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Sugar and Sweeteners Outlook: August 2024

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In this report:

Record-high U.S. 2024/25 Sugar Production; Mexico 2023/24 Sugar Production Finalized

In the August *World Agricultural Supply and Demand Estimates* (*WASDE*), the U.S. 2023/24 sugar supply is raised from last month by 20,000 short tons, raw value (STRV) to 14.702 million on larger imports and Florida cane sugar production offsetting lower beet sugar production. Total use is lowered 37,000 STRV to 12.659 million as a 50,000-STRV reduction in deliveries for human consumption more than offset the increases in the other delivery categories. Ending stocks are raised 57,000 STRV to 2.043 million STRV, which corresponds to a stocks-to-use ratio of 16.1 percent, up 0.5 of a percentage point from last month.

The U.S. 2024/25 sugar supply is raised 240,000 STRV to 14.490 million as the increases in beginning stocks and a record-high domestic sugar production more than offset the reduction in imports. Deliveries for human consumption are lowered 50,000 STRV to 12.300 million, in line with 2023/24. With no changes to exports and other delivery categories, total use is reduced 50,000 STRV to 12.505 million. Ending stocks are residually calculated at 1.985 million STRV and the stocks-to-use ratio is 15.9 percent, up 2.4 percentage points from last month.

Mexico's 2023/24 sugar production is finalized at 4.704 million metric tons (MT), a 24-year low. Total imports are increased 50,000 MT to a record 797,000. Domestic sugar deliveries for human consumption are lowered 90,000 MT on the increased pace of imports of lower-priced high-corn fructose syrup. For 2024/25, over-the-month adjustments are relatively small except for increases in beginning stocks and the residually calculated exports to other countries.

U.S. Outlook Summary

In the August *World Agricultural Supply and Demand Estimates* (*WASDE*), the U.S. 2023/24 sugar supply is raised from last month by 20,000 short tons, raw value (STRV) to 14.702 million on larger imports and Florida cane sugar production offsetting lower beet sugar production (table 1). Total imports are raised 69,000 STRV to 3.689 million, the second largest behind 2019/20, on increases in high-tier tariff sugar (up 59,000 STRV to a new record of 1.029 million) and sugar from Mexico (up 11,000 STRV to 515,000—the lowest in 13 years). Deliveries for human consumption are reduced 50,000 STRV to 12.300 million, more than offsetting the combined 13,000-STRV increase in other delivery categories. With exports unchanged at 241,000 STRV, total use is lowered 37,000 STRV to 12.659 million. Thus, ending stocks are raised 57,000 STRV to 2.043 million STRV, which corresponds to a stocks-to-use ratio of 16.1 percent, up 0.5 of a percentage point from last month.

The U.S. 2024/25 sugar supply is raised 240,000 STRV to 14.490 million as a 57,000-STRV increase in beginning stocks and a record-high domestic sugar production of 9.514 million STRV (figure 1) more than offset a slight 5,800-STRV reduction in imports. A 127,000-STRV increase in beet sugar production results in a record volume of 5.363 million; an additional 62,000-STRV in Florida production raises the national cane sugar output to 4.151 million, also a record. Deliveries for human consumption are lowered 50,000 STRV to 12.300 million, which aligns with 2023/24. With no changes to exports or other delivery categories, total use is reduced 50,000 STRV to 12.505 million STRV. The larger supply and smaller use results in ending stocks increasing by 290,000 STRV to 1.985 million STRV, which correspond to a stocks-to-use ratio of 15.9 percent, up 2.4 percentage points from last month.

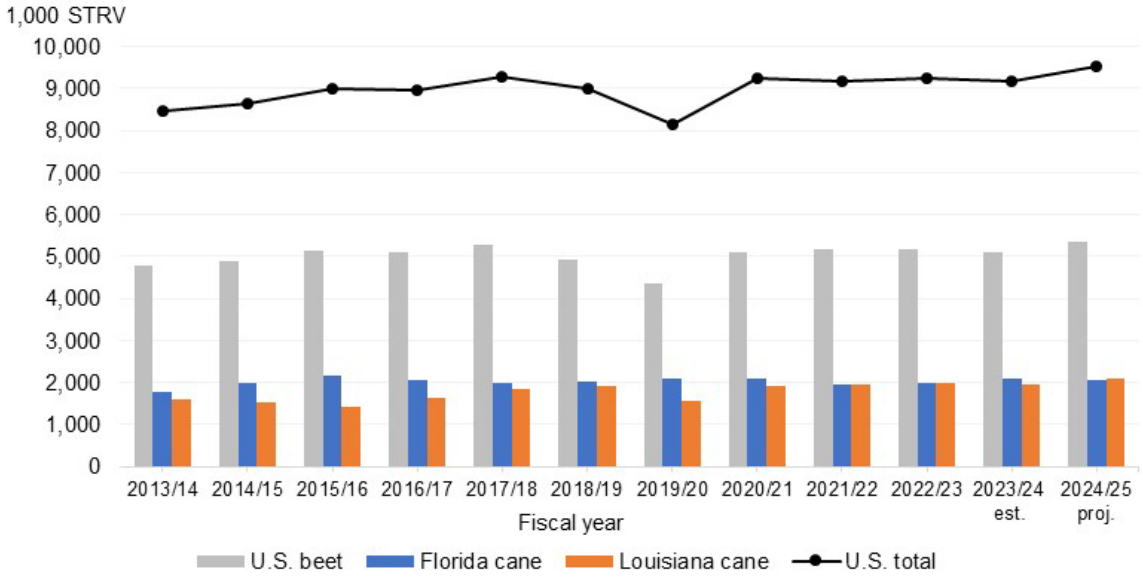
Table 1: U.S. sugar supply and use by fiscal year (October–September), August 2024

	2022/23	2023/24			2024/25		
	Final	July (estimate)	August (estimate)	Monthly change	July (forecast)	August (forecast)	Monthly change
		1,000 short tons, raw value					
Beginning stocks	1,820	1,843	1,843	0	1,986	2,043	57
Total production	9,250	9,220	9,171	-49	9,325	9,514	189
Beet sugar	5,187	5,179	5,118	-61	5,236	5,363	127
Cane sugar	4,063	4,041	4,053	12	4,089	4,151	62
Florida	1,985	2,065	2,077	12	2,004	2,066	62
Louisiana	2,001	1,936	1,936	0	2,085	2,085	0
Texas	76	40	40	0	0	0	0
Total imports	3,614	3,619	3,689	69	2,939	2,933	-6
Tariff-rate quota imports	1,862	1,798	1,798	0	1,647	1,644	-3
Other program imports	141	288	288	0	200	200	0
Non-program imports	1,611	1,533	1,603	69	1,092	1,089	-3
Mexico	1,156	504	515	11	790	790	0
High-tier tariff/other	455	1,029	1,088	59	302	299	-3
High-tier tariff	455	970	1,029	59	243	240	-3
Total supply	14,685	14,682	14,702	20	14,250	14,490	240
Total exports	82	241	241	0	100	100	0
Miscellaneous	171	0	0	0	0	0	0
Total deliveries	12,589	12,455	12,418	-37	12,455	12,405	-50
Domestic food and beverage use	12,473	12,350	12,300	-50	12,350	12,300	-50
To sugar-containing products re-export program	94	80	95	15	80	80	0
For polyhydric alcohol, feed, other alcohol	22	25	23	-2	25	25	0
Commodity Credit Corporation (CCC) for ethanol	0	0	0	0	0	0	0
Total use	12,843	12,696	12,659	-37	12,555	12,505	-50
Ending stocks	1,843	1,986	2,043	57	1,695	1,985	290
Private	1,843	1,986	2,043	57	1,695	1,985	290
Commodity Credit Corporation	0	0	0	0	0	0	0
Stocks-to-use ratio (percent)	14.3	15.6	16.1	0	13.5	15.9	2.4

Note: Totals and monthly changes may not add due to rounding.

Source: USDA, World Agricultural Outlook Board, *World Agricultural Supply and Demand Estimates (WASDE)* .

Figure 1
U.S. production of beet and cane sugar, fiscal year 2013/14–2024/25



STRV = short tons, raw value; est. = estimated; proj. = projected.

