

Sweetener Users Association Board Meeting/Conference Call

July 15, 2020

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SUA July 2020: Presentation Overview

■ Domestic Sugar Market

- **WASDE surprise – More sugar from Mexico boosts S-T-U ratio to 14.5%.**
- US sugar delivery forecast unchanged from June.
- SMD May update – beet deliveries lowest on record, cane deliveries strong.
- Cash sugar prices showing some weakness for 2020-21.

■ Global Sugar Market

- Strong production in Brazil and India limit upside to world prices.
- Record production, exports expected from Brazil.
- Production down in Thailand, Russia, parts of EU.
- Coronavirus expected to be negative for demand by about 1%.

■ Corn Sweetener Market

- Coronavirus expected to negatively impact HFCS demand.
- Mexican consumption forecast lowered for this year and next.

■ Other factors affecting sugar

- Dietary Guidelines, The Sugar Association Petition, USMCA.

■ Conclusions

SUA July 2020: US Market Overview

■ Sugar supply/demand

- 2019-20 S-T-U ratio at 14.5% on jump in imports from Mexico.
- Imports from Mexico raised 140,000 tons; TRQ up 23,000 tons.
- Domestic production lowered 22,000 tons from June.
- Deliveries for 2019-20 unchanged in July after drop in June.
- **July numbers eliminate the chance of a TRQ increase, but a TRQ reallocation may be needed to reach projection.**
- Spot prices are unchanged.
- 2020-21 S-T-U ratio raised to 13.5% as expected for July.
- Domestic production raised 85,000 tons from June.
- TRQ imports raised to show WTO, USMCA (Canada) changes.
- 2020-21 prices are showing some weakness.

■ Corn sweetener supply/demand

- Mexico HFCS consumption lowered 1.5% from June and 3.8% from 2018-19; year-to-date down 9%.

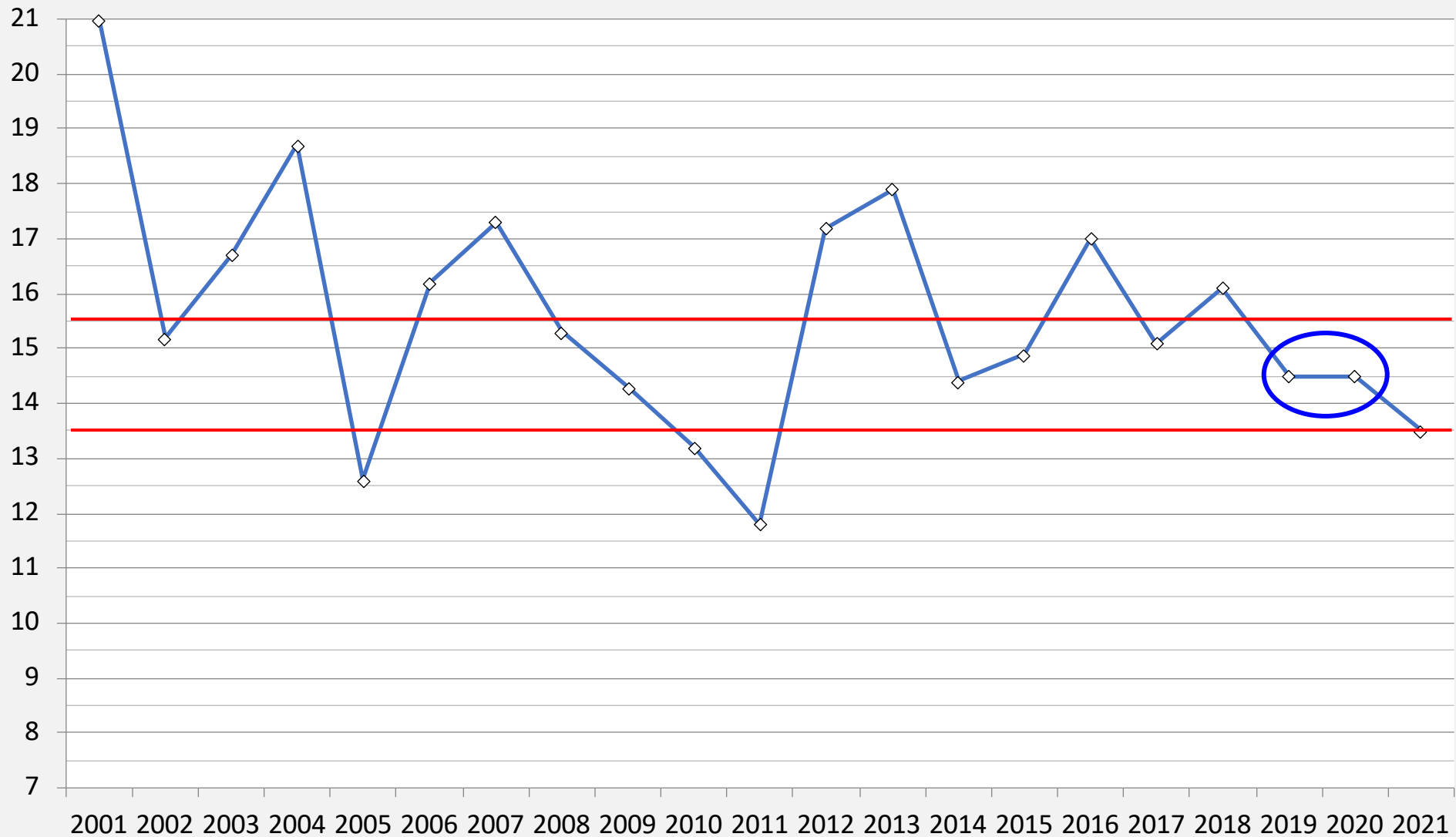
SUA July 2020: USDA 2019-20 WASDE

1,000 short tons raw value	July	July	Change from June		Change from 18-19		July	From
	18-19	19-20	Tons	%	Tons	%	20-21	June
Begin. Stocks	2,008	1,783	-	0.0%	(225)	-11.2%	1,772	140
Production	8,999	8,002	(22)	-0.3%	(997)	-11.1%	9,090	85
Beet	4,939	4,256	(29)	-0.7%	(683)	-13.8%	5,000	35
Cane	4,060	3,746	6	0.2%	(314)	-7.7%	4,090	50
Imports	3,070	4,178	163	4.1%	1,108	36.1%	3,059	(38)
T.R.Q.	1,541	2,203	23	1.1%	662	43.0%	1,580	185
Other Prog.	438	350	-	0.0%	(88)	-20.1%	350	-
Mexico	1,000	1,395	140	11.2%	395	39.5%	1,079	(222)
High Tier	92	230	-	0.0%	138	150.0%	50	-
Ttl Supply	14,077	13,962	140	1.0%	(115)	-0.8%	13,921	188
Exports	35	35	-	0.0%	-	0.0%	35	-
Deliveries	12,231	12,155	-	0.0%	(76)	-0.6%	12,230	-
Food	12,106	12,050	-	0.0%	(56)	-0.5%	12,125	-
Other	126	105	-	0.0%	(21)	-16.7%	105	-
Misc.	28	-	-	-	(28)	-100.0%	-	-
Total Use	12,294	12,190	-	0.0%	(104)	-0.8%	12,265	-
Ending Stocks	1,783	1,772	140	8.6%	(11)	-0.6%	1,656	188
Stocks-to-use	14.5%	14.5%	1.1		0.0		13.5%	1.5

4 * S-T-U Ratio change is from prior S-T-U, not in tons or per cent.

