

## MEMORANDUM

**TO:** SCP Clients

**FROM:** Andre Williamson & Alex Smith

**DATE:** November 7, 2019

**SUBJECT:** SCP trade 4<sup>th</sup> quarter 2018/19

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### Summary

The volume of sugar in imported SCP's is up again through the fourth quarter of 2018/19. Imports of SCPs for the marketing year hit an all-time high of 1,910,144 strv, a 4% increase over 2017/18. Exports for the 2018/19 market year were 811,851 strv, down slightly, by 0.06%, compared to the previous market year.

Net imports of sugar in products once again exceeded one million tons this marketing year. In 2017/18 imports of SCPs totaled 1,030,859 strv. In the fourth quarter of 2018/19, net imports of sugar in products continued to grow strongly and ended the market year at 1,098,293 strv, up 67,434 strv or 6.5% over the 2017/18 market year.

This sugar represents additional domestic consumption on top of what is shown in USDA's formal supply-demand balance. In the October 10 WASDE report, total domestic deliveries were estimated to be down from two years ago, indicating declining per capita consumption. The growth in imports of sugar containing products, while strong, has not been enough to hold per capita disappearance steady. Given the big gap between US and world sugar prices, net imports of sugar in SCPs could continue to rise in 2019/20, keeping a lid on domestic sugar deliveries.

### Exports

Exports of sugar in SCP's are down slightly through the fourth quarter of 2018/19, ending the year down 0.1%, or 487 strv, compared to 2017/18. Exports began slowing in the April-June quarter of 2015/16 when exports fell by a small amount and fell every quarter until the end of 2017/18. Exports recovered through the first three quarters in 2018/19, but ultimately ended the year down. Exports have fallen every year since the 2015/16 market year.

Exports of sugar in SCPs were up for Chapters 19, 21, and 22. They were down in Chapters 17, 18 and 20. Exports of SCP's in Chapter 17 were down 4.4% (8,456 strv) at the end of the fourth quarter compared to 2017/18. Exports of 1702904500 "Sugars and syrups, NESOI, derived from sugar cane/beets" to Mexico are down for the year (4,785 strv, 84%) compared to exports in

2017/18. The decrease in exports of 1702904500 “Sugars and syrups, NESOI, derived from sugar cane/beets” comprised 65% of the total decrease in exports for the year. Chapter 18 exports were down 0.8% compared to exports at the end of the fourth quarter of 2017/18. Chapter 19 exports were up 3.2%, or 8,232 strv, through the fourth quarter compared to 2017/18. The increase in Chapter 19 exports made up 80% of the increase in overall exports, for the year. Exports of sugar in SCPs in Chapter 20 fell 3.7% (645 strv). Exports in Chapter 21 are up 1.2% (1,615 strv) and exports in Chapter 22 are up 0.6% (232 strv).

Exports of sugar in SCPs to Canada fell 0.9% (3,599 strv) at the end of the year compared to 17/18. Exports to Mexico increased 2.7% (2,932 strv). Exports to the rest of the world (ROW) increased 0.1% (180 strv).

Canada leads the US export destinations of sugar in products and accounted for about 47.4% of sugar exports in SCPs in 2018/19. Mexico accounted for 13.7%. The rest of the world received the balance, 38.8%.

## **Imports**

Total imports of sugar in SCPs continued to rise through the fourth quarter of 2018/19. Imports of sugar in SCPs ended the year up 3.6%, 66,946 strv, through the fourth quarter.

