

Notice

Please read carefully the footnotes to this year's Production, Supply, and Distribution (PS&D) data. Data for the European Union (EU) and Eastern Europe for marketing years 2004/05 and years thereafter, will not be comparable to prior years because of the accession of ten European countries also known as "New Member States" (NMS) into the EU. The PS&D data shows the situation for the EU for 2003/04 and prior years for the countries then comprising the EU. For 2004/05 and years foreword, the EU data shows the situation for the twenty-five countries that will comprise the EU for that period and in the future

World Sugar Situation – May 2006

World sugar production for the 2006/07 marketing year is forecast at 149.2 million tons, raw value, up 4.6 million tons from the revised 2005/06 estimate. Consumption is forecast at 145.7 million tons, up 1.9 million tons from a year earlier. Exports are forecast at 47 million tons, down 1.8 million tons; and ending stocks are forecast at 30.9 million tons, down 58,000 tons. Ending stocks have declined, year on year, for four consecutive years.

Forecast increases in 2006/07 world production and trade are mainly due to higher production in Brazil at 30.3 million tons, up 3.2 million tons, India at 22.3 million tons, up 2 million tons, China at 11.1 million tons, up 1.5 million tons, and Thailand at 6.2 million tons, up 1.4 million tons. Production in the EU is forecast to decline by 5.4 million tons, from 21.8 million tons. The decline is in response to the reforms coming into effect in June. The lower production is forecast to reduce exports by 5.6 million tons to 1.6 million tons. Reduced EU exports are the principal reason for the forecast decline in world exports. Should the EU comply with its WTO commitments, it will no longer be a net exporter of sugar. Exports from Brazil are forecast at 19.1 million tons, an increase of 2.2 million tons. Thailand is forecast to export 3.9 million tons; an additional 1 million tons from the previous year, and India may export 1.2 million tons, an increase of 900,000 tons from last year. Exports from Australia are forecast at 3.9 million tons down by 400,000 tons due to storm damage.

Revisions of the 2005/06 estimates show a decrease in ending stocks of 3.2 million tons from the previous year. Estimated world production is up 4.6 million tons, exports are up 1.1 million tons, and consumption for 2005/06 is up 1.5 million tons.

Principal country changes in 2004/05 world production since the November estimate are: Brazil, down 1.6 million tons, China, down 900,000 tons, Mexico, down 377,000 tons, and Australia, down 15,000 tons. Estimated production in Thailand rose by 400,000 tons. Estimated EU exports for 2005/06 are now placed at 7.2 million tons, up 2.1 million tons from the November estimate. Ending stocks for the EU for 2005/06 are now estimated at 4.8 million tons, down 1 million tons from the November estimate.