

Sweetener Users Association Board Meeting

October 16, 2020

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SUA October 2020: Presentation Overview

■ Domestic Sugar Market

- Another hurricane, weather turns cold in north, but crops are fine.
- 2019-20 deliveries increased again by USDA.
- August SMD – beet deliveries fall, cane deliveries highest ever for month.
- S-T-U ratio lowered for 2019-20, raised for 2020-21.
- Sugar beet harvest advances rapidly.
- Bulk sugar prices for 2020-21 remain firm, some moving higher.

■ Global Sugar Market

- Fund buying supports nearby raws; Brazil, India, Thailand being watched.
- Mixed ideas on demand in 2019-20 but rebound expected in 2020-21.

■ Corn Sweetener Market

- Annual contracting continues to plod along at rollover pricing.
- HFCS consumption forecast for Mexico adjusted lower for 2019-20.

■ Other factors affecting sugar

- Several legal and dietary issues still percolating.

■ Conclusions

SUA October 2020: US Market Overview

■ Sugar supply/demand

- **2019-20** S-T-U ratio slips again as deliveries are raised.
- Early beet, cane harvests boost supply slightly.
- Mexico appears to hit target; high-tier imports soar.
- **2020-21** S-T-U ratio raised to 14.2%.
- Beet sugar production raised? Cane sugar lowered?
- Delivery increase from 2019-20 carried into 2020-21.
- Sugar supplies mostly committed through December.
- Prices down from spot 2019-20 levels but firm amid well-sold position of most beet processors and some cane refiners.

■ Corn sweetener supply/demand

- Domestic shipments have normalized since early in pandemic.
- Pricing for 2021 has firmed (but still flat with 2020).
- HFCS demand in Mexico continues to decline with forecast for 2019-20 lowered.

SUA October 2020: USDA 2019-20 WASDE

1,000 short tons raw value	Oct.	Change from Sep.		Change from 18-19	
	19-20	Tons	%	Tons	%
Begin. Stocks	1,783	-	0.0%	(225)	-11.2%
Production	8,128	139	1.7%	(871)	-9.7%
Beet	4,293	49	1.2%	(646)	-13.1%
Cane	3,835	90	2.4%	(225)	-5.5%
Imports	4,136	(127)	-3.0%	1,066	34.7%
T.R.Q.	2,071	(185)	-8.2%	530	34.4%
Other Prog.	432	17	4.1%	(6)	-1.4%
Mexico	1,382	-	0.0%	382	38.2%
High Tier	251	41	19.5%	159	172.8%
Ttl Supply	14,047	12	0.1%	(30)	-0.2%
Exports	45	10	28.6%	10	28.6%
Deliveries	12,300	45	0.4%	69	0.6%
Food	12,200	50	0.4%	94	0.8%
Other	100	(5)	-4.8%	(26)	-20.6%
Misc.	-	-	-100.0%	(28)	-
Total Use	12,345	55	0.4%	51	0.4%
Ending Stocks	1,702	(43)	-2.5%	(81)	-4.5%
Stocks-to-use	13.8%	-0.4		-0.7	

Beet and cane sugar production raised based on early harvest.

Imports lowered as delayed entry of TRQ until Oct. 30 more than offsets higher other program and high-tier imports, with the latter soaring for the year. Imports from Mexico meet projection. Minor net increase in total supply.

Deliveries raised for second month on stronger pace to date.

Year ending (pending later adjustments) with S-T-U ratio at 13.8%, lowest since 2010-11, but still above minimum 13.5%.

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

SUA October 2020: USDA 2020-21 WASDE

<i>1,000 short tons</i>	Oct.	Change from Sep.		Change from 19-20		RS-SPC
<i>raw value</i>	20-21	Tons	%	Tons	%	20-21
Begin. Stocks	1,702	(43)	0.8%	(81)	-4.5%	1,690
Production	9,268	(24)	0.2%	1,140	14.0%	9,200
Beet	5,206	41	0.3%	913	21.3%	5,125
Cane	4,062	(65)	0.3%	227	5.9%	4,075
Imports	3,120	207	0.5%	(1,016)	-24.6%	3,175
T.R.Q.	1,832	208	0.9%	(239)	-11.5%	1,800
Other Prog.	350	-	4.0%	(82)	-19.0%	350
Mexico	888	-	1.6%	(494)	-35.7%	950
High Tier	50	-	28.0%	(201)	-80.1%	75
Ttl Supply	14,089	140	0.1%	42	0.3%	14,065
Exports	35	-	40.0%	(10)	-22.2%	35
Deliveries	12,305	50	0.1%	5	0.0%	12,300
Food	12,200	50	0.1%	-	0.0%	12,200
Other	105	-	13.3%	5	5.0%	100
Misc.	-	-	0.0%	-	0.0%	-
Total Use	12,340	50	0.1%	(5)	0.0%	12,335
Ending Stocks	1,749	90	0.8%	47	2.8%	1,730
Stocks-to-use	14.2%	+0.7		+0.4		14.0%

USDA cut production but boosted imports due to delayed TRQ entry. Gain of 140,000 tons in total supply partially offset by 50,000-ton increase in deliveries carried over from 19-20. S-T-U raised to 14.2%.

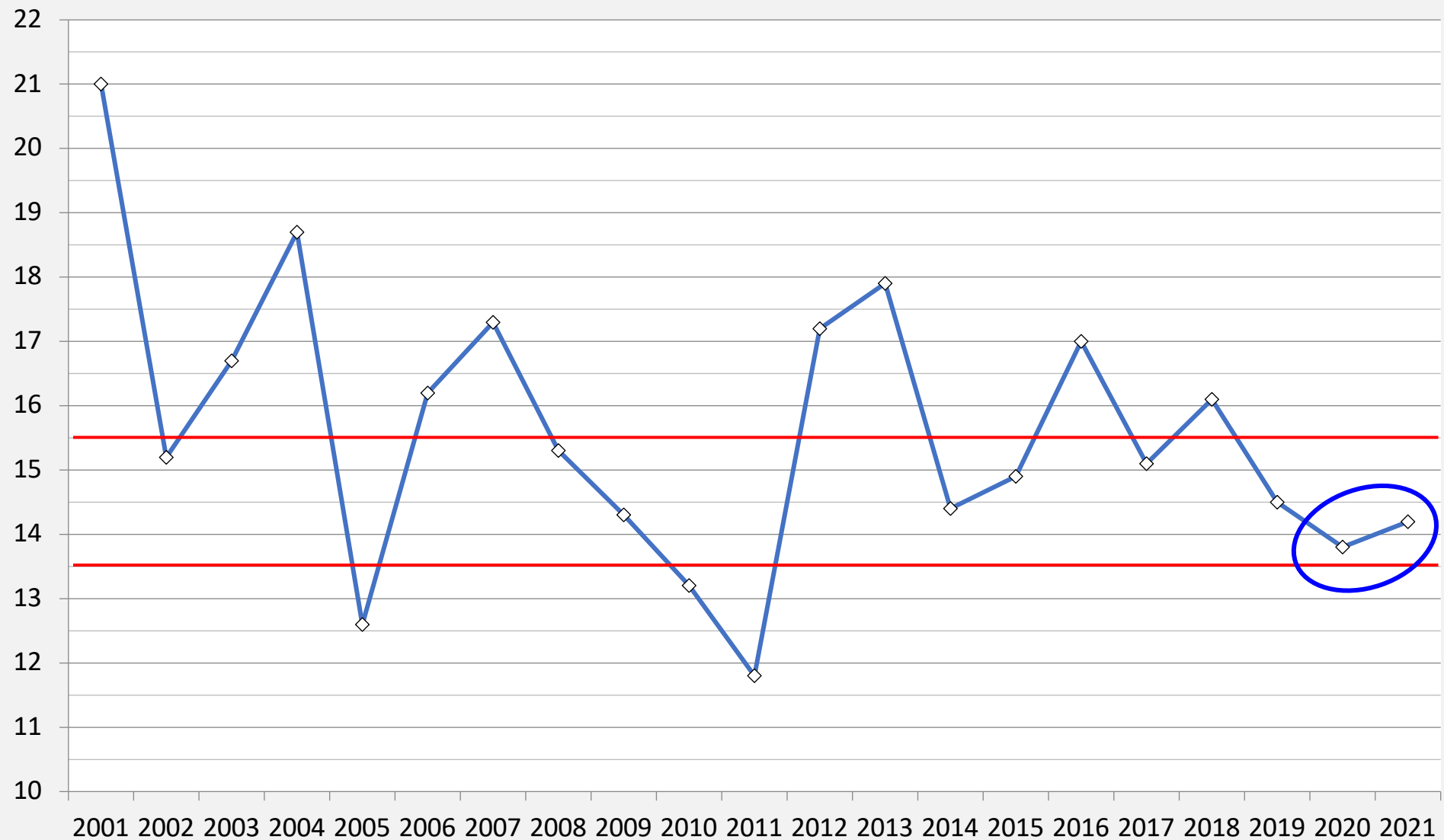
I think production is too high: beet should be lower due to lower yields from dry weather and higher shrink during long storage; cane a bit higher due to really good Louisiana crop.