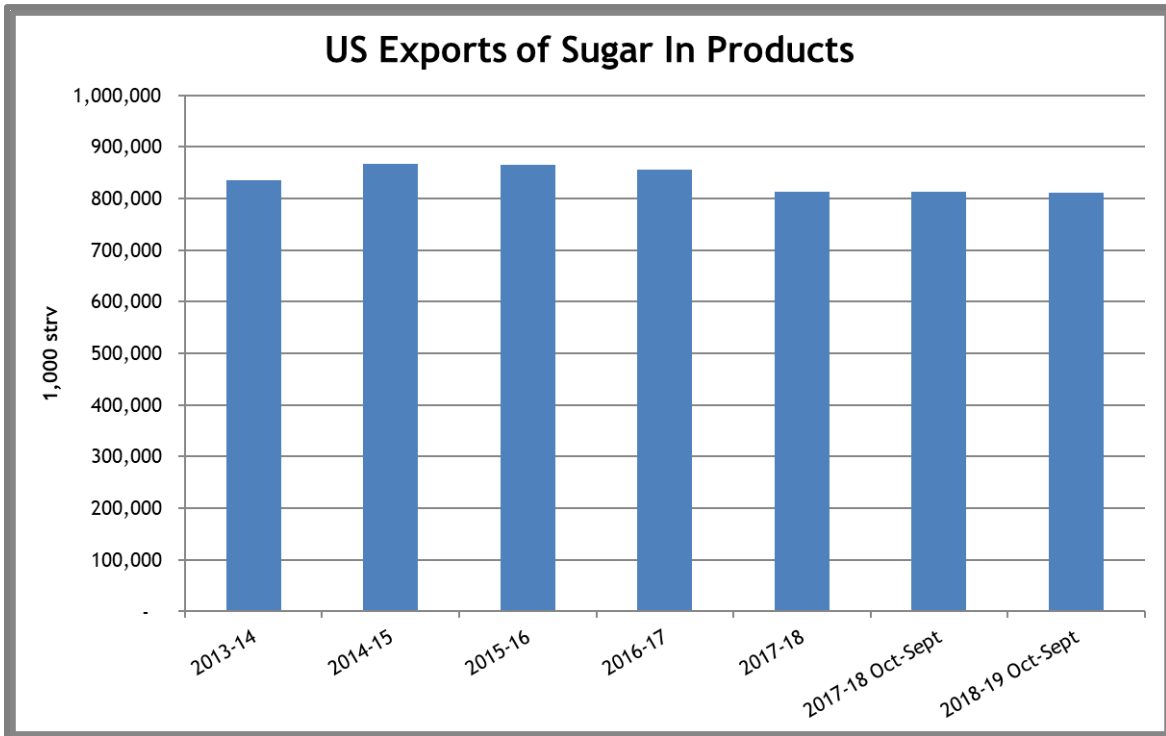
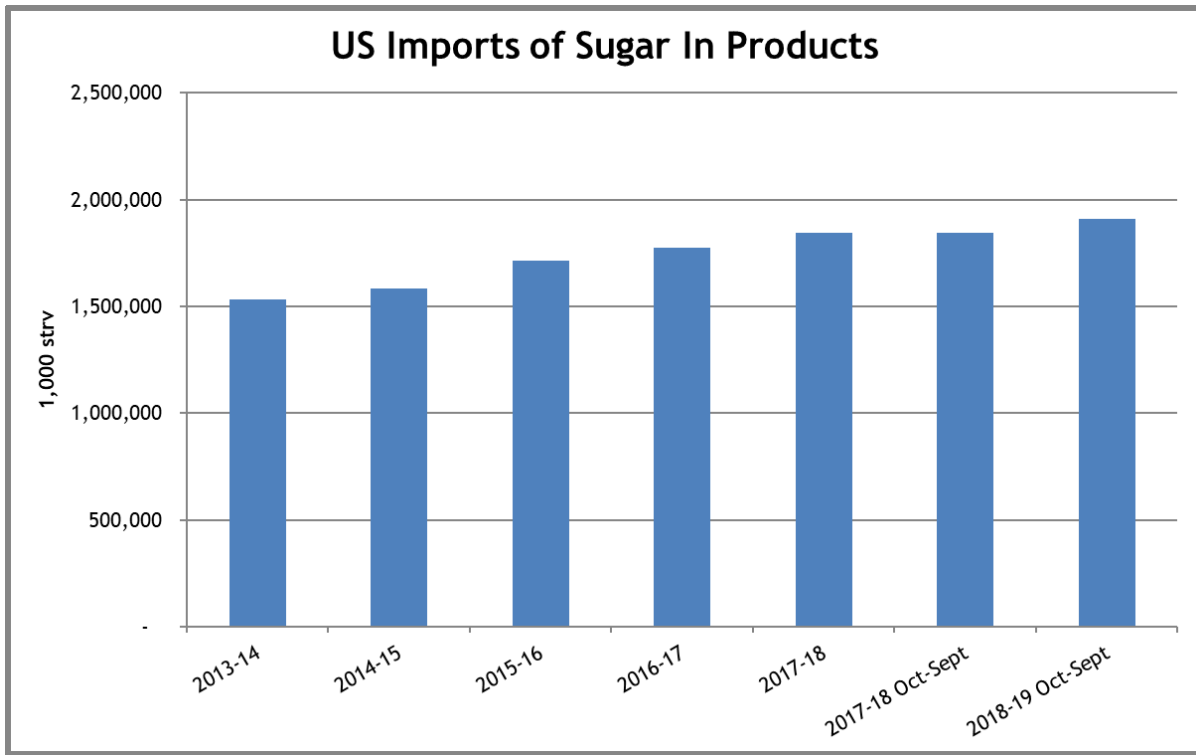
Imports of sugar increased in all categories except for Chapter 22. Imports of sugar in SCPs in Chapter 17 were up 0.2%, 1,250 strv, through the fourth quarter of 2018/19 compared to 2017/18. Imports in Chapter 18 increased 6.6%, or 26,631 strv. The imports of 1806208300 (COCOA PREPERATIONS, BULK, DAIRY PRODUCTS IN US NOTE 1, OTHER) have nearly doubled compared 2017/18 import levels. Chapter 19 imports of sugar in SCPs increased 8.5%, by 31,306 strv, through the fourth quarter of 2018/19. Imports in Chapter 20 were up 6.5%, or 4,511 strv. Chapter 21 imports grew 3.5%, 6,812 strv. Imports in Chapter 22 were down 1.5%, by 3,564 strv, compared to 2017/18.

