

# Sugar and Sweeteners Outlook

Stephen Haley

## The United States and Mexico Resolve Sweetener Dispute

### Contents

[U.S. Sugar](#)  
[High Fructose  
Corn Syrup](#)  
[Confectionery](#)  
[At-A-Glance](#)  
[Contact & Links](#)

### Tables

[U.S. 2007 sugar TRQ](#)  
[U.S. 2006 sugar TRQ](#)  
[U.S. sugar deliveries](#)  
[Mexican HFCS imports](#)  
[U.S. HFCS production  
and deliveries](#)  
[U.S. HFCS S&U](#)  
[Net corn cost estimation  
for HFCS production](#)

### Web Sites

[WASDE](#)  
[Sugar Briefing  
Room](#)

-----  
The next release is  
January 2007  
-----

Approved by the World  
Agricultural Outlook  
Board.

On July 27, 2006, the United States and Mexico announced an agreement that resolves disputes related to each nation's interpretation of the sweetener provisions in the North American Free Trade Agreement (NAFTA). Under the July 27 agreement, the United States provides for duty-free access to 250,000 metric tons, raw value (MTRV) of Mexican sugar for fiscal year (FY) 2007, and for duty-free access to between 175,000 and 250,000 MTRV of Mexican sugar for the period October 1, 2007, through December 31, 2007. In turn, Mexico provides for duty-free access to equivalent amounts to U.S. high fructose corn syrup (HFCS) corresponding to the same periods. Under the agreement, the United States can ship 7,258 MTRV of sugar duty-free to Mexico for each of the marketing years 2006, 2007, and 2008. Also, the United States and Mexico confirmed that on July 3 they submitted a joint letter to the World Trade Organization (WTO) Dispute Settlement Body in which both countries had accepted in principal the elimination of Mexico's soft drink and distribution taxes. Effective on January 1, 2008, under NAFTA, there will be no duties or quantitative restraints between the two countries on all sugar and HFCS trade.

Also on July 27, 2006, the U.S. Department of Agriculture (USDA) announced additions to the FY 2006 sugar tariff-rate quota (TRQ), provisions of the FY 2007 sugar TRQ, and the Overall Allotment Quantity (OAQ) for FY 2007. The FY 2006 refined sugar TRQ was increased by 100,000 short tons, raw value (STRV). The U.S. Trade Representative (USTR) allocated 29,410 STRV of this TRQ to Mexico, and the remainder to the global portion of the refined sugar TRQ. In addition to this TRQ increase, the USDA increased the specialty sugar portion of the refined sugar TRQ by 9,921 STRV.

The USDA established the FY 2007 raw sugar TRQ at 1.481 million STRV. This amount is 250,000 STRV above the WTO minimum access level of 1.231 million STRV. The USDA announced that there would be no shipping patterns for these imports and that early entry of FY 2007 raw sugar TRQ imports could start as of August 7, 2006. Early entries were originally expected to total 75,000 STRV, but the estimate was scaled back to 25,000 STRV in the August World Agricultural Supply and Demand Estimates (WASDE) report. On August 3, 2006, the USTR made allocations to the 40 countries that receive quota shares.

The USDA established the FY 2007 refined sugar TRQ at 62,832 STRV, which is 38,581 STRV above the WTO minimum access level of 24,251 STRV. The USTR made specific allocations to Canada (11,354 STRV) and to Mexico (3,256 STRV). The specialty sugar TRQ (mostly organic sugar) was established at 40,406 STRV.

The USDA established the FY 2007 OAQ at 8.750 million STRV, down from 9.350 million STRV in FY 2006. As set out in the 2002 Farm Act, allocations to the beet processors were set at 4.756 million STRV and to raw cane sugar processors at 3.994 million STRV. Cane sugar production is expected to fall short of its allocation by 375,000 STRV. This amount was, therefore, reassigned to imports. Although imports for consumption are projected at above 1.532 million STRV, allotments are not suspended because the additional imports are needed to meet the OAQ due to the expected low level of domestic cane sugar production.

After the TRQ announcement, the nearby raw sugar No. 14 contract fell from 21.70 cents/lb to 20.75 cents/lb. The raw price had been decreasing for a few days prior to the announcement after news from some TRQ exporters regarding shipments had resolved certain doubts about TRQ shortfall for FY 2006. Also prior to the announcement, world raw sugar spot prices had been decreasing (above 17 cents/lb at the beginning of July to under 16 cents/lb at the end), reflecting more plentiful world supplies. These lower world prices helped to bring down the U.S. raw sugar price. Since the announcement, world sugar prices have continued their fall (between 12 and 13 cents/lb in early September), but the linkage between U.S. and world prices seems to have been broken: the gap between U.S. and world sugar prices has reached about 8 cents/lb, an amount above the threshold at which they are linked.

FY 2007 sugar production is projected at 4.878 million for beet sugar and 3.567 million STRV for cane sugar. Especially notable is the increase in beet sugar production forecast for the Upper Midwest. Although area harvested is projected to increase about 7.4 percent above FY 2006 area, sugarbeet production is projected to be 26.1 percent higher, with an expected record yield of 23.3 tons per acre. Cane sugar production is expected to recover from last year's disappointing levels in Florida (1.730 million STRV, up 26.5 percent) and in Louisiana (1.370 million STRV, up 14.0 percent).

FY 2006 sugar production is estimated at 7.405 million STRV. September 2006 beet sugar production in the Upper Midwest has been strong and has offset almost nonexistent September production in Louisiana.

The estimate for FY 2006 deliveries for food and beverage consumption is 10.150 million STRV. Deliveries this year have been difficult to analyze because of high levels of refined sugar imports going to entities that are not required to report to the USDA. It has not been clear whether these imports have been for immediate delivery/consumption or are being inventoried for later use. The projection for FY 2007 is 10.250 million STRV.

Ending stocks for FY 2006 are estimated at 1.627 million STRV, implying an ending stocks-to-use ratio of 15.5 percent. Ending stocks for FY 2007 are projected at 1.756 million STRV, implying an ending stocks-to-use ratio of 16.5 percent.

On July 27, 2006, the U.S. Department of Agriculture (USDA) announced the fiscal year (FY) 2007 raw and refined sugar tariff-rate quotas (TRQs) and the FY 2007 Overall Allotment Quota (OAQ). On September 12, 2006, the USDA released its latest supply and use estimates for FY 2006 and projections for FY 2007 in the *World Agricultural Supply and Demand Estimates* (WASDE) report.

### ***Sugar TRQ and OAQ Announcement***

On July 27, 2006, the United States and Mexico announced an agreement that resolves disputes related to each nation's interpretation of the sweetener provisions in the North American Free Trade Agreement (NAFTA). Under the July 27 agreement, the United States provides for duty-free access to 250,000 metric tons, raw value (MTRV) of Mexican sugar for fiscal year (FY) 2007, and for duty-free access to between 175,000 and 250,000 MTRV of Mexican sugar for the period October 1, 2007, through December 31, 2007. In turn, Mexico provides for duty-free access to equivalent amounts to U.S. high fructose corn syrup (HFCS) corresponding to the same periods. Under the agreement, the United States can ship 7,258 MTRV of sugar duty-free to Mexico for each of the marketing years 2006, 2007, and 2008. Also, the United States and Mexico confirmed that, on July 3, they submitted a joint letter to the World Trade Organization (WTO) Dispute Settlement Body in which both countries had accepted in principal the elimination of Mexico's soft drink and distribution taxes. Effective on January 1, 2008, under NAFTA, there will be no duties or quantitative restraints between the two countries on all sugar and HFCS trade.

Also on July 27, 2006, the USDA announced additions to the FY 2006 sugar TRQ, provisions of the FY 2007 sugar TRQ, and the OAQ for FY 2007. The FY 2006 refined sugar TRQ was increased by 100,000 short tons, raw value (STRV). The U.S. Trade Representative (USTR) allocated 29,410 STRV of this TRQ to Mexico and the remainder to the global portion of the refined sugar TRQ. In addition to this TRQ increase, the USDA increased the specialty sugar portion of the refined sugar TRQ by 9,921 STRV.

The USDA established the FY 2007 raw sugar TRQ at 1.481 million STRV. This amount is 250,000 above the WTO minimum access level of 1.231 million STRV. The USDA announced that there would be no shipping patterns for these imports and that early entry of FY 2007 TRQ imports could start as of August 7, 2006. Early entries were originally expected to total 75,000 STRV, but the estimate was scaled back to 25,000 STRV in the August WASDE report. On August 3, 2006, the USTR made allocations to the 40 countries that receive quota shares (table 1).

The USDA established the FY 2007 refined sugar TRQ at 62,832 STRV, which is 38,581 STRV above the WTO minimum access level of 24,251 STRV. The USTR made specific allocations to Canada (11,354 STRV) and to Mexico (3,256 STRV). The specialty sugar TRQ (mostly organic sugar) was established at 40,406 STRV.

The USDA established the FY 2007 OAQ at 8.750 million STRV, down from 9.350 million STRV in FY 2006. As set out in the 2002 Farm Act, allocations to the beet processors were set at 4.756 million STRV and to raw cane sugar processors at 3.994 million STRV. Cane sugar production is expected to fall short of its

Table 1--U.S. sugar tariff-rate quotas and allocations, fiscal year 2007

Countries	Announced 8/03/06 <i>Metric tons raw value (MTRV)</i>
Argentina	55,112
Australia	106,378
Barbados	8,972
Belize	14,098
Bolivia	10,253
Brazil	185,841
Colombia	30,760
Congo	7,258
Costa Rica	19,225
Cote D'Ivoire	7,258
Dominican Republic	225,573
Ecuador	14,098
El Salvador	33,323
Fiji	11,535
Gabon	7,258
Guatemala	61,520
Guyana	15,380
Haiti	7,258
Honduras	12,817
India	10,253
Jamaica	14,098
Madagascar	7,258
Malawi	12,817
Mauritius	15,380
Mexico	7,258
Mozambique	16,662
Nicaragua	26,915
Panama	37,168
Papua New Guinea	7,258
Paraguay	7,258
Peru	52,548
Philippines	173,025
South Africa	29,478
St. Kitts & Nevis	7,258
Swaziland	20,507
Taiwan	15,380
Thailand	17,943
Trinidad-Tobago	8,972
Uruguay	7,258
Zimbabwe	15,380
Total Raw Cane TRQ	1,343,992
Less: shortfall	-45,360
early entries (FY 2006)	-22,680
Refined Global	7,090
Refined Canada	10,300
Refined Mexico	2,954
Refined Specialty	36,656
Total Refined TRQ	57,000
Mexico - NAFTA 1/	242,742
CAFTA TRQs (Calendar year) 2/	
El Salvador	24,480
Nicaragua	22,400
Honduras	8,160
Guatemala	32,640
Costa Rica	13,000
All Sugar	1,676,374

1/ On July 27, 2006, Mexico was determined to be a net producer for FY 2007, and is permitted to enter 250,000 MTRV raw or refined sugar duty free in FY 2007. Sugar allocated to Mexico under the raw cane sugar TRQ (7,258 MTRV) is counted against this amount.

2/ CAFTA-DR sugar TRQs -- not included in the 8/03/06 announcement. The CAFTA-DR TRQ quantities will be established pending a determination of each country's "trade surplus." These are the maximum duty-free quantities for 2007. The U.S.-Dominican Republic FTA has not been implemented, and Costa Rica has not yet approved the U.S.-Costa Rica FTA.

Source: U.S. Trade Representative, Press Release dated 8/03/2006.

allocation by 375,000 STRV. This amount was, therefore, reassigned to imports. Although imports for consumption are projected at above 1.532 million STRV, allotments are not suspended because the additional imports are needed to meet the OAQ due to the expected low level of domestic cane sugar production.

### ***Production***

The USDA's production estimates and projections are based primarily on information provided by beet sugar processors and cane sugar millers to the Farm Service Agency (FSA). Processors and millers project FY 2007 sugar production at 8.445 million STRV, an increase of over 1.0 million STRV from FY 2006. Beet sugar is forecast at 4.878 million STRV (457,000 STRV, or 10.3 percent, higher than FY 2006), and cane sugar is forecast at 3.567 million STRV (583,000 STRV, or 19.5 percent, higher than FY 2006). FY 2006 beet sugar production is estimated at 4.421 million STRV, and FY 2006 cane sugar production is estimated at 2.984 million STRV.

### ***Beet Sugar Production***

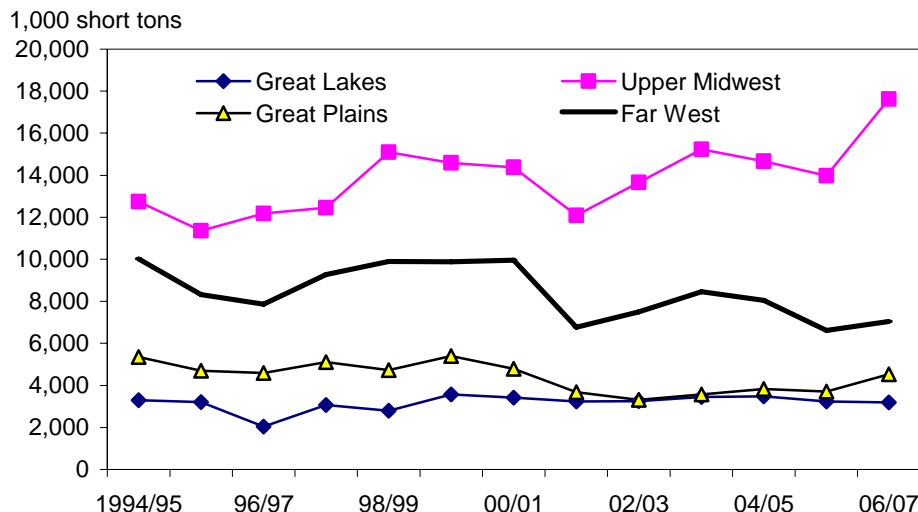
The National Agricultural Statistics Service (NASS) forecasts sugarbeet area planted for FY 2007 at 1.362 million acres, up 62,100 acres from FY 2006. All beet-producing States, except California, Michigan, and Montana, report significantly higher area planted. Strong returns from the FY 2006 crop were no doubt a motivating factor for area expansion. Spot beet sugar prices in FY 2006 have averaged almost 42 percent higher than in FY 2005. The refined beet sugar Producer Price Index (PPI) was 152.9 in July 2006 (June 1982 = 100.0), the highest monthly level for this PPI series and 29.0 percent higher than the July 2005 PPI. The NASS preliminary estimate of the national sugarbeet price for the FY 2006 crop was \$41.30 per ton, an increase of 11.9 percent over the previous year's crop.

NASS forecasts sugarbeet area harvested at 1.344 million acres. The largest percentage increase over last year is in the Great Plains. Area harvested is forecast at 191,500 acres, an increase of 15.8 percent. Area harvested in the Far West is forecast at 245,100 acres. Although California acreage is forecast 1,100 acres lower, gains in Idaho (20,000 acres), Oregon (3,400 acres), and Washington State (300 acres) push the total higher by 10.2 percent. Area harvested in the Upper Midwest (Minnesota and North Dakota) is forecast at 755,000 acres, an increase of 7.4 percent.

NASS forecasts sugarbeet production at 32.390 million tons, an increase of 17.6 percent over last year. The production forecast implies a record national sugarbeet yield of 24.1 tons per acre. Especially notable is the expected 26.1-percent production increase for the Upper Midwest where the sugarbeet yield is expected to be a record 23.3 tons per acre. Except for Michigan, production grows significantly in the other producing areas: Great Plains, 22.5 percent to 4.535 million tons, and the Far West, 6.3 percent to 7.039 million tons.

Figure 1

**Regional sugarbeet production, 1994/95-2006/07**



Source: *Crop Production*, NASS, USDA.

Figure 1 shows regional sugarbeet production since FY 1995. Except for the Upper Midwest, sugarbeet production has not been growing. In the Far West, the closure of processing plants in California after 2000 resulted in a loss of about half of sugarbeet area. There also have been processing plant closures in Washington State and Oregon. Plant closures have also occurred in other regions. The proportion of total sugarbeet production sourced from the Upper Midwest has grown from the low 40-percent range in the mid-1990s to over 50 percent in FY 2005 and 2006.

Beet processors indicate that beet sugar production will be 4.878 million STRV, the second highest level on record after FY 2000's 4.956 million STRV. There is expected to be 183,700 fewer acres harvested in FY 2007 than in FY 2000. Sugar per acre is forecast at a record 3.685 STRV (fig. 2).

