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Report Highlights:

Post forecasts Mexico's sugar production at 5.4 million metric tons raw value (MMT-RV) for marketing year (MY) 2025/26 (October 1 – September 30), 6 percent higher than the estimate for MY 2024/25. The increased production forecast is based on seasonal rains in several sugarcane-producing states during MY 2024/25 and an expected recovery of the planted area in MY 2025/26. The National Committee for the Sustainable Development of Sugar Cane (CONADESUCA) has not yet published an official MY 2025/26 forecast. On March 26, CONADESUCA published its third production estimate for MY 2024/25, showing a decrease in sugar production due to lower estimated planted area and lower recovery rate.

PRODUCTION

Post forecasts MY 2025/26 (October 1 – September 30) sugar production at 5.4 MMT-RV, a 6 percent increase from MY 2024/25 estimate due to seasonal rains in several sugarcane-producing states during mid-2024 which contributed to alleviating, to some extent, the persistent drought effects experienced in the previous two marketing years. In addition, for MY 2025/26, there is an expected recovery of the planted area, as new sugarcane plants are ready for harvesting. For instance, in the Northeast region (mainly San Luis Potosi and northern Veracruz), a large area was affected by drought, causing several sugarcane plants to die and forcing producers to plant new ones. Newly planted sugarcane is ready to harvest after an average of two to four years, so some new plants are expected to be ready for harvest in MY 2025/26, thus increasing the planted area. This could mean more available sugarcane, more sugarcane produced per hectare, and higher saccharose levels, thereby increasing production yields for MY 2025/26. CONADESUCA has not yet published an official MY 2025/26 forecast.

On March 26, CONADESUCA published its third production estimate for MY 2024/25 at 5.29 MMT-RV¹, a decrease of 37,093 MT-RV from the previous estimate. Post estimates MY 2024/25 sugar production at 5.1 MMT-RV, 2 percent higher than in MY 2023/24, on seasonal rains in several sugarcane-producing regions. The latest weekly production data reported by CONADESUCA shows a delay in production and recovery rate (percent of sugar recovered from the sugarcane) below average levels. Some rains (mainly in the southeast region) have delayed production and even reduced yields. Rains are expected to rise above average levels in some southeast areas during April due to the arrival of cold fronts, which could further delay production if heavy rains occur. The sugarcane crop is in its harvest stage, during which it requires low atmospheric and soil humidity, minimal rainfall, plentiful sunshine, and cool but frost-free days. Thus, the production yields will depend on rainfall levels and weather conditions during the coming weeks. While rains are expected to begin in June through November (depending on the region), early rains (in April – May) would interrupt the harvest, impacting final sugar production. According to the latest National Balance report, as of February 2025, production reached 2.5 MMT-RV, one percent below the same period in MY 2023/24. On March 31, 2024, CONADESUCA published the third national balance estimate for MY 2024/25 (see Table 1).

¹ One Metric Ton Raw Value (MT-RV) = 0.943396226 Metric Tons (MT)

**Table 1: MY 2024/25 CONADESUCA Third Official National Balance Estimate
Metric Tons Raw Value (MT-RV)**

Total Supply	6,926,909
Beginning Stocks	1,503,010
Production	5,286,099
Imports	137,800
Total Use	5,976,336
Exports	1,275,787
The U.S. and Puerto Rico	450,634
World Markets	825,153
Deliveries to Domestic Users	4,700,549
IMMEX ²	371,000
Food	4,329,549
Ending Stocks	950,573

CONADESUCA's Third National Balance Estimate as of March 31, 2025

According to CONADESUCA's weekly production report, as of March 29, 47 sugar mills are operating and have produced 3.59 MMT-RV of sugar, which is one percent higher than the same period of MY 2023/24 due to higher recovery rates. However, the actual production is 16,158 MT-RV, below CONADESUCA's official third estimate (see Table 2). The weekly production report indicates that 11 mills will finish milling in April, 28 will finish in May, and 8 more mills will be finished in June.

Table 2: CONADESUCA Third Estimate vs Current Production for MY 2024/25

	MY 2024/25 Estimate*	MY 2024/25 Current*	Change
Industrialized area (ha)	488,197	482,473	-1.17%
Harvested cane (mt)	33,171,007	33,099,397	-0.22%
Field yield (t/ha)	67.95	68.60	0.96%
Sugar production (mt)	3,403,596	3,387,438	-0.47%
Factory yield (%)	10.26	10.23	-0.29%

Source: CONADESUCA; *Report 21 October 1, 2024 – March 29, 2025

² Industria Manufacturera, Maquiladora y de Servicio de Exportación (Manufacturing, Maquiladora and Export Service Industry)



Trucks loaded with sugarcane queue to enter the sugar mill.

Source: FAS Mexico

Table 3: Production by State (MY 2024/25)

State	Area Harvested (ha)	Cane Harvested (mt)	Field Yield (mt/ha)	Sugar Production (mt)	Factory Yield (%)	Sugar Production (MT-RV)
Veracruz	198,485	13,329,889	67.16	1,264,839	9.49	1,340,729
Jalisco	58,597	5,066,186	86.46	568,029	11.21	602,111
San Luis Potosi	40,885	2,298,859	56.23	258,710	11.25	274,233
Chiapas	24,967	2,239,932	89.72	241,607	10.79	256,103
Oaxaca	34,169	1,991,840	58.29	197,710	9.93	209,573
Others	125,370	8,172,691	65.19	856,543	10.48	907,936
Total	482,473	33,099,397	68.60	3,387,438	10.23	3,590,684

Source: CONADESUCA; **Report 21** October 1, 2024 – March 29, 2025

According to CONADESUCA's weekly production report, as of March 29, production of almost all sugar qualities is below the same period of last marketing year's production with particularly low production for refined sugar. Raw sugar (pol<99.2) is 9 percent lower than the same period of MY 2023/24 (see Table 4).

