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Report Highlights:

Brazil's Marketing Year (MY) 2021/22 sugarcane crop is estimated at 635 million metric tons (mmt), a decrease of three percent compared to the final estimate for MY 2020/21 (657 mmt). The dry weather that prevailed between August and October 2020 damaged sugarcane fields, thus reducing production potential. Fire outbreaks also harmed cane stocks. Sugar prices have recovered since March 2020 and have remained much more attractive than ethanol prices. Therefore, sugar-ethanol plants should remain focusing on sugar production, and the sugar-ethanol production mix will likely be similar to the previous season. The revised estimate for Brazilian exports in MY 2020/21 is 32.15 mmt, raw value, the largest volume exported by Brazil, representing roughly 50 percent of the world exports. As the second-largest recipient of the U.S. sugar tariff-rate quota, Brazil held a raw value allocation of 152,691 metric tons at the beginning of FY 2021.

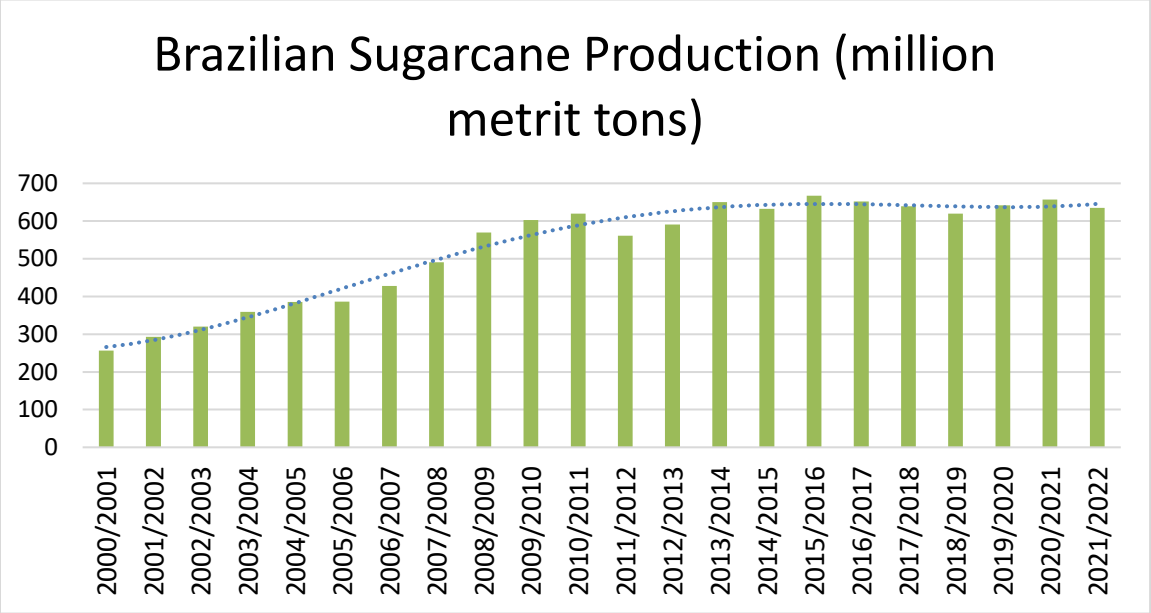
Sugarcane Production

The Agricultural Trade Office (ATO)/Sao Paulo projects Brazil's marketing year (MY April-March) 2021/22 sugarcane crop at 635 million metric tons (mmt), a decrease of three percent compared to the final estimate for MY 2020/21 (657 mmt). The center-south (CS) region is expected to harvest 580 mmt of sugarcane, a drop of 25 mmt compared to the revised figure for the previous season (605 mmt).

Several factors should contribute to the expected reduction of the output for the upcoming crop. The dry weather that prevailed during 2020, especially during August-October, damaged sugarcane fields and reduced the production potential. In addition, the lack of rainfall combined with high temperatures also favored the incidence of fire outbreaks in the fields, therefore harming cane stocks. Post contacts also reported criminal fire in sugarcane fields. Rainfall volumes in the first quarter of 2021 were below average, thus limiting stock development. In addition, steady grain prices have encouraged the migration of marginal sugarcane areas from sugarcane to soybeans and corn.

The crushing in the Center-South has started in March. Brazilian Sugarcane Industry Association (UNICA) reports that by April 15th, 170 sugar-ethanol plants were already crushing sugarcane (the aforementioned figure includes about ten corn-based ethanol plants), ten units less relative to the same period during the previous MY. Sugar-ethanol plants have been adopting preventive measures against the COVID-19 pandemic for harvesting and industrial operations since the beginning of the pandemic in 2020.

North-Northeastern (NNE) production for MY 2021/22 is projected at 55 mmt, an increase of 3 mmt compared to the revised estimate for the previous crop (52 mmt), assuming regular weather conditions prevail until the beginning of the crop in the second semester of the year. The crushing of the MY 2020/21 season is virtually over. The graph below shows the evolution of Brazilian sugarcane production since 2000.



