



A Decade of Fundamentals in 30 Days The US Sugar Market “Update”



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Lets Review

- 50% tariffs on Brazil!
 - 421,539 tons imported FY 2025
 - 1.038 million tons imported FY 2024
- National average loan rates for sugar raised in Big Beautiful Bill: +4.25 cents on raw cane sugar, +7.39 cents on refined beet (2031)
- Specialty Sugars Quota FY26 reduced to 22,000 tons
 - Florida Crystals only organic producer in US
- Coca-Cola Announces Cane Sugar Drink for Launch



Lets Review, some more

- Duty Free USMCA compliant products remains in place
 - 35% on other goods from Canada, 30% Mexico
- Mexico trade deal extended 90 days – 10/31/2025
- DOC published final Sunset Review results re: Mexico
- NSM announces Western Sugar becomes part of Cooperative, joining Amalgamated/Southern Minn.
- Domino Sugar Yonkers Refinery to close
- Ferrero agrees to acquire W.K. Kellogg, Co.



#16 prices: +20.70 cents over #11



Some Simple Math to 13.5%

2025-26 July WASDE Projections

- Beginning Stocks: ~2.1 million tons
- US produces: ~9.2 million tons
 - 5.1 million tons beets
 - 4.1 million tons cane
- US consumes: ~12.0 million tons
- **US imports: ~2.5 million tons**
 - 1.498 strv TRQ, 200k re-ex, 220k Mexico, 368k tier2, 214k re-allocated?
- Ending Stocks: ~1.6 million tons

As of this Moment!

- **United States domestically produced sugar is most valuable in the world**
- The market on a global risk/import perspective has paused
- Mexico has residual sugar to help satisfy needs or risk losing to world market
- Central America becomes ultra-important
- USDA reallocation of TRQ shortfall needs to be effective!
- Responsibility of who pays tariff and against what is massive risk
 - Tier 2 vs #11, Quota vs. #16
- We believe 900,000 tons of Tier-2 will enter in current year
 - 93% of USDA Tier-2 number entered through by June



