

USDA

United States
Department
of Agriculture

SSS-M-263

July 13, 2010

Outlook



Electronic Outlook Report from the Economic Research Service

www.ers.usda.gov

Sugar and Sweeteners Outlook

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U.S. Sugar July 2010

Projected U.S. sugar supply for fiscal year (FY) 2011 is increased 188,000 short tons, raw value (STRV) from the June *World Agricultural Supply and Demand Estimates* (WASDE), due to higher beginning stocks and production. Beet sugar production is increased 80,000 STRV to 4.710 million STRV, while cane sugar production is decreased 10,000 STRV to 3.525 million STRV, reflecting area for harvest in the June *Acreage* report from the National Agricultural Statistics Service (NASS). Sugar use is unchanged.

For FY 2010, U.S. beet sugar production is decreased 50,000 STRV to 4.450 million STRV, mainly due to smaller-than-expected beet sugar production in May. U.S. cane sugar production is increased 8,000 STRV to reflect Florida's completed harvest and milling season. Sugar imports under the tariff-rate quota (TRQ) are increased 270,000 STRV based on the July 6 announcement from the U.S. Department of Agriculture increasing the FY 2010 raw sugar TRQ. Imports from Mexico are decreased 110,000 STRV. With no change in use, ending stocks are increased 118,000 STRV to 1.268 million STRV, implying an ending stocks-to-use ratio of 11.8 percent.

For Mexico, FY 2010 production is increased to 5.120 million metric tons, raw value, to reflect output expected in the final few weeks of the harvest. Sugar imports and exports are decreased, while domestic use and ending stocks are unchanged.

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The next release is

August 16, 2010

Approved by the World
Agricultural Outlook
Board.

U.S. Sugar

On July 9, 2010, the U.S. Department of Agriculture (USDA) released its latest supply and use estimates for fiscal year (FY) 2010 and projections for FY 2011 in the *World Agricultural Supply and Demand Estimates* (WASDE) report.

Beet Sugar Production

In its *Acreage* report published on June 30, the National Agricultural Statistics Service (NASS) made its forecast of sugar beet area planted and harvested for the 2010/11 crop year. Planted area is forecast at 1.185 million acres, about the same as the previous year and 10,500 acres more than acreage intentions for 2010/11 reported in its *Prospective Plantings* in March. Forecast area planted increased from March intentions in the Red River Valley by 7,000 acres, Great Plains by 2,000 acres, and Far West by 1,500 acres. NASS forecasts area harvested at 1.146 million acres, not much different from last year's 1.149 million acres. The implied area harvested-to-planted ratio is 96.8 percent.

The sugar Interagency Commodity Estimates Committee (ICEC) makes a State-by-State determination of expected sugar beet yield and calculates a national average sugar beet yield of 26.69 tons per acre. (NASS does not make its yield forecast until the August *Crop Production*.) This forecast is in line with yields seen since the 2006/07 crop year and is only slightly below the record high of 26.76 tons per acre from 2008/09. Area planted to genetically modified organism (GMO) seed varieties is forecast at 95 percent of total area, about the same as last year.

With information on sugar beet yield and trend growth, the sugar ICEC projects beet sugar per acre at 4.109 short tons, raw value (STRV). If realized, this amount would be a record high. Implied beet sugar production is calculated at 4.710 million STRV. The increase from last month is 80,000 STRV and attributable to the increase in expected area harvested.

Figure 1 compares projections for 2010/11 with corresponding results since 2006/07. Area is down by more than 12 percent compared with area in 2006/07. Area harvested was at a low in 2008/09 when high prices of competing crops drew area away from sugar beets. Area recovered somewhat in 2009/10 as competing crop prices decreased, but was still 10 percent below the average for 2006/07-2007/08. Sustained higher-than-normal beet sugar prices during 2009/10 have not led to significant area expansion in 2010/11.

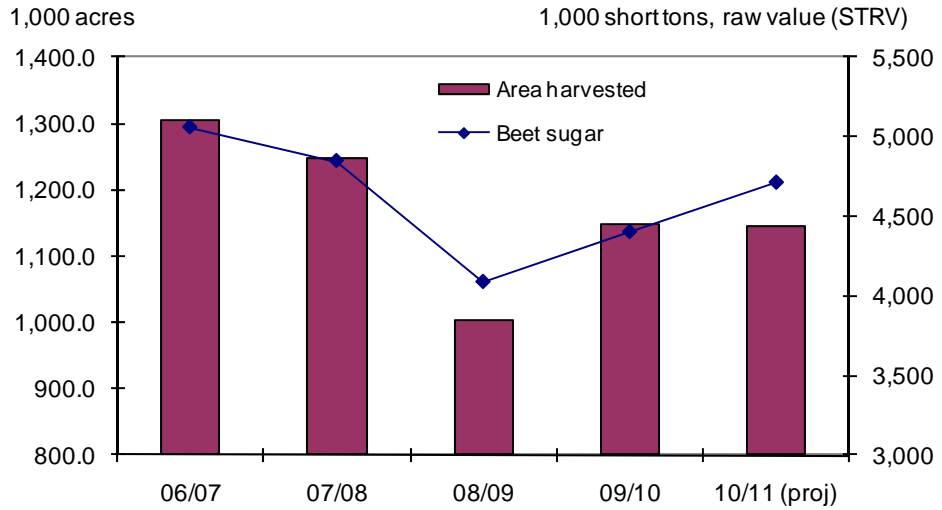
Part of the explanation for the lack of area expansion is that disease-resistant GMO seeds have led to the expectation of much higher sugar yields. These yields were not realized in 2009/10 due to poor weather conditions at harvest. Processors in 2010/11 seem confident that high yields in 2010/11 will push production to the levels seen in 2006/07 and 2007/08 (between 4.950 and 5.050 million STRV) but with much lower area. The USDA has yet to share the processors' high expectations because of lack of historical precedent.