Source: USDA/ATO/Sao Paulo

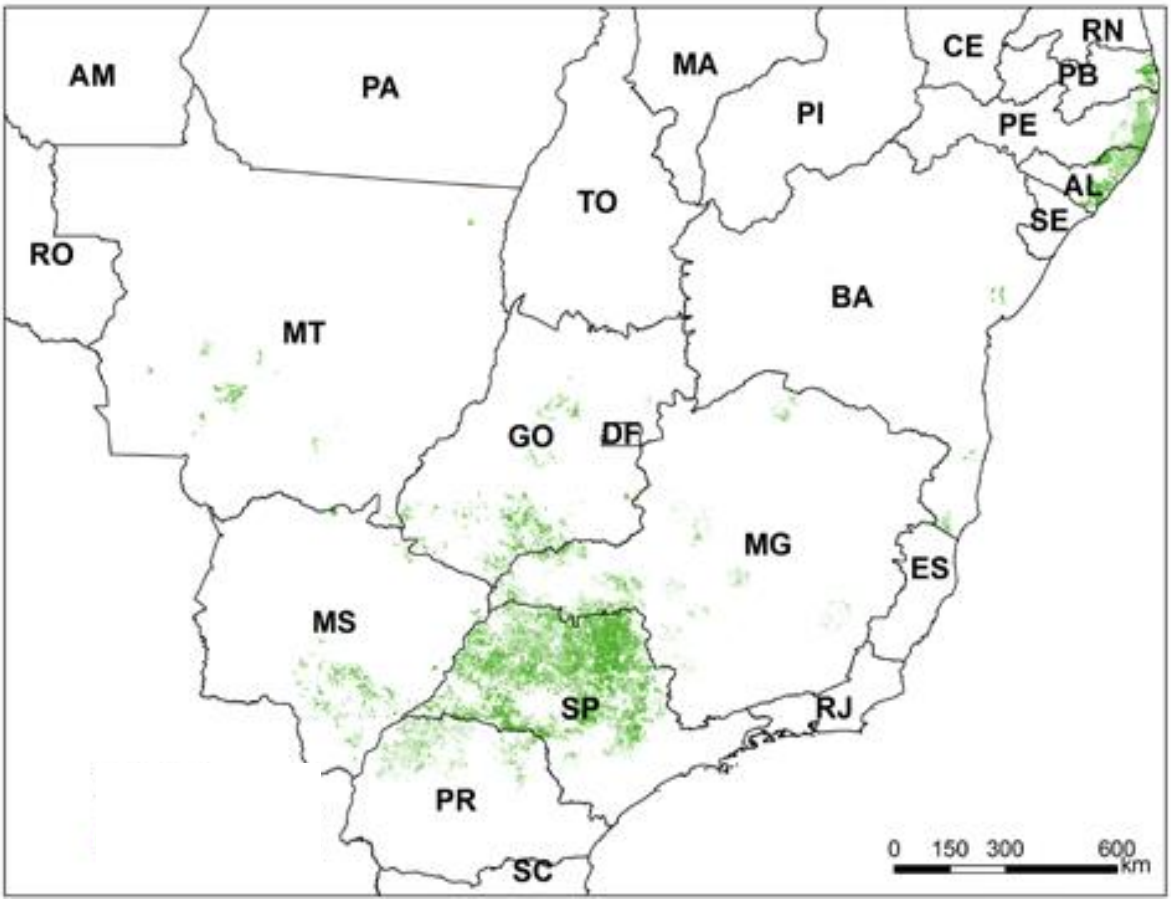
The following tables show monthly sugarcane crush data for the state of Sao Paulo and the Center-South (CS) region for MY 2017/18 through MY 2020/21 (April-March), as reported by UNICA. According to UNICA, cumulative sugarcane crushed during MY 2020/21 amounted to 605.5 mmt, an increase of three percent vis-à-vis the previous MY. Sao Paulo represents approximately 60 percent of the CS production.

Sugarcane crushed in the state of Sao Paulo (1,000 metric tons)				
Month	**17/18**	**18/19**	**19/20**	**20/21**
April	25,458	36,990	25,180	37,970
May	42,330	46,306	50,390	52,642
June	53,295	53,019	52,524	50,182
July	58,936	54,203	52,662	57,731
August	49,585	44,695	53,390	52,776
September	51,954	38,841	43,676	49,759
October	37,068	27,946	42,907	37,895
November	22,743	20,397	17,106	15,230
December	8,282	6,855	1,261	617
January	26	173	20	10
February	188	65	0	17
March 1/	7,277	3,848	4,635	401
Cumulative	357,142	333,338	343,750	355,229
Source: Brazilian Sugarcane Industry Association (UNICA). 1/ March 2021 up to March 15.				

Sugarcane crushed in Center-Southern Brazil (1,000 metric tons)				
Month	**17 /18**	**18/19**	**19/20**	**20/21**
April	41,945	60,170	45,628	60,702
May	70,264	75,418	83,347	84,764
June	87,222	88,060	89,079	84,928
July	98,907	92,880	90,906	97,596
August	84,512	77,214	90,831	88,829
September	85,933	66,601	74,813	85,056
October	62,664	50,607	70,403	63,919
November	38,721	36,103	30,772	29,101
December	13,073	15,459	3,309	2,482
January	587	1,120	214	257
February	1,308	823	629	1,156
March 1/	11,195	8,714	10,431	1,677
Cumulative	596,330	573,169	590,361	600,467
Source: Brazilian Sugarcane Industry Association (UNICA). 1/ March 2021 up to March 15.				

