WASDE – February 8, 2023

SUGAR: U.S. sugar supply for 2022/23 is decreased 10,135 short tons, raw value (STRV) from last month as a reduction in sugar production more than offsets small increases in beginning stocks and imports. Louisiana sugar production is reduced by 82,858 STRV to 2.030 million. With the sugar campaign ended, USDA contacted mills regarding final crop year production. Mills confirmed that yields were off from earlier USDA estimates due to the freeze in late December. Cane sugar production in Florida is increased by 24,292 STRV to 2.014 million but is decreased in Texas by 9,790 STRV to 87,182. Both of these changes are from processors' forecasts in the Sweetener Market Data (SMD). Beet sugar production is increased by 51,898 STRV to 5.100 million. Based on sugar production data for August through December in the SMD, USDA increases its projection of sucrose recovery from 15.000 to 15.204 percent. Cumulative sucrose recovery for the 5 months is estimated at 15.433 percent. This estimate is statistically close to full season recovery, but USDA is exercising some caution in recognition of statistical variance. Even so, five-month averages in all major regions (Red River Valley, Michigan, Great Plains, and Pacific Northwest) exceed 10-year averages. (Processors in SMD are more optimistic forecasting national recovery at 15.592 percent.) The increase due to the higher recovery rate is offset partially by a 10,000 STRV reduction in August-September 2023 production due to the closure of the beet facility in Sidney, Montana. Imports are increased by 4,725 STRV due to an upward revision of raw sugar imports from the 2021/22 TRQ entering in December. With no change in use, the supply changes flow into ending stocks, now projected at 1.874 million STRV for an ending stocks-to-use ratio of 14.8 percent.

The 2022/23 Mexico supply and use is virtually unchanged from last month. USDA still projects production at 5.900 million metric tons (MT). Most factories started late this season, but most have caught up on harvested area from the perspective of the previous 9 campaigns and from the level predicted by CONADESUCA in its pre-season production estimate. There still are significant variations amongst mills, especially those producing refinado sugar. Cumulative sugarcane yields and sucrose recovery through January 28 are still far below corresponding historical levels through the same date and below CONADESUCA forecast. We are soon to enter the period in which USDA forecasting based on to-date progress has enough statistical validity for updating the USDA projection.

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U.S. Sugar Supply and Use 1/

	2020/21	2021/22 Est.	2022/23 Proj. Jan	2022/23 Proj. Feb
		1,000 Short Tons,	*Raw Value*	
Beginning Stocks	1618	1705	1819	1820
Production 2/	9233	9157	9248	9231
Beet Sugar	5092	5155	5048	5100
Cane Sugar	4141	4002	4199	4131
Florida	2090	1934	1989	2014
Louisiana	1918	1944	2113	2030
Texas	134	124	97	87
Imports	3221	3646	3458	3463
TRQ 3/	1749	1579	1606	1611
Other Program 4/	292	298	250	250
Non-program	1180	1769	1602	1602
Mexico	968	1379	1477	1477
High-tier tariff/other	212	390	125	125
Total Supply	14072	14508	14525	14514
Exports	49	29	35	35
Deliveries	12277	12578	12605	12605
Food	12161	12470	12500	12500
Other 5/	116	107	105	105
Miscellaneous	40	81	0	0
Total Use	12367	12688	12640	12640
Ending Stocks	1705	1820	1885	1874
Stocks to Use Ratio	13.8	14.3	14.9	14.8

1/ Fiscal years beginning Oct 1. Data and projections correspond to category components from "Sweetener Market Data" (SMD). 2/ Production projections for 2021/22 and 2022/23 are based on Crop Production and/or processor projections/industry data and/or sugar ICEC analysis where appropriate. 3/ For 2021/22, WTO raw sugar TRQ shortfall (158) and for 2022/23 (255). 4/ Composed of sugar under the re-export and polyhydric alcohol programs. 5/ Transfers accompanying deliveries for sugar-containing products to be exported (SCP) and polyhydric alcohol manufacture (POLY), and deliveries for livestock feed and ethanol. Total refiner license transfers for SCP and POLY inclusive of WASDE-reported deliveries: 2020/21 -- 298; estimated 2021/22 -- 303; projected 2022/23 -- 315

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Mexico Sugar Supply and Use and High Fructose Corn Syrup Consumption 1/

		Beginning Stocks	Production	Imports	Domestic 2/	Exports	Ending Stocks
Sugar				*1,000 Metric Tons,*	*Actual Weight*		
2021/22 Est.	Jan	1053	6185	31	4629	1676	964
	Feb	1053	6185	31	4629	1676	964
2022/23 Proj.	Jan	964	5900	35	4661	1267	971
	Feb	964	5900	35	4660	1268	971

1/ HFCS consumption by Mexico (1,000 metric tons, dry basis): 2020/21 = 1,320; Estimated 2020/21 = 1,291; Projected 2022/23 = 1,291; Estimated Oct.- Dec. 2022 = 312; Estimated Oct. - Dec. 2021 = 322. Footnote source for estimate: Comite Nacional para el Desarollo Sustentable de la Cana de Azucar. 2/Includes deliveries for consumption, Mexico's products export program (IMMEX), and Other Deliveries/Ending Year Statistical Adjustments. IMMEX: 2021/22 (532 est =508 dom.+24 import); 2022/23 (493 proj = 468 dom.+25 import). Statistical Adjustments: 2021/22 (-16), 2022/23 (0).