SUA July 2020: Annual S-T-U Ratios

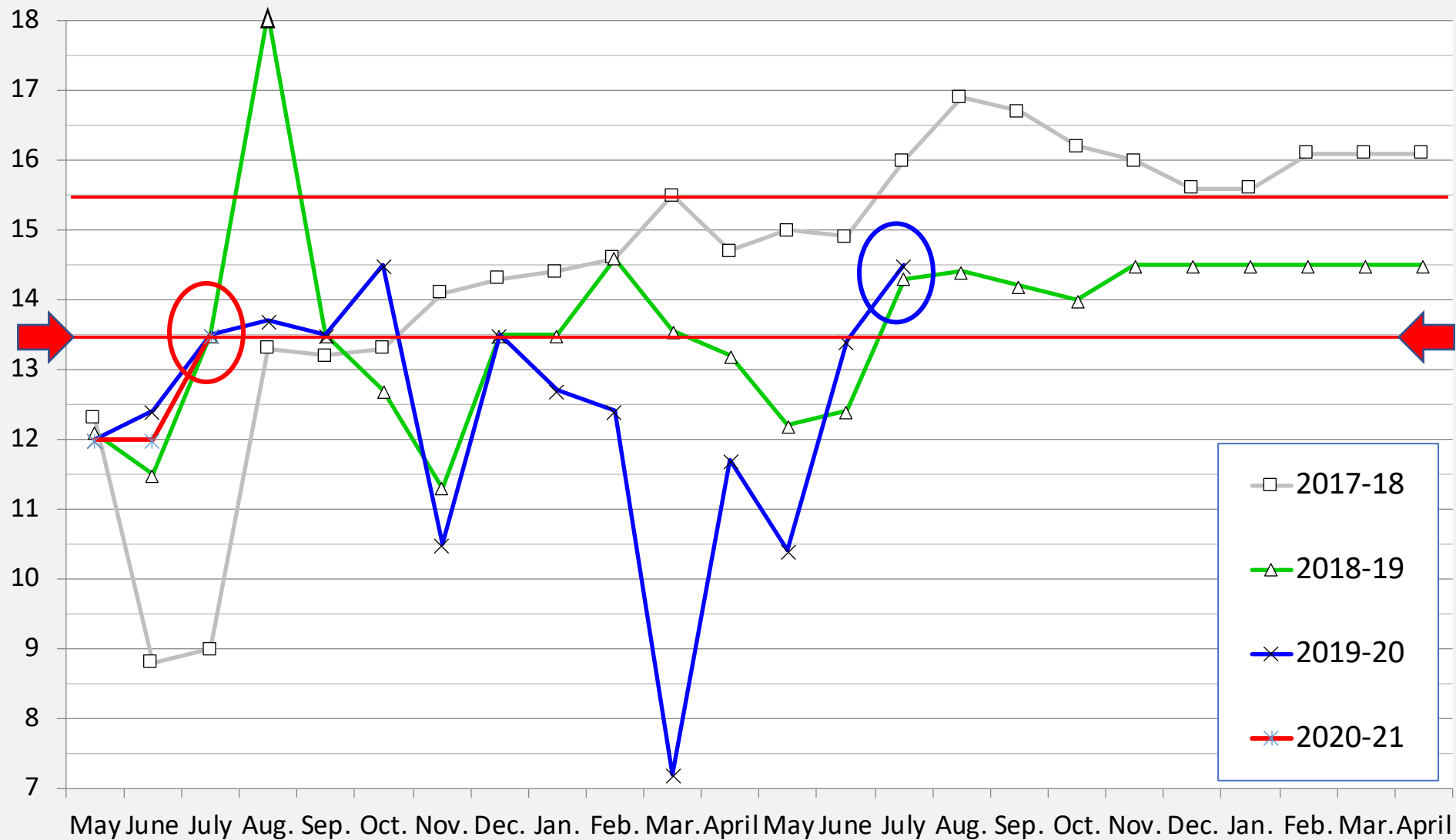
Annual stocks-to-use ratios, in percent. 2019-20, 2020-21 forecast as of July 10.



Source: USDA

SUA July 2020: Monthly S-T-U Ratios

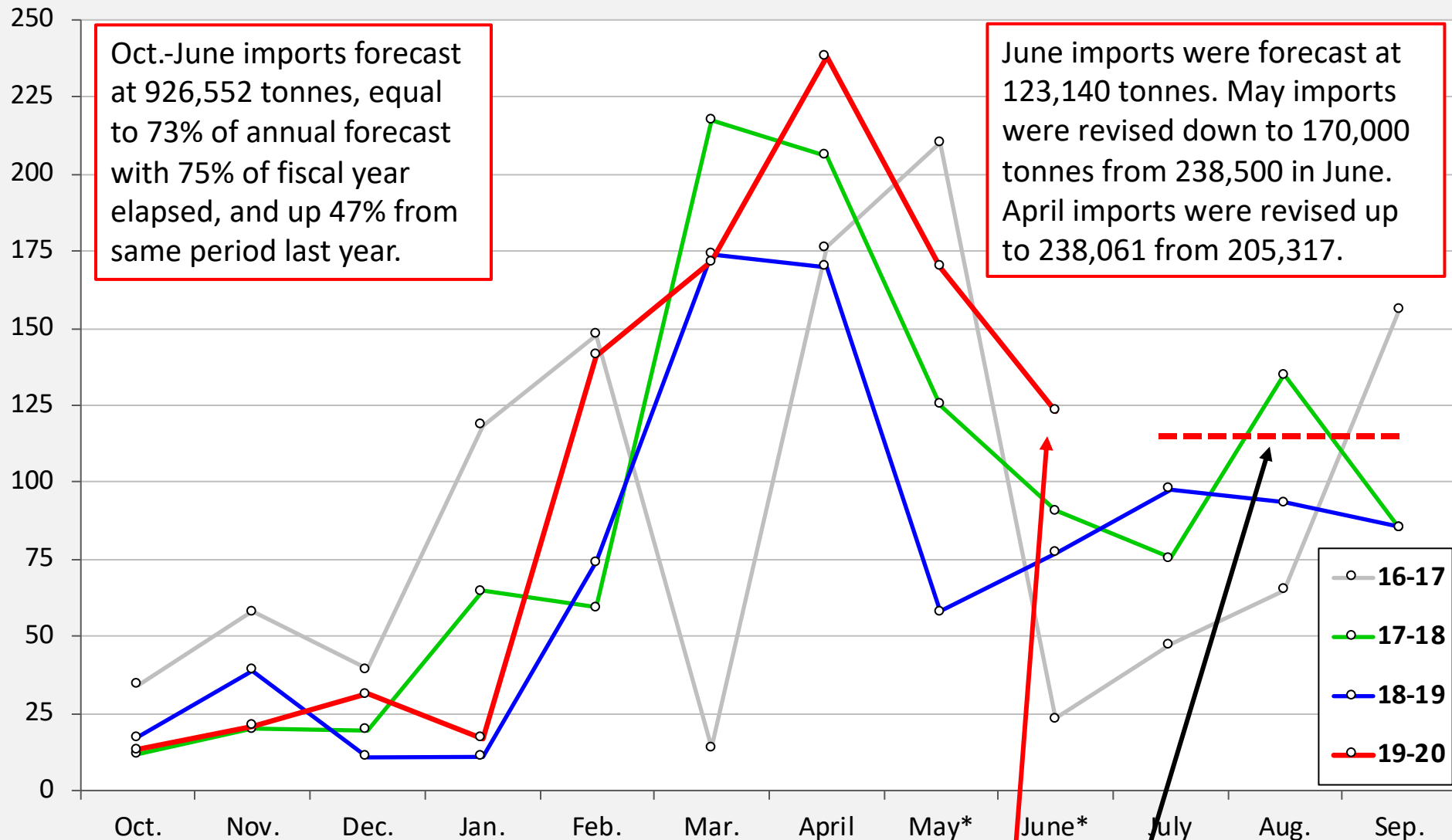
Two-year S-T-U ratios in per cent, beginning with first forecast in May for each marketing year.



Source: USDA

SUA July 2020: Monthly Imports from Mexico

In 1,000 tonnes, raw value. *2019-20 projected. Sources: USDA and US Census Bureau.