Figure 2 shows the tradeoff between sugar beet yield and sucrose levels on a national level to achieve fixed values of beet sugar per acre of 4.109 STRV, the USDA forecast, and 4.328 STRV, a level implying beet sugar production of 4.960 million STRV, or 250,000 STRV more than the USDA forecast. Also shown are combinations of sugar yield-sucrose levels for the crop years since 2006/07 and a vertical line representing USDA's 26.69 STRV per acre yield estimate for 2010/11. As can be seen, USDA's sugar beet yield is only slightly less than the record high 2008/09 yield and sucrose is higher than any of the other crop years. To achieve the higher 4.960 million STRV production level at the USDA projected yield, the necessary sucrose level would have to be above 18.5 percent.

Figure 3 has the same sugar yield-sucrose tradeoffs but adds a horizontal line that corresponds to the highest 4-year sucrose level of 17.60 percent. To achieve production of 4.960 million STRV, national sugar beet yield would have to be about 28.3 tons per acre, far above the historically high levels recorded since 2006/07.

Figure 1

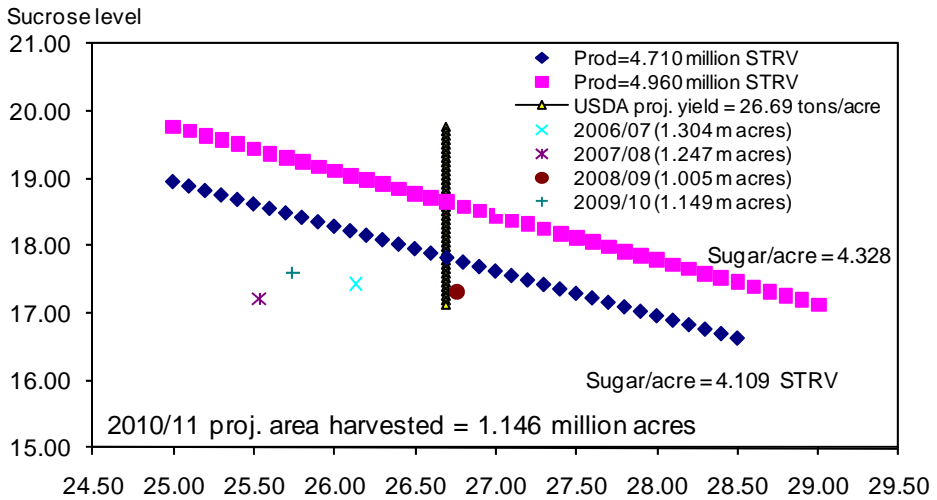
Sugar beet area harvested and beet sugar production, 2006/07-2010/11



Source: USDA, World Agricultural Supply and Demand Estimates.

Figure 2

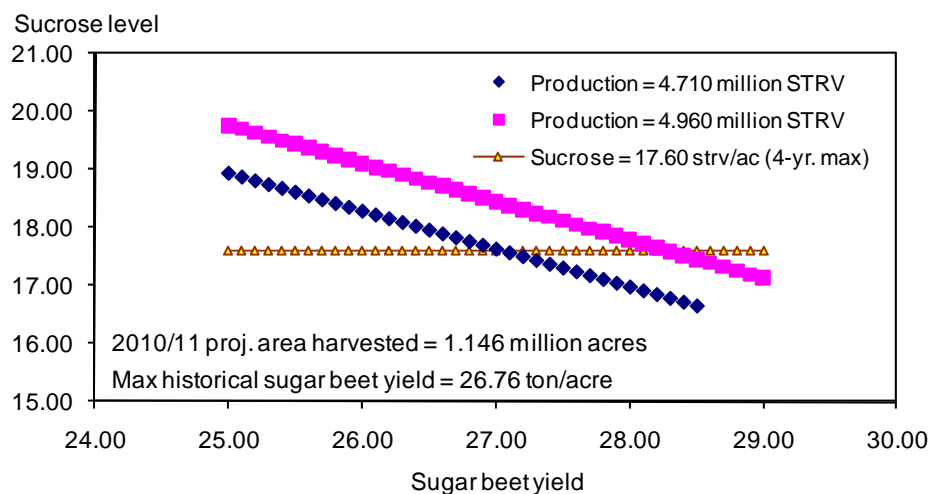
Tradeoff between sugar beet yield and sucrose level to achieve 2010/11 forecast production levels (version A)



Source: USDA, Economic Research Service, Sugar and Sweeteners Team.

Figure 3

Tradeoff between sugar beet yield and sucrose level to achieve 2010/11 forecast production levels (version B)



Source: USDA, Economic Research Service, Sugar and Sweeteners Team.

Either sucrose levels or sugar beet yields will have to be at significantly higher levels than historically seen up to this point to justify beet sugar production at levels at or above 4.960 million STRV. NASS makes its first sugar beet yield and production forecasts in the August 2010 *Crop Production*.

