The DYERGRAM

B.W. DYER & COMPANY, LLC
PO BOX 197
TELLURIDE, CO 81435
TELEPHONE: 970-728-9393 FAX: 970-728-9396 E-MAIL: office@bwdyer.com

December 1, 2023

■ *SUGAR SPOTS . . .*

- U.S. Sugar, a Florida-based producer, has promoted Kenneth W. McDuffie to the role of CEO. McDuffie, who previously served as the company's executive VP, has more than 30 years of leadership experience.
- A new bill passed in New York City will require sugar warnings at chain restaurants. The legislation requires alerts to be posted on menus and menu boards next to items containing what officials determine to be excessive amounts of sugar.
- There is strong evidence that artificial sweeteners used in diet drinks (and some foods) affect our blood sugar levels, hurt insulin resistance, and alter our gut flora. Until now, sugar-free diet equivalents of "full fat" sodas have been regarded as the healthier alternative, but that may not necessarily be true.
- India is expected to impose restrictions on its sugar exports after dry weather parched cane crops in the world's second-biggest grower, a move that will tighten global supplies of the sweetener.
- In mid-July, the WHO flagged aspartame, an artificial sweetener frequently used in diet sodas, as a possible carcinogen. Consumers responded to the news with a resounding shrug.
- Skyrocketing sugar prices are hitting some of Africa's poorest nations particularly hard, forcing families and restaurants to forgo use of the ingredient that is core to local diets. African nations are especially vulnerable amid a heavy reliance on sugar imports and a shortage of U.S. dollars.

■ *WASDE… NOVEMBER 2023 WASDE REPORT*

SUGAR: Mexico production for 2023/24 is reduced by 245,000 metric tons (MT) to 5.330 million. Mexico is currently experiencing widespread drought conditions. Growing areas most severelyWASDE-642-3 affected are in the western Pacific region and in San Luis Potosi. Other states like Veracruz and Quintana Roo (important regions for the production of low polarity sugar) are not as severely affected. State-weighted April-October rainfall data indicate rainfall in cane growing regions is about 23 percent below normal. This level is lower than, but comparable to the situation in 2019, the next lowest annual level. The effects on yields vary depending on irrigation but will be lower overall. Many factors besides rainfall enter into yield forecasting. USDA analysis suggests a national sugar yield of 61.3 MT/hectare, lower than the 62.9 in 2019 but higher than the 59.0 last year when fertilizer use was at a record low due to extremely high prices. With extremely high sugar prices, area harvested should remain at about 800,000 hectares. Sucrose recovery should be about 10.9 percent.

Lower 2023/24 production implies changes in other components of Mexico supply and use. Deliveries into the IMMEX program are decreased by 50,000 MT to 400,000, a level similar to last year when production was at its low 5.224 million MT level. The production of low polarity sugar for export to the U.S. market should be around the 70 percent of U.S. Needs as determined by the DOC in September. Similar to last year, low polarity sugar is assumed to be about 75 percent of total exports to the United States, implying total exports at 1.051 million MT (1.026 million for the United States and 25,000 to other destinations). Ending stocks are set at the level to meet delivery requirements into the beginning 2.5 months of 2024/25 before the start of the new campaign. Imports as the residual increase by 112,465 MT to 433,539. (Imports lower than this amount would require lower ending stocks than projected but would imply more imports in 2024/25 to meet delivery requirements.)

U.S. sugar supply for 2023/24 is increased by 12,345 short tons, raw value (STRV) on lower beginning stocks and imports offset by greater production. TRQ raw sugar imports are down 160,573 STRV due to the Philippines announcement that all production would be allocated for domestic uses and none for export. Imports from Mexico are decreased 85,610 STRV on lower refined sugar slated for the U.S. market as explained above. These decreases are offset by a 100,000 STRV increase in projected high-tier tariff imports to 275,000. Like last month, 175,000 is projected to enter as refined sugar. Raw sugar imports are projected at 100,000 STRV. Prior to this *WASDE* high-tier tariff imports were only increased when there were raw sugar entries for the most recent month. The USDA now recognizes that high-tier tariff raw imports are an important source to meet raw sugar requirements under current market conditions.

Louisiana cane sugar production for 2023/24 is increased 48,947 STRV to 1.787 million mostly on a higher sugarcane yield forecast by NASS. Beet sugar production is increased 211,290 STRV to 5.363 million on higher sugarbeet yields forecast by NASS, an increase in recovery based on processors' estimates of sucrose content, and adjustments made for early season production that cross between fiscal years. There are no use changes. Ending stocks are projected at 1.569 million STRV, implying a stocks-to-use ratio of 12.39 percent, up 0.1 percentage points from last month.