I'm okay on deliveries. Final S-T-U ratio at 14%.

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

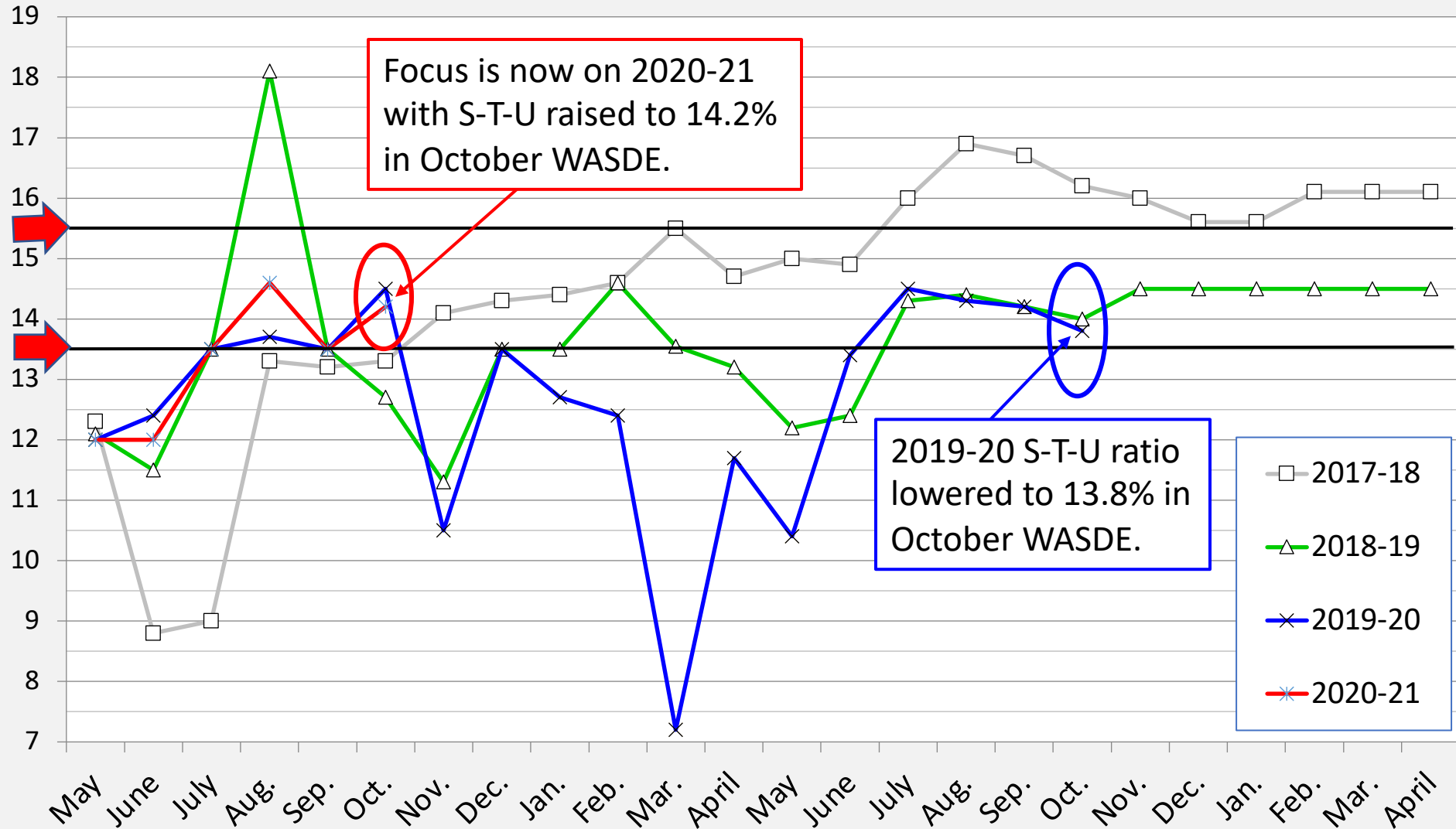
SUA October 2020: Annual S-T-U Ratios

Annual ending stocks-to-use ratios, in per cent. Source: USDA.