***Cane Sugar Production***

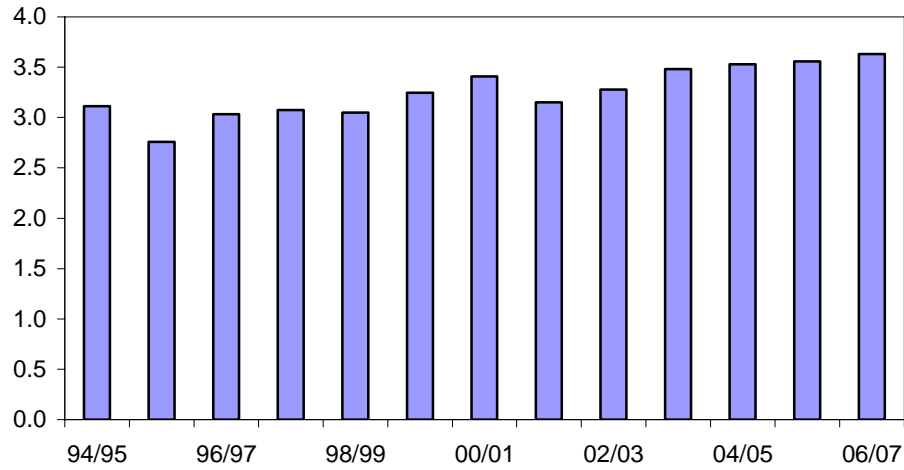
Florida cane sugar millers project FY 2007 sugar production at 1.730 million STRV. NASS forecasts Florida sugarcane acreage harvested for sugar and seed at 407,000 acres, an increase of 6,000 acres over last year but still lower than several years ago (fig. 3). NASS forecasts sugarcane yield at 35.4 tons per acre, implying sugarcane for sugar and seed production at 14.408 million tons, up 1.662 million tons from last year. Assuming that this year's sugarcane for seed is about the same as last year's 5.99 percent, sugar yield per acre is forecast at 4.52 STRV, considerably better than last year's low, weather-affected level of 3.63 STRV (fig. 4).

Louisiana FY 2007 sugar production is projected at 1.370 million STRV. NASS forecasts Louisiana sugarcane acreage harvested for sugar and seed at 435,000 acres, a decrease of 20,000 acres from last year. NASS forecasts yield at 24.0 tons

Figure 2

### U.S. beet sugar yield per acre

Short tons raw value per acre

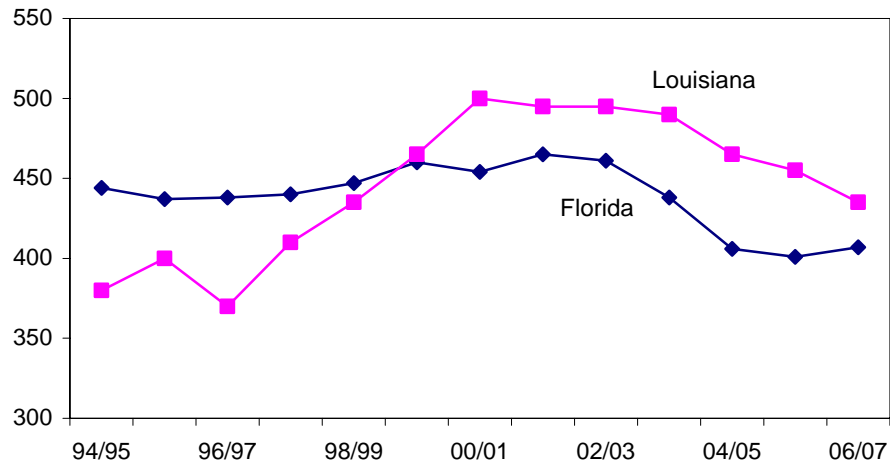


Source: Sweetener Market Data, FSA; Crop Production, NASS.

Figure 3

### Sugarcane area harvested in Florida and Louisiana, 1994/95-2006/07

1,000 acres



Source: Sweetener Market Data, FSA; Crop Production, NASS.

per acre, an improvement over last year's 22.9 tons per acre. Sugarcane for sugar and seed production is forecast at 10.440 million tons, about the same as last year (10.420 million tons). Assuming that this year's sugarcane for seed is about the same as last year's 7.69 percent, sugar yield per acre is forecast at 3.41 STRV. If realized, the FY 2007 sugar yield would be highest since FY 2002 (fig. 4).

Texas FY 2007 sugar production is projected at 198,000 STRV, up about 22,000 STRV from FY 2006. NASS forecasts area harvested for sugar and seed at 46,500 acres, an increase of 4,100 acres over last year, and it estimates sugarcane for sugar and seed at 1.809 million tons, about 11.4 percent more than produced in FY 2006. Implied sugar yield is relatively high at 4.430 STRV per acre, indicating good sucrose development and an expected recovery of 10.47 percent.

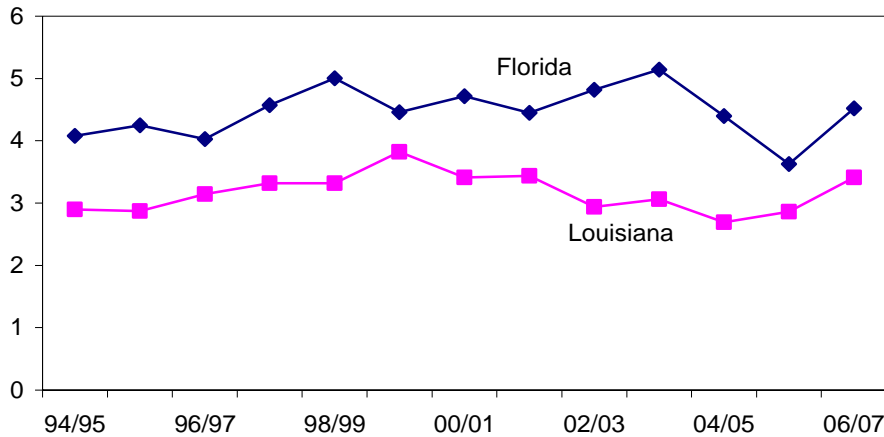
Hawaiian cane sugar millers project FY 2007 sugar production at 269,000 STRV. Because Hawaiian production follows the calendar year, the bulk of the projected harvest season takes place in 2007, and no NASS sugarcane forecasts are available. In the future, it is expected that more of Hawaii's sugarcane will be used as a feedstock for ethanol production for use on the islands.

**Trade**

TRQ sugar estimated for entry in FY 2006 is 2.630 million STRV. Keeping track of TRQ entries has been more involved this year because of numerous announcements during the year increasing the TRQ. Table 2 summarizes the TRQ components by the type of sugar and by date of the announcement. Table 3 provides additional detail on allocations and entries. As of September 5, 2006, 1.443 million MTRV

Figure 4

**Cane sugar yields in Florida and Louisiana, 1994/95-2006/07**  
**Short tons raw value per acre**



Source: *Sweetener Market Data*, FSA; *Crop Production*, NASS.



Table 2--USDA estimate of TRQ sugar imports in FY 2006

Item/Date of USDA announcement	Metric tons, raw value	Short tons, raw value
<b>Raw sugar TRQ</b>		
8/12/2005	1,117,195	1,231,497
8/19/2005	108,862	120,000
12/02/2005	272,155	300,000
2/02/2006	226,796	250,000
7/27/2006 (early entries of FY 2007 TRQ)	22,680	25,000
Less shortfall	-54,432	-60,000
<b>Total raw sugar TRQ</b>	<b>1,693,256</b>	<b>1,866,497</b>
<b>Refined sugar TRQ</b>		
Allocation to Canada		
8/12/2005	10,300	11,354
2/2/2006	25,000	27,558
<b>Total to Canada</b>	<b>35,300</b>	<b>38,912</b>
Allocation to Mexico		
8/12/2005	2,954	3,256
2/2/2006	59,349	65,420
7/27/2006	26,681	29,410
<b>Total to Mexico</b>	<b>88,984</b>	<b>98,087</b>
Global		
8/12/2005	7,090	7,815
9/9/2005	68,039	75,000
12/02/2005	136,078	150,000
2/02/2006	142,447	157,019
7/27/2006	64,038	70,589
Less		
early entry - base refined	-11,794	-13,000
early entry - Add'l Global	-68,040	-75,000
<b>Global total</b>	<b>337,859</b>	<b>372,423</b>
Specialty		
Base (8/12/2005)	1,656	1,825
Additional (8/12/2005)	27,000	29,762
7/27/2006	9,000	9,921
<b>Specialty total</b>	<b>37,656</b>	<b>41,508</b>
NAFTA TRQ (9/29/2005)	243,126	268,000
Less		
shortfall	-136,079	-150,000
<b>NAFTA total</b>	<b>107,047</b>	<b>118,000</b>
CAFTA/DR TRQ	<b>86,000</b>	<b>94,798</b>
<b>Total estimate TRQ entries</b>	<b>2,386,102</b>	<b>2,630,225</b>

Source: FAS, USDA.

Table 3--U.S. raw sugar tariff-rate quota, allocations, quantities entered, fiscal year 2006

Countries	Announced 8/30/05	Announced 12/9/05	Announced 2/21/06	Announced 8/03/06	Total	Quantity entered 9/5/2006	Remaining balance	Portion of allocation filled
Metric tons raw value (MTRV)								
Argentina	50,000	11,797	15,461		77,258	54,220	23,038	70.2
Australia	96,511	22,771	29,844		149,126	122,896	26,230	82.4
Barbados	8,139	1,920	-10,059		0			
Belize	12,791	3,018	3,955		19,764	19,764	0	100.0
Bolivia	9,302	2,195	2,877		14,374	14,348	26	99.8
Brazil	168,603	39,781	52,138		260,522	260,521	1	100.0
Colombia	27,907	6,584	8,630		43,121	39,859	3,262	92.4
Congo	7,258				7,258	131	7,127	1.8
Cote D'Ivoire	7,258				7,258	58	7,200	0.8
Costa Rica	17,442	4,115	5,394		26,951	26,950	1	100.0
Dominican Republic	204,649	48,286			252,935	209,689	43,246	82.9
Ecuador	12,791	3,018	3,955		19,764	19,732	32	99.8
El Salvador	30,232	7,133	9,349		46,714	46,714	0	100.0
Fiji	10,465	2,469			12,934	10,557	2,377	81.6
Gabon	7,258		-7,258		0			
Guatemala	55,813	13,169	17,259		86,241	86,241	0	100.0
Guyana	13,953	3,292	4,315		21,560	6,678	14,882	31.0
Haiti	7,258		-7,258		0			
Honduras	11,628	2,744	3,596		17,968	17,967	1	100.0
India	9,302	2,195			11,497	11,475	22	99.8
Jamaica	12,791	3,018	3,955		19,764	5,193	14,571	26.3
Madagascar	7,258				7,258			
Malawi	11,628	2,744	3,596		17,968	10,298	7,670	57.3
Mauritius	13,953	3,292	4,315		21,560	6,868	14,692	31.9
Mozambique	15,116	3,567	4,674		23,357	18,368	4,989	78.6
Nicaragua	24,418	5,761	7,551		37,730	37,730	0	100.0
Panama	33,721	7,956	10,428		52,105	51,924	181	99.7
Papua New Guinea	7,258				7,258	7,258	0	100.0
Paraguay	7,258				7,258	6,143	1,115	84.6
Peru	47,674	11,248	14,742		73,664	50,006	23,658	67.9
Philippines	156,975	37,037	30,000		224,012	185,155	38,857	82.7
South Africa	26,744	6,310	8,270		41,324	41,324	0	100.0
St. Kitts & Nevis	7,258		-7,258		0			
Swaziland	18,604	4,390	5,753		28,747	28,747	0	100.0
Taiwan	13,953	3,292	-3,292		13,953			
Thailand	16,279	3,841	5,034		25,154	25,140	14	99.9
Trinidad-Tobago	8,139	1,920	2,517		12,576			
Uruguay	7,258				7,258	7,258	0	100.0
Zimbabwe	13,953	3,292	4,315		21,560	14,252	7,308	66.1
Total Raw Cane TRQ	1,218,798	272,155	226,798		1,717,751	1,443,464	274,287	84.0
Refined Global	75,129	136,078	142,447	64,038	417,692	405,921	11,771	97.2
Refined Canada	10,300		25,000		35,300	25,222	10,078	71.5
Total Mexico (inc. NAFTA)	253,337		59,349	26,681	339,367	168,894	170,473	49.8
Refined Specialty	28,656			9,000	37,656	30,479	7,177	80.9
Total Refined TRQ plus Mexico	367,422	136,078	226,796	99,719	830,015	630,516	199,499	76.0
CAFTA TRQs (Calendar year)								
El Salvador (3/24/2006) 1/	24,000				24,000	24,000		100.0
Nicaragua (4/01/2006)	22,000				22,000	21,050		95.7
Honduras (4/01/2006)	8,000				8,000	8,000		100.0
Guatemala (7/01/2006)	32,000				32,000	26,980		84.3
All Sugar					2,633,766	2,154,010	479,756	81.8

1/ Date of announcement.

Source: USTR (allocations), U.S. Customs Service (quantity entered).

(1.591 million STRV) of raw TRQ had entered the United States. This amount is 84.0 percent of the total allocated. The corresponding amount of refined TRQ and NAFTA sugar that has entered is 630,516 MTRV (695,018 STRV). This amount is 76.0 percent of the total. The table reveals that only about 50 percent of the NAFTA sugar has entered. Due to a number of difficulties on both sides of the border, more sugar from Mexico has arrived as high-tier tariff sugar than originally expected. (For 2006, the high-tier tariffs are 3.02 cents/lb for raw sugar and 3.20 cents/lb for refined sugar.) The USDA estimates high-tier tariff imports at 400,000 STRV. The raw and refined sugar TRQs for FY 2007 were established on July 27, 2006. The raw sugar TRQ was set at 1.481 million STRV. The USDA expects shortfall to be 50,000 STRV, and early entries allowed to enter between August 7 and September 30 (therefore recorded as entering in FY 2006) to be 25,000 STRV. Refined TRQ sugar is projected at 52,612 STRV. Sugar allocated to Mexico under NAFTA is 275,575 STRV less the amount allocated to Mexico as part of the raw sugar TRQ (8,000 STRV) or 267,575 STRV. Sugar under the Central American–Dominican Republic Free Trade Agreement (CAFTA/DR) is projected at 111,024 STRV. (This sugar enters on a calendar year basis and is not part of the July 27 announcement.) Total TRQ sugar is, therefore, projected at 1.848 million STRV.

Other program sugar imports outside the sugar TRQ for FY 2007 are projected to total 325,000 STRV. Other USDA import programs include the Refined Sugar Re-export Program, the Sugar-Containing Products Program, and the Polyhydric Alcohol Program. Sugar from imported syrups is projected at 75,000 STRV. (Before December 2005, the USDA projected this sugar based on molasses imported for the commercial extraction of refined sugar (HTS 1703.10.30) and on thick syrup imports (HTS 1702.90.40). However, the USDA now receives this information directly from the industries importing the syrups.) High-tier tariff sugar is projected at 50,000 STRV.

The USDA projects FY 2007 sugar exports at 200,000 STRV, the same level as estimated for FY 2006. These exports mostly occur under the Refined Sugar Re-export Program. The USDA also projects that deliveries made to domestic food and beverage manufacturers under the Sugar-Containing Products Re-export Program will total 125,000 STRV in FY 2007, for an increase of 25,000 STRV over the total estimated for FY 2006.

### ***Sugar-Containing Products, Sugar Deliveries, Ending Stocks***

Sugar in imported products over the first three quarters of FY 2006 has totaled 994,000 STRV, representing an increase of 14.8 percent compared with the same period of a year earlier (second panel, table 4). Figure 5 shows the growth of individual components of sugar in these products. The largest percentage growth consists in near-sugar products classified under the Harmonized Tariff Schedule (HTS) chapter 1701. The two products in this tariff chapter are essentially vanilla-flavored sugar that enters the United States duty-free from Mexico under NAFTA. Sugar in these products is estimated at 93,167 STRV—an increase of more than 77,000 STRV compared with the previous year. It is expected that next year imports under these tariff codes will fall to about last year's level, if not lower. If the sugar in HTS 1701 products is excluded from the total, the growth of sugar-containing products is only 6.0 percent.

