The DYERGRAM

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March 2024

■ *SUGAR SPOTS…*

■ ADM has revised years of internal sales figures following an accounting probe. The company disclosed a $137 million impairment charge related to its animal nutrition unit.

■ The nascent technology of sugar elimination has entered the spotlight and is focused on counteracting sugar *after* it has been consumed. As a result, stomach "sponges" and fiber-making enzymes are heading to market.

■ Adults who report drinking two liters (about 67 ounces) or more of sugar, or artificially sweetened drinks per week, may have a higher risk of irregular heart rhythm than those who do not. New research published in *Circulation: Arrhythmia and Electrophysiology* also found that one liter or less of pure, unsweetened juice may lower the risk of atrial fibrillation.

■ Three Minnesota bakeries are suing Cargill, Domino Sugar, and Michigan Sugar for alleged price fixing in a class-action lawsuit. The suit joins a wave of similar antitrust litigation facing the nation's largest meatpackers (also including Cargill). The American sugar industry has enjoyed federal protections against international imports, resulting in much higher sugar prices in the U.S. than abroad.

■ It is with great sadness that the Board of Directors of Rio Grande Valley Sugar Growers, Inc. (RGVSG, Inc.) announced that after 51 years of continuously growing and processing sugarcane into raw sugar in the Rio Grande Valley of Texas, the recently completed harvest and milling season will be its last.

Agriculture in the Rio Grande Valley depends on adequate and reliable irrigation water deliveries. For over 30 years, farmers in South Texas have been battling with Mexico's failure to comply with the provisions of the 1944 Water Treaty between the US and Mexico that governs water sharing between the two nations on the Colorado River and the Lower Rio Grande.

Over the past half-century, RGVSG, Inc. has injected hundreds of millions of dollars into the local, state, and national economies. With over 100 local growers growing over 40,000 acres at times and the mill employing over 500 full-time and seasonal workers annually, RGVSG, Inc. proudly contributed to the food security of the United States.

Despite our grower's deep desire to continue this legacy for future generations, without reliable supplies of irrigation water and the necessary crop insurance provisions and administrative guidelines to maintain acres, RGVSG, Inc. has no choice but to close its doors. We regret the impact our closure will have on communities across the Valley, especially those closest to the mill, La Villa, Santa Rosa, and Edcouch.

RGVSG, Inc. would like to express its most sincere appreciation to all of its past and present employees. Sean Brashear, President and CEO, stated, "Our employees' dedication and sacrifice to RGVSG, Inc. has been exemplary. Working alongside them for the past 20 years has been my honor. It is a sad day for all of us at RGVSG, Inc. As we wind down our operations, we will do everything possible to assist our employees and their families during the transition. I would also like to thank the Members of Congress who fought for us."

■ *WASDE... MARCH 2024 WASDE REPORT*

SUGAR:

Mexico production for 2023/24 is projected at 4.747 million metric tons (MT), a decrease of 127,518 from last month and also 476,766 lower than last year. The sugarcane harvest in Mexico continues to lag at levels unprecedented in recent times. All relevant production parameters (yields and recovery) through March 2 are several deviations below 10-year averages with no improvement being seen as time advances. Interim analysis based on the latest CONADESUCA data implies a full-season national sugarcane yield of 61.9 MT/hectare which is lower than last month and sucrose recovery of 9.97 percent, also lower than last month and at a record low. Eastern growing regions less affected by drought, like in the Northeast and Pacific regions, have had unexpectedly low sucrose recovery levels, likely due to the high cost of fertilizers for a second year in a row. At this point, harvested area presents the most uncertainty as many fields may not yield enough sugarcane to be worth harvesting. The pace of harvested area will be closely monitored each succeeding harvest week.

The production of low polarity sugar for export to the United States is projected at 9.0 percent of total production. Most low polarity sugar is produced in the eastern regions with low sucrose recovery. Some analysis suggests a switching from the production of low polarity sugar to *estandar* sugar that commands a higher price in the domestic market. 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 569,698 MT. Exports to other countries are unchanged at 25,000 MT and total exports at 594,698 MT are down 114,054 from last month. Deliveries are decreased by 55,217 MT to 4.593 million on the pace to date and imports are residually projected at 494,098 MT, down 52,440 from last month.

U.S. sugar production for 2023/24 is decreased by 109,050 short tons, raw value (STRV) on lower beet sugar production only partially offset by increases in cane sugar production. Beet sugar production is down 155,761 STRV on higher beet pile shrink mostly due to warmer-than-average temperatures in the Red River Valley and Michigan and on lower sucrose recovery reported in aggregate by beet processors. Cane sugar production is projected higher by 46,711 STRV on higher production in Florida mostly offsetting a small reduction in Texas. USDA increased the raw sugar TRQ by 137,789 STRV citing the authority given to the Secretary of Agriculture under the Additional U.S. Note 5 of HTS Chapter 17 instead of the more usual legislative authority granted by the U.S. Congress. This increase is mostly offset by reduced imports from Mexico. There is no change to high-tier tariff imports: they remain at a record 715,000 STRV. There were no changes to use. Ending stocks are residually projected at 1.701 million for an ending stocks-to-use ratio of 13.38 percent, down from 14.20 last month.