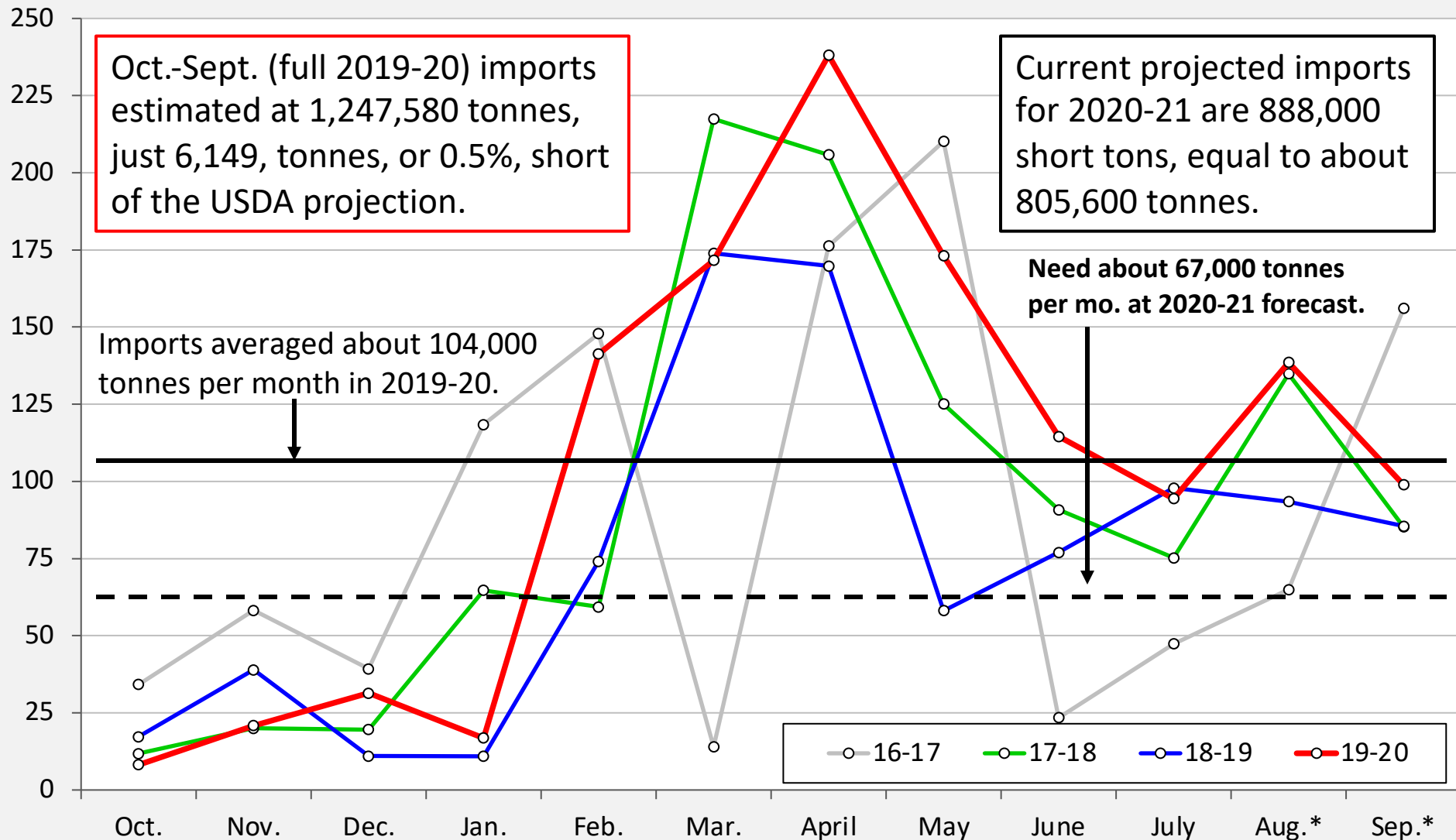
SUA October 2020: Monthly S-T-U Ratios

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



SUA October 2020: Imports from Mexico

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



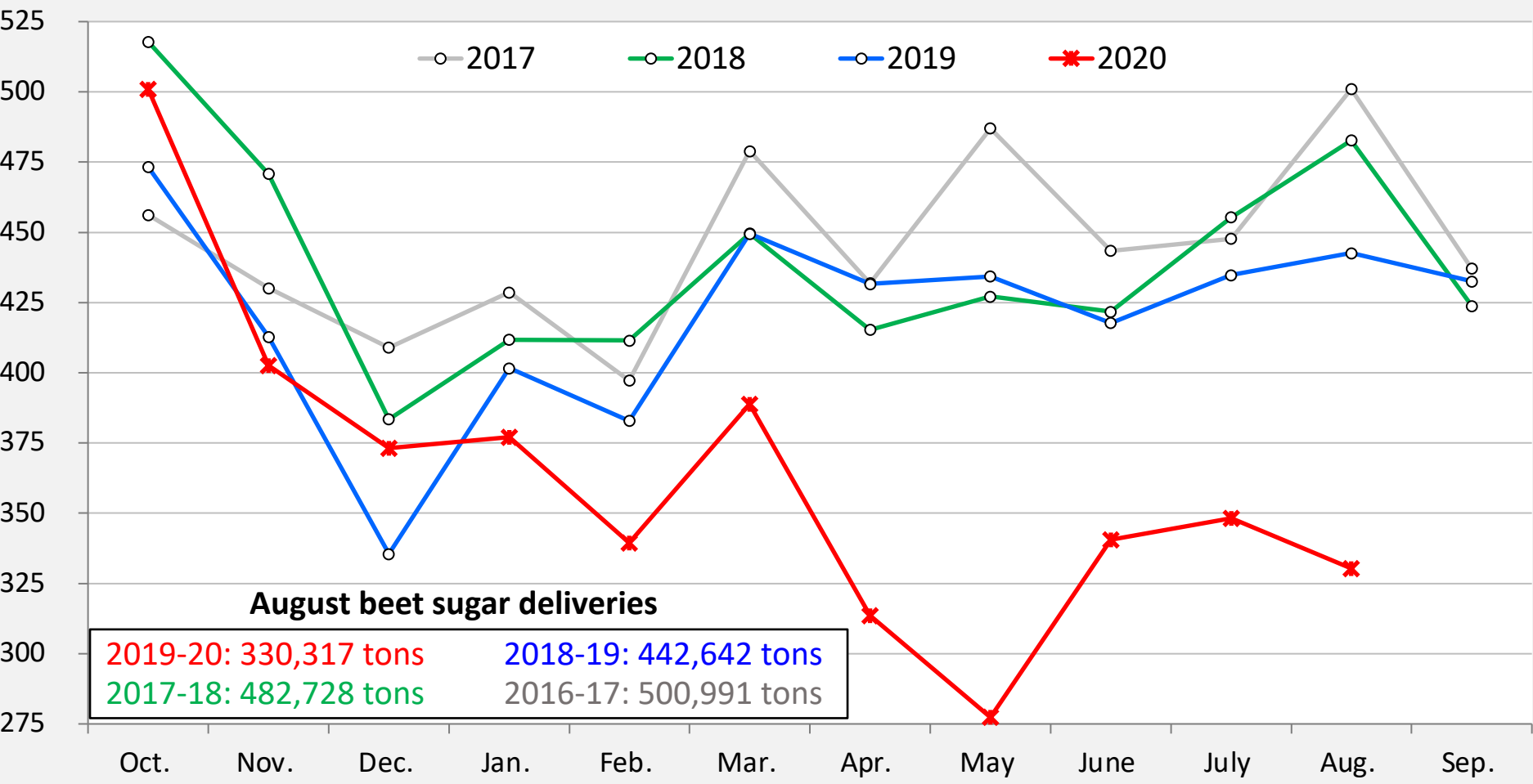
SUA October 2020: SMD October-August

Source: USDA.

