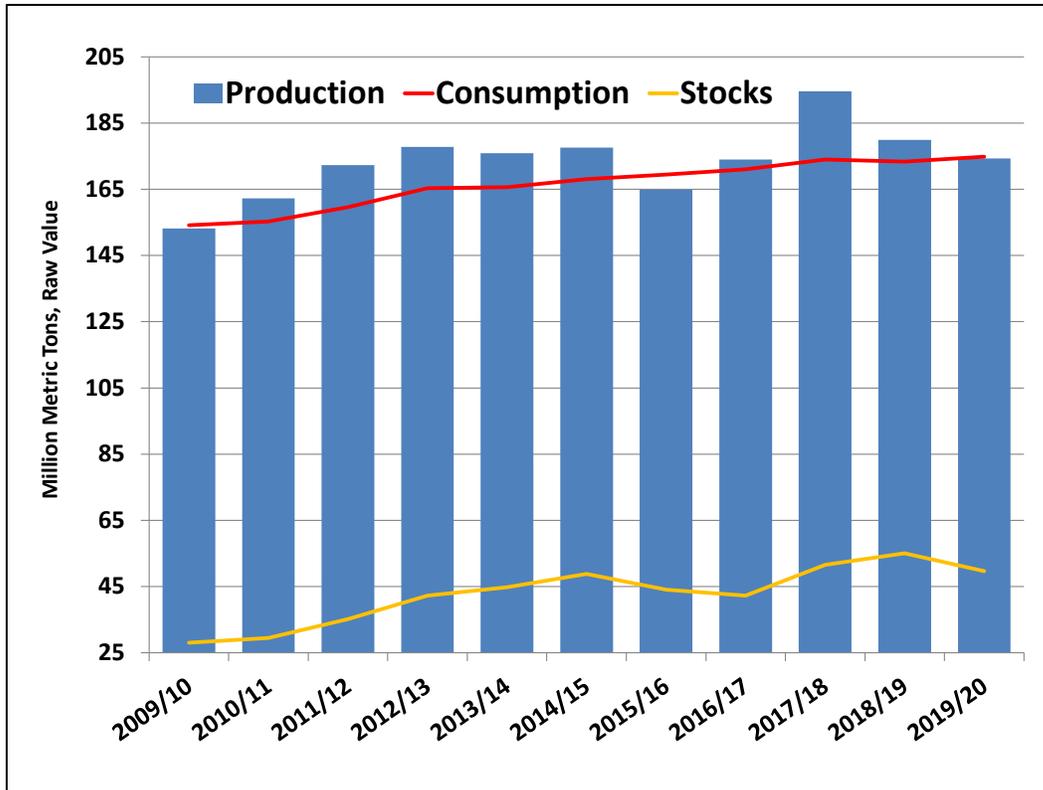




Sugar: World Markets and Trade

Stocks to Decline with Smaller Production Consumption to Hit a Record



Global production for 2019/20 is estimated down 6 million tons to 174 million primarily due to the 5-million ton drop in India resulting from lower area and expected yields. Brazil and India are essentially tied as top producers. Consumption is projected to continue to rise due to record use in India. Exports are estimated to be flat while global stocks are projected down 5 million tons to 50 million with lower stocks in China, India, and Pakistan.

To receive the circular via email, register at
<https://public.govdelivery.com/accounts/USDAFAS/subscriber/new>.