Cane Sugar Production

The June *Acreage* report provided a first glimpse of expected area harvested in mainland sugarcane-producing States for 2010/11 and in Hawaii for calendar year 2010. Florida’s sugarcane area harvested for sugar and seed is forecast to increase by 5,000 acres to 392,000 acres. Louisiana’s area harvested is projected to decrease by 10,000 acres to 415,000 acres, and Hawaii area is projected to decrease by 5,000 acres to 17,200 acres. Texas area is projected to be the same as in 2009/10 at 39,700 acres. Overall, sugarcane area for sugar and seed decreases by 10,000 acres to 863,900 acres.

The USDA projects FY 2011 cane sugar production at 3.525 million STRV, an increase of 170,000 STRV over that of FY 2010 and 10,000 STRV less than projected last month for FY 2011. Only in Texas was production decreased. Sources had indicated some area expansion that failed to show in the NASS *Acreage* report.

Florida cane sugar production for FY 2010 is still forecast at 1.785 million STRV, but this forecast puts a premium on a return to normal weather for good sugar yields. The USDA projects FY 2011 Louisiana cane sugar production at 1.465 million STRV, the same as this fiscal year. Next month’s first NASS *Crop Production* will provide the first forecast of yields in these States, as well as in Texas.

Hawaiian production is forecast at 135,000 STRV. The bulk of FY 2011 Hawaii sugar production takes place in calendar 2011, for which there is no NASS area forecast.

Increase in FY 2010 Raw Sugar Tariff-Rate Quota

On July 6, 2010, the USDA announced an increase in the FY 2010 raw sugar tariff-rate quota (TRQ) by 300,000 STRV (272,155 metric tons, raw value (MTRV)). The TRQ increase was preceded by a reassignment of surplus

sugar under domestic cane sugar allotments of 300,000 STRV to imports. The USDA determined that additional supplies of raw cane sugar were required in the U.S. market. After the USDA announcement, the Office of the U.S. Trade Representative (USTR) announced country allocations of this TRQ increase (table 1).

The July action was the fourth taken by either USDA or USTR with respect to the FY 2010 raw sugar TRQ. On September 25, 2009, the USDA established the raw cane sugar TRQ at 1,231,497 STRV (1,117,195 MTRV), the minimum to which the United States is committed under the World Trade Organization (WTO) Uruguay Round Agreements. On March 25, 2010, USTR reallocated 90,329 STRV (81,945 MTRV) of the minimum amount of the original raw sugar TRQ from countries that indicated to USTR that they would be unable to fill their previously allocated FY 2010 TRQ quantities. The reallocation was made to the other quota-holding countries that are able to ship this fiscal year. On April 23, 2010, the USDA increased the raw cane TRQ sugar by 200,000 STRV to a new total of 1,431,497 STRV (1,298,632 MTRV). With the July increase, the overall FY 2010 raw sugar TRQ is now 1,731,497 STRV (1,570,787 MTRV). Table 1 shows details of these actions. Raw cane sugar under this quota must be accompanied by a certificate for quota eligibility (CQE) and can be entered under subheading 1701.11.10 of the Harmonized Tariff Schedule (HTS) until September 30, 2010 (the end of the 2010 fiscal year).

In the July 6 announcement, the USDA promised to continue monitoring stocks, consumption, imports, and all sugar market and program variables on an ongoing basis. It further indicated that it may need to make additional adjustments to import TRQs and domestic marketing allotments to ensure an adequate supply for the domestic market, avoid forfeitures, and prevent or correct market disruptions.

Trade

FY 2010 raw sugar TRQ imports are projected at 1.604 million STRV (table 2). Although the TRQ was increased by 300,000 STRV, only 270,000 STRV are expected to enter before the end of the fiscal year. Raw sugar TRQ shortfall is estimated at 127,000 STRV.

The Sugar and Sweetener Team at the Economic Research Service (ERS) expects that 289,400 STRV of FY 2010 sugar imports from Mexico are for direct consumption (about 67 percent of the total), with the remainder going to refiners for further processing. Given the increase in raw sugar TRQ imports, fewer price incentives to import additional sugar for further processing from Mexico are expected. Accordingly, imports from Mexico are reduced by 110,000 STRV in the WASDE to 430,000 STRV. The WASDE has no change at this time for high-tier tariff imports, which remain estimated at 75,000 STRV.

Deliveries, Refining Loss, and Ending Stocks

Deliveries for domestic food and beverage use for FY 2010 are still estimated at 10.555 million STRV and at 10.500 million STRV for FY 2011. The ERS Sugar and Sweetener Team estimates FY 2010 sugar deliveries for human use through May 2010 at 6.870 million STRV, about the same as last year through the same corresponding period. Figure 4 shows that consumer prices for sugar and related products have increased much less than sugar producer prices.

Refining losses are expected to be in the area of -200,000 STRV for both FY 2010 and FY 2011. Refining losses through May 2010 are estimated at -142,469 STRV in *Sweetener Market Data* (SMD) from USDA's Farm Service Agency (FSA).

Ending stocks are the difference between total supply and total use. For FY 2010, ending stocks are estimated at 1.268 million STRV, implying an ending-year stocks-to-use ratio of 11.8 percent. The ending-year FY 2010 stocks estimate is the beginning stocks projection for FY 2011. Ending stocks for FY 2011 are projected at 952,000 STRV. The implied ending-year stocks-to-use ratio is 8.9 percent.