Area Planted to Sugarcane

Brazil's total sugarcane area for MY 2021/22 is projected at 9.8 million hectares (ha), down one percent vis-à-vis the previous season. Industry contacts report that steady grain prices have encouraged the migration of marginal sugarcane areas to soybeans and corn. The map below illustrates sugarcane planted areas in Brazil. The center-southern states (SP, PR, MG, MS, MT, and GO) represent over 90 percent of total sugarcane output and the crop season extends from April through March. In contrast, the north-northeastern states (AL, PE, PB, RN, and BA) account for less than ten percent of the total volume and crushing occurs during the September-August crop season.



Source: MAPA/CONAB (Ministerio da Agricultura, Pecuaria e Abastecimento/Companhia Nacional de Abastecimento, December 2020)

Total sugarcane area for crushing for MY 2021/22 is projected at 9.35 million ha, a one percent drop relative to the previous MY. The table below shows the sugarcane harvested area, according to the Ministry of Agriculture, Livestock and Supply's (MAPA) National Supply Company (CONAB), and the Agricultural Economics Institute (IEA) of the State of Sao Paulo Secretariat of Agriculture.

Area Harvested to Sugarcane (1,000 ha)								
	2013	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**
Brazil	8,810.8	9,004.5	8,654.8	9,049.2	8,729.5	8,589.2	8,442.0	8,605.0
Sao Paulo	5,501.9	5,539.7	5,605.7	5,569.2	5,601.2	5,644.9	5,608.6	5,585.5
Sources: National Supply Company (CONAB), Agricultural Economics Institute (IEA)								

Genetically Modified Sugarcane Varieties

The research and use of genetically modified (GM) organisms in Brazil must be approved by the federal National Biosafety National Technical Committee (CTNBio - Comissao Tecnica Nacional de Bioseguranca). Brazil currently has two sugarcane GM varieties (CTC20 BT and CTC9001 BT) launched/commercialized by the Sugarcane Technological Center (CTC - Centro de Tecnologia Canavieira) in 2017 and 2018. The GM varieties are transformed to contain genes from a soil bacterium called Bacillus Thuringiensis (or BT), allowing the plant to produce proteins that are toxic to cane borer and act as an insecticide. Both varieties control sugarcane borer ("broca" da cana), which annual losses for the industry are estimated at US$ 860 million at the current exchange rate. CTC is developing a new GM variety resistant to the insect Sphenophorus levis ("bicudo da cana"). The Brazilian Agricultural Research Enterprise (Embrapa) has been also testing the BtRR variety resistant to both sugarcane borer and glyphosate.

The CTC varieties can be used to produce sugar and ethanol. In 2018, the U.S. Food and Drug Administration (FDA) and Health Canada declared that sugar produced from GM sugarcane is safe for consumption. Industry contacts report that area planted to GM varieties are estimated at 15,000 hectares in MY 2020/21 and forecast at 55,000-60,000 ha for MY 2021/22. The industry also reports that the near-term cultivation of GM sugarcane varieties for the next upcoming years is focused on plant propagation, given that sugarcane is vegetative propagated and the number of plants under cultivation limits its rate of area expansion.

Agricultural and Industrial Yields

ATO/Sao Paulo estimates MY 2021/22 agricultural yield at 67.91 metric tons (mt)/hectare (ha), a decrease of two percent compared to MY 2020/21 (69.52 mt/ha), primarily due to weather-related issues. The MY 2021/22 industrial yield is forecast at 140.05 kg of TRS (total reducing sugars)/mt, a decrease of two percent vis-à-vis the previous season (143.62 mt/ha). The dry weather during August/October has notably favored the TRS/mt for MY 2020/21, therefore resulting in the highest industrial yield in the past 13 years. The following table shows historic Brazilian yields measured in TRS per metric ton of sugarcane.

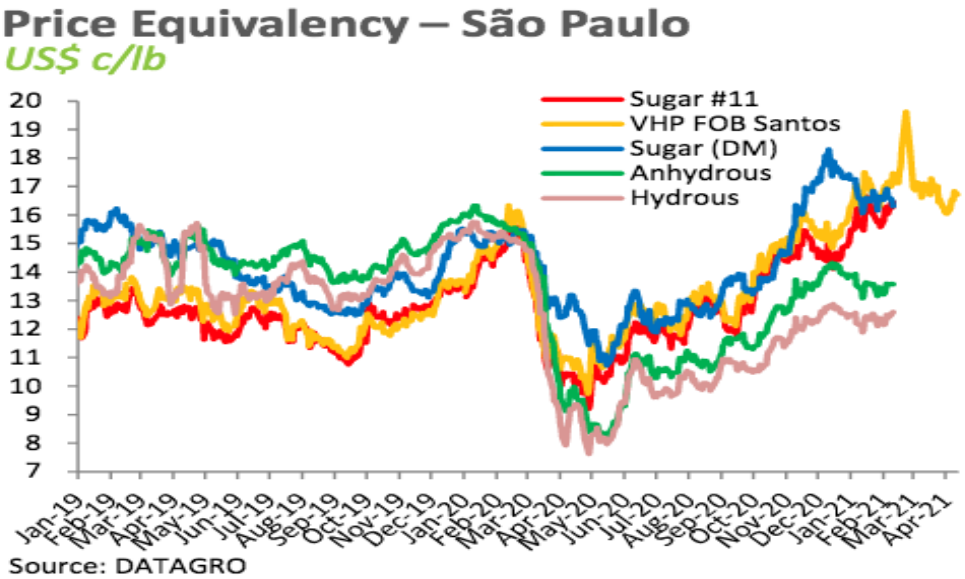
Sugarcane Industrial Yields (kg TRS/metric ton)						
	MY 16/17	**MY 17/18**	**MY 18/19**	**MY 19/20 1**	**MY 20/21**	**MY 21/22 1/**
TRS/ton	133.14	136.45	137.52	138.15	143.62	140.05
Souce: USDA/FAS/ATO/Sao Paulo 1/Estimate						

Sugar and Ethanol Production Mix

Brazilian sugar-ethanol mills have the unique ability to adjust the ratio of their ethanol and sugar production. Sugar prices have recovered since March 2020 and have remained much more attractive than ethanol prices. The graph below shows sugar #11 future prices as reported by the Intercontinental Exchange (ICE).