US S&D: FY'25

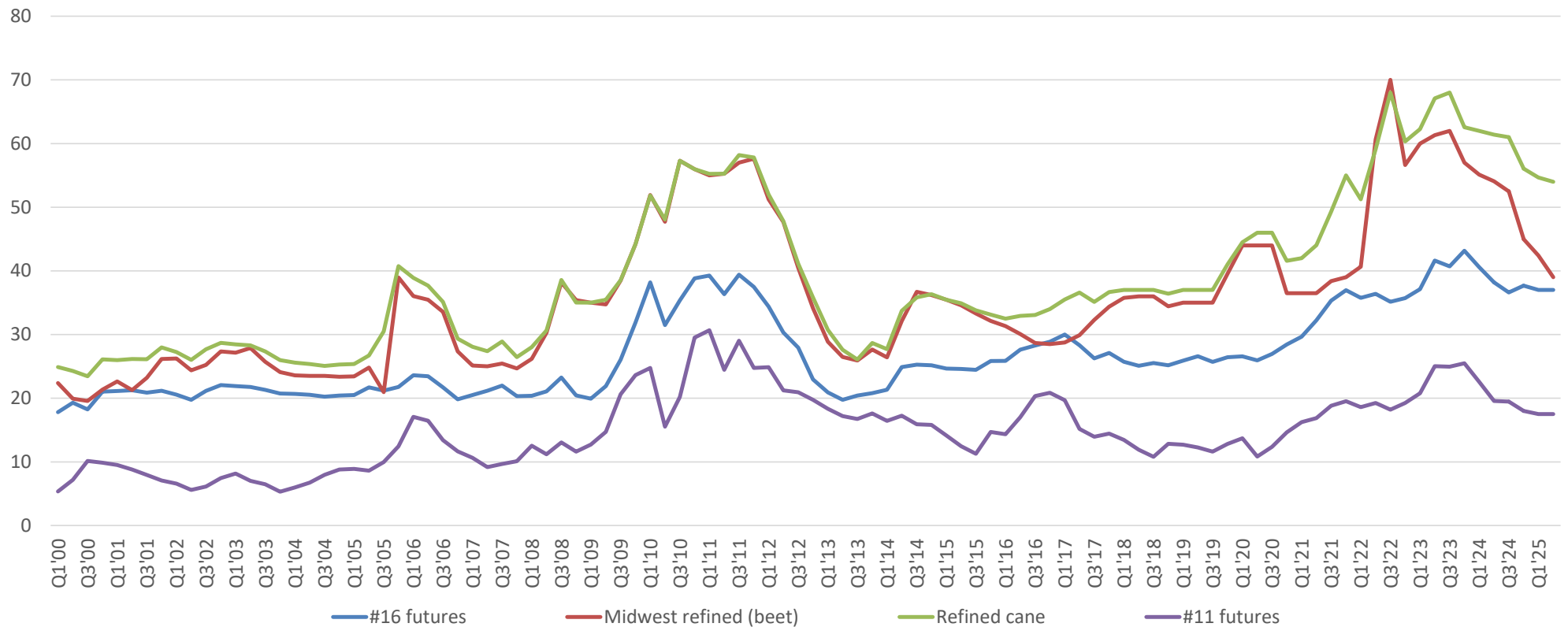
1,000 strv

Item	July WASDE FY'25	JSG FY'25
Beginning stocks	2131	2131
Production	9295 (beet 5322, cane 3973)	9295
TRQ	1533 (190k strv shortfall)	1533
Reex	200	200
Mexico	497	497
High tier/other	673 (+54k molasses)	900 (+54k molasses)
Total supply	14382	14610
Exports	100	100
Deliveries	12045 (+ 105 SCP exports)	12045 (+ 105 SCP exports)
Use	12250	12250
Ending Stocks	2132	2360
Stocks/use	17.4 %	19.26%

Source: [USDA](#)/[JSG](#)

Nearby #11, #16, Midwest beet, NE refined cane:

average quarterly price, Q1'00-Q2'25 (proj.)