Table 4: Current Production MY 2024/25 vs MY 2023/24 (by type)
Metric Tons Raw Value (MT-RV)

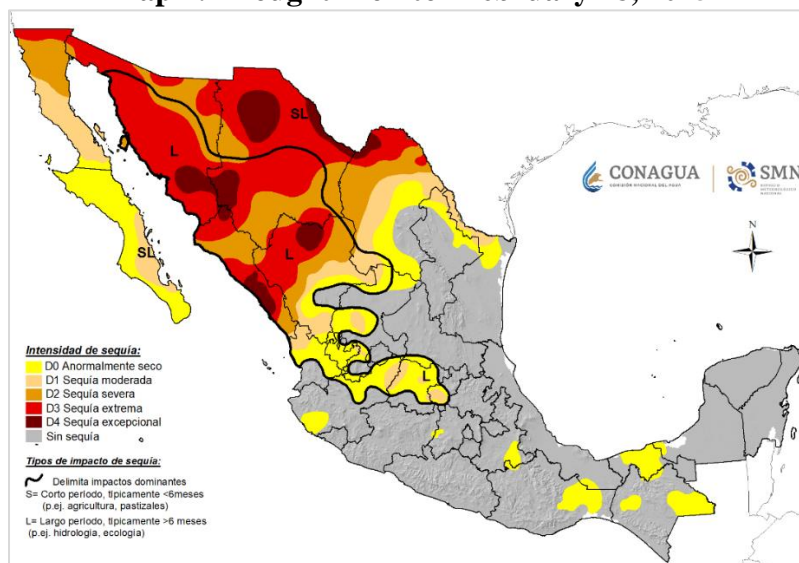
Type of Sugar	MY 2023/24*	MY 2024/25 Current**	Change
Refined	827,047	722,203	-12.68%
Standard	2,401,331	2,565,697	6.84%
Special White	47,392	46,474	-1.94%
Mascabado	2,265	0	NA
Raw pol < 99.2	280,763	256,310	-8.71%
Total	3,558,798	3,590,684	0.90%

Source: CONADESUCA; ** Report 21 October 1, 2024 – March 29, 2025

* MY 2023/24 as of March 30, 2024

According to data from Mexico’s National Water Commission (CONAGUA), as of February 2025, 5 sugar-producing municipalities (out of 267 – 2 percent) are experiencing moderate to exceptional drought (see Map 1). Of those five municipalities, two have exceptional drought (all in Sinaloa), two municipalities have extreme drought conditions (all in Sinaloa), and one has moderate drought. Of the remaining municipalities, 23 have abnormally dry conditions, and 239 have no presence of drought. Four municipalities with exceptional and extreme drought conditions are in Sinaloa, and one is Nayarit. CONAGUA data shows a recovery, as 90 percent of the sugarcane municipalities have no drought presence.

Map 1: Drought Monitor February 28, 2025

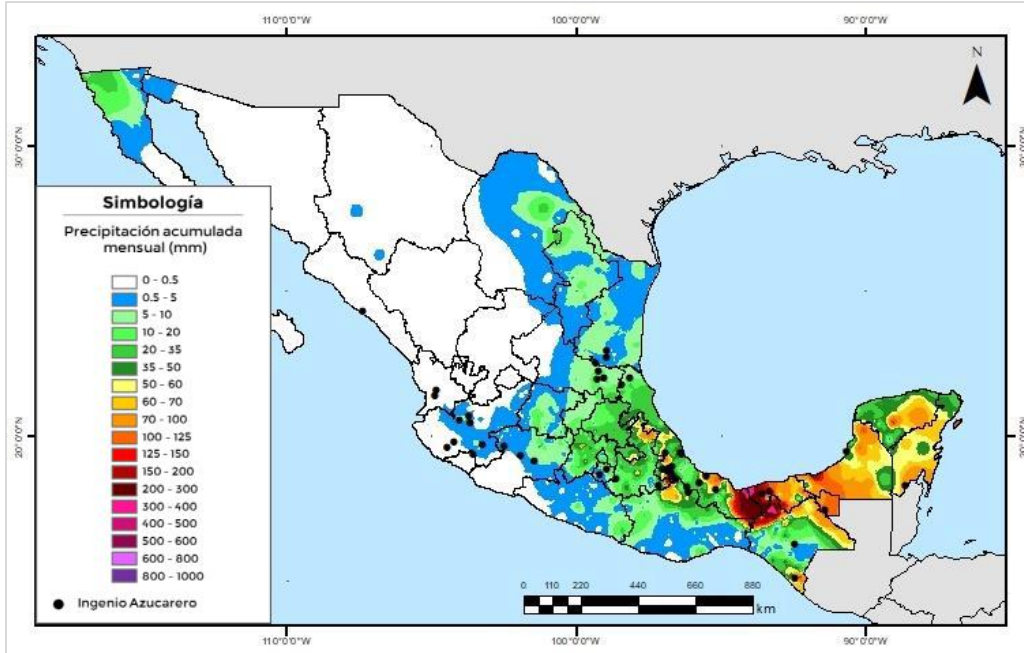


Source: CONAGUA

Map 2 shows that several sugar states have benefited from some rains in February. However, part of the Huasteca region (Tamaulipas and San Luis Potosi) is still experiencing drought conditions. In February, the accumulated precipitation across all sugarcane areas was an average of 17 mm, 8 mm below

