



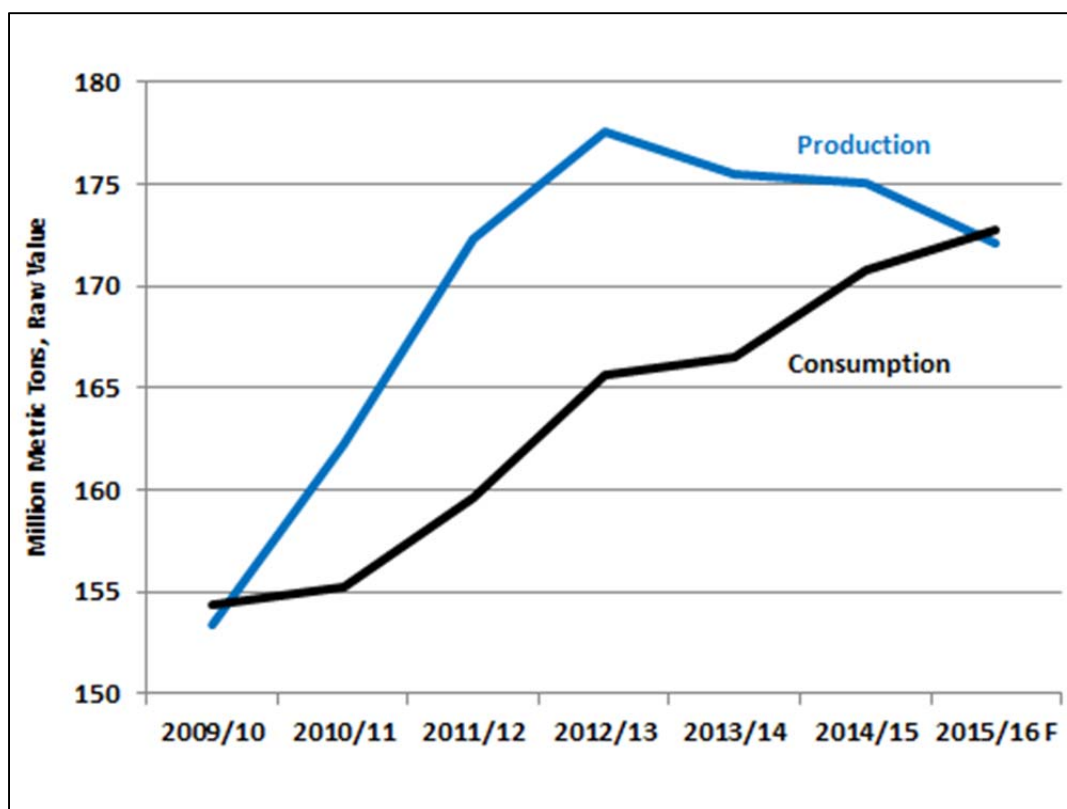
United States
Department of
Agriculture

Foreign
Agricultural
Service

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Sugar: World Markets and Trade

Global Sugar Consumption Outpaces Production



Global sugar production for 2015/16 is forecast down 3 million metric tons (raw value) at 172 million with reductions in Brazil, India, the European Union, and Ukraine more than offsetting gains in Australia, Russia, and Turkey. Consumption is projected to reach a record 173 million, drawing ending stocks down 4 million tons to 40 million. Global imports are expected to grow to a record 52 million tons.

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2015/16 Sugar Overview

United States production is forecast up nearly 150,000 tons from last year at 8.0 million. Consumption is down slightly as imports decline 5 percent to 3.1 million tons and stocks grow nearly 5 percent to 1.7 million tons.

On October 20, 2015, the U.S. International Trade Commission (USITC) determined that the U.S. sugar industry was materially injured by imports from Mexico. This determination was subsequent to the U.S. Department of Commerce ruling in September that sugar from Mexico had been subsidized and sold at less than fair value in the United States. The Commission's decision keeps in place the terms outlined in the agreements signed December 19, 2014, to suspend the antidumping and countervailing duty investigations. While additional judicial appeals may be taken by parties, the USITC determination was the final administrative step in the antidumping and countervailing duty investigations that were initiated in March 2014.