Source: ICE Futures US, USDA ERS



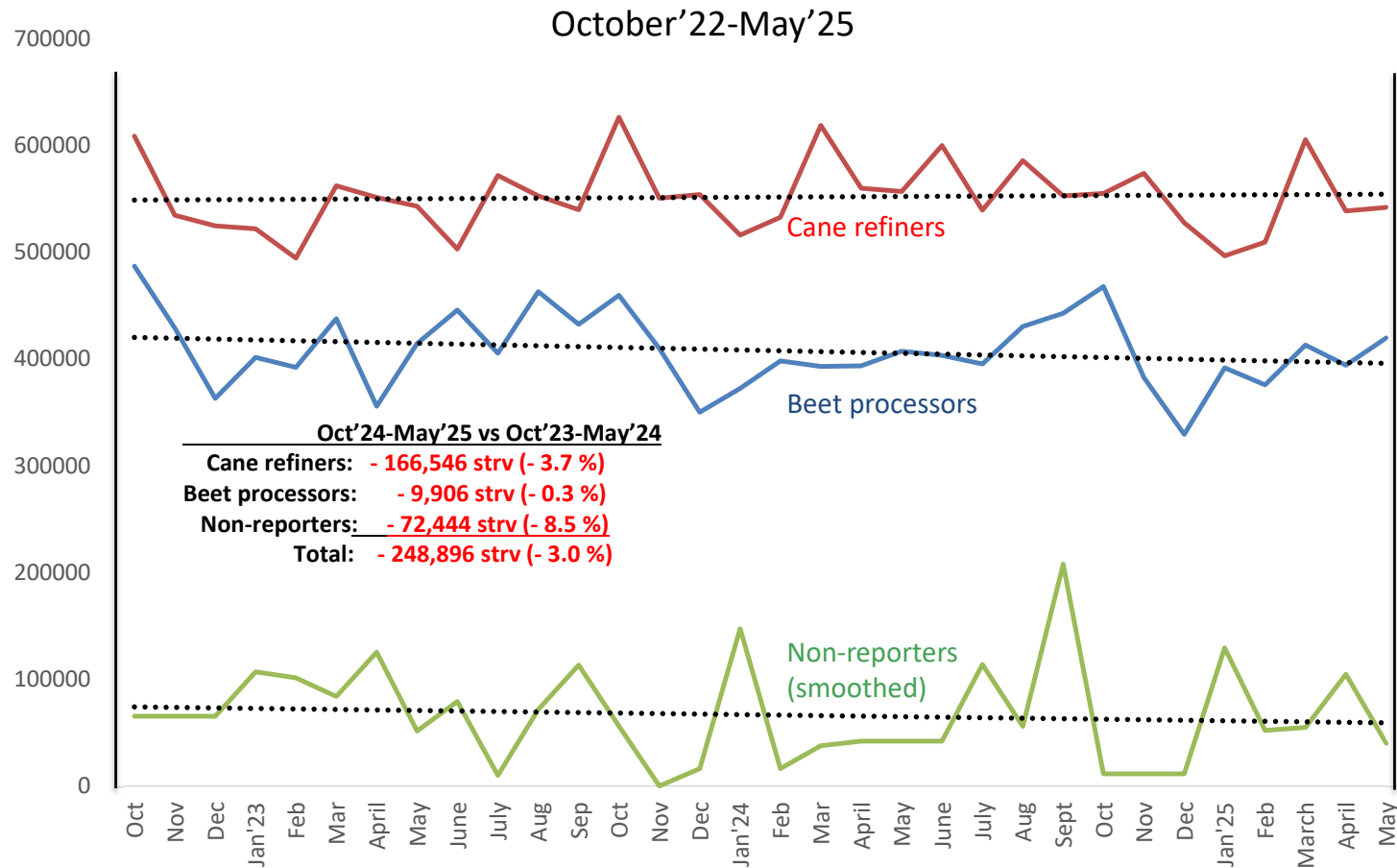
US S&D: FY'26

1,000 strv

Item	July WASDE FY'26	July WASDE FY'26
Beginning stocks	2132	2360
Production	9195 (beet 5097, cane 4098)	9195 (beet 5097, cane 4098)
TRQ	1419 (94k strv shortfall)	1498 (15k strv shortfall)
Reex	200	200
Mexico	439	220
High tier/other	368 (+54k molasses)	368 (+54k molasses)