<i>Short tons, Raw value</i>	Oct.-Aug.	Oct.-Aug.	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	7,516,000	8,497,645	(981,645)	-11.6%
Beet	3,800,980	4,500,821	(699,841)	-15.5%
Cane	3,715,019	3,996,822	(281,803)	-7.1%
Total imports	3,776,661	2,861,562	915,099	32.0%
Total supply	13,075,208	13,367,108	(291,900)	-2.2%
Total exports	42,241	32,493	9,748	30.0%
Total deliveries	11,222,022	11,151,150	70,872	0.6%
Deliveries, human use	11,133,690	11,039,518	94,172	0.9%
Misc. supply adj.	5,780	64,959	(59,179)	-91.1%
Total use	11,270,043	11,248,605	21,438	0.2%
Ending stocks	1,805,165	2,118,503	(313,338)	-14.8%

SUA October 2020: Beet Sugar Deliveries

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



August beet sugar deliveries

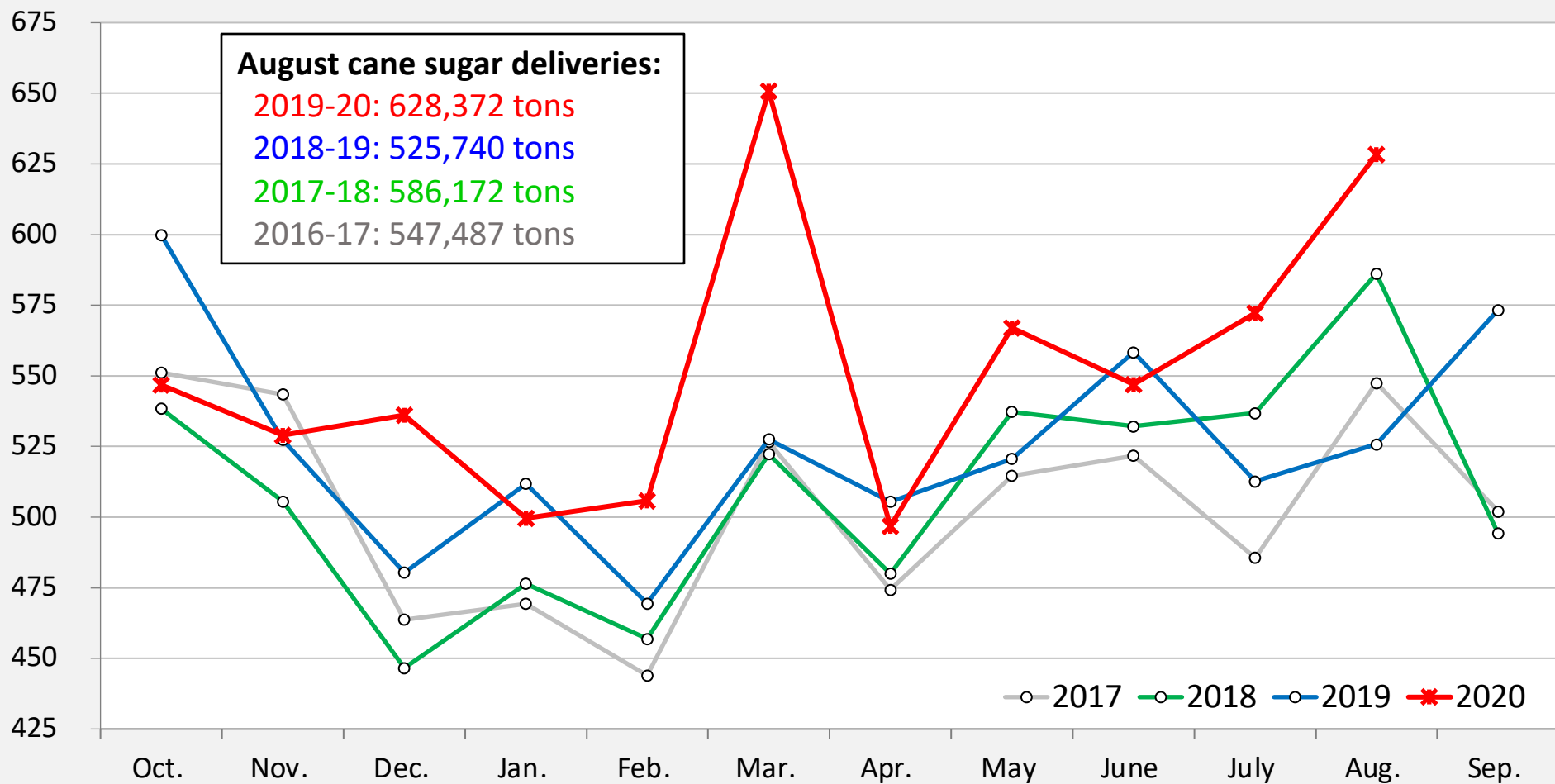
2019-20: 330,317 tons	2018-19: 442,642 tons
2017-18: 482,728 tons	2016-17: 500,991 tons

August beet sugar deliveries fell 5% from July, 25.5% from August 2019 and were the lowest for the month in records back to 1993. Beet sugar deliveries increased from July in each of the prior five years. Year-to-date deliveries are down 13.5% from the same period a year ago.



SUA October 2020: Refined Cane Deliveries

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

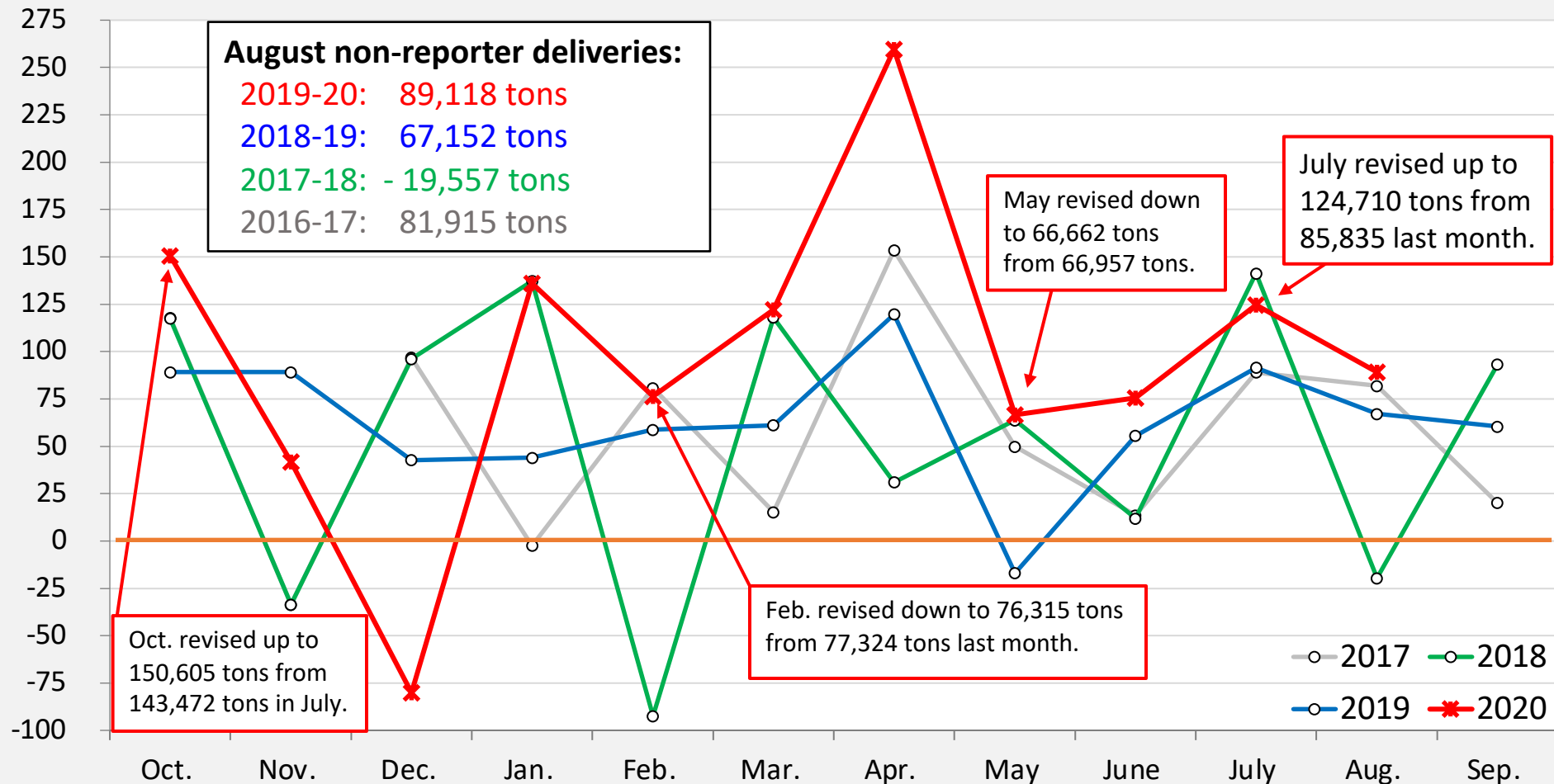


August cane sugar deliveries rose 10% from July, 19% from August 2019 and were the highest in records back to 1992 for August and were the second highest ever for any month after March of this year. Year-to-date deliveries were up 6% from 2018-19.