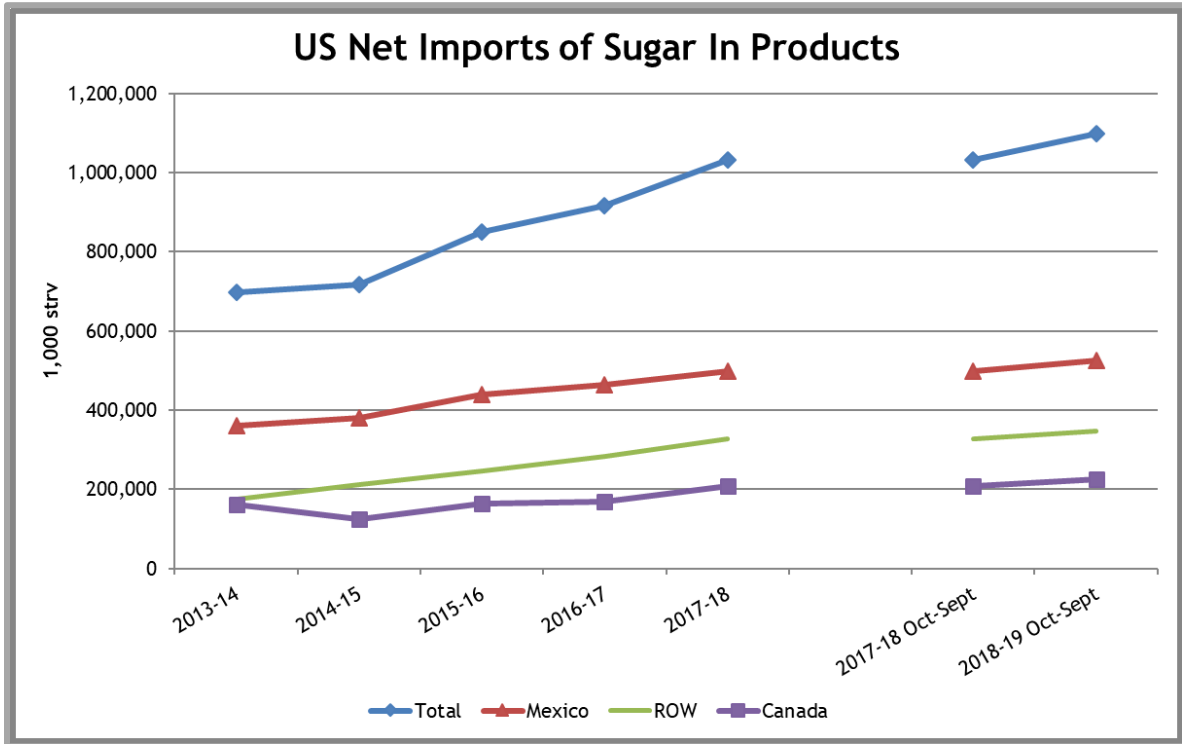
Imports of sugar in SCPs from Canada increased 2.4%, by 14,324 strv, compared to 2017/18. Imports from Mexico were up 5.1% or 31,050 strv. Imports of sugar in SCPs from the ROW grew 3.4%, an increase of 21,572 strv.