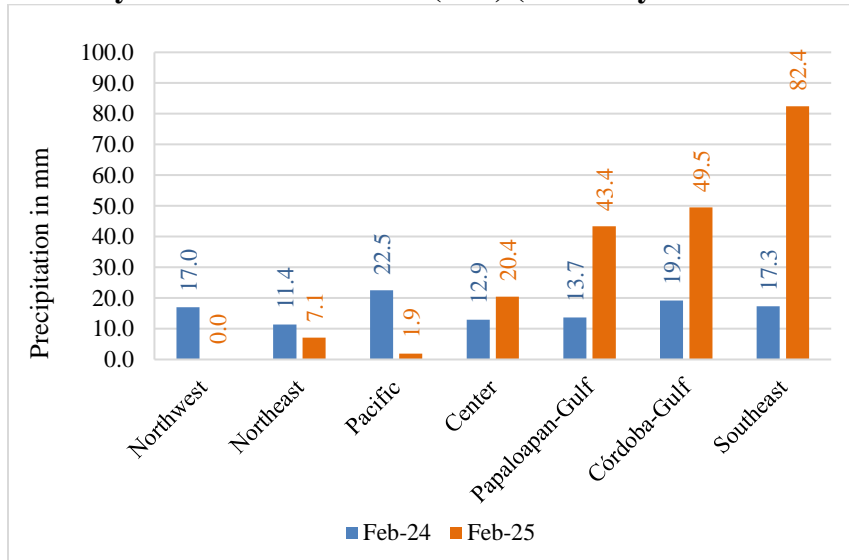
historical average levels, but higher than the February 2023 level of accumulated precipitation for almost all sugarcane areas (see Figure 1).

Map 2: Precipitation February Accumulation



Source: CONAGUA

Figure 1: Monthly accumulated rainfall (mm) (February 2024 vs. February 2025)



Source: Post with CONADESUCA data

Map 3: Percentage of Sugar Production by State (MY 2024/25)



Source: Post map with CONADESUCA data. Last update: March 29, 2025

Several millers and growers are discussing the potential use of sugarcane to produce biofuels (ethanol). The basis of the discussions is the commitment by the Member States of the International Civil Aviation Organization (of which Mexico is a Council Member State) to reach net zero greenhouse gas emissions on international flights by 2050, using sustainable aviation fuels. Currently, there is no sugar ethanol production in Mexico. There is a pilot program at La Gloria Mill.

Mexico’s sugar sector is supporting a research center that seeks to create and develop new hybrid varieties of sugarcane to increase yields. The research center (CIDCA³) is in Tapachula, Chiapas (Southern border), and has several regional experimental fields where the hybrid varieties are tested. On January 10, the National Union of Sugarcane Growers (UNPCA) inaugurated a regional sugarcane variety field in Veracruz. Currently, the variety field has 40 varieties generated by CIDCA. The variety field is in the first stage and is expected to develop further. All these efforts aim to develop better adapted varieties that produce higher yields in the different regions of Mexico. Since 2022, CIDCA has been financed with resources from the sugar mills and sugarcane growers. Each contributes 25 cents (0.0123 U.S. cents⁴) per ton of sugarcane.

³ Sugarcane Research and Development Center, CIDCA by its acronym in Spanish.

⁴ 1 USD = \$20.40 pesos as of March 28, 2025



CIDCA research field
Source: FAS Mexico

Table 5: Sugar Supply and Distribution October/September MY (1000 MT-RV)

Sugar, Centrifugal Market Year Begins	2023/2024		2024/2025		2025/2026	
	Oct 2023		Oct 2024		Oct 2025	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Mexico						
Beginning Stocks	885	886	1,503	1,505	0	1,130
Beet Sugar Production	0	0	0	0	0	0
Cane Sugar Production	4,986	4,986	5,400	5,100	0	5,400
Total Sugar Production	4,986	4,986	5,400	5,100	0	5,400
Raw Imports	0	0	0	0	0	0
Refined Imp.(Raw Val)	807	765	102	200	0	150
Total Imports	807	765	102	200	0	150
Total Supply	6,678	6,637	7,005	6,805	0	6,680
Raw Exports	373	378	767	675	0	700
Refined Exp.(Raw Val)	100	100	300	300	0	300
Total Exports	473	478	1,067	975	0	1,000
Human Dom. Consumption	4,284	4,374	4,484	4,400	0	4,400
Other Disappearance	418	280	424	300	0	300
Total Use	4,702	4,654	4,908	4,700	0	4,700
Ending Stocks	1,503	1,505	1,030	1,130	0	980
Total Distribution	6,678	6,637	7,005	6,805	0	6,680

The harvested area for MY 2025/26 is forecasted at 760,000 ha, with a cane harvest of 48.8 MMT and a field yield of 64.2 mt/ha. The final sugar harvest will depend on stable weather conditions throughout the growing season and efficient milling capacities.

Table 6: Mexico – Sugar Cane for Centrifugal PS&D

Sugar Cane for Centrifugal Market Year Begins	2023/2024		2024/2025		2025/2026	
	Nov 2023		Nov 2024		Nov 2025	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Mexico						
Area Planted (1000 HA)	760	760	800	760	0	780
Area Harvested (1000 HA)	743	730	780	742	0	760
Production (1000 MT)	46,093	43,000	48,400	47,400	0	48,800
Total Supply (1000 MT)	46,093	43,000	48,400	47,400	0	48,800
Utilization for Sugar (1000 MT)	46,093	43,000	48,400	47,400	0	48,800
Utilization for Alcohol (1000 MT)	0	0	0	0	0	0
Total Utilization (1000 MT)	46,093	43,000	48,400	47,400	0	48,800

TRADE

The Post sugar import forecast for MY 2025/26 is 150,000 MT-RV, 25 percent lower than the previous marketing year's estimate, based on higher forecasted production. The MY 2024/25 post import estimate is 200,000 MT-RV, 74 percent lower than the previous marketing year (MY 2023/24) due to higher estimated supply (production and beginning stocks), pushing domestic prices down and potentially disincentivizing sugar imports. Final import figures will depend on the exchange rate throughout MY 2024/25. As of February 2025, Mexico imported 110,536 MT-RV, 72 percent lower than in the same period of MY 2023/24 (393,920 MT-RV), yet higher than average import levels due to contracts signed in the previous marketing year when importers were expecting lower production. Of the total imports, around 60 percent come from the U.S. (around 62,500 MT-RV), mainly purchased by manufacturing and confectionery companies.

