



## WASDE – December 8, 2023

SUGAR: Mexico production for 2023/24 is projected at 5.283 million metric tons (MT), a decrease of 47,000 from last month but up 58,752 over last year. Production costs are lower this year and production in some areas has benefitted from October seasonal rains. With lower fertilizer prices this year, growers have increased its use back to normal levels compared with last season. Nonetheless, widespread moderate to extreme drought conditions limit the impact of increased fertilizer on production. October rainfall likely benefitted the crop in Veracruz, Jalisco, and southern states but the effect will not likely manifest until later in the season. The effect of extreme drought conditions in San Luis Potosí, Tamaulipas, and Michoacan are unlikely to be reversed.

CONADESUCA released its first estimate of 2023/24 production immediately after the release of last month's WASDE. It pegs production at 5.188 million MT. Its forecast of production of low polarity sugar for export to the United States is 11.8 percent of the total, or 612,131 MT. Applying that percentage to the USDA projection implies low polarity sugar production at 632,751 MT. Assuming that all of this sugar is exported to the U.S. market and like last year constitutes about 75 percent of the total exported, exports to the United States are then projected at 831,083 MT. Exports to other countries are unchanged at 25,000 MT and total exports at 856,083 MT are down 194,669 from last month. Deliveries and ending stocks are unchanged and imports are residually projected at 285,869 MT, down 147,669 from last month.

U.S. sugar supply for 2023/24 is increased by 119,852 short tons, raw value (STRV) mostly on an increase in imports. USTR reallocated the raw sugar TRQ at the end of November and USDA expects an import increase due to that action of 162,855 STRV leaving TRQ shortfall at 91,776 (down from 254,632 last month). Imports from Mexico are down by 227,461 STRV to 971,079. High-tier tariff imports are increased by 190,000 STRV to 465,000 constituted by 290,000 of raw sugar and 175,000 refined. Louisiana cane sugar production for 2023/24 is increased 12,250 STRV to 1.799 million on a higher sugarcane yield forecast by NASS. Texas production is increased slightly as well on processor reporting. Beet sugar production is unchanged. Deliveries are unchanged but exports are increased 65,000 STRV to 100,000 on the increase in the monthly pace seen over the July-October period. Ending stocks are projected at 1.624 million STRV, implying a stocks-to-use ratio of 12.76 percent.



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U.S. Sugar Supply and Use 1/

	2021/22	2022/23 Est.	2023/24 Proj.	2023/24 Proj.
			Nov	Dec
		<i>1,000 Short</i>	<i>Raw Value</i>	
		<i>Tons,</i>		
Beginning Stocks	1705	1820	1875	1855
Production 2/	9157	9248	9229	9243
Beet Sugar	5155	5187	5363	5363
Cane Sugar	4002	4061	3866	3880
Florida	1934	1983	2037	2037
Louisiana	1944	2001	1787	1799
Texas	124	76	42	44
Imports	3646	3614	3130	3256
TRQ 3/	1579	1862	1457	1620
Other Program 4/	298	141	200	200
Non-program	1769	1611	1474	1436
Mexico	1379	1156	1199	971
High-tier tariff/other	390	455	275	465
Total Supply	14508	14683	14234	14354
Exports	29	82	35	100
Deliveries	12578	12589	12630	12630
Food	12470	12473	12525	12525
Other 5/	107	116	105	105
Miscellaneous	81	156	0	0
Total Use	12688	12828	12665	12730
Ending Stocks	1820	1855	1569	1624
Stocks to Use Ratio	14.3	14.5	12.4	12.8

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 (92). 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 -- 296; projected 2023/24 -- 291



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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
				<i>1,000 Metric Tons,</i>	<i>Actual Weight</i>		
<b>Sugar</b> 2022/23 Est.	Nov	964	5224	285	4627	1011	835
	Dec	964	5224	285	4627	1011	835
2023/24 Proj.	Nov	835	5330	434	4648	1051	900
	Dec	835	5283	286	4648	856	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; Estimated Oct.2023-Oct 2023 = 133; Estimated Oct.-Oct. 2022 = 122. 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).