Total supply	13808	13841
Exports	100	40
Deliveries	11960 (+ 105 SCP exports)	11960 (+ 105 SCP exports)
Use	12165	12105
Ending Stocks	1643	1736
Stocks/use	13.5 %	14.3 %

Source: [USDA](#)/[JSG](#)

US deliveries for food use:



Source: [USDA Sweetener Market Data Report](#)

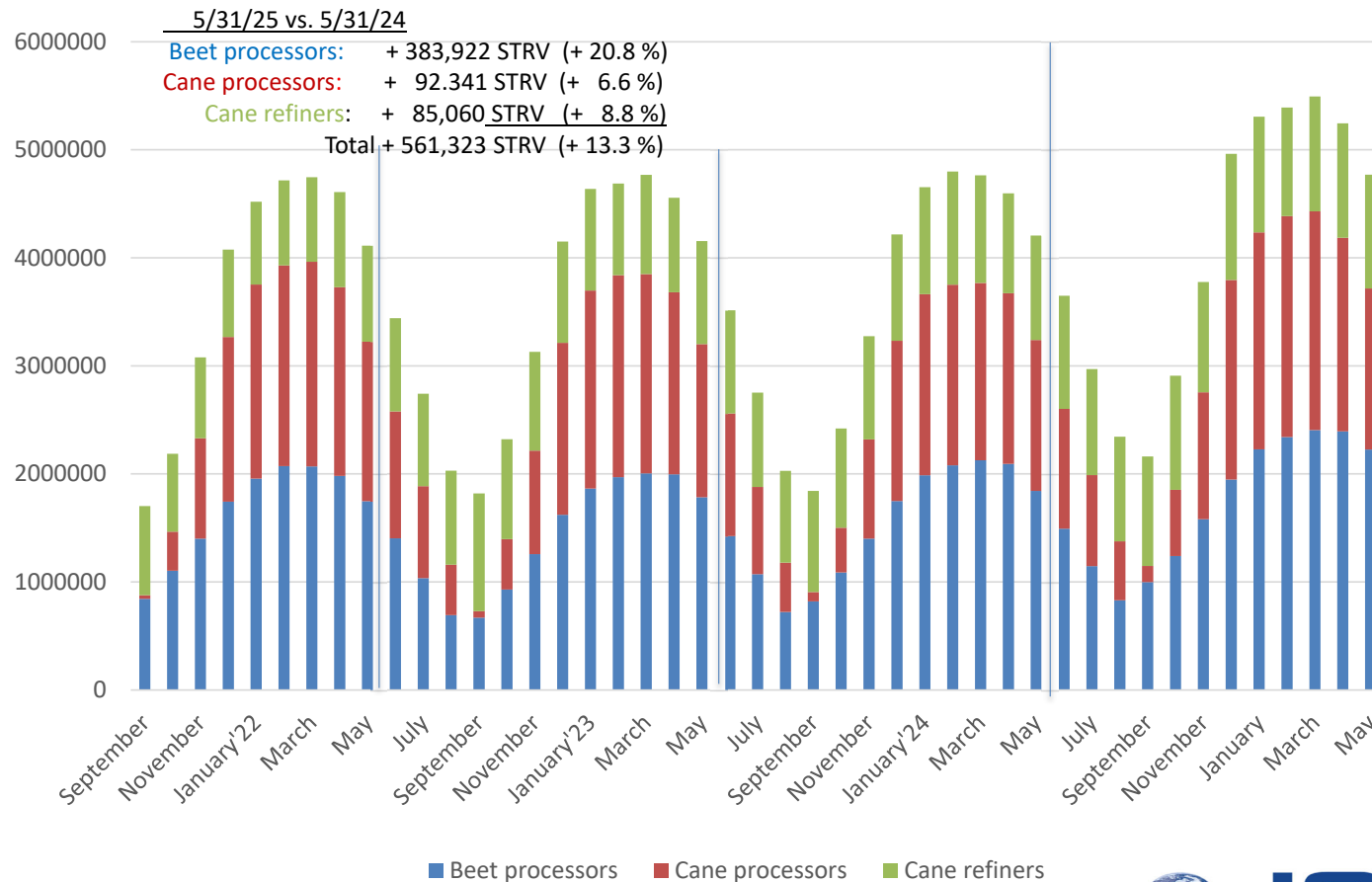
Organizing the deck, kind of...

