The DYERGRAM

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■ *SUGAR SPOTS…*

■ According to new evidence, sweeteners do *not* increase one's appetite. A double-blind trial found that consuming food containing sweeteners produced a similar reduction in appetite sensations and appetite-related hormone responses as sugary foods.

■ With each passing day, cocoa gets more expensive. Yesterday, cocoa prices hit another all-time high, topping $10,000 per ton. As West Africa faces historic supply deficits, analysts warn "the worst is yet to come." Major chocolate companies such as Hershey are hedging bets to protect consumers from increasing prices, though that window is rapidly closing.

■ A new study found that a combination of a sugar-based tax on beverages and targeted subsidies for minimally processed foods and drinks would lead low-income consumers to purchase fewer sugar-sweetened beverages and more fruits, vegetables, and healthier drinks. The findings, published in the *American Journal of Preventive Medicine*, showed the results were especially significant in households without children.

■ Archer-Daniels-Midland Co. said former Chief Financial Officer Vikram Luthar, who was placed on leave earlier this year amid an accounting investigation, has agreed to resign effective Sept. 30. The company said in a separate statement that it has initiated a formal selection process to identify the company's next CFO.

■ *WASDE... APRIL 2024 WASDE REPORT*

SUGAR:

Mexico production for 2023/24 is projected at 4.572 million metric tons (MT), a decrease of 175,090 from last month and 651,856 lower than last year. Area harvested is running over 20,000 hectares below the level forecast by CONADESUCA resulting in the current USDA projection of 727,116 hectares. Interim analysis based on the CONADESUCA production data through March 30 supports an increase in sugarcane yield from last month to 62.25 MT/hectare and also in sucrose recovery to 10.10 percent. However, the area reduction more than offsets the yield and recovery increases to reach this month's projection of sugar production. Production of low polarity sugar is reduced by 107,206 MT to 320,067 as producers have hastened the trend toward more profitable *estandar* sugar for the domestic market at the expense of less low polarity sugar. The low polarity sugar share of total production is at 7 percent, down from 9 percent last month. Assuming that all projected low polarity sugar is exported to the U.S. market and like last year constitutes 75 percent of the total exported, exports to the United States are projected at 426,757 MT, a decrease of 142,941.

On April 5, the *Secretaría de Economía* in Mexico announced that it would temporarily accept imports of sugar intended for use in the IMMEX program until August 31 with each shipment requiring its approval. This effectively means that imports from the United States under USDA's re-export import program can be shipped duty-free into Mexico only for use in IMMEX. Thus, 50,000-MT worth of Mexico production for IMMEX can be redirected to deliveries for human consumption. With more net sugar available, IMMEX is projected 25,000 MT higher at 425,000 MT. Given that Mexico has imported 435,000 MT of high-tier tariff sugar for consumption through March 31, USDA projects imports in the pipeline at 40,000 MT, implying imports for consumption at 475,000 MT. Total imports are, therefore, at 575,000 MT. Exports to other countries are residually projected at 43,914 MT.

U.S. beet sugar production for 2023/24 is decreased by 27,340 short tons, raw value (STRV) to 5.144 million on lower forecast sucrose recovery. Beet pile shrink is unchanged at 9 percent. Cane sugar production is unchanged. TRQ imports are up 25,086 STRV to 1.775 million on higher imports expected from Argentina and Panama. TRQ shortfall falls by that same amount to 66,690 STRV. Imports from Mexico decrease by 167,020 STRV to 498,644 but are largely offset by an increase of high-tier tariff imports of 140,000 STRV (all raw sugar) to bring the total to 855,000. This pace-to-date adjustment reflects that imports for the remaining 6 months of the fiscal year will be close to imports for the first 6 months. Exports are increased by 37,634 STRV to 197,634 as increased program exports more than offset a reduction of other sugar exports to Mexico. Deliveries for consumption are unchanged. Deliveries for human consumption were low in February due to a likely underreporting of direct consumption imports in February that will see an offsetting expansion in March. Ending stocks are projected at 1.722 million STRV for an ending stocks-to-use ratio of 13.50 percent.