U.S. Sugar Supply and Use 1/

	2021/22	2022/23 Est.	2023/24 Proj. Oct	2023/24 Proj. Nov
	1,000 Short Tons,Raw Value			
Beginning Stocks	1,705	1,820	1,977	1,875
Production 2/	9,157	9,249	8,969	9,229
Beet Sugar	5,155	5,187	5,151	5,363
Cane Sugar	4,002	4,062	3,817	3,866
Florida	1,934	1,983	2,037	2,037
Louisiana	1,944	2,002	1,738	1,787
Texas	124	76	42	42
Imports	3,646	3,614	3,277	3,130
TRQ 3/	1,579	1,862	1,617	1,457
Other Program 4/	298	141	200	200
Non-program	1,769	1,611	1,459	1,474
Mexico	1,379	1,156	1,284	1,199
High-tier tariff/other	390	455	175	275
Total Supply	14,508	14,684	14,222	14,234
Exports	29	82	35	35
Deliveries	12,578	12,589	12,630	12,630
Food	12,470	12,473	12,525	12,525
Other 5/	107	116	105	105
Miscellaneous	81	138	0	0
Total Use	12,688	12,809	12,665	12,665
Ending Stocks	1,820	1,875	1,557	1,569
Stocks to Use Ratio	14.3	14.6	12.3	12.4

1/ Fiscal years beginning Oct 1. Data and projections correspond to category components from "Sweetener Market Data" (SMD). 2/ Production projections for 2022/23 and 2023/24 are based on Crop Production and/or processor projections/industry data and/or sugar ICEC analysis where appropriate. 3/ For 2022/23, WTO raw sugar TRQ shortfall (161) and for 2023/24 (255). 4/ Composed of sugar under the re-export and polyhydric alcohol programs. 5/ Transfers accompanying deliveries for sugar-containing products to be exported (SCP) and polyhydric alcohol manufacture (POLY), and deliveries for livestock feed and ethanol. Total refiner license transfers for SCP and POLY inclusive of WASDE-reported deliveries: 2021/22 -- 303; estimated 2022/23 -- 299; projected 2023/24 -- 291

Mexico Sugar Supply and Use and High Fructose Corn Syrup Consumption 1/

		Beginning Stocks	Production	Imports	Domestic 2/	Exports	Ending Stocks
Sugar		*1,000 Metric Tons, Actual Weight*					
2022/23 Est.	Oct	964	5,224	285	4,627	1,011	836
	Nov	964	5,224	285	4,627	1,011	835
2023/24 Proj.	Oct	836	5,575	322	4,699	1,124	909
	Nov	835	5,330	434	4,648	1,051	900

1/ HFCS consumption by Mexico (1,000 metric tons, dry basis): 2021/22 = 1,320; Estimated 2022/23 = 1,392; Projected 2023/24 = 1,407. Footnote source for estimate: Comite Nacional para el Desarollo Sustentable de la Cana de Azucar. 2/Includes deliveries for consumption, Mexico's products export program (IMMEX), and Other Deliveries/Ending Year Statistical Adjustments. IMMEX: 2022/23 (405 est =387 dom.+18 import); 2023/24 (400 proj = 375 dom.+25 import). Statistical Adjustments: 2022/23 (29), 2023/24 (0).

R. Markey & Sons, Inc.
Monthly Arrivals Report -- Bulk Sugar
November 2023

Bulk Arrivals Schedule

USA - Baltimore, MD

Arrival Date	Discharge Date	Vessel	Long Tons	Quota Type	Origin	Seller	Quota Year
11/8/2023	11/9/2023	CS JENNA	20,182	WTO TRQ	Brazil	ASR	2023/24
11/8/2023	11/9/2023	CS JENNA	12,296	WTO TRQ	Brazil	Various	2023/24
11/12/2023	11/26/2023	CENTURY BRIGHT	3,127	WTO TRQ	Brazil	ASR	2023/24
11/13/2023	11/13/2023	BARGE MONTVILLE	8,340	Domestic	USA-Florida	FSMEI	2023/24
		Port Total	**43,945**				

USA - Yonkers, NY

Arrival Date	Discharge Date	Vessel	Long Tons	Quota Type	Origin	Seller	Quota Year
11/2/2023	11/3/2023	TBC PROGRESS	9,850	WTO TRQ	Brazil	Various	2023/24
11/13/2023	11/14/2023	KNOT REFINED	16,071	Domestic	USA-Florida	FSMEI	2023/24
11/24/2023	11/27/2023	BARGE MONTVILLE	4,517	Domestic	USA-Florida	FSMEI	2023/24
11/28/2023	11/29/2023	CENTURY BRIGHT	11,634	WTO TRQ	Brazil	ASR	2023/24
		Port Total	**42,072**				

