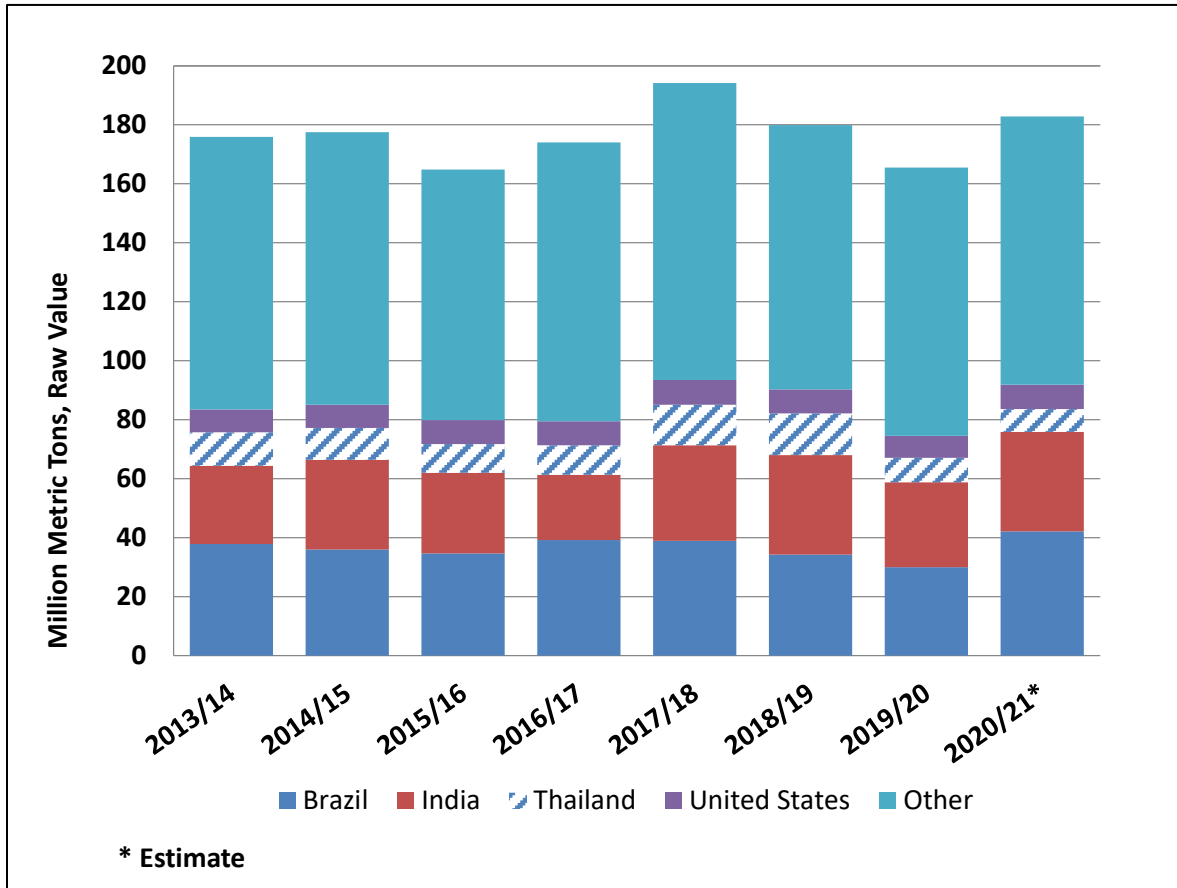




Sugar: World Markets and Trade

Global 2020/21 Sugar Production is Estimated Higher United States, India, and Brazil Up 10 to 40 Percent



Global production for Marketing Year (MY) 2020/21 is estimated up 16 million metric tons raw value (tons) to 182 million, with Brazil expected to account for three-fourths of the surge. Consumption is expected to rise due to growth in markets such as India, China, Indonesia, and Iran and is estimated to draw stocks lower despite a rebound in output. Exports are expected to be up sharply with rising supplies (particularly in Brazil).