August cane sugar deliveries tend to be mixed compared to July.

SUA October 2020: Deliveries by Non-Reporters

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



Non-reporter deliveries in August declined 29% from July but were up 33% from August 2019 and were the highest for the month since 2015. Year-to-date non-reporter deliveries were up 361,000 tons, or 51.5%, from 2018-19. Deliveries for October, February, May and July were revised from Sept. report a net total of +44,704 tons.

SUA October 2020: Deliveries for Human Use

<u>PRODUCT OR BUSINESS OF BUYER</u>	FY 2020	FY 2019	Oct.-Aug.	Oct.-July
	<u>Oct.-Aug.</u>	<u>Oct.-Aug.</u>	<u>% change</u>	<u>% change</u>
Total Deliveries/1 (short tons, <u>actual weight</u>)	9,477,870	9,745,056	-2.7	-3.0
1-Bakery, cereal, and related products	2,210,941	2,273,014	-2.7	-2.4
5-Confectionery and related products	944,184	1,096,295	-13.9	-14.0
6-Ice cream and dairy products	698,315	680,714	2.6	2.4
7-Beverages	571,618	669,608	-14.6	-13.9
8-Canned, bottled and frozen foods	397,470	374,726	6.1	5.1
4-Multiple and all other food uses	938,100	1,037,909	-9.6	-8.8
10-Non-food uses	122,665	132,903	-7.7	-11.8
11-Hotels, restaurants, institutions	78,671	77,363	1.7	-2.1
2-Wholesale grocers, jobbers, dealers	2,040,019	2,022,845	0.8	0.0
3-Retail grocers, chain stores	1,192,127	1,102,156	8.2	8.0
12-Government agencies	12,172	12,052	1.0	-4.7
9-All other deliveries	271,588	265,471	2.3	-0.1
Total Deliveries/1 (short tons, <u>raw value</u>)	10,141,321	10,427,210	-2.7	-3.0
Crystalline:	8,706,312	9,001,523	-3.3	-3.4
Consumer-size packages (retail)	2,078,033	2,008,918	3.4	2.2
Packages 50 lbs and greater	2,651,449	2,704,686	-2.0	-2.0
Unpackaged (bulk)	3,976,831	4,287,919	-7.3	-6.8
Non-crystalline/2	1,435,009	1,425,687	0.7	-0.3

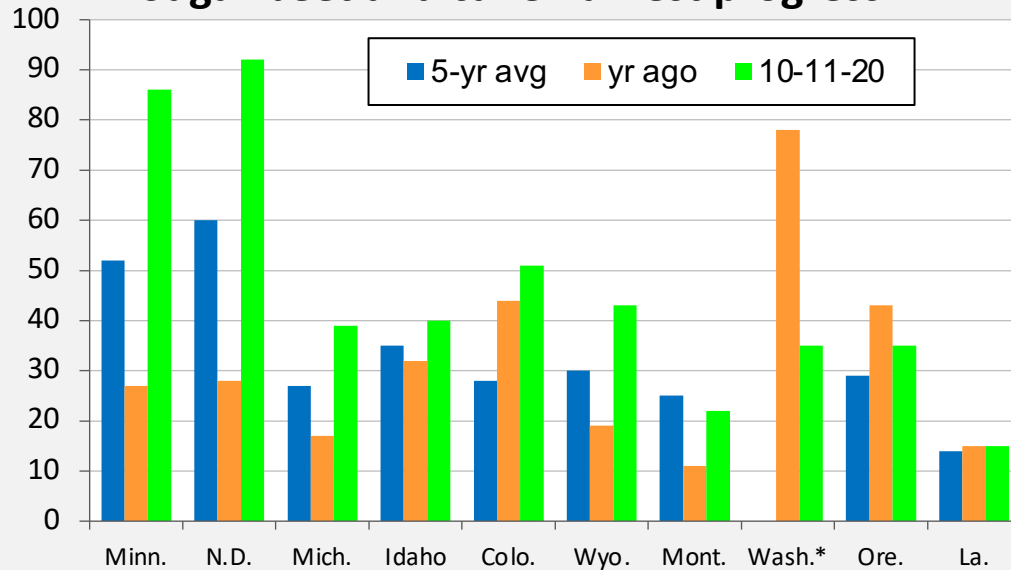
1/Deliveries from domestic sugar beet processors, sugar cane processors and refiners.

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

Source: USDA

SUA October 2020: Beet and Cane Crops

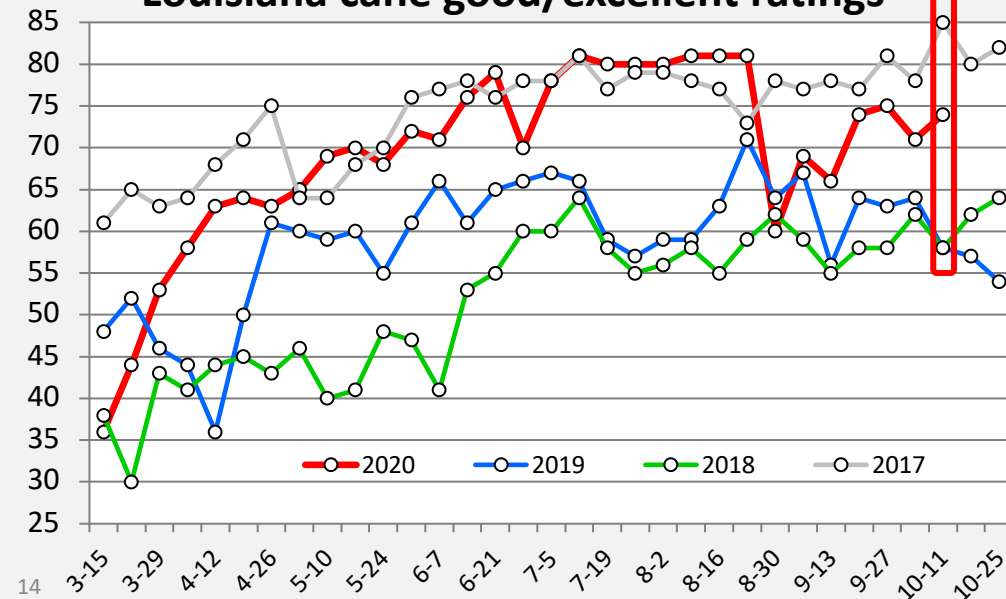
Sugar beet and cane harvest progress



Sugar beet harvest in the Red River Valley is basically completed with progress in the chart at right showing harvest as of Oct. 11. Timing was perfect as sub-freezing temperatures moved into the region at midweek. Harvest in most other key states was ahead of last year and the 5-year average. Lagging were Montana, Washington and Oregon. Ending crop condition ratings remained very high in all states except Michigan and Colorado, although industry sources said the crops in those states were better than indicated by the ratings.