## **Net imports**

Net imports of sugar in products through the fourth quarter of 2018/19 totaled 1,098,293 strv, up 67,434 strv or 6.5% over 2017/18.

Net imports of sugar in SCPs from Canada in 2018/19 were up 8.6%, by 17,923 strv, compared to 2017/18. Net imports from Mexico are up 5.7% or 28,393 strv, and net imports of sugar in SCPs from the ROW are up 6.6%, by 21,393 strv.





## 1: IMPORT TABLES

Summary of SCP Imports from All Countries								
		2013-14	2014-15	2015-16	2016-17	2017-18	Oct-Sept 2017-18	Oct-Sept 2018-19
<b>Product Imports</b>								
Chapter 17	MT	700,352	717,720	745,579	757,395	786,712	786,712	771,873
Chapter 18	MT	589,923	595,856	638,625	663,986	647,259	647,259	686,134
Chapter 19	MT	1,020,204	1,098,253	1,261,330	1,380,876	1,504,857	1,504,857	1,613,179
Chapter 20	MT	136,682	151,388	167,805	168,124	173,439	173,439	183,973
Chapter 21	MT	464,437	470,001	528,085	525,213	551,530	551,530	590,066
Chapter 22	MT	1,574,668	1,715,354	1,864,325	1,983,239	2,022,041	2,022,041	1,990,722
Total	MT	4,486,266	4,748,571	5,205,749	5,478,832	5,685,837	5,685,837	5,835,947
<b>Refined Sugar Content</b>								
Chapter 17	MT	431,303	435,474	455,982	464,846	491,043	491,043	492,103
Chapter 18	MT	315,088	316,289	338,821	350,099	340,007	340,007	362,576
Chapter 19	MT	203,804	216,530	254,180	282,634	312,368	312,368	338,898
Chapter 20	MT	45,110	50,601	55,561	56,438	59,042	59,042	62,865
Chapter 21	MT	151,793	156,969	168,515	157,219	164,582	164,582	170,356
Chapter 22	MT	151,848	165,415	179,781	191,248	194,989	194,989	191,969
Total	MT	1,298,947	1,341,278	1,452,840	1,502,483	1,562,032	1,562,032	1,618,766
<b>Raw Sugar Equivalent</b>								
Chapter 17	ST	508,937	513,860	538,059	548,519	579,431	579,431	580,681
Chapter 18	ST	371,804	373,221	399,808	413,116	401,209	401,209	427,839
Chapter 19	ST	240,489	255,505	299,932	333,508	368,594	368,594	399,900
Chapter 20	ST	53,230	59,709	65,562	66,596	69,669	69,669	74,180
Chapter 21	ST	179,116	185,223	198,848	185,518	194,207	194,207	201,020
Chapter 22	ST	179,181	195,190	212,141	225,672	230,088	230,088	226,524
Total	ST	1,532,757	1,582,708	1,714,351	1,772,930	1,843,198	1,843,198	1,910,144
Canada	ST	551,985	548,997	575,169	575,894	595,967	595,967	610,292
Mexico	ST	478,670	500,065	565,864	587,442	605,662	605,662	636,712
Other	ST	502,102	533,646	573,319	609,594	641,568	641,568	663,141