Table 1--U.S. raw sugar tariff-rate quota (TRQ) World Trade Organization (WTO) allocations and entries by month, fiscal year 2010, 7/13/10

	FY 2010 TRQ	TRQ reallocation 3/25/2010			April TRQ increase, May allocation		July TRQ increase and allocation	
	Orig. allocation	Decrease	Increase	Net	Increase	Net TRQ	Increase	Net TRQ
Argentina	45,281		3,729	49,010	7,826	56,836	16,953	73,789
Australia	87,402		7,197	94,599	15,106	109,705	32,723	142,428
Barbados	7,371	-7,371		0	0	0	0	0
Belize	11,583		954	12,537	2,002	14,539	4,337	18,876
Bolivia	8,424		694	9,118	1,456	10,574	3,154	13,728
Brazil	152,691		12,574	165,265	26,391	191,656	57,166	248,822
Colombia	25,273		2,081	27,354	4,368	31,722	9,462	41,184
Congo	7,258	-7,258		0	7,258	7,258	0	7,258
Costa Rica	15,796		1,301	17,097	2,730	19,827	5,914	25,741
Cote d'Ivoire	7,258			7,258	0	7,258	0	7,258
Dominican Republic	185,335		15,262	200,597	32,033	232,630	21,200	253,830
Ecuador	11,583		954	12,537	2,002	14,539	4,337	18,876
El Salvador	27,379		2,255	29,634	4,732	34,366	10,251	44,617
Fiji	9,477	-9,477		0	0	0	0	0
Gabon	7,258	-7,258		0	0	0	0	0
Guatemala	50,546		4,162	54,708	8,736	63,444	18,924	82,368
Guyana	12,636		1,041	13,677	2,184	15,861	4,731	20,592
Haiti	7,258	-7,258		0	0	0	0	0
Honduras	10,530		867	11,397	1,820	13,217	3,943	17,160
India	8,424		694	9,118	1,456	10,574	3,154	13,728
Jamaica	11,583		954	12,537	2,002	14,539	4,337	18,876
Madagascar	7,258	-7,258		0	0	0	0	0
Malawi	10,530		867	11,397	1,820	13,217	3,943	17,160
Mauritius	12,636	-8,800		3,836	2,185	6,021	1,000	7,021
Mexico	7,258			7,258	0	7,258	0	7,258
Mozambique	13,690		1,127	14,817	2,366	17,183	5,125	22,308
Nicaragua	22,114		1,821	23,935	3,822	27,757	8,279	36,036
Panama	30,538		2,515	33,053	5,278	38,331	11,433	49,764
Papua New Guinea	7,258			7,258	0	7,258	0	7,258
Paraguay	7,258			7,258	0	7,258	0	7,258
Peru	43,175		3,555	46,730	7,462	54,192	16,164	70,356
Philippines	142,160		11,706	153,866	24,571	178,437	0	178,437
South Africa	24,220		1,994	26,214	4,186	30,400	9,068	39,468
St. Kitts and Nevis	7,258	-7,258		0	0	0	0	0
Swaziland	16,849		1,387	18,236	2,912	21,148	6,308	27,456
Taiwan	12,636	-12,636		0	0	0	0	0
Thailand	14,743		1,214	15,957	2,548	18,505	5,520	24,025
Trinidad-Tobago	7,371	-7,371		0	0	0	0	0
Uruguay	7,258			7,258	0	7,258	0	7,258
Zimbabwe	12,636		1,041	13,677	2,185	15,862	4,731	20,593
Total	1,117,195	-81,945	81,946	1,117,195	181,437	1,298,632	272,157	1,570,787

Source: USDA, Foreign Agricultural Service, http://www.fas.usda.gov/smi_arc.asp

Table 2--USDA estimate of sugar imports in FY 2010, 7/13/10

Item	Metric tons, raw value	Short tons, raw value
Raw sugar TRQ	1,570,788	1,731,497
Less shortfall attributable to Mexico 1/	-7,258	-8,001
Less other shortfall	-107,955	-119,000
Total raw sugar TRQ	1,455,575	1,604,496
Refined sugar TRQ		
Allocation to Canada	10,300	11,354
Allocation to Mexico	2,954	3,256
Less Mexican shortfall 1/	-2,954	-3,256
Global	7,090	7,815
Specialty:		
Base	1,656	1,825
Additional	68,039	75,000
Total refined sugar TRQ	87,085	95,994
CAFTA/DR TRQ - calendar 2010	110,103	121,368
Singapore, Bahrain, Jordan	42	46
Peru	2,000	2,205
Total estimate TRQ entries	1,654,805	1,824,109
Mexico	390,093	430,000
Re-export program imports	362,878	400,000
Sugar syrups, high-tier	68,040	75,000
Total projected imports	2,475,815	2,729,109

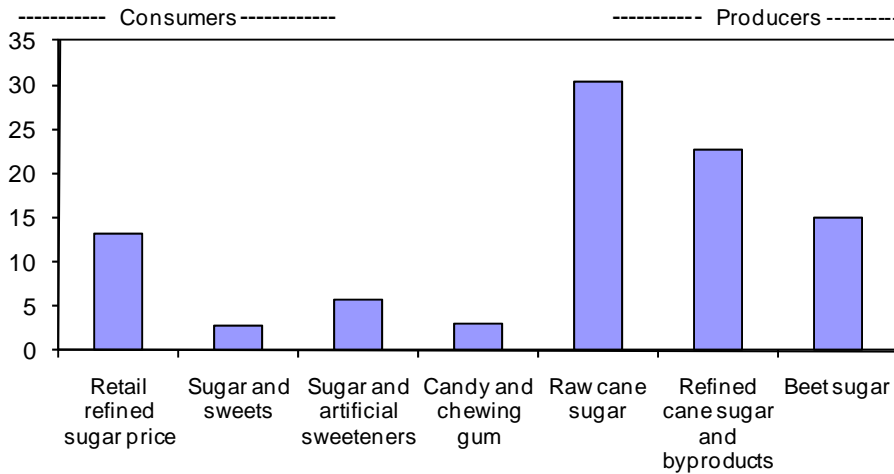
TRQ = Tariff-rate quota; CAFTA/DR = Central American Free Trade Agreement/Dominican Republic.

