

Sweetener Users Association Board Meeting Conference Call

October 13, 2021

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SUA October 2021: What's Happening in Sugar?

- **Domestic, 2020-21:**
 - Some spot refined cane prices were raised again (55c then ??).
 - Nearby No. 16 raw sugar futures are down after Nov. expires, but still historically high going into 2022.
 - USDA mainly adjusted imports in WASDE; raised S-T-U to 13.6%.
 - Imports from Mexico fall slightly short of USDA projection.
- **Domestic, 2021-22:**
 - USDA forecasts beet sugar production record high; cane trimmed.
 - TRQ imports lowered sharply, mainly due to Philippines.
 - Deliveries for food unchanged.
 - S-T-U ratio lowered to 13.2%.
 - Mexico production forecast higher.
- **Global raw sugar prices firm on rising energy prices, tighter supply**
 - Lower Brazil production mostly offset by higher India exports.
 - Some forecasting larger global sugar deficit in 2021-22.
- **Overall, global supplies appear to be tightening.**

SUA October 2021: Overview

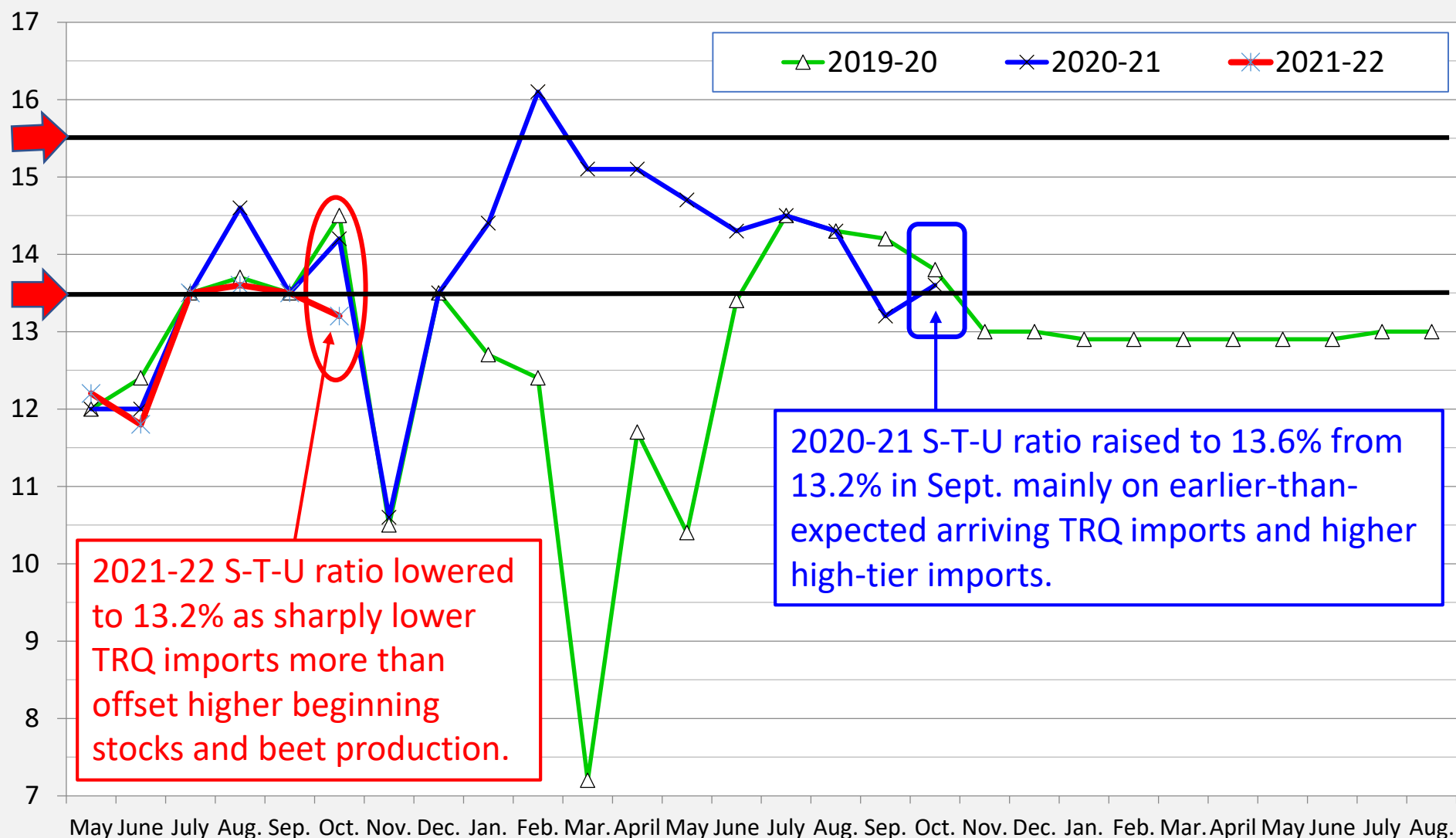
- **US Sugar supply/demand – October 2021**
 - **For 2020-21:** Beet sugar production unch; cane lowered 20,000 T.
 - TRQ imports raised as imports arrive earlier than expected.
 - Deliveries for food unchanged.
 - Ending stocks raised 49,000 tons; S-T-U ratio at 13.6%
 - **For 2021-22:** Beet sugar production raised 146,000 tons (record).
 - Cane sugar production lowered 21,000 tons in Louisiana.
 - TRQ imports sharply lower mainly to do Philippines indicating it won't fill 151,556-ton TRQ quota.
 - Imports from Mexico unchanged.
 - Deliveries for food unchanged (flat from 2020-21).
- **Corn sweetener supply/demand**
 - Annual contracting for 2022 underway but uneven.
 - Prices up sharply from 2021 contracted levels.
 - Mexico's Oct.-July HFCS consumption down 4.9% from year ago.
 - Corn crop gets slightly larger from September.

