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**Report Name:** Sugar Annual

**Country:** Mexico

**Post:** Mexico City

**Report Category:** Sugar

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**Report Highlights:**

Mexico sugar production is forecasted at 6.3 million metric tons raw value (MMT-RV) for MY 2022/2023 (October-September), marginally higher than the previous year, due to better weather conditions, better availability of water in reservoirs, and expected late summer rains that may improve cane yields. The National Committee for the Sustainable Development of Sugar Cane (CONADESUCA) has not yet published an official MY 2022/23 forecast. The MY 2022/2023 sugar export forecast is 1.53 MMT-RV, on the expectation of continued demand in the United States, but moderate growth in exports to other world markets due to sustained high domestic prices.

## Production

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Posts estimate for MY 2021/2022 (October-September) sugar production is reduced to 6.25 MMT-RV due to a late start to harvest, labor issues, and increased input prices. The official CONADESUCA forecast for MY 2020/21 production remains at 6.545 MMT-RV. However, a production lag of 83,198 MMT-RV in production to date remains. The onset of late rains will determine how much time producers must make up for lost milling capacities. For MY 2021/2022, planted area is currently forecasted at 804,776 hectares and harvested cane at 54,624,053 MT, with a field yield of 67.87 percent. As of March 26, field yields are better than expected, however, harvested area is below expectation.

### Official Estimate vs. Actual Production

<b>Production Variables</b>	<b>MY 2020/21 Estimate</b>	<b>MY 2020/21 Actual*</b>	<b>Change</b>
Harvested area (ha)	546,409	507,457	-7.13
Harvested cane (t)	38,554,232	37,761,511	-2.06
Field yield (t/ha)	70.56	74.41	5.46
Sugar production (t)	4,270,335	4,191,846	-1.84
Factory yield (%)	11.08	11.10	0.18

\*October 1, 2021, through March 26, 2022

Source: CONADESUCA

Veracruz is the top sugar cane producing state and accounts for 41.6 percent of total production, followed by San Luis Potosi with 31 percent and Jalisco with 10 percent.



Source: CONADESUCA

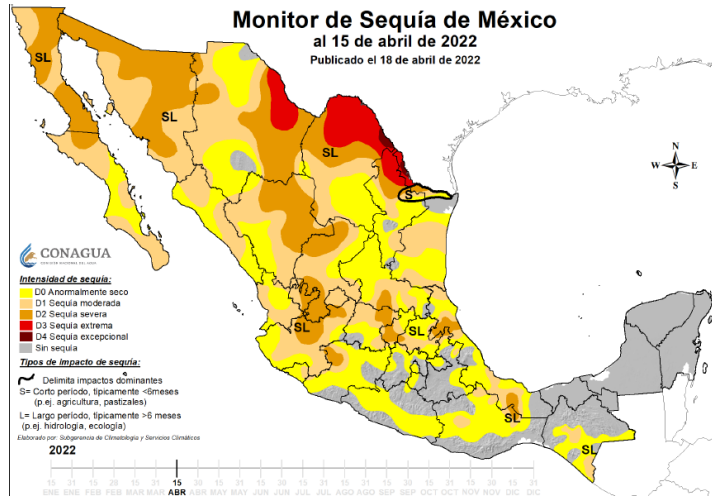
### Mexico's Sugar Cane Production by State

State	Harvest Area Ha	Harvest Cane MT	Field Yield Percent	Factory Yield Percent	Production Share Percent
Veracruz	14,469	942,643	65.15	11.81	41.6
San Luis Potosi	4,499	218,135	48.49	13.72	31
Jalisco	3,488	289,218	82.91	12.62	10
Oaxaca	2,161	126,196	58.39	12.47	6.2
Chiapas	1,434	120,862	84.26	12.19	4.1
Nayarit	1,289	78,948	61.24	13.10	3.4

