

## **US sugar supply raised from March mainly on higher imports**

WASHINGTON — The US Department of Agriculture, in its April 9 World Agricultural Supply and Demand Estimates report, forecast 2019-20 US sugar ending stocks at 1,434,000 short tons, raw value, up 546,884 tons, or 61%, from 888,000 tons in March on an expected jump in tariff-rate quota imports, a minor increase in imports from Mexico and a slight increase in domestic production. Deliveries were unchanged from March.

The 2019-20 ending stocks-to-use ratio was forecast at 11.7%, up from 7.2% in March but down from 14.5% in 2018-19 and still below the minimum USDA target of 13.5% as defined in the suspension agreements with Mexico. Ending stocks would need to increase 222,000 tons to bring the stocks-to-use ratio up to 13.5%, based on the April data.

U.S. sugar production was forecast at 8,038,000 tons, up 7,000 tons from March as a 26,460-ton increase in cane sugar production, forecast at 3,740,000 tons, more than offset a 19,797-ton decrease in beet sugar, forecast at 4,298,000 tons. Cane sugar production was raised 31,000 tons for Florida, lowered 4,000 tons for Texas and left unchanged for Louisiana. The beet sugar reduction was based on “lower expected sugar from slicing and from the de-sugaring of molasses,” the USDA said.

Total imports were forecast at 3,879,000 tons, up 540,000 tons, or 16%, from March, including TRQ imports at 2,180,000 tons, up 506,000 tons, reflecting the USDA’s raw and refined sugar TRQ increase of 550,000 tons announced April 1. The raw sugar shortfall was increased to 84,092 tons “to reflect sugar not expected to enter the United States although allocated.” Imports from Mexico were forecast at 1,199,000 tons, up 34,312 tons from March. Other program imports were unchanged at 350,000 tons, as were high-tier imports at 150,000 tons.

Total sugar supply was forecast at 13,699,000 tons, up 546,884 tons, or 4.2%, from March but down 378,000 tons, or 2.7%, from 2018-19.

Total sugar use at 12,265,000 tons, including exports at 35,000 tons, “other” at 105,000 tons and deliveries for food at 12,125,000 tons, all were unchanged from the March WASDE.

For Mexico, sugar production in 2019-20 was forecast at 5,235,000 tonnes, actual weight, up 35,000 tonnes, or 0.7%, from March but down 1,191,000 tonnes, or 18.5%, from 2018-19. Exports were raised by the same amount, 35,000 tonnes, to 1,065,000 tonnes, leaving ending stocks unchanged from March at 936,000 tonnes. Domestic use and imports were unchanged. “Analysis based on production through the first week of April supports increases in area over last month but lower sugarcane yield and about the same sucrose recovery as last month,” the USDA said. Exports to the United States were increased by 29,365 tonnes to 1.026 million tonnes, with exports to non-US destinations increased slightly to 39,187 tonnes based “on the pace to date.”