SUA October 2021: USDA October WASDE

1,000 STRV	Oct.	Chg from Sept.	Chg from 19-20	Oct.	Chg from Sept.	Chg from 20-21	RS-SPC
	<u>20-21</u>	<u>Tons</u> <u>%</u>	<u>Tons</u> <u>%</u>	<u>21-22</u>	<u>Tons</u> <u>%</u>	<u>Tons</u> <u>%</u>	<u>21-22</u>
Begin. Stocks	1,618	- 0.0%	(165) -9.3%	1,681	49 3.0%	63 3.9%	1,680
Production	9,182	(20) -0.2%	1,033 12.7%	9,286	124 1.4%	104 1.1%	9,200
Beet	5,031	- 0.0%	680 15.6%	5,348	146 2.8%	317 6.3%	5,275
Cane	4,151	(20) -0.5%	353 9.3%	3,939	(21) -0.5%	(212) -5.1%	3,925
Imports	3,252	83 2.6%	(913) -21.9%	3,000	(212) -6.6%	(252) -7.7%	3,150
T.R.Q.	1,751	58 3.4%	(401) -18.6%	1,591	(212) -11.8%	(160) -9.1%	1,600
Other Prog.	315	- 0.0%	(117) -27.1%	250	- 0.0%	(65) -20.6%	250
Mexico	981	- 0.0%	(395) -28.7%	1,084	- 0.0%	103 10.5%	1,200
High Tier	205	25 13.9%	- 0.0%	75	- 0.0%	(130) -63.4%	100
Ttl Supply	14,052	63 0.5%	(45) -0.3%	13,967	(39) -0.3%	(85) -0.6%	14,030
Exports	52	- 0.0%	(9) -14.8%	35	- 0.0%	(17) -32.7%	35
Deliveries	12,319	14 0.1%	(25) -0.2%	12,305	- 0.0%	(14) -0.1%	12,330
Food	12,200	- 0.0%	(46) -0.4%	12,200	- 0.0%	- 0.0%	12,225
Other	119	14 13.3%	21 21.4%	105	- 0.0%	(14) -11.8%	105
Misc.	-	- 0.0%	(74) -100%	-	- -	- -	-
Total Use	12,371	14 0.1%	(108) -0.9%	12,340	- 0.0%	(31) -0.3%	12,365
End. Stocks	1,681	49 3.0%	63 3.9%	1,627	(39) -2.3%	(54) -3.2%	1,665
S-T-U Ratio	13.6%	+0.4	+0.2	13.2%	-0.3	+0.03	13.5%

SUA October 2021: Monthly S-T-U Ratios

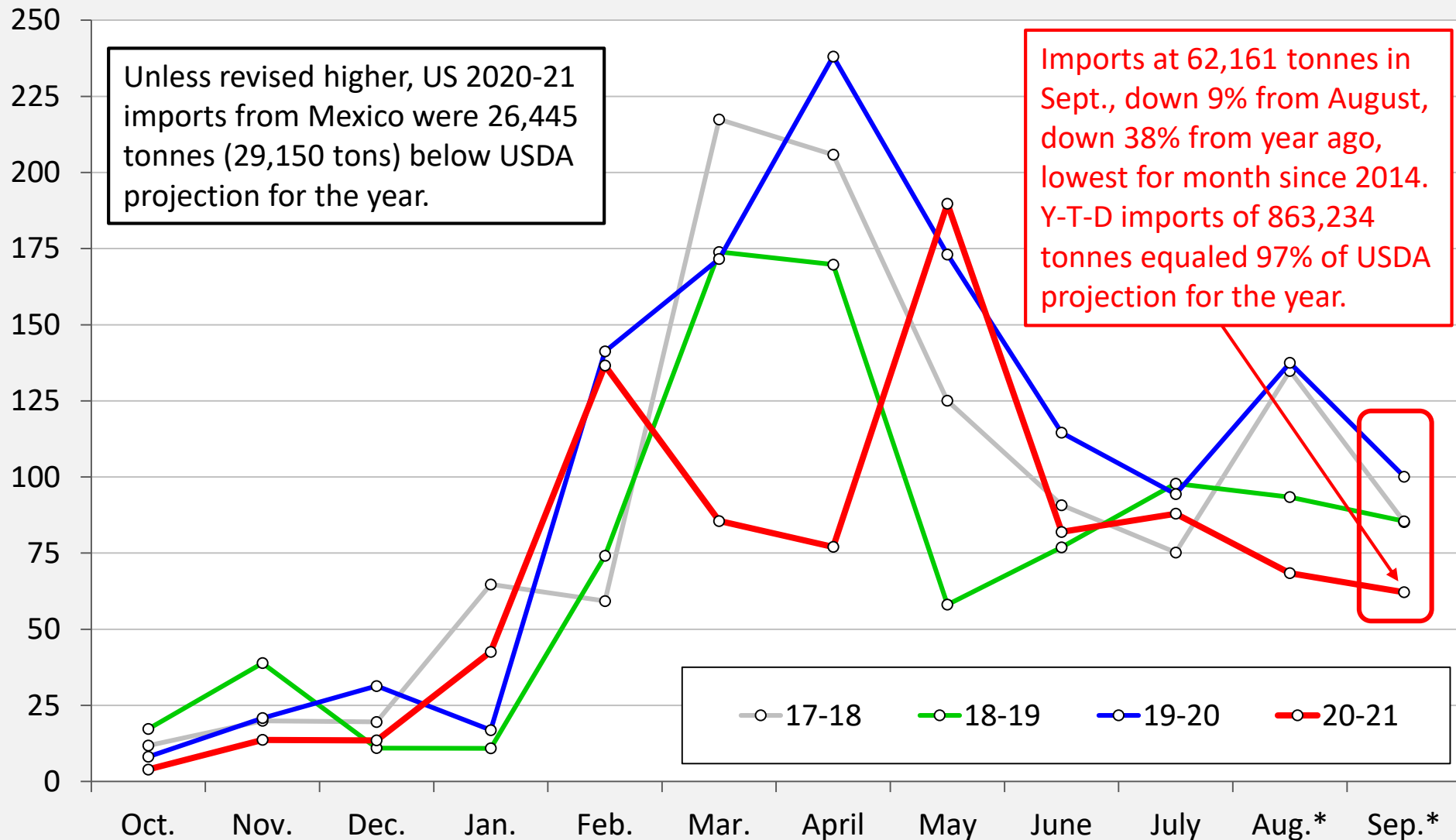
Two-year S-T-U ratios in per cent, beginning with first forecast in May for each marketing year.



Source: USDA

SUA October 2021: Imports from Mexico

In 1,000 tonnes, raw value. *2020-21 forecast. Sources: USDA and US Census Bureau



SUA October 2021: Year-To-Date Sugar Imports

In short tons, raw value. Sources: USDA and US Census Bureau.

100% of 2020-21 elapsed	Oct.-Sept. 2020-21	% of Projected	Full-year Forecast
WTO Raw TRQ	1,296,051	100%	1,296,051
WTO Refined TRQ	216,913	99%	219,411
FTA Sugar in TRQs	236,008	100%	236,008
Total Quota	1,748,972	100%	1,751,470
Re-export Program	292,419	93%	315,000
Mexico	951,553	97%	980,703
High-duty Sugar	205,000	100%	205,000
Total Imports	3,197,944	98%	3,252,173

Re-export program imports were 7% below USDA projection.

Imports from Mexico were 3% below USDA projection.

Total imports were 2% below USDA projection (but subject to change).