Source: USDA, World Agricultural Outlook Board, *World Agricultural Supply and Demand Estimates* (*WASDE*).

U.S. Beet Sugar Production Lowered in 2023/24; Projected at Record-high in 2024/25

The U.S. beet sugar production in crop year 2023/24 (August 2023–July 2024) is reduced from last month by 21,000 STRV to 5.136 million STRV (table 2), implying a July output of about 62,000 STRV that is in line with the 5-year average. With one month left in the crop year, the sugarbeet shrink is increased to 9.25 percent based on the beet processors' most recent report to USDA, Farm Service Agency (FSA) Sweetener Market Data (*SMD).* After months of unusual decline post-December, sucrose recovery stabilized at 14.7 percent (figure 2). Sugar production from desugared molasses is adjusted downwards to 278,000 STRV based on pace, implying a July production of 26,000 STRV, which is consistent with the 10-year average. The forecast of early sugar production in August–September 2024 is unchanged at 644,000 STRV. Thus, the fiscal year 2023/24 beet sugar production is reduced by 61,000 STRV to 5.118 million, a 1-percent decrease from 2022/23's 5.187 million STRV.

The 2024/25 fiscal year beet sugar production is increased 127,000 STRV to a new high of 5.363 million STRV, overtaking 2017/18 (5.279 million STRV) and representing a 5-percent increase from 2023/24. The increase is mainly driven by USDA, National Agricultural Statistic Services (NASS) August 12 *Crop Production* report's initial national sugarbeet yield forecast of 32.9 tons per acre, the second largest in history behind 2021/22, and 5 percent larger than

2023/24 (table 3). Over-the-year increases in yield forecast can be observed across the producing States except for Idaho, Montana, and Washington. The relatively higher yield expectation reflects the positive effect of the early crop planting and offsets the 41,300-acre reduction (4 percent) in harvested area, led by Minnesota (down 30,000 acres) and North Dakota (down 15,000 acres)—the two major producers (table 4).

Table 2: U.S. beet sugar production, 2022/23–2024/25

	2022/23 Final	2023/24 July	2023/24 August	Monthly change	2024/25 July	2024/25 August	Monthly change
Sugarbeet production (1,000 short tons) 1/	32,644	36,116	36,413	297	34,598	35,708	1,110
Sugarbeet shrink (percent)	6.39	9.18	9.25	0.07	6.66	6.51	-0.14
Sugarbeet sliced (1,000 short tons)	30,558	32,801	33,044	243	32,295	33,382	1,087
Sugar extraction rate from slice (percent)	15.35	14.76	14.70	-0.06	14.85	14.75	-0.10
Sugar from beets sliced (1,000 STRV) 2/	4,690	4,843	4,858	15	4,796	4,923	127
Sugar from molasses (1,000 STRV) 2/	372	314	278	-36	400	400	0
Crop year sugar production (1,000 STRV) 2/	5,061	5,157	5,136	-21	5,196	5,323	127
Aug.–Sep. sugar production (1,000 STRV)	537	663	663	0	644	644	0
Aug.–Sep. sugar production of subsequent crop (1,000 STRV)	663	644	644	0	644	644	0
Sugar from imported beets (1,000 STRV) 3/	N/A	40	N/A	N/A	40	40	0
Fiscal year sugar production (1,000 STRV)	5,187	5,179	5,118	-61	5,236	5,363	127

STRV = short tons, raw value; N/A = not applicable.

Note: Totals and monthly changes may not add due to rounding.

1/ USDA, National Agricultural Statistics Service.

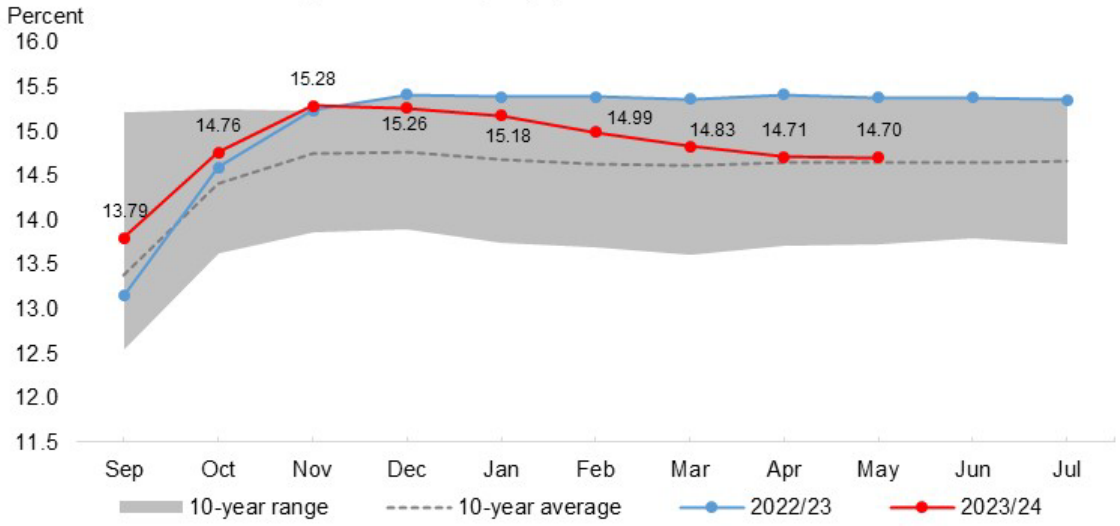
2/ August–July.

3/ Sugar from imported beets are already included in the final crop year production. Typically, this component is separated for projection purposes and included in the total once the full crop year slice is available.

Source: USDA, Economic Research Service; USDA, World Agricultural Outlook Board; USDA, Farm Service Agency *Sweetener Market Data* report.

Figure 1

U.S. cumulative beet sugar extraction, crop year 2013/14–2023/24



Note: Extraction rate = 100 * (sugar produced from sliced beets / sliced beets).

Source: USDA, Economic Research Service calculations using data from USDA, Farm Service Agency.

Table 3: Sugarbeet yield per acre, 2019/20–2024/25

Region and State	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	Over-the-year change	
			Tons per acre				Tons per acre	Percent
Great Lakes	**28.6**	**28.3**	**37.4**	**28.8**	**33.9**	**36.5**	**2.6**	**7.7**
Michigan	28.6	28.3	37.4	28.8	33.9	36.5	2.6	7.7
Upper Midwest	**25.0**	**26.1**	**31.0**	**25.7**	**28.7**	**30.0**	**1.3**	**4.5**
Minnesota	25.0	26.1	31.0	25.7	28.7	30.0	1.3	4.5
North Dakota	26.0	24.9	29.2	26.1	26.8	30.4	3.6	13.4
Great Plains	**28.7**	**30.8**	**31.0**	**27.8**	**29.3**	**30.5**	**1.2**	**4.0**
Colorado	30.7	31.3	33.7	28.7	28.3	31.6	3.3	11.7
Montana	31.6	31.3	29.8	30.5	31.6	30.5	-1.1	-3.4
Nebraska	25.4	31.0	31.9	24.2	28.6	30.2	1.6	5.5
Wyoming	28.3	29.6	29.5	29.1	29.4	30.1	0.7	2.3
Far West	**39.8**	**41.3**	**40.2**	**39.0**	**40.9**	**40.3**	**-0.5**	**-1.3**
California	45.4	46.6	45.4	48.8	48.8	48.8	0.0	0.0
Idaho	39.0	40.5	39.5	38.1	40.0	39.2	-0.8	-2.0
Oregon	38.5	40.9	37.9	33.9	36.4	38.5	2.2	6.0
Washington	45.4	47.9	45.8	44.0	49.5	48.5	-1.0	-2.0
U.S. total	**29.2**	**29.4**	**33.2**	**28.7**	**31.2**	**32.9**	**1.6**	**5.2**

Source: USDA, Economic Research Service calculations using USDA, National Agricultural Statistics Service data.