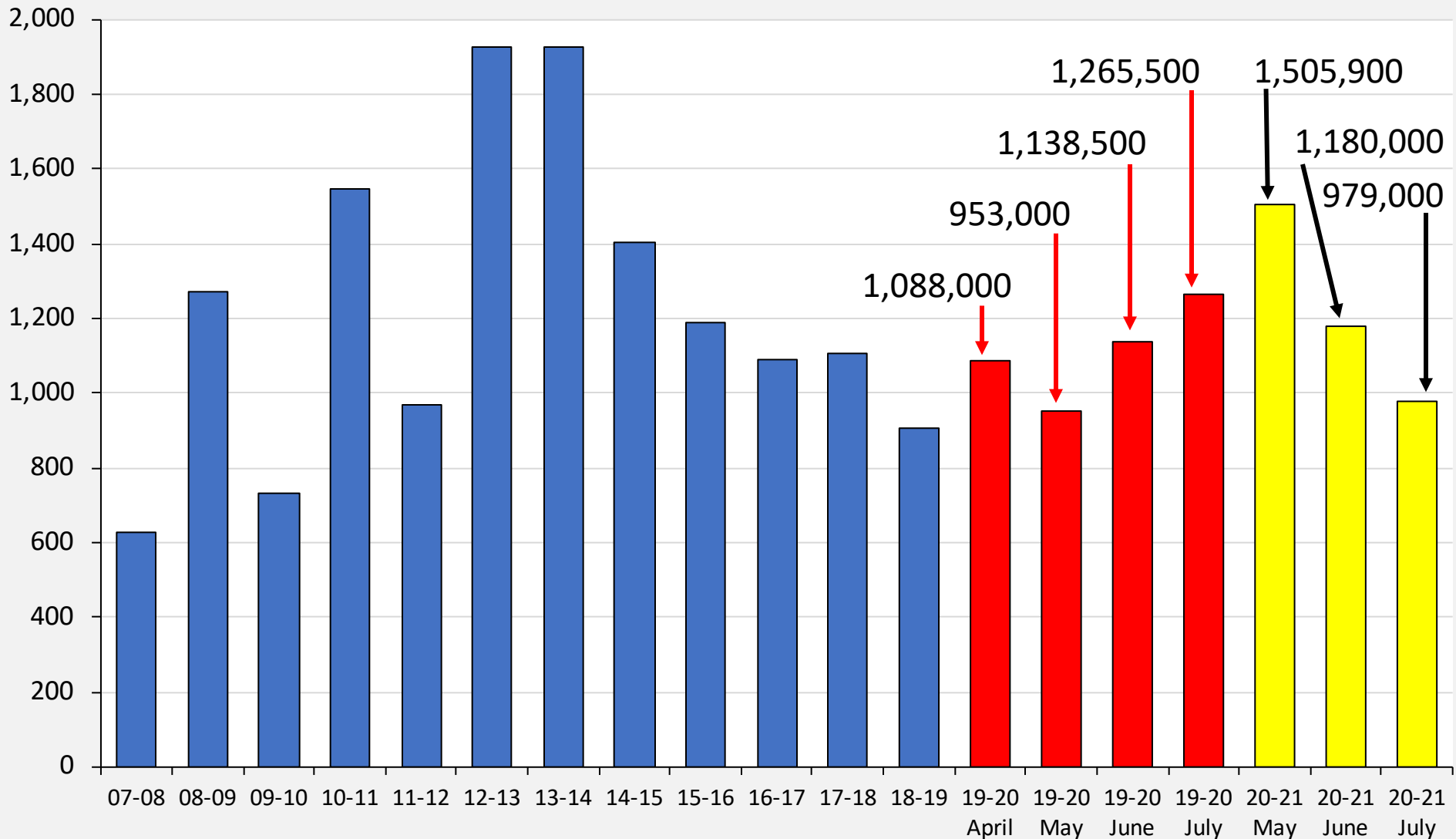
Oct.-June imports forecast at 926,552 tonnes, equal to 73% of annual forecast with 75% of fiscal year elapsed, and up 47% from same period last year.

June imports were forecast at 123,140 tonnes. May imports were revised down to 170,000 tonnes from 238,500 in June. April imports were revised up to 238,061 from 205,317.

Imports will need to average 112,990 tonnes monthly in final three months to meet USDA forecast. **Note sharp drop since April!**

SUA July 2020: Annual Imports from Mexico

In 1,000 tonnes, raw value. 2019-20 and 2020-21 are forecast.



Wide variation in USDA's forecast of imports from Mexico.

Sources: USDA and US Census Bureau

SUA July 2020: SMD May

Source: USDA.

<i>Short tons, Raw value</i>	May	May	Change from 18-19	
	<u>2019-2020</u>	<u>2018-2019</u>	<u>Tons</u>	<u>%</u>
Beginning stocks	3,790,586	4,696,393	(905,807)	-19.3%
Total production	191,676	235,344	(43,668)	-18.6%
Beet	96,306	161,071	(64,765)	-40.2%
Cane	95,370	74,272	21,098	28.4%
Total imports	333,948	204,905	129,043	63.0%
Total supply	4,316,210	5,136,641	(820,431)	-16.0%
Total exports	2,480	1,846	634	34.3%
Total deliveries	880,157	947,821	(67,664)	-7.1%
Deliveries, human use	873,473	937,876	(64,403)	-6.9%
Misc. supply adj.	844	(26)	870	-3346.2%
Total use	883,481	949,641	(66,160)	-7.0%
Ending stocks	3,432,728	4,187,000	(754,272)	-18.0%

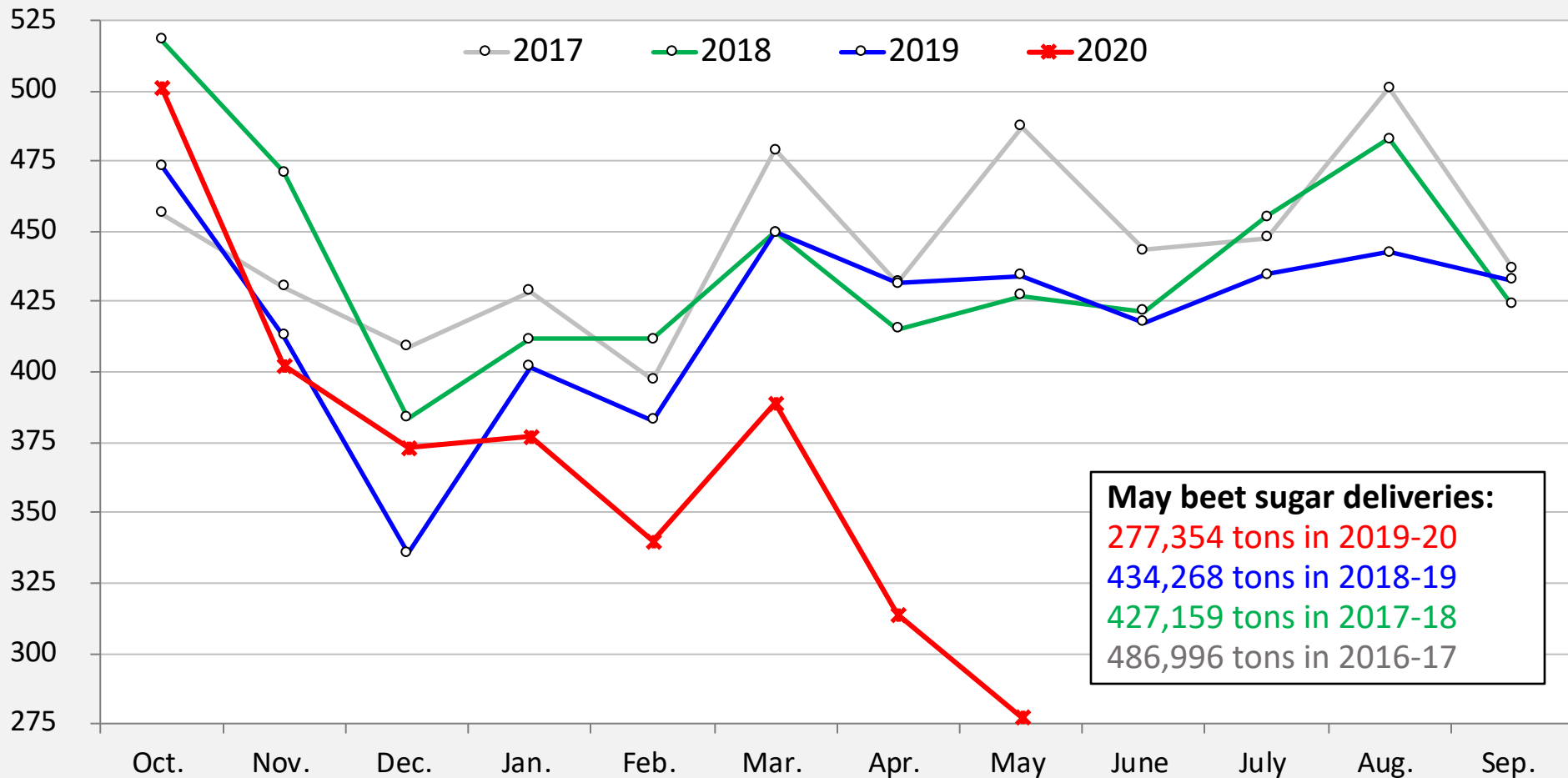
SUA July 2020: SMD October-May

Source: USDA.