SUA October 2021: SMD October 2021

Source: USDA. – **NOT UPDATED** –

<i>Short tons,</i>	July	July	Change from 19-20	
<i>Raw value</i>	<u>2020-21</u>	<u>2019-20</u>	<u>Tons</u>	<u>%</u>
Beginning stocks	3,388,827	2,848,276	540,551	19.0%
Total production	74,833	60,930	13,903	22.8%
Beet	74,833	60,930	13,903	22.8%
Cane	0	0	0	100%
Total imports	335,765	399,221	(63,456)	-15.9%
Total supply	3,799,425	3,308,428	490,997	14.8%
Total exports	5,443	3,685	1,758	47.7%
Total deliveries	1,116,734	1,051,967	64,767	6.2%
Deliveries, human use	1,106,953	1,044,690	62,263	6.0%
Misc. supply adj.	106	14,819	(14,713)	-99.0%
Total use	1,122,283	1,070,471	51,812	4.8%
Ending stocks	2,677,142	2,237,956	439,186	19.6%

July deliveries for food were up 6% from July 2020 as strong beet sugar deliveries more than offset weak cane sugar deliveries, although beet was down From June 2021 and cane was up.

SUA October 2021: SMD October 2021

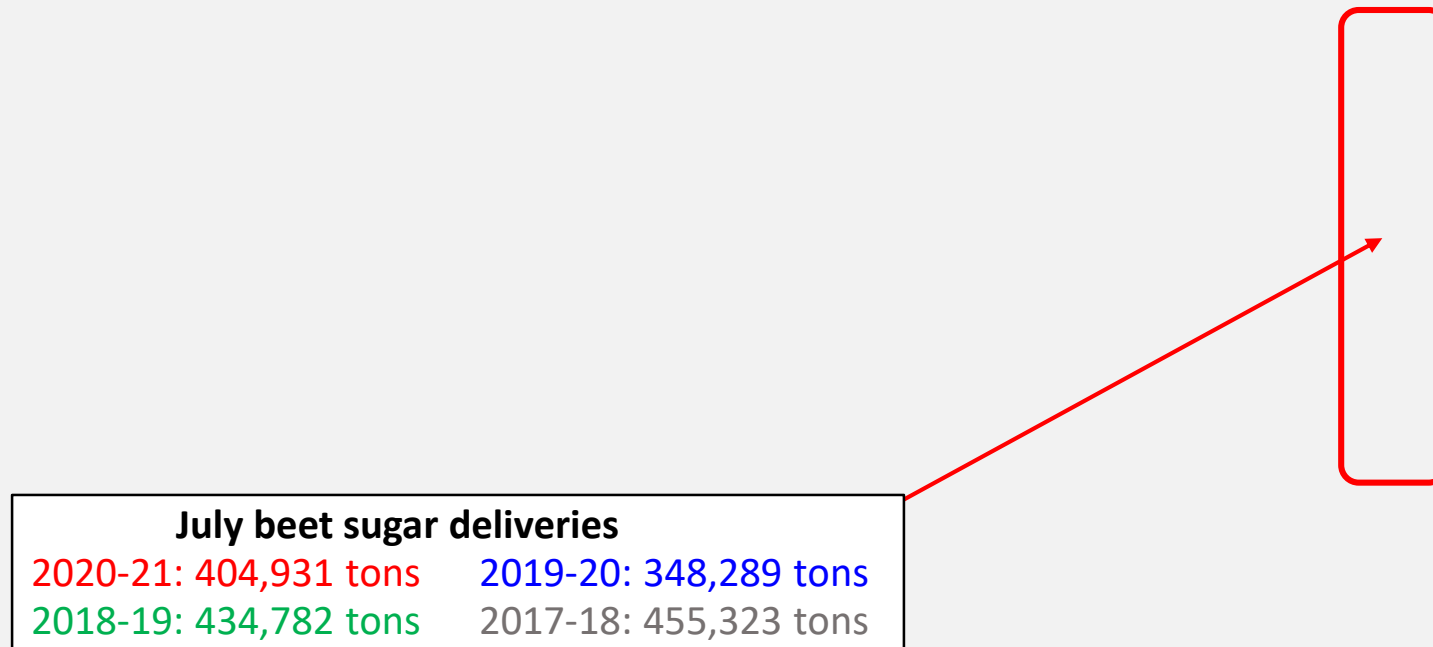
Source: USDA. – NOT UPDATED –

Short tons, Raw value	Oct.-July 2020-21	Oct.-July 2019-20	Change from 19-20	
			Tons	%
Beginning stocks	1,617,589	1,782,548	(164,959)	-9.3%
Total production	8,542,537	7,313,901	1,228,636	16.8%
Beet	4,416,062	3,586,604	829,458	23.1%
Cane	4,126,475	3,727,297	399,178	10.7%
Total imports	2,769,877	3,365,465	(595,588)	-17.7%
Total supply	12,930,003	12,461,914	468,089	3.8%
Total exports	44,426	31,356	13,070	41.7%
Total deliveries	10,184,155	10,158,902	25,253	0.2%
Deliveries, human use	10,094,819	10,079,038	15,781	0.2%
Misc. supply adj.	24,280	33,700	(9,420)	-28.0%
Total use	10,252,861	10,223,957	28,904	0.3%
Ending stocks	2,677,142	2,237,956	439,186	19.6%

USDA raised delivery projections for last year, this year and next year in October WASDE. July deliveries reflected in SMD were very strong, moving Oct.-July up 0.2% from 2019-20.

SUA October 2021: Beet Sugar Deliveries

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



July beet sugar deliveries of 404,931 tons were down 7.3% from June but were up 16% from a year ago. Other than last year, July beet sugar deliveries were the highest for the month since 2016. Oct.-July beet deliveries of 4,079,226 tons were up 11% from a year ago, when the force majeure were in force.

SUA October 2021: Refined Cane Deliveries

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

July cane sugar deliveries:

2020-21: 527,345 tons

2019-20: 571,691 tons

2018-19: 512,643 tons

2017-18: 536,784 tons

July cane sugar deliveries of 506,222 tons rose 4.2% from June but were down 8% from a year ago. Oct.-July deliveries of 5,197,058 tons were down 4.6% from the same period a year ago and were the lowest since 2017-18.

SUA October 2021: Non-Reporter Deliveries

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

July non-reporter deliveries:

2020-21: 174,668 tons

2019-20: 124,710 tons

2018-19: 91,449 tons

2017-18: 141,339 tons



July N-R deliveries of 174,668 tons were up 184% from June, up 40% from a year ago and were the largest for the month since 2015. Y-T-D deliveries are down 15.4% from last year and the second highest on record. All prior months for 2020-21 were revised in the SMD report with a net change of about +33,000 tons.