Table 4--Estimated U.S. sugar deliveries and sugar in traded sugar-containing products 1/

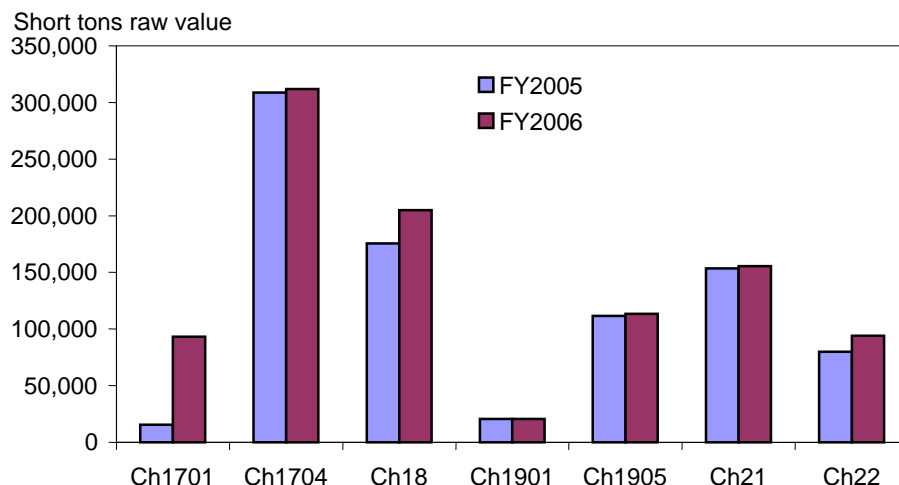
Fiscal year	Population	Oct-Dec	Jan-Mar	Apr-June	July-Sept	FY total	Per capita
		1,000 short tons, raw value (STRV)					Pounds (refined value)
Domestic sugar deliveries for food and beverage use							
1995	270.4	2,260	2,105	2,311	2,542	9,218	63.7
1996	273.5	2,379	2,191	2,355	2,519	9,445	64.6
1997	276.7	2,430	2,143	2,401	2,591	9,565	64.6
1998	279.9	2,443	2,233	2,428	2,568	9,672	64.6
1999	283.1	2,458	2,208	2,553	2,655	9,873	65.2
2000	286.0	2,580	2,318	2,484	2,611	9,993	65.3
2001	288.9	2,564	2,370	2,486	2,580	10,000	64.7
2002	291.8	2,474	2,227	2,439	2,645	9,785	62.7
2003	294.7	2,497	2,183	2,360	2,464	9,504	60.3
2004	297.6	2,504	2,286	2,368	2,520	9,678	60.8
2005	299.6	2,547	2,335	2,471	2,666	10,019	62.5
2006	302.3	2,575	2,437	2,513			
Estimated sugar in imported sugar-containing products							
1995	--	79	83	92	100	354	--
1996	--	99	85	95	110	389	--
1997	--	112	100	119	128	459	--
1998	--	125	115	138	151	529	--
1999	--	140	140	163	177	620	--
2000	--	173	162	177	191	704	--
2001	--	185	174	195	216	769	--
2002	--	215	192	223	250	879	--
2003	--	236	226	256	284	1,002	--
2004	--	266	251	288	315	1,119	--
2005	--	291	277	298	340	1,205	--
2006	--	322	313	358			
Estimated sugar in exported sugar-containing products							
1995	--	68	74	78	91	311	--
1996	--	97	85	90	103	376	--
1997	--	103	98	102	108	411	--
1998	--	109	91	98	103	401	--
1999	--	106	96	99	109	409	--
2000	--	116	104	107	128	456	--
2001	--	134	115	129	130	508	--
2002	--	130	112	118	125	485	--
2003	--	138	123	130	140	531	--
2004	--	150	137	140	148	575	--
2005	--	152	142	160	161	616	--
2006	--	175	143	150			
Estimated sugar in USDA sugar-containing product re-export program							
1995	--	28	18	18	39	103	--
1996	--	21	20	30	32	104	--
1997	--	22	68	22	45	157	--
1998	--	21	24	32	46	123	--
1999	--	44	58	35	32	169	--
2000	--	21	21	22	22	86	--
2001	--	18	21	29	30	98	--
2002	--	40	39	35	42	156	--
2003	--	43	44	49	47	183	--
2004	--	35	28	40	39	142	--
2005	--	28	24	37	33	121	--
2006	--	25	25	23			
Estimated sugar deliveries for domestic consumption (adjusted for trade in sugar-containing products)							
1995	--	2,299	2,132	2,343	2,590	9,364	64.7
1996	--	2,402	2,211	2,390	2,558	9,561	65.4
1997	--	2,461	2,213	2,439	2,656	9,770	66.0
1998	--	2,480	2,281	2,500	2,662	9,923	66.3
1999	--	2,536	2,311	2,651	2,755	10,253	67.7
2000	--	2,658	2,396	2,576	2,697	10,328	67.5
2001	--	2,632	2,450	2,580	2,697	10,359	67.0
2002	--	2,599	2,346	2,580	2,811	10,335	66.2
2003	--	2,637	2,330	2,534	2,656	10,158	64.4
2004	--	2,655	2,428	2,555	2,726	10,364	65.1
2005	--	2,714	2,493	2,646	2,877	10,730	66.9
2006	--	2,747	2,632	2,745			

Source: "Sweetener Market Data," FSA, USDA (deliveries data), ERS (sugar in traded products)

1/ includes Puerto Rico.

Figure 5

### Sugar-containing products--Comparison of first three quarters of FY 2005 and FY 2006



Source: Economic Research Service, USDA.

Growth of sugar in the other imported products has been variable. Sugar in nonchocolate confectionery, the largest grouping, grew only 1.0 percent. Products in this category have exhibited the largest growth prior to this year. The growth of sugar in other product categories are as follows: HTS chapter 18 (cocoa and cocoa preparations), 16.8 percent; HTS chapter 19.01 (cereal and bakers' preparations), 0.3 percent; HTS chapter 19.05 (bread, pastries, cakes), 1.7 percent; HTS chapter 21 (miscellaneous edible products), 1.3 percent; and HTS chapter 22 (carbonated beverages), 17.7 percent.

Deliveries for human food and beverage use have totaled 8.312 million STRV through July (the 10th month of the fiscal year). These deliveries are 1.9 percent higher compared with the same period of the previous year. In spite of the strong delivery growth, the USDA estimates FY 2006 deliveries for domestic human food and beverage use at 10.150 million STRV, which would represent growth of only 1.3 percent. This fiscal year has been different than previous years because of the high proportion of deliveries constituted by sugar imports to entities that are not required to report to the USDA. These imports have totaled about 449,000 from October 2005 through July 2006, about 5.4 percent of reported deliveries through July. Unlike domestic deliveries from beet processors and cane refiners, there is no way to track direct consumption imports to end users, and whether the sugar is stored for later use or is put to immediate use as is usually the case with domestic deliveries.

The projection of deliveries for food and beverage use for FY 2007 is 10.250 million.

Ending stocks are the difference between supply and use. For FY 2006, they are estimated at 1.627 million STRV, implying an ending stocks-to-use ratio of 15.5 percent. For FY 2007, ending stocks are projected at 1.756 million STRV, implying an ending stocks-to-use ratio of 16.5 percent.

## Prices

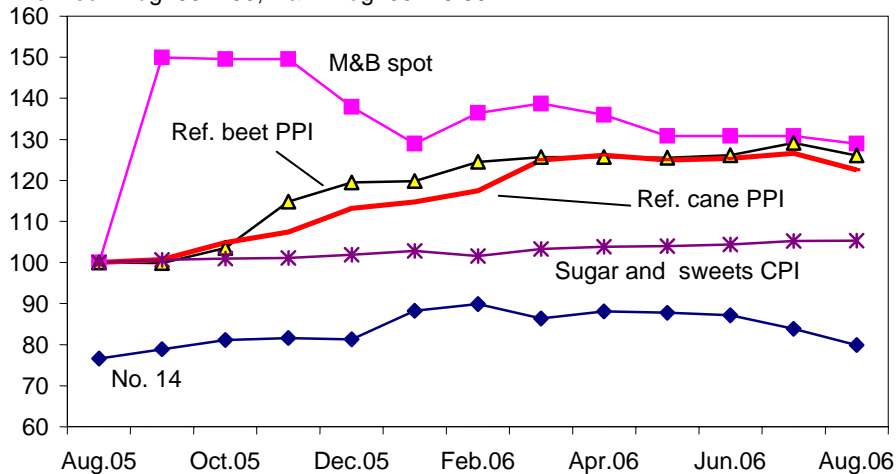
Sugar prices have declined through the marketing year. The New York nearby No. 14 price averaged 21.38 cents/lb in August 2006, down from levels as high as 24.05 cents/lb in February 2006. A combination of lower world raw sugar prices, more certainty about raw sugar TRQ availability, and the return of online refining capacity have helped to moderate the higher-than-normal raw sugar prices. The Midwest refined beet sugar price, published in *Milling and Baking News*, has been declining. The low end of the range is reported at 30.0 cents/lb as of mid-September 2006, down from much higher levels in the earlier part of the year. The trend should continue, with a huge sugarbeet crop expected and record entries of imported refined sugar.

Figure 6 shows five indices of U.S. sugar prices since August 2005: nearby No. 14 NY raw price, the refined beet sugar spot price, Producer Price Indices for refined beet and cane sugar, and the Consumer Price Index for sugar and sweets. The raw sugar index is the No.14 NY nearby relative to the refined beet sugar price in August 2005. The four other refined price indices are defined relative to their value in August 2005. Not unexpectedly, the refined beet sugar spot price has shown the greatest volatility as it represents a thinner market of sugar not sold forward. The Producer Price Indices more accurately represent the trends in the return to processors and refiners than do spot prices. Because they include returns from forward-sold sugar, their growth has been more muted than the return on spot sales. These indices are expected to decline as the effect of the large sugarbeet harvest and large quantities of imported sugar (TRQ sugar above WTO minimum access levels not subject to shipping patterns) make their presence felt. The Consumer Price Index for sugar and sweets shows only about 5-percent growth since last August.

Figure 6

### Relative U.S. sugar prices, August 2005-September 2006

Refined: Aug. 05=100; Raw: Aug. 05=76.60



Source: New York Board of Trade; *Milling and Baking News*; Bureau of Labor Statistics.

## High Fructose Corn Syrup

On July 27, 2006, the United States and Mexico announced an agreement that resolves disputes related to each nation's interpretation of the sweetener provisions in NAFTA. Under the July 27 agreement, the United States provides for duty-free access to 250,000 MTRV of Mexican sugar for FY 2007, and for duty-free access to between 175,000 and 250,000 MTRV of Mexican sugar for the period October 1, 2007, through December 31, 2007. In turn, Mexico provides for duty-free access to equivalent amounts, dry basis, of U.S. HFCS corresponding to the same periods. Effective on January 1, 2008, under NAFTA, there will be no duties or quantitative restraints between the two countries on all sugar and HFCS trade.

In the announcement, the United States and Mexico confirmed that on July 3 they submitted a joint letter to the WTO Dispute Settlement Body in which both countries had accepted in principal the elimination of Mexico's soft drink and distribution taxes. The tax had been in effect since January 1, 2002. The tax had been placed on beverages at a level of 20 percent of the value of the beverage and was directed at beverages that use sweeteners other than cane sugar.

U.S. HFCS producers had been strongly affected by the tax. U.S. exports of HFCS and crystalline fructose to Mexico fell from a pre-tax high of 188,516 metric tons (mt), dry basis, in FY 1997 to 6,393 mt, dry basis, in FY 2003 and 8,687 mt, dry basis, in FY 2004. There was some recovery in FY 2005 as a result of judicial waivers in Mexico being issued that allowed certain beverage manufacturers (e.g., Coca Cola FEMSA) to use HFCS without incurring the tax. Also, in September 2005, the Mexico's Secretariat of Economy (SE) granted access to the United States for a maximum of 250,000 mt of HFCS, effective only to September 2006, as a result of the United States' having established a sugar TRQ allocation to Mexico of the same amount for the same period. Data from Mexico shows that Mexico has increased its HFCS imports but that a significant portion is now being imported from other sources besides the United States. (table 5, fig. 7).

### *HFCS Supply and Utilization*

U.S. demand for HFCS has been stagnant since 1999, in contrast to robust growth in the 1990s. Although food use of HFCS has increased a small amount, about 2.5 percent, since 1999-2000, beverage use of HFCS has decreased by 3.4 percent (fig. 8). Lately, there has been some increased demand for HFCS. Data for July 2006 and the preceding 11 months indicate that domestic deliveries of HFCS-42 are 1.6 percent higher than the same period a year earlier, and that domestic deliveries of HFCS-55 are 1.9 percent higher. In terms of aggregate volume, total corn refinery exports are 28.6 percent higher. This growth is in part responsible for the corn sweetener Producer Price Index being at record levels since the beginning of the year. (See fig. 9 for a comparison of July index levels since 1994.) The net corn cost for corn sweetener production has averaged 2.96 cents/lb for January through July 2006. This compares with 2.92 cents/lb for the average since January 2000.

Due basically to higher exports, ERS projects FY 2006 production at 9.430 million tons, dry basis, and 2006 calendar year (CY) production at 9.467 million tons, dry basis (table 6). Both of these levels are larger than all the previous years. (Previous year highs were 9.399 million tons, dry basis, in FY 2000, and 9.412 million tons, dry basis, in CY 1999.) Domestic deliveries are only projected slightly higher.

Table 5--Mexican imports of high fructose corn syrup from all countries and from the United States

Year	Jan.	Feb.	March	April	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.	Calendar Year	Fiscal Year
<i>Imports of all HFCS and crystalline fructose, metric tons, dry value, from all countries</i>														
1995	4,424	3,308	3,984	4,325	3,084	7,557	2,451	6,008	3,606	7,159	4,063	4,984	54,953	NA
1996	6,607	7,622	5,436	5,163	3,912	9,361	13,640	12,370	11,917	27,672	27,654	21,363	152,718	92,234
1997	25,404	10,831	20,730	31,085	18,470	23,029	30,084	12,305	38,491	17,319	19,278	22,818	269,844	287,119
1998	27,867	9,513	20,063	23,847	23,590	16,574	26,048	13,721	13,084	13,455	18,682	22,895	229,340	233,722
1999	15,851	9,405	13,997	17,579	17,741	18,516	21,923	51,486	46,844	18,736	13,675	21,635	267,388	268,375
2000	10,514	14,475	22,535	14,923	25,227	21,241	19,503	24,263	17,771	22,541	27,788	20,137	240,918	224,499
2001	14,115	18,486	18,841	14,863	26,161	17,855	19,961	21,426	15,178	23,364	18,343	19,467	228,059	237,352
2002	1,948	1,286	10,737	2,179	1,895	520	5,556	1,168	2,605	465	732	476	29,567	89,067
2003	500	767	956	2,677	1,890	1,084	683	628	729	1,059	667	745	12,383	11,585
2004	280	789	1,379	782	838	969	1,065	1,572	575	5,489	7,867	3,872	25,478	10,722
2005	6,162	4,345	6,175	11,229	10,327	15,777	16,489	12,917	22,948	17,972	17,938	11,684	153,962	123,595
2006	26,313	13,289	23,708	19,343	27,138	26,015								
<i>Imports of all HFCS and crystalline fructose, metric tons, dry value, from the United States</i>														
1995	4,424	3,280	3,984	4,310	3,075	7,557	2,438	5,980	3,606	7,159	4,063	4,984	54,859	NA
1996	6,607	7,622	5,436	5,163	3,912	9,360	13,571	12,370	11,915	27,671	27,654	21,363	152,646	92,162
1997	25,404	10,831	20,730	31,085	18,470	23,029	30,084	12,305	38,491	17,319	19,278	22,816	269,842	287,118
1998	27,867	9,510	20,063	23,847	23,589	16,574	26,048	13,721	13,083	13,455	18,682	22,895	229,335	233,715
1999	15,851	9,405	13,997	17,579	17,741	18,516	21,923	51,486	46,844	18,735	13,675	21,635	267,386	268,373
2000	10,514	14,474	22,535	14,923	25,227	19,008	18,337	23,130	16,212	21,039	25,973	18,522	229,893	218,404
2001	12,679	17,771	18,295	13,239	24,780	16,718	18,042	18,924	13,442	21,597	17,526	17,040	210,052	219,423
2002	1,930	1,286	10,737	2,179	1,894	520	5,555	1,168	2,605	465	732	476	29,545	84,035
2003	499	767	956	2,677	1,846	999	637	541	729	1,059	667	744	12,120	11,323
2004	280	789	1,357	719	792	969	1,064	1,571	574	1,393	1,213	818	11,538	10,584
2005	1,107	1,585	2,378	6,525	7,139	11,475	11,888	9,227	20,161	12,991	11,130	10,398	106,003	74,908
2006	23,198	10,284	20,247	16,434	23,556	26,015								

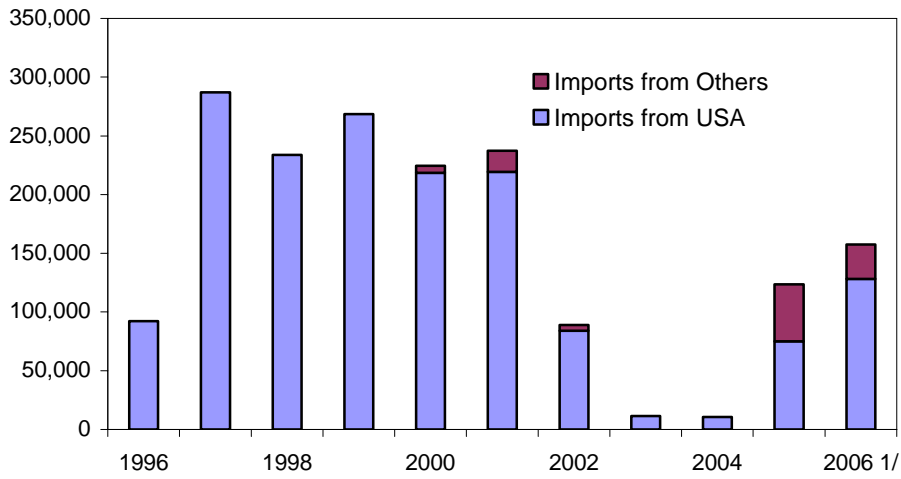
Source: Secretariat of Economy.



Figure 7

**Mexico: Imports of HFCS, dry basis, by fiscal year**

Metric tons, dry basis

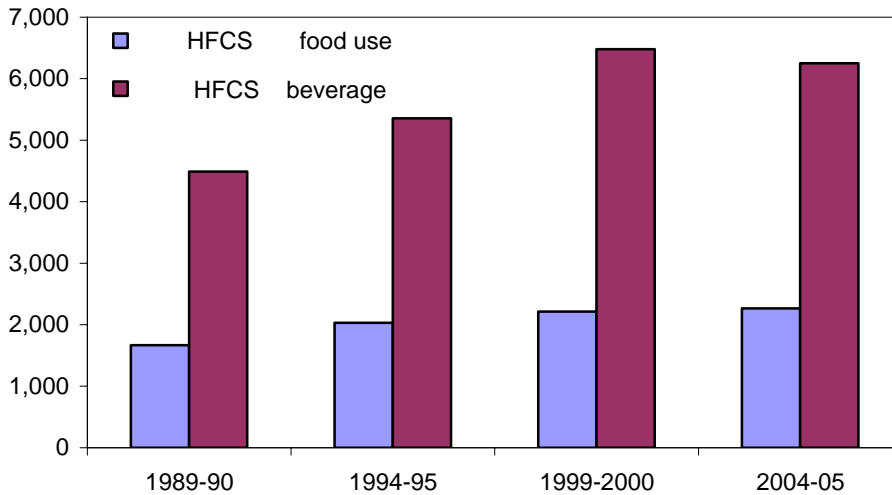


1/ Through May 2006. Source: Secretariat of Economy.