<i>Short tons, Raw value</i>	Oct.-May	Oct.-May	Change from 18-19	
	<u>2019-20</u>	<u>2018-19</u>	<u>Tons</u>	<u>%</u>
Beginning stocks	1,782,548	2,007,901	(225,353)	-11.2%
Total production	7,183,798	8,235,133	(1,051,335)	-12.8%
Beet	3,488,612	4,238,309	(749,697)	-17.7%
Cane	3,695,186	3,996,822	(301,636)	-7.5%
Total imports	2,619,808	2,062,056	557,752	27.0%
Total supply	11,586,154	12,305,090	(718,936)	-5.8%
Total exports	15,241	26,866	(11,625)	-43.3%
Total deliveries	8,137,475	8,022,409	115,066	1.4%
Deliveries, human use	8,071,635	7,939,320	132,315	1.7%
Misc. supply adj.	710	68,812	(68,102)	-99.0%
Total use	8,153,426	8,118,089	35,337	0.4%
Ending stocks	3,432,728	4,187,000	(754,272)	-18.0%

SUA July 2020: Beet Sugar Deliveries

Monthly beet sugar deliveries, in 1,000 tons, raw value. Source: USDA

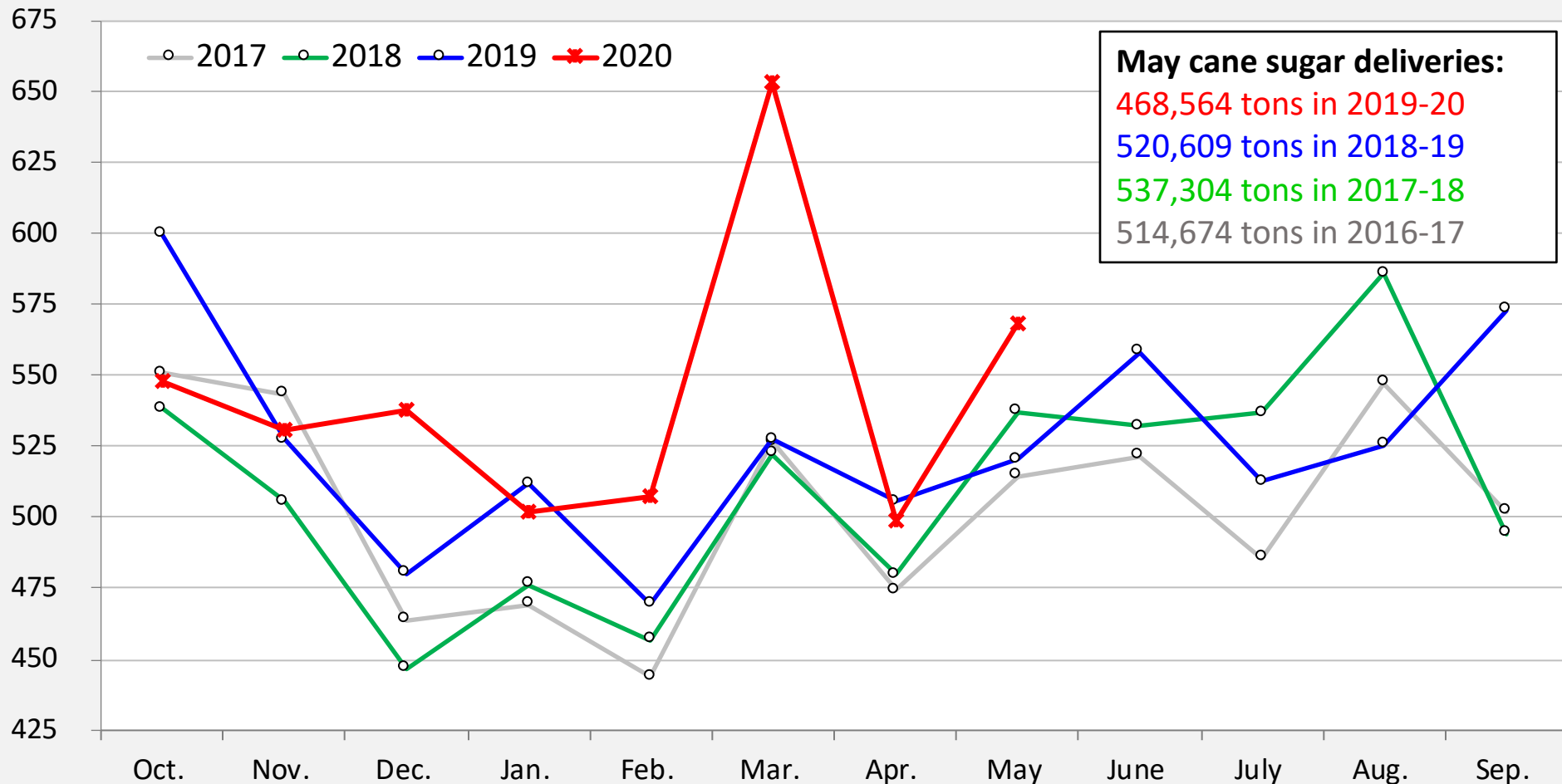


May beet sugar deliveries fell 11.5% from April and were down 36% from May 2019. They were the lowest in records back to 1993 for May and the lowest for any month since Feb. 1997. Year-to-date beet deliveries are down 10.5% from a year ago.

Processors expect deliveries will remain light until September.