SUA October 2021: Deliveries for Human Use

- NOT UPDATED -				
<u>PRODUCT OR BUSINESS OF BUYER</u>	<u>FY 2021</u>	<u>FY 2020</u>	<u>Oct.-July</u>	<u>Oct.-June</u>
	<u>Oct.-July</u>	<u>Oct.-July</u>	<u>% change</u>	<u>% change</u>
Total Deliveries/1 (short tons, <u>actual weight</u>)	8,732,270	8,575,290	1.8	1.9
1-Bakery, cereal, and related products	2,049,893	2,004,542	2.3	3.2
5-Confectionery and related products	812,298	857,721	-5.3	-5.4
6-Ice cream and dairy products	683,285	630,345	8.4	8.6
7-Beverages	606,290	516,417	17.4	16.3
8-Canned, bottled and frozen foods	322,333	358,816	-10.2	-10.7
4-Multiple and all other food uses	910,715	859,099	6.0	6.5
10-Non-food uses	104,794	108,014	-3.0	0.0
11-Hotels, restaurants, institutions	74,913	69,090	8.4	9.0
2-Wholesale grocers, jobbers, dealers	1,900,685	1,838,631	3.4	2.8
3-Retail grocers, chain stores	1,008,137	1,074,272	-6.2	-6.7
12-Government agencies	13,183	10,454	26.1	30.2
9-All other deliveries	245,744	247,888	-0.9	-0.5
Total Deliveries/1 (short tons, <u>raw value</u>)	9,343,529	9,175,561	1.8	1.9
Crystalline:	7,983,392	7,893,934	1.1	1.1
Consumer-size packages (retail)	1,784,205	1,863,622	-4.3	-4.3
Packages 50 lbs and greater	2,467,715	2,399,782	2.8	1.8
Unpackaged (bulk)	3,731,472	3,630,530	2.8	3.4
Non-crystalline/2	1,360,137	1,281,626	6.1	6.7

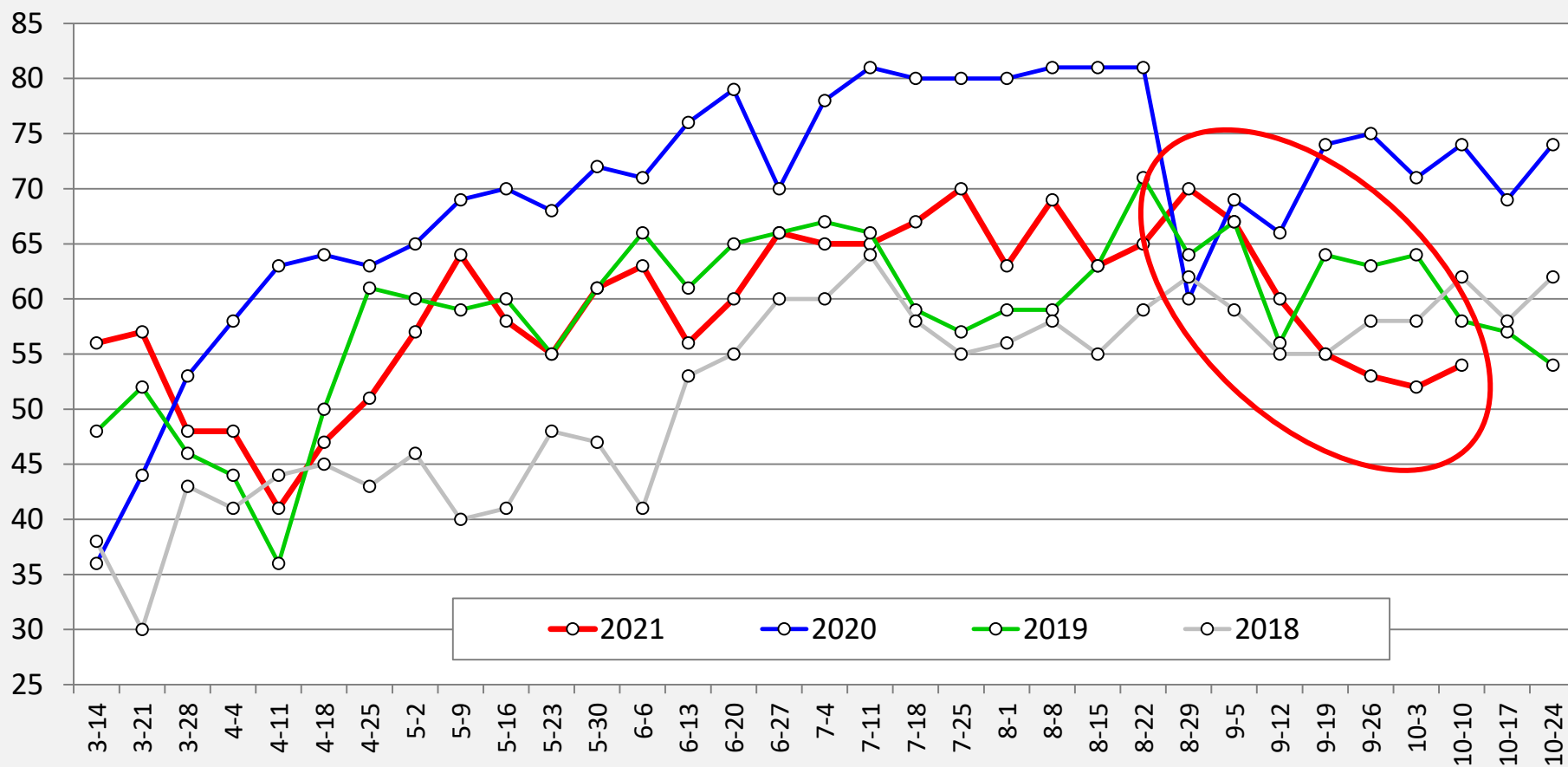
1/Deliveries from domestic sugar beet processors, sugar cane processors and refiners.

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

Source: USDA

SUA October 2021: Sugar Cane Crop Ratings

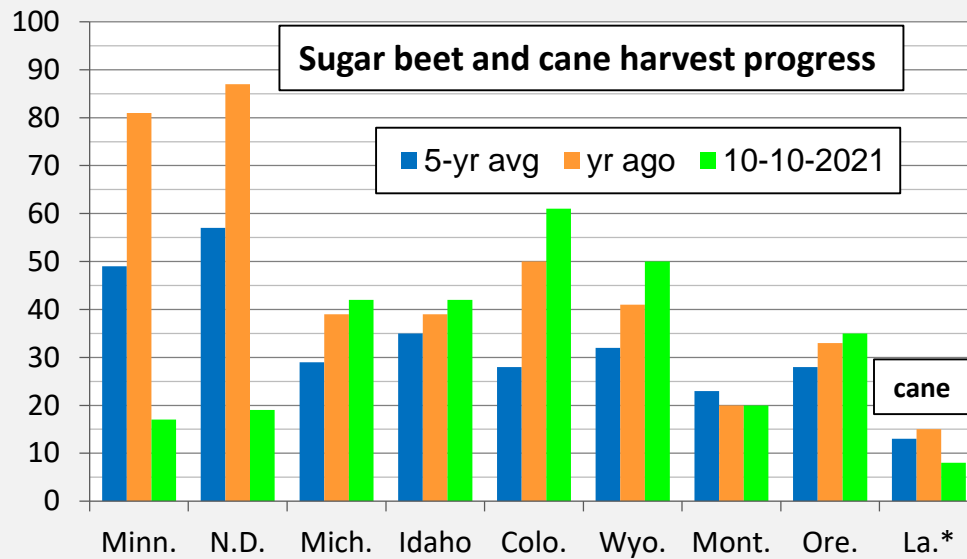
Good-to-excellent ratings, in per cent, as of Oct. 10. Source: USDA state Crop Progress report.