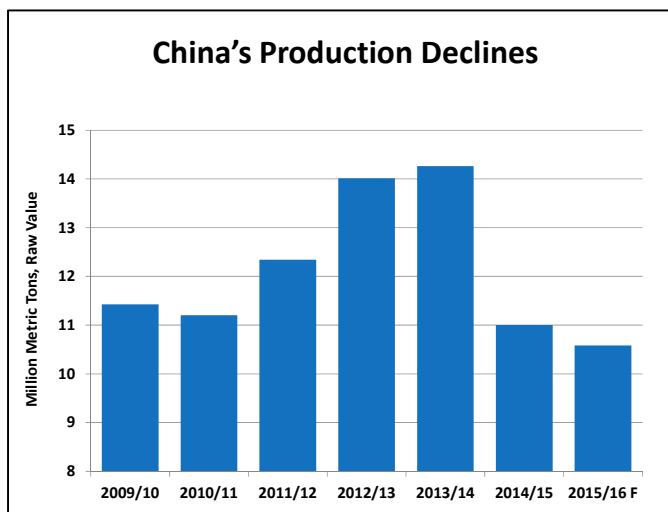
Brazil's production is forecast to ease 950,000 tons to 35.0 million as a higher percentage of sugarcane (forecast at 59 percent) is converted to ethanol. Higher demand in the domestic market is due to the increase of the mandated ethanol blend in gasoline from 25 to 27 percent and the increase in federal and state taxes for gasoline. Additionally, the state of Minas Gerais, where there is a large fleet of flex-fuel vehicles, has lowered its ethanol tax. Sugar consumption is lower as the economic recession has reduced sales of processed food items. Exports are projected down 200,000 tons to 23.8 million on lower exportable supplies.

Thailand's production is forecast flat at 10.8 million tons as increased area is offset by a drought-induced yield decrease, with the same amount of cane diverted to ethanol production as last year. Exports are forecast to jump to a record 8.8 million tons as stocks are drawn down to meet high demand from fast growing markets such as China and Sudan. Consumption continues to trend higher, driven by growing demand from the processed food and beverage industries.

India's production is forecast to drop 1.7 million tons to 28.5 million due to lower yields. Consumption rises to a record 28.0 million tons while exports are boosted 75,000 tons to 2.5 million. India is the world's largest consumer and second-largest producer of sugar.

China's production is projected at 10.6 million tons, down 400,000 tons on another decline in area due to high producer costs. Stocks are forecast down 1.5 million tons to 5.8 million as supplies are outpaced by consumption.

Production in the **European Union** is forecast at 16.1 million tons, down 650,000 on reduced sugar beet area. As consumption continues to trend higher, imports are projected to grow 200,000 tons to 2.8 million tons. Exports are expected at 1.5 million tons, limited by the World Trade Organization sugar export ceiling.



Mexico's production is forecast slightly higher at 6.4 million tons. Exports are projected down nearly 10 percent to 1.4 million tons on expectations for fewer exports to non-U.S. destinations. Stocks grow 17 percent as consumption is expected to be flat.

Australia's sugar production is to increase 300,000 tons to 5.0 million based on higher area and yield. Exports are slightly higher at 3.7 million tons on greater exportable supplies as consumption remains flat.

Russia's production is expected up 350,000 tons to 4.7 million as an increase in area is offset by lower yields. Consumption is expected to continue to grow as consumer demand has shifted to less expensive staple food products, such as sugar and sugar-based candies and confectionary products. Ending stocks will grow to 140,000 tons while imports climb slightly.

Selected 2014/15 Revisions from May 2015 Forecast:

- World production is up slightly (795,000 tons) to 175.1 million.
 - o India is raised 757,000 tons to 26.6 million as a higher percentage of the sugarcane was used to produce sugar rather than ethanol.
- World imports decline 1.2 million tons to 50.4 million.
 - o Iran drops 1.1 million tons to 264,000 on updated trade data.
- World Exports are flat at 54.1 million tons.
 - o India expanded 925,000 tons to 2.4 million due to increased exportable supplies.
 - o Brazil was lowered 600,000 tons to 24.0 million as a result of updated data.

Sugar Marketing Years

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

April-March – Brazil (adjusted from May-April for previous 5 years)

July-June – Australia

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

December-November – Philippines, Thailand

FAS Reports from Overseas Offices

The *Sugar: World Markets and Trade* circular is based on post reports submitted since September 2015 and on available secondary information. The individual country reports can be obtained on FAS Online at: <http://gain.fas.usda.gov/Pages/Default.aspx>.

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>.

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 will be in May 2016.

To receive the circular via email, go to:

<https://public.govdelivery.com/accounts/USDAFAS/subscriber/new>.