SUA July 2020: Refined Cane Deliveries

Monthly refined cane sugar deliveries, in 1,000 tons, raw value. Source: USDA

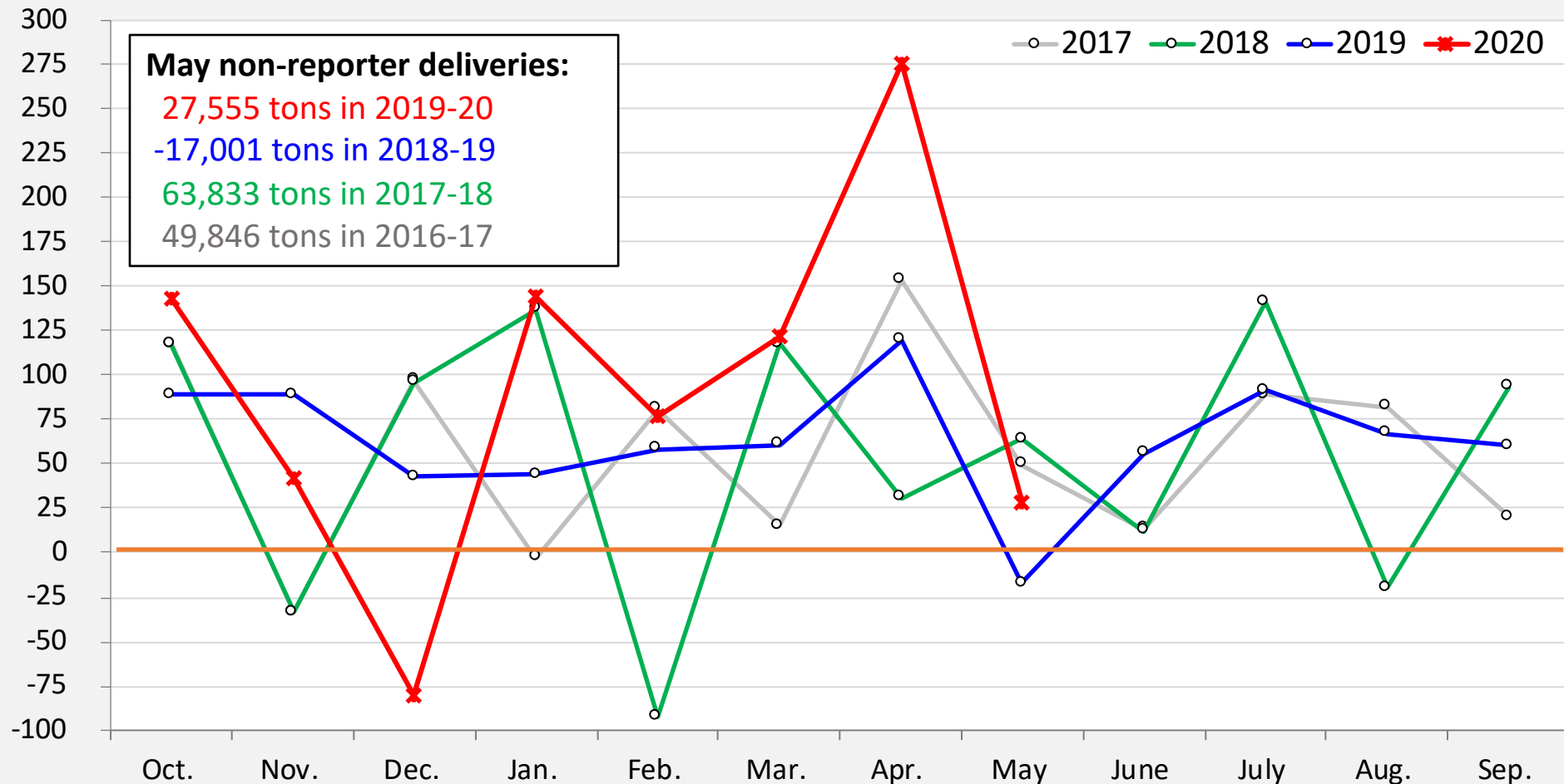


May cane sugar deliveries rebounded 14% from April and were up 9% from May 2019. Cane deliveries were the highest for the month of May in records back to 1993. This reflects mainly the replacement of beet sugar. Year-to-date cane deliveries are up 5%.

Cane deliveries remained strong in June and early July.

SUA July 2020: Deliveries by Non-Reporters

Monthly non-reporter deliveries, in 1,000 tons, raw value. Source: USDA



Non-reporter deliveries in May plunged 90% from a record high 275,871 tons in April, which was revised 8.5% upward from 254,197 tons estimated last month. Non-reporter deliveries typically are lighter in May, but the sharp decline was a bit of a surprise. Year-to-date N-R deliveries are up 265,000 tons, or 54%, from 2018-19.

SUA July 2020: Deliveries for Human Use

<u>PRODUCT OR BUSINESS OF BUYER</u>	FY 2020	FY 2019	Oct.-May	Oct.-April	
	<u>Oct.-May</u>	<u>Oct.-May</u>	<u>% change</u>	<u>% change</u>	
Total Deliveries/1 (short tons, <u>actual weight</u>)	6,890,160	7,025,798	-1.9	-0.5	★
1-Bakery, cereal, and related products	1,595,008	1,630,081	-2.2	-0.6	★
5-Confectionery and related products	694,653	791,516	-12.2	-11.2	★
6-Ice cream and dairy products	503,357	491,203	2.5	3.1	
7-Beverages	407,951	470,701	-13.3	-10.3	★
8-Canned, bottled and frozen foods	283,325	275,032	3.0	5.3	
4-Multiple and all other food uses	692,478	749,285	-7.6	-4.2	
10-Non-food uses	91,100	101,617	-10.3	-10.6	
11-Hotels, restaurants, institutions	54,376	56,069	-3.0	-5.2	
2-Wholesale grocers, jobbers, dealers	1,482,094	1,465,104	1.2	2.1	
3-Retail grocers, chain stores	876,965	787,849	11.3	10.7	★
12-Government agencies	7,786	8,585	-9.3	-17.3	
9-All other deliveries	201,069	198,757	1.2	5.5	
Total Deliveries/1 (short tons, <u>raw value</u>)	7,372,472	7,517,604	-1.9	-0.5	
Crystalline:	6,353,714	6,503,636	-2.3	-0.9	
Consumer-size packages (retail)	1,525,680	1,450,541	5.2	4.0	★
Packages 50 lbs and greater	1,924,904	1,943,199	-0.9	0.5	★
Unpackaged (bulk)	2,903,129	3,109,896	-6.6	-4.0	★
Non-crystalline/2	1,018,758	1,013,968	0.5	1.7	

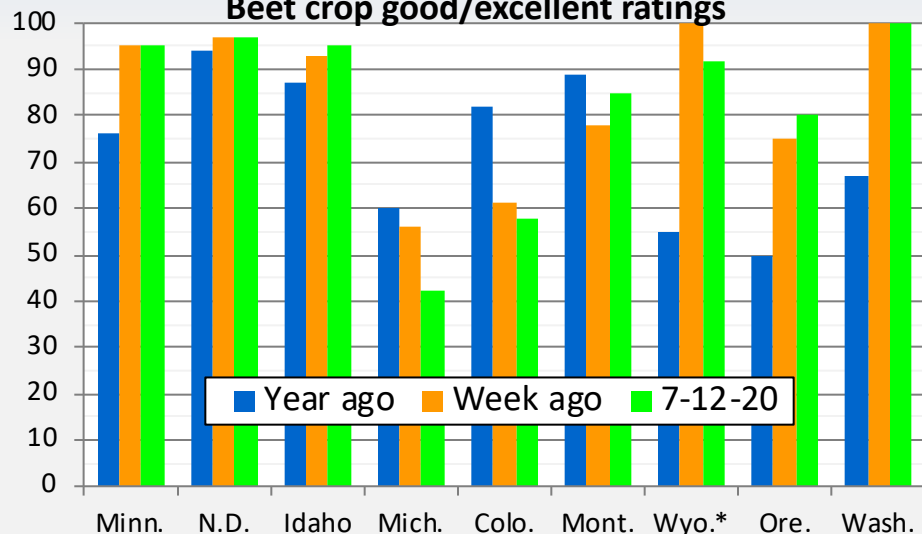
1/Deliveries from domestic sugar beet processors, sugar cane processors and refiners.

14 2/Includes all liquid, edible molasses, sugar syrups and cane juice.

Source: USDA

SUA July 2020: Sugar beet ratings and area

Beet crop good/excellent ratings



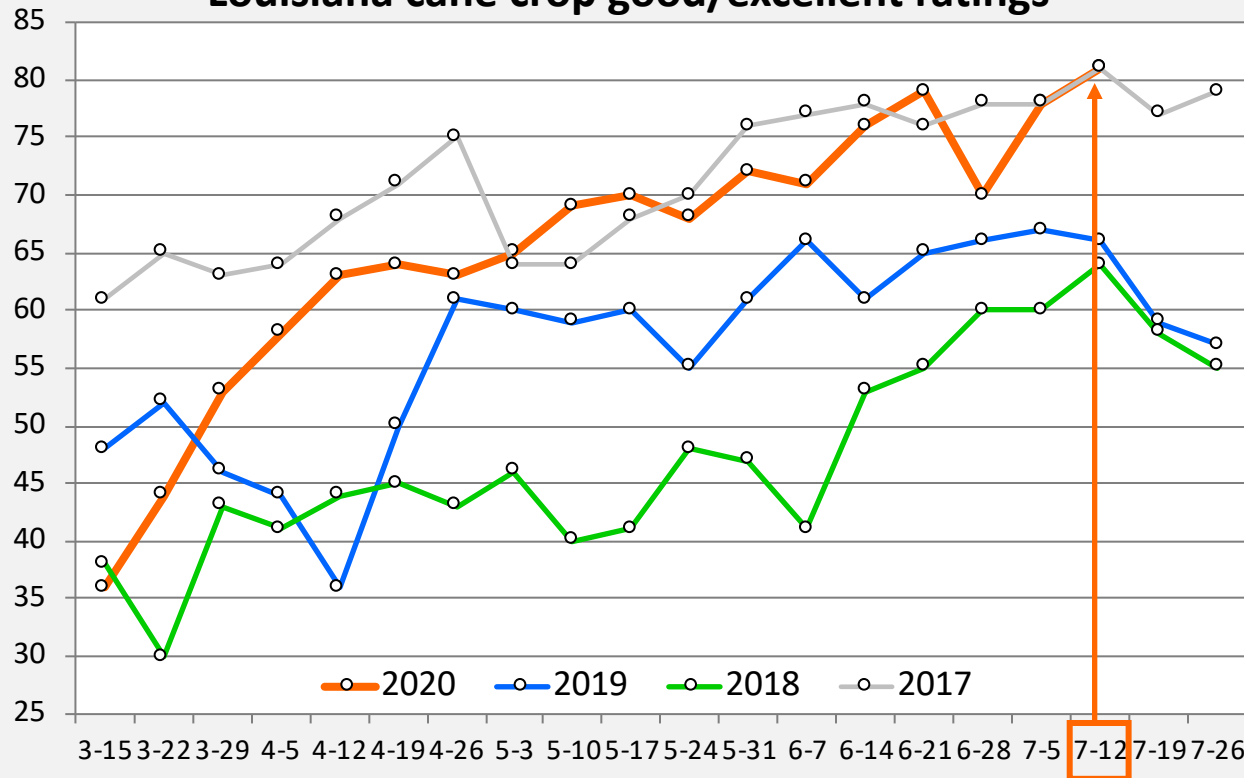
Sugar beet crop condition ratings remain very high, except for Michigan and Colorado. Top three states (Minnesota, North Dakota, Idaho) are rated 95% or above good to excellent as of July 12. Michigan has struggled since replanting earlier in season. Some dryness is creeping into Mont., Wyo., Colo., Neb. area.