Figure 8

**HFCS end use delivery estimates**

1,000 ton, dry value

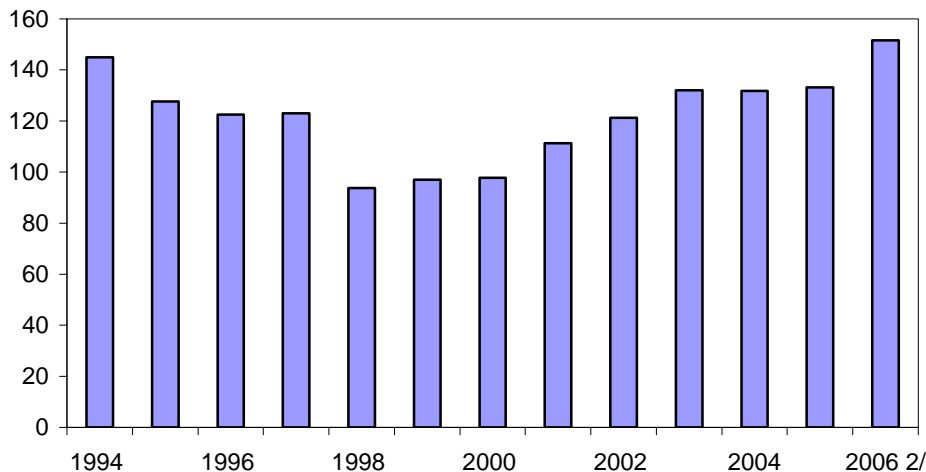


Source: Economic Research Service.

Figure 9

### Corn sweeteners Producer Price Index, July, 1994-2006

Index: June 1985=100



Source: Bureau of Labor Statistics.

There is some growth in HFCS-55 deliveries, but HFCS-42 deliveries are trailing off and HFCS-42 imports are at higher than normal levels. Table 7 shows calendar supply and utilization tables for both HFCS-42 and HFCS-55.

### *Net Corn Costs*

Because corn is the primary crop input for the production of HFCS, the value of the corn used in the wet-milling process represents the largest variable cost component of production. The wet-milling process creates three byproducts the sales of which offset the costs of securing corn for HFCS production. These byproducts consist of corn gluten feed, corn gluten meal, and corn oil. Byproduct prices are generally correlated with the price of corn, implying an offsetting cost effect in the production of HFCS.<sup>1/</sup>

According to USDA's September WASDE, the United States is expected to have the second-largest corn and soybean crops on record. The USDA forecasts a corn crop of 11.114 billion bushels and a soybean crop of 3.093 billion bushels. Rainfall during August improved crop conditions, causing the USDA to raise its corn forecast by 138 million bushels from a month ago and soybeans by 165 million bushels. In spite of the large corn crop, the USDA still expects that the demand for corn, including export demand, to outstrip supply. The forecast price for 2006/07 is \$2.15-\$2.55 per bushel. The midpoint of the range (\$2.35) is 18 percent above the expected 2005/06 average price of \$1.99 per bushel.

The price of soybean meal, a close substitute of gluten meal, is projected to be between \$147.50 and \$177.50/ton, due to the large supply of soybeans. The price of soybean oil, a close substitute for corn oil, is projected to be between 23.0 cents/lb and 27.0 cents/lb. Although oil stocks are presently very large, demand by the end

<sup>1/</sup> In the calculation of byproduct credits, it is assumed that 1 bushel of corn weighs 56 pounds and produces 1.55 pounds of corn oil, 13.5 pounds of corn gluten feed, 2.56 pounds of corn gluten meal, and 33.33 pounds of corn sweetener, dry weight.

Table 6--U.S. high fructose corn syrup (HFCS) production and deliveries, quarterly, fiscal, and calendar year 1/

Quarter and Year	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006 2/
<i>Production -- 1,000 short tons, dry weight</i>															
Quarter															
I	1,584	1,592	1,634	1,760	1,830	1,946	2,012	2,125	2,168	2,193	2,105	2,119	2,183	2,143	2,256
II	1,845	1,915	2,073	2,136	2,267	2,352	2,540	2,544	2,553	2,400	2,541	2,484	2,446	2,446	2,519
III	1,699	1,929	2,067	2,111	2,163	2,348	2,476	2,503	2,438	2,442	2,498	2,412	2,359	2,454	2,470
IV	1,506	1,661	1,693	1,752	1,897	2,031	2,123	2,239	2,154	2,201	2,159	2,135	2,076	2,185	2,222
Year															
Fiscal	6,631	6,942	7,434	7,701	8,012	8,543	9,059	9,295	9,399	9,189	9,345	9,174	9,122	9,118	9,430
Calendar	6,634	7,097	7,467	7,759	8,157	8,677	9,150	9,412	9,313	9,236	9,303	9,150	9,063	9,227	9,467
<i>Deliveries -- 1,000 short tons, dry weight</i>															
Quarter															
I	1,611	1,616	1,648	1,762	1,833	1,920	1,975	2,072	2,129	2,165	2,114	2,122	2,185	2,128	2,195
II	1,866	1,939	2,083	2,126	2,241	2,311	2,439	2,482	2,482	2,370	2,527	2,469	2,438	2,408	2,431
III	1,723	1,955	2,065	2,097	2,141	2,286	2,399	2,440	2,400	2,433	2,491	2,408	2,361	2,392	2,338
IV	1,527	1,663	1,685	1,748	1,841	2,000	2,066	2,188	2,103	2,181	2,161	2,136	2,076	2,130	2,100
Year															
Fiscal	6,703	7,037	7,460	7,671	7,964	8,358	8,812	9,061	9,200	9,072	9,313	9,160	9,119	9,004	9,095
Calendar	6,727	7,173	7,481	7,733	8,057	8,517	8,879	9,183	9,114	9,149	9,294	9,135	9,060	9,058	9,065

1/ Includes Puerto Rico.

2/ Forecast.

Table 7--HFCS supply and use, calendar year 1/

Calendar year	Production	Imports	Total	Exports	Domestic Disappearance
<i>1,000 short tons, dry weight</i>					
HFCS-42					
1992	2,793	46	2,839	17	2,822
1993	2,924	16	2,940	22	2,918
1994	2,994	37	3,031	26	3,005
1995	3,055	40	3,095	19	3,075
1996	3,076	52	3,128	33	3,095
1997	3,187	57	3,244	19	3,225
1998	3,296	61	3,357	39	3,318
1999	3,523	65	3,588	42	3,546
2000	3,519	64	3,583	33	3,550
2001	3,496	82	3,578	22	3,556
2002	3,640	72	3,712	18	3,695
2003	3,632	76	3,708	16	3,692
2004	3,611	92	3,703	18	3,685
2005	3,681	93	3,774	30	3,744
2006 2/	3,666	114	3,780	63	3,718
HFCS-55					
1992	3,841	148	3,988	83	3,905
1993	4,173	173	4,346	91	4,255
1994	4,474	100	4,573	97	4,476
1995	4,705	39	4,743	85	4,658
1996	5,081	71	5,152	190	4,962
1997	5,490	59	5,549	257	5,291
1998	5,854	56	5,910	349	5,561
1999	5,889	56	5,945	308	5,637
2000	5,795	56	5,851	286	5,565
2001	5,740	66	5,807	213	5,593
2002	5,663	64	5,727	128	5,599
2003	5,518	68	5,586	143	5,443
2004	5,452	65	5,517	143	5,374
2005	5,545	64	5,609	295	5,314
2006 2/	5,801	60	5,861	514	5,348

1/ Includes Puerto Rico; 2/ Forecast.

Source: Economic Research Service.

Table 8--Model of net corn cost estimation for HFCS production

The Model:

Price forecasting assumptions 1/:

	Low	High	Unit	Normal distribution parameters
USDA corn price forecast:	2.15	2.55	Dollars per bushell	Mean=2.35; Std.Dev.= 0.102
USDA soymeal price forecast:	147.50	177.50	Dollars per ton	Mean=162.50; Std.Dev.=7.6530
USDA soyoil price forecast:	23.00	27.00	Cents per pound	Mean=25.00; Std.Dev.=1.020

Equations 2/:

Glutenfeed price =  $27.983 * (\text{corn price}) + [\text{AR}(1)= 0.325] + [\text{AR}(2)=0.433]$ , Adj. R2 = 0.883; SE = 6.993

Glutenmeal price=  $85.212 + 0.962 * (\text{soymeal price})$ , Adj. R2 = 0.851; SE = 13.360

Corn oil price =  $11.294 + 0.615 * (\text{soyoil price})$ , Adj. R2 = 0.667, SE = 2.575

Primary cost = cost of corn

Byproduct credits in terms of corn bushell 3/:

Glutenfeed credit =  $[\text{price} * 13.5 / 2000] * 100$

Glutenmeal credit =  $[\text{price} * 2.65 / 2000] * 100$

Corn oil credit =  $[\text{price} * 1.55]$

Net cost (cents/pound) =  $[\text{Corn cost} - \text{Byproduct Credits}] / 33 * 100$

Result:	Mean value	Standard deviation
Net corn costs (cents/pound):	3.53	0.32

1/ *World Agriculture Supply and Demand Estimates (WASDE)*, September 2006.

2/ AR(i) = order i Autoregressive term; SE = standard error of equation.

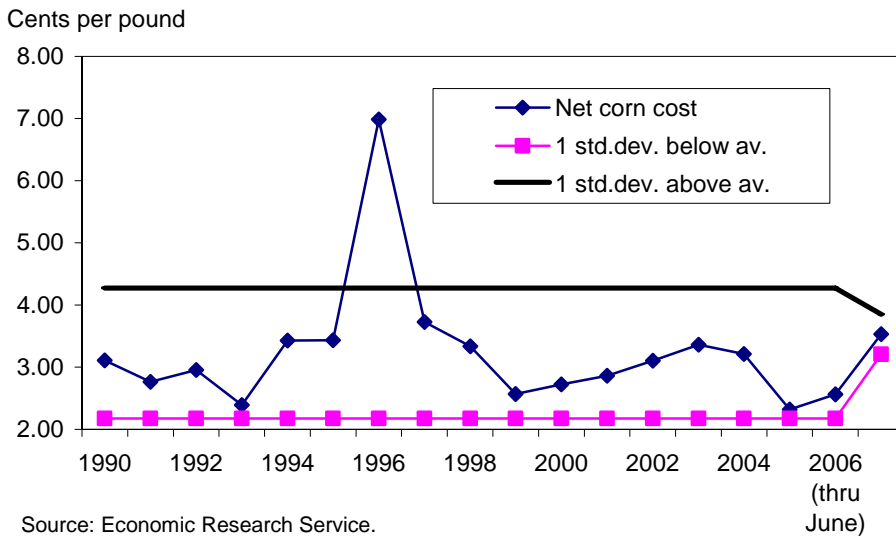
3/ coefficients from *U.S. Corn Sweetener Statistical Compendium*, ERS, Statistical Bulletin No. 868, Nov. 1993.

of the year for biodiesel production should diminish stocks and support higher prices.

Table 8 gives the details of a simple model for forecasting 2007 net corn costs. The model takes published USDA price projection intervals and assumes that these intervals represent a 95-percent confidence interval about the mean of each of the product intervals. Estimated regression equations link USDA price projections to byproduct prices: The corn gluten price is a function of the corn price; the corn gluten meal price is a function of the soybean meal price; and the corn oil price is a function of the soybean oil price. The projected corn price and the estimated byproduct prices are used to calculate an estimate of net corn costs.

Results indicate that the price of gluten feed is expected to be between \$50.45 and \$79.81/ton, with a midpoint of \$65.13/ton. The midpoint is close to the average value of \$61.36 since January 2000. The price of gluten meal is forecast between \$212 and \$272/ton, for a midpoint of \$242/ton. The forecast is about 9 percent less than the post-January 2000 average of \$264/ton. The price of corn oil is forecast between 21.0 and 32.4 cents/lb for a midpoint of 26.7 cents/lb. The forecast midpoint is about 17 percent higher than the 22.8 cents a pound average since January 2000. All in all, the net corn cost is forecast at 3.53 cents/lb, which is above the 2.92 cents/lb average since 2000. The standard deviation is 0.32, which implies a season-beginning 95-percent price forecasting interval of 2.90 to 4.16 cents/lb. At this point, the interval is fairly wide but indicates that net corn costs in 2006/07 are likely to be higher than any year since the late 1990s (fig. 10).

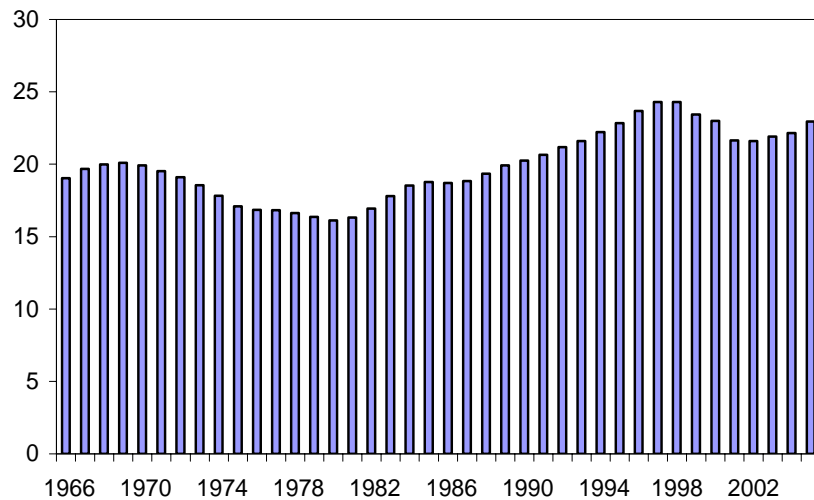
Figure 10  
**Annual average net corn costs of HFCS production, FY 1990-2006,  
 and projected FY 2007**



## Confectionery At-A-Glance

### U.S. confectionery consumption, per capita, 1966-2005

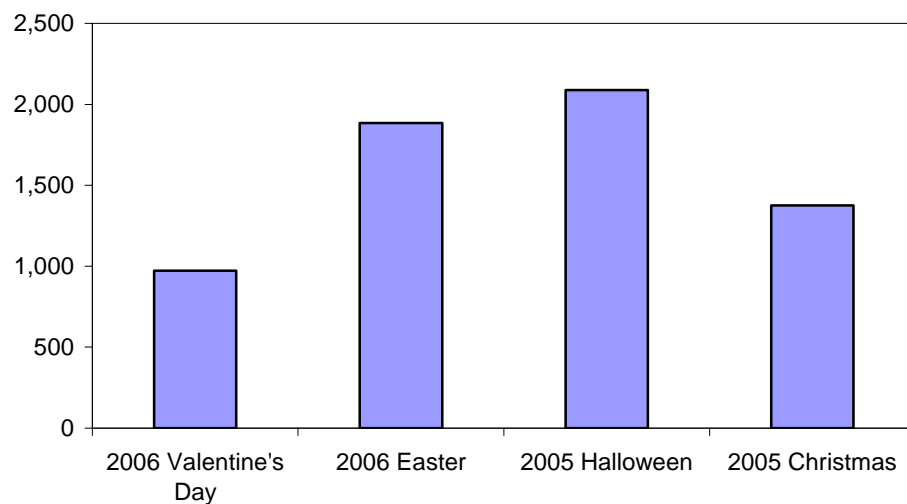
Pounds per capita



Source: U.S. Census Bureau.

### Confectionery seasonal sales

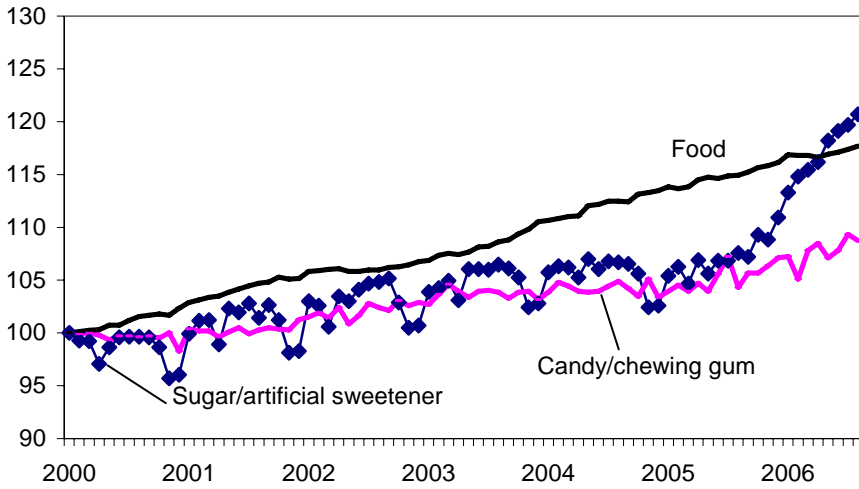
Million dollars



Source: National Confectioners Association.