R. Markey & Sons, Inc.
Monthly Arrivals Report -- Bulk Sugar
March 2024

Bulk Arrivals Schedule

USA - Baltimore, MD

Arrival Date	Discharge Date	Vessel	Long Tons	Quota Type	Origin	Seller	Quota Year
3/11/2024	3/12/2024	ARMIA KRAJOWA	30,018	USMCA	Mexico	ZUCARMEX	2023/24
3/16/2024	3/17/2024	CENTURY EMERALD	10,826	WTO TRQ	Dominican Republic	CAEI	2023/24
3/21/2024	3/22/2024	BALSA 91	6,889	WTO TRQ	Dominican Republic	CAEI	2023/24
3/24/2024	3/25/2024	BARGE MONTVILLE	12,887	Domestic	USA-Florida	FSMEI	2023/24
		Port Total	**60,620**				

USA - Yonkers, NY

Arrival Date	Discharge Date	Vessel	Long Tons	Quota Type	Origin	Seller	Quota Year
3/3/2024	3/4/2024	BARGE MONTVILLE	12,887	Domestic	USA-Florida	FSMEI	2023/24
3/17/2024	3/17/2024	KNOT REFINED	16,071	Domestic	USA-Florida	FSMEI	2023/24
3/21/2024	3/26/2024	BARGE JONATHAN	13,124	Domestic	USA-Florida	FSMEI	2023/24
		Port Total	**42,082**				

USA - Chalmette, LA

Arrival Date	Discharge Date	Vessel	Long Tons	Quota Type	Origin	Seller	Quota Year
3/1/2024	3/31/2024	LOUISIANA BARGES	26,250	Domestic	USA-Louisiana	PATOUT	2023/24
3/1/2024	3/31/2024	TEXAS BARGES	5,714	Domestic	USA-Texas	RGVSG	2023/24
3/2/2024	3/3/2024	CENTURY BRIGHT	14,763	USMCA	Mexico	BSM	2023/24
		Port Total	**46,727**				

USA - New Orleans, LA

Arrival Date	Discharge Date	Vessel	Long Tons	Quota Type	Origin	Seller	Quota Year
3/14/2024	3/14/2024	BOSPHORUS ASIA*	10,259	WTO TRQ	Honduras	Sucro Sourcing	2023/24
		Port Total	**10,259**				

USA - Crockett, CA

Arrival Date	Discharge Date	Vessel	Long Tons	Quota Type	Origin	Seller	Quota Year
3/4/2024	3/11/2024	NORD TOKYO	18,940	WTO TRQ	El Salvador	CSC	2023/24
3/4/2024	3/11/2024	NORD TOKYO	16,786	ReExport	El Salvador	CSC	2023/24
3/11/2024	3/27/2024	MONTEGO BAY	19,684	USMCA	Mexico	CSC	2023/24
3/30/2024	TBD	DALARNA**	15,172	WTO TRQ	Costa Rica	CSC	2023/24
3/30/2024	TBD	DALARNA**	7,086	CAFTA	Costa Rica	CSC	2024
3/30/2024	TBD	DALARNA**	8,793	ReExport	Costa Rica	CSC	2023/24
		Port Total	**86,461**				

USA - Fairless Hills, PA

Arrival Date	Discharge Date	Vessel	Long Tons	Quota Type	Origin	Seller	Quota Year
3/4/2024	3/5/2024	UNITY STAR	4,921	2nd Tier Duty	Brazil	CSC	2023/24
3/4/2024	3/5/2024	UNITY STAR	29,526	Bond	Brazil	CSC	2023/24
3/31/2024	TBD	IONA ISLAND**	17,223	WTO TRQ	Dominican Republic	CAC	2023/24
		Port Total	**51,670**				

USA - Savannah, GA

Arrival Date	Discharge Date	Vessel	Long Tons	Quota Type	Origin	Seller	Quota Year
3/20/2024	3/21/2024	CENTURY QUEEN	14,763	USMCA	Mexico	Wilmar	2023/24
3/25/2024	TBD	BOSTON HARMONY**	30,599	USMCA	Mexico	Wilmar	2023/24
		Port Total	**45,362**				

USA - Wilmington, DE

No Bulk Shipment Arrivals.

R. Markey & Sons, Inc.
Monthly Arrivals Report -- Bulk Sugar
March 2024

USA - Ponce, PR

No Bulk Shipment Arrivals.

USA - Buffalo, NY

No Bulk Shipment Arrivals.

USA - Detroit, MI

No Bulk Shipment Arrivals.

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 - 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: **343,181 Long Tons**

Notes:
*BOSPHORUS ASIA into New Orleans, LA- Details not confirmed by the Importer. Based on publicly available data.
** DALARNA into CROCKETT, CA- Arrived and reported in March, will discharge in April.
** IONA ISLAND into FAIRLESS HILLS, PA- Arrived and reported in March, will discharge in April.
** BOSTON HARMONY into SAVANNAH, GA -Arrived and reported in March, will discharge in April.

BUNUN XCEL into San Diego, CA - vessel arrived in February 2024 but was not included in our Feb report. Details not confirmed by the Importer. Based on publicly available data. Calculations tables reflect the changes in the respective month.

R. Markey & Sons, Inc.

Monthly Arrivals Report -- Bulk Sugar

March 2024

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**
Dec 22				48,594			12,844	43,555	105,644	**210,637**
Jan 23				100,558		7,657	1,023	119,031	83,485	**311,754**
Feb 23	934		28,643	76,908				59,052	17,912	**183,449**
Mar 23	16,152	7,587	7,352	87,943		12,684	35,951	146,191	76,986	**390,847**
Total	**34,595**	**7,587**	**35,995**	**429,038**		**34,353**	**97,253**	**367,829**	**514,244**	**1,520,895**

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**
Dec 23	36,169	77,935		60,995		12,795	14,826	21,652	83,448	**307,820**
Jan 24	97,879		21,184	47,975			9,885	57,213	29,222	**263,358**
Feb 24	80,165		5,264	67,618		10,991		66,077	65,294	**295,409**
Mar 24	4,921	29,526	7,086	86,933		25,579		109,827	79,309	**343,181**
Total	**261,406**	**107,461**	**33,534**	**405,427**		**56,353**	**67,668**	**254,769**	**399,240**	**1,585,858**