1,000 acres	2020		Change from 2019		2020	
	Planted	Acres	Percent	Harvested	2019	
Minnesota	432.0	8.0	1.9%	420.0	84.0	
N. Dakota	214.0	2.0	0.9%	211.0	41.0	
Idaho	168.0	-3.0	-1.8%	166.0	1.0	
Michigan	154.0	8.0	5.5%	152.0	7.0	
Nebraska	46.3	2.3	5.2%	45.8	3.7	
Montana	42.8	1.0	2.4%	42.6	6.1	
Wyoming	31.0	-0.6	-1.9%	30.2	6.2	
Colorado	24.5	-0.6	-2.4%	24.0	-0.4	
California	24.4	-0.1	-0.4%	24.4	-0.1	
Oregon	9.1	-0.9	-9.0%	9.0	-0.8	
Washington	1.8	-0.2	-10.0%	1.8	-0.2	
U.S.	1,147.9	15.9	1.4%	1,126.8	147.5	

The USDA, in its June 30 Acreage report, raised sugar beet planted area 15,900 acres from 2019 and 9,400 acres from the March Perspective Plantings report, which accounted for the increase in beet sugar production in the July WASDE. Harvested area was forecast up 147,500 acres, or 15%, from last year mainly due to significant acreage not harvested in the Red River Valley last fall.

SUA July 2020: Sugar cane ratings and area

Louisiana cane crop good/excellent ratings



Louisiana sugar cane crop condition ratings have been outstanding, with the good-to-excellent rating on July 12 at 81%, mirroring the outstanding year of 2017. At this point, Louisiana is on track to have a very strong rebound from last year's smaller crop. (2016 crop was 82% on this date, ended at 53% good to excellent.)

Sugar cane harvested area

1,000 acres	2020		Change from 2019	
	<u>Harvested</u>	<u>Acres</u>	<u>Acres</u>	<u>Percent</u>
Louisiana	480.0	11.0	2.3%	
Florida	404.0	-6.7	-1.6%	
Texas	36.4	2.9	8.7%	
U.S.	920.4	7.2	0.8%	

USDA's June 30 Acreage report showed sugar cane harvested area up 7,200 acres from last year as an 11,000-acre increase in Louisiana more than offset a 6,700-acre decline in Florida. Cane area is not included in the USDA's March Perspective Plantings report.

SUA July 2020: Cash sugar prices

Beet sugar 2019-20

Beet sugar prices remain nominal; Small supply available from cancellations.

Cane sugar 2019-20

Prices in all regions at 46c f.o.b. from one major refiner, with capacity available. Prices hasn't changed since February. Limited supply available from other refiners.

Beet sugar 2020-21

Offers from major processors at 36.5c f.o.b. Midwest, with volume discounts; Michigan offers at 38c f.o.b., down 0.5c from earlier in June. Buyers indicate beet sugar can be purchased as low as 35c a lb f.o.b. Midwest.

Cane sugar 2020-21

Refined cane sugar prices have eased since June update. Northeast and West Coast offered at 40c to 41c, down 1c. Gulf offered at 37c to 39c, down 1c to 2c from June. Southeast offered at 38c to 39c, steady to down 2c. Again, buyers suggest cane sugar can be purchased at least 1c below those levels from certain refiners.

SUA July 2020: Cash sugar situation

Recent Developments and Factors to Watch in cash sugar market

- For this year, uncertainty remains as coronavirus cases are on the rise.
- Available capacity for major cane refiner suggests demand not at its peak.
- USDA's 14.5% S-T-U implies large increase from Mexico (from June) and full shipment of TRQ, both of which may be unlikely. That would suggest another TRQ reallocation may be needed soon.
- Mexico imports have fallen sharply since peak in April. They have already cut into ending stocks to get 140,000-ton increase in July export forecast. Is it realistic to expect above-average shipments in remaining three months?
- For 2020-21, sales have tended on the slow side, especially for cane, which in part is reflected in weaker prices from June. Buyers are hoping for prices closer to levels paid last year for most sugar delivered this year, since beet and cane crops are expected to return to normal. Beet processors are encouraged to maintain offering prices at higher levels because of low beet inventories and large discount to refined cane (4c or more per lb vs 2c). Buyers may be rewarded for waiting this year.

SUA July 2020: Mexico WASDE

In 1,000 tonnes, actual weight. Source: USDA July 10, 2020, WASDE

	2019-20			2020-21		
	July	Change from		July	Change from	
	<u>19-20</u>	<u>June</u>	<u>18-29</u>	<u>20-21</u>	<u>June</u>	<u>19-20</u>
Begin. Stocks	1,169	-	(226)	929	(24)	(240)
Production	5,282	52	(1,144)	6,100	-	818
Imports	89	-	4	89	-	-
Total Supply	6,540	52	(1,366)	7,118	(24)	578
Exports	1,233	120	(971)	1,731	117	498
Domestic Use	4,378	(44)	(154)	4,458	(117)	80
Total Use	5,611	76	(1,125)	6,189	-	578
Ending Stocks	929	(24)	(240)	929	(24)	-
S-T-U (total)	16.6%	(0.6)	(0.8)	15.0	(0.4)	(1.6)
S-T-U (domestic)	21.2%	(0.4)	(4.6)	20.8	-	(0.4)

For 2019-20, a 52,000-tonne increase in estimated sugar production (at 5,282,000 tonnes), a 44,000-tonne reduction in domestic use (at 4,378,000 tonnes), and a 24,000-tonne reduction in ending stocks (at 929,000 tonnes) all contributed to a 120,000-tonne increase in exports (at 1,233,000 tonnes). For 2020-21, exports were raised by 117,000 tonnes, domestic use was lowered by 117,000 tonnes, and the 24,000-tonne drop in ending stocks was carried forward.