**Relative monthly consumer prices: Sugar, confectionery, food**

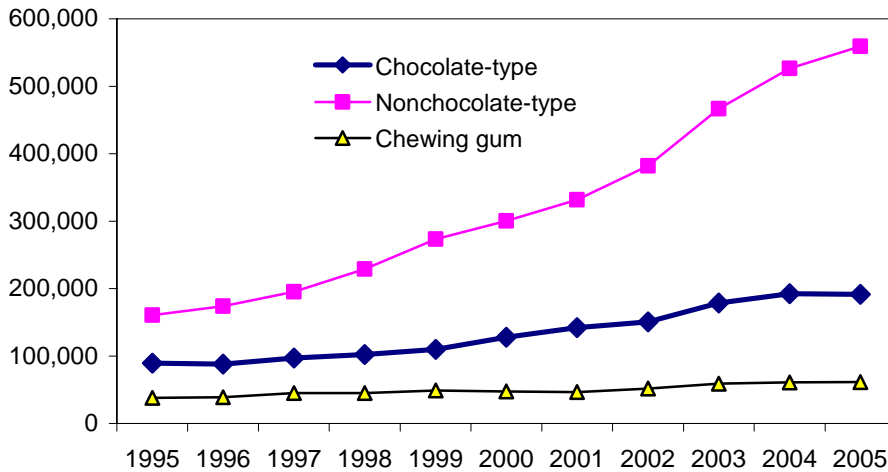
Jan. 2000=100



Source: Bureau of Labor Statistics, Consumer Price Index database.

**Confectionery product imports, by type of product, 1995-2005**

Short tons

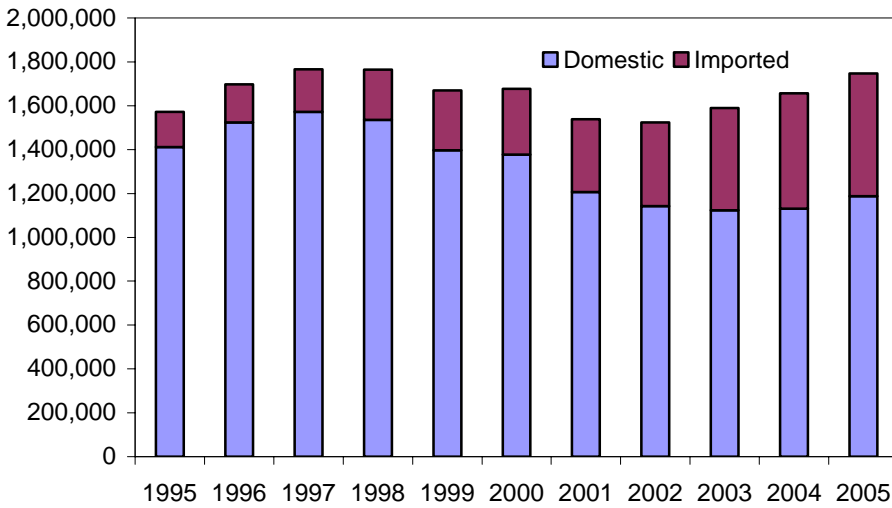


Source: U.S. Census Bureau.



**Supply of nonchocolate-type confectionery, by source, 1995-2005**

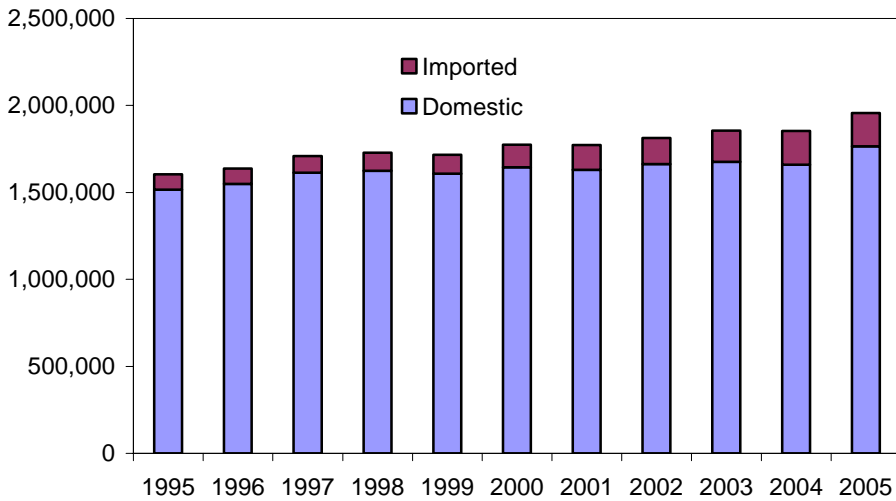
Short tons



Source: U.S. Census Bureau, Report MA311D.

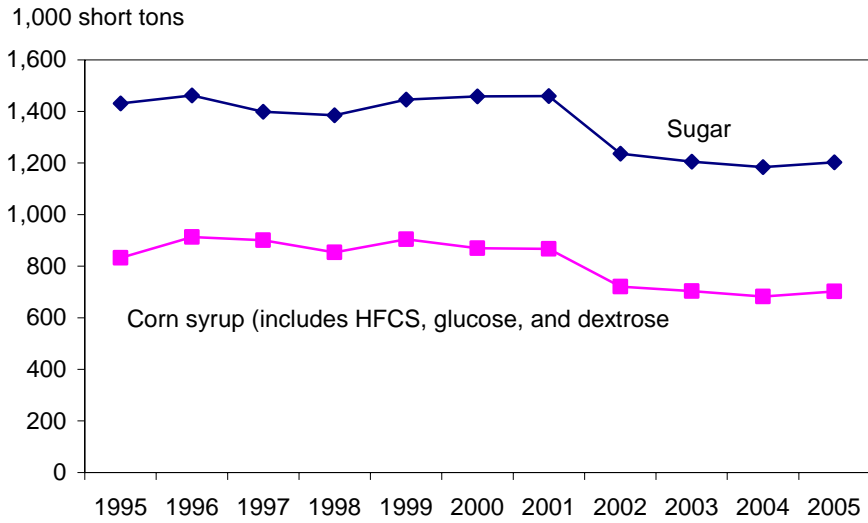
**Supply of chocolate-type confectionery, by source, 1995-2005**

Short tons



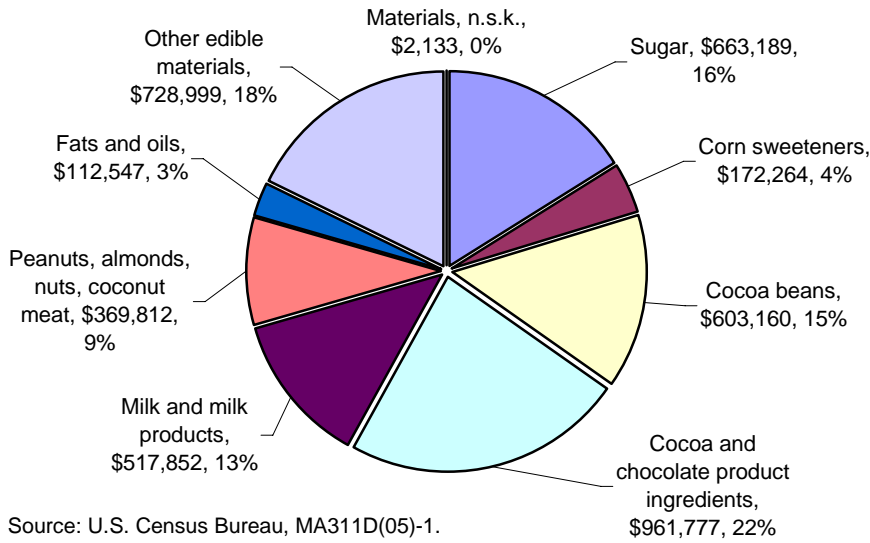
Source: U.S. Census Bureau, Report MA311D.

**Consumption of sweeteners by the U.S. confectionery industry**



Source: U.S. Census Bureau.

**Value, in thousands of U.S. dollars, of selected ingredients of U.S. confectionery industry, 2005**



Source: U.S. Census Bureau, MA311D(05)-1.

## Contacts and Links

### Contact Information

Stephen Haley, (202) 694-5247, [shaley@ers.usda.gov](mailto:shaley@ers.usda.gov)

Andy Jerardo (Honey & Maple Syrup) (202) 694-5266, [ajerardo@ers.usda.gov](mailto:ajerardo@ers.usda.gov)

David Kelch (European Union ) (202) 694-5151, [dkelch@ers.usda.gov](mailto:dkelch@ers.usda.gov)

### Subscription Information

Subscribe to ERS' e-mail notification service at <http://www.ers.usda.gov/updates/> to receive timely notification of newsletter availability. Printed copies can be purchased from the USDA Order Desk by calling 1-800-999-6779 (specify the issue number).

### 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

WASDE <http://usda.mannlib.cornell.edu/MannUsda/viewDocumentInfo.do?documentID=1194>

Sugar Briefing Room, <http://www.ers.usda.gov/briefing/Sugar/>

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and, where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or a part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination write to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410 or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.

### E-mail Notification

Readers of ERS outlook reports have two ways they can receive an e-mail notice about release of reports and associated data.

- Receive timely notification (soon after the report is posted on the web) via USDA's Economics, Statistics and Market Information System (which is housed at Cornell University's Mann Library). Go to <http://usda.mannlib.cornell.edu/MannUsda/aboutEmailService.do> and follow the instructions to receive e-mail notices about ERS, Agricultural Marketing Service, National Agricultural Statistics Service, and World Agricultural Outlook Board products.

- Receive weekly notification (on Friday afternoon) via the ERS website. Go to <http://www.ers.usda.gov/Updates/> and follow the instructions to receive notices about ERS outlook reports, *Amber Waves* magazine, and other reports and data products on specific topics. ERS also offers RSS (really simple syndication) feeds for all ERS products. Go to <http://www.ers.usda.gov/rss/> to get started.

Table 9--World refined sugar price, monthly, quarterly, and by calendar and fiscal year 1/

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.	:	1st Q.	2nd Q.	3rd Q.	4th Q.	:	Calendar	Fiscal
<i>Cents per pound</i>																				
1991	13.39	13.40	13.86	12.90	12.99	13.94	14.73	14.40	13.09	13.03	12.71	12.46	:	13.55	13.28	14.07	12.73	:	13.41	13.71
1992	12.18	11.92	12.19	12.54	12.89	13.41	13.41	12.96	12.29	11.94	11.68	11.26	:	12.10	12.95	12.89	11.63	:	12.39	12.67
1993	11.60	11.97	13.05	13.38	13.39	12.64	12.20	13.05	12.90	13.23	13.15	12.97	:	12.21	13.14	12.72	13.12	:	12.79	12.42
1994	13.14	14.11	15.46	14.92	15.77	16.05	15.54	15.62	15.42	15.46	17.77	18.65	:	14.24	15.58	15.53	17.29	:	15.66	14.62
1995	18.75	18.17	17.45	16.31	17.05	19.16	20.27	20.01	16.58	17.29	17.64	17.21	:	18.12	17.51	18.95	17.38	:	17.99	17.97
1996	17.36	17.90	18.14	18.02	17.79	18.00	16.99	16.81	15.74	14.87	14.09	13.95	:	17.80	17.94	16.51	14.30	:	16.64	17.41
1997	13.87	13.98	14.05	14.19	14.61	14.93	15.07	15.66	14.51	13.58	13.81	13.64	:	13.97	14.58	15.08	13.68	:	14.33	14.48
1998	13.52	12.78	12.23	11.63	12.00	11.80	11.65	11.62	10.05	10.00	10.78	10.97	:	12.84	11.81	11.11	10.58	:	11.59	12.36
1999	10.99	10.50	9.85	8.79	9.13	9.93	9.47	9.04	8.28	7.85	7.73	7.61	:	10.45	9.28	8.93	7.73	:	9.10	9.81
2000	7.70	7.67	7.83	8.66	9.06	10.63	11.38	11.29	11.74	11.76	11.02	10.95	:	7.73	9.45	11.47	11.24	:	9.97	9.10
2001	11.27	10.65	10.26	10.61	11.71	12.68	12.60	12.08	10.66	10.19	11.27	11.52	:	10.73	11.67	11.78	10.99	:	11.29	11.35
2002	11.88	10.80	10.81	10.09	10.28	10.02	10.23	10.33	9.68	9.72	10.16	10.25	:	11.16	10.13	10.08	10.04	:	10.35	10.59
2003	10.64	11.10	10.51	10.14	9.95	9.66	9.84	9.74	8.95	8.39	8.67	9.23	:	10.75	9.92	9.51	8.76	:	9.74	10.06
2004	9.16	9.54	10.59	11.19	10.78	10.73	11.81	11.80	11.12	11.21	11.27	11.23	:	9.76	10.90	11.58	11.24	:	10.87	10.25
2005	11.63	12.09	12.02	11.76	11.75	12.61	14.70	14.81	14.60	14.18	13.10	15.00	:	11.91	12.04	14.70	14.09	:	13.19	12.47
2006	16.92	19.99	20.45	21.35	21.81	20.93	21.17	18.95					:	19.12	21.36			:		

1/ Contract No. 5, London Daily Price, for refined sugar, f.o.b. Europe, spot.

Source: LIFFE, London.

Table 10--World raw sugar price, monthly, quarterly, and by calendar and fiscal year 1/

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.	:	1st Q.	2nd Q.	3rd Q.	4th Q.	:	Calendar
<i>Cents per pound</i>																			
1991	8.88	8.57	9.22	8.55	7.88	9.37	10.26	9.45	9.39	9.10	8.79	9.03	:	8.89	8.60	9.70	8.97	:	9.04
1992	8.43	8.06	8.22	9.53	9.62	10.52	10.30	9.78	9.28	8.66	8.54	8.15	:	8.24	9.89	9.79	8.45	:	9.09
1993	8.27	8.61	10.75	11.30	11.87	10.35	9.60	9.30	9.52	10.27	10.10	10.47	:	9.21	11.17	9.47	10.28	:	10.03
1994	10.29	10.80	11.71	11.10	11.79	12.04	11.73	12.05	12.62	12.75	13.88	14.76	:	10.93	11.64	12.13	13.80	:	12.13
1995	14.87	14.43	14.58	13.63	13.49	13.99	13.46	13.75	12.72	11.94	11.96	12.40	:	14.63	13.70	13.31	12.10	:	13.44
1996	12.57	12.97	13.07	12.43	11.94	12.54	12.83	12.33	11.87	11.65	11.29	11.38	:	12.87	12.30	12.34	11.44	:	12.24
1997	11.13	11.06	11.17	11.50	11.54	12.02	12.13	12.54	12.65	12.86	13.19	12.90	:	11.12	11.69	12.44	12.98	:	12.06
1998	11.71	11.06	10.66	10.27	10.17	9.33	9.70	9.50	8.21	8.24	8.73	8.59	:	11.14	9.92	9.14	8.52	:	9.68
1999	8.40	7.05	6.11	5.44	5.83	6.67	6.11	6.39	6.98	6.90	6.54	6.00	:	7.19	5.98	6.49	6.48	:	6.54
2000	5.64	5.51	5.54	6.48	7.33	8.72	10.18	11.14	10.35	10.96	10.02	10.23	:	5.56	7.51	10.56	10.40	:	8.51
2001	10.63	10.26	9.64	9.27	9.96	9.80	9.48	8.77	8.60	7.15	7.80	8.02	:	10.18	9.68	8.95	7.66	:	9.12
2002	7.96	6.81	7.27	7.12	7.33	7.07	8.02	7.86	8.54	8.84	8.87	8.81	:	7.35	7.17	8.14	8.84	:	7.88
2003	8.56	9.14	8.50	7.92	7.41	6.85	7.18	7.30	6.70	6.74	6.83	6.95	:	8.73	7.39	7.06	6.84	:	7.51
2004	6.42	7.01	8.23	8.21	8.08	8.41	9.19	8.99	9.10	9.84	9.65	10.19	:	7.22	8.23	9.09	9.89	:	8.61
2005	10.33	10.51	10.57	10.19	10.23	10.45	10.89	11.09	11.59	12.40	12.86	15.09	:	10.47	10.29	11.19	13.45	:	11.35
2006	17.27	18.93	18.01	18.21	17.83	16.19	16.61	13.58					:	18.07	17.41			:	

1/ Contract No. 11-f.o.b. stowed Caribbean port, including Brazil, bulk spot price, plus freight to Far East.

Source: New York Board of Trade.

