WASDE – February 8, 2024

SUGAR: Mexico production for 2023/24 is projected at 4.875 million metric tons (MT), a decrease of 141,000 from last month and also 349,248 lower than last year. The sugarcane harvest in Mexico continues to lag at levels unprecedented in recent times. All relevant production parameters (yields and recovery) through February 2 are several standard deviations below 10-year averages with no improvement being seen as time advances. Late unseasonal rainfall has been present in all regions except the droughtplagued Northeast slowing the pace of the campaign. Interim analysis based on the latest CONADESUCA data implies a full-season national sugarcane yield of 62.6 metric tons (MT)/hectare and an extremely low sucrose recovery of 10.03 percent. Applying these rates to area harvested estimated by CONADESUCA at 776,408 hectares produces the current WASDE projection.

The production of low polarity sugar for export to the United States is projected at 10.5 percent of total production (the same rate estimated by CONADESUCA). Assuming that all of this sugar is exported to the U.S. market and like last year constitutes 75 percent of the total exported, exports to the United States are projected at 683,752 MT. Exports to other countries are unchanged at 25,000 MT and total exports at 708,752 MT are down 105,328 from last month. Deliveries and ending stocks are unchanged and imports are residually projected at 546,538 MT, up 35,672 over last month.

U.S. sugar supply for 2023/24 is decreased by 23,392 short tons, raw value (STRV) on lower beet sugar production only partially offset by increases in cane sugar production and imports. Adoption of beet sugar processors' estimates of beet pile shrink published in the February Sweetener Market Data (SMD) reduces production by 79,297 STRV to 5.327 million. Louisiana cane sugar production for the fiscal year is increased 31,500 to 1.935 million on industry reporting and Florida cane sugar production is increased 7,943 STRV on processors' reporting in the SMD. Imports are increased by 16,462 STRV on a 140,000 STRV increase in high-tier tariff imports more than offsetting the decline in imports from Mexico. High-tier tariff imports are increased on the pace-to-date. Based on both U.S. Census and Customs and Border Protection (CBP) data, USDA estimates high duty raw sugar imports entered as of February 5 at 232,566 STRV raising the full year projection to 475,000. High-tier tariff refined imports are increased to 240,000 STRV based on a monthly larger pace for October through January than originally projected.

Deliveries for human consumption are reduced by 75,000 STRV to 12.450 million on the pace to date. With the change in use greater than the reduction in supply, ending stocks increase by 51,608 STRV to 1.805 million for a stocks-to-use ratio of 14.2 percent, up from 13.7 percent last month.

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U.S. Sugar Supply and Use 1/

	2021/22	2022/23 Est.	2023/24 Proj. Jan	2023/24 Proj. Feb
		1,000 Short Tons,	*Raw Value*	
Beginning Stocks	1705	1820	1843	1843
Production 2/	9157	9250	9391	9352
Beet Sugar	5155	5187	5407	5327
Cane Sugar	4002	4063	3985	4024
Florida	1934	1985	2037	2045
Louisiana	1944	2001	1904	1935
Texas	124	76	44	44
Imports	3646	3614	3310	3326
TRQ 3/	1579	1862	1613	1612
Other Program 4/	298	141	200	200
Non-program	1769	1611	1497	1514
Mexico	1379	1156	922	799
High-tier tariff/other	390	455	575	715
Total Supply	14508	14685	14544	14520
Exports	29	82	160	160
Deliveries	12578	12589	12630	12555
Food	12470	12473	12525	12450
Other 5/	107	116	105	105
Miscellaneous	81	171	0	0
Total Use	12688	12843	12790	12715
Ending Stocks	1820	1843	1754	1805
Stocks to Use Ratio	14.3	14.3	13.7	14.2

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 -- 304; projected 2023/24 -- 291

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							
2022/23 Est.	Jan	964	5224	285	4627	1011	835
	Feb	964	5224	285	4627	1011	835
2023/24 Proj.	Jan	835	5016	511	4648	814	900
	Feb	835	4875	547	4648	709	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-Dec. 2023 = 337; Estimated Oct.-Dec. 2022 = 345. 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: 2022/23 (405 est =387 dom.+18 import); 2023/24 (400 proj = 375 dom.+25 import). Statistical Adjustments: 2022/23 (29), 2023/24 (0).