1/ Total entries from Mexico, quota and nonquota, reflected below.

Source: USDA, Foreign Agricultural Service.

Figure 4

Year-over-year comparison of sugar price indices, May 2009-May 2010



Source: Bureau of Labor Statistics.

Maple Syrup

The 2010 maple sugar season began unusually early because of higher-than-normal temperatures in New England and in the other producer States. The season’s length was also shorter, at 23 days on average, down from 28 days in 2009 and 30 days in 2008 when production was up. As temperatures in March warmed up too quickly, the flow of tree sap slowed and even stopped in parts of New England. The more northern States, like Vermont and New Hampshire, were relatively better off in terms of syrup shortfalls, raising hope that the Canadian maple output was not as adversely affected.

This year’s unfavorable weather conditions for sap flow and quality also reduced the sugar content of the sap. About 47 gallons of sap were needed to produce a gallon of syrup in 2010, up from 44 gallons of sap in 2009. Although syrup prices have not yet been reported for 2010, the question is not whether they will rise, but by how much? Since production in 2010 is only slightly higher than in 2008 before rising in 2009, prices may average close to \$40.70 per gallon as in 2008, or may exceed that level if demand is not weaker. Given that two-thirds of maple syrup produced in the United States is from New England and that the region’s output fell by 10 percent compared with more than 30 percent in the other producer States, prices may have a lower ceiling than otherwise. That is, had New England suffered a worse season than the other regions, syrup prices would be expected to be even higher.

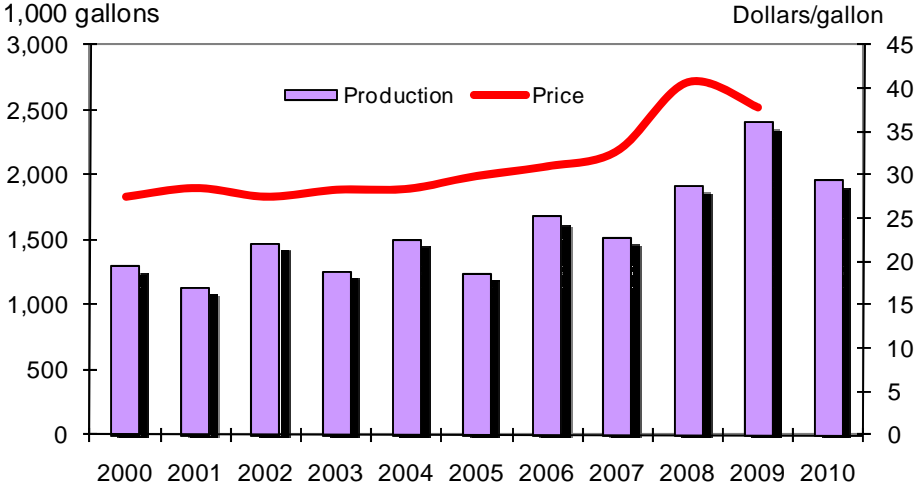
After 2 years of increases, U.S. production of maple syrup declined by 19 percent to 1.955 million gallons in 2010 from 2.404 million gallons in 2009. Despite 293,000 more tree taps in 2010, yield per tap dropped 21 percent. Imports from Canada will likely rise to supplant the domestic shortfall and keep syrup supply at around 7 million gallons. U.S. consumption of maple products may drop below 7 ounces per household if prices go above \$40 per gallon. Also, the import share of U.S. syrup consumption is anticipated to exceed the 77-percent level in 2009 and reach at least 80 percent, which is not unlike the share during the years prior to 2009.

A review of the 2009 maple season shows that the 7-percent price drop was attributed to the 26-percent production jump. Import shipments also fell 3 percent in 2009. Total U.S. syrup supply climbed 5 percent, and exports reached a record 953,800 gallons in 2009. The import share of consumption dropped from 85 to 80 percent, whereas the export share of production inched up from 12 to 13.5 percent. Consumption per capita more than doubled from 1.6

ounces in 1993 to a recent high of 3.3 ounces in 2007. The 2.8-ounce per capita consumption in 2008 and 2009 may not continue in 2010 if prices reach higher levels. Nevertheless, maple product producers may benefit from higher prices per unit sold if value per tap does not fall from the record \$10.11 in 2009.

The United States imported 5.37 million gallons of maple syrup in 2009, mostly from Canada. This amount represents 49 percent of Canadian production. Canada’s syrup output surged 86 percent to a record 10.9 million gallons in 2009 after a 5-percent drop in 2008. U.S. production in 2009 amounted to only 22 percent of Canada’s output. Of Canada’s total maple sugar exports, 62 percent was shipped to the United States. Despite the record Canadian syrup production in 2009, exports fell by 3 percent to the United States and were virtually unchanged in total. The lower U.S. production in 2010 is expected to raise U.S. imports from Canada as well as the import share of consumption, which fell below 80 percent in 2009 for the first time since 1992.

Figure 5
Maple syrup price is expected to rise in 2010



Source: USDA, National Agricultural Statistics Service, *Maple Syrup*.