Post forecasts exports for MY 2025/26 at one MMT-RV, 3 percent higher than the estimate for MY 2024/25 due to expected higher production. For MY 2024/25, Post forecasts exports at 975,000 MT-RV, 104 percent higher than the estimate for MY 2023/24 due to high carry-over stocks. According to industry sources, exporting the MY 2023/24 surplus is crucial to avoid a further drop in domestic prices now that production of MY 2024/25 has started.

Industry sources report that growers, millers, and government representatives agreed to ship approximately 425,000 MT-RV to the world market before January 31. As of February 2025, CONADESUCA reports exports to the world market of 263,200 MT-RV, representing 61 percent of the agreed exports to the world market. The remaining exports will be classified under CEDES⁵ and will be recovered on May 31 (to guarantee exports to the world market). The amount of sugar agreed to be exported to the world market only represents a loss to the millers and will not impact the MY 2025/26 standard sugar⁶ reference price (see Policy section). The reason is that the MY 2023/24 stocks were not sold during its corresponding MY and were purchased at domestic prices. The reference price calculation accounts for sales to the world market when they correspond to production in the same marketing year.

⁵ Deposit Certificates, CEDES by its acronym in Spanish.

⁶ 99.4 percent polarization

However, the remaining stocks are affecting domestic sugar prices. During the last marketing year, record imports led to a higher sugar supply, depressing domestic sugar prices and growers' profits. On March 13, in protest of low domestic sugar prices and in an effort to prevent an oversupply of sugar on the domestic market, sugarcane growers occupied the warehouses of all 47 of Mexico's sugar mills and blocked sugar shipments. The growers, including members of both growers' unions (CNPR and UNPCA), argued that current low domestic sugar prices were due to mill owners' failure to comply with the agreement to ship approximately 425,000 MT-RV of sugar to the world market before January 31. The sugarcane growers ended the warehouse occupation after 19 days, on March 31, after millers provided official documents confirming sugar export to international markets. Growers report that they will keep monitoring sugar sales to avoid saturating the domestic market and, thus, a drop in domestic sugar prices.

Regarding the agreed amount of sugar to ship to the world market, some mills asked that the sugar they must export to the world market be discounted from the amount of sugar they sell to the IMMEX market. This could cause domestic sugar prices to increase, as the sugar used as an input in the IMMEX market can remain in the domestic market for over 18 months, which would not help solve the high-beginning stocks problem and the drop in domestic prices.

As of February 2025, CONADESUCA reports total exports for MY 2024/25 at 427,812 MT-RV, which is 76 percent higher than the same period of MY 2023/24. Most of these exports (60 percent) were to the world market, with the remaining exports going to the U.S. under quota (see Table 7) and under the U.S. re-export program, with the destination being the rest of the world.

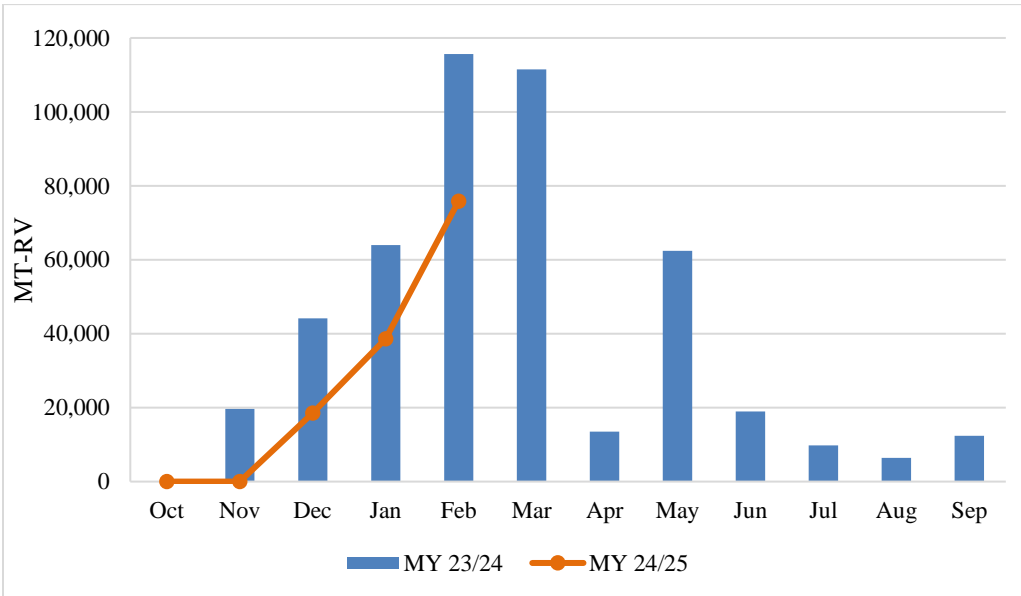
Over the last few years, most of Mexico's exports have gone to the U.S. due to relatively higher prices than the international market. However, MY 2024/25 Mexico's exports are forecasted to go to the international market due to high carry-over stocks and a lower U.S. export quota. Under the U.S. - Mexico Sugar Suspension Agreements and according to the World Agricultural Supply and Demand Estimates (WASDE), the March export quota for Mexico is 450,635 MT-RV.