\*October 1, 2021, through March 26, 2022

Source: CONADESUCA

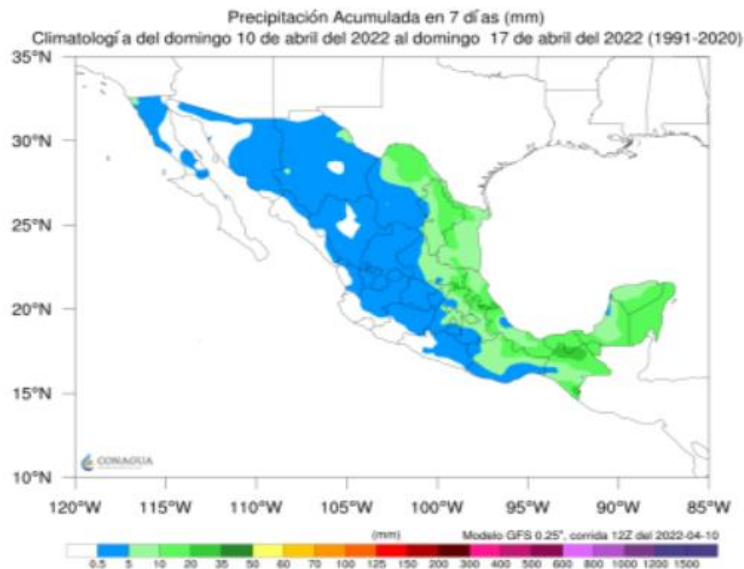
According to Mexico's National Water Commission (CONAGUA) drought monitor shows significant movement from severe drought to abnormal dry conditions, a promising sign for the remainder of this marketing year harvest and the start of planting for MY 2022/23.



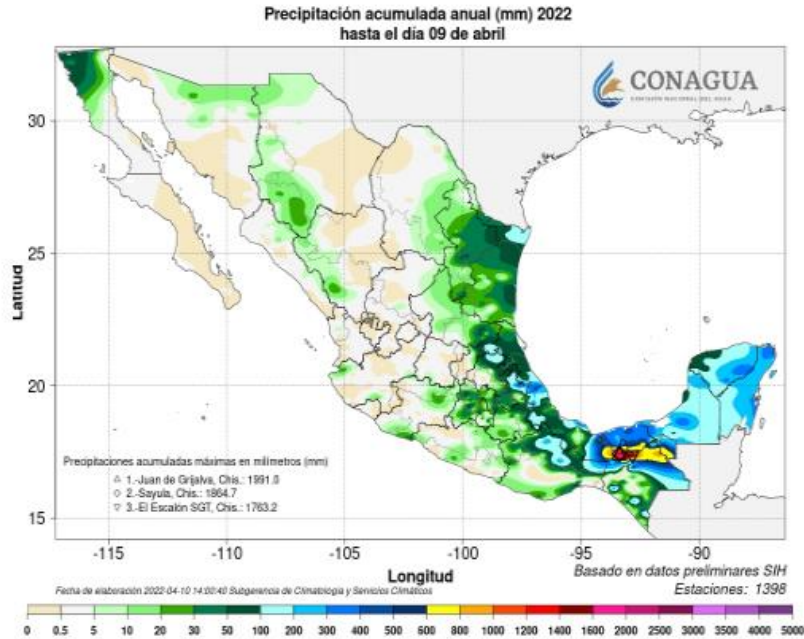
Source: CONAGUA

The following rain monitor map shows consistent precipitation through March and April, with forecasts showing a continuation as high volumes of humidity enter from both the Pacific and the Atlantic Ocean. These conditions will establish favorable soil conditions for the end of the current marketing year and the start of the following. The second rain map shows precipitation as a total during 2022, reflecting ideal growing conditions.

### Mexico's Rain Monitor



Source: CONAGUA



Source: CONAGUA

## Mexico Centrifugal Sugar PS&D

Sugar, Centrifugal Market Year Begins	2020/2021		2021/2022		2022/2023	
	Oct 2020		Oct 2021		Oct 2022	
Mexico	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Beginning Stocks (1000 MT)	910	910	1116	1116	0	1064
Beet Sugar Production (1000 MT)	0	0	0	0	0	0
Cane Sugar Production (1000 MT)	6058	0	6338	6250	0	6300
<b>Total Sugar Production</b> (1000 MT)	6058	0	6338	6250	0	6300
Raw Imports (1000 MT)	0	0	0	0	0	0
Refined Imp.(Raw Val) (1000 MT)	69	0	67	15	0	20
<b>Total Imports</b> (1000 MT)	69	0	67	15	0	20
<b>Total Supply</b> (1000 MT)	7037	910	7521	7381	0	7384
Raw Exports (1000 MT)	985	0	1532	1457	0	1530
Refined Exp.(Raw Val) (1000 MT)	250	0	352	340	0	340
<b>Total Exports</b> (1000 MT)	1235	0	1884	1797	0	1870
Human Dom. Consumption (1000 MT)	4171	0	4150	4150	0	4160
Other Disappearance (1000 MT)	515	0	515	370	0	374
<b>Total Use</b> (1000 MT)	4686	0	4665	4520	0	4534
Ending Stocks (1000 MT)	1116	1116	972	1064	0	980
<b>Total Distribution</b> (1000 MT)	7037	1116	7521	7381	0	7384
(1000 MT)						