Louisiana sugar cane crop was rated 70% good to excellent on Aug 29, then dropped five consecutive weeks to 52% after Hurricane Ida. Uptick to 54% G-T-E was first improvement since Ida hit. Louisiana Sugar Cane League says all cane will be harvested, with most mills starting about a week late, though some losses were incurred.

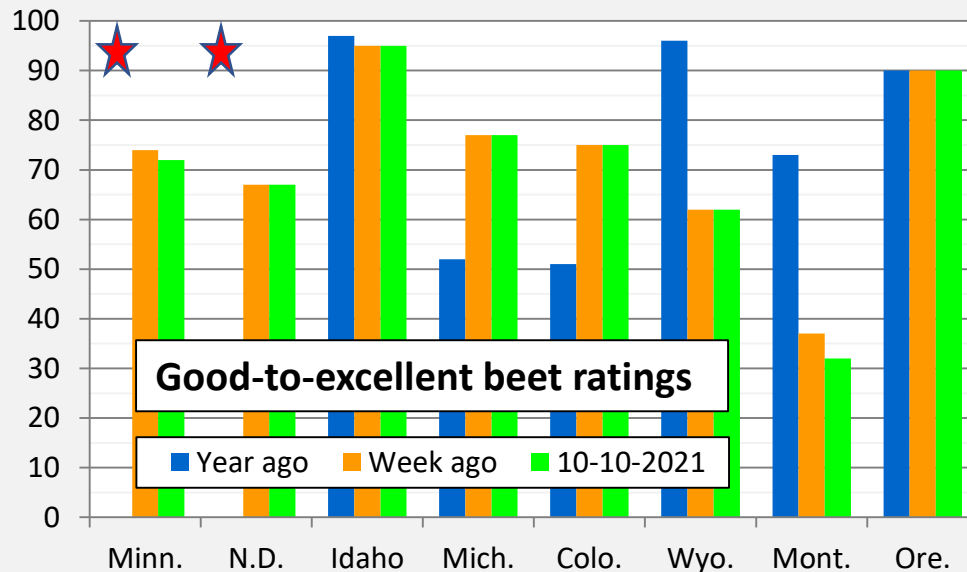
SUA October 2021: Sugar Beet Crop

In per cent, as of Oct. 10. Source: USDA state Crop Progress reports.



Sugar beet harvest as of Oct. 10 ranged from 17% in Minn. and 19% in N.D., far behind last year and 5-yr avg., to 61% in Colo., well ahead of avg. Most states were ahead of last year and the avg except Montana and the key Red River Valley.

Sugar cane harvest was 8% completed in Louisiana vs 15% LY and 13% as 5-yr avg.



Beet crop condition ratings are not so meaningful late in the season, but chart is for comparison to last year. Beet harvest was 80% or above in RRV a year ago, so ratings were no longer reported but ended above 90% (red stars) vs 67% to 72% this year. Ratings also below year ago in Wyoming and esp. Montana.

SUA October 2021: Sugar Beet/Cane Production

In 1,000 tons. Source: USDA October Crop Production report.

Sugar Beets	Oct.	Change	Change from 2020	
	2021	from Sept.	Tons	%
Minnesota	11,971	613	826	7.4%
N. Dakota	6,026	426	573	10.5%
Idaho	6,987	-	142	2.1%
Michigan	4,758	(45)	400	9.2%
Nebraska	1,295	-	(122)	-8.6%
Montana	1,375	48	186	15.6%
California	1,083	(4)	(4)	-0.4%
Colorado	777	-	35	4.7%
Wyoming	897	25	(15)	-1.6%
Oregon	415	-	31	8.1%
Washington	91	-	5	5.8%
US Total	35,675	1,063	2,057	6.1%

USDA raised its forecast 2021 sugar beet production by 1,063,000 tons, or 3.2%, from September and 2,057,000 tons, or 6.1%, from a year ago mainly on higher yields in the Red River Valley. Production is much better than expected a few weeks ago, especially in the RRV, although the crop isn't "out of the woods" yet with harvest running far behind last year and average.

Sugar Cane	Oct.	Change	Change from 2020	
	2021	from Sept.	Tons	%
Florida	17,336	42	(1,459)	-7.8%
Louisiana	15,778	(490)	(389)	-2.4%
Texas	1,181	11	43	3.8%
US Total	34,295	(437)	(1,805)	-5.0%

USDA forecast 2021 sugar cane production at 34,295,000 tons, down 437,000 tons, or 1.2% from Sept., which was nearly equal to the amount production was raised from Aug. in Sept. Large drop in Louisiana of 490,000 tons, or 3%, more than offset small increases in Florida and Texas. Overall, production is seen down 5% from last year.

SUA October 2021: Cash Sugar Prices - Firm

Beet sugar 2021-22

Offers remain firm at 39c to 40c a lb f.o.b. Midwest, 41c in Michigan; 40c and above on the West Coast. One MW refiner out of market until late Oct.

Cane sugar 2021-22

One major refiner quoting Oct.-Dec. on request only; was at 55c a lb prior to “on request.” That refiner offering Jan. 1 forward at 49c f.o.b. NE and WC and 47c f.o.b. SE and Gulf; one Gulf refiner out of market. Southeast offered at 43c f.o.b. Oct.-Sept. by one refiner.

Recent developments and factors to watch in cash sugar market

- The Gulf situation has settled but several days of refining capacity were lost.
- The Louisiana cane crop is down but overall fared better than first feared.
- The late sugar beet harvest in the RRV has opened the door to losses if there is an early freeze (I’m not predicting that, but possibility exists).
- Logistics continue to be highly problematic and are raising the delivered price of sugar (and most other products).
- Mexico should have sugar to export to fill current TRQ gap.

A firm tone exists in the market at least until Jan.-Mar.

SUA October 2021: New York #16 Raw Futures

ICE domestic raw sugar futures as of October 12, 2021, in cents per lb. Source: Tech Nova

Contract	Last	Net Change	High	Low	Volume	Open Interest	Time	Settlement
ESFF22 (D10)	36.98 S	-0.44			97	1542	1:26:47 PM EDT - 10/12/21	36.98 S
ESFH22 (D10)	35.95 S	0.00			0	2994	1:26:47 PM EDT - 10/12/21	35.95 S
ESFK22 (D10)	35.95 S	0.00			0	955	1:26:47 PM EDT - 10/12/21	35.95 S
ESFN22 (D10)	35.52 S	0.00			0	934	1:26:47 PM EDT - 10/12/21	35.52 S
ESFU22 (D10)	35.29 S	0.00			0	847	1:26:47 PM EDT - 10/12/21	35.29 S
ESFX22 (D10)	34.16 S	0.00			0	1013	1:26:47 PM EDT - 10/12/21	34.16 S
ESFF23 (D10)	32.39 S	0.00			0	750	1:26:47 PM EDT - 10/12/21	32.39 S
ESFH23 (D10)	32.25 S	0.00			0	1300	1:26:47 PM EDT - 10/12/21	32.25 S
ESFK23 (D10)	32.18 S	0.00			0	630	1:26:47 PM EDT - 10/12/21	32.18 S
ESFN23 (D10)	32.18 S	0.00			30	750	1:26:47 PM EDT - 10/12/21	32.18 S
ESFU23 (D10)	32.18 S	0.00			0		1:26:47 PM EDT - 10/12/21	32.18 S

After soaring to near an 11-year high of 38.62c in spot November at expiration on Oct. 8, January become front month about 1c lower and has softened some since but still is more than 40% above a year ago. Much debate remains about why raw sugar prices are elevated, beyond need for raws by some US refiners. Some suggest demand for non-GMO sugar is in part driving demand for imported raws. Large domestic beet crop works against increasing raw imports under sugar program, leaving some buyers to depend on high-tier imports.