U.S. Sugar Policy and Recent World and Domestic Price Movements

The goal of the U.S. sugar program is to provide support to domestic sugar crop producers while assuring adequate supplies to meet domestic demand at reasonable prices. The program uses price supports, domestic marketing allotments, and tariff-rate quotas (TRQs) to control the amount of sugar in the U.S. sugar market. The TRQ fixes the amount of sugar that can enter the U.S. market (currently about 15 percent of consumption demand) at low import duties. Although sugar can be imported from other countries outside the TRQ, high duties must be paid that make the cost of sugar to the consumer prohibitively high. Also, due to the North American Free Trade Agreement (NAFTA), sugar produced in Mexico can be imported at zero duty without quantitative restriction.

The Food, Conservation, and Energy Act of 2008 (2008 Farm Act) introduced additional restrictions on U.S. sugar imports. The 2008 Act stipulated that the sugar TRQ be established at the beginning of the marketing year at the minimum level required to comply with international trade agreements approved by the U.S. Congress. Before April 1 of the fiscal year, the sugar TRQ cannot be increased unless an emergency situation, such as a natural disaster or war, causes a sugar shortage. After April 1, if a sugar shortage occurs, regardless of the cause, sugar imports can be increased by the Secretary of Agriculture, provided that there is no conflict with the price support aspect of the sugar program.

The U.S. sugar situation in 2009/10 has been difficult. The marketing year began in October 2009 with sugar stocks lower than normal. Production failed to fully recover from its poor showing from the year before, mainly due to poor sugar beet harvest conditions and lower-than-expected sugarcane production in Florida and Texas. Sugar imports from Mexico, which had been well over a million tons in 2008/09, were down substantially due to lower-than-expected production and lower-than-normal beginning-year sugar stocks in Mexico. As explained above, sugar imports under the TRQ were set at minimum mandated levels. High world sugar prices provided exporting alternatives to countries that normally export sugar to the United States under the TRQ. Although the Secretary of Agriculture has increased the TRQ by 500,000 short tons, raw value (STRV) since April 1, projected stocks at the end of the marketing year are still at historically low levels.

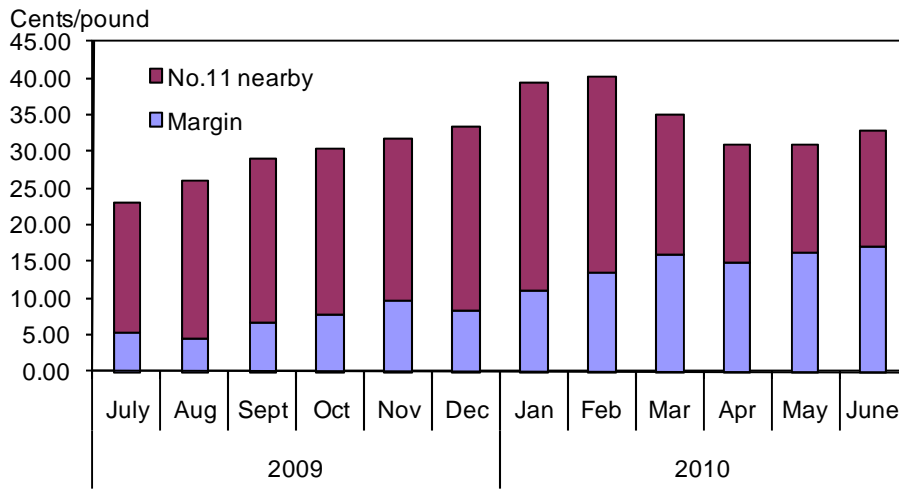
As a consequence of short supplies, U.S. sugar prices increased and remained above corresponding world prices in order to remain attractive to TRQ exporters. Figure 6 shows the growth in domestic and world raw sugar prices and the margin between them from July 2009 through June 2010.¹ Both domestic and world prices increased from July 2009 through February 2010, but the domestic growth rate exceeded the world growth rate. The margin between the prices was about 5 cents/pound (lb) in July-August 2009 and grew to about 12 cents in January-February 2010. Since February, world prices have decreased more than 40 percent, while domestic prices have decreased only about 20 percent. The margins between world and domestic prices in the late spring are more than 16 cents/lb, more than three times as high as in summer 2009. The margin between the prices has grown even as world prices have declined.

Domestic U.S. sugar prices are affected by world prices, primarily to keep the United States competitive in attracting TRQ imports. Beyond this relationship, conclusions about world prices influencing domestic prices are harder to sustain. The increasing price margin over the period reflects growing domestic market concerns about supplies being sufficient to meet demand through the remainder of the 2009/10 marketing year.

¹ The Secretary of Agriculture increased the TRQ by 300,000 STRV on July 6, after the period shown in the figure.

Figure 6

No. 16 nearby U.S. raw sugar price and relationship to No. 11 world raw sugar price, July 2009-June 2010



Source: Inter-Continental Exchange.