Source: Intercontinental Exchange (ICE).

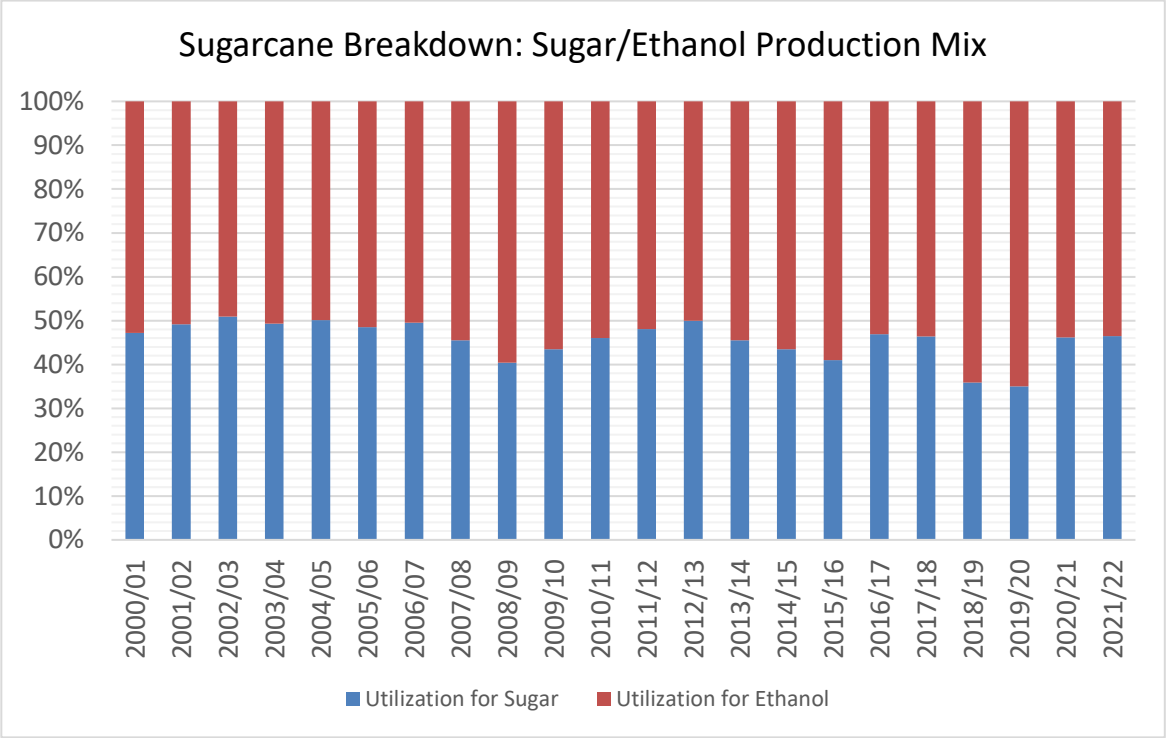
The COVID-19 pandemic and the social distance measures have affected the Brazilian economy, notably promoting a negative impact in the Otto cycle fuel demand (gasoline containing 27 percent of anhydrous ethanol and hydrous ethanol). According to the National Agency for Petroleum, Natural Gas and Biofuels (ANP), pure gasoline production reduced from 23.95 billion liters in 2019 to 21.7 billion liters in 2020, whereas ethanol production (hydrous and anhydrous) decreased from 35.32 billion liters in 2019 to 32.8 billion liters in 2020, a decrease of seven percent year on year. Therefore, ethanol prices remained less attractive than sugar. This is illustrated in the sugar-ethanol price equivalency graph for the State of Sao Paulo, as reported by Datagro.



Updated price equivalency highlights the strong sugar prices vis-à-vis ethanol. The April 12th shows that sugar contract #11 at ICE in New York was negotiated at 15.35 U.S. cents/lb. In contrast, very high polarity (VHP) sugar exported FOB from the Port of Santos and sugar sold on the domestic market were traded at approximately 16.72 and 15.57 U.S. cents/lb (FOB Santos), respectively. The ethanol price equivalence on the domestic market remained less competitive, ranging between 13.14 and 13.79 cents/lb. These prices further highlight the strong sugar prices practiced in the export and domestic markets.

As reported by the industry, several plants anticipated hedging operations for 2021 sales in 2020, taking advantage of the attractive sugar prices. As a consequence, sugar-ethanol plants should remain focusing on sugar production, and the sugar-ethanol production mix will likely be similar to the previous season. The ATO/Sao Paulo projection for the total sucrose (total reducing sugar, TRS) content diverted to sugar and ethanol production for MY 2021/22 is set at 46.5 and 53.5 percent, respectively, relatively unchanged from 46.15 and 53.85 percent, respectively, for MY 2020/21.

