**U.S.D.A. sees sugar production higher but supply lower in 2019-20**

Stocks-to-use ratio for 2018-19 falls to 12.2%

The U.S. Department of Agriculture, in its May 10 World Agricultural Supply and Demand Estimates report, initially projected 2019-20 U.S. sugar production at 9,115,000 short tons, raw value, up 1.9% from 8,947,000 tons forecast for 2018-19, which was lowered 113,000 tons, or 1.3%, from 9,060,000 tons as the April forecast.

Beet sugar production for the next marketing year was projected at 5,114,000 tons, up 204,000 tons, or 4.2%, from 4,910,000 tons forecast for the current year, with cane sugar production forecast at 4,001,000 tons, down 36,000 tons, or 0.9%, from 4,037,000 tons in 2018-19.

Total imports in 2019-20 were forecast at 3,219,000 tons, up 364,000 tons, or 13%, from 2,855,000 tons as the current forecast for 2018-19. Tariff rate quota imports for next year were forecast at 1,381,000 tons, other program imports at 350,000 tons, high-tier imports at 70,000 tons, and imports from Mexico at 1,418,000 tons, up 521,000 tons, or 58%, from 897,000 tons forecast for the current year.

The U.S.D.A. forecast U.S. domestic deliveries of sugar in 2019-20 at 12,320,000 tons, including deliveries for food at 12,175,000 tons, up 50,000 tons, or 0.4%, from 12,125,000 tons forecast for the current year. Exports were forecast at 35,000 tons, unchanged from 2018-19.

U.S. sugar ending stocks for 2019-20 were forecast at 1,484,000 tons, down 21,000 tons, or 1.4%, from 2018-19, with the ending stocks-to-use ratio at 12%.

For 2018-19, the U.S.D.A. forecast ending stocks at 1,505,000 tons, down 120,000 tons, or 7%, from 1,625,000 tons as the April forecast. The ending stocks-to-use ratio for the current year was forecast at 12.2%, down from 13.2% in April and down from 16.1% in 2017-18.

The lower ending stocks and ratio for the current year were based a forecast 113,000-ton reduction in U.S. sugar production, forecast at 8,947,000 tons, and a 7,000-ton reduction in total imports, forecast at 2,855,000 tons.

U.S. beet sugar production was forecast at 4,910,000 tons in 2018-19, down 87,000 tons from the April forecast, with cane sugar outturn forecast at 4,037,000 tons, down 26,000 tons.

Tariff rate quota imports were forecast at 1,538,000 tons, down 22,000 tons from April, with high-tier imports at 70,000 tons, up 15,000 tons, and imports from Mexico unchanged at 897,000 tons.

Forecast domestic deliveries, exports and other all were unchanged from April.

The U.S.D.A forecast 2019-20 ending stocks in Mexico at 995,000 tonnes, actual weight, unchanged from 2018-19. Sugar production for next year was forecast at 6,100,000 tonnes, down 100,000 tonnes from an upwardly revised 6,200,000 tonnes for the current year. Imports were forecast unchanged from the current year at 70,000 tonnes. Domestic use was forecast at 4,776,000 tonnes in 2019-20, up 60,000 tonnes from a lower revised 4,716,000 tonnes for the current year. Exports in 2019-20 were forecast at 1,394,000 tonnes, down 560,000 tonnes from an upwardly revised 1,954,000 tonnes for this year. Ending stocks for this year were forecast at 995,000 tonnes, down 425,000 tonnes, or 30%, from the April forecast.