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

World Centrifugal Sugar: Production and Consumption

1,000 Metric Tons, Raw Value

	2011/12	2012/13	2013/14	2014/15	May 2015/16	Nov 2015/16
Production						
Brazil	36,150	38,600	37,800	35,950	36,000	35,000
India	28,620	27,337	26,605	30,240	29,050	28,530
European Union	18,320	16,655	16,020	16,750	15,500	16,100
Thailand	10,235	10,024	11,333	10,790	11,400	10,800
China	12,341	14,001	14,263	11,000	10,820	10,580
United States	7,700	8,148	7,676	7,845	7,665	7,992
Mexico	5,351	7,393	6,382	6,344	6,360	6,419
Pakistan	4,520	5,000	5,630	5,230	5,430	5,430
Australia	3,683	4,250	4,380	4,700	4,800	5,000
Russia	5,545	5,000	4,400	4,350	4,500	4,700
Guatemala	2,499	2,778	2,862	2,900	2,965	2,965
Philippines	2,400	2,400	2,500	2,320	2,500	2,300
Turkey	2,262	2,130	2,300	2,055	2,300	2,300
Argentina	2,150	2,300	1,780	2,150	2,250	2,250
Colombia	2,270	1,950	2,300	2,350	2,250	2,250
Indonesia	1,830	2,300	2,300	2,100	2,250	2,250
Egypt	1,980	2,000	2,013	2,067	2,125	2,125
Cuba	1,400	1,600	1,650	1,850	1,665	1,850
South Africa	1,897	2,020	2,435	2,192	2,050	1,750
Vietnam	1,400	1,650	1,725	1,545	1,700	1,650
Ukraine	2,300	2,400	1,196	2,135	1,445	1,445
Iran	1,370	1,300	1,370	1,370	1,370	1,370
Peru	1,072	1,080	1,150	1,220	1,240	1,240
Japan	750	760	750	810	750	810
Nicaragua	615	712	745	728	770	770
Other	13,711	13,836	13,993	14,112	14,250	14,270
Total	172,371	177,624	175,558	175,103	173,405	172,146
Human Dom. Consumption						
India	24,180	25,588	26,023	27,195	28,000	28,000
European Union	18,200	18,250	18,500	18,700	18,800	18,800
China	14,200	15,100	16,445	17,558	17,700	17,500
Brazil	11,500	11,200	11,260	11,500	11,400	11,150
United States	10,106	10,421	10,722	10,836	10,873	10,691
Russia	5,700	5,700	5,400	5,700	5,800	5,800
Indonesia	5,050	5,400	5,450	5,500	5,550	5,550
Pakistan	4,300	4,400	4,500	4,700	4,950	4,800
Mexico	4,384	4,544	4,184	4,638	4,505	4,651
Egypt	2,850	2,840	2,870	2,930	3,000	3,000
Thailand	2,510	2,525	2,495	2,500	2,600	2,600
Iran	2,333	2,793	2,917	1,949	2,735	2,560
Philippines	2,150	2,150	2,250	2,280	2,300	2,300
Turkey	2,300	2,300	2,300	2,300	2,300	2,300
Bangladesh	1,765	1,637	2,190	2,132	2,230	2,195
Japan	2,036	1,998	2,108	2,153	2,139	2,030
United Arab Emirates	1,144	1,864	1,444	1,911	1,895	1,925
Vietnam	1,784	1,806	1,888	1,818	1,893	1,903
South Africa	1,810	1,850	1,890	1,952	1,900	1,900
Argentina	1,800	1,820	1,839	1,861	1,810	1,810
Malaysia	1,403	1,629	1,593	1,723	1,815	1,810
Sudan	1,175	1,555	1,211	1,615	1,425	1,680
Colombia	1,766	1,950	1,510	1,580	1,630	1,605
Ukraine	1,700	1,900	1,752	1,587	1,580	1,580
Korea, South	1,162	1,268	1,421	1,451	1,440	1,455
Other	32,291	33,138	32,360	32,756	33,143	33,173
Total	159,599	165,626	166,522	170,825	173,413	172,768