2019/20 Sugar Overview

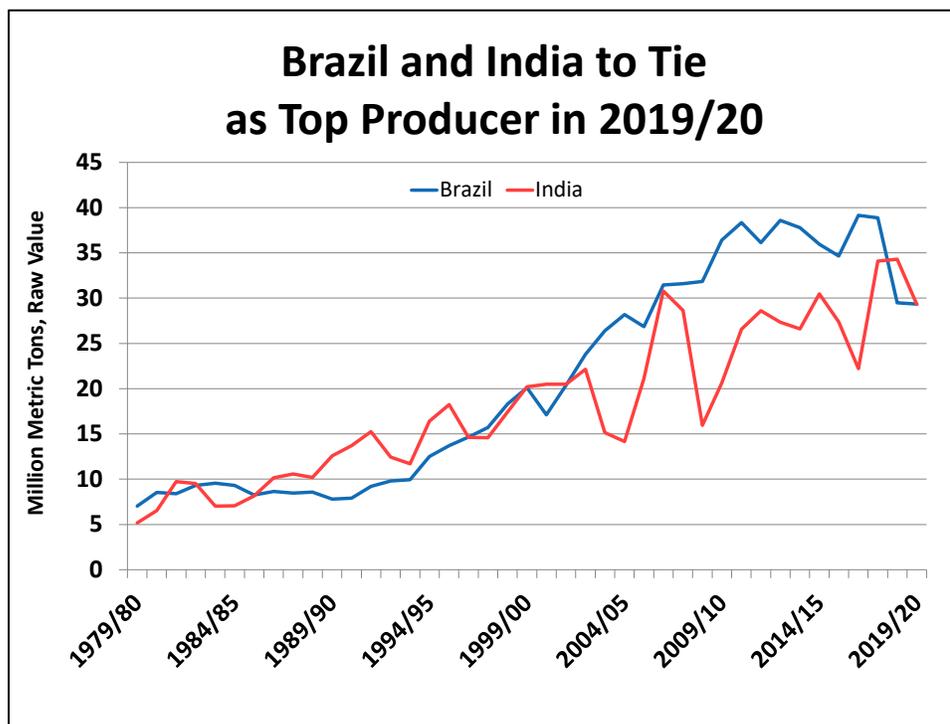
U.S. production is estimated down 4 percent to 7.8 million tons due to poor harvest conditions resulting in lower sugarbeet production. The largest reductions are centered in the Red River Valley in the States of North Dakota and Minnesota. Louisiana cane sugar production is also reduced due to expected lower sugarcane yields and lower recovery rate. Imports at 2.9 million tons are up slightly, consumption is forecast relatively flat, but stocks are estimated to decline to 1.2 million tons.

Brazil's production is estimated down slightly to 29.4 million tons due to more sugarcane being diverted towards ethanol production and less to sugar (35 percent of the total sugarcane output is expected to be used for sugar as opposed to 35.9 percent during the previous crop). Exports are projected to drop 1.0 million tons to 18.6 million representing the

lowest level in the past 12 years. Exports have not been competitive against sugar (domestic consumption) and ethanol production (both domestic consumption and exports). Stocks are up 80,000 tons while consumption is up slightly.

India's production is estimated to decline 5.0 million tons to 29.3 million due to lower area and yields. Consumption is estimated at a record, 28.5 million tons, due to a growing economy. Exports are estimated to reach 5.0 million tons as a subsidy is provided to cover marketing expenses such as handling, upgrading processing costs, and freight charges. Stocks are expected to be over twice the ideal requirement of 2 to 3 months and are pivotal to supporting higher consumption and exports in the face of lower production.

Production in the **European Union** is forecast up 119,000 tons to 17.9 million. With stable consumption expected to be above production yet again, the EU is estimated to be a net importer of about half a million tons. Stocks are forecast to be 1.0 million tons.



Thailand's production is forecast to decline 1.0 million tons to 13.5 million on lower sugarcane yields and sugar extraction rates due to lower-than-expected precipitation. Consumption is up slightly with increased household use more than offsetting weaker demand from non-alcohol beverage manufacturers and canned pineapple processors. Exports are forecast at 10.5 million tons, bringing stocks to 10.0 million.

China's production is estimated up for the fourth straight year, to 10.9 million tons, due to expanded cane and beet area. Imports are estimated lower based on anticipated draw-down of stocks and stricter border controls. Consumption is unchanged.

Mexico's production is estimated to fall 10 percent to 6.1 million tons due to drought conditions. Although area harvested is up 1 percent, sugarcane yield is down 11 percent from last year as drought has severely reduced yields in the Northeast and Gulf of Mexico production regions. Consumption is projected flat. Exports are projected down due to the expected lower supplies. Mexico is forecast to fully meet its export allocations to supply the U.S. market as provided in the AD/CVD Suspension Agreements. Stocks are estimated to be sufficient to cover delivery needs before the start of the 2020/21 campaign.