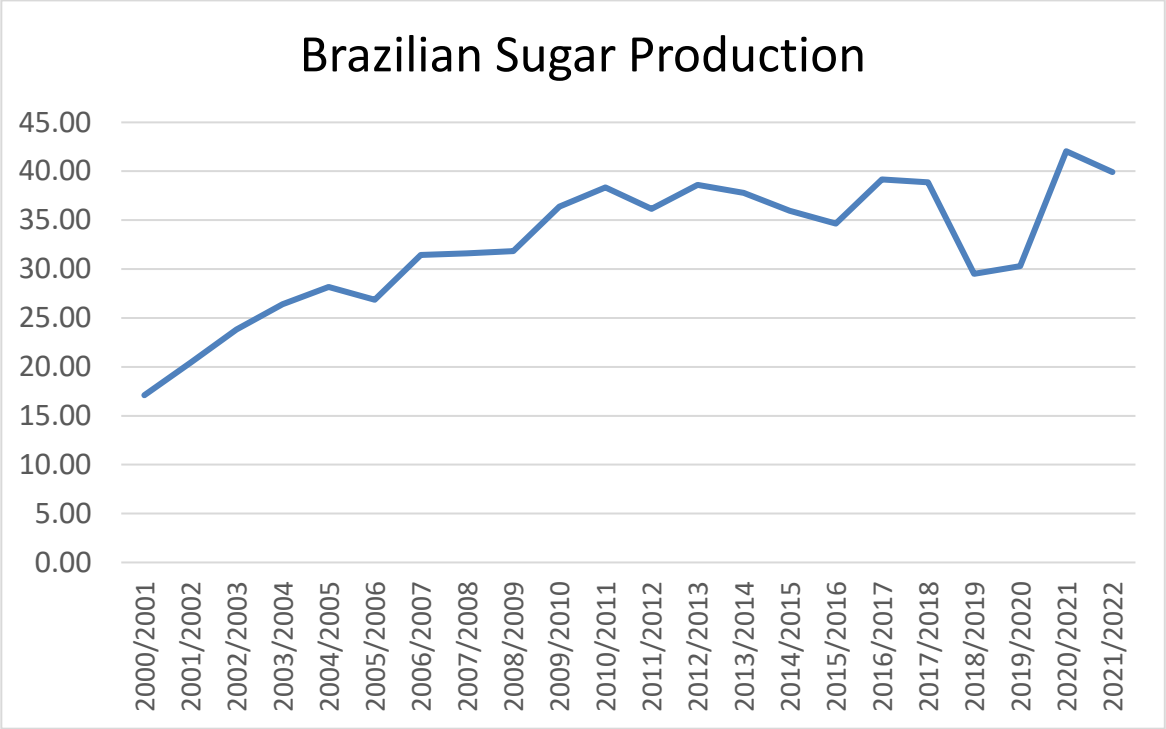
The graph below shows the historical sugar/ethanol production mix breakdown. Note the shift towards more sugar production for MY 2020/21 and 2021/22 compared to the previous two crops, when higher ethanol demand combined with less attractive sugar prices favored more ethanol production.



Source: USDA/ATO/Sao Paulo

Brazil is the top world sugar producer with approximately 20 percent of the total world production. ATO/Sao Paulo forecasts sugar production for MY 2021/22 at 39.92 mmt, raw value, a decrease of five percent compared to MY 2020/21 (42.05 mmt), which is explained by the expected lower volume of

sugarcane for crushing. The center-southern states should account for 36.87 mmt, raw value, a reduction of 2.03 mmt vis-à-vis the previous season (38.9 mmt). The north-northeast sugar production should remain relatively stable at 3.05 mmt of sugar, raw value as opposed to 3.15 mmt in the previous season. Ethanol from sugarcane production for MY 2021/22 is projected at approximately 28 billion liters, a decrease of 2 billion liters relative to MY 2020/21 (30 billion liters). The graph below shows the evolution of sugar production since MY 2000/01.



Source: USDA/ATO/Sao Paulo

According to UNICA, cumulative sugar production in the center-south for MY 2020/21 is 38.46 mmt, a remarkable increase of 44 percent compared to same period in the previous MY. The tables below show monthly sugar production for the state of Sao Paulo and the center-south region for the 2017/18 through 2020/21 crops, as reported by UNICA.

Sugar production in the state of Sao Paulo (Metric tons, tel quel)				
Month	**17 /18**	**18/19**	**19/20**	**20/21**
April	1,288,587	1,587,271	896,261	2,077,035
May	2,661,791	2,344,445	2,460,600	3,540,325
June	3,713,219	3,000,593	2,832,346	3,654,178
July	4,424,127	3,443,977	3,035,918	4,438,414
August	3,837,644	2,783,609	3,223,921	4,277,177
September	4,117,046	2,341,665	2,646,859	4,139,938
October	2,654,635	1,373,240	2,458,387	2,984,984
November	1,334,388	959,922	775,289	1,116,236
December	399,326	256,274	27,963	46,235
January	2	2,185	0	0
February	3,328	680	0	0
March 1/	157,300	84,132	157,589	7,802
Cumulative	24,591,393	18,177,993	18,515,133	26,282,324
Source: Brazilian Sugarcane Industry Association (UNICA). 1/ March 2021 up to March 15.				