****Please note that the measurement unit is metric tons (tons) raw value****

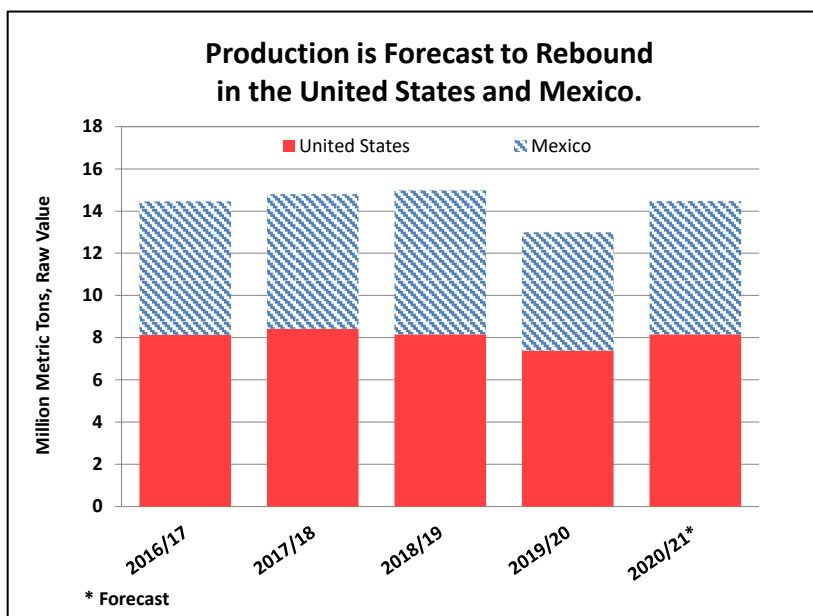
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<https://public.govdelivery.com/accounts/USDAFAS/subscriber/new>.

2020/21 Sugar Overview

U.S. production is forecast up 10 percent to 8.2 million tons, due to greater harvested area and yields for sugarbeets and sugarcane. With higher production, imports are forecast more than 25 percent lower at 2.7 million tons. Imports are based on projected quota programs and the calculation of U.S. Needs as defined in the U.S./Mexico Suspension Agreements. Consumption is forecast slightly lower but is still the second largest on record, while stocks are projected down 19 percent due to the lower imports.

Mexico sugar production is forecast to recover 13 percent to 6.3 million tons on favorable weather and

growing conditions after an historic drought hit the previous year's crop. Consumption is projected down slightly as it faces many challenges, ranging from a weak economy affecting consumer purchasing power to new front-of-the pack labeling for products that exceed critical thresholds of certain nutrients (e.g. fats, sugars, sodium, etc.). Exports are forecast higher, projected at the expected level of U.S. Needs, as defined in the Suspension Agreements, and some exports to other markets. Stocks are up based on the calculated stock level needed to cover 2.5 months of consumption.



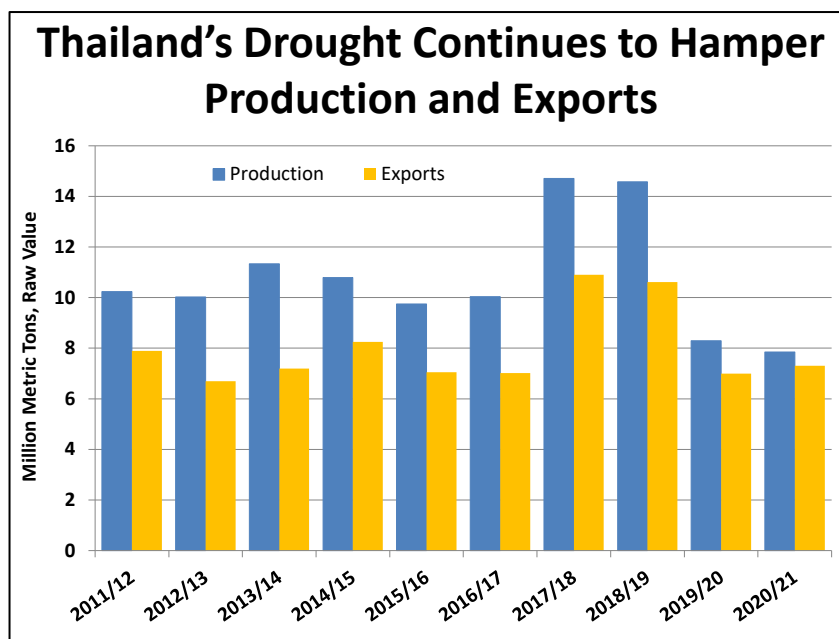
Brazil production is forecast to rebound 12.1 million tons to 42.1 million due to higher returns to sugar compared to ethanol and overall favorable weather. Approximately 48 percent of the sugarcane crop is expected to be processed for sugar and 52 percent for ethanol, versus last year's 35 and 65 percent split, respectively, as the COVID-19 pandemic and social distance measures have reduced fuel use. While consumption is expected to be down, stocks and exports are forecast to rise with the higher available supplies.

India production is forecast to rebound 17 percent to 33.8 million tons on higher yields and area. Consumption is forecast at a record 28.5 million tons due to a growing economy while exports are expected to be up slightly to 6.0 million tons as supplies remain high. Stocks are estimated at levels that could meet 7 months of consumption.