Pakistan's production is forecast down 300,000 tons to 5.2 million because of reduced area. Consumption continues to grow at a steady rate, largely because of a growing population and an expanding domestic food-processing sector. Exports and stocks are projected to decline.

Australia's production is forecast to fall 5 percent to 4.5 million tons on lower yields due to dry weather. Consumption is unchanged while exports are expected to be down due to the lower production. Australia's largest export markets include Japan, Indonesia, Singapore, and South Korea with about 80 percent of Australia's sugar production going into exports.

Selected 2018/19 Revisions Since May 2019 Forecast:

- Global production is up 966,000 tons to 179.9 million.
 - o India is raised 1.2 million tons to 34.3 million on higher yields and recovery rate.
 - o Thailand is boosted 391,000 tons to 14.6 million on a favorable extraction rate.
 - o European Union is lowered 444,000 as drought impact was more severe than previously estimated.
- Global exports are down 1.6 million tons to 54.9 million.
 - o India is raised 1.3 million tons to 4.7 million on increased available supplies.
 - o Pakistan is halved to 600,000 tons on a revised Post estimate.
 - o Thailand is revised down 2.2 million tons to 9.3 million with reduced exports to Burma and China.
- Global ending stocks are up 4.2 million tons to 55.1 million.
 - o Thailand is up 2.6 million tons to 9.6 million on lower exports.
 - o Pakistan is raised 600,000 tons to 2.7 million on lower exports.

For further information, please contact Reed Blauer at (202) 720-0898 or Reed.Blauer@usda.gov

The *Sugar: World Markets and Trade* circular is based on reports from FAS Overseas Posts since September 2019 and on available secondary information. The individual country reports can be obtained on FAS Online at: <http://gain.fas.usda.gov/Pages/Default.aspx>.

Future Releases and Contact Information

Please visit <http://www.fas.usda.gov/data/sugar-world-markets-and-trade> to view archived and future releases. The next release of this circular is scheduled for May 2020. To receive the circular via email, go to: <https://public.govdelivery.com/accounts/USDAFAS/subscriber/new>.

PSD Online

The entire USDA PSD database is available online at <http://www.fas.usda.gov/psdonline>.

Additional Resources

Please refer to the USDA-FAS Sugar website at: <http://www.fas.usda.gov/commodities/sugar> for additional data and analysis.

Situation and outlook information on U.S. sugar and sweeteners can be obtained from the USDA-Economic Research Service at: <http://www.ers.usda.gov/topics/crops/sugar-sweeteners.aspx>.

Sugar Marketing Years -

Countries are on a May-April Marketing Year with exceptions noted below.

April-March – Brazil

July-June – Australia

October-September – Barbados, Belarus, Belize, Bolivia, China, Colombia, Costa Rica, Cuba, Dominican Republic, Egypt, El Salvador, European Union, Guatemala, Guyana, Honduras, India, Iran, Mexico, Morocco, Nicaragua, Pakistan, Panama, Russia, Serbia, Sudan, Turkey, Ukraine, United States, Venezuela, Vietnam