Table 4: Sugarbeet area harvested, 2019/20–2024/25

Region and State	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	Over-the-year change	
			1,000 acres				1,000 acres	Percent
Great Lakes	**145.0**	**154.0**	**142.0**	**138.0**	**132.0**	**134.0**	**2.0**	**1.5**
Michigan	145.0	154.0	142.0	138.0	132.0	134.0	2.0	1.5
Upper Midwest	**507.0**	**647.0**	**618.0**	**680.0**	**666.0**	**621.0**	**-45.0**	**-6.8**
Minnesota	337.0	429.0	396.0	431.0	438.0	408.0	-30.0	-6.8
North Dakota	170.0	218.0	222.0	249.0	228.0	213.0	-15.0	-6.6
Great Plains	**127.0**	**138.1**	**141.5**	**121.6**	**120.0**	**126.5**	**6.5**	**5.4**
Colorado	24.3	23.7	23.6	20.5	21.3	23.5	2.2	10.3
Montana	36.6	38.1	43.5	33.6	23.3	24.0	0.7	3.0
Nebraska	42.1	45.7	43.8	39.6	46.6	47.0	0.4	0.9
Wyoming	24.0	30.6	30.6	27.9	28.8	32.0	3.2	11.1
Far West	**202.6**	**202.7**	**207.0**	**197.9**	**209.3**	**204.5**	**-4.8**	**-2.3**
California	24.4	23.4	23.7	18.0	22.6	22.6	0.0	0.0
Idaho	166.0	168.0	171.0	170.0	174.0	169.0	-5.0	-2.9
Oregon	9.8	9.4	10.4	7.9	10.7	10.9	0.2	1.9
Washington	2.4	1.9	1.9	2.0	2.0	2.0	0.0	0.0
U.S. total	**981.6**	**1,141.8**	**1,108.5**	**1,137.5**	**1,127.3**	**1,086.0**	**-41.3**	**-3.7**

Source: USDA, Economic Research Service calculations using USDA, National Agricultural Statistics Service data.

U.S. Cane Sugar Production Increased in 2023/24; Record-high Forecast in 2024/25

The fiscal year 2023/24 U.S. cane sugar production is raised 12,000 STRV from last month to 4.053 million STRV, closely matching 2022/23 (4.063 million), solely on a 12,000-STRV addition in Florida's June production. Typically, the State's harvest campaign concludes in May but was extended this year due to unseasonal rains early in the year. Florida's recently adjusted 2.077

million-STRV output reflects a 92,000-STRV increase (5 percent) from 2022/23 and allows the State to regain the top spot from Louisiana after 2 years.

The 2024/25 U.S. cane sugar output is increased from last month by 62,000 STRV to 4.151 million—a new high surpassing 2020/21's 4.142 million—despite losing production in Texas. This month's upward adjustment is solely based on Florida sugarcane processors' 62,000-STRV increase to 2.066 million submitted in the *SMD*; however, this output remains about 1 percent lower than 2023/24. This increase is supported by NASS *Crop Production* report's larger forecast of 2024/25 sugarcane production in the State.

There were no changes for the 2024/25 Louisiana sugar production forecast of 2.085 million-STRV, which would be a new record for the State. This level of output implies about a 150,000-STRV increase (8 percent) from the State's 2023/24 drought-affected production, allowing it to overtake Florida for a third year.

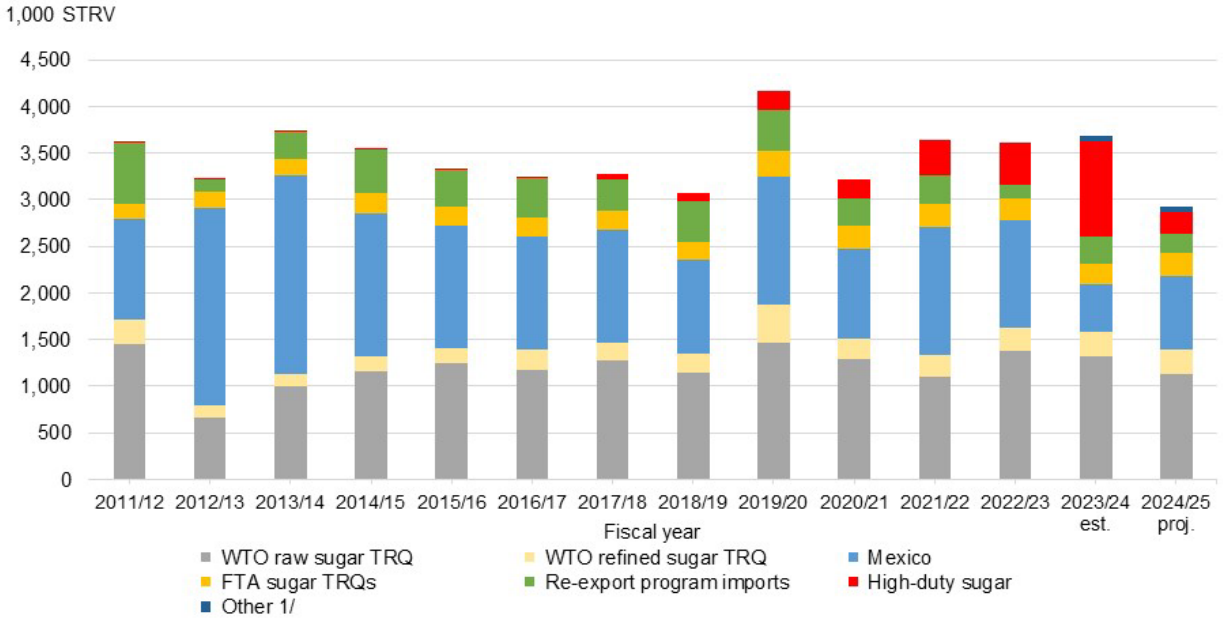
U.S. Total Sugar Imports Raised in 2023/24; Slightly Lowered in 2024/25

U.S. total sugar imports in 2023/24 are raised from last month by 69,000 STRV to 3.689 million, 74,000-STRV higher (2 percent) than last year and would be the second largest behind 2019/20 (4.165 million STRV) (figure 3). The increase is driven by larger imports of high-tier duty sugar (up 59,000 STRV to 1.029 million) and of sugar from Mexico (up 11,000 STRV to 515,000). Despite the upward adjustment, imports from Mexico would be the lowest in 13 years. The raw sugar equivalent of imported molasses[1] used as refiners' melt input is unchanged at 58,899 STRV.

For 2024/25, U.S. total imports are slightly reduced by 6,000 STRV to 2.933 million, which would be 756,000-STRV lower (20 percent) than 2023/24. Across the categories, only sugar imports from Mexico (790,000 STRV) reflects a notable increase from 2023/24; the volume of imported molasses remains at 58,899 STRV.

[1] Refer to the June 2024 *Sugar and Sweeteners Outlook* for a detailed description of the initial accounting, using publicly available data, of the cane molasses that is being imported as an input to produce refined cane sugar by *SMD*-reporting cane refiners.

Figure 3
U.S. sugar imports by type, fiscal year 2011/12–2024/25



STRV = short tons, raw value; FTA = free trade agreement; WTO = World Trade Organization; TRQ = tariff-rate quota; est. = estimated; proj. = projected.

1/ The corresponding Harmonized Tariff Schedule of the United States (HTSUS) is 1703.10.3000 and the corresponding description is "Cane molasses: Imported for (a) the commercial extraction of sugar or (b) human consumption."

Source: USDA, World Agricultural Outlook Board, *World Agricultural Supply and Demand Estimates* (*WASDE*); USDA, Foreign Agricultural Service.

