

Agricultural Outlook Forum 2007

Presented: Friday, March 2, 2007

**2007/08 U.S. SUGAR SUPPLY AND USE<sup>1</sup>**

**John M. Love**  
USDA World Agricultural Outlook Board

**Basis for projecting 2007/08 supply and demand:**

- Beginning stocks are taken from 2006/07 ending stocks in the February 2007 *World Agricultural Supply and Demand Estimates* (WASDE) report.
- Sugar production and use are taken from *USDA Agricultural Projections to 2016*.
- Tariff rate quota (TRQ) imports are assumed to total the minimum under World Trade Organization commitments, other current trade agreements, and additional specialty sugar. Other program imports are projected based on trends. Other imports are projected from trends (molasses and syrups) and other updated analyses (imports from Mexico).

**Key results for 2007/08:**

- Compared with a year earlier, beginning stocks are nearly unchanged from 2006/07.
- Production of beet sugar decreases with lower area and a return to trend yield, following record-high yields in 2006/07. Cane sugar production increases due to a rebound in yields more than offsetting lower area.
- Imports are projected to total 1.74 million short tons, raw value, including 75,000 tons of sugar imports from Mexico.
- Total use increases 55,000 tons, as higher domestic consumption more than offsets lower exports and other uses.
- Ending stocks total 1.2 million tons, or 11.4 percent of use.

---

<sup>1</sup>Approved by the Interagency Commodity Estimates Committee for Sugar.

2007 USDA Agricultural Outlook Forum, Sweeteners Session  
 March 2, 2007

U.S. Sugar Supply and Use 1/

Item	2005/06	2006/07		2007/08
		January	February	Projection
1,000 short tons, raw value				
Beginning stocks	1,332	1,698	1,698	1,695
Production 2/	7,399	8,615	8,598	8,402
Beet sugar	4,444	5,078	5,059	4,453
Cane sugar	2,955	3,537	3,539	3,949
Florida	1,367	1,756	1,756	2,082
Hawaii	223	248	249	258
Louisiana	1,190	1,335	1,336	1,419
Texas	175	198	198	190
Imports	3,443	2,103	1,964	1,738
TRQ 3/	2,588	1,718	1,604	1,323
Other program 4/	349	325	300	325
Other 5/	506	60	60	90
Mexico	420	50	50	75
Total supply	12,174	12,416	12,260	11,835
Exports 2/	203	200	300	175
Deliveries 2/	10,341	10,415	10,265	10,445
Food	10,184	10,250	10,100	10,300
Other 6/	157	165	165	145
Miscellaneous 7/	-68	0	0	0
Total use	10,476	10,615	10,565	10,620
Ending stocks	1,698	1,801	1,695	1,215
Stocks to use ratio	16.2	17.0	16.0	11.4

1/ Fiscal years beginning Oct 1. Historical data are from FSA, "Sweetener Market Data" except imports (U.S. Customs Service, Census Bureau). 2/ Projections for 2007/08 are from *USDA Agricultural Projections to 2016*. 3/ Actual arrivals under the tariff rate quota (TRQ) with late entries, early entries, and TRQ overfills assigned to the fiscal year in which they actually arrived. The 2007/08 TRQ assumes minimum imports under current trade agreements with shortfall (75,000) and additional specialty sugar (40,000). 4/ Includes sugar under the re-export and polyhydric alcohol programs. 5/ Includes high-tier, Mexico high-tier, and other. 6/ Transfers to sugar-containing products for reexport, and for nonedible alcohol and feed. 7/ Residual statistical discrepancies.