SUA July 2020: New York #16 Raw Futures

ICE domestic raw sugar futures as of July 10, 2020, in cents per lb. Source: Tech Nova

Contract	Last	Net Change	High	Low	Volume	Open Interest	Time	Settlement
ESFU20 (D10)	26.25 S	-0.25	26.25	26.25	30	1798	1:17:27 PM EDT - 07/10/20	26.25 S
ESFX20 (D10)	26.35 S	0.00	26.35	26.35	1	2576	1:17:27 PM EDT - 07/10/20	26.35 S
ESFF21 (D10)	26.50 S	0.00			0	1470	1:17:27 PM EDT - 07/10/20	26.50 S
ESFH21 (D10)	26.66 S	0.01	26.65	26.65	10	1484	1:17:27 PM EDT - 07/10/20	26.66 S
ESFK21 (D10)	26.70 S	0.05	26.70	26.65	30	883	1:17:27 PM EDT - 07/10/20	26.70 S
ESFN21 (D10)	26.95 S	0.30	26.95	26.65	60	1199	1:17:27 PM EDT - 07/10/20	26.95 S
ESFU21 (D10)	26.95 S	0.30	26.95	26.65	55	1169	1:17:27 PM EDT - 07/10/20	26.95 S
ESFX21 (D10)	26.75 S	0.10			0	614	1:17:27 PM EDT - 07/10/20	26.75 S
ESFF22 (D10)	26.65 S	0.00			0		1:17:27 PM EDT - 07/10/20	26.65 S
ESFH22 (D10)	26.65 S	0.00			0		1:17:27 PM EDT - 07/10/20	26.65 S
ESFK22 (D10)	26.65 S	0.00			0		1:17:27 PM EDT - 07/10/20	26.65 S

Nearby domestic raw sugar futures have firmed, holding modestly above 26c a lb in July and closing at a three-month high of 26.50c on July 9 before slipping back to the 26c to 26.25c a lb range. Volume has fluctuated with “active” trading some days. There remains a modest carry of about 0.30c to 0.50c a lb through 2022. Nothing dramatic expected.

SUA July 2020: Global Sugar Overview

- **Focus on Brazil due to low energy demand and prices**
 - Brazilian sugar production expected to increase as much as 10 million tonnes, possibly record high, as mills switch from ethanol.
 - Recent support from outside markets remains volatile.
- **Global supply/demand**
 - For this year, tight nearby white sugar supplies have given way to adequate/ample supplies as Brazilian exports increased once new-crop harvest began and port congestion cleared for exporting of raws.
 - Moving into global surplus in 2020-21 with major production gains in Brazil, India and others while demand suffers from coronavirus, with possible 1 million to 2 million tonne decline (around 1%).
- **Pricing**
 - After falling 35% from February high to 12½-year low in late April, nearby world raw sugar futures gained about 3c a lb by early June before leveling around 12c a lb into July.
- **Full impact of coronavirus on demand still unknown.**

SUA July 2020: New York #11 Raw Futures

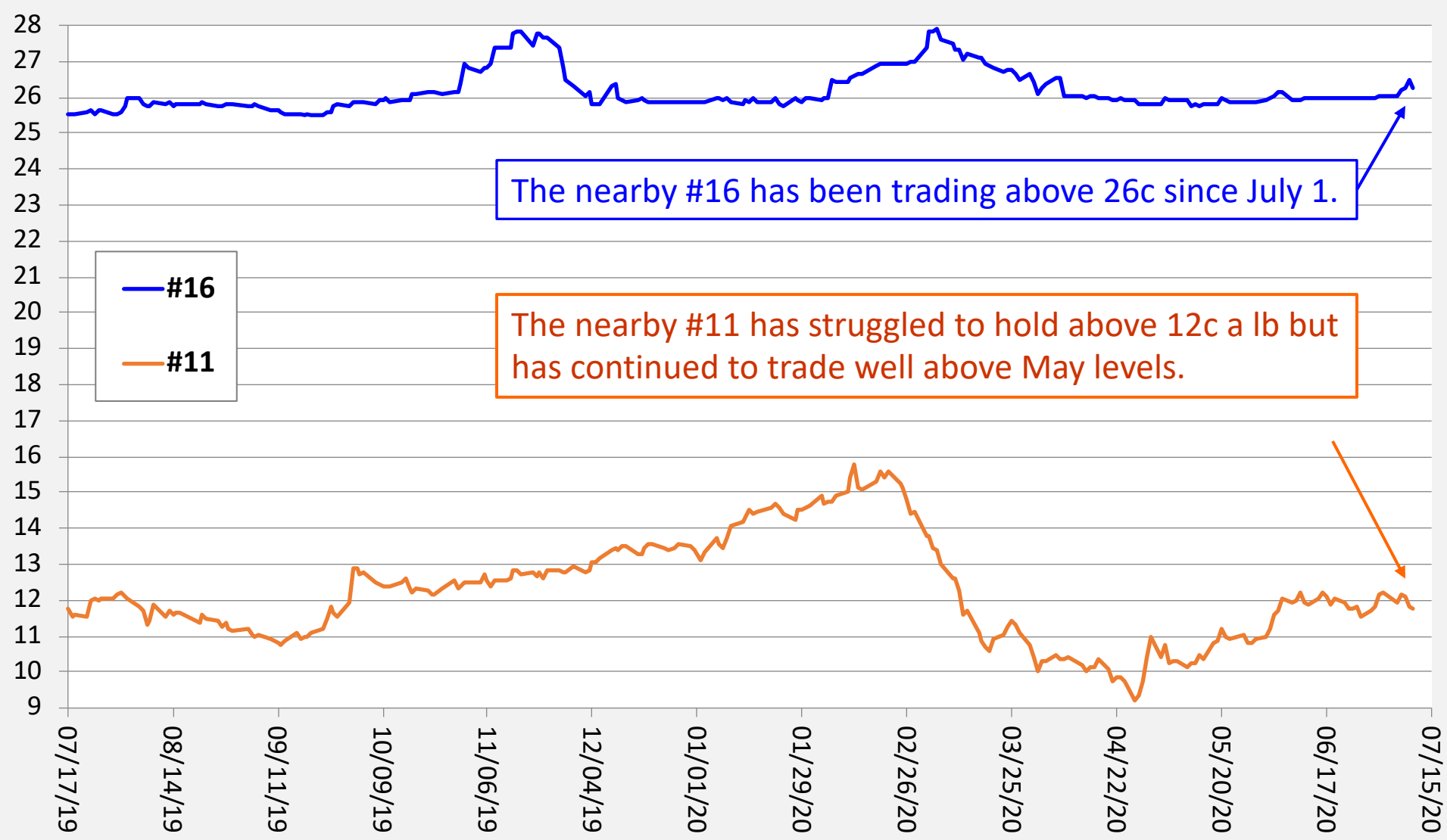
ICE world raw sugar futures as of July 10, 2020, in cents per lb. Source: Tech Nova

Contract	Last	Net Change	High	Low	Volume	Open Interest	Time	Settlement
ESBV20 (D10)	11.76 S	-0.08	11.93	11.68	58023	400768	1:06:32 PM EDT - 07/10/20	11.76 S
ESBH21 (D10)	12.48 S	-0.09	12.63	12.39	35872	209715	1:06:32 PM EDT - 07/10/20	12.48 S
ESBK21 (D10)	12.25 S	-0.05	12.35	12.15	15844	92349	1:06:32 PM EDT - 07/10/20	12.25 S
ESBN21 (D10)	12.01 S	-0.02	12.10	11.92	12394	72961	1:06:32 PM EDT - 07/10/20	12.01 S
ESBV21 (D10)	11.97 S	-0.02	12.10	11.88	7844	64626	1:06:32 PM EDT - 07/10/20	11.97 S
ESBH22 (D10)	12.26 S	-0.03	12.41	12.18	2275	37925	1:06:32 PM EDT - 07/10/20	12.26 S
ESBK22 (D10)	12.00 S	-0.04	12.17	11.93	738	19173	1:06:32 PM EDT - 07/10/20	12.00 S
ESBN22 (D10)	11.81 S	-0.06	12.01	11.76	473	16943	1:06:32 PM EDT - 07/10/20	11.81 S
ESBV22 (D10)	11.83 S	-0.06	12.04	11.79	231	13964	1:06:32 PM EDT - 07/10/20	11.83 S
ESBH23 (D10)	12.13 S	-0.06	12.34	12.08	29	4316	1:06:32 PM EDT - 07/10/20	12.13 S
ESBK23 (D10)	12.02 S	-0.06			0	154	1:06:32 PM EDT - 07/10/20	12.02 S

World raw sugar futures have been much less volatile in June and July than in the February-May period. Nearby values have steadied between 11.5c and 12.25c a lb. Strong if not record production in Brazil is keeping a lid on prices as mills favor sugar over ethanol. A rebound in production in India also is expected in 2020-21. At the same time, reduced global sugar consumption from 2018-19 is forecast because of the coronavirus. Nothing on horizon suggests significant price strength anytime soon. Interestingly, funds continue to at to net long positions. Nearby months are at a premium to most deferred months (no carry).