Table 7: Mexican Sugar Exports to the U.S. Under Quota (MT-RV)

Month	MY 2023/24	MY 2024/25	Variation % 2023/2024 vs 2024/2025
October	20	0	NA
November	19,646	0	NA
December	44,161	18,551	-58.0%
January	63,959	38,596	-39.7%
February	115,616	75,865	-34.4%
March	111,513		
April	13,521		
May	62,420		
June	18,962		
July	9,745		
August	6,442		
September	12,347		
Oct-Feb	243,403	133,012	-45.4%

Source: CONADESUCA, Last update: March 18, 2025

Figure 2: Mexican Sugar Exports to the U.S. (under Quota) MY 2023/24 vs. MY 2024/25



Source: Post with information from CONADESUCA, Last update: March 18, 2025

HIGH FRUCTOSE CORN SYRUP (HFCS)

Post HFCS import forecast for MY 2025/26 is at 1.16 MMT dry basis, which is 2 percent lower than the estimate for MY 2024/25 based on forecasted higher sugar consumption due to low domestic sugar prices. HFCS prices are around the same level as sugar contract eleven (international sugar prices), significantly lower than Mexico’s sugar prices and lower than contract 16 (U.S. sugar prices). HFCS is currently more attractive than sugar due to lower prices. However, industry sources do not know if current low domestic sugar prices can return HFCS to previous MY consumption figures, which is around 20 percent lower than current consumption figures.

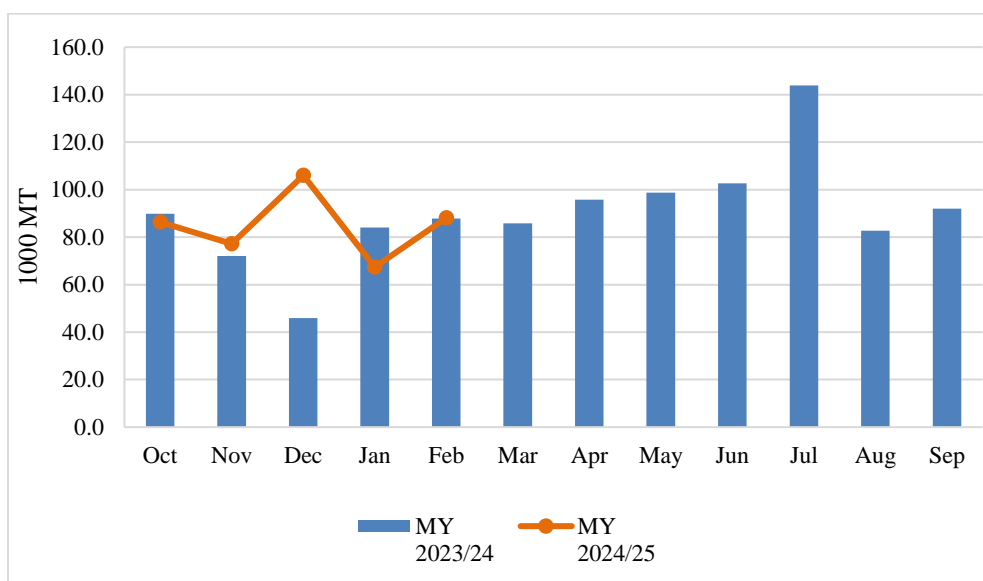
The industry continues to face challenges from the labeling regulations as the second phase of the Front of Pack Labeling Law began in October 2023 (see the Policy section). Many food industries in Mexico have reformulated their products. They lowered the amount of sugar (substituting with HFCS or sweeteners) to reduce the caloric density, eliminated the need to include warning signs in their labeling, and advertised themselves as sugar-free products. For MY 2024/25, HFCS’ imports are estimated to reach 1.18 MMT dry basis, 9 percent higher than the previous MY due to contracts signed last MY and low HFCS prices. The final use of HFCS will also depend on the exchange rate throughout MY 2024/25.

Table 8: HFCS Supply and Distribution October/September 1000 MT dry basis

	2023/24	2024/25	2025/26
	New Post	New Post	New Post
Production	520	520	520
Imports	1,081	1,180	1,160
Total Supplies	1,601	1,700	1,680
Exports	2.7	3.0	3.0
Consumption	1,599	1,697	1,677
Total Use	1,602	1,700	1,680
Ending Stocks	0	0	0
Total Distribution	1,601	1,700	1,680

As of February 2025, Mexico imported 424,948 MT of dry weight of HFCS, 12 percent higher than the same period in MY 2023/24. The higher HFCS import levels are due to continued imports derived from contracts signed in MY 2023/24. MY 2024/25 average sugar prices are expected to remain lower than in MY 2023/24 due to high beginning stocks (see Production section). For MY 2024/25, CONADESUCA’s third official HFCS import estimate is 1,110,644 tons of dry weight.

Figure 3: HFCS Imports, MY 22/23 vs. 23/24 (1000 MT- Dry Weight)



Source: Post with information from CONADESUCA, Last update: March 18, 2025

Table 9: HFCS Imports (1000 MT-Dry Weight)

Month	MY 2023/24	MY 2024/25	Variation % 2023/24 vs 2024/25
Oct	89.8	86.3	-4.0%
Nov	72.1	77.2	7.2%
Dec	46.0	106.0	130.5%
Jan	84.0	67.4	-19.7%
Feb	87.9	88.1	0.3%
Mar	85.8		
Apr	95.8		
May	98.8		
Jun	102.7		
Jul	143.9		
Aug	82.7		
Sep	92.0		
Oct-Feb	379.7	425.0	11.92%

Source: CONADESUCA (National Balance of Sweeteners), Last update: March 18, 2025

CONSUMPTION

Mexico's sugar consumption faces several challenges, including high food price inflation, healthier consumer trends, sugar substitution with other sweeteners, and the second Phase of the Front of Pack Labeling Law. Despite these challenges, sugar remains an integral part of the diet in Mexico, with an average per capita consumption of 37 kg per year. While the full effects of such measures as the second phase of the front-of-pack labeling law and sugar and junk food taxes on consumer consumption are unknown, little evidence suggests that they have significantly reduced sugar consumption (see the Policy section). Low domestic prices are expected to cause increased domestic sugar consumption towards the end of MY 2024/25.