Summary of SCP Imports from Canada								
		2013-14	2014-15	2015-16	2016-17	2017-18	Oct-Sept 2017-18	Oct-Sept 2018-19
<b>Product Imports</b>								
Chapter 17	MT	175,239	153,489	146,296	146,009	148,835	148,835	133,321
Chapter 18	MT	303,873	316,869	342,213	352,287	348,216	348,216	360,587
Chapter 19	MT	598,060	622,629	675,292	711,266	746,402	746,402	802,622
Chapter 20	MT	20,940	18,410	23,327	22,527	22,806	22,806	25,682
Chapter 21	MT	174,636	170,630	184,417	170,784	183,395	183,395	187,160
Chapter 22	MT	111,813	110,148	122,870	138,758	189,703	189,703	223,444
<b>Total</b>	<b>MT</b>	<b>1,384,562</b>	<b>1,392,175</b>	<b>1,494,415</b>	<b>1,541,631</b>	<b>1,639,357</b>	<b>1,639,357</b>	<b>1,732,815</b>
<b>Refined Sugar Content</b>								
Chapter 17	MT	106,534	93,709	89,018	88,706	90,937	90,937	80,844
Chapter 18	MT	148,592	154,387	166,433	171,023	169,890	169,890	176,118
Chapter 19	MT	103,866	105,240	112,822	119,984	126,329	126,329	139,181
Chapter 20	MT	5,696	4,796	5,446	5,219	5,616	5,616	6,098
Chapter 21	MT	92,313	96,499	101,864	89,732	93,992	93,992	93,408
Chapter 22	MT	10,782	10,622	11,849	13,381	18,293	18,293	21,547
<b>Total</b>	<b>MT</b>	<b>467,784</b>	<b>465,252</b>	<b>487,431</b>	<b>488,045</b>	<b>505,057</b>	<b>505,057</b>	<b>517,196</b>
<b>Raw Sugar Equivalent</b>								
Chapter 17	ST	125,710	110,576	105,041	104,673	107,305	107,305	95,396
Chapter 18	ST	175,339	182,176	196,391	201,808	200,470	200,470	207,819
Chapter 19	ST	122,562	124,183	133,130	141,581	149,068	149,068	164,234
Chapter 20	ST	6,722	5,660	6,426	6,159	6,627	6,627	7,195
Chapter 21	ST	108,930	113,868	120,199	105,884	110,911	110,911	110,222
Chapter 22	ST	12,723	12,534	13,981	15,789	21,586	21,586	25,426
<b>Total</b>	<b>ST</b>	<b>551,985</b>	<b>548,997</b>	<b>575,169</b>	<b>575,894</b>	<b>595,967</b>	<b>595,967</b>	<b>610,292</b>

Summary of SCP Imports from Mexico								
		2013-14	2014-15	2015-16	2016-17	2017-18	Oct-Sept 2017-18	Oct-Sept 2018-19
<b>Product Imports</b>								
Chapter 17	MT	254,629	267,998	293,833	300,818	321,427	321,427	326,154
Chapter 18	MT	184,818	177,980	194,245	196,293	174,682	174,682	196,872
Chapter 19	MT	222,220	257,011	345,080	402,533	466,590	466,590	495,250
Chapter 20	MT	22,687	28,877	26,959	21,616	24,016	24,016	25,583
Chapter 21	MT	90,328	91,839	106,125	114,036	122,041	122,041	129,562
Chapter 22	MT	418,692	441,910	463,616	504,946	441,198	441,198	443,099
<b>Total</b>	<b>MT</b>	<b>1,193,374</b>	<b>1,265,615</b>	<b>1,429,858</b>	<b>1,540,243</b>	<b>1,549,954</b>	<b>1,549,954</b>	<b>1,616,520</b>
<b>Refined Sugar Content</b>								
Chapter 17	MT	168,679	178,805	194,806	193,545	209,155	209,155	213,665
Chapter 18	MT	119,165	114,763	124,844	125,719	112,439	112,439	126,216
Chapter 19	MT	57,634	65,806	91,782	107,825	125,582	125,582	134,511
Chapter 20	MT	6,788	8,731	8,299	6,694	7,463	7,463	7,916
Chapter 21	MT	13,012	13,065	15,108	15,357	16,088	16,088	14,549
Chapter 22	MT	40,375	42,614	44,707	48,693	42,546	42,546	42,729
<b>Total</b>	<b>MT</b>	<b>405,653</b>	<b>423,784</b>	<b>479,545</b>	<b>497,832</b>	<b>513,273</b>	<b>513,273</b>	<b>539,586</b>
<b>Raw Sugar Equivalent</b>								
Chapter 17	ST	199,041	210,990	229,871	228,383	246,803	246,803	252,125
Chapter 18	ST	140,614	135,421	147,316	148,348	132,678	132,678	148,935
Chapter 19	ST	68,008	77,651	108,302	127,233	148,186	148,186	158,723
Chapter 20	ST	8,009	10,302	9,793	7,899	8,806	8,806	9,341
Chapter 21	ST	15,355	15,417	17,827	18,121	18,984	18,984	17,168
Chapter 22	ST	47,643	50,285	52,755	57,458	50,204	50,204	50,420
<b>Total</b>	<b>ST</b>	<b>478,670</b>	<b>500,065</b>	<b>565,864</b>	<b>587,442</b>	<b>605,662</b>	<b>605,662</b>	<b>636,712</b>

