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# Sugar and Sweeteners Outlook

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## Export Limit for Imports from Mexico in 2016/17 Anticipated To Be Unchanged From September Announcement, due to U.S. Needs Calculation Falling Below Previously Established Export Limit

The next release is  
January 19, 2017

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Approved by the  
World Agricultural  
Outlook Board.

U.S. sugar supplies in 2016/17 are projected to total 14.092 million short tons, raw value (STRV), in the December *World Agricultural Supply and Demand Estimates* (WASDE), a 14,000-STRV increase from the November report. Domestic production is projected to increase 11,000 STRV, while imports are projected to increase 5,000 STRV and beginning stocks are revised down slightly compared with last month's projection. Imports from Mexico are reduced 45,000 STRV to 972,000. The U.S. Department of Commerce (USDOC) recalculates the Export Limit for Mexico sugar processors in December, according to the terms of the suspension agreements signed in December 2014. This month's calculation of the U.S. Needs fell below the level set by USDOC in September. Therefore, according to the terms of the agreement, the Export Limit is carried over from the September level. There are no changes to projections of U.S. sugar use, totaling 12.180 million STRV. The stocks-to-use ratio is projected to be 15.7 percent for 2016/17.

Mexico sugar production in 2016/17 is projected to total 6.371 million metric tons, actual value (MT), a 71,000-MT increase from the previous month. The change is based on the first official estimate of 2016/17 production by Mexican officials. Deliveries in 2016/17 are projected to be 65,000 MT less than the November WASDE report, also based on official estimates from Mexican authorities. Exports are projected to total 1.470 million MT, based on the anticipated December Export Limit calculated by USDOC for shipments to the United States and on the remaining exportable supplies after inventories are held to meet domestic and export needs for the beginning of 2017/18. The stocks-to-consumption ratio is projected to total 28.0 percent, up from the previous month's level of 27.8 percent.

The Foreign Agricultural Service (FAS) published updated global sugar market projections in its November release of *Sugar: World Markets and Trade*. While global production is projected to increase in 2016/17 over 2015/16, the pace of global consumption is high enough for global stock levels to be drawn down for the second consecutive year. World raw sugar prices have been increasing, due in part to tighter global supplies compared with recent years of production surpluses.































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### **Fcv''**

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

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