USA - Chalmette, LA

Arrival Date	Discharge Date	Vessel	Long Tons	Quota Type	Origin	Seller	Quota Year
11/1/2023	11/30/2023	PATOUT BARGES	20,000	Domestic	USA-Louisiana	PATOUT	2023/24
		Port Total	**20,000**				

USA - New Orleans, LA

No Bulk Shipment Arrivals.

USA - Crockett, CA

Arrival Date	Discharge Date	Vessel	Long Tons	Quota Type	Origin	Seller	Quota Year
11/4/2023	11/15/2023	GREEN GEM	33,463	WTO TRQ	Australia	QSL	2023/24
		Port Total	**33,463**				

USA - Fairless Hills, PA

No Bulk Shipment Arrivals.

USA - Savannah, GA

Arrival Date	Discharge Date	Vessel	Long Tons	Quota Type	Origin	Seller	Quota Year
11/8/2023	11/9/2023	BARGE JONATHAN	13,125	Domestic	USA-Florida	CSC	2023/24
11/26/2023	11/27/2023	BARGE JONATHAN	12,857	Domestic	USA-Florida	FSMEI	2023/24
11/30/2023	TBD	OCEAN INNOVATION*	25,589	WTO TRQ	Brazil	CSC	2023/24
11/30/2023	TBD	OCEAN INNOVATION*	2,953	2nd Tier Duty	Brazil	CSC	2023/24
		Port Total	**54,524**				

USA - Wilmington, DE

No Bulk Shipment Arrivals.

USA - Ponce, PR

No Bulk Shipment Arrivals.

USA - Buffalo, NY

No Bulk Shipment Arrivals.

USA - Detroit, MI

No Bulk Shipment Arrivals.

R. Markey & Sons, Inc.
Monthly Arrivals Report -- Bulk Sugar
November 2023

USA - Brownsville, TX

No Bulk Shipment Arrivals.

USA - Houston, TX

No Bulk Shipment Arrivals.

USA - Port Manatee, FL

No Bulk Shipment Arrivals.

USA - Toledo, OH

No Bulk Shipment Arrivals.

USA - Sacramento, CA

No Bulk Shipment Arrivals.

USA - San Diego, CA

Arrival Date	Discharge Date	Vessel	Long Tons	Quota Type	Origin	Seller	Quota Year
11/16/2023	11/16/2023	NAZENIN**	29,526	2nd Tier Duty	Brazil		2023/24
		Port Total	**29,526**				

USA - Stockon, CA

No Bulk Shipment Arrivals.

USA - Chicago, IL

No Bulk Shipment Arrivals.

USA - Jacksonville, FL

No Bulk Shipment Arrivals.

USA - Olympia, WA

No Bulk Shipment Arrivals.

USA - San Juan, PR

No Bulk Shipment Arrivals.

GRAND TOTAL: **223,530 Long Tons**

Notes:
*OCEAN INNOVATION into Savannah, GA- arrived and reported in November, will discharge in December.
**NAZENIN into San Diego, CA- details pending confirmation.
- GLOBE EXPLORER into CROCKETT, CA   Arrived and reported in September, discharged on November 2, 2023.

R. Markey & Sons, Inc.
Monthly Arrivals Report -- Bulk Sugar
November 2023

Year-on-Year Comparision By Quota Classification

Quota Period: October 1, 2022 to September 30, 2023										
Year	**2nd Tier**	**Bond**	**CAFTA**	**Domestic**	**FTA**	**ReExport**	**Refined**	**USMCA**	**WTO TRQ**	**Total**
Oct 22	17,509			36,875		14,012	47,435		146,257	**262,088**
Nov 22				78,160					83,960	**162,120**
Total	**17,509**			**115,035**		**14,012**	**47,435**		**230,217**	**424,208**

Quota Period: October 1, 2023 to September 30, 2024										
Year	**2nd Tier**	**Bond**	**CAFTA**	**Domestic**	**FTA**	**ReExport**	**Refined**	**USMCA**	**WTO TRQ**	**Total**
Oct 23	9,793			66,996		6,988	42,957		25,826	**152,560**
Nov 23	32,479			74,910					116,141	**223,530**
Total	**42,272**			**141,906**		**6,988**	**42,957**		**141,967**	**376,090**