Table 3--U.S. sugar: Supply and use, by fiscal year, short tons 1/, 7/13/2010

Item	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
								projection Jul-10
<i>1,000 short tons, raw value</i>								
Beginning stocks 2/	1,670	1,897	1,332	1,698	1,799	1,660	1,499	1,268
Total production 3/,4/	8,649	7,876	7,399	8,445	8,152	7,532	7,805	8,235
Beet sugar	4,692	4,611	4,444	5,008	4,721	4,214	4,450	4,710
Cane sugar	3,957	3,265	2,955	3,438	3,431	3,318	3,355	3,525
Florida	2,154	1,693	1,367	1,719	1,645	1,577	1,638	1,785
Louisiana	1,377	1,157	1,190	1,320	1,446	1,397	1,465	1,465
Texas	175	158	175	177	158	152	116	140
Hawaii	251	258	223	222	182	192	136	135
Puerto Rico	0	0	0	0	0	0	0	
Total imports	1,750	2,100	3,443	2,080	2,620	3,082	2,729	2,084
Tariff-rate quota imports 5/	1,226	1,408	2,588	1,624	1,354	1,370	1,824	1,224
Other program imports	464	500	349	390	565	308	400	300
Nonprogram imports	60	192	506	66	701	1,404	505	560
Mexico 6/				60	694	1,402	430	550
Total supply	12,070	11,873	12,174	12,223	12,571	12,274	12,033	11,587
Total exports 3/	288	259	203	422	203	137	200	150
Quota-exempt for reexport	288	259	203	422	203	137	200	150
Other exports	0	0	0					
CCC disposal, for export	0	0	0					
Miscellaneous	23	94	-67	-132	0	0	-200	-200
CCC disposal, for domestic nonfood use	0	0	0	0	0	0	0	0
Refining loss adjustment	0	0	0	0	0	0	-200	-200
Statistical adjustment 7/	23	94	-67	-132	0	0	0	0
Deliveries for domestic use	9,862	10,188	10,340	10,135	10,708	10,638	10,765	10,685
Transfer to sugar-containing products for exports under re-export program	142	121	106	169	141	113	170	145
Transfer to polyhydric alcohol, feed	41	48	51	53	61	46	40	40
Deliveries for domestic food and beverage use 8/	9,678	10,019	10,184	9,913	10,506	10,479	10,555	10,500
Total use	10,172	10,542	10,476	10,424	10,912	10,775	10,765	10,635
Ending stocks 2/	1,897	1,332	1,698	1,799	1,660	1,499	1,268	952
Privately owned								
CCC	0	0	0	0	0	0	0	0
<i>Percent</i>								
Stocks-to-use ratio	18.65	12.63	16.21	17.25	15.22	13.91	11.78	8.95

CCC = Commodity Credit Corporation.

Note: Numbers may not add due to rounding.

1/ Fiscal year beginning October 1. 2/ Stocks in hands of primary distributors and CCC. 3/ Historical data are from USDA Farm Service Agency (FSA) (formerly ASCS) for *Sweetener Market Data* (SMD) and USDA, National Agricultural Statistics Service, *Sugar Market Statistics* prior to 1992. 4/ Production reflects processors' projection compiled by FSA. 5/ Actual arrivals under the tariff-rate quota (TRQ) with late entries, early entries, and TRQ overfills assigned to the fiscal year in which they actually arrived. The 2010/11 available TRQ assumes shortfall of 160,257 tons. 6/ Starting in 2007/08, total includes imports under Mexico's World Trade Organization TRQ allocation for raw and refined sugar. 7/ Calculated as a residual. Largely consists of invisible stocks change. 8/ For FY 2008-10, combines SMD deliveries for domestic human use, SMD miscellaneous uses, and the difference between SMD imports and *World Agricultural Supply and Demand Estimates imports*.

Table 4--U.S. sugar: Supply and use (including Puerto Rico), fiscal years, metric tons 1/, 7/13/2010

Item	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
	<i>1,000 metric tons, raw value</i>							
Beginning stocks 2/	1,515	1,721	1,208	1,540	1,632	1,506	1,359	1,150
Total production 3/ 4/	7,846	7,145	6,712	7,662	7,396	6,833	7,081	7,471
Beet sugar	4,257	4,183	4,032	4,543	4,283	3,823	4,037	4,273
Cane sugar	3,590	2,962	2,681	3,119	3,113	3,010	3,044	3,198
Florida	1,954	1,536	1,241	1,559	1,492	1,431	1,486	1,619
Louisiana	1,249	1,049	1,079	1,198	1,312	1,267	1,329	1,329
Texas	159	143	159	161	143	138	105	127
Hawaii	228	234	202	201	165	174	123	122
Puerto Rico	0	0	0	0	0	0	0	0
Total imports	1,588	1,905	3,124	1,887	2,377	2,796	2,476	1,891
Tariff-rate quota imports 5/	1,113	1,277	2,348	1,473	1,228	1,243	1,655	1,110
Other program imports	421	454	317	354	513	279	363	272
Nonprogram imports	54	174	459	60	636	1,274	458	508
Mexico 6/	0	0	0	54	630	1,272	390	499
Total supply	10,950	10,771	11,044	11,088	11,404	11,135	10,916	10,512
Total exports 3/	261	235	184	383	184	124	181	136
Quota-exempt for re-export	261	235	184	383	184	124	181	136
Other exports	0	0	0	0	0	0	0	0
CCC disposal, for export	0	0	0	0	0	0	0	0
Miscellaneous	20	85	-61	-120	0	0	-181	-181
CCC disposal, for domestic nonfood use	0	0	0	0	0	0	0	0
Refining loss adjustment	0	0	0	0	0	0	-181	-181
Statistical adjustment 7/	20	85	-61	-120	0	0	0	0
Deliveries for domestic use	8,947	9,243	9,381	9,194	9,715	9,650	9,766	9,693
Transfer to sugar-containing products for exports under re-export program	129	110	96	153	128	102	154	132
Transfer to polyhydric alcohol, feed	38	44	46	48	56	42	36	36
Deliveries for domestic food and beverage use 8/	8,780	9,089	9,239	8,993	9,531	9,506	9,575	9,526
Total use	9,228	9,563	9,504	9,457	9,899	9,775	9,766	9,648
Ending stocks 2/	1,721	1,208	1,540	1,632	1,506	1,360	1,150	864
Privately owned	0	0	0	0	0	0	0	0
CCC	0	0	0	0	0	0	0	0
	<i>Percent</i>							
Stocks-to-use ratio	18.65	12.63	16.21	17.25	15.22	13.91	11.78	8.95

CCC = Commodity Credit Corporation.