Table 11--U.S. raw sugar price, duty fee paid, New York, monthly, quarterly, and by calendar and fiscal year 1/

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.	:	1st Q.	2nd Q.	3rd Q.	4th Q.	:	
<i>Cents per pound</i>																			
1991	21.86	21.42	21.46	21.23	21.29	21.42	21.25	21.83	22.06	21.76	21.75	21.50	:	21.58	21.31	21.71	21.67	:	
1992	21.38	21.56	21.36	21.38	21.04	20.92	21.10	21.34	21.55	21.61	21.39	21.11	:	21.43	21.11	21.33	21.37	:	
1993	20.76	21.16	21.56	21.76	21.36	21.42	21.89	21.85	21.97	21.80	21.87	22.00	:	21.16	21.51	21.90	21.89	:	
1994	22.00	21.95	21.95	22.08	22.18	22.44	22.72	21.84	21.78	21.58	21.57	22.35	:	21.97	22.23	22.11	21.83	:	
1995	22.65	22.69	22.46	22.76	23.10	23.09	24.47	23.18	23.21	22.67	22.60	22.63	:	22.60	22.98	23.62	22.63	:	
1996	22.39	22.68	22.57	22.71	22.62	22.48	21.80	22.51	22.38	22.37	22.12	22.14	:	22.55	22.60	22.23	22.21	:	
1997	21.88	22.07	21.81	21.79	21.70	21.62	22.04	22.21	22.30	22.27	21.90	21.93	:	21.92	21.70	22.18	22.03	:	
1998	21.85	21.79	21.74	22.14	22.31	22.42	22.66	22.19	21.92	21.67	21.83	22.19	:	21.79	22.29	22.26	21.90	:	
1999	22.41	22.38	22.55	22.57	22.65	22.61	22.61	21.24	20.10	19.50	17.45	17.87	:	22.45	22.61	21.32	18.27	:	
2000	17.70	17.24	18.46	19.43	19.12	19.31	17.64	18.12	18.97	21.15	21.39	20.56	:	17.80	19.29	18.24	21.03	:	
2001	20.81	21.18	21.40	21.51	21.19	21.04	20.64	21.10	20.87	20.90	21.19	21.43	:	21.13	21.25	20.87	21.17	:	
2002	21.03	20.69	19.92	19.73	19.52	19.93	20.86	20.91	21.65	21.94	22.22	22.03	:	20.55	19.73	21.14	22.06	:	
2003	21.62	21.91	22.14	21.87	21.80	21.62	21.32	21.26	21.34	20.92	20.91	20.37	:	21.89	21.76	21.31	20.73	:	
2004	20.54	20.57	20.86	20.88	20.69	20.03	20.14	20.10	20.47	20.31	20.40	20.55	:	20.66	20.53	20.24	20.42	:	
2005	20.57	20.36	20.54	21.21	21.96	21.89	21.94	20.49	21.10	21.71	21.83	21.74	:	20.49	21.69	21.18	21.76	:	
2006	23.61	24.05	23.10	23.56	23.48	23.32	22.44	21.38					:	23.59	23.45			:	

1/ Contract No. 14, duty fee paid New York. Average of nearest futures month for which an entire month of prices will be available. For example, April 2001's price

average of 21.51 cents is the average of closes for the July 2001 futures during the month of April since there was not a full month of May 2001 futures in

April (the May 2001 futures expired April 10th, July 2001 became the nearest futures, so July 2001 was used for the entire month of April).

Source: New York Board of Trade (www.nybot.com)

Table 12--U.S. wholesale refined beet sugar price, Midwest markets, monthly, quarterly, and by calendar and fiscal year

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.	:	1st Q.	2nd Q.	3rd Q.	4th Q.	:	Calendar
<i>Cents per pound</i>																			
1991	26.88	26.50	26.50	26.13	26.00	25.75	25.50	25.50	25.00	24.94	24.60	24.50	:	26.63	25.96	25.33	24.68	:	25.65
1992	25.40	26.50	26.50	26.50	26.40	26.00	25.00	25.00	25.00	24.90	24.13	23.90	:	26.13	26.30	25.00	24.31	:	25.44
1993	23.25	23.00	23.00	23.50	23.50	23.50	25.50	27.75	27.50	27.50	27.25	26.50	:	23.08	23.50	26.92	27.08	:	25.15
1994	25.75	25.50	25.50	24.50	24.75	25.25	25.00	25.00	24.70	25.00	25.38	25.50	:	25.58	24.83	24.90	25.29	:	25.15
1995	25.50	25.50	25.50	25.50	25.13	25.10	24.75	24.75	25.50	25.75	28.13	28.85	:	25.50	25.24	25.00	27.58	:	25.83
1996	28.69	29.00	29.50	29.50	29.70	29.50	29.50	29.00	29.00	29.00	29.00	29.00	:	29.06	29.57	29.17	29.00	:	29.20
1997	29.00	29.00	28.13	28.00	28.00	27.50	27.00	26.65	26.38	24.90	25.00	25.50	:	28.71	27.83	26.68	25.13	:	27.09
1998	25.50	25.50	25.50	25.50	26.00	26.00	26.00	26.00	26.50	26.90	27.00	27.00	:	25.50	25.83	26.17	26.97	:	26.12
1999	27.20	27.13	27.00	27.00	27.00	27.00	27.00	27.00	27.00	26.00	26.00	25.20	:	27.11	27.00	27.00	25.73	:	26.71
2000	23.38	22.25	21.50	21.00	19.75	19.00	19.00	19.00	20.70	21.25	21.00	21.80	:	22.38	19.92	19.57	21.35	:	20.80
2001	23.13	22.75	22.00	20.50	21.38	21.90	22.50	22.50	24.63	25.75	26.20	26.50	:	22.63	21.26	23.21	26.15	:	23.31
2002	26.75	26.00	25.95	24.63	24.50	24.00	24.00	25.40	26.25	26.75	27.40	27.88	:	26.23	24.38	25.22	27.34	:	25.79
2003	27.80	26.50	27.13	27.63	28.00	28.00	27.63	25.50	24.00	24.70	23.94	23.63	:	27.14	27.88	25.71	24.09	:	26.21
2004	23.70	23.50	23.50	23.50	23.50	23.50	23.50	23.50	23.50	23.50	23.38	23.20	:	23.57	23.50	23.50	23.36	:	23.48
2005	23.50	23.50	23.25	23.80	24.75	25.88	26.00	26.75	40.10	40.00	40.00	36.90	:	23.42	24.81	30.95	38.97	:	29.54
2006	34.50	36.50	37.10	36.38	35.00	35.00	35.00	34.50					:	36.03	35.46			:	

Source: Milling & Baking News. Simple average of the lower end of the range of quotations for days in that month. Quotations are weekly.

Table 13--U.S. retail refined sugar price, monthly, quarterly, and by calendar and fiscal year

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.	1st Q.	2nd Q.	3rd Q.	4th Q.	Calendar		
<i>Cents per pound</i>																			
1991	43.40	43.00	43.40	43.30	43.10	43.20	43.50	42.80	42.20	42.00	41.90	41.80	:	43.27	43.20	42.83	41.90	:	42.80
1992	42.50	42.40	41.90	41.70	41.70	41.50	41.50	41.10	41.00	41.20	41.20	40.60	:	42.27	41.63	41.20	41.00	:	41.53
1993	41.20	41.00	40.60	40.80	40.80	40.30	40.20	40.60	40.40	40.50	40.30	39.80	:	40.93	40.63	40.40	40.20	:	40.54
1994	40.70	40.50	40.10	39.90	40.10	39.70	40.00	39.70	40.30	40.20	39.50	39.20	:	40.43	39.90	40.00	39.63	:	39.99
1995	39.70	39.90	39.80	39.40	39.70	39.50	39.70	39.60	39.80	40.40	40.70	39.80	:	39.80	39.53	39.70	40.30	:	39.83
1996	40.50	40.30	40.60	40.40	41.50	41.80	42.40	42.80	42.60	43.20	42.60	42.80	:	40.47	41.23	42.60	42.87	:	41.79
1997	43.40	42.90	43.10	43.50	43.40	43.60	43.30	43.60	43.60	43.00	42.90	42.80	:	43.13	43.50	43.50	42.90	:	43.26
1998	43.00	42.90	43.30	43.10	42.80	43.10	43.20	43.60	43.20	42.30	42.50	42.70	:	43.07	43.00	43.33	42.50	:	42.98
1999	43.60	43.00	43.70	43.20	43.60	43.10	43.20	43.10	43.70	43.80	42.60	42.60	:	43.43	43.30	43.33	43.00	:	43.27
2000	43.70	43.20	42.90	41.40	42.40	42.80	42.50	42.40	42.40	42.50	41.30	41.40	:	43.27	42.20	42.43	41.73	:	42.41
2001	42.80	43.50	43.70	42.90	43.80	43.50	44.30	43.30	44.20	44.00	42.50	42.50	:	43.33	43.40	43.93	43.00	:	43.42
2002	44.10	43.70	42.60	44.40	42.70	43.00	43.30	43.30	43.70	42.40	41.90	42.10	:	43.47	43.37	43.43	42.13	:	43.10
2003	43.00	42.70	42.70	42.70	43.10	42.90	43.10	43.50	42.60	42.50	41.10	42.20	:	42.80	42.90	43.07	41.93	:	42.68
2004	42.90	42.60	42.60	42.70	42.50	42.50	42.90	42.60	42.60	42.60	42.20	43.00	:	42.70	42.57	42.70	42.60	:	42.64
2005	43.70	43.50	43.30	43.60	42.70	42.80	42.40	43.20	43.70	44.20	44.50	44.90	:	43.50	43.03	43.10	44.53	:	43.54
2006	46.10	46.80	47.10	48.00	49.90	50.40	50.50	51.60						46.67	49.43				

Source: Bureau of Labor Statistics.

Table 14--U.S. producer price index for corn sweeteners and sugar, monthly

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.	Annual
<i>Corn sweeteners (liquids and solids), incl.glucose, dextrose, and HFCS, June 1985=100 1/</i>													
2000	98.9	98.0	97.8	98.0	97.9	97.9	97.8	98.0	98.0	97.6	99.2	100.3	98.3
2001	111.3	111.6	111.6	111.5	111.9	111.3	111.3	111.3	112.2	112.3	113.9	114.0	112.0
2002	116.5	120.1	119.7	119.8	117.4	119.6	121.2	121.0	127.4	127.9	125.9	126.5	121.9
2003	130.0	131.4	131.3	131.3	131.5	131.9	--	132.2	131.9	130.6	130.9	130.7	131.3
2004	131.9	132.0	131.9	131.7	131.6	131.7	131.8	131.5	131.6	131.5	131.6	131.6	131.7
2005	133.1	133.3	133.5	133.1	133.1	133.1	133.2	132.9	133.2	137.2	133.1	133.2	133.5
2006 2/	144.5	144.8	145.1	153.4	150.1	151.3	151.6	151.2					
<i>Raw cane sugar and other can mill products and byproducts, June 1982=100 1/</i>													
2000	92.7	89.4	95.1	97.4	97.0	99.5	92.7	90.7	95.9	106.1	106.9	103.4	97.2
2001	106.3	107.6	107.6	108.6	107.8	106.1	107.7	107.4	107.1	107.4	108.2	109.8	107.6
2002	109.2	107.0	103.8	103.4	101.4	102.7	106.7	106.9	111.2	111.6	113.9	112.7	107.5
2003	108.8	111.3	113.5	111.6	112.1	111.1	109.8	109.8	108.0	106.8	107.4	105.2	109.6
2004	104.7	104.5	106.4	105.6	105.8	102.7	104.6	103.3	107.1	104.2	104.2	106.5	105.0
2005	106.5	105.6	120.0	121.4	122.9	124.5	125.0	127.2	123.3	125.0	126.4	126.3	121.2
2006 2/	129.5	133.2	129.9	132.9	134.6	135.4	134.9	132.7					
<i>Refined beet sugar and byproducts, June 1982=100 1/</i>													
2000	105.4	101.5	100.3	99.1	98.3	98.3	97.7	96.2	95.5	94.7	95.0	94.0	98.0
2001	97.5	97.6	97.8	98.0	99.4	99.5	99.5	100.9	102.0	103.3	105.0	106.8	100.6
2002	108.5	109.8	110.5	111.2	111.1	110.9	111.3	111.3	114.2	114.3	116.1	117.9	112.3
2003	118.7	118.8	119.1	119.5	119.2	119.4	119.3	119.4	113.7	116.6	116.4	116.2	118.0
2004	116.1	116.3	116.4	116.8	116.3	116.6	116.6	116.7	116.9	115.5	115.8	116.1	116.4
2005	116.3	117.8	115.9	116.5	117.3	118.6	118.5	118.4	118.2	122.6	136.0	141.5	121.5
2006 2/	141.9	147.4	148.8	149.0	148.6	149.4	152.9	149.3					
<i>Refined cane sugar and byproducts, June 1982=100 1/</i>													
2000	124.7	121.8	121.7	119.8	120.4	119.8	120.5	119.2	117.5	113.9	113.2	114.4	118.9
2001	112.8	117.5	116.2	114.6	115.1	115.3	115.6	116.6	115.5	115.2	115.2	116.3	115.5
2002	117.4	117.9	121.0	122.3	119.7	121.2	121.3	120.8	120.8	121.0	119.5	120.1	120.2
2003	119.1	122.3	122.8	122.9	122.9	123.5	123.8	124.5	125.5	124.3	122.3	123.4	123.1
2004	120.5	120.4	121.6	121.6	123.0	124.3	123.3	123.5	123.1	123.6	122.5	121.6	122.4
2005	122.8	121.9	121.5	121.4	122.6	123.7	122.4	124.4	125.3	130.4	133.6	140.8	125.9
2006 2/	142.8	146.2	155.5	156.9	155.5	156.0	157.5	152.5					

1/ Based on a sample of domestic producers. 2/ Preliminary, all indexes are subject to revision four months after original publishing.

Source: Bureau of Labor Statistics.



Table 15--U.S. Consumer Price Index for sugar and selected sweetener-containing products 1/

Year and month	Sugar and sweets	Sugar and artificial sweeteners	Flour and prepared flour mixes	Cereals and bakery products	Breakfast cereal	White bread	Cakes, cupcakes, and cookies	Other bakery products
	2/	3/	4/	5/	6/	7/	8/	9/
1982-84=100								
2000	154.0	137.1	160.2	188.3	198.0	199.1	187.9	191.5
2001	155.7	140.3	164.3	193.8	199.7	208.3	192.0	199.1
2002	159.0	143.2	171.0	198.0	203.0	213.4	196.7	203.0
2003	162.0	145.7	178.4	202.8	204.3	218.6	202.8	207.3
2004	163.2	146.9	177.8	206.0	203.5	223.8	206.4	211.8
2005	165.2	149.1	179.6	209.0	203.6	232.1	209.8	211.4
2004								
Jan.	163.0	147.1	180.8	203.9	204.3	215.8	204.8	208.7
Feb.	163.9	147.9	179.4	204.4	204.4	217.7	203.3	210.2
Mar.	163.3	147.7	180.1	204.8	200.5	220.0	206.4	213.1
Apr.	162.6	146.4	173.4	205.5	200.6	223.9	205.9	214.6
May	163.5	148.8	181.1	206.1	202.4	221.6	206.8	213.5
June	162.8	147.5	182.7	206.8	203.9	225.0	206.5	212.6
July	163.8	148.5	185.0	207.2	202.0	224.9	206.8	216.4
Aug.	164.4	148.4	182.6	207.2	203.5	227.1	205.4	213.5
Sep.	163.5	148.2	179.0	206.4	204.4	223.0	206.4	211.7
Oct.	162.6	146.9	175.5	207.0	205.7	226.7	205.8	211.2
Nov.	163.1	142.5	168.9	206.8	204.9	226.7	209.2	208.7
Dec.	163.1	142.7	165.4	206.4	205.7	227.2	209.4	206.9
2005								
Jan.	163.0	146.6	181.3	207.6	203.5	229.3	207.7	209.6
Feb.	164.2	147.8	181.7	208.4	205.8	231.7	209.5	208.7
Mar.	162.6	145.6	179.8	208.5	206.5	232.1	208.7	207.3
Apr.	164.9	148.7	181.0	209.1	204.6	233.4	209.0	212.6
May	163.3	146.9	184.2	209.7	204.1	233.7	208.9	212.6
June	165.7	148.6	182.0	209.4	203.3	235.5	209.2	214.0
July	167.1	148.6	183.7	209.4	202.6	232.2	209.8	214.4
Aug.	164.7	149.6	182.3	210.1	205.3	229.5	208.6	216.6
Sep.	165.8	149.1	179.8	208.3	202.3	228.9	208.9	212.5
Oct.	166.3	152.0	176.1	209.4	202.0	231.8	211.1	212.9
Nov.	166.5	151.4	171.4	209.1	201.4	234.8	212.3	210.2
Dec.	167.8	154.3	171.6	208.4	201.3	232.5	213.9	205.9
2006								
Jan.	169.3	157.6	181.8	210.6	200.3	234.4	212.9	213.9
Feb.	167.3	159.7	180.0	210.3	195.3	232.7	213.8	215.5
Mar.	170.1	160.6	182.5	210.9	196.9	234.5	212.9	214.3
Apr.	171.0	161.6	177.4	210.9	200.7	236.8	212.7	211.2
May	171.3	164.4	184.0	211.9	200.6	234.8	213.9	214.6
June	171.9	165.7	184.3	212.8	201.9	234.7	213.9	217.2
July	173.3	166.5	185.2	214.6	201.2	238.0	214.7	219.7
Aug.	173.5	167.9	187.5	214.6	201.9	239.7	214.6	219.2

continued--

Table 15--U.S. consumer price index for sugar and selected sweetener-containing products 1/