Sugar production in Center-Southern Brazil (Metric tons, tel quel)				
Month	**17 /18**	**18/19**	**19/20**	**20/21**
April	1,839,645	2,250,044	1,382,273	3,004,807
May	3,874,688	3,261,570	3,475,214	5,042,277
June	5,373,876	4,273,632	4,082,023	5,298,051
July	6,538,817	5,017,555	4,423,054	6,469,897
August	5,715,100	4,098,579	4,651,032	6,170,137
September	5,996,254	3,446,968	3,835,497	6,069,945
October	3,881,055	2,082,798	3,432,103	4,354,431
November	1,982,544	1,419,066	1,139,066	1,671,126
December	627,383	496,701	63,113	105,222
January	6,623	18,281	7,922	9,559
February	9,641	2,876	2,508	40,023
March 1/	213,881	147,911	267,549	51,456
Cumulative	36,059,507	26,515,981	26,761,354	38,286,931
Source: Brazilian Sugarcane Industry Association (UNICA). 1/ March 2021 up to March 15.				

According to the Ministry of Agriculture, Livestock and Supply (MAPA), cumulative sugar production for the 2020/21 crop (from April 1, 2020 to March 15, 2021) was 41.07 mmt, tel quel. In contrast, ethanol output was 32.18 (9.93 billion liters of anhydrous and 22.25 billion liters of hydrous ethanol). The table below shows updated estimates for sugarcane, sugar, and ethanol production by state for 2020/21, as reported by MAPA.

Cane, Sugar & Ethanol Production: 2020/21 Crop (MT and 000 Liters)					
			Ethanol		
State/Region	**Cane**	**Sugar**	**Anhydrous**	**Hydrous**	**Total**
Espirito Santo	2,655,223	137,159	70,903	40,433	111,336
Goias	73,700,815	2,312,419	881,689	4,340,896	5,222,585
Minas Gerais	69,910,306	4,674,677	904,953	2,152,017	3,056,970
Mato Grosso Sul	47,426,943	1,812,629	652,037	2,128,646	2,780,683
Mato Grosso	16,773,194	484,405	936,182	2,287,400	3,223,582
Parana	34,054,712	2,612,684	524,848	709,369	1,234,217
Rio de Janeiro	1,083,302	8,244	0	74,305	74,305
Rio Grande Sul	217,706	0	0	230	230
Sao Paulo	357,315,352	26,071,527	5,005,379	9,362,531	14,367,910
Center South	**603,137,553**	**38,113,744**	**8,975,991**	**21,095,827**	**30,071,818**
Acre	0	0	0	0	0
Amazonas	281,508	10,950	0	9,009	9,009
Ceara	0	0	0	0	0
Maranhao	2,427,392	14,975	162,468	15,726	178,194
Para	1,036,367	50,908	38,676	11,724	50,400
Piaui	1,177,316	81,741	28,135	10,473	38,608
Rondonia	0	0	0	0	0
Tocantins	2,170,964	0	87,062	88,888	175,950
North	**7,093,547**	**158,574**	**316,341**	**135,820**	**452,161**
Alagoas	16,418,482	1,378,625	186,646	220,893	407,539
Bahia	4,458,390	134,163	117,022	156,524	273,546
Paraiba	6,112,306	143,762	177,436	217,934	395,370
Pernambuco	11,806,332	849,262	103,092	250,321	353,413
Rio Grande Norte	3,067,771	173,600	31,337	86,270	117,607
Sergipe	2,211,715	117,585	21,119	83,876	104,995
Northeast	**44,074,996**	**2,796,997**	**636,652**	**1,015,818**	**1,652,470**
TOTAL	**654,306,096**	**41,069,315**	**9,928,984**	**22,247,465**	**32,176,449**
Source: Ministry of Agriculture, Livestock and Supply-Sugar, Alcohol Dept, 03/15/2021					

Sugarcane and Sugar Prices in the Domestic Market

Sugarcane prices received by third-party suppliers for the major producing states are based on a formula that takes into account prices for sugar and ethanol in both the domestic and international markets. The State of São Paulo Sugarcane, Sugar and Ethanol Growers Council (CONSECANA) was the first to develop this formula, and it is used for the state of Sao Paulo, which comprises approximately 60 percent of center-south production.

CONSECANA reports that the average sugarcane price (cumulative through February 2021) for the state of Sao Paulo for the 2020/21 crop was R$0.7567 per kg of TRS, or approximately R$110.86 per ton of sugarcane, an increase of 23 percent compared to the same period for MY 2019/20 (R$0.6487 per kg of TRS, or approximately R$90.01 per ton of sugarcane).

In February 2021, the Program for Continued Education in Economics and Business Management (PECEGE) connected to Escola Superior de Agricultura "Luiz de Queiroz" (ESALQ) reported that the price of total reducing sugar (TRS)/metric ton of sugarcane received by sugarcane growers in the State of Sao Paulo for MY 2021/22 is forecast at R$ 0.8680, a 13 percent increase compared to the previous MY. This increase is due to the expected recovery of the Brazilian economy in 2021 and the likely devalued Real, the local currency, vis-à-vis the U.S. Dollar.

The Crystal Sugar Price Index released by ESALQ is below. The Index tracks crystal sugar prices received by producers in the domestic spot market. Note the steady increase in sugar prices in the domestic market during the harvest of the Center-South crop in 2020/21, following the steady recovery of international prices (see the sugar #11 future price series graph as reported by ICE in the Sugar and Ethanol Production Mix section).