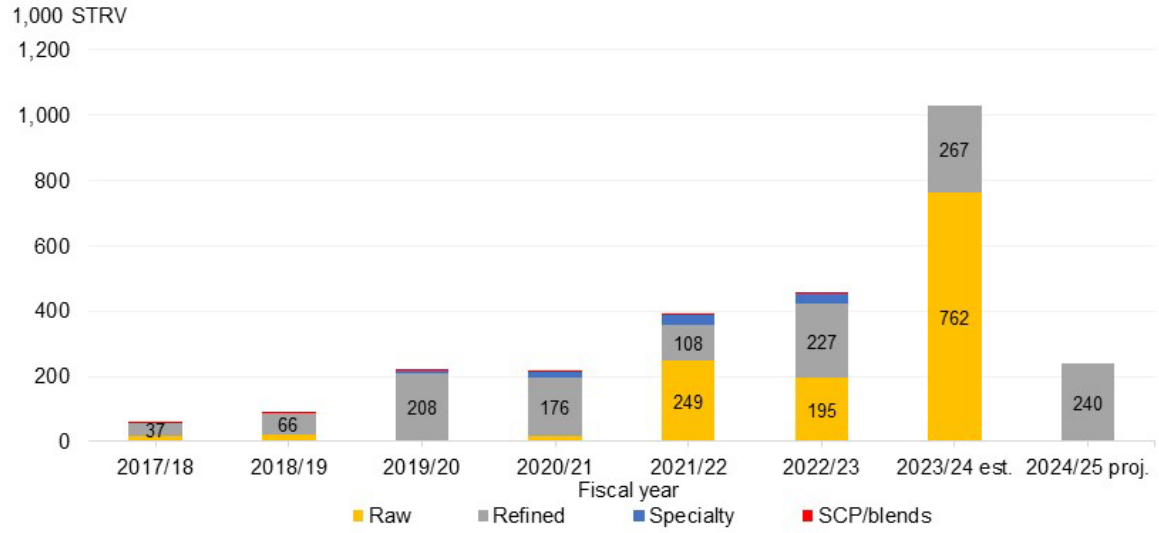
Record-high U.S. Imports of High-tier Sugar in 2023/24

Total high-tier sugar imports in 2023/24, which are estimated to exceed 1.0 million tons for the first time (figure 4), are driven by continued strong entry pace of both raw and refined sugar relative to prior years, particularly of the former (figures 5, 6). The raw sugar component is increased from last month by 62,000 STRV to a record 762,000. While the refined high-tier component was slightly reduced by 3,000 STRV to 267,000, it would still be the largest since 2017/18. For 2024/25, high-tier duty refined sugar imports are slightly revised downward to 240,000 STRV—90 percent of the 2023/24's 267,000 STRV— while high-tier raw sugar imports are forecast to be zero.

This year would mark the sixth consecutive year of sustained growth of high-tier duty sugar imports, which were traditionally comprised of high-value, refined sugar that is difficult to source. While historically the smallest import category, high-tier imports in 2023/24 would comprise about 28 percent of the total imports, thus overtaking imports from Mexico as the second largest category behind raw sugar tariff-rate quota (TRQ) imports (36 percent).

This market trend reflects the growing role of high-tier sugar imports, particularly in filling U.S. raw sugar requirements of import-based refiners. This role was highlighted this year due to the drought-reduced production in Mexico—resulting in relatively low monthly U.S. imports from this source—and sustained, high price environment, which makes it economical to bring in the sugar despite the high duty. While the No. 16 U.S. and No. 11 world raw cane sugar prices have declined in recent months, the margin between the two remains above the high-tier duty, and thus has incentivized the contined importation of high-tier raw sugar (figure 7).

Figure 4
U.S. high-tier duty sugar imports, by type of sugar, fiscal year total, 2017/18–2024/25



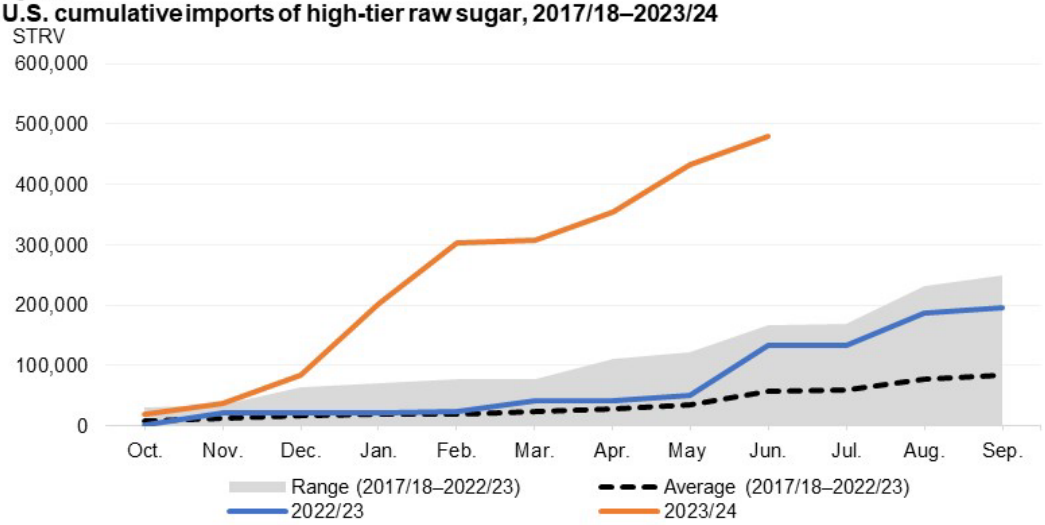
STRV = short tons, raw value; est. = estimated; proj. = projected; SCP = sugar-containing products.

Note: The Harmonized Tariff Schedule (HTS) lines are 1701.12.5000, 1701.13.5000, and 1701.14.5000 for raw sugar; 1701.91.3000, 1701.99.5025, 1701.99.5050, for refined sugar; 1701.99.5015 and 1701.99.5017 for specialty sugar including organic; and 1702.90.2000, and 2106.90.4600 for SCP/blends. For the 2023/24 and 2024/25, the refined category includes specialty and SCP/blends.

Source: USDA, Economic Research Service calculations using data from USDA, Foreign Agricultural Service and from U.S. Department of Commerce, Bureau of the Census, trade data downloaded from the U.S. International Trade Commission's *DataWeb*.

Figure 5

U.S. cumulative imports of high-tier raw sugar, 2017/18–2023/24

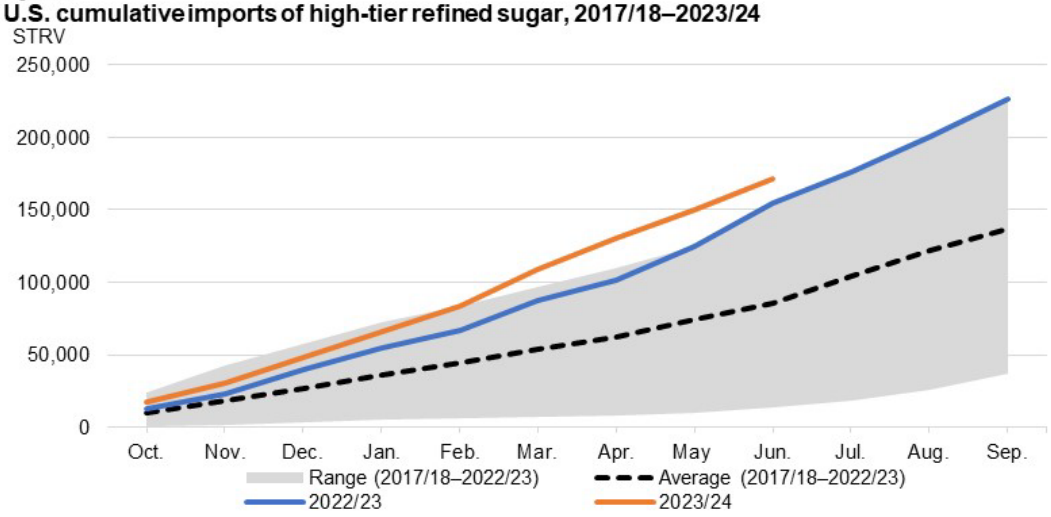


STRV = short tons, raw value; avg. = average.

Source: USDA, Economic Research Service calculations using U.S. Department of Commerce, Bureau of the Census, trade data from the U.S. International Trade Commission's *DataWeb*.