SUA October 2021: Mexico WASDE

In 1,000 tonnes, actual weight. Source: USDA October 2021 WASDE.

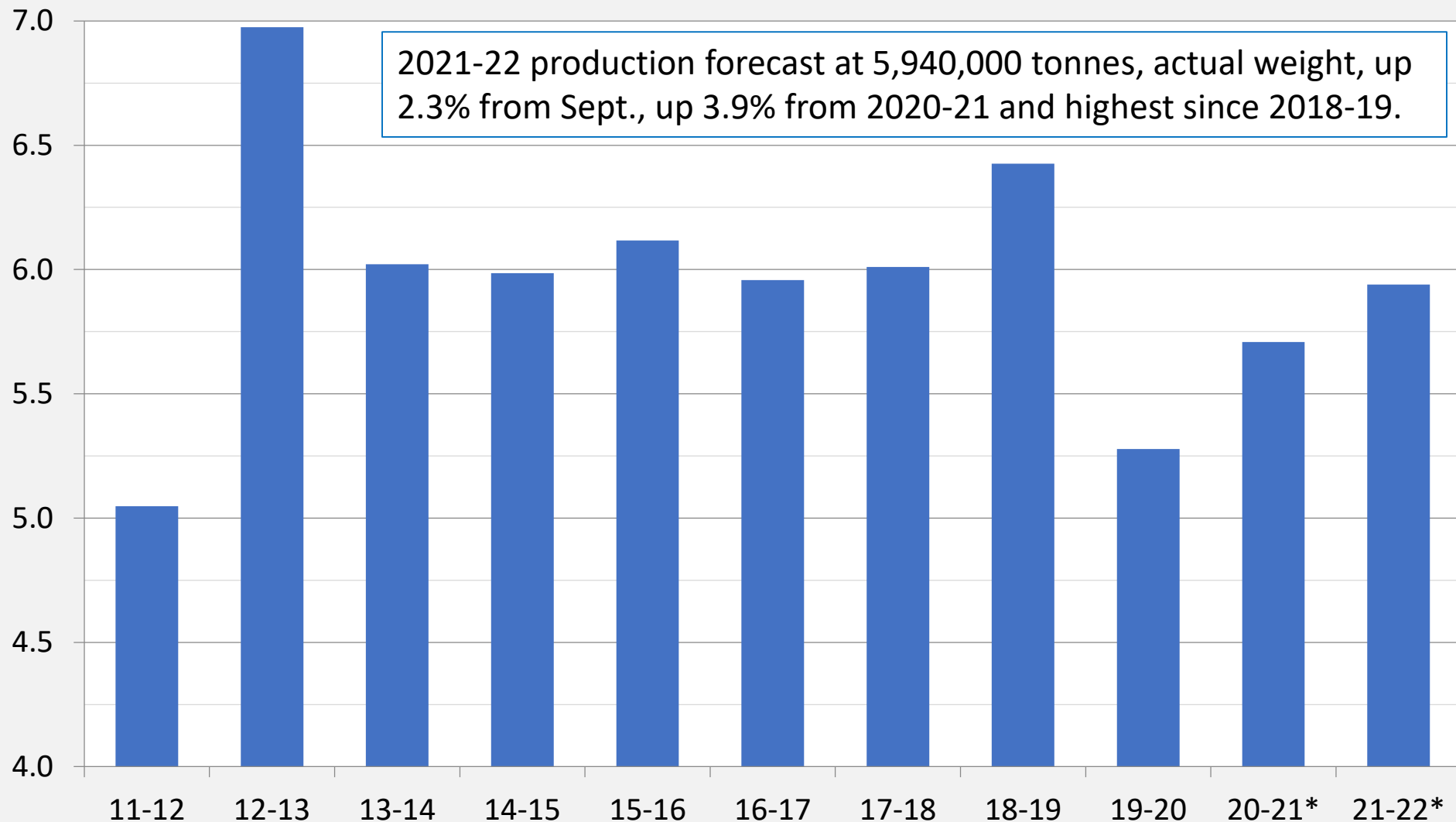
	October	Change from		October	2021-22 change from			
	<u>20-21</u>	<u>Sept.</u>	<u>19-20</u>	<u>21-22</u>	<u>Sept.</u>	<u>%</u>	<u>20-21</u>	<u>%</u>
Begin. Stocks	858	-	(311)	1,010	97	10.6%	152	17.7%
Production	5,715	-	437	5,940	131	2.3%	225	3.9%
Imports	67	(8)	(10)	63	8	14.5%	(4)	-6.0%
Total Supply	6,640	(8)	116	7,013	236	3.5%	373	5.6%
Exports	1,161	(184)	(51)	1,678	196	13.2%	517	44.5%
Domestic Use	4,469	79	14	4,415	33	0.8%	(54)	-1.2%
Total Use	5,630	(105)	(37)	6,093	229	3.9%	463	8.2%
Ending Stocks	1,010	97	152	920	7	0.8%	(90)	-8.9%
S-T-U (total)	17.9%	+2.3	+0.8	15.1%	-0.5		- 2.8	
S-T-U (dom.)	22.6%	+1.8	+1.5	20.8%	-		- 1.8	

Estimates for 2020-21 saw minor adjustments with largest change in exports, lowered 184,000 tonnes due to higher deliveries to IMMEX and an increase in ending stocks. For 2021-22, most significant change is a 131,000-tonne forecast increase in production, as “plentiful rain” has alleviated lingering effects of drought.

Bottom line – supplies should be adequate for higher exports to US.