Crystal Sugar Price Index - Domestic Market (Real, 50kg/bag, including tax)					
Period	**2017**	**2018**	**2019**	**2020**	**2021**
January	88.02	60.88	68.81	74.33	106.31
February	83.22	53.23	68.32	78.35	107.70
March	77.48	51.32	67.91	78.45	107.58
April 1/	74.28	54.89	68.45	77.38	106.55
May	76.96	54.27	69.09	74.84	--
June	72.25	57.80	62.55	76.24	--
July	61.18	55.11	59.70	77.36	--
August	54.42	51.49	60.06	81.44	--
September	52.41	60.68	61.68	86.53	--
October	54.64	64.36	65.33	93.75	--
November	64.40	67.73	66.13	106.20	--
December	68.54	68.57	70.26	108.78	--
Source: USP/ESALQ/CEPEA. 1/April 2021 price refers to April 9.					

Exchange Rate

Exchange Rate (R$/US$1.00 - official rate, last day of period)							
Month	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**
January	2.66	4.04	3.13	3.16	3.65	4.25	5.48
February	2.88	3.98	3.10	3.24	3.74	4.50	5.53
March	3.21	3.56	3.17	3.32	3.90	5.20	5.70
April 1/	2.98	3.45	3.20	3.48	3.94	5.43	5.64
May	3.18	3.60	3.26	3.74	3.94	5.43	--
June	3.10	3.21	3.30	3.86	3.83	5.48	--
July	3.39	3.24	3.13	3.75	3.76	5.20	--
August	3.65	3.24	3.15	4.14	4.14	5.47	--
September	3.98	3.25	3.17	4.00	4.16	5.64	--
October	3.86	3.18	3.27	3.72	4.00	5.77	--
November	3.85	3.40	3.26	3.86	4.22	5.33	--
December	3.90	3.47	3.31	3.87	4.03	5.20	--
Source: Brazilian Central Bank (BACEN) - 1/ April 2021 refers to April 9.							

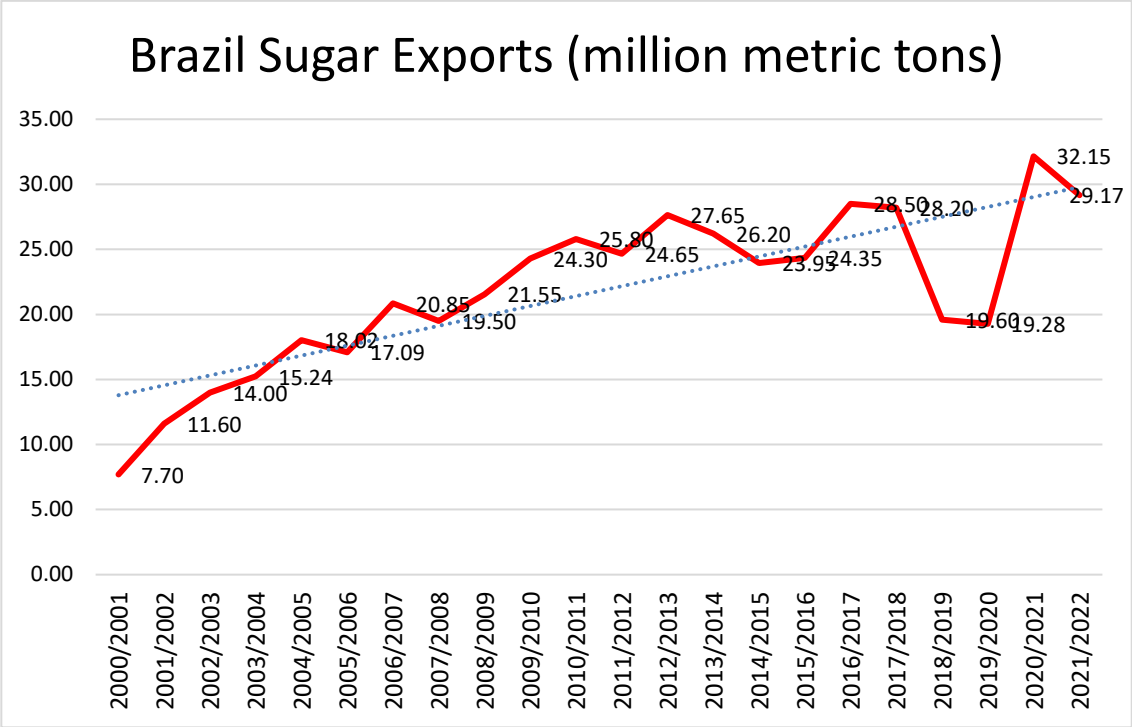
Consumption

There is no official source for the domestic consumption of sugar in Brazil. ATO/Sao Paulo forecasts Brazilian sugar consumption for MY 2021/22 at 10.2 mmt, raw value, slightly up from the revised figure for MY 2020/21 (10.15 mmt, raw value). Post contacts estimate that 45 percent of the total domestic consumption is for direct use, e.g, consumers purchasing sugar at the grocery store, whereas 55 percent is for indirect use, e.g., for industrial use. Sugar consumption is correlated to some extent to the country's economic activity. Several important Brazilian financial institutions have been steadily reviewing downward the Brazilian Gross Domestic Product (GDP) projection for 2021 placing the current projection at 3.08 percent. The GDP for 2020 is officially estimated by the Brazilian Institute of Geography and Statistics (IBGE) at - 4.1 percent.

