imports as the residual increase by 112,465 MT to 433,539. (Imports lower than this amount would require lower ending stocks than projected but would imply more imports in 2024/25 to meet delivery requirements.)

U.S. sugar supply for 2023/24 is increased by 12,345 short tons, raw value (STRV) on lower beginning stocks and imports offset by greater production. TRQ raw sugar imports are down 160,573 STRV due to the Philippines announcement that all production would be allocated for domestic uses and none for export. Imports from Mexico are decreased 85,610 STRV on lower refined sugar slated for the U.S. market as explained above. These decreases are offset by a 100,000 STRV increase in projected high-tier tariff imports to 275,000. Like last month, 175,000 is projected to enter as refined sugar. Raw sugar imports are projected at 100,000 STRV. Prior to this WASDE high-tier tariff imports were only increased when there were raw sugar entries for the most recent month. The USDA now recognizes that high-tier tariff raw imports are an important source to meet raw sugar requirements under current market conditions.

Louisiana cane sugar production for 2023/24 is increased 48,947 STRV to 1.787 million mostly on a higher sugarcane yield forecast by NASS. Beet sugar production is increased 211,290 STRV to 5.363 million on higher sugarbeet yields forecast by NASS, an increase in recovery based on processors' estimates of sucrose content, and adjustments made for early season production that cross between fiscal years. There are no use changes. Ending stocks are projected at 1.569 million STRV, implying a stocks-to-use ratio of 12.39 percent, up 0.1 percentage points from last month.



WASDE – November 9, 2023

WASDE - 642 - 16  
U.S. Sugar Supply and Use 1/

	2021/22	2022/23 Est.	2023/24 Proj.	2023/24 Proj.
			Oct	Nov
		<i>1,000 Short</i>		
		<i>Tons, Raw Value</i>		
Beginning Stocks	1705	1820	1977	1875
Production 2/	9157	9249	8969	9229
Beet Sugar	5155	5187	5151	5363
Cane Sugar	4002	4062	3817	3866
Florida	1934	1983	2037	2037
Louisiana	1944	2002	1738	1787
Texas	124	76	42	42
Imports	3646	3614	3277	3130
TRQ 3/	1579	1862	1617	1457
Other Program 4/	298	141	200	200
Non-program	1769	1611	1459	1474
Mexico	1379	1156	1284	1199
High-tier tariff/other	390	455	175	275
Total Supply	14508	14684	14222	14234
Exports	29	82	35	35
Deliveries	12578	12589	12630	12630
Food	12470	12473	12525	12525
Other 5/	107	116	105	105
Miscellaneous	81	138	0	0
Total Use	12688	12809	12665	12665
Ending Stocks	1820	1875	1557	1569
Stocks to Use Ratio	14.3	14.6	12.3	12.4

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 (161) and for 2023/24 (255). 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 – November 9, 2023

#### 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>							
2022/23 Est.	Oct	964	5224	285	4627	1011	836
	Nov	964	5224	285	4627	1011	835
2023/24 Proj.	Oct	836	5575	322	4699	1124	909
	Nov	835	5330	434	4648	1051	900

1/ HFCS consumption by Mexico (1,000 metric tons, dry basis): 2021/22 = 1,320; Estimated 2022/23 = 1,392; Projected 2023/24 = 1,407. 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 (405 est =387 dom.+18 import); 2023/24 (400 proj = 375 dom.+25 import). Statistical Adjustments: 2022/23 (29), 2023/24 (0).