Figure 6

U.S. cumulative imports of high-tier refined sugar, 2017/18–2023/24

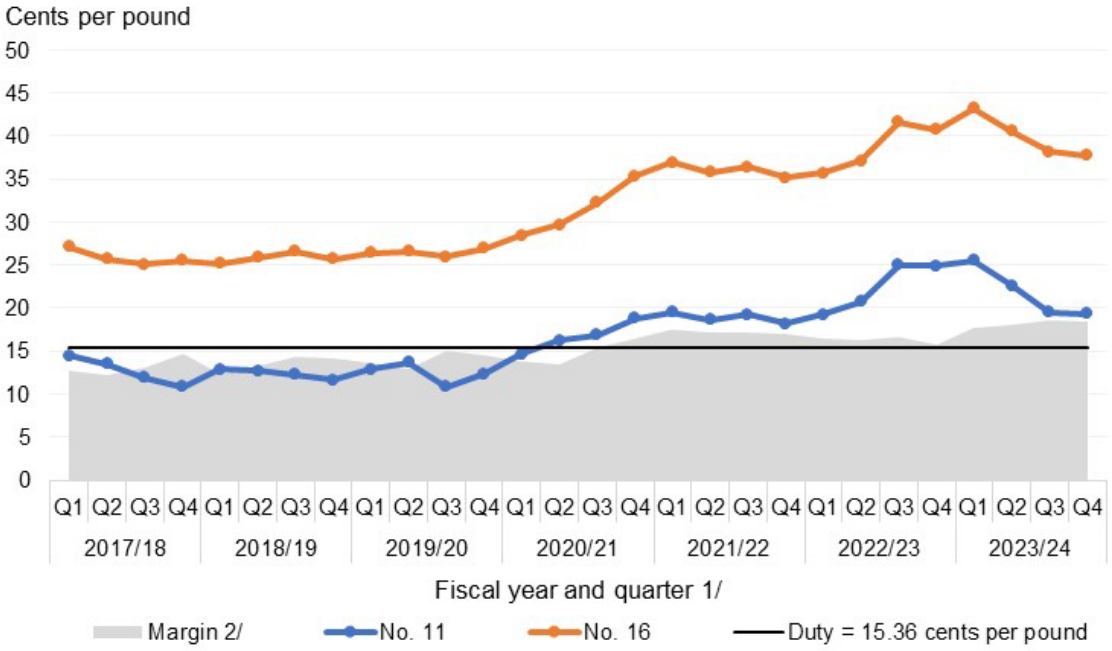


STRV = short tons, raw value; avg. = average.

Source: USDA, Economic Research Service calculations using U.S. Department of Commerce, Bureau of the Census, trade data from the U.S. International Trade Commission's *DataWeb*.

Figure 7

U.S. and world raw average sugar prices relative to high-tier raw sugar duty, by fiscal year quarters, 2017/18–2023/24



Q = quarter.

1/ For example, in 2017/18: Q1 = October–December 2017; Q2 = January–March 2018; Q3 = April–June 2018; and Q4 = July–September 2018.
2/ Margin is the difference between the No. 16 and No. 11.

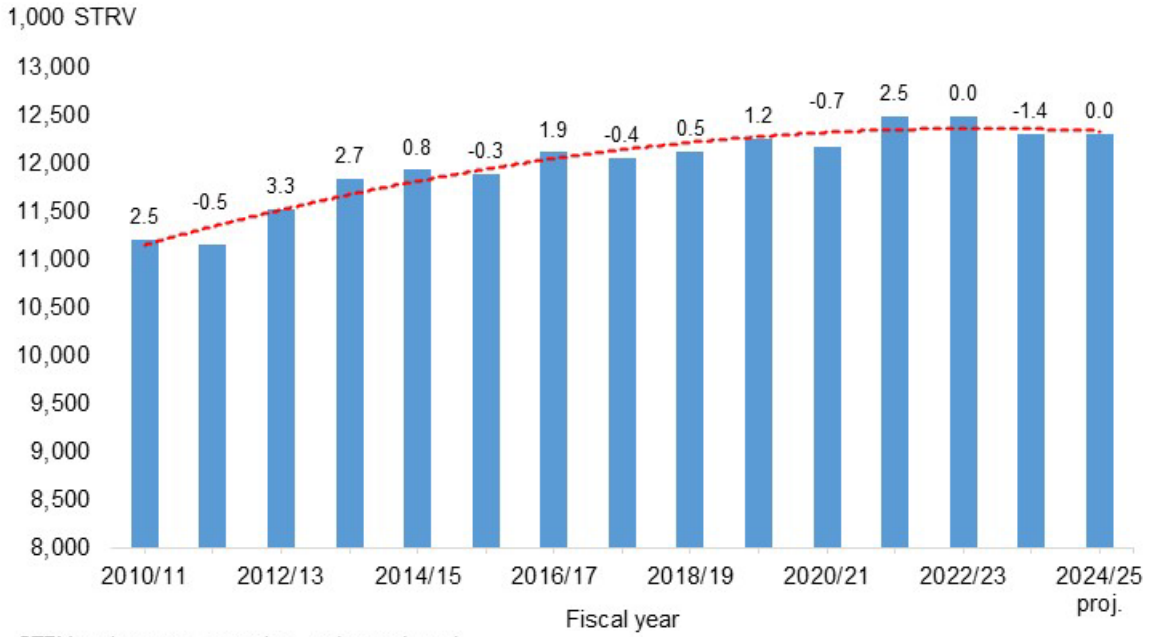
Source: USDA, Economic Research Service calculations of data from Intercontinental Exchange, Inc.

Sugar Deliveries for Human Consumption Unchanged in 2023/24 and 2024/25

Sugar deliveries for food and beverage use in 2023/24 are lowered from last month by 50,000 STRV to 12.300 million, reflecting a 173,000-STRV reduction (1.4 percent) from 2022/23's record high of 12.473 million (figure 8). Through June, the strong pace for refined cane sugar deliveries (up 271,000 STRV or 6 percent over the same period last year) is offset primarily by the slowdown in non-reporter sugar deliveries (down 328,000 or 44 percent) and in the delivery of contracted beet sugar (down 139,000 or 4 percent) (table 5). With 3 months left in the fiscal year, this implies a 3.182 million-STRV delivery in the last quarter to meet the 12.300 million-STRV estimate (table 6). The 12.300 million STRV is carried over to 2024/25, implying a flattening of the trend since the 2.5-percent surge in 2021/22 post-Coronavirus (COVID-19) pandemic.

Figure 8

U.S. sugar deliveries for food and beverage use, 2010/11–2024/25



STRV = short tons, raw value; proj. = projected.

Note: The dashed red line represents the long-term trend line. Numbers on top of the bars represent the annual growth rates (percent).

Source: USDA, Economic Research Service calculations using data from USDA, Farm Service Agency.

Table 5: U.S. sugar deliveries for food and beverage use, October–June, by fiscal year, 2018/19–2023/24

Components	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	5-year average	Annual change (2023/2024 versus 2022/23)	
	1,000 short tons, raw value (STRV)								Percent
Beet sugar processors	3,738	3,314	3,674	3,997	3,726	3,587	3,690	-139	-4
Cane sugar refiners	4,690	4,879	4,670	4,668	4,843	5,115	4,750	271	6
Total reporters	8,428	8,192	8,344	8,666	8,569	8,702	8,440	132	2
Non-reporter (direct consumption)	543	842	670	663	744	416	692	-328	-44
Total	8,971	9,034	9,014	9,329	9,314	9,118	9,132	-196	-2
	Percent share in total								
Beet sugar processors	42	37	41	43	40	39	40		
Cane sugar refiners	52	54	52	50	52	56	52		
Total reporters	94	91	93	93	92	95	92		
Non-reporter (direct consumption)	6	9	7	7	8	5	8		
Total	100	100	100	100	100	100	100		

Note: Totals may not add due to rounding. "Reporters" refer to beet processors and cane refiners that report their data to the Farm Service Agency's monthly *Sweetener Market Data* (*SMD*) report.

Source: USDA, Economic Research Service calculations using data from USDA, Farm Service Agency.

Table 6: Pace of U.S. food and beverage deliveries, October–June, 2010/11–2023/24

	Oct.–Jun.	Remaining	Fiscal year total	Oct.–Jun. share of total
	1,000 short tons, raw value			Percent
2010/11	8,127	3,066	11,193	72.6
2011/12	8,222	2,918	11,141	73.8
2012/13	8,452	3,059	11,511	73.4
2013/14	8,620	3,202	11,822	72.9
2014/15	8,686	3,235	11,921	72.9
2015/16	8,685	3,196	11,881	73.1
2016/20	8,990	3,112	12,102	74.3
2017/18	8,854	3,194	12,048	73.5
2018/19	8,971	3,135	12,106	74.1
2019/20	9,034	3,216	12,250	73.7
2020/21	9,014	3,147	12,161	74.1
2021/22	9,329	3,141	12,470	74.8
2022/23	9,314	3,160	12,473	74.7
2023/24 est.	9,118	3,182	12,300	74.1
5-year average	9,132	3,160	12,292	74.3

est. = estimated.