The Post sugar consumption forecast for MY 2025/26 is 4.70 MMT-RV, with human consumption at 4.40 MMT-RV and IMMEX at 300,000 MT-RV. This represents no change compared to the MY 2024/25 estimate due to high HFCS imports, lower sugar imports and higher expected average sugar domestic prices for MY 2025/26.

Post sugar consumption estimate for MY 2024/25 is 4.70 MMT-RV, with human consumption at 4.40 MMT. The IMMEX forecast remains at 300,000 MT-RV due to increased HFCS imports (see HFCS section). Human consumption does not include sugar sold to national companies as an input for the final exported product. The April human consumption estimate decreased by 50,000 MT-RV compared to the March estimate due to a lower consumption pace. The lower consumption pace is attributed to the remaining effects of the previous MY's sugar imports and lower sugar mills' sales to the domestic market. According to industry contacts, the lower sugar consumption pace could also be attributed to consumer expectations of continuing price decreases, with consumers delaying their purchases due to expectations of lower prices in the future.

Furthermore, in the previous marketing year (MY 2023/24), elevated domestic sugar prices prompted consumers to buy sugar in anticipation of further price increases. This pre-emptive purchasing has also resulted in a decreased consumption rate for sugar in the current MY. Industry sources report that sugar mills are reducing domestic sales to prioritize exports. This export focus is driven by the need to comply with agreements to export high sugar stocks to the world market. The current MY's sugar production is being directed to exports because the existing stocks do not meet the quality standards the world market requires.

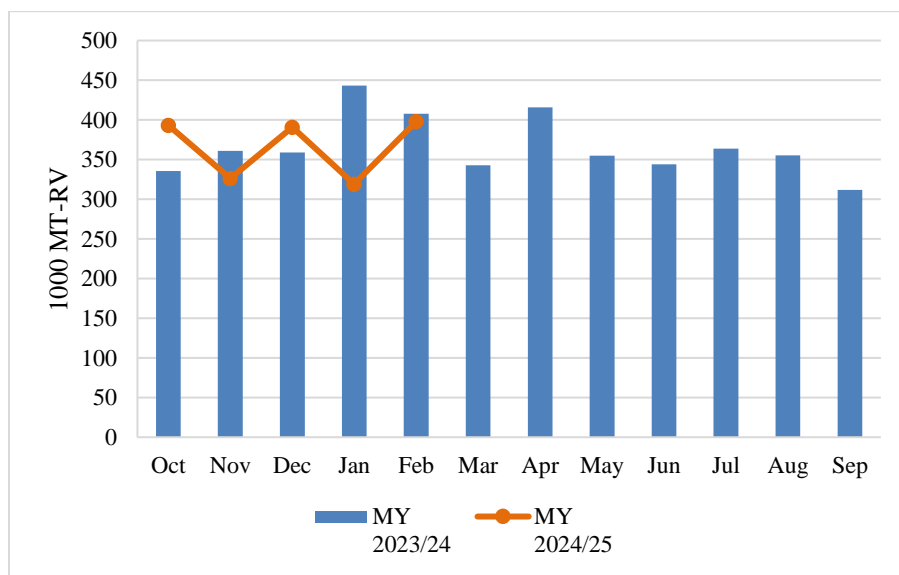
As of February 2025, human domestic consumption is at 1.82 MMT-RV, 4 percent lower than in the same period in MY 2023/24. CONADESUCA reports IMMEX for MY 2024/25 at 65,407 MT-RV, 39 percent lower than in the same period in MY 2023/24 due to sugar imports substituting domestic sales and high HFCS imports. For MY 2024/25, CONADESUCA's third official consumption estimate is 4.7 MMT-RV (see Table 1).

Table 10: Human Domestic Consumption (1000 MT - RV)

Month	MY 2023/24	MY 2024/25	Variation % 2023/24 vs 2024/25
Oct	336	393	17.16%
Nov	361	326	-9.58%
Dec	359	391	8.84%
Jan	443	319	-27.96%
Feb	408	398	-2.38%
Mar	343		
Apr	416		
May	355		
Jun	344		
Jul	364		
Aug	355		
Sep	312		
Oct-Feb	1,906	1,827	-4.14%

Source: CONADESUCA, Monthly National Sugar Balance. Last update: March 18, 2025

Figure 4: Human Domestic Consumption (1000 MT-RV)



Source: Post with information from CONADESUCA, Last update: March 18, 2025

STOCKS

The Post forecast for MY 2025/26 ending stocks is 980,000 MT-RV, around the same amount as Mexico's optimal final stock level of two and a half months of domestic consumption, but 13 percent lower than the previous marketing year due to lower forecasted imports, higher forecasted exports, and lower beginning stocks. The industry is incentivized to keep the MY 2025/26 stock levels as close as possible to the optimal level, as high stocks would depress domestic sugar prices. Final stock figures will also depend on the import figures and domestic sugar prices for MY 2025/26.

For MY 2024/25, CONADESUCA's third official stocks estimate is 950,573 MT-RV (see Table 1). As of February 2025, CONADESUCA reports ending stocks at 1.72 MMT-RV, 9 percent higher than in MY 2023/24.