Production in the **European Union** is forecast at 16.1 million tons, down for the third year in a row. The drop is due to lower yields, which stem from 3 straight years of drought, combined with severe damages from beet *yellow's virus* disease, which has hit France particularly hard.

Consumption is unchanged while imports are estimated higher and stocks are forecast down with the drop in production.

Thailand production is forecast to decline to 7.9 million tons, down 5 percent as drought has driven reductions in area, yields, and extraction rates. Consumption is expected to increase on higher demand for direct sugar consumption and food services. Exports are forecast up slightly while stocks are forecast to be down for the second year in a row.



China production is forecast to remain relatively steady, up slightly to 10.5 million, due to higher beet sugar production. Consumption is forecast to return to pre-COVID levels as the food and beverage industry is expected to fully recover from the fallout of the COVID-19 crisis. Imports are up slightly with the rebound in consumption, and stocks are expected to fall for a sixth consecutive year as government policies continue to discourage stockholding.

Pakistan production is forecast up 14 percent to 6.0 million tons due to higher area. Consumption is forecast to grow modestly on growing population and an expanding domestic food processing sector. Exports are forecast down while stocks are expected to be higher with the increase in supplies.

Australia production is estimated to be flat at 4.3 million tons due to lower yields on greater area. Consumption is up slightly while exports are down due to the lower available supplies. Indonesia, Japan, and South Korea are Australia's top markets and are expected to account for over 80 percent of exports.

South Africa production is estimated down slightly to 2.2 million tons due to reductions in cane quality and volume delivered to the mills and lower mill efficiencies. Consumption is up based on higher demand during the national lockdown from at home consumers, resulting in an increase in activities such as cooking and baking. Exports and stocks are down due to the lower production. Malaysia is the top market accounting for over half of exports.

Dominican Republic production is forecast up 3 percent to 610,000 tons due to favourable weather conditions. Consumption is up slightly due to the expected recovery in tourism and brighter prospects for small and medium-sized processing companies that are currently limiting

operations due to the COVID-19 pandemic. Exports are forecast down to 190,000 tons with the United States expected to be the only major export market (this volume is similar to the allocation for the U.S. tariff-rate quota). Stocks are expected to be higher due to greater supplies.

Selected MY 2019/20 Revisions from May 2020 Forecast:

- Global production is down 682,000 tons to 165.5 million.
 - China is raised 200,000 tons to 10.4 million as the impact of the drought was less than expected.
 - Pakistan is down 305,000 tons to 5.3 million on revised Post data.
 - Vietnam is lowered 500,000 tons to 850,000 because of less sugarcane for processing.

- Global imports are up 945,000 tons to 51.7 million.
 - Indonesia is boosted 723,000 tons to 4.8 million on higher imports from Australia and India.
 - The United States is raised 321,000 tons to 3.7 million, due to an expansion in the TRQ in light of smaller production.
 - The United Arab Emirates is down sharply by nearly 600,00 tons to 748,000 on lower imports from Brazil.
 - India was lowered 600,000 tons to 900,000 on high domestic supply and updated industry data.

- Global exports are down 848,000 tons to 53.3 million.
 - India is up 800,000 tons to 5.8 million on high exportable.
 - Russia is raised 665,000 tons to 1.6 million with higher exports to markets such as Kazakhstan, Azerbaijan, and Tajikistan.
 - Saudi Arabia is raised to 429,000 tons on revised data.
 - Thailand is down sharply by 3.7 million tons to 7.0 million on lower shipments to markets such as Indonesia, South Korea, Malaysia, and China.

- Global ending stocks are up 1.8 million tons to 46.2 million.
 - Thailand is raised 3.7 million tons to 7.3 million on a drop in exports.
 - Indonesia is up 537,000 tons to 2.0 million as a result of higher imports.
 - Russia is lowered 668,000 tons to 732,000 on higher exports.
 - Pakistan is down 815,000 tons to 1.4 million, due to reduced production.
 - India drops 1.4 million tons to 14.6 million on lower imports and higher exports.

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The *Sugar: World Markets and Trade* circular is based on reports from FAS Overseas Posts since March 2020 and on available secondary information. The individual country reports can be obtained on FAS Online at: <https://gain.fas.usda.gov/#/search>.

European Union definition: includes all 28 countries in the customs union, including the UK (Austria, Belgium/Luxembourg, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, United Kingdom).

Future Releases and Contact Information

Please visit <https://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 2021. 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: <https://apps.fas.usda.gov/psdonline/app/index.html#/app/home>.