- US is working through a massive overhang of sugar and domestic sales have taken much longer than normal
- Demand is off – volume sales across board
- Most if not all sugar in bond entered prior to Reciprocal Tariffs
- If the tier-2 imports accelerate early FY26, the risk is that this situation repeats itself
- #16 has lost participation but open interest extends to Mar'27
 - Total OI in #16: 7,354 contracts



Monthly ending stocks:

September 2021 - May 2025

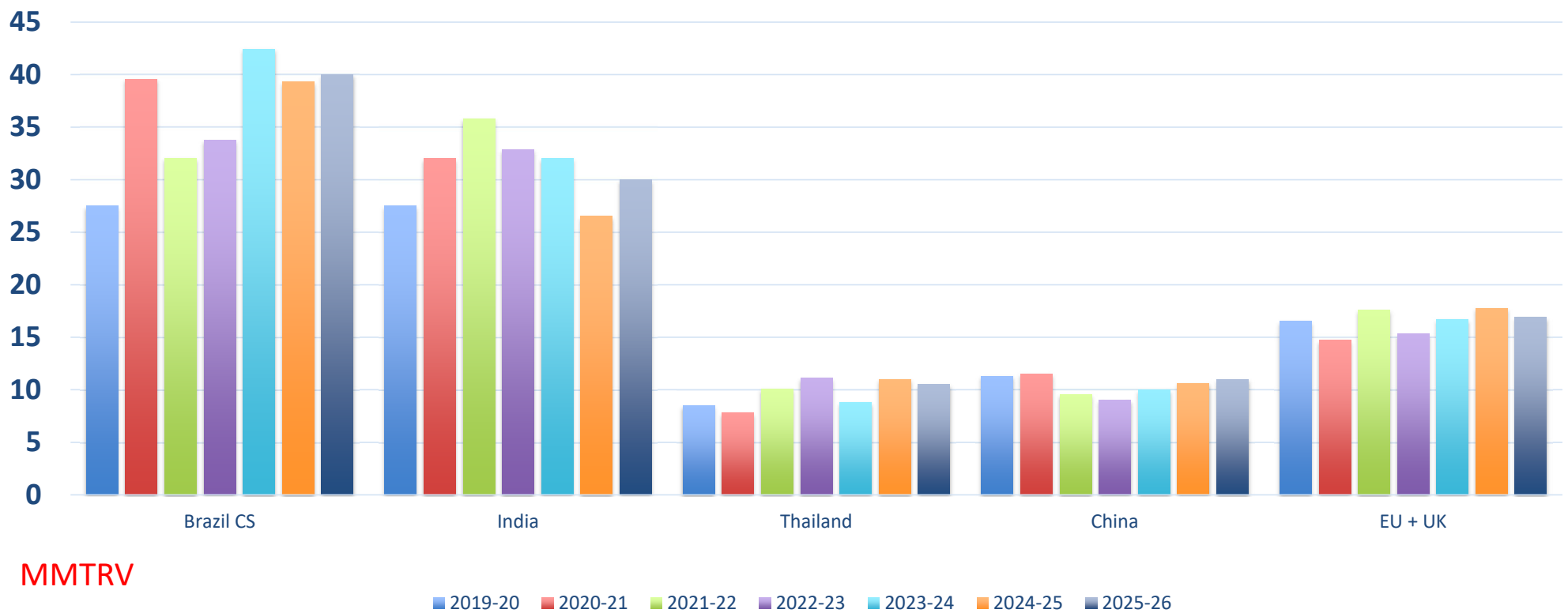


Source: [USDA/FSA](#)

What is next?

- By September, we will need to adjust for 13.5% which means Mexico at 220,000 tons: shortfall re-allocation expected
- What country(s) will surrender their access, if at all?
- The carry in number into FY 2026 of ~600,000 tons cane refiners/processors will market, will take some time
- #16 will be representative of **#11 + duty + CIF + Centrals premium + 10-20%**
 - **$16.75 + 15.35 + 3.00 + 0.50 + 2.5 = 38.10$ cents**

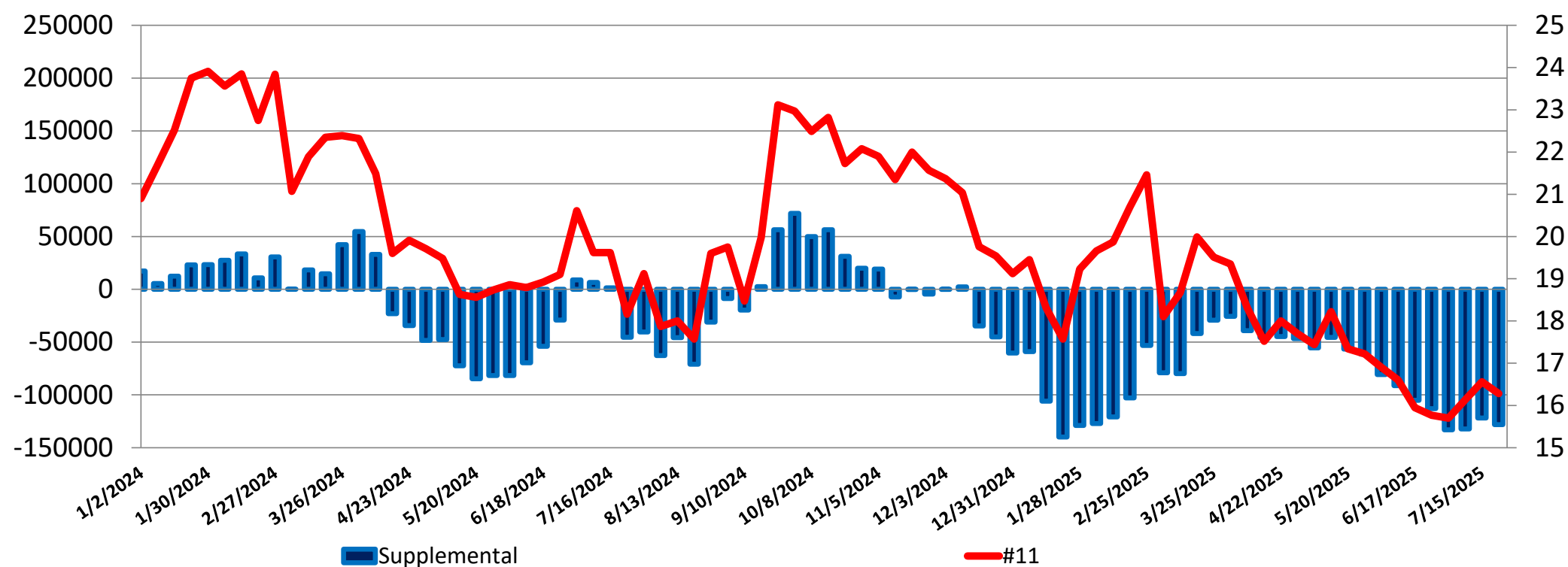
Top Global Sugar Producer Trends: 2019-2026 (est.)



Source: S&P Global

#11 Speculator Position 7/29/25 -128,125

Average 2025 position: -90,953 short



Source: CFTC



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