SUA July 2020: World/Domestic Futures

Nearby ICE New York raw sugar futures, in cents per lb, as of July 10, 2020.



The nearby #16 has been trading above 26c since July 1.

The nearby #11 has struggled to hold above 12c a lb but has continued to trade well above May levels.

SUA July 2020: Corn Sweetener Prices

Cents/lb or \$/cwt. NOTE: Prices shown reflect sales to small/med. users; large sales lower.

42% HFCS Spot

	<u>2020</u>	<u>2019</u>
Midwest	25½-26	25-25¾
Northeast	27-27½	26½-27¼
Southeast	27¼-27¾	26¾-27½
South	26¾-27¼	26¼-27
West	27½-28¾	27-28¾

55% HFCS Spot

	<u>2020</u>	<u>2019</u>
Midwest	32¾-33¾	31¾-32¼
Northeast	34¼-35¼	33¼-33¾
Southeast	34¼-35¼	33¼-33¾
South	34-35	33-33½
West	34¾-35¾	33¾-35¼

Corn Syrup Spot

	<u>2020</u>	<u>2019</u>
Midwest	36¾-37¼	35¾-36¼
Northeast	39-39½	38-38½
Southeast	39-39½	38-38½
South	40-40½	39-39½
West	41-41½	40¼-40¾

HFCS deliveries were much weaker in the first quarter of 2020 (chart on next slide) and are expected to remain weak due to coronavirus. Exports to Mexico also appear weak.

October-May HFCS consumption in Mexico estimated at 915,000 tonnes, dry basis, down 9% from last year. Forecast consumption for 2019-20 and for 2020-21 was lowered to 1,470,000 tonnes, down 23,000 tonnes, or 1.5%, from June and down 58,000 tonnes, or 3.8%, from 1,528,000 tonnes in 2018-19.

Current-year pricing steady. Some weakness may be expected for 2021 as demand suffers, but refiners will be reluctant to give.

Use of corn for glucose/dextrose was forecast in June down 1.5% from last year and flat for next year. Pricing for next year likely to remain strong due to functional demand/use.

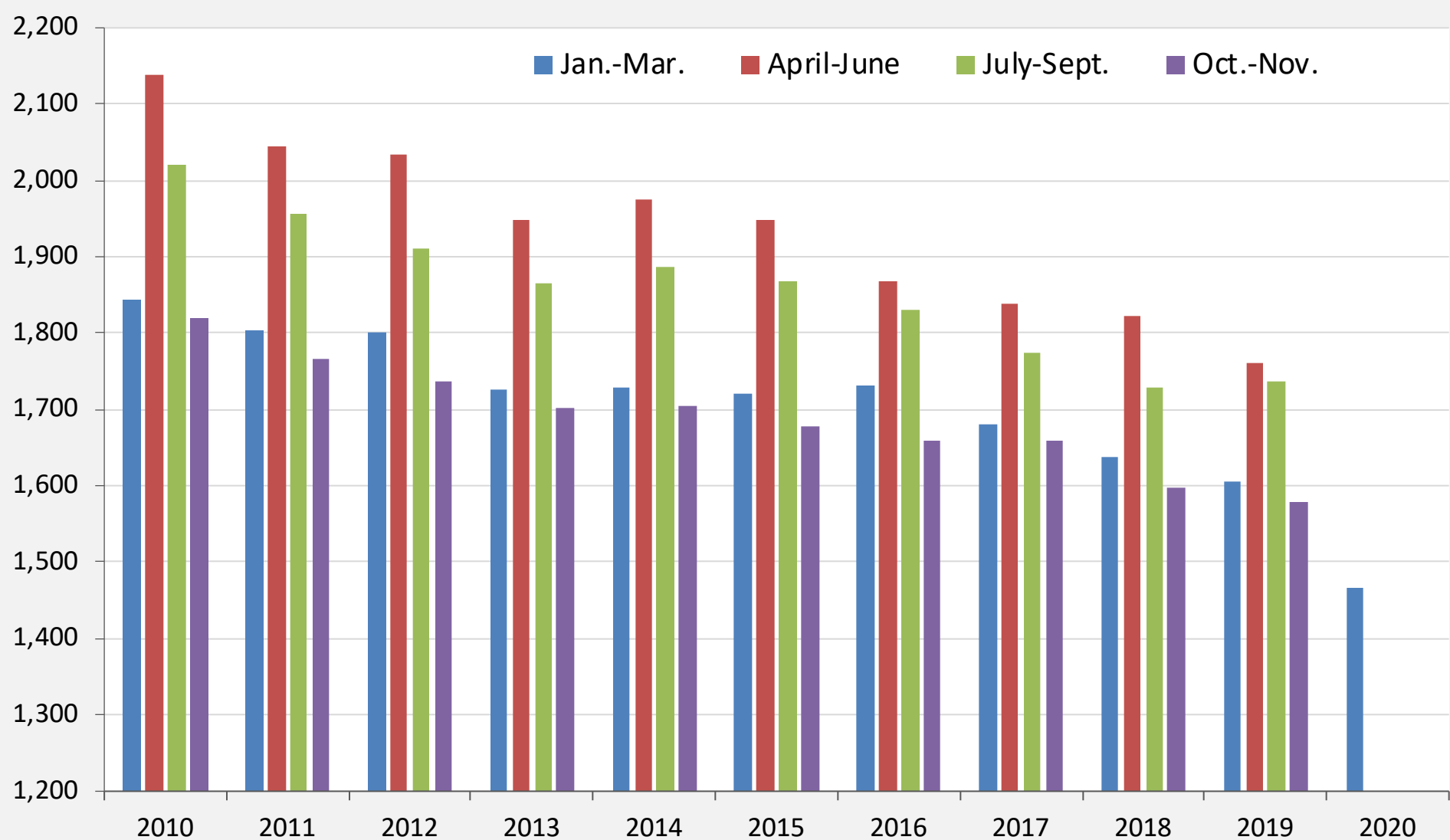
Dextrose Spot

	<u>2019</u>	<u>2018</u>
East	42-42½	40½-41½
Midwest	41-41½	39½-40½
South	43-43½	41½-42½
West	44-44½	42½-43½

The July 11 WASDE showed sharply lower corn supply (plantings) and small gain in average cash price, but futures tumbled.

SUA July 2020: HFCS deliveries by quarter

In 1,000 short tons, dry basis, calendar year. Source: USDA.



SUA July 2020: Other Issues & Trends

- **Uncertainty about COVID-19 impact on sugar consumption still key topic, especially with upturn in cases during June/July and some states reinstating travel, gathering restrictions.**
- **Trade** – Watching imports from Mexico which need to remain strong during typically weak final quarter to meet forecast.
- **Labeling, US** – The Sugar Association FDA Citizen Petition.
- **Labeling, Mexico** – 3-stage, front-of-package begins Oct. 1.
- **Dietary Guidelines for Americans** – In process.
- **Reformulation** – Ongoing but no surge.
- **Consumer Trends** – 2020 Food & Health Survey not any worse for sugar; still watching calories. Eating patterns have shifted to more at-home meals and snacking; will it stick?

SUA July 2020: Conclusions

■ Domestic Sugar Market

- May beet sugar deliveries very weak (expected), cane deliveries much stronger (expected), N-R deliveries much lower (surprise).
- Impact of force majeure on beet deliveries obvious; beet sugar ending stocks will be tight.
- Sharp increase in 2019-20 imports from Mexico offset tightness and possibility of TRQ increase with S-T-U ratio at 14.5%.
- Forecast requires full delivery of Mexican and TRQ sugar, neither of which may occur; room for S-T-U to drift back to 13.5%, with possible mitigation by unknown coronavirus-reduced demand.
- **Mexico, TRQ performance are key for July-September period.**
- **Should a TRQ reallocation be considered?**
- Pricing for 2020-21 has softened, especially for refined cane.

■ Global Sugar Market

- Energy, white sugar, equities, currencies continue to influence.
- Nearby world raws near 12c a lb as supply grows.