Source: USDA, Economic Research Service calculations using data from USDA, Farm Service Agency and USDA, World Agricultural Outlook Board, *World Agricultural Supply and Demand Estimates* (*WASDE*).

Mexico Outlook

Mexico's 2023/24 Sugar Production Finalized; Unchanged in 2024/25

Mexico's 2023/24 sugar production from 49 mills is finalized at 4,703,547 metric tons (MT) actual weight according to Mexico's National Committee for the Sustainable Development of Sugarcane's (CONADESUCA) final report released on August 8 (table 7). This output is a 24-year low and about 521,000-MT lower (10 percent) than 2022/23 (figure 9). This year's crop was affected by unsuitable weather conditions during the growing and harvest seasons and suboptimal application of inputs (such as fertilizers) due to high costs.

All the production variables, except for sugarcane yield (up 5 percent), were lower than last year and the 5-year average (table 8). Consequently, the production of standard and refined sugar for the domestic market took precedence over low polarity for exports to the United States. Low polarity sugar production is down 60 percent and would be the lowest since Mexico started producing this sugar type in 2017/18 to comply with the suspension agreements (figure 10).

Sugar production for 2024/25 is unchanged at 5.094 million MT, reflecting an 8-percent increase (391,000 MT) from 2023/24. This volume, which is at the low range relative to pre-2023/24 years, is based on USDA, Foreign Agricultural Service (FAS) Mexico Post's analysis considering the continued moderate-to-exceptional drought conditions affecting most sugar-producing municipalities.

Table 7: Mexico's sugar supply and use by fiscal year (October–September), August 2024

	2022/23	2023/24			2024/25		
	Final	July (estimate)	August (estimate)	Monthly change	July (forecast)	August (forecast)	Monthly change
		1,000 metric tons, actual weight					
Beginning stocks	964	835	835	0	1,228	1,355	127
Production	5,224	4,708	4,704	-4	5,094	5,094	0
Imports	285	747	797	50	25	25	0
Imports for consumption	267	610	660	50	0	0	0
Imports for sugar-containing product exports (IMMEX) 1/	18	137	137	0	25	25	0
Total supply	6,473	6,290	6,335	46	6,348	6,474	127
Disappearance							
Human consumption	4,193	4,193	4,103	-90	4,236	4,228	-8
For sugar-containing product exports (IMMEX)	405	437	437	0	425	425	0
Other deliveries and end-of-year statistical adjustment	29	0	0	0	0	0	0
Total	4,627	4,630	4,540	-90	4,661	4,653	-8
Exports	1,011	432	441	9	708	845	136
Exports to the United States and Puerto Rico	989	432	441	9	676	676	0
Exports to other countries 2/	22	0	0	0	32	169	136
Total use	5,638	5,061	4,980	-81	5,369	5,498	128
Ending stocks	835	1,228	1,355	127	978	977	-2
Stocks-to-human consumption (percent)	19.9	29.3	33.0	3.7	23.1	23.1	0.0
Stocks-to-use (percent)	14.8	24.3	27.2	2.9	18.2	17.8	-0.5
High-fructose corn syrup (HFCS) consumption (dry weight)	1,392	1,407	1,489	82	1,407	1,407	0

Note: Totals and monthly changes may not add due to rounding.

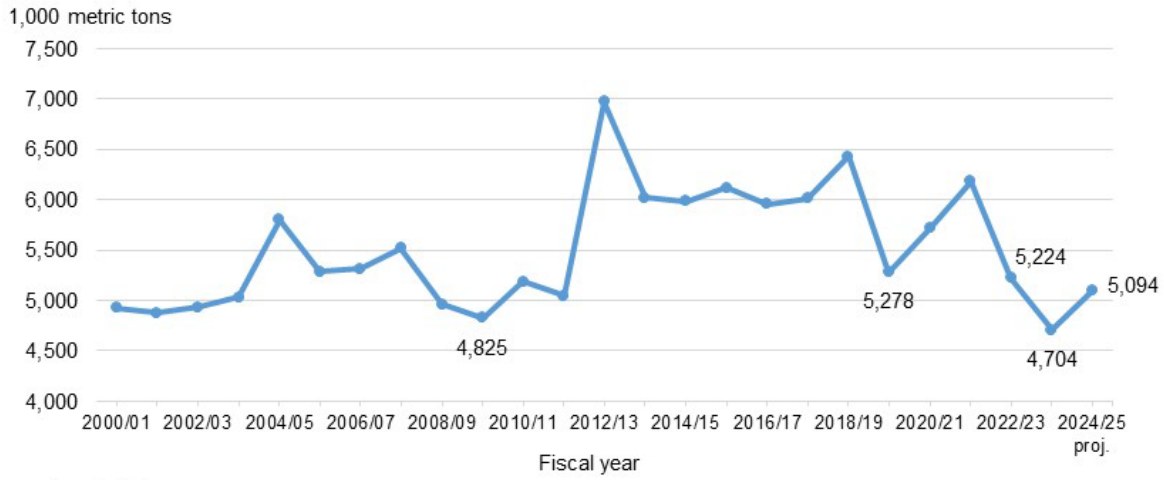
1/ IMMEX = Industria Manufacturera, Maquiladora y de Servicios de Exportación.

2/ Includes exports participating in the U.S. re-export programs.

Source: USDA, World Agricultural Outlook Board, *World Agricultural Supply and Demand Estimates* (*WASDE*); Mexico's National Committee for the Sustainable Development of Sugarcane (CONADESUCA).

Figure 9

Mexico's sugar production, by fiscal year, 2000/01–2024/25



proj.= projected.

Source: USDA, World Agricultural Outlook Board; Mexico's National Committee for the Sustainable Development of Sugarcane (CONADESUCA).

Table 8: Mexico's final sugar production, fiscal years 2022/23, 2023/24, and 5-year average

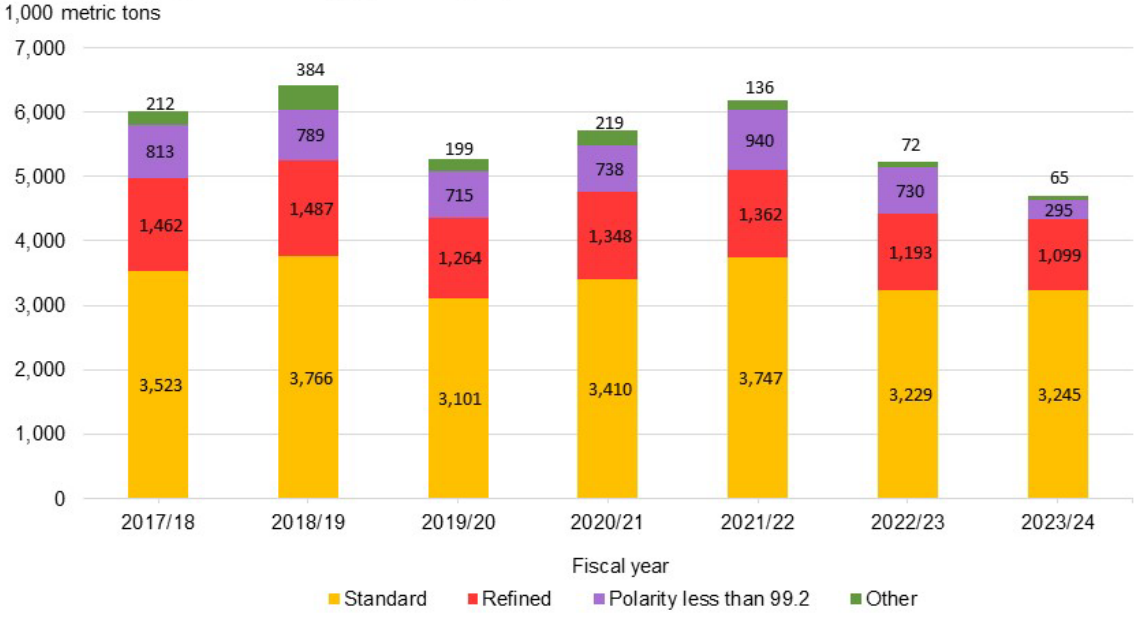
	Final			Difference versus 2022/23		Difference versus 5-year average	
	2022/23	2023/24	5-year average[1/]	Level	Percent	Level	Percent
Area harvested (1,000 ha)	806	743	796	-63	-8	-53	-7
Sugarcane processed (1,000 MT)	47,564	46,093	51,956	-1,471	-3	-5,863	-11
Sugarcane yield (MT per ha)	59.00	62.03	65.23	3.0	5	-3.20	-5
Extraction rate (percent)	10.98	10.20	11.08	-0.8	-7	-0.88	-8
Agro-industrial yield (MT sugar per ha)	6.48	6.33	7.23	-0.2	-2	-0.90	-13
Sugar production (1,000 metric tons)	5,224	4,704	5,765	-521	-10	-1,061	-18
By type:							
Refinada	1,193	1,099	1,331	-94	-8	-231	-17
Estándar	3,229	3,245	3,450	16	1	-206	-6
Polarity less than 99.2	730	295	783	-436	-60	-488	-62
Blanco especial and mascabado	72	65	202	-8	-11	-137	-68

ha = hectares; MT = metric tons.