December-November – Philippines, Thailand

World Centrifugal Sugar: Production and Consumption

1,000 Metric Tons, Raw Value

	2015/16	2016/17	2017/18	2018/19	May 2019/20	Nov 2019/20
Production						
Brazil	34,650	39,150	38,870	29,500	32,000	29,350
India	27,385	22,200	34,309	34,300	30,305	29,300
European Union	14,283	18,314	20,938	17,731	19,425	17,850
Thailand	9,743	10,033	14,710	14,581	13,900	13,540
China	9,050	9,300	10,300	10,760	10,700	10,890
United States	8,155	8,137	8,430	8,159	8,269	7,813
Russia	5,200	6,200	6,560	6,080	6,200	6,800
Mexico	6,484	6,314	6,371	6,812	6,466	6,118
Pakistan	5,265	6,825	7,225	5,540	5,240	5,240
Australia	4,900	5,100	4,480	4,725	4,900	4,500
Guatemala	2,823	2,719	2,865	3,049	3,110	3,110
Turkey	2,000	2,500	2,500	2,700	2,750	2,750
Egypt	2,125	2,270	2,320	2,405	2,740	2,740
Colombia	2,250	2,300	2,500	2,400	2,400	2,400
South Africa	1,684	1,607	2,064	2,257	2,329	2,349
Indonesia	2,025	2,050	2,100	2,200	2,100	2,100
Philippines	2,135	2,500	2,200	2,100	2,200	2,100
Iran	1,640	1,770	2,190	1,575	2,100	2,000
Argentina	2,060	2,050	1,870	1,665	1,680	1,680
Ukraine	1,638	2,156	2,180	1,848	1,646	1,646
Cuba	1,625	1,800	1,100	1,400	1,750	1,400
Peru	1,206	1,238	1,080	1,255	1,400	1,400
Vietnam	1,330	1,520	1,540	1,300	1,400	1,400
Eswatini	695	587	650	730	800	800
Japan	850	720	830	780	800	790
Other	13,667	14,690	14,069	14,040	14,124	14,074
Total	164,868	174,050	194,251	179,892	180,734	174,140
Human Dom. Consumption						
India	26,800	25,500	26,500	27,500	28,500	28,500
European Union	18,700	18,750	18,600	18,600	18,500	18,600
China	15,800	15,600	15,700	15,800	15,800	15,800
United States	10,779	10,979	10,930	10,982	11,045	11,000
Brazil	10,500	10,550	10,600	10,600	10,650	10,650
Indonesia	5,600	6,186	6,348	7,055	6,800	6,850
Russia	5,867	5,942	6,113	6,115	6,085	6,250
Pakistan	4,800	5,100	5,300	5,400	5,600	5,600
Mexico	4,703	4,769	4,512	4,317	4,554	4,322
Egypt	2,930	2,950	3,050	3,100	3,250	3,250
Turkey	2,248	2,739	2,728	2,800	2,880	2,880
Iran	2,391	2,619	2,449	2,359	2,286	2,701
Bangladesh	2,308	2,232	2,646	2,560	2,495	2,585
Thailand	2,670	2,680	2,580	2,550	2,580	2,580
Philippines	2,140	2,219	2,250	2,250	2,300	2,300
Japan	2,122	1,995	2,058	1,975	1,969	1,984
Malaysia	1,731	1,696	1,833	1,985	2,005	1,935
Colombia	1,846	1,900	1,763	1,855	1,850	1,850
South Africa	1,957	1,960	1,961	1,770	1,700	1,650
Nigeria	1,290	1,545	1,610	1,610	1,620	1,620
Vietnam	1,776	1,822	1,765	1,541	1,600	1,600
Saudi Arabia	1,526	1,599	1,478	1,517	1,629	1,574
Korea, South	1,446	1,424	1,519	1,656	1,725	1,555
Algeria	1,429	1,549	1,719	1,576	1,749	1,504
Peru	1,566	1,442	1,470	1,443	1,500	1,500
Other	34,541	35,084	35,887	34,413	35,777	34,044
Total	169,466	170,831	173,369	173,329	176,449	174,684

