**U.S.D.A. sees lower sugar production, higher imports in 2019-20**

**Domestic sugar deliveries unchanged from November**

WASHINGTON — The U.S. Department of Agriculture, in its Dec. 10 World Agricultural Supply and Demand Estimates report, again slashed its forecast of 2019-20 U.S. sugar production but raised imports from Mexico sharply to bring the ending stocks-to-use ratio to 13.5% from 10.5% in November.

For the second consecutive month the U.S.D.A. sharply reduced U.S. sugar production. Beet sugar output was forecast at 4,367,000 tons, down 220,625 tons, or 4.8%, from November, and cane sugar was projected at 3,913,000 tons, down 110,760 tons, or 2.8%. Total sugar production was forecast at 8,280,000 tons, down 332,000 tons, or 3.9%, from November and down 716,000 tons, or 8%, from 8,996,000 tons in 2018-19.

“(Sugar beet) yield and area harvested forecasts from last month’s Crop Production report are adjusted down on processors’ updated forecasts in the latest Sweetener Market Data,” the U.S.D.A. said. Beet pile shrink is forecast at a relatively low 4% due to the shortened slice campaign. Sucrose recovery is unchanged from last month.”

For cane sugar, lower forecasts were made for all three producing states – Florida, Louisiana and Texas.

If realized, total U.S. sugar production would be the lowest since 2010-11, with beet sugar the lowest since 2008-09 and cane sugar the lowest since 2016-17.

Sugar imports from Mexico were projected at 1,827,000 tons, up 708,875 tons, or 63%, from November and up 827,000 tons, or 83%, from 2018-19. Only minor changes were made to tariff-rate quota imports, forecast at 1,614,000 tons, down 7,000 tons from November, with other program imports unchanged at 350,000 tons and high-tier imports unchanged at 70,000 tons. Total imports in 2019-20 were forecast at 3,860,000 tons, up 701,000 tons, or 22%, from October and up 790,000 tons, or 26%, from 2018-19.

Total supply was forecast at 13,920,000 tons, up 370,000 tons, or 2.7%, from November but down 154,000 tons, or 1.1%, from 14,074,000 tons in 2018-19.

There were no changes made to forecast total use of sugar in 2019-20 at 12,265,000 tons, including deliveries for food at 12,125,000 tons, exports at 35,000 tons and other at 105,000 tons.

Only very minor changes were made for 2018-19 with total domestic production at 8,996,000 tons, up 2,000 tons from November, imports at 3,070,000 tons, unchanged, total use at 12,294,000 tons, up 1,000 tons, and ending stocks at 1,780,000 tons, up 1,000 tons. The ending stocks-to-use ratio was unchanged at 14.5%.

For Mexico, there were no changes to 2018-19 estimates and very minor changes for 2019-20. Production for the current year was unchanged at 5,772,000 tonnes, actual weight, imports were unchanged at 85,000 tonnes, domestic use was unchanged at 4,492,000 tonnes, and exports were raised 5,000 tonnes to 1,603,000 tonnes. Ending stocks were raised a like amount to 930,000 tonnes. Mexico sugar exports to the United states were projected at 1,563,000 tonnes, up 606,680 tonnes from November, with exports to non-U.S. destinations lowered to 40,043 tonnes.