*5-year average not available for Washington.

Louisiana cane good/excellent ratings



Sugarcane harvest in Louisiana was 15% completed as of Oct. 11, on par with average after an early start in September. Harvest in Florida was underway. The two hurricanes (Laura and Delta) that hit Louisiana appeared to have had limited impact on the sugarcane crop, although ratings were modestly lower from lofty pre-Laura levels of 80% good to excellent or better. Best crop ratings since 2017 and far better than 2019. Expect a big crop.

SUA October 2020: Beet and Cane Production

Sugar beet production

1,000 tons	Oct.	From 2019		From Sept.	
	2020	Tons	%	Tons	%
Minnesota	12,070	3,670	43.7%	142	1.2%
N. Dakota	6,220	1,800	40.7%	228	3.8%
Idaho	6,914	479	7.4%	241	3.6%
Michigan	4,497	350	8.4%	28	0.6%
Nebraska	1,401	332	31.1%	-	0.0%
Montana	1,451	298	25.8%	32	2.3%
California	1,083	3	0.3%	(22)	-2.0%
Colorado	790	41	5.5%	-	0.0%
Wyoming	921	242	35.6%	-	0.0%
Oregon	378	1	0.3%	18	5.0%
Wash.	90	(1)	-1.1%	5	5.9%
US Total	35,815	7,215	25.2%	672	1.9%

Sugarcane production

1,000 tons	Oct.	From 2019		From Sept.	
	2020	Tons	%	Tons	%
Florida	18,131	487	2.8%	124	0.7%
Louisiana	14,762	1,601	12.2%	-194	-1.3%
Texas	1,190	58	5.1%	15	1.3%
U.S.	34,083	2,146	6.7%	-55	-0.2%

Sugar beet production

In its Oct. 9 Crop Production report, the USDA forecast 2020 US sugar beet production at 35,815,000 tons, up 2% from September and up 25% from 2019. Production was forecast higher from September in all states except California (lower) and Nebraska, Colorado and Wyoming (unchanged). Average yield was unchanged but harvested area was raised 21,700 acres, or 2%. **Some think production is overstated in the Red River Valley and maybe in some other states.**

Sugarcane production

USDA forecast sugarcane production at 34,083,000 tons, down slightly as lower outturn in Louisiana more than offset gains in Florida and Texas. Average yield and harvested area were unchanged as changes within states offset. **Some surprised at the lower Louisiana forecast.**

SUA October 2020: Cash sugar prices

Beet sugar 2020-21

Spot prices transitioned from nominal in September to 2020-21 quoted levels. Prices for 2020-21 are unchanged (mostly) and very firm. Processors are 95% to 100% sold. Midwest mostly at 36.50c f.o.b., but spot supply is limited. West Coast is near 40c f.o.b.

Cane sugar 2020-21

Refined cane sugar also transitioned from lofty 2019-20 spot levels to lower 2020-21 levels that have been trading for some time. Cane sugar prices for 2020-21 are firm to higher from September due to well-sold position of beet and some cane refiners. One refiner continues to offer Oct.-Dec. 2020 at 44c a lb f.o.b. nationwide.

Northeast and West Coast offered at 41c for Jan.-Sept.

Southeast offered at 38.50c to 39.50c for 2020-21.

Gulf offered at 38c to 39.50c for 2020-21.

One refiner on Thursday raised Gulf and SE prices 0.50c to 39.50c for January-September 2021.

Overall, about 1c to 2c upside potential.

SUA October 2020: Cash sugar situation

Recent developments and factors to watch in cash sugar market

- Beet processors are very well sold: one is sold out (selling only small volume if contracted material not taken; another is withdrawn from the market until mid-November; another is selling only selectively.
- Most beet sugar for 2020-21 was sold earlier in 34c to 35.5c range.
- Beet harvest weather was ideal in the RRV, but rapid harvest meant less sugar was deposited; dry conditions in latter part of season meant beets were smaller, thus tonnage lower. Industry sources call it an average to good but not outstanding crop (one processor went from 95% sold to sold out as harvest concluded, thus fewer beets). Freezing temps this week are good for piles. But longer-stored piles could see more shrinkage. Similar conditions in Colorado and some other states; plus Michigan harvest is slow.
- **Some suggest beet sugar production will miss USDA forecast, but not by a lot.**
- **Refined cane prices were raised by one refiner this week in some regions.**
- Another cane refiner is about 90% sold, which is a bit unusual.
- August cane deliveries were VERY strong. Beet weak but will recover.
- Increasing demand, stock rebuilding will keep spot supplies tight.
- Mexico weather prospects improved; no shortage of sugar for export.
- US retail sugar demand remains strong.