Year and month	Non-alcoholic beverages	Carbonated drinks	non-carbonated juices and drinks	Canned fruits	Candy and chewing gum	Ice cream and related products	Food
	10/	11/	12/	13/	14/	15/	16/
1982-84=100							
2000	137.8	123.4	104.2	106.9	103.8	164.4	167.8
2001	139.2	125.4	106.0	109.0	104.3	173.4	173.1
2002	139.2	125.6	106.4	111.6	106.2	179.1	176.2
2003	139.8	125.6	106.5	113.7	107.8	175.5	180.0
2004	140.4	127.9	105.7	114.0	108.4	178.3	186.2
2005	144.4	131.9	106.5	118.4	109.5	177.6	190.7
2004							
Jan.	140.7	127.2	106.5	113.7	108.0	179.0	183.8
Feb.	141.4	129.4	105.9	114.2	109.0	177.2	184.1
Mar.	140.8	128.2	105.9	114.9	108.6	178.8	184.4
Apr.	139.7	127.0	105.4	112.7	108.1	179.4	184.5
May	139.9	127.5	106.0	114.3	108.0	179.1	186.1
June	139.8	127.8	105.5	113.6	108.1	177.1	186.3
July	140.5	128.5	106.1	116.2	108.6	175.9	186.8
Aug.	140.3	128.7	105.3	115.3	109.1	178.9	186.8
Sep.	140.3	127.8	106.0	113.8	108.4	179.6	186.7
Oct.	140.6	128.3	105.5	114.2	107.6	178.6	187.9
Nov.	139.6	126.7	104.6	113.0	109.3	177.2	188.2
Dec.	140.6	127.5	105.7	112.0	107.5	178.4	188.5
2005							
Jan.	142.2	130.0	105.3	117.0	108.1	180.1	189.1
Feb.	142.5	130.4	105.4	115.7	108.7	178.9	188.8
Mar.	143.6	130.6	107.5	114.7	108.1	175.0	189.1
Apr.	144.8	132.0	107.9	118.3	108.9	178.5	190.2
May	144.3	131.1	107.2	120.0	108.1	179.1	190.6
June	144.0	131.5	105.7	120.9	109.8	171.9	190.4
July	144.8	132.6	106.1	120.6	111.5	174.0	190.8
Aug.	144.3	131.6	105.7	120.7	108.5	178.8	190.9
Sep.	145.2	133.9	106.2	120.6	109.9	178.9	191.4
Oct.	145.6	133.8	106.1	118.3	109.9	180.6	192.1
Nov.	145.5	132.2	106.9	115.9	110.6	176.6	192.4
Dec.	145.5	133.1	107.4	117.8	111.4	179.1	192.9
2006							
Jan.	147.2	135.7	108.4	121.0	111.5	182.0	194.1
Feb.	147.3	134.7	108.5	120.3	109.3	179.3	194.0
Mar.	148.0	134.9	109.2	121.7	112.1	178.8	194.0
Apr.	146.3	132.3	109.4	118.8	112.8	178.9	193.7
May	146.6	132.9	109.4	122.2	111.4	177.0	194.2
June	146.6	133.9	109.2	123.2	112.1	178.3	194.5
July	146.3	132.6	110.1	123.1	113.7	176.8	195.0
Aug.	146.9	134.2	108.8	122.4	113.1	174.9	195.5

1/ All-urban, unadjusted, U.S. city average. 2/ Series:SEFR, Base: 1982-84=100. 3/ Series: SEFR01, Base: 1982-84=100.

4/ Series: SEFA01, Base: 1982-84=100; 5/ Series: SAF111, Base: 1982-84=100. 6/ Series: SEFA02, Base: 1982-84=100.

7/ Series: SS02011, Base: 1982-84=100. 8/ Series: SEFB03, Base: 1982-84=100. 9/ Series: SEFB04, Base: 1982-84=100.

10/ Series: SAF114, Base: 1982-84=100. 11/ Series: SEFN01, Base: 1982-84=100. 12/ Series: SEFN03, Base: Dec. 1997=100.

13/ Series: SS13031, Base: Dec. 1997=100. 14/ Series: SEFR02, Base: Dec. 1997=100. 15/ Series: SEFJ03, Base: 1982-84=100.

16/ Series: SAF1, Base: 1982-84=100.

Source: Bureau of Labor Statistics.

Table 16--Bulk sugar prices in Mexico, estandar sugar 1/

	<i>Nominal pesos per 50 kg</i>												Calendar	Fiscal
	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.		
1994	90.85	90.85	90.85	90.85	90.85	90.85	90.85	90.85	90.85	90.85	90.85	91.70	90.93	88.62
1995	91.70	99.33	105.95	106.34	110.92	117.25	117.25	119.80	133.76	140.30	144.91	149.57	119.76	106.32
1996	148.43	152.71	159.88	160.92	162.21	166.86	168.24	171.81	176.29	172.51	160.87	155.08	162.98	158.51
1997	173.20	196.96	187.29	179.11	172.99	179.36	175.96	173.60	176.78	169.63	162.55	162.99	175.87	175.31
1998	178.10	176.01	155.70	163.12	180.02	189.52	186.70	210.43	214.81	215.07	223.54	227.44	193.37	179.13
1999	222.59	214.45	195.14	184.23	184.54	223.55	220.27	207.16	211.56	224.71	242.96	228.98	213.35	210.80
2000	220.61	207.89	207.75	201.33	219.23	216.75	232.14	232.22	230.60	224.57	243.21	263.77	225.01	222.10
2001	248.89	234.25	208.67	189.46	185.45	218.39	222.00	219.07	249.51	249.34	240.23	233.55	224.90	225.60
2002	245.76	244.46	243.44	242.14	240.83	239.15	244.95	248.15	253.40	262.31	266.23	268.39	249.93	243.78
2003	268.50	266.46	265.01	270.04	273.14	278.50	285.05	287.64	294.90	302.40	303.75	319.10	284.54	273.85
2004	309.70	296.25	291.25	298.25	297.25	302.95	317.85	326.20	331.00	329.60	326.05	329.85	313.02	308.00
2005	322.70	312.00	306.00	306.00	305.25	304.10	297.25	300.00	289.00	284.10	283.50	282.50	299.37	310.65
2006	280.40	275.60	273.00	292.50	334.40	353.69	333.00	458.00						
	<i>Real 2000 pesos per 50 kg</i>												Calendar	Fiscal
	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.		
1994	291.09	290.35	289.24	287.68	286.14	284.35	282.58	280.92	279.11	277.91	276.82	276.20	283.53	280.77
1995	260.81	270.52	273.49	251.99	252.37	259.17	254.39	255.71	280.13	287.73	288.90	287.20	268.53	265.79
1996	275.99	277.40	283.88	277.74	275.96	280.77	279.65	282.07	286.42	276.86	253.98	238.66	274.11	281.98
1997	260.65	292.10	275.10	261.28	250.64	257.85	251.08	245.75	247.90	236.06	222.49	220.70	251.80	259.32
1998	235.08	228.17	199.79	208.01	228.51	237.82	232.07	258.32	256.06	251.28	257.56	257.90	237.55	230.26
1999	246.64	235.89	213.78	201.54	201.29	242.12	237.54	222.51	225.78	237.91	255.51	238.94	229.96	232.82
2000	227.62	212.96	211.64	203.45	220.66	216.19	231.47	230.72	228.57	220.84	237.72	256.34	224.85	226.30
2001	239.04	224.96	198.79	180.34	176.92	208.53	212.44	208.82	236.28	235.45	226.80	221.21	214.13	216.75
2002	232.16	230.78	226.27	222.92	219.68	216.46	220.50	222.04	224.84	232.90	234.77	233.63	226.41	224.92
2003	230.61	225.60	223.77	230.67	234.29	236.88	241.79	242.88	247.86	251.43	250.47	260.23	239.71	234.64
2004	251.54	236.92	229.38	231.45	229.22	233.43	243.92	248.38	250.64	247.88	244.67	249.04	241.37	243.09
2005	242.80	233.10	227.17	226.06	226.75	226.65	220.25	221.88	212.55	208.61	208.20			231.57
2006	202.63	198.62	195.00	205.52	232.00	242.82	227.93							
	<i>US cents per pound</i>												Calendar	Fiscal
	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.		
1994	26.52	26.40	24.96	24.61	24.85	24.48	24.22	24.37	24.23	24.09	23.96	20.93	24.47	24.66
1995	14.75	15.87	14.18	15.49	16.84	17.07	17.37	17.44	19.21	18.87	17.09	17.65	16.82	18.10
1996	18.00	18.43	19.16	19.54	19.79	20.01	20.04	20.74	21.20	20.23	18.45	17.86	19.45	19.21
1997	20.07	22.90	21.36	20.56	19.86	20.47	20.29	20.24	20.61	19.55	17.83	18.19	20.16	20.24
1998	19.64	18.78	16.49	17.41	19.02	19.27	19.03	20.37	19.07	19.20	20.34	20.83	19.12	18.72
1999	19.94	19.44	18.19	17.72	17.82	21.31	21.33	20.00	20.55	21.29	23.41	22.04	20.25	19.72
2000	21.08	20.01	20.29	19.44	20.92	20.00	22.36	22.72	22.35	21.36	23.21	25.28	21.58	21.32
2001	23.11	21.88	19.72	18.43	18.39	21.80	21.97	21.76	24.02	24.22	23.62	23.14	21.84	21.74
2002	24.33	24.36	24.37	23.97	22.97	22.21	22.72	22.88	22.83	23.58	23.69	23.81	23.48	23.47
2003	22.93	22.09	22.05	23.14	24.17	24.06	24.73	24.20	24.49	24.54	24.72	25.73	23.90	23.58
2004	25.73	24.36	23.98	24.01	23.41	24.12	25.14	25.97	26.14	26.22	26.01	26.72	25.15	24.82
2005	25.99	25.41	24.89	24.98	25.23	25.50	25.27	25.47	24.31	23.79	24.10	24.12	24.92	25.50
2006	24.13	23.85	23.04	24.02	27.35	28.16	27.51	38.21						

Source: Servicio Nacional de Informacion de Mercados SNIIM-ECONOMICA

1/ D.F.- Central de Abasto de Iztapalapa, D.F.

Table 17--Bulk sugar prices in Mexico, refinado sugar 1/

	<i>Nominal pesos per 50 kg</i>												Calendar	Fiscal
	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.		
1994	101.83	101.83	101.83	101.83	101.83	101.83	101.83	101.83	101.83	101.83	101.85	102.00	101.85	99.31
1995	102.00	110.46	117.80	118.19	122.85	129.30	129.30	132.15	154.33	154.75	159.84	164.98	132.99	118.50
1996	161.26	167.01	177.07	179.04	178.82	181.29	183.36	186.30	188.39	187.66	186.40	186.42	180.25	173.51
1997	194.96	216.67	216.01	215.62	211.40	211.37	213.08	211.71	210.68	206.09	206.63	204.38	209.88	205.17
1998	209.08	207.25	202.34	198.37	205.43	209.93	212.25	229.75	229.88	244.41	250.01	246.63	220.44	210.12
1999	250.22	251.28	241.93	239.00	233.35	242.83	251.83	243.62	239.71	271.33	267.38	263.02	249.63	244.57
2000	259.02	252.50	250.11	248.45	245.58	237.48	244.47	246.61	245.91	245.09	259.57	271.48	250.52	252.66
2001	276.98	274.56	266.54	256.03	250.26	256.90	260.85	261.87	276.33	279.72	277.48	274.21	267.64	263.04
2002	288.40	283.56	284.03	280.56	278.54	279.34	285.98	292.64	298.51	303.09	306.90	309.50	290.92	283.58
2003	310.81	310.73	308.13	313.20	315.26	320.36	334.24	339.84	363.00	360.00	365.00	360.00	333.38	319.59
2004	352.50	340.00	337.20	340.00	337.50	340.60	345.00	337.40	339.50	339.25	338.20	341.00	340.68	346.23
2005	340.00	339.50	335.60	339.00	338.80	335.75	335.75	333.00	330.00	335.00	335.00	335.50	336.08	337.15
2006	332.80	332.75	350.00	355.00	375.60	412.00	415.25	459.70						
	<i>Real 2000 pesos per 50 kg</i>												Calendar	Fiscal
	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.		
1994	326.27	325.44	324.20	322.45	320.72	318.72	316.73	314.87	312.84	311.50	310.04	307.23	317.58	314.64
1995	290.10	300.83	304.08	280.07	279.52	285.81	280.54	282.07	323.19	317.36	318.65	316.78	298.25	296.25
1996	299.85	303.38	314.40	309.01	304.22	305.05	304.79	305.86	306.08	301.17	294.28	286.89	302.91	308.79
1997	293.39	321.33	317.29	314.54	306.29	303.87	304.05	299.70	295.44	286.79	282.82	276.75	300.19	303.19
1998	275.98	268.67	259.64	252.96	260.76	263.43	263.83	282.04	274.03	285.56	288.06	279.66	271.22	270.64
1999	277.25	276.41	265.04	261.46	254.53	263.00	271.57	261.68	255.83	287.27	281.19	274.47	269.14	270.00
2000	267.25	258.66	254.80	251.06	247.19	236.86	243.76	245.02	243.74	241.02	253.71	263.83	250.57	257.61
2001	266.02	263.67	253.92	243.70	238.75	245.30	249.62	249.61	261.68	264.14	261.97	259.72	254.84	252.57
2002	272.44	267.69	263.99	258.29	254.07	252.84	257.43	261.85	264.87	269.10	270.63	269.41	263.55	261.61
2003	266.95	263.09	260.18	267.53	270.42	272.48	283.52	286.95	305.09	299.33	300.98	293.59	280.84	273.78
2004	286.31	271.91	265.57	263.85	260.26	262.44	264.75	256.91	257.08	255.13	253.79	257.46	262.96	273.58
2005	255.81	253.64	249.15	250.44	251.67	250.24	248.78	246.28	242.70	245.98	246.02			251.26
2006	240.50	239.80	250.00	249.44	260.58	282.85	284.22							
	<i>US cents per pound</i>												Calendar	Fiscal
	Jan.	Feb.	Mar.	Apr.	May	Jun.	July	Aug.	Sep.	Oct.	Nov.	Dec.		
1994	29.73	29.59	27.97	27.58	27.85	27.44	27.15	27.32	27.15	27.00	26.84	23.28	27.41	27.64
1995	16.41	17.65	15.77	17.21	18.66	18.82	19.16	19.23	22.16	20.81	18.85	19.47	18.68	20.18
1996	19.56	20.15	21.23	21.75	21.81	21.74	21.84	22.49	22.65	22.01	21.37	21.47	21.51	21.03
1997	22.59	25.19	24.63	24.76	24.26	24.12	24.57	24.68	24.56	23.75	22.66	22.81	24.05	23.69
1998	23.05	22.11	21.42	21.17	21.71	21.35	21.64	22.24	20.41	21.82	22.75	22.58	21.86	22.03
1999	22.41	22.78	22.55	22.99	22.53	23.15	24.38	23.52	23.28	25.71	25.76	25.31	23.70	22.90
2000	24.75	24.30	24.43	23.99	23.44	21.91	23.55	24.13	23.83	23.31	24.77	26.02	24.03	24.26
2001	25.72	25.65	25.19	24.90	24.82	25.64	25.81	26.01	26.60	27.17	27.29	27.17	26.00	25.37
2002	28.55	28.25	28.43	27.77	26.57	25.95	26.53	26.98	26.89	27.24	27.31	27.46	27.33	27.30
2003	26.55	25.76	25.63	26.83	27.89	27.67	28.99	28.59	30.15	29.21	29.70	29.03	28.00	27.51
2004	29.28	27.96	27.76	27.37	26.58	27.12	27.29	26.86	26.81	26.99	26.98	27.62	27.39	27.91
2005	27.39	27.65	27.29	27.68	28.00	28.15	28.54	28.27	27.76	28.05	28.48	28.64	27.99	27.69
2006	28.64	28.79	29.54	29.15	30.72	32.81	34.30	38.36						

Source: Servicio Nacional de Informacion de Mercados SNIIM-ECONOMICA

1/ D.F.- Central de Abasto de Iztapalapa, D.F.