PRICES

Average prices in MY 2024/25 have been lower than in the previous MY due to high stock levels. Current domestic prices are reaching levels similar to MY 2021/22, when the average price of standard sugar reached 795 pesos per 50 Kilograms – Bulk (around USD 39). For the remainder of MY 2024/25, prices will depend on production and the management of beginning stocks. If production mirrors the lower levels of the previous MY, the current price outlook will shift. Some industry sources expect lower sugar production in MY 2024/25 than CONADESUCA's third estimate. Lower production would lead to an increase in domestic sugar prices and the incentive for traders to bring in sugar. Furthermore, should mills export the excess beginning stocks (around 425,000 MT-RV), the overall supply would decrease, potentially driving domestic sugar prices upward.

Average MY 2023/24 domestic prices were higher than in the previous marketing year due to speculation around low production levels for MY 2023/24 (at the beginning of the marketing year). In MY 2023/24, the average price of standard sugar was \$1,152 pesos per 50 Kilograms – Bulk (around USD⁷ 56), 8 percent higher than in MY 2022/23, which was 1,070 pesos per 50 Kilograms – Bulk (around USD 52). For the first six months of MY 2024/25, the average price of standard sugar is \$881 pesos per 50 Kilograms – Bulk (around USD⁸ 43), 32 percent lower than the same period of MY 2023/24, which was \$1,303 pesos per 50 Kilograms – Bulk (around USD 64) (see Figure 5 and Table 9).

⁷ 1 USD = \$20.40 pesos as of March 28, 2025

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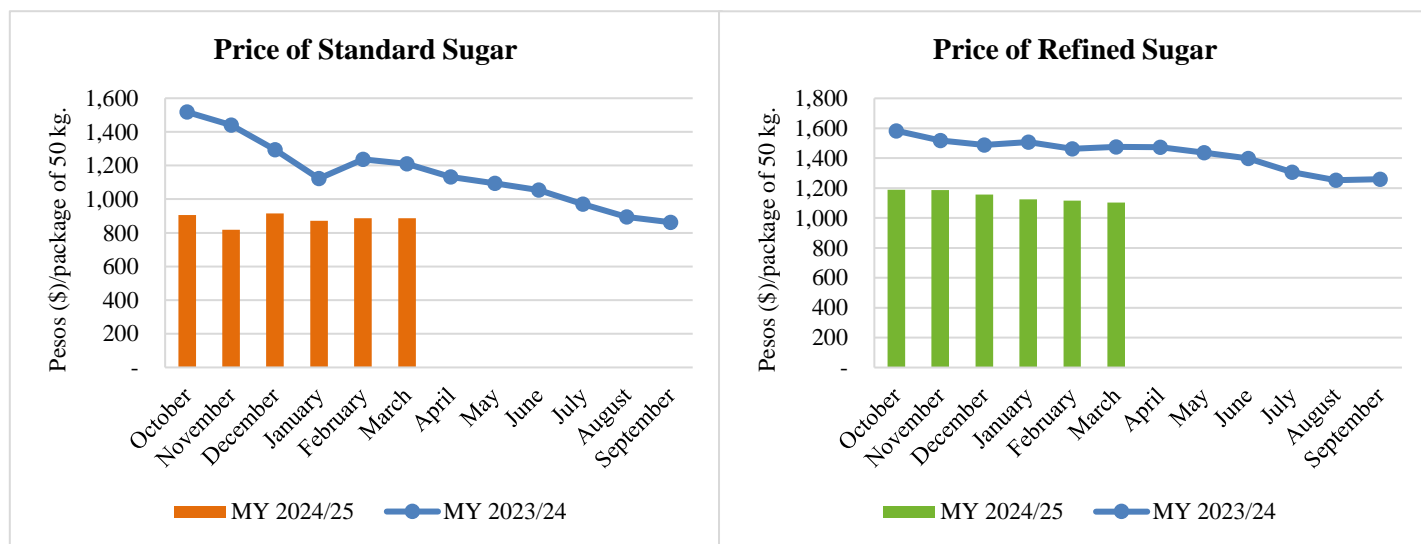
Table 11: Mexico Average Wholesale Sugar Prices in Mexico City (CIF Basis) in Pesos per 50 Kilograms – Bulk

Month	Standard		Refined	
	MY 2023/24	MY 2024/25	MY 2023/24	MY 2024/25
October	1,518.00	906.25	1,583.33	1,188.84
November	1,440.00	819.17	1,517.50	1,186.25
December	1,294.38	916.00	1,488.75	1,157.00
January	1,121.83	872.50	1,508.00	1,125.17
February	1,236.25	887.50	1,463.33	1,116.67
March	1,209.50	886.25	1,476.25	1,102.50
April	1,132.00		1,472.92	
May	1,093.75		1,437.92	
June	1,055.00		1,397.50	
July	969.60		1,306.67	
August	893.50		1,252.83	
September	862.83		1,259.58	
Avg Oct-Mar	1,303.33	881.28	1,506.19	1,146.07

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

* As of March 31, 2025

Figure 5: Mexico Average Wholesale Sugar Prices in Mexico City



Source: Post with information from SNIIM

POLICY

Sustainable Development

The Mexican government's sugarcane industry programs and policies are governed by the Sustainable Rural Development Law, the Law on Sustainable Development of Sugar Cane, and the National Development Plan 2024-2030 ([PND](#)).

- The Sustainable Rural Development Law places rural development policy under the federal government's purview.
- The Law on Sustainable Development of Sugar Cane establishes CONADESUCA as the agency responsible for coordinating and executing all activities related to the sugarcane agroindustry.
- The PND is a document that outlines the Government of Mexico's (GOM) priority objectives for achieving the country's development and the well-being of Mexicans.

All programs and policies related to the sugarcane industry must comply with these two laws and the PND, which ensures that their overall impact contributes to the industry's sustainable development.