## 2: EXPORT TABLES

Summary of SCP Exports to All Countries								
		2013-14	2014-15	2015-16	2016-17	2017-18	Oct-Sept 2017-18	Oct-Sept 2018-19
<b>Product Imports</b>								
Chapter 17	MT	244,884	264,594	280,097	275,364	257,107	257,107	245,782
Chapter 18	MT	344,126	315,609	299,979	312,531	308,453	308,453	304,002
Chapter 19	MT	995,964	1,025,843	997,984	966,626	936,150	936,150	965,645
Chapter 20	MT	59,646	73,735	115,551	98,468	92,014	92,014	85,503
Chapter 21	MT	563,111	689,078	709,713	706,756	687,531	687,531	706,292
Chapter 22	MT	847,723	1,009,765	923,138	825,671	730,281	730,281	734,355
Total	MT	3,055,454	3,378,624	3,326,462	3,185,416	3,011,536	3,011,536	3,041,579
<b>Refined Sugar Content</b>								
Chapter 17	MT	156,259	166,940	174,666	171,848	163,119	163,119	155,953
Chapter 18	MT	164,592	150,455	143,291	149,900	147,768	147,768	146,526
Chapter 19	MT	236,565	240,657	231,223	224,116	214,720	214,720	221,697
Chapter 20	MT	12,047	15,176	19,524	15,680	14,594	14,594	14,047
Chapter 21	MT	97,550	112,402	119,934	124,752	113,010	113,010	114,379
Chapter 22	MT	40,874	48,687	44,510	39,811	35,211	35,211	35,408
Total	MT	707,887	734,316	733,148	726,105	688,422	688,422	688,009
<b>Raw Sugar Equivalent</b>								
Chapter 17	ST	184,386	196,989	206,105	202,780	192,480	192,480	184,024
Chapter 18	ST	194,219	177,537	169,084	176,882	174,366	174,366	172,901
Chapter 19	ST	279,147	283,975	272,843	264,456	253,370	253,370	261,602
Chapter 20	ST	14,215	17,908	23,039	18,502	17,221	17,221	16,576
Chapter 21	ST	115,109	132,635	141,522	147,207	133,352	133,352	134,967
Chapter 22	ST	48,231	57,450	52,522	46,976	41,549	41,549	41,781
Total	ST	835,307	866,493	865,115	856,804	812,338	812,338	811,851
Canada	ST	389,683	423,504	412,037	406,630	388,762	388,762	385,163
Mexico	ST	117,624	120,863	125,750	123,427	108,393	108,393	111,325
Other	ST	328,000	322,126	327,328	326,747	315,183	315,183	315,363



