

USDA forecasts higher sugar supply this year and next year

Higher imports from Mexico seen for current year

WASHINGTON — The US Department of Agriculture, in its July 10 World Agricultural Supply and Demand Estimates report, forecast 2019-20 (the current marketing year that ends Sept. 30) US sugar ending stocks at 1,772,000 short tons, raw value, up 140,070 tons, or 9%, from 1,632,000 tons forecast in June. The increased supply mainly was the result of forecast higher imports from Mexico more than offsetting lower US beet sugar production.

The 2019-20 ending stocks-to-use ratio was forecast at 14.5%, up from 13.4% as the June forecast and the same as in 2018-19.

US sugar production was lowered from June to 8,002,000 tons, down 22,000 tons, with beet sugar production forecast at 4,256,000 tons, down 29,000 tons, and cane sugar outturn forecast at 3,746,000 tons, up 6,000 tons due to a like increase in Florida.

Total imports were forecast at 4,178,000 tons, up 163,000 tons, or 4%, from June, due to an increase in imports from Mexico of 140,000 tons, now forecast at 1,395,000 tons, and a 23,000-ton increase in tariff-rate quota imports, now at 2,203,000 tons.

Total sugar supply was forecast at 13,962,000 tons, up 140,000 tons from June but down 115,000 tons from 2018-19.

Total sugar use in 2019-20 was forecast at 12,190,000 tons, unchanged from the June forecast but down 104,000 tons from last year.

Supply projections for 2020-21 were raised based on higher beginning stocks and higher domestic production more than offsetting lower imports, with no changes from June in forecast use.

Sugar production in 2020-21 was forecast at 9,090,000 tons, up 85,000 tons from the June forecast based on a 35,000-ton increase in beet sugar, forecast at 5,000,000 tons, and a 50,000-ton increase in cane sugar, forecast at 4,090,000 tons, due to a like increase in Louisiana.

Total imports for 2020-21 were projected at 3,059,000 tons, down 37,703 tons from June as a 185,000-ton increase in TRQ imports, forecast at 1,580,000 tons, was more than offset by a 222,607-ton decrease in imports from Mexico, forecast at 1,079,000 tons. Total sugar supply next year was forecast at 13,921,000 tons, up 187,367 tons from June but down 41,000 tons from 2019-20. The ending stocks to use ratio was projected at 13.5%.

Mexico sugar production in 2019-20 was forecast at 5,282,000 tonnes, actual weight, up 52,000 tonnes from June based on better yields. Exports were forecast at 1,233,000 tonnes, up 119,979 tonnes from June. Imports were unchanged at 89,000 tonnes. Domestic use was lowered 43,604 tons from June to 4,378,000 tonnes. Ending stocks were forecast at 929,000 tonnes, down 24,000 tons from the June forecast.

For next year, beginning stocks were lowered from June while production was unchanged at 6,100,000 tonnes and imports were unchanged at 89,000 tonnes. Domestic use was forecast at 4,458,000 tonnes, down 117,000 tonnes from the June forecast, and exports were forecast at 1,731,000 tonnes, up 117,000 tonnes. Ending stocks were forecast at 929,000 tonnes, down 24,000 tonnes from June and the same as for the current year.