Table 18--U.S. cane and beet sugar deliveries, monthly, quarterly, and by fiscal and calendar year

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.	:	1st Q.	2nd Q.	3rd Q.	4th Q.	:	Fiscal	Calendar
1,000 short tons, raw value																				
Reexported in products:																				
1992	8	6	5	6	10	9	6	8	8	10	8	7	:	19	26	23	26	:	86	93
1993	10	4	9	7	7	12	14	22	20	8	8	7	:	23	26	57	24	:	132	129
1994	7	7	7	9	15	15	10	17	17	12	11	5	:	20	39	44	28	:	127	131
1995	3	7	7	8	4	7	15	18	5	6	8	7	:	18	18	39	21	:	103	96
1996	5	5	10	14	8	8	8	13	11	9	7	6	:	20	30	32	22	:	104	104
1997	32	30	6	6	7	10	12	16	17	7	6	8	:	68	22	45	21	:	157	156
1998	6	9	9	12	10	10	14	15	16	18	15	11	:	24	32	46	44	:	123	146
1999	26	19	12	14	11	10	15	10	7	9	5	7	:	58	35	32	21	:	169	145
2000	7	7	7	7	8	7	6	11	5	6	6	7	:	21	22	22	18	:	86	84
2001	8	5	8	9	10	10	11	11	8	10	16	13	:	21	29	30	40	:	98	120
2002	15	13	11	12	12	11	12	14	15	17	12	14	:	39	35	42	43	:	156	158
2003	16	13	14	14	15	20	19	15	13	16	10	9	:	44	49	47	35	:	183	175
2004	9	10	9	10	18	11	12	15	13	10	9	9	:	28	40	39	28	:	142	135
2005	7	8	9	11	9	17	11	11	11	6	14	6	:	24	37	33	25	:	121	118
2006	6	10	9	10	6	7	7						:	25	23			:		
Polyhydric alcohol and livestock feed use:																				
1992	1	1	1	2	1	1	2	2	2	2	1	1	:	4	4	5	4	:	17	17
1993	2	2	1	1	1	1	1	1	1	1	1	1	:	5	4	3	2	:	15	14
1994	1	1	1	1	1	1	1	1	1	1	1	1	:	4	3	4	4	:	13	14
1995	1	1	2	1	2	2	1	2	2	2	1	1	:	4	5	4	4	:	17	17
1996	1	1	2	1	2	2	2	2	2	2	1	1	:	4	5	5	5	:	18	18
1997	1	1	1	2	2	2	2	2	3	2	1	2	:	4	6	6	5	:	21	21
1998	1	1	2	2	2	1	2	2	2	2	2	2	:	4	5	5	6	:	20	21
1999	1	2	2	2	2	2	2	2	2	2	2	3	:	5	6	6	8	:	24	26
2000	3	3	3	3	2	2	3	2	3	2	3	2	:	9	8	7	7	:	32	30
2001	3	3	3	3	4	3	3	4	10	4	3	2	:	8	10	17	9	:	42	44
2002	3	2	2	2	3	4	4	2	2	2	1	:	7	8	8	5	:	33	28	
2003	2	2	2	2	2	2	2	2	3	2	3	3	:	6	7	7	7	:	24	27
2004	3	3	4	4	4	3	4	4	4	4	3	4	:	9	11	13	10	:	41	44
2005	4	4	4	4	4	5	4	4	5	4	4	5	:	12	13	13	13	:	48	51
2006	5	4	5	4	4	4	4						:	13				:		
Total U.S. sugar deliveries 1/:																				
1992	640	637	731	728	671	809	771	792	856	840	745	718	:	2,007	2,208	2,418	2,303	:	8,875	8,937
1993	630	635	801	697	693	812	797	838	857	792	763	748	:	2,067	2,201	2,492	2,303	:	9,063	9,063
1994	657	682	806	675	758	873	787	856	936	804	767	720	:	2,145	2,307	2,579	2,291	:	9,334	9,322
1995	655	653	820	703	786	846	772	914	899	861	823	721	:	2,127	2,334	2,585	2,405	:	9,337	9,451
1996	676	724	815	785	800	806	822	838	896	901	824	731	:	2,215	2,390	2,557	2,457	:	9,567	9,619
1997	712	699	804	766	810	854	827	867	948	924	785	760	:	2,215	2,429	2,641	2,469	:	9,742	9,755
1998	701	718	843	787	784	894	843	843	933	912	823	773	:	2,261	2,465	2,619	2,508	:	9,815	9,854
1999	704	725	842	814	875	906	850	928	915	958	883	767	:	2,271	2,594	2,693	2,609	:	10,066	10,167
2000	713	755	880	776	855	881	813	954	875	981	871	737	:	2,348	2,513	2,641	2,589	:	10,111	10,091
2001	792	726	882	800	851	874	849	932	847	936	869	718	:	2,399	2,524	2,628	2,524	:	10,140	10,075
2002	761	710	801	786	848	849	860	874	960	946	874	724	:	2,272	2,483	2,694	2,544	:	9,973	9,994
2003	707	701	825	788	764	863	823	873	823	914	849	783	:	2,233	2,415	2,519	2,546	:	9,711	9,713
2004	718	775	832	782	773	864	833	912	827	980	866	739	:	2,324	2,419	2,572	2,586	:	9,861	9,901
2005	748	744	879	808	824	889	820	912	979	960	846	803	:	2,370	2,521	2,711	2,609	:	10,188	10,212
2006	850	709	914	768	835	919	829						:	2,474	2,522			:		

Totals may not add due to rounding.

Note: This table commenced in October 1991 when USDA began reporting monthly production data. Puerto Rico data were added beginning October 1993.

1/ Fiscal year totals prior to 1994 differ from supply and use (table ) since WASDE includes Puerto Rico.

Source: "Sweetener Market Data," Farm Service Agency, USDA.

Table 19--U.S. sugar: supply and use, by fiscal year 1/

Items	1996/97	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06 Estimate Sep-06	2006/07 Projection Sep-06
<i>1,000 short tons, raw value</i>											
Beginning stocks 2	1,492	1,488	1,679	1,639	2,216	2,180	1,528	1,670	1,897	1,332	1,628
Total production 3,4	7,204	8,021	8,366	9,050	8,769	7,900	8,426	8,649	7,876	7,406	8,445
Beet sugar	4,013	4,389	4,421	4,974	4,680	3,915	4,462	4,692	4,611	4,421	4,878
Cane sugar	3,191	3,632	3,945	4,076	4,089	3,985	3,964	3,957	3,265	2,985	3,567
Florida	1,679	1,924	2,127	1,966	2,057	1,980	2,129	2,154	1,693	1,368	1,730
Louisiana	1,054	1,262	1,325	1,683	1,585	1,580	1,367	1,377	1,157	1,202	1,370
Texas	91	80	107	105	206	174	191	175	158	176	198
Hawaii	340	350	384	318	241	251	276	251	258	239	269
Puerto Rico	27	16	3	4	0	0	0	0	0	0	0
Total imports	2,774	2,163	1,823	1,636	1,590	1,535	1,730	1,750	2,100	3,390	2,298
Tariff-rate quota imports 5	2,277	1,729	1,256	1,124	1,277	1,158	1,210	1,226	1,408	2,630	1,848
Other Program Imports	493	349	386	388	238	296	488	464	500	300	325
Non-program imports	4	85	181	124	76	81	32	60	192	460	125
Statistical adjustments 3	0	0	0	0	0	0	0	0	0	0	0
Total Supply	11,471	11,672	11,868	12,325	12,575	11,615	11,684	12,070	11,873	12,128	12,371
Total exports 3	211	179	230	124	141	137	142	288	259	200	200
Quota-exempt for reexport	211	179	230	124	141	137	142	288	259	200	200
Other exports	0	0	0	0	0	0	0	0	0	0	0
CCC disposal, for export	0	0	0	0	0	0	0	0	0	0	0
Statistical difference 6	0	0	0	0	0	0	0	0	0	0	0
Miscellaneous	30	-1	-67	-126	123	-24	161	23	94	0	0
CCC disposal, for domestic non-food use	0	0	0	0	10	0	0	0	0	0	0
Refining loss adjustment	0	0	0	0	0	0	0	0	0	0	0
Statistical adjustment 7	30	-1	-67	-126	113	-24	161	23	94	0	0
Deliveries for domestic use	9,742	9,815	10,066	10,111	10,132	9,974	9,711	9,862	10,188	10,300	10,415
Transfer to sugar-cont. products for exports under reexport program	157	123	169	86	98	156	183	142	121	100	125
Transfer to polyhydric alcohol, feed	21	20	24	32	33	33	24	41	48	50	40
Deliveries for domestic food and beverage use	9,564	9,672	9,873	9,993	10,000	9,785	9,504	9,678	10,019	10,150	10,250
Total Use	9,983	9,992	10,238	10,090	10,396	10,087	10,014	10,172	10,542	10,500	10,615
Ending stocks 3	1,488	1,679	1,639	2,216	2,180	1,528	1,670	1,897	1,332	1,628	1,756
Privately owned	1,488	1,679	1,639	1,919	1,395	1,316					
CCC	0	0	0	297	784	212					
<i>Percent</i>											
Stocks-to-use ratio	14.91	16.81	16.01	21.96	20.97	15.15	16.68	18.65	12.63	15.51	16.54

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 FSA (formerly ASCS), Sweetener Market Data, and NASS, Sugar Market Statistics prior to 1992. 4/ Production reflects processors' projections compiled by the Farm Service Agency.

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 2005/06 available TRQ assumes shortfall of 210,000 tons. 6/ Receipts compiled by NASS and FSA Customs data. 7/ Calculated as a residual. Largely consists of invisible stocks change.

Table 20--Net cost of corn starch to U.S. wet-millers, Midwest markets

Period	Corn byproducts			Byproduct credits				Net cost			
	Yellow dent corn 1/	Corn oil	Corn gluten feed	Corn gluten meal	Corn oil	Corn gluten feed	Corn gluten meal	Total byproduct	Corn	Corn starch	Corn sweetener
	Dollars per bu.	Cents per lb.	Dollars per short ton	----Cents per bushel----			Dollars per bu.	Dollars per bu.	--Cents per lb.--		
1991	2.40	28.36	101.57	256.07	43.96	68.56	33.93	1.46	0.94	2.97	2.81
1992	2.33	23.89	102.80	259.72	37.03	69.39	34.41	1.41	0.92	2.93	2.77
1993	2.27	21.52	87.99	296.53	33.35	59.39	39.29	1.32	0.95	3.02	2.85
1994	2.40	27.22	89.59	262.50	42.19	60.47	34.78	1.37	1.03	3.26	3.08
1995	2.70	26.67	88.34	244.02	41.33	59.63	32.33	1.33	1.37	4.34	4.10
1996	3.82	24.52	116.25	332.40	38.00	78.47	44.04	1.61	2.22	7.04	6.65
1997	2.67	24.87	83.99	345.22	38.55	56.69	45.74	1.41	1.26	4.00	3.78
1998	2.23	29.90	64.86	260.54	46.34	43.78	34.52	1.25	0.98	3.12	2.95
1999	1.92	23.59	58.77	231.88	36.56	39.67	30.72	1.07	0.85	2.68	2.54
2000	1.88	14.66	51.71	237.63	22.72	34.90	31.49	0.89	0.98	3.13	2.95
2001	1.90	15.75	62.46	253.98	24.41	42.16	33.65	1.00	0.90	2.86	2.70
2002	2.17	20.78	60.33	243.72	32.21	40.72	32.29	1.05	1.12	3.55	3.36
2003	2.29	28.65	72.15	251.36	44.40	48.70	33.31	1.26	1.02	3.25	3.07
2004	2.39	27.59	72.01	308.44	42.76	48.61	40.87	1.32	1.07	3.39	3.20
2005	1.90	28.42	51.33	288.09	44.04	34.65	38.17	1.17	0.73	2.33	2.20
2004											
Jan.	2.52	29.26	101.63	360.63	45.35	68.60	47.78	1.62	0.90	2.87	2.71
Feb.	2.73	30.16	99.50	371.25	46.75	67.16	49.19	1.63	1.10	3.49	3.30
Mar.	2.89	30.56	83.20	383.00	47.37	56.16	50.75	1.54	1.35	4.28	4.04
I	2.71	29.99	94.78	371.63	46.49	63.97	49.24	1.60	1.12	3.54	3.35
Apr.	3.03	30.36	83.20	390.38	47.06	56.16	51.73	1.55	1.48	4.70	4.44
May	2.90	30.34	84.25	344.10	47.03	56.87	45.59	1.49	1.41	4.46	4.22
June	2.76	28.36	70.50	332.50	43.96	47.59	44.06	1.36	1.40	4.46	4.21
II	2.90	29.69	79.32	355.66	46.01	53.54	47.12	1.47	1.43	4.54	4.29
July	2.26	27.33	64.50	NQ	42.36	43.54	39.75	1.26	1.00	3.19	3.01
Aug.	2.17	25.61	60.60	267.50	39.70	40.91	35.44	1.16	1.01	3.20	3.03
Sept.	1.98	25.07	59.88	256.88	38.86	40.42	34.04	1.13	0.85	2.69	2.54
III	2.14	26.00	61.66	262.19	40.31	41.62	34.74	1.17	0.97	3.08	2.91
Oct.	1.77	23.10	54.75	241.25	35.81	36.96	31.97	1.05	0.72	2.29	2.17
Nov.	1.79	24.24	48.90	238.00	37.57	33.01	31.54	1.02	0.77	2.44	2.31
Dec.	1.87	26.67	53.25	253.63	41.34	35.94	33.61	1.11	0.76	2.42	2.28
IV	1.81	24.67	52.30	244.29	38.24	35.30	32.37	1.06	0.75	2.38	2.25
2005											
Jan.	1.86	27.41	53.63	245.63	42.49	36.20	32.55	1.11	0.75	2.37	2.24
Feb.	1.86	27.58	51.38	232.50	42.75	34.68	30.81	1.08	0.78	2.47	2.33
Mar.	1.97	28.08	51.90	240.50	43.52	35.03	31.87	1.10	0.87	2.75	2.60
I	1.90	27.69	52.30	239.54	42.92	35.30	31.74	1.10	0.80	2.53	2.39
Apr.	1.94	29.29	51.75	246.25	45.40	34.93	32.63	1.13	0.81	2.57	2.43
May	1.93	30.65	52.80	274.60	47.51	35.64	36.38	1.20	0.73	2.33	2.20
June	2.02	30.73	50.63	322.13	47.63	34.18	42.68	1.24	0.78	2.46	2.33
II	1.96	30.22	51.73	280.99	46.85	34.92	37.23	1.19	0.77	2.46	2.32
July	2.20	30.01	50.38	334.25	46.52	34.01	44.29	1.25	0.95	3.02	2.86
Aug.	1.98	28.83	51.90	327.70	44.69	35.03	43.42	1.23	0.75	2.38	2.25
Sept.	1.75	27.75	47.13	294.75	43.01	31.81	39.05	1.14	0.61	1.94	1.83
III	1.98	28.86	49.80	318.90	44.74	33.62	42.25	1.21	0.77	2.45	2.31
Oct.	1.67	27.50	51.75	300.00	42.63	34.93	39.75	1.17	0.50	1.58	1.49
Nov.	1.75	27.08	50.10	319.00	41.97	33.82	42.27	1.18	0.57	1.81	1.71
Dec.	1.89	26.08	52.63	319.75	40.42	35.53	42.37	1.18	0.71	2.24	2.12
IV	1.77	26.89	51.49	312.92	41.67	34.76	41.46	1.18	0.59	1.88	1.77
2006											
Jan.	1.98	25.22	55.75	303.75	39.09	37.63	40.25	1.17	0.81	2.57	2.43
Feb.	2.07	23.65	57.75	259.38	36.66	38.98	34.37	1.10	0.97	3.08	2.91
Mar.	2.04	22.61	61.63	263.75	35.05	41.60	34.95	1.12	0.92	2.93	2.77
I	2.03	23.83	58.38	275.63	36.93	39.40	36.52	1.13	0.90	2.86	2.70
Apr.	2.18	23.19	57.88	250.63	35.94	39.07	33.21	1.08	1.10	3.49	3.29
May	2.22	25.25	60.38	251.70	39.14	40.76	33.35	1.13	1.09	3.45	3.26
June	2.15	25.70	58.25	250.00	39.84	39.32	33.13	1.12	1.03	3.26	3.08
II	2.18	24.71	58.84	250.78	38.31	39.71	33.23	1.11	1.07	3.40	3.21
July	2.22	25.75	56.13	240.00	39.91	37.89	31.80	1.10	1.12	3.57	3.37

1/ Reported prices are Illinois points. These corn values represent country elevator producer bid prices and do not reflect the additional costs of handling and transporting the corn to Midwest processing plants.

NQ = no quote

Sources: "Grain and Feed Market News," Agricultural Marketing Service, Livestock and Seed Division; Economic Research Service, USDA, byproduct credits and net cost calculations.



Table 21--U.S. use of field corn, by crop year 1/

Description	1995/96	1996/97	1997/98	1998/99	1999/2000	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06 2/	2006/07 2/
HFCS	473	492	513	530	540	530	541	532	530	521	530	540
Glucose syrup and dextrose	227	233	229	219	222	218	217	219	228	222	225	227
Total corn sweetener	700	725	742	749	761	748	758	751	758	743	755	767
Corn starch	226	238	246	240	251	247	246	256	272	278	275	277
Wet milling excluding alcohol	926	963	988	989	1,013	995	1,003	1,007	1,030	1,021	1,030	1,044
Alcohol												
Fuel	396	429	481	526	566	628	714	996	1,168	1,323	1,600	2,150
Beverage	125	130	133	127	130	130	131	131	132	133	135	135
Total	521	559	614	653	696	758	845	1,127	1,300	1,456	1,735	2,285
Total	1,447	1,522	1,602	1,642	1,709	1,753	1,848	2,133	2,329	2,477	2,765	3,329
U.S. corn crop	7,374	9,233	9,207	9,759	9,431	9,915	9,503	8,967	10,089	11,807	11,112	11,114
Corn sweetener share	9.49	7.85	8.06	7.67	8.07	7.54	7.97	8.38	7.51	6.29	6.79	6.90
Wet milling excluding alcohol share	12.56	10.43	10.73	10.13	10.74	10.04	10.56	11.23	10.21	8.64	9.27	9.39
Alcohol share	7.07	6.05	6.67	6.69	7.38	7.64	8.89	12.56	12.88	12.33	15.61	20.56
Total	19.62	16.48	17.40	16.83	18.12	17.68	19.45	23.79	23.09	20.97	24.88	29.95

1/ September/August crop year. 2/ Forecast.

Source: Economic Research Service, USDA.