Summary of SCP Exports to Canada								
		2013-14	2014-15	2015-16	2016-17	2017-18	Oct-Sept 2017-18	Oct-Sept 2018-19
<b>Product Exports</b>								
Chapter 17	MT	100,364	103,278	105,725	110,728	110,469	110,469	102,532
Chapter 18	MT	143,577	140,655	136,982	146,424	138,937	138,937	133,401
Chapter 19	MT	560,664	606,938	593,496	579,796	559,440	559,440	584,656
Chapter 20	MT	35,555	44,575	55,923	48,709	46,405	46,405	44,802
Chapter 21	MT	176,791	277,217	275,327	263,153	254,459	254,459	243,564
Chapter 22	MT	543,782	683,108	632,968	557,365	466,373	466,373	445,740
Total	MT	1,560,733	1,855,771	1,800,421	1,706,175	1,576,084	1,576,084	1,554,695
<b>Refined Sugar Content</b>								
Chapter 17	MT	66,521	69,418	70,063	72,678	72,879	72,879	67,581
Chapter 18	MT	69,110	67,581	65,901	70,717	66,907	66,907	64,910
Chapter 19	MT	130,359	138,787	132,991	129,199	122,509	122,509	127,475
Chapter 20	MT	7,340	9,474	10,250	8,687	8,366	8,366	8,102
Chapter 21	MT	30,691	40,706	39,459	36,446	36,312	36,312	36,849
Chapter 22	MT	26,219	32,937	30,519	26,874	22,487	22,487	21,492
Total	MT	330,240	358,902	349,184	344,602	329,460	329,460	326,409
<b>Raw Sugar Equivalent</b>								
Chapter 17	ST	78,495	81,914	82,675	85,760	85,997	85,997	79,745
Chapter 18	ST	81,549	79,745	77,764	83,446	78,950	78,950	76,594
Chapter 19	ST	153,824	163,769	156,930	152,455	144,561	144,561	150,421
Chapter 20	ST	8,661	11,179	12,095	10,250	9,872	9,872	9,561
Chapter 21	ST	36,216	48,033	46,561	43,007	42,848	42,848	43,482
Chapter 22	ST	30,938	38,865	36,013	31,711	26,534	26,534	25,360
Total	ST	389,683	423,504	412,037	406,630	388,762	388,762	385,163

Summary of SCP Exports to Mexico								
		2013-14	2014-15	2015-16	2016-17	2017-18	Oct-Sept 2017-18	Oct-Sept 2018-19
<b>Product Exports</b>								
Chapter 17	MT	41,610	55,725	69,019	71,461	43,752	43,752	39,717
Chapter 18	MT	58,338	50,632	47,377	46,334	47,435	47,435	47,685
Chapter 19	MT	130,743	127,310	117,786	109,887	112,783	112,783	119,692
Chapter 20	MT	2,418	1,934	5,096	4,050	3,396	3,396	4,875
Chapter 21	MT	93,177	96,543	99,537	101,433	98,340	98,340	107,282
Chapter 22	MT	47,381	59,898	46,996	36,415	36,755	36,755	49,690
<b>Total</b>	<b>MT</b>	<b>373,667</b>	<b>392,042</b>	<b>385,811</b>	<b>369,580</b>	<b>342,460</b>	<b>342,460</b>	<b>368,941</b>
<b>Refined Sugar Content</b>								
Chapter 17	MT	23,738	30,621	38,505	39,139	25,109	25,109	23,251
Chapter 18	MT	28,310	24,427	22,834	22,376	22,915	22,915	23,002
Chapter 19	MT	31,187	30,043	28,334	26,775	28,325	28,325	30,518
Chapter 20	MT	527	443	740	627	555	555	867
Chapter 21	MT	13,635	14,005	13,889	13,927	13,182	13,182	14,310
Chapter 22	MT	2,285	2,888	2,266	1,756	1,772	1,772	2,396
<b>Total</b>	<b>MT</b>	<b>99,681</b>	<b>102,427</b>	<b>106,568</b>	<b>104,599</b>	<b>91,858</b>	<b>91,858</b>	<b>94,343</b>
<b>Raw Sugar Equivalent</b>								
Chapter 17	ST	28,011	36,133	45,435	46,184	29,629	29,629	27,436
Chapter 18	ST	33,406	28,823	26,944	26,404	27,040	27,040	27,142
Chapter 19	ST	36,801	35,451	33,435	31,594	33,423	33,423	36,011
Chapter 20	ST	621	523	873	740	655	655	1,024
Chapter 21	ST	16,089	16,526	16,389	16,434	15,555	15,555	16,885
Chapter 22	ST	2,696	3,408	2,674	2,072	2,091	2,091	2,827
<b>Total</b>	<b>ST</b>	<b>117,624</b>	<b>120,863</b>	<b>125,750</b>	<b>123,427</b>	<b>108,393</b>	<b>108,393</b>	<b>111,325</b>