[1/] Years included are 2018/19–2022/23.

Source: USDA, Economic Research Service calculations using data from Mexico's National Committee for the Sustainable Development of Sugarcane (CONADESUCA).

Figure 10
Mexico's sugar production by type of sugar, 2017/18–2023/24



Note: The "Other" category is comprised of white special and brown sugar.

Source: USDA, Economic Research Service calculations using data from Mexico's National Committee for the Sustainable Development of Sugarcane (CONADESUCA).

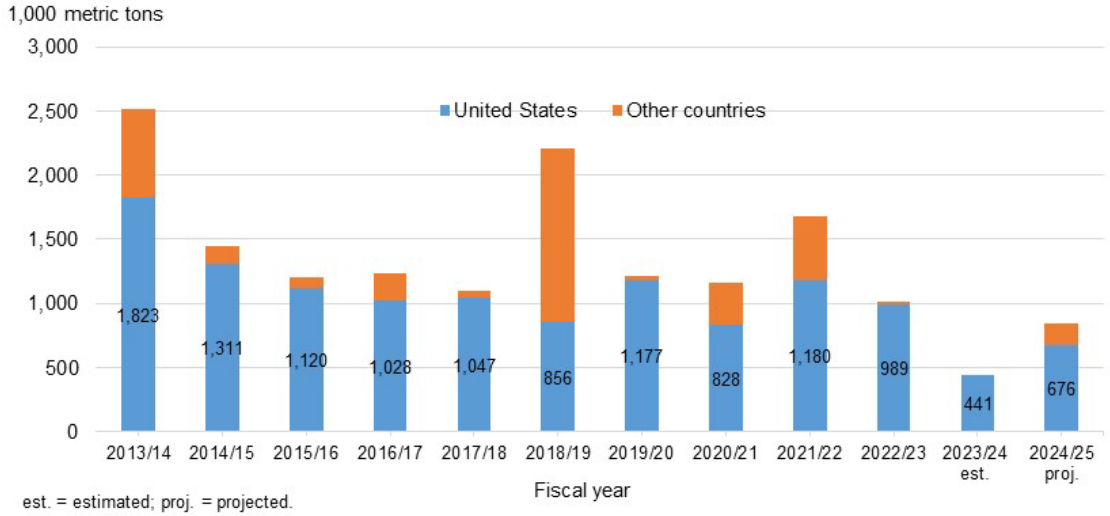
Mexico's Exports to the United States in 2023/24 Raised; Unchanged in 2024/25

Mexico's 2023/24 exports to the United States are increased from last month by 9,000 MT to 441,000 based on pace but would still be the lowest in more than a decade (figure 11). Mexico's exports to other countries in 2023/24 are maintained at zero. The *WASDE* assumes that instead of exporting to other destinations, Mexico would keep the sugar in the country as carryover stocks for 2024/25 since the upcoming year's 5.094-million MT of sugar production remains relatively low. In turn, the carryover stocks would discourage the entry of high-tier tariff imports into Mexico for consumption in 2024/25.

For 2024/25, Mexico's exports to the United States of 676,000 MT, which were calculated in July per the terms of the suspension agreements, are unchanged from last month. Mexico's exports to other countries are residually increased by 136,000 MT from last month to 169,000 MT. The increase represents the surplus after the 2024/25 balance sheet accounts for the available supply from domestic production and imports less the domestic commitments and exports to the United States, and a 2.5-months' worth of target ending stocks.

Figure 11

Mexico's sugar exports by destination, 2013/14–2024/25



est. = estimated; proj. = projected.

Source: USDA, World Agricultural Outlook Board; Mexico's National Committee for the Sustainable Development of Sugarcane (CONADESUCA).

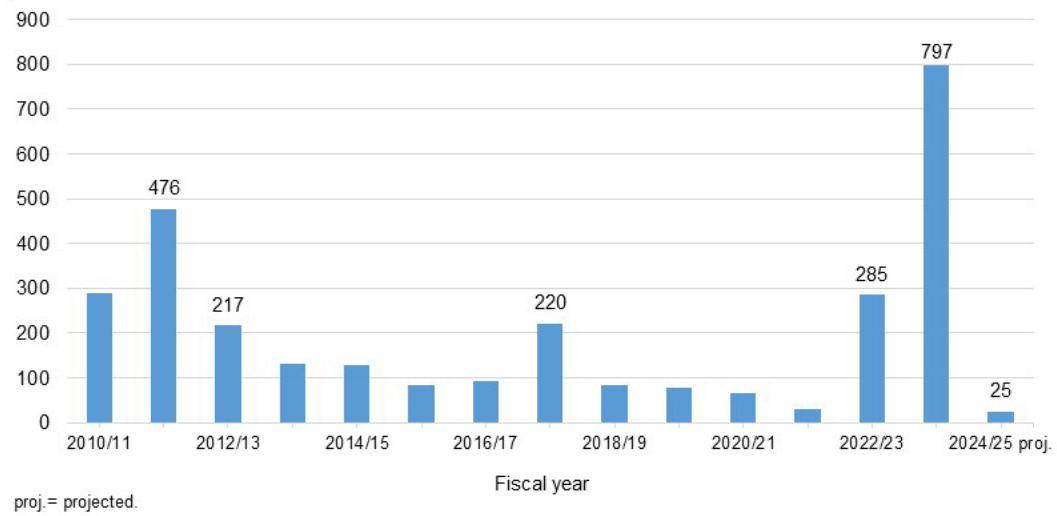
Mexico's Sugar Imports Raised in 2023/24; Forecast at a Minimum Level for 2024/25

Mexico's 2023/24 imports for domestic consumption are increased from last month by 50,000 MT to 660,000 MT based on pace. With imports for the Industria Manufacturera, Maquiladora y de Servicios de Exportación (IMMEX) program unchanged at 137,000 MT, total imports are up by 50,000 MT to 797,000, the largest in 14 years (figure 12). For 2024/25, USDA projects a minimum level of imports for IMMEX at 25,000 MT while imports for consumption are maintained at zero. Mexico's 2024/25 relatively large stocks carried over from 2023/24 and domestic production are projected to cover domestic needs.

After the *WASDE*, CONADESUCA released its July *Monthly National Sugar Balance, Cycle 2023/24* report that shows imports through July totaled 650,704 MT. Data from Trade Data Monitor (TDM) as of August 14 supports the strong pace of entries as countries have reported a total[2] of about 740,000 MT of exports to Mexico through July (table 9). Per TDM, Brazil is the top origin country, supplying 45 percent of the total exports, followed by the United States (23 percent), and Guatemala (17 percent).

Figure 12

Mexico's total sugar imports, by fiscal year, 2010/11–2024/25



proj.= projected.

Source: USDA, World Agricultural Outlook Board; Mexico's National Committee for the Sustainable Development of Sugarcane (CONADESUCA).

[2] TDM only provides data on the reporting countries' total exports to Mexico; there is no delineation on whether the exports are for domestic consumption or for IMMEX purposes.