Additional Resources

Please refer to the USDA-FAS Sugar website at: <https://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

September-August - Philippines

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, and Vietnam

December-November – Thailand

World Centrifugal Sugar: Production and Consumption

1,000 Metric Tons, Raw Value

	2016/17	2017/18	2018/19	2019/20	May 2020/21	Nov 2020/21
Production						
Brazil	39,150	38,870	29,500	29,925	39,480	42,060
India	22,200	34,309	34,300	28,900	33,705	33,760
European Union	18,314	20,938	17,982	17,003	17,680	16,050
China	9,300	10,300	10,760	10,400	10,700	10,500
United States	8,137	8,430	8,164	7,393	8,169	8,166
Thailand	10,033	14,710	14,581	8,294	12,900	7,850
Mexico	6,314	6,371	6,812	5,596	6,466	6,307
Pakistan	6,825	7,225	5,270	5,260	5,900	5,990
Russia	6,200	6,560	6,080	7,800	6,500	5,500
Australia	5,100	4,480	4,725	4,285	4,500	4,300
Guatemala	2,719	2,865	2,966	2,781	2,800	2,800
Turkey	2,500	2,500	2,700	2,750	2,750	2,750
Egypt	2,270	2,320	2,405	2,740	2,780	2,600
Colombia	2,300	2,500	2,400	2,350	2,350	2,350
South Africa	1,607	2,064	2,257	2,295	2,329	2,225
Indonesia	2,050	2,100	2,200	2,250	2,050	2,200
Philippines	2,500	2,100	2,100	2,150	2,000	2,200
Iran	1,770	2,190	1,575	1,180	2,000	1,870
Argentina	2,050	1,870	1,570	1,650	1,780	1,780
Ukraine	2,156	2,180	1,753	1,609	1,559	1,559
Peru	1,238	1,080	1,262	1,440	1,450	1,450
Cuba	1,800	1,100	1,300	1,200	1,400	1,280
Japan	720	830	780	840	815	830
El Salvador	765	754	788	825	800	800
Nicaragua	733	802	793	787	787	787
Other	15,299	14,811	14,324	13,793	14,427	13,902
Total	174,050	194,259	179,347	165,496	188,077	181,866
Human Dom. Consumption						
India	25,500	26,500	27,500	27,000	28,500	28,500
European Union	18,750	18,600	18,600	18,300	18,600	18,300
China	15,600	15,700	15,800	15,400	15,200	15,800
United States	10,979	10,930	10,982	11,100	11,000	11,068
Brazil	10,550	10,600	10,600	10,650	10,650	10,020
Indonesia	6,186	6,375	7,055	7,356	7,200	7,762
Pakistan	5,100	5,300	5,400	5,600	5,800	5,650
Russia	5,942	6,113	6,016	6,100	6,200	5,607
Mexico	4,769	4,512	4,317	4,349	4,388	4,318
Egypt	2,950	3,050	3,100	3,250	3,360	3,185
Turkey	2,739	2,728	2,784	2,975	2,975	2,995
Iran	2,655	2,448	2,492	2,216	2,751	2,741
Bangladesh	2,232	2,659	2,519	2,435	2,585	2,685
Thailand	2,680	2,580	2,480	2,360	2,500	2,480
Philippines	2,190	2,250	2,300	2,300	2,350	2,300
Algeria	1,750	1,927	2,121	2,147	2,254	2,069
Japan	1,995	2,058	1,975	1,980	2,105	1,945
Malaysia	1,696	1,833	1,991	1,877	2,160	1,900
Colombia	1,900	1,764	1,858	1,869	1,870	1,875
Sudan	1,290	1,564	1,687	1,707	1,740	1,740
South Africa	1,960	1,961	1,770	1,600	1,670	1,660
Korea, South	1,424	1,519	1,668	1,623	1,700	1,655
United Arab Emirates	1,190	1,877	1,451	732	1,855	1,645
Nigeria	1,545	1,610	1,610	1,620	1,610	1,610
Peru	1,442	1,470	1,460	1,528	1,540	1,540
Other	35,598	34,759	32,834	32,151	35,232	32,710
Total	170,612	172,687	172,370	170,225	177,795	173,760