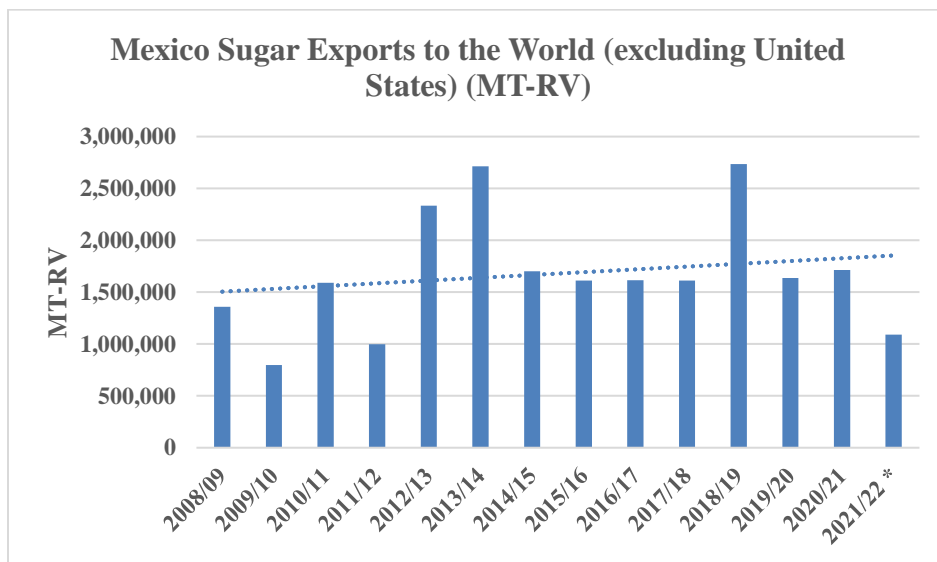
## Mexico Sugar Cane for Centrifugal PS&D

Sugar Cane for Centrifugal Market Year Begins Mexico	2020/2021		2021/2022		2022/2023	
	Nov 2021		Nov 2022		Nov 2023	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (1000 HA)	811	0	823	823	0	830
Area Harvested (1000 HA)	790	0	792	792	0	795
Production (1000 MT)	51293	0	53804	53750	0	54300
Total Supply (1000 MT)	51293	0	53804	53750	0	54300
Utilization for Sugar (1000 MT)	51293	0	53804	53750	0	54300
Utilization for Alcohol (1000 MT)	0	0	0	0	0	0
Total Utilization (1000 MT)	51293	0	53804	53750	0	54300
(1000 HA) ,(1000 MT)						

## TRADE

The MY 2022/2023 sugar export forecast is 1.53 MMT-RV, on the expectation of continued demand in the United States, but moderate growth in exports to other world markets due to sustained high domestic prices. A factor that limits a stronger growth in sugar exports is the increased growth of the sugar substitutes market, decreasing demand of sugar.

The MY 2021/2022 Post export forecast remains unchanged at 1.45 MMT-RV. Final export volumes will depend significantly on U.S. sugar demand, as the United States is Mexico's top export destination, followed by other smaller markets such as Morocco, Kazakhstan, Trinidad and Tobago, and Cameroon.



\* Through April 3  
Source: CONADESUCA

As of April 3, Mexico has exported 1,759,894 MT-RV of sugar, with 1,027,306 MT-RV to the United States. The Post estimate for MY 2021/22 imports remains at 15,000 MT-RV, due to lower domestic consumption and high carry-over stocks. Domestic production typically covers demand, with specialty

imports for products not produced in Mexico. The Post forecast for MY 2022/23 imports is at 20,000 MT-RV.