Note: Numbers may not add due to rounding.

1/ Fiscal year beginning October 1. 2/ Stocks in hands of primary distributors and CCC. 3/ Historical data are from USDA, Farm Service Agency (FSA) (formerly ASCS), *Sweetener Market Data* (SMD) and USDA, National Agricultural Statistics Service, *Sugar Market Statistics* prior to 1992. 4/ Production reflects processors' projections compiled by the FSA. 5/ Actual arrivals under the tariff-rate quota (TRQ) with late entries, early entries, and TRQ overfills assigned to the fiscal year in which they actually arrived. The 2010/11 available TRQ assumes shortfall of 145,383 tonnes. 6/ Starting in 2007/08, total includes imports under Mexico's World Trade Organization TRQ allocation for raw and refined sugar. 7/ Calculated as a residual. Largely consists of invisible stocks change. 8/ For FY 2008-10, combines SMD deliveries for domestic and human use, SMD miscellaneous uses, and the difference between SMD imports and *World Agricultural Supply and Demand Estimates* imports.

Table 5--Mexico: Sugar production and supply and sugar and high fructose corn syrup (HFCS) utilization, by fiscal years, 7/13/2010

Fiscal year (Oct/Sept)	2003	2004	2005	2006	2007	2008	2009	2010 1/	2011 1/
	<i>1,000 metric tons</i>								
Beginning stocks	1,172	1,194	1,237	1,965	1,294	1,718	1,975	488	868
Production	5,229	5,330	6,149	5,604	5,633	5,852	5,260	5,120	5,450
Imports	63	327	268	240	474	226	160	820	150
Supply	6,464	6,851	7,654	7,809	7,401	7,796	7,395	6,428	6,468
Disappearance									
Human consumption	5,097	5,380	5,279	5,326	5,133	5,090	5,065	4,770	4,550
Other consumption	135	220	282	323	390	414	475	400	400
Miscellaneous						-360			
Total	5,232	5,600	5,561	5,649	5,523	5,144	5,540	5,170	4,950
Exports	38	14	128	866	160	677	1,367	390	500
Total use	5,270	5,614	5,689	6,515	5,683	5,821	6,907	5,560	5,450
Ending stocks	1,194	1,237	1,965	1,294	1,718	1,975	488	868	1,018
Stocks-to-human consumption	23.4	23.0	37.2	24.3	33.5	38.8	9.6	18.2	22.4
Stocks-to-use	22.7	22.0	34.6	19.9	30.2	33.9	7.1	15.6	18.7
HFCS consumption (dry weight)	130	135	355	667	698	782	653	1,200	1,400

1/ Forecast.

Sources: USDA, Foreign Agricultural Service, Production, Supply and Distribution database (historical data); *World Agricultural Supply and Demand Estimates*.

Table 6--U.S. sugar supply and utilization projected by ERS Sugar and Sweeteners Team, fiscal year 2010, by *Sweetener Market Data* (SMD) sectors, 7/13/10

Item	U.S. beet sugar	U.S. cane sugar 1/ <i>1,000 short tons, raw value</i>	Nonreporters	Total
Beginning stocks	530	969		1,498
Production	4,450	3,355		7,805
Cane refiner statistical adjustment 2/	0	200	0	200
Imports	0	2,242	487	2,729
Raw sugar tariff-rate quota (TRQ)		1,604		1,604
Refined sugar TRQ			96	96
TRQ under Free Trade Agreements		121	2	124
Refined CAFTA (to Puerto Rico)		-42	42	
Other program (reexport programs, polyhydric)		400		400
Mexico		140	289	430
High-tier tariff sugar			75	75
Refined imports to refiners		18	-18	0
Intersector receipts	0	0	0	0
Supply miscellaneous	0	0	0	0
Raw sugar import data sourcing adjustment 3/	0	0	0	0
Intrasector transfers	0	0	0	0
Sales by cane processors	0	-3,442	0	-3,442
Receipts by cane refiners	0	3,442	0	3,442
Beet intrasector receipts less sales	0	0	0	0
Total supply	4,980	6,767	487	12,233
Exports (mostly refined sugar re-export)	20	180	0	200
Deliveries:	4,693	5,585	487	10,765
Human consumption	4,650	5,419	487	10,555
Polyhydric alcohol manufacturers & other	2	18		20
Product re-export program	26	145		170
Livestock feed	16	4		20
Intersector sales	0	0	0	0
Use miscellaneous	0	0	0	0
Inventory adjustments	0	0	0	0
Total use	4,713	5,765	487	10,965
Ending stocks	267	1,001	0	1,268

CAFTA = Central American Free Trade Agreement.

1/ Combined U.S. sugarcane processors and cane sugar refiners.

2/ Referred to as "refiners' losses" in *Sweetener Market Data*.

3/ Imports reported by SMD less imports reported by U.S. Customs Service.

Source: USDA, ERS, Sugar and Sweeteners Team.

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Data

Tables from the *Sugar and Sweeteners Yearbook* are available in the Sugar and Sweeteners Briefing Room at <http://www.ers.usda.gov/briefing/sugar/>. They contain the latest data and historical information on the production, use, prices, imports, and exports of sugar and sweeteners.

Related Websites

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