World Centrifugal Sugar: Imports and Exports

1,000 Metric Tons, Raw Value

	2015/16	2016/17	2017/18	2018/19	May 2019/20	Nov 2019/20
Exports						
Brazil	24,350	28,500	28,200	19,600	20,850	18,620
Thailand	7,055	7,016	10,907	9,300	11,900	10,500
India	3,800	2,125	2,236	4,700	3,500	5,000
Australia	3,700	4,000	3,600	3,800	3,800	3,500
Guatemala	2,029	1,978	1,881	1,999	2,019	2,019
Mexico	1,280	1,287	1,146	2,337	1,477	1,693
South Africa	305	218	768	1,041	1,400	1,600
European Union	1,548	1,509	3,920	1,800	2,400	1,500
Eswatini	665	587	519	680	760	760
Colombia	584	695	732	720	750	750
Algeria	395	502	610	651	671	671
Cuba	1,112	1,166	553	592	610	610
Russia	23	407	621	315	305	605
Pakistan	275	400	1,600	600	500	500
Morocco	303	484	380	450	470	470
El Salvador	371	473	449	451	465	465
United Arab Emirates	208	304	458	430	430	430
Belarus	377	456	393	400	460	420
Nicaragua	398	454	388	421	420	420
Mauritius	463	474	390	347	330	360
Korea, South	339	343	325	315	320	320
Egypt	200	300	200	200	300	300
Nigeria	200	300	300	300	300	300
Ukraine	180	813	602	441	251	251
Costa Rica	236	230	215	224	230	230
Other	3,648	3,660	2,869	2,742	2,809	2,854
Total	54,044	58,681	64,262	54,856	57,727	55,148
Imports						
Indonesia	3,724	4,781	4,298	5,362	4,500	4,500
China	6,116	4,600	4,350	4,100	4,300	4,000
United States	3,031	2,943	2,972	2,816	2,920	2,866
Bangladesh	2,283	2,097	2,654	2,455	2,380	2,480
Algeria	1,834	2,061	2,349	2,217	2,420	2,170
Malaysia	2,009	1,893	2,002	2,125	2,125	2,050
European Union	3,055	2,942	1,341	1,900	1,500	2,000
Nigeria	1,470	1,820	1,870	1,870	1,890	1,890
Korea, South	1,900	1,757	1,864	1,996	2,060	1,860
Saudi Arabia	1,595	1,624	1,486	1,528	1,650	1,600
India	1,902	2,701	2,071	1,300	1,000	1,500
United Arab Emirates	1,830	1,893	2,804	1,573	2,300	1,330
Canada	1,229	1,139	1,243	1,285	1,240	1,325
Japan	1,275	1,232	1,240	1,187	1,176	1,196
Iraq	768	1,001	1,340	1,154	1,365	1,175
Morocco	1,019	1,163	1,128	1,058	1,142	1,142
Venezuela	1,066	600	1,030	1,000	1,000	1,000
Iran	822	962	237	851	291	851
Egypt	880	830	990	860	830	830
Sudan	840	566	827	805	755	825
Taiwan	636	595	1,015	897	1,020	800
Yemen	599	677	876	609	750	670
Cambodia	627	737	693	583	641	601
South Africa	470	744	747	541	600	580
Somalia	700	609	562	570	580	580
Other	13,073	12,385	12,604	11,366	10,882	11,236
Total	54,753	54,352	54,593	52,008	51,317	51,057

World Centrifugal Sugar: Ending Stocks

1,000 Metric Tons, Raw Value

	2015/16	2016/17	2017/18	2018/19	May 2019/20	Nov 2019/20
Ending Stocks						
India	9,294	6,570	14,214	17,614	16,889	14,914
Thailand	5,281	5,618	6,841	9,572	6,401	10,032
China	9,591	7,811	6,567	5,427	4,501	4,347
Indonesia	1,098	1,743	1,793	2,300	2,043	2,050
Pakistan	1,470	2,805	3,140	2,690	1,240	1,840
Philippines	1,054	1,054	1,342	1,472	1,232	1,552
United States	1,863	1,702	1,822	1,614	1,346	1,166
Mexico	1,099	1,062	1,479	1,239	1,055	992
European Union	1,241	2,238	1,997	1,228	1,073	978
Russia	150	360	440	450	440	585
Iran	450	535	495	480	465	540
Japan	585	540	550	540	530	540
Bangladesh	440	430	525	520	500	520
Malaysia	400	390	410	435	430	430
Korea, South	380	370	390	415	430	400
Ecuador	395	395	388	420	390	390
Kenya	151	151	411	441	291	371
Vietnam	355	365	355	310	320	320
Guatemala	219	154	210	267	315	315
Saudi Arabia	310	320	300	300	325	310
Brazil	750	850	920	220	720	300
Sudan	280	240	265	290	285	295
Canada	260	245	260	270	260	280
Morocco	260	260	260	240	260	255
Colombia	215	162	277	272	227	247
Other	6,504	5,839	6,645	6,025	5,868	5,611
Total	44,095	42,209	52,296	55,051	47,836	49,580