SUA October 2020: Mexico WASDE

In 1,000 tonnes, actual weight. Source: USDA October 9, 2020, WASDE

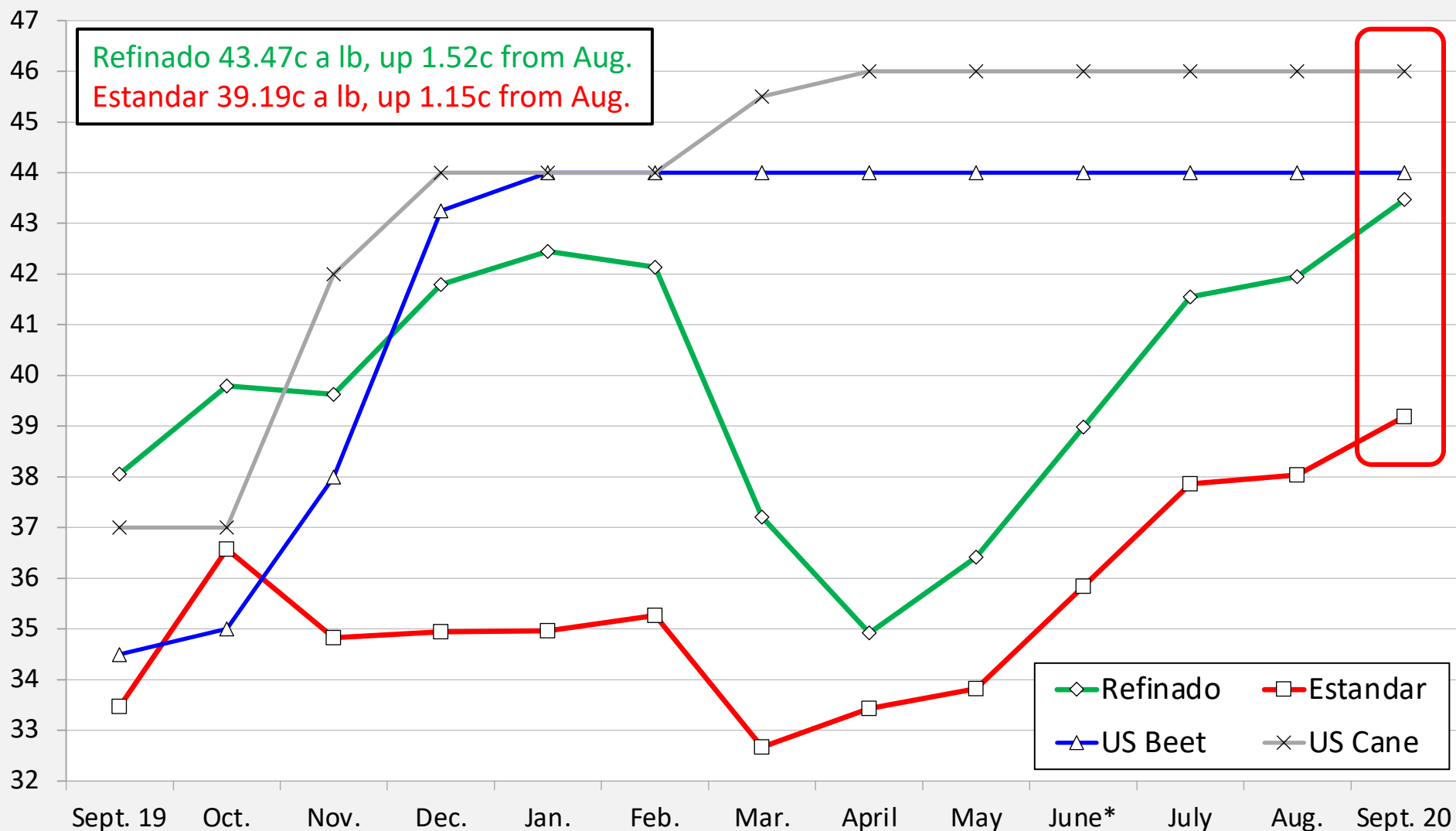
	October	Change from		October	Change from	
	<u>19-20</u>	<u>Sept.</u>	<u>18-19</u>	<u>20-21</u>	<u>Sept.</u>	<u>19-20</u>
Begin. Stocks	1,169	-	(226)	852	40	(317)
Production	5,278	-	(1,148)	6,000	-	722
Imports	110	5	25	89	-	(21)
Total Supply	6,557	5	(1,349)	6,941	40	384
Exports	1,218	(4)	(986)	1,518	16	300
Domestic Use	4,488	(30)	(44)	4,488	20	-
Total Use	5,706	(34)	(1,030)	6,006	36	300
Ending Stocks	852	40	(317)	935	4	83
S-T-U (total)	14.9%	+0.8	-2.5	15.6	-	+0.7
S-T-U (domestic)	19.0%	+1.0	-6.8	20.8	-	+1.8

For 2019-20, Small changes in imports and exports and lower domestic use boosts ending stocks 40,000 tonnes.

For 2020-21, higher beginning stocks mostly offset by higher exports and domestic use, resulting in minor uptick in ending stocks. Dry conditions in some cane growing areas have improved. Cane harvest still a few weeks away, but 6 million tonne production achievable. **Mexico will have plenty of sugar to export.**

SUA October 2020: US & Mexico sugar prices

Average monthly cash prices in cents/lb. *June prices not available, used May-July average.



Sources: USDA and Sosland Publishing Company.

SUA October 2020: New York #16 Raw Futures

ICE domestic raw sugar futures as of Oct. 14, 2020, in cents per lb. Source: Tech Nova

Quotes Monitor 1

Contract	Last	Net Change	High	Low	Volume	Open Interest	Time	Settlement
ESFF21 (D10)	27.50 S	0.30	27.54	27.30	212	1720	1:09:05 PM EDT - 10/14/20	27.50 S
ESFH21 (D10)	27.50 S	0.10	27.55	27.40	257	2503	1:09:05 PM EDT - 10/14/20	27.50 S
ESFK21 (D10)	27.55 S	0.00			0	1497	1:09:05 PM EDT - 10/14/20	27.55 S
ESFN21 (D10)	27.70 S	0.00			0	1869	1:09:05 PM EDT - 10/14/20	27.70 S
ESFU21 (D10)	27.70 S	0.00			0	1440	1:09:05 PM EDT - 10/14/20	27.70 S
ESFX21 (D10)	27.35 S	0.00			0	1090	1:09:05 PM EDT - 10/14/20	27.35 S
ESFF22 (D10)	26.95 S	0.00			0	160	1:09:05 PM EDT - 10/14/20	26.95 S
ESFH22 (D10)	26.95 S	0.00			0	160	1:09:05 PM EDT - 10/14/20	26.95 S
ESFK22 (D10)	26.95 S	0.00			0	160	1:09:05 PM EDT - 10/14/20	26.95 S
ESFN22 (D10)	26.95 S	0.00			0	160	1:09:05 PM EDT - 10/14/20	26.95 S
ESFU22 (D10)	26.95 S	0.00			0	100	1:09:05 PM EDT - 10/14/20	26.95 S

Domestic raw futures are trading well above 27c a lb through 2021 with 2022 months at a modest discount. Spot has held up since November expired with small deliveries. No surprises here, with hurricane season nearing its end and domestic supplies well committed for 2020-21.

SUA October 2020: Global Sugar Overview

- **Global supply/demand fundamentals**
 - Production down in Thailand, Europe, Russia, Pakistan, some others.
 - Production up in Brazil, India, North America, but watching Brazil.
 - Uncertainty about India export subsidy provides some support, but most expect it will be announced in November.
 - Coronavirus impact on demand still unknown with increased cases in Europe and N. America; disruptions continues; strong deliveries suggest recovery overall in 2021.
- **Global supply/demand balance**
 - StoneX increased deficit forecast for 2020-21 on coronavirus recovery coupled with lower production in some key countries.
- **Pricing**
 - Nearby world prices have firmed into the 13c to 14c range.
- **Full impact of coronavirus on demand still unknown.**

SUA October 2020: New York #11 Raw Futures

ICE world raw sugar futures as of Oct. 14, 2020, in cents per lb. Source: Tech Nova