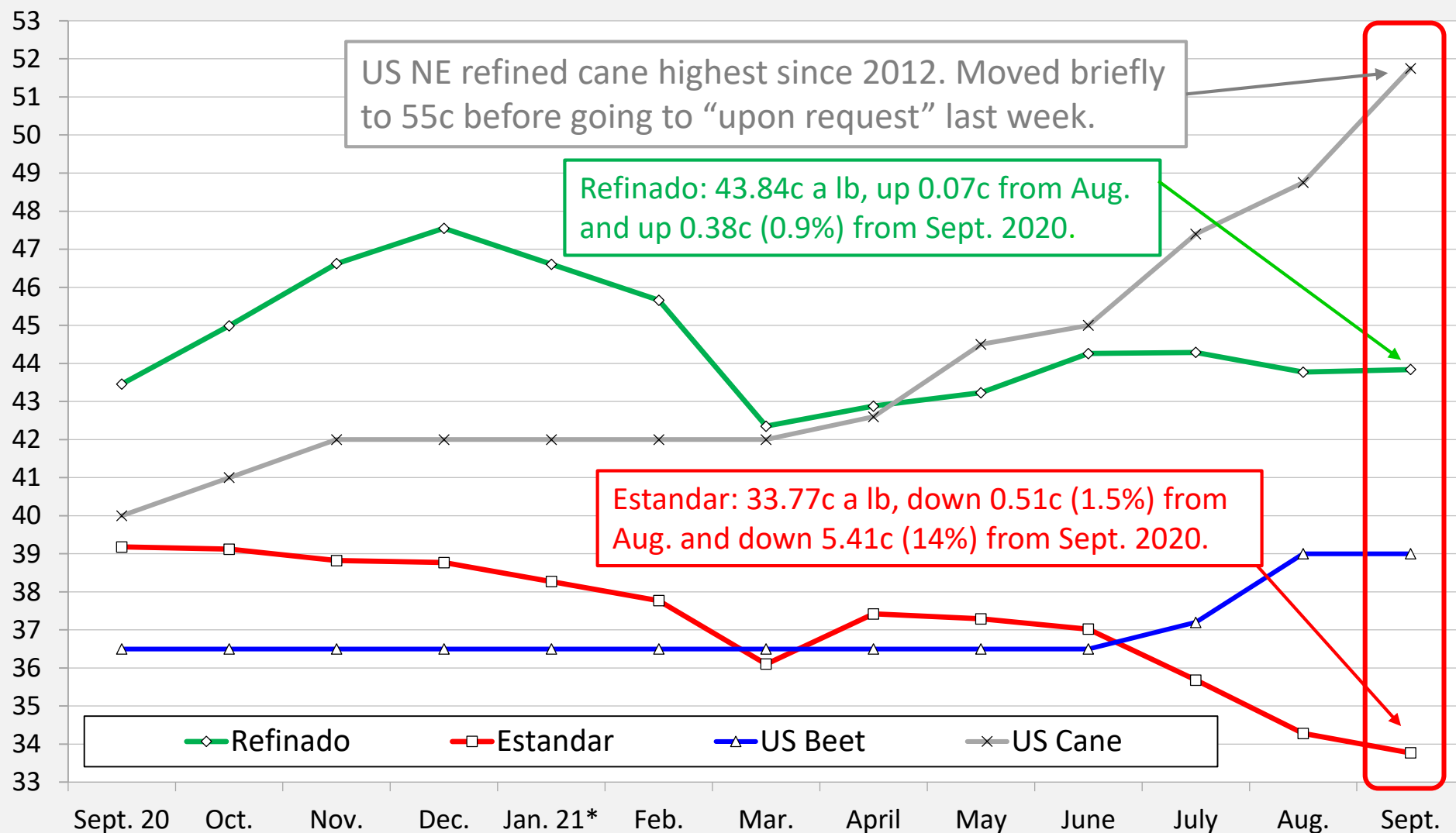
SUA October 2021: Mexico Sugar Production

In 1,000 tonnes, actual weight. Source: USDA October 2021 WASDE.



SUA October 2021: US & Mexico Sugar Prices

Average monthly cash prices in cents/lb. *Prices average of before/after months.



Sources: USDA and Sosland Publishing Company.

SUA October 2021: Global Sugar Overview

■ Global supply/demand fundamentals

- Brazil's sugar production and exports down sharply due to weather; and rising energy prices may pull more sugar into ethanol.
- Strong exports from India will mostly offset lower exports from Brazil.
- Philippines indicates no TRQ sugar exports to United States.
- Logistics and high freight costs remain a major concern and disruptor; some countries have drawn down domestic stocks rather than import in recent months.
- Some analysts are raising 2021-22 global sugar deficit forecasts.

■ Pricing

- Spot raws up more than 40% from year ago but off recent 4½-yr high.
- Fund activity has been more subdued but still have large net long.
- Crude oil prices at 7-year highs, higher ethanol prices in Brazil and forecasts of strong energy demand are supportive to world sugar prices; although higher energy also could curtail economic growth.

SUA October 2021: New York #11 Raw Futures

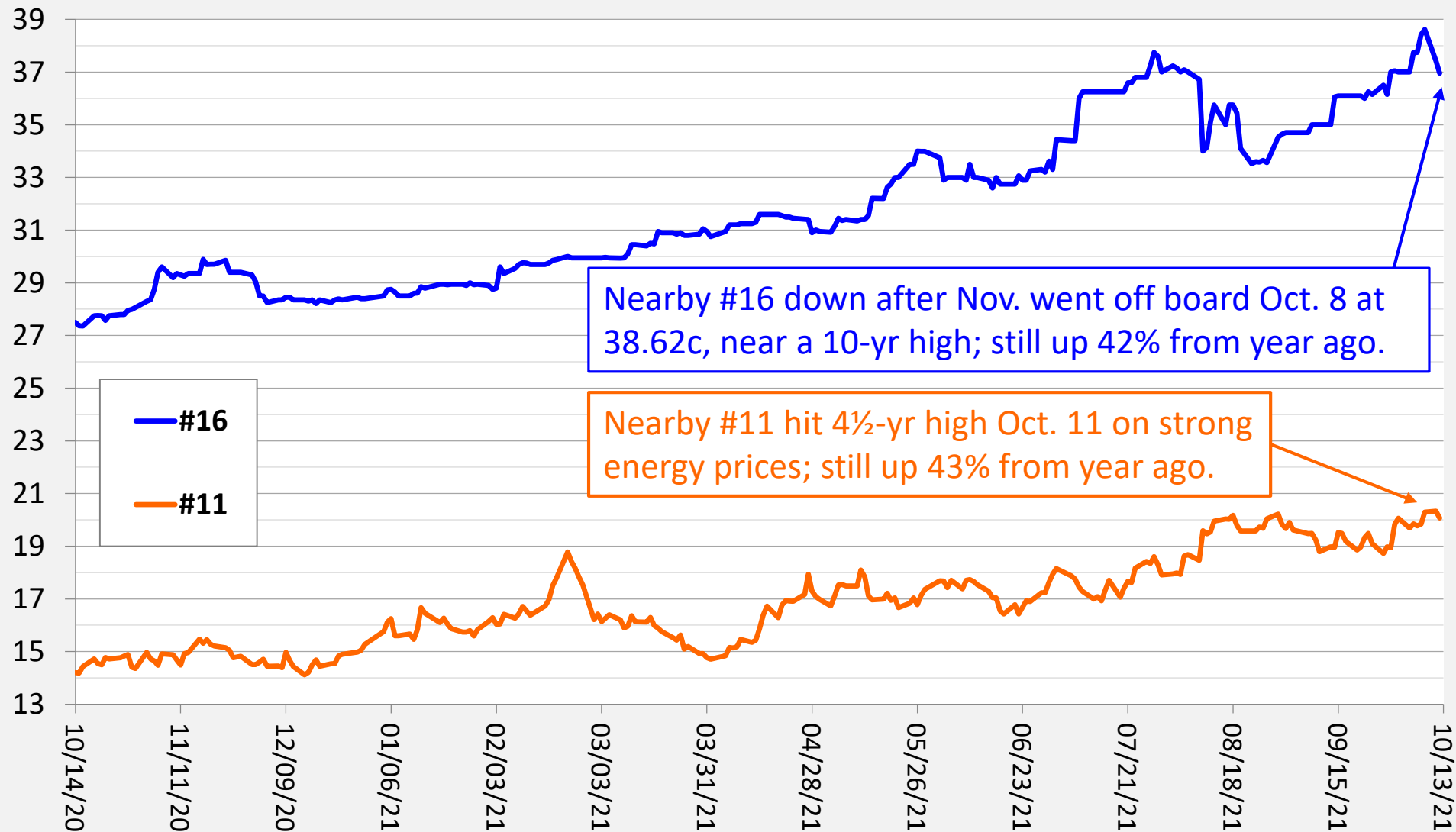
ICE world raw sugar futures as of October 12, 2021, in cents per lb. Source: Tech Nova