World Centrifugal Sugar: Imports and Exports

1,000 Metric Tons, Raw Value

	2011/12	2012/13	2013/14	2014/15	May 2015/16	Nov 2015/16
Exports						
Brazil	24,650	27,650	26,200	23,950	24,350	23,750
Thailand	7,898	6,693	7,200	8,000	8,300	8,800
Australia	2,800	3,100	3,242	3,561	3,650	3,650
India	3,764	1,261	2,806	2,425	2,200	2,500
Guatemala	1,619	1,911	2,100	2,200	2,350	2,350
European Union	2,343	1,662	1,552	1,610	1,500	1,500
Mexico	985	2,091	2,661	1,545	1,930	1,408
Cuba	830	775	992	880	1,050	900
Colombia	876	542	900	845	790	790
United Arab Emirates	935	569	739	375	575	575
Algeria	343	522	478	480	500	500
Swaziland	315	353	412	493	405	500
South Africa	271	356	868	772	700	490
El Salvador	386	480	404	430	450	450
Nicaragua	343	375	375	428	450	450
Mauritius	370	384	406	416	435	420
Belarus	490	517	466	412	480	410
Argentina	194	258	234	114	340	340
Korea, South	396	383	361	305	310	310
Egypt	389	400	350	350	300	300
Malaysia	313	317	314	300	300	300
Serbia	201	195	244	300	200	300
Azerbaijan	200	254	240	250	255	255
Pakistan	350	1,100	729	600	700	250
Costa Rica	126	166	199	206	220	220
Other	3,639	3,211	3,178	2,879	3,072	2,977
Total	55,026	55,525	57,650	54,126	55,812	54,695
Imports						
China	4,430	3,802	4,275	5,058	5,500	5,500
Indonesia	3,027	3,570	3,570	3,050	3,200	3,200
United States	3,294	2,925	3,395	3,238	3,457	3,083
European Union	3,552	3,790	3,262	2,600	3,200	2,800
United Arab Emirates	2,154	2,583	2,108	2,366	2,500	2,500
Malaysia	1,721	1,966	1,897	2,063	2,100	2,100
Bangladesh	1,700	1,547	2,085	1,982	2,100	2,075
Korea, South	1,668	1,806	1,909	1,881	1,875	1,890
Algeria	1,594	2,014	1,854	1,844	1,800	1,850
Saudi Arabia	1,454	1,403	1,320	1,431	1,470	1,500
Nigeria	1,399	1,450	1,470	1,465	1,470	1,470
Iran	1,079	1,553	1,629	264	1,400	1,425
Japan	1,301	1,246	1,369	1,368	1,390	1,250
Egypt	1,480	1,050	1,208	1,330	1,150	1,150
Russia	510	735	1,020	1,100	1,350	1,150
Sudan	467	997	623	1,200	800	1,150
Canada	1,103	1,156	1,031	1,162	1,300	1,130
India	188	1,722	1,078	1,100	900	900
Venezuela	800	840	840	870	850	850
Morocco	932	985	762	830	780	840
Yemen	754	563	749	717	830	720
Sri Lanka	606	598	542	605	580	615
Taiwan	499	603	577	543	590	580
Israel	623	492	598	519	530	545
Tunisia	539	491	377	517	470	540
Other	11,694	12,103	11,630	11,307	11,275	11,348
Total	48,568	51,990	51,178	50,410	52,867	52,161

World Centrifugal Sugar: Ending Stocks

1,000 Metric Tons, Raw Value

	2011/12	2012/13	2013/14	2014/15	May 2015/16	Nov 2015/16
Ending Stocks						
India	7,163	9,373	8,227	9,947	9,960	8,877
China	4,140	6,793	8,832	7,287	5,762	5,822
Thailand	2,810	3,616	5,254	5,544	6,224	4,944
United States	1,795	1,958	1,642	1,603	1,403	1,683
Pakistan	1,350	859	1,270	1,210	1,000	1,600
Mexico	1,024	1,548	881	860	707	1,041
Philippines	932	942	1,032	1,017	897	1,017
Brazil	260	10	350	850	600	950
Indonesia	409	879	1,299	949	849	849
European Union	3,303	3,836	3,066	2,106	1,017	706
Japan	543	550	560	584	560	613
Iran	640	700	750	400	700	600
Ukraine	644	901	233	649	404	404
Chile	385	380	380	400	400	400
Malaysia	320	350	350	400	400	400
Argentina	232	444	141	306	396	396
Ecuador	263	328	363	398	395	395
Bangladesh	340	365	400	380	400	390
Korea, South	358	388	390	390	390	390
Australia	64	83	111	140	180	380
United Arab Emirates	225	375	300	380	380	380
Sudan	230	340	275	350	320	360
Saudi Arabia	285	275	275	300	300	300
Costa Rica	210	262	298	306	284	284
Egypt	350	160	161	278	253	253
Other	6,908	6,777	7,005	6,524	6,348	6,164
Total	35,183	42,492	43,845	43,558	40,529	39,598