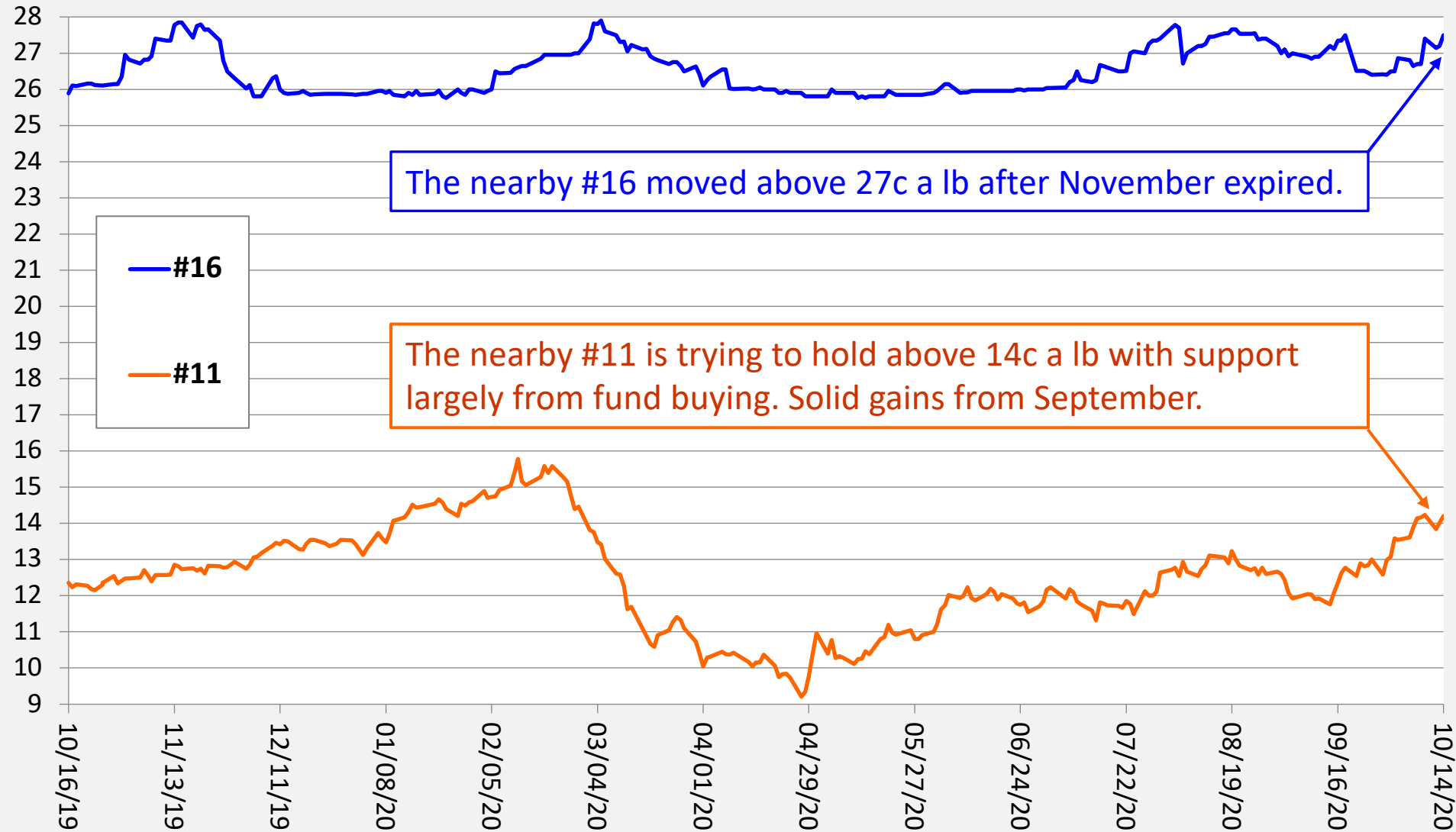
Quotes Monitor 1

Contract	Last	Net Change	High	Low	Volume	Open Interest	Time	Settlement
ESBH21 (D10)	14.20 S	0.19	14.26	13.93	39398	441398	1:03:47 PM EDT - 10/14/20	14.20 S
ESBK21 (D10)	13.71 S	0.13	13.77	13.50	14451	155669	1:03:47 PM EDT - 10/14/20	13.71 S
ESBN21 (D10)	13.30 S	0.10	13.35	13.13	12379	124142	1:03:47 PM EDT - 10/14/20	13.30 S
ESBV21 (D10)	13.17 S	0.10	13.21	13.00	5930	100962	1:03:47 PM EDT - 10/14/20	13.17 S
ESBH22 (D10)	13.39 S	0.11	13.43	13.21	2972	53910	1:03:47 PM EDT - 10/14/20	13.39 S
ESBK22 (D10)	12.91 S	0.12	12.94	12.72	793	37872	1:03:47 PM EDT - 10/14/20	12.91 S
ESBN22 (D10)	12.57 S	0.11	12.61	12.37	751	30157	1:03:47 PM EDT - 10/14/20	12.57 S
ESBV22 (D10)	12.41 S	0.10	12.44	12.20	205	20459	1:03:47 PM EDT - 10/14/20	12.41 S
ESBH23 (D10)	12.62 S	0.09	12.64	12.43	31	9452	1:03:47 PM EDT - 10/14/20	12.62 S
ESBK23 (D10)	12.46 S	0.09	12.48	12.28	60	2064	1:03:47 PM EDT - 10/14/20	12.46 S
ESBN23 (D10)	12.36 S	0.11	12.38	12.18	136	2853	1:03:47 PM EDT - 10/14/20	12.36 S

World raw futures have firmed from a month ago, in large part on fund buying, but also production concerns and ideas of demand recovery from coronavirus. Spot month is up 1.85c as of mid-October and appears to be settling into a 13c to 14c range. Gains of 0.50c or more from month ago through 2021, with diminishing increases in later months. Pretty sharp discount to nearby in 2023. Support from funds could turn quickly, as was seen on Oct. 12, but prices seem to have some traction.

SUA October 2020: World/Domestic Futures

Nearby ICE New York raw sugar futures, in cents per lb, as of Sept. 16, 2020.



The nearby #16 moved above 27c a lb after November expired.

The nearby #11 is trying to hold above 14c a lb with support largely from fund buying. Solid gains from September.

SUA October 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

Annual contracting of corn sweeteners for 2021 remains slow but is progressing, mostly at rollover to 2020 levels despite refiners' attempts to push prices higher. Questions about demand vs smaller corn crop and higher futures tending to offset.

USDA reported Mexico's Oct.-Aug. HFCS use at 1,267,000 tonnes, dry basis, down 9.6% from 2018-19, and lowered forecast for all of 2019-20 from September by 30,000 tonnes to 1,380,000 tonnes. Left 2020-21 projection unchanged at 1,470,000 tonnes. Both down from 1,528,000 tonnes in 2018-19. In Mexico higher sugar use has offset lower HFCS use. In US, HFCS use appears to have recovered to pre-pandemic levels.

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

Dextrose sales for 2021 also progressing slowly, with some annual contracting reported at rollover to 2020. Glucose and dextrose typically see best demand and tightest supplies.

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

USDA cut 2020 corn crop forecast by 1% in October crop report but still up 8% from 2019. Corn futures firming thru July 2021.

SUA October 2020: Other Issues & Trends

- **Halloween a big test for sweeteners, chocolate, candy.**
- **Trade** – Brazil ethanol and sugar.
- **Labeling, US** – The Sugar Association FDA Citizen Petition.
- **Labeling, GMO** – Lawsuit challenges exclusion of highly-refined ingredients and other aspects of USDA GMO labeling rule.
- **Sugar taxes** – California lawsuit challenges preemption laws that stopped/slowed city and metro soda taxes since 2018.
- **Labeling, Mexico** – 3-stage, front-of-package began Oct. 1.
- **Dietary Guidelines for Americans** – Sugar in crosshairs.
- **Transportation** – Spot prices rising as freight demand increases.
- **Aluminum** – Some noting tightness of cans.

SUA October 2020: Conclusions

- **Domestic Sweetener Market**
 - Dramatic contrast between 2020 beet harvest and 2019, ensures good supply for 2020-21, but maybe not as high as forecast.
 - Demand remains uncertain but strong deliveries suggest recovery from COVID-19; relapse could disrupt demand.
 - Domestic sugar supply is much improved from 2019-20 but uncommitted supply will be tight, esp. if demand improves.
 - Watching outcome of Halloween activity.
 - Prices are firm, and in some cases are moving higher.
 - Corn sweetener prices for 2021 are firm but mostly flat with 2020 with annual contracting likely to drag to year-end.
- **Global Sugar Market**
 - Raws have firmed amid fund buying and lower production in some key regions, moving trading range to higher level closer to 14c a lb. Larger but still modest deficit expected.