World Centrifugal Sugar: Imports and Exports

1,000 Metric Tons, Raw Value

	2016/17	2017/18	2018/19	2019/20	May 2020/21	Nov 2020/21
Exports						
Brazil	28,500	28,200	19,600	19,280	28,850	32,020
Thailand	7,016	10,907	10,612	7,000	11,000	7,300
India	2,125	2,236	4,700	5,800	5,000	6,000
Australia	4,000	3,600	3,735	3,600	3,540	3,400
Guatemala	1,978	1,881	2,125	1,947	1,970	1,970
Mexico	1,287	1,146	2,337	1,285	1,711	1,559
South Africa	218	768	1,041	1,451	1,190	1,240
European Union	1,509	3,920	1,949	1,200	1,500	1,000
Russia	407	621	387	1,605	1,050	800
Colombia	695	732	801	750	750	750
Morocco	484	380	497	650	700	700
Eswatini	587	519	582	660	650	650
Cuba	1,166	571	588	550	590	550
El Salvador	473	449	532	534	530	530
Nicaragua	454	388	534	497	519	519
Belarus	456	393	387	440	250	450
Mauritius	474	390	347	395	420	410
Saudi Arabia	15	360	353	429	16	400
Korea, South	343	325	306	313	315	340
Egypt	300	200	200	300	300	300
Nigeria	300	300	300	300	300	300
Pakistan	400	1,600	1,100	350	400	300
Algeria	340	299	167	313	176	251
Costa Rica	230	212	209	239	230	230
Argentina	618	207	171	202	340	210
Other	4,664	4,493	3,530	3,183	2,930	3,154
Total	59,039	65,097	57,090	53,273	65,227	65,333
Imports						
Indonesia	4,781	4,325	5,362	4,758	4,650	5,650
China	4,600	4,350	4,086	4,350	4,200	4,400
European Union	2,942	1,341	1,987	2,100	2,100	3,000
United States	2,943	2,972	2,785	3,705	3,135	2,745
Bangladesh	2,097	2,654	2,429	2,345	2,530	2,645
Algeria	2,135	2,261	2,328	2,470	2,450	2,305
Malaysia	1,893	2,002	2,139	1,966	2,300	2,075
Korea, South	1,757	1,864	1,999	1,926	2,025	2,000
United Arab Emirates	1,880	2,797	1,571	748	2,200	2,000
Nigeria	1,820	1,870	1,870	1,890	1,880	1,880
Saudi Arabia	1,476	1,440	1,342	1,420	1,370	1,495
Morocco	1,163	1,128	1,100	1,336	1,405	1,405
Canada	1,139	1,239	1,269	1,273	1,435	1,335
Iraq	1,021	1,400	1,180	1,289	1,255	1,290
Japan	1,232	1,240	1,187	1,142	1,297	1,107
Sudan	647	1,079	1,042	1,052	1,080	1,080
India	2,701	2,071	1,300	900	1,200	1,000
Iran	962	203	932	981	951	981
Yemen	677	876	664	770	880	905
Egypt	830	990	860	830	880	880
Somalia	614	565	732	877	750	800
Taiwan	595	1,015	897	718	930	765
Chile	497	489	449	649	710	680
Sri Lanka	611	620	593	626	670	645
Ghana	288	438	442	535	485	505
Other	13,144	12,988	11,485	11,001	12,035	10,934
Total	54,445	54,217	52,030	51,657	54,803	54,507

World Centrifugal Sugar: Ending Stocks

1,000 Metric Tons, Raw Value

	2016/17	2017/18	2018/19	2019/20	May 2020/21	Nov 2020/21
Ending Stocks						
India	6,570	14,214	17,614	14,614	17,419	14,874
Thailand	5,618	6,841	8,330	7,264	2,930	5,334
China	7,811	6,567	5,408	4,543	3,847	3,473
Indonesia	1,743	1,793	2,300	1,952	915	2,040
Pakistan	2,805	3,140	1,920	1,350	1,875	1,400
Philippines	1,167	1,067	1,234	1,289	1,087	1,249
United States	1,702	1,822	1,618	1,472	1,332	1,188
Mexico	1,062	1,479	1,239	910	1,010	991
European Union	2,238	1,997	1,417	1,020	850	770
Iran	535	480	495	440	530	550
Bangladesh	430	525	510	495	500	530
Japan	540	550	540	540	550	530
Algeria	350	385	425	435	455	420
Malaysia	390	410	435	415	450	420
Korea, South	370	390	415	405	415	410
Kenya	151	411	441	506	196	356
Sudan	255	315	340	350	350	350
Ecuador	395	388	389	351	326	326
United Arab Emirates	235	375	290	150	370	325
Canada	245	260	265	260	300	280
Morocco	260	265	250	265	280	280
Iraq	190	265	240	255	250	260
Costa Rica	269	265	278	262	245	245
Honduras	239	239	239	240	241	241
Brazil	850	920	220	215	175	235
Other	6,130	6,753	6,380	6,245	6,653	5,730
Total	42,550	52,116	53,232	46,243	43,551	42,807