Sugar supply for 2020-21 raised from July

Sugar production forecast second highest on record for 2020-21

WASHINGTON — The US Department of Agriculture, in its Aug. 12 World Agricultural Supply and Demand Estimates report, slightly lowered from July its forecast of US sugar supply for the current marketing year, which ends Sept. 30, but boosted its forecast of supply for 2020-21 as higher beet sugar production more than offset declines in other areas.

Ending stocks for 2019-20 were forecast at 1,744,000 tons, down 28,281 tons from July, with the ending stocks-to-use ratio at 14.3%, down from 14.5% in both July and in 2018-19.

US sugar production was lowered from July to 7,989,000 tons, down 13,000 tons, with beet sugar production forecast at 4,244,000 tons, down 12,000 tons, and cane sugar outturn forecast at 3,745,000 tons, down 1,000 tons. Total production was down 1,010,000 tons, or 11%, from 2018-19.

Total imports were forecast at 4,162,000 tons, down 16,000 tons from July based on a 35,000-ton increase in tariff-rate quota imports, at 2,238,000 tons, more than offset by a 50,000-ton decrease in high-tier imports, at 180,000 tons. Imports from Mexico were unchanged from July at 1,395,000 tons.

Total sugar supply was forecast at 13,934,000 tons, down 28,000 tons from July and down 143,000 tons from 2018-19.

Total sugar use in 2019-20 was forecast at 12,190,000 tons, unchanged from the July forecast but down 104,000 tons, or 0.85%, from last year, with deliveries for food at 12,050,000 tons, also unchanged from July but down 56,000 tons, or 0.5%, from 2018-19.

Supply projections for 2020-21 were raised as higher beet sugar production more than offset lower beginning stocks, lower cane sugar production and lower TRQ imports. Ending stocks for next year were forecast at 1,788,000 tons, up 132,000 tons, or 8%, from July and up 44,000 tons, or 2.5%, from 2019-20. The 2020-21 ending stocks-to-use ratio was raised to 14.6% from 13.5% in July.

Sugar production in 2020-21 was forecast at 9,265,000 tons, up 175,000 tons from the July forecast based on a 198,840- ton increase in beet sugar, forecast at 5,199,000 tons, and a 24,000-ton decrease in cane sugar, forecast at 4,066,000 tons, as lower production in Texas more than offset higher outturn in Florida. If realized, total sugar production would be the second highest on record after 2017-18, beet sugar also would be the second highest ever, and cane sugar would be the third highest.

Total imports for 2020-21 were projected at 3,044,000 tons, down 15,000 tons from July based on a like decrease in TRQ imports, forecast at 1,565,000 tons. Imports from Mexico were unchanged from July at 1,079,000 tons, as were high-tier imports at 50,000 tons and other program imports at 350,000 tons.

Total US sugar supply was forecast at 14,053,000 tons, up 131,777 tons from July. As with 2019-20, there were no changes from July for sugar use, with deliveries for food at 12,125,000 tons, up 0.6% from the current year, and total use forecast at 12,265,000 tons, also up 0.6% from 2019-20.

Mexico sugar production in 2019-20 was forecast at 5,278,000 tonnes, actual weight, down 4,000 tonnes from July. Exports were forecast at 1,233,000 tonnes, unchanged, with imports at 91,000 tonnes, up 2,000 tonnes. Domestic use was raised 120,000 tonnes from July to 4,498,000 tonnes. Ending stocks were forecast at 807,000 tonnes, down 121,680 tonnes from the July forecast and equal to 2.2 months of expected use.

For next year, beginning stocks were lowered from July, production was lowered 1,000 tonnes to 6,000,000 tonnes, imports were unchanged at 89,000 tonnes, domestic use was raised 10,000 tonnes to 4,468,000 tonnes, and exports were lowered 234,000 tonnes to 1,497,000 tonnes (all coming from non-US destinations). Total supply was forecast at 6,896,000 tonnes, down 221,680 tonnes from July, with total use forecast at 5,965,000 tonnes, down 224,000 tonnes. Ending stocks were forecast at 931,000 tonnes, up 2,000 tonnes from July, up 124,000 tonnes from 2019-20 and equal to 2.5 months of expected use.