### Mexico Sugar Exports to the United States

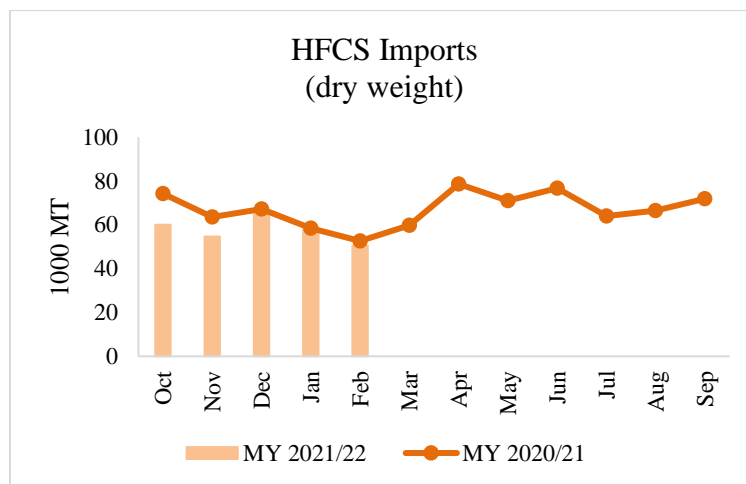
	MY 2021/22
October	43,821
November	11,506
December	96,854
January	189,508
February	286,613
March	285,676
April *	17,926

\* Through April 3

Source: CONADESUCA

### High Fructose Corn Syrup (HFCS)

Post forecasts HFCS imports for MY 2022/23 at 797,000 MT dry basis, with MY 2021/22 HFCS imports at 790,000 MT dry basis. As industry continues to be pressured by labeling regulations and the consumers tend to healthier foods, many high caloric foods are being reformulated demanding less sugar and HFCS in their processes.

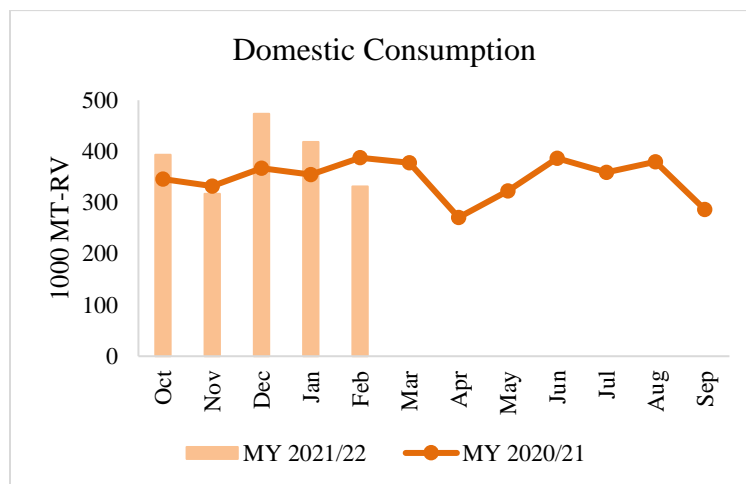


Source: CONADESUCA

### CONSUMPTION

Consumption in MY 2022/23 is forecast 4.53 MMT-RV, with human domestic consumption at 4.16 MMT-RV. Posts consumption estimate for MY 2021/22 is at 4.52 MMT-RV, with human domestic consumption at 4.15 MMT-RV. Human domestic consumption does not include sugar sold to domestic

companies as an input for a further processing and export. New labeling regulations and consumer preferences for lower calorie products has slightly reduced consumption and demand in recent years.



Source: CONADESUCA

## STOCKS

Post forecast for MY 2022/23 ending stocks is 980,000 MT on strong domestic and U.S. demand for supplies. The MY 2021/22 ending stocks forecast is 1.064 MMT.

## SUGAR PRICES

The Secretariat of Economy through the National Information and Market Integration System (SNIIM) and CONADESUCA through the Information System of the National Sugar Market (SIMAN) report monthly sugar prices of sugar delivered to local markets in various Mexican cities and from different mills.

### Mexico Average Wholesale Sugar Prices in Mexico City (CIF Basis) in Pesos per 50 Kilograms – Bulk

Month	Standard			Refined		
	2020	2021	2022	2020	2021	2022
<b>January</b>	725.00	N/A	764.50	879.20	N/A	937.17
<b>February</b>	730.30	845.00	739.88	874.40	1,021.67	950.42
<b>March</b>	809.00	827.13	826.87	918.60	970.93	944.73
<b>April</b>	893.10	818.50	798.42*	929.60	946.67	942.22*
<b>May</b>	885.20	822.75		912.60	947.25	
<b>June</b>	N/A	818.30		N/A	976.17	
<b>July</b>	934.00	786.38		1,026.70	976.92	



<b>August</b>	929.40	758.50		1,025.80	968.20	
<b>September</b>	935.00	746.75		1,037.70	968.33	
<b>October</b>	917.30	717.88		1,055.20	942.50	
<b>November</b>	875.80	763.75		1,051.30	943.75	
<b>December</b>	857.00	769.75		1,047.80	941.75	

[Source: SNIIM \(National Service of Market Information\)](#)

\* April 19, 2022

**Attachments:**

No Attachments