Table 9: Cumulative countries' reported sugar exports to Mexico, October 2023–July 2024, as of August 14, 2024

Origin	Quantity (metric tons)	Share in total (percent)
Brazil	329,619	45
European Union	13,445	2
El Salvador	29,448	4
Guatemala	124,750	17
Saudi Arabia	34,546	5
United States	173,102	23
Other countries	34,883	5
Total	739,793	100

Note: Trade Data Monitor (TDM) only provides data on the reporting countries' total exports to Mexico; there is no delineation on whether the exports are for IMMEX purposes or for domestic consumption. It is possible that not all the sugar exports are reflected in TDM as of August 16, 2024.

Source: USDA, Economic Research Service calculations using data from TDM.

Mexico's Sugar Deliveries Lowered in 2023/24 and 2024/25

Mexico's 2023/24 sugar deliveries for domestic consumption are lowered from last month by 90,000 MT to 4.103 million, implying a 2-percent decrease from 2022/23 (figure 13). The downward adjustment is based on the slower pace of sugar deliveries through July relative to the same period last year (figure 14), which contrasts with the increased monthly import pace of the alternative, lower-priced high-corn fructose syrup particularly in July (figure 15). The reduction in sugar deliveries implies a lower per capita sweetener consumption, which when carried over, lowered the 2024/25 sugar deliveries for domestic consumption from last month by 8,000 MT to 4.228 million MT. The 2023/24 and 2024/25 sugar deliveries for the IMMEX component are unchanged at 437,000 MT and 425,000 MT, respectively.

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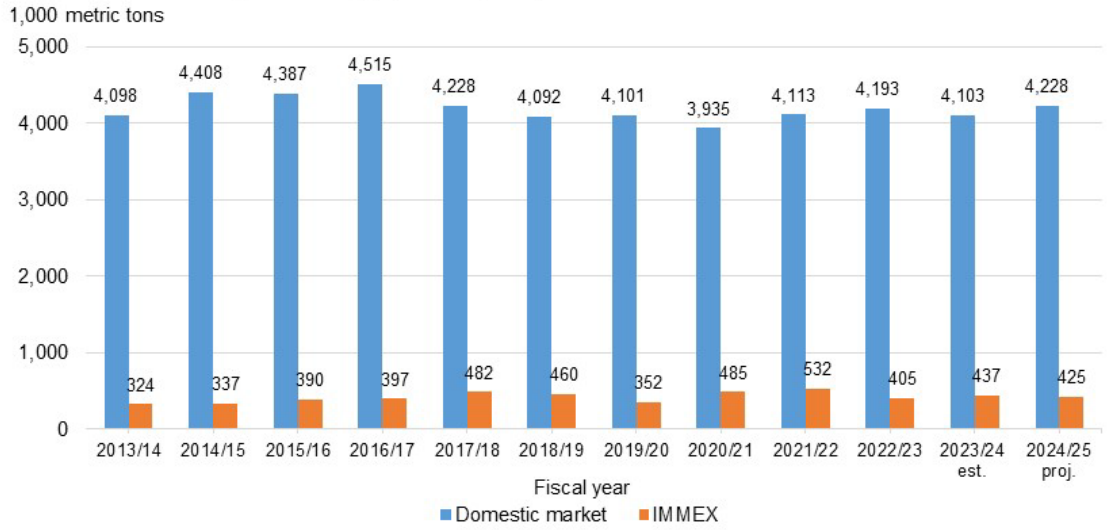
Figure 13

Mexico domestic sugar delivery, by fiscal year, 2013/14–2024/25

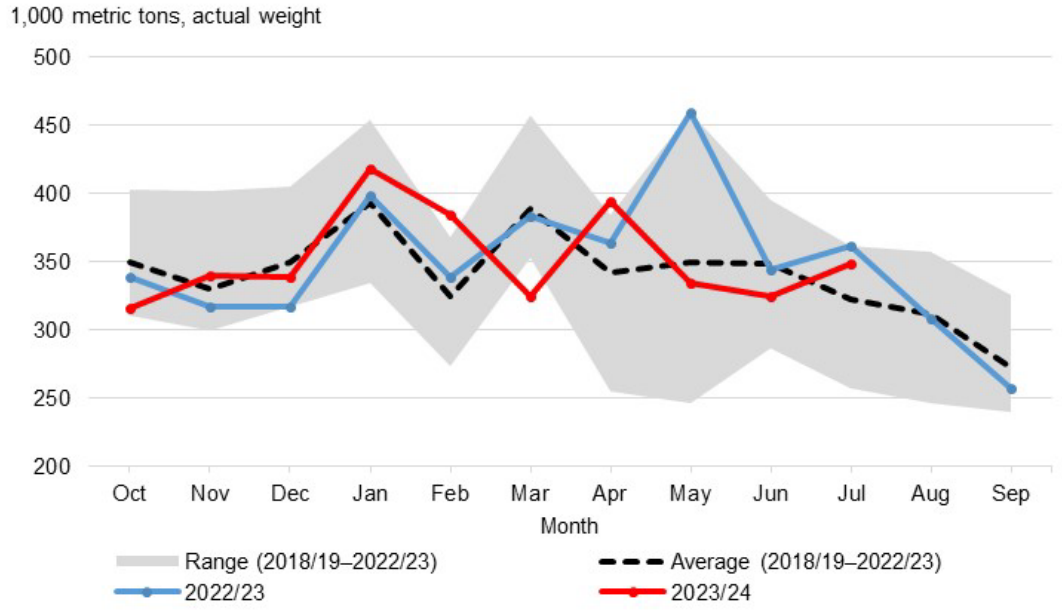


est. = estimated; proj. = projected; IMMEX = Industria Manufacturera, Maquiladora y de Servicios de Exportación.

Source: USDA, World Agricultural Outlook Board; Mexico's National Committee for the Sustainable Development of Sugarcane (CONADESUCA).

Figure 14

Mexico's sugar deliveries for domestic consumption, monthly, 2018/19–2023/24

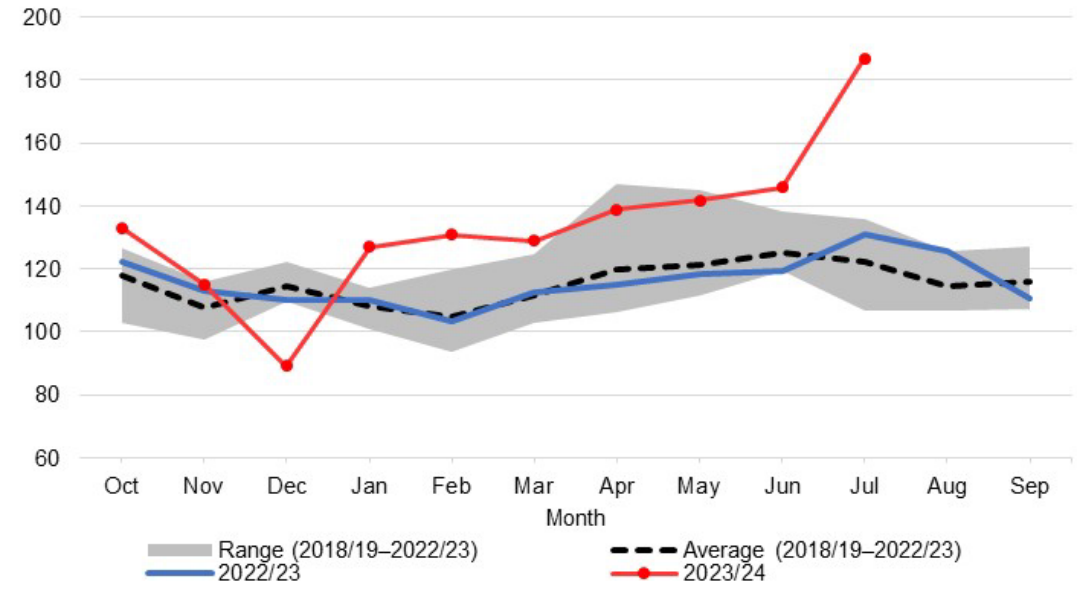


Source: Mexico's National Committee for the Sustainable Development of Sugarcane (CONADESUCA).

Figure 15

Mexico's high-fructose corn syrup consumption, monthly, 2018/19–2023/24

1,000 metric tons, actual weight



Source: Mexico's National Committee for the Sustainable Development of Sugarcane (CONADESUCA).

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