Plan Mexico

In January 2025, President Claudia Sheinbaum launched [Plan Mexico](#) which outlines a six-year national development plan with 13 goals to reduce poverty and inequality and significantly boost Mexico's position in global value chains. The plan focuses on increasing national content in strategic industries, attracting substantial foreign direct investment, reducing imports from Asia, boosting domestic production, and creating numerous high-value jobs. It aims to achieve this by promoting innovation, improving infrastructure, and strengthening small and medium-sized enterprises, aiming to solidify Mexico as a competitive and reliable partner in global trade.

Production for Wellbeing Program

Under the Secretariat of Agriculture and Rural Development (SADER) “Production for Wellbeing [Program](#)”, the GOM provides an annual support of \$7,300 pesos (around USD \$358⁹) per sugar producer (up to 20 hectares rainfed or up to 5 hectares irrigated) to improve crop yields and contribute to food self-sufficiency. Furthermore, SADER provides training and technical support aimed at increasing yields. The level of support has not increased since MY 2019/20.

National Sugarcane Agroindustry Program ([PRONAC](#)) 2021-2024

PRONAC aims to promote the development of the sugarcane agroindustry to generate employment and increase the well-being of rural populations. PRONAC also supports the sufficient and timely supply of sugar to the national and export markets. The program has four priority objectives:

1. Ensure the economic viability of producers and mills to stabilize the sector at the national level.
2. Increase the productivity and competitiveness of sugarcane production and processing.
3. Promote research, development, innovation, and technology transfer in the sugarcane industry.
4. Strengthen sustainability indicators (economic, social, and environmental) for a balanced development of the sugarcane agroindustry.

⁹ 1 USD = \$20.40 pesos as of March 28, 2025

PRONAC 2021-2024 remains in effect until a new one is approved, which does not yet have an approval date.

Reference Price of Standard Sugar

On a yearly basis, generally in late October, CONADESUCA announces the sugar reference price at which mills purchase sugar cane from growers for that harvest season. On October 31, CONADESUCA announced the standard sugar¹⁰ [reference price](#) for MY 2024/25 at 21,657.45 pesos (around USD 1,061¹¹) per ton, the highest on record. The aim is to provide stability and profitability to the sector. The reference price is negotiated annually – with the participation of government, millers, and growers – based on production, export volumes, and domestic and international prices.

Front of Pack Labeling Law – Second Phase

The second phase of Mexico’s *Norma Oficial Mexicana* (NOM) 051, a front-of-pack labeling regulation, began on October 1, 2023, and will remain in effect until September 30, 2025, when the third phase will begin. Under phase one of the NOM-051, which started on October 1, 2020, warning signs and cautionary labels were required on products with certain nutrients (for example, added sugars) to indicate a health risk from excessive consumption. The [second phase](#) implements “excess” warning signs that must be affixed to processed food and beverage labels if the product exceeds critical thresholds of certain nutrients (e.g., fats, sugars, sodium, etc.). Under phase two, products with 8 kcal or more of free sugars per 100 ml of product must include an “excess calories” label (compared to 10 kcal per 100 ml under phase one). Also, under phase two, products with 10 kcal or more free sugars per 100 ml of product must include an “excess sugars” label (compared to greater than or equal to 10% of total energy from free sugars under phase one).

On February 17, the Secretariat of Economy published in the Official Gazette (DOF¹²) the National Quality Infrastructure Program 2025 ([PNIC](#)¹³). The 2025 PNIC establishes the planning and coordinating technical norms and standards in strategic sectors. Its main objective is to improve the competitiveness of the national industry, guarantee consumer safety, and promote sustainable economic development. For 2025, the GOM will work on the 212 regulatory proposals in the PNIC, including NOM-051. This means that during 2025, GOM will work on phase three of NOM-051. Phase three includes front-of-pack labeling even on foods that inherently contain sugar or fat, like milk, or sodium and fat, like cheese, not allowing the consumer to distinguish among products. However, including NOM-051 in the PNIC 2025 has opened the possibility of eliminating phase three of NOM-051. This new scenario could mean keeping the current phase two labeling system and no longer implementing phase three.

¹⁰ 99.4 percent polarization

¹¹ 1 USD = \$20.40 pesos as of March 28, 2025

¹² Diario Oficial (DOF by its acronym in Spanish)

¹³ Programa Nacional de Infraestructura de Calidad (PNIC by its acronym in Spanish)

Reform to the Federal Labor Law

On December 19, 2024, President Claudia Sheinbaum published in the Official Gazette a [decree](#) to reform the Federal Labor Law, which is considered the so-called “Chair Law.” The Chair Law requires employers to provide seats with backrests for all workers to perform their duties or for periodic rest periods during the workday. The law also prohibits employers from requiring workers to remain standing for the entire workday or to sit periodically during their duties. The regulation of the law plans to include mandatory rest periods during workdays and the right of employees to use seats with backrests. The decree will enter into force 180 calendar days after its publication in the Official Gazette. Employers will have 180 calendar days from the entry into force of the decree to comply with the provisions.

Special Tax on Production and Services (IEPS)

According to the annual [announcement](#) updating the IEPS tax rates for 2025, the rates for soft drinks, flavored beverages, and junk food were increased to account for inflation. The IEPS tax on sugar-sweetened drinks began in 2014 and is currently at 1.6451 pesos per liter for flavored beverages and concentrates, flavor essences or extracts, syrups, powder, and concentrates for preparing flavored beverages. Furthermore, the IEPS also considers 25 percent for energy drinks and concentrates, powders, and syrups for preparing energy drinks. The IEPS tax on junk food also began in 2014, and by 2025, it will be 8 percent for products with a high caloric density (275 kilocalories or more per 100 grams). Food products subject to the IEPS tax include peanut and hazelnut butter, ice cream, chocolates, and pudding.

Attachments:

No Attachments