Contract	Last	Net Change	High	Low	Volume	Open Interest	Time	Settlement
ESBH22 (D10)	20.07 S	-0.26	20.38	20.03	38159	418020	1:02:43 PM EDT - 10/12/21	20.07 S
ESBK22 (D10)	19.62 S	-0.23	19.89	19.59	13588	147722	1:02:43 PM EDT - 10/12/21	19.62 S
ESBN22 (D10)	19.15 S	-0.20	19.39	19.13	9139	117651	1:02:43 PM EDT - 10/12/21	19.15 S
ESBV22 (D10)	18.83 S	-0.16	19.00	18.80	2663	96796	1:02:43 PM EDT - 10/12/21	18.83 S
ESBH23 (D10)	18.65 S	-0.12	18.77	18.60	1946	44614	1:02:43 PM EDT - 10/12/21	18.65 S
ESBK23 (D10)	17.45 S	-0.07	17.53	17.37	250	19343	1:02:43 PM EDT - 10/12/21	17.45 S
ESBN23 (D10)	16.57 S	-0.01	16.62	16.53	92	20182	1:02:43 PM EDT - 10/12/21	16.57 S
ESBV23 (D10)	16.16 S	0.01	16.20	16.13	58	19220	1:02:43 PM EDT - 10/12/21	16.16 S
ESBH24 (D10)	16.12 S	0.02	16.11	16.08	94	5337	1:02:43 PM EDT - 10/12/21	16.12 S
ESBK24 (D10)	15.67 S	-0.01	15.66	15.66	112	1490	1:02:43 PM EDT - 10/12/21	15.67 S
ESBN24 (D10)	15.42 S	-0.03			100	1943	1:02:43 PM EDT - 10/12/21	15.42 S
ESB12-								

Nearby world raws hit 4½-year high on Oct. 11 with strong gains late last week from 7% ethanol price hike in Brazil by Petrobras, and overall strength in global energy prices, along with forecasts of improving demand and an increasing global sugar deficit by some analysts. Prices eased at midweek on weakness in global equities and concerns of slowing economic recovery but remain more than 40% above a year ago. Global sugar supplies look to be snug in 2021-22, in part as countries boost imports after using domestic stocks in 2020-21 due to freight issues.

SUA October 2021: World/Domestic Futures

Nearby ICE New York raw sugar futures, in cents per lb, as of October 15, 2021.



SUA October 2021: Corn Sweeteners

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

42% HFCS Spot

	<u>2021</u>	<u>2020</u>
Midwest	25½-26	25½-26
Northeast	27-27½	27-27½
Southeast	27¼-27¾	27¼-27¾
South	26¾-27¼	26¾-27¼
West	27½-28¾	27½-28¾

55% HFCS Spot

	<u>2021</u>	<u>2020</u>
Midwest	32¾-33¾	32¾-33¾
Northeast	34¼-35¼	34¼-35¼
Southeast	34¼-35¼	34¼-35¼
South	34-35	34-35
West	34¾-35¾	34¾-35¾

Corn Syrup Spot

	<u>2021</u>	<u>2020</u>
Midwest	36¾-37¼	36¾-37¼
Northeast	39-39½	39-39½
Southeast	39-39½	39-39½
South	40-40½	40-40½
West	41-41½	41-41½

Indications were nearby corn sweetener demand remained strong as venues were filled across the country.

Contracting for 2022 is ongoing with tolling business said to be mostly completed but annual flat sales varying widely with some buyers holding out for a smaller increase. Most offers appeared to be up \$3 to \$5.50 a cwt from 2021 contracted levels.

USDA left Mexico HFCS consumption forecasts for this year and next year unchanged from Sept. (2021-22 forecast down 1.9% from 2020-21, 2020-21 forecast down 4.5% from 2019-20. Oct.-Aug. consumption was down 4.9% from same period year ago.

October Feed Outlook with corn used for sweeteners data not released yet, but WASDE indicated use may be raised 5 million bus from September forecast.

Dextrose Spot

	<u>2021</u>	<u>2020</u>
East	42-42½	42-42½
Midwest	41-41½	41-41½
South	43-43½	43-43½

USDA forecast US 2021 corn production at 15,019 million bus, up slightly from Sept., up 6% from 2020 and above the average trade expectation; corn futures fell about 10c a bu after the report.

SUA October 2021: Other Matters

- Logistics remain a major concern for sugar and nearly every ingredient as well as packaging – ocean freight for imports and trucks for domestic movement – both prices and availability.
- California court (Sacramento Co. Superior Court) recently ruled the penalty provision of California's Keep Groceries Affordable Act of 2018 is unconstitutional.
- The wide beet /refined cane sugar spread is supporting beet prices, although beet currently in driver's seat as is typical at this time of year. Some think a new price plateau has been reached due on part to non-GMO demand.
- Ongoing sugar reduction efforts globally.

SUA October 2021: Conclusions

■ Domestic Sweetener Market

- Gulf situation has improved but refining days lost.
- Nearby sugar supplies to remain tight at least until imports from Mexico become available in late January period.
- Slow harvest in the RRV has tightened supplies only slightly but is a risk should a freeze occur.
- Beet crop is better than expected, esp. in the RRV.
- Little incentive to lower beet prices due to high cane prices.
- Logistics/freight driving up delivered prices of sugar.
- Corn sweetener prices are much higher for 2022.

■ Global Sugar Market

- Lower production in Brazil offset by higher exports from India.
- Nearby raw futures prices continue near 20c a lb with support from sharply higher energy prices.
- Possible upturn in demand and lower production in Brazil expected to increase 2021-22 global deficit.