Exports

Brazil is by far the major worldwide sugar exporter. ATO/Sao Paulo projects Brazil's sugar exports for MY 2021/22 at 29.17 mmt, raw value, down 2.98 mmt, raw value, from the previous season, due to the likely lower sugar exportable surplus compared to the previous season. The significant devaluation of the Brazilian currency, the Real, vis-a-vis the U.S. dollar, should keep the Brazilian product highly competitive. In addition, as reported by the industry, the world sugar market should remain in deficit moving from an approximate 2.5 mmt deficit in MY 2019/20 (MY October-September) to a 1 to 2 mmt deficit for MY 2020/21 (MY October-September). The likely deficit provides another incentive for Brazilian mills in the center-south to produce sugar for exports. Raw sugar exports will likely account for 23.34 mmt during My2021/22, raw value, whereas the remainder represents exports of refined sugar.

The revised estimate for Brazilian exports in MY 2020/21 is 32.15 mmt, raw value, the largest volume ever exported by Brazil, representing roughly 50 percent of the world exports, as reported by the USDA PSD Online database. Brazil is followed by Thailand, India, Australia and Guatemala. The graph below illustrates Brazilian sugar exports since 2000 and the steady upward trend for exports.



Source: USDA/ATO/São Paulo

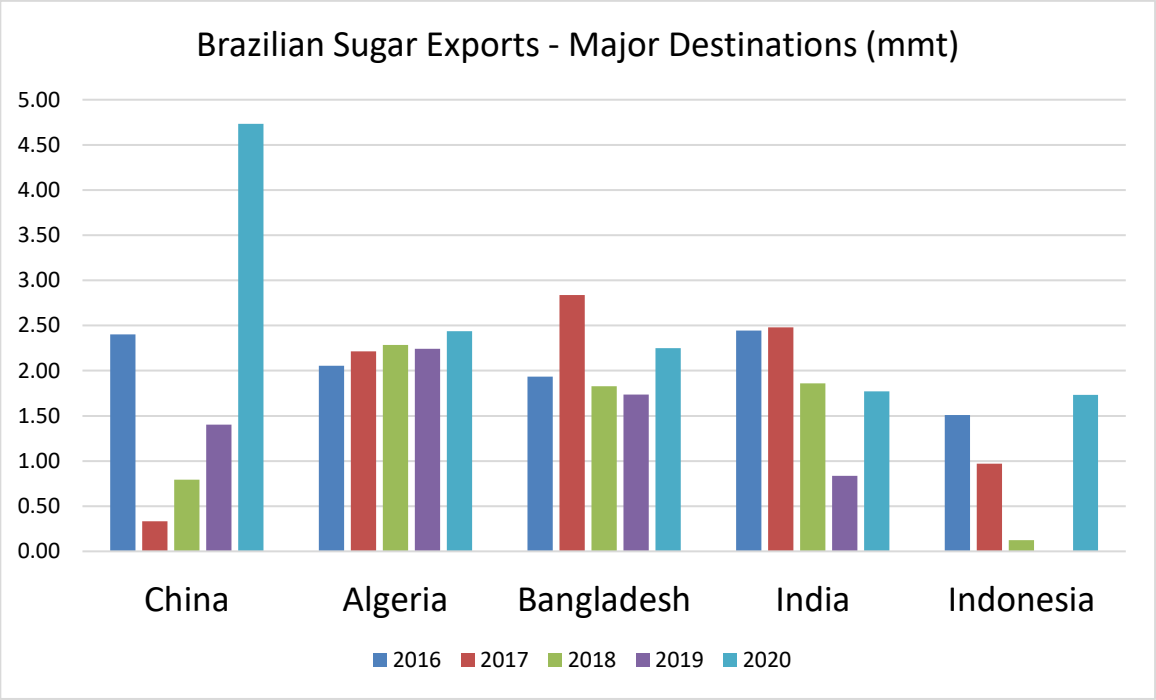
The following tables show Brazilian sugar exports by destination for MY 2019/20 and 2020/21 (April-March) as reported by the Trade Data Monitor (TDM). According to TDM, cumulative exports from April 2020 to March 2021 are 32.14 mmt, tel quel, a remarkable increase of 70 percent relative to MY 2019/20 (18.94 mmt, tel quel).

Brazilian Sugar Exports (NCMs 1701.11, 1701.13 & 1701.14, MT, tel quel, US$ 000 FOB)				
Country	**MY 2019/20 1/**		**MY 2020/21 1/**	
	Value	**Quantity**	**Value**	**Quantity**
China	382,169	1,374,762	1,371,266	4,977,768
Algeria	696,325	2,449,270	633,062	2,263,649
Bangladesh	534,770	1,916,017	619,654	2,175,914
Indonesia	42,674	145,905	597,862	2,160,831
India	252,209	899,418	477,709	1,755,821
Nigeria	431,604	1,597,322	451,445	1,624,279
Malaysia	82,221	296,013	423,501	1,551,271

Morocco	239,769	861,352	414,096	1,449,690
Saudi Arabia	460,577	1,669,389	382,268	1,367,825
UAE	192,129	703,178	314,713	1,165,991
Others	1,433,293	4,927,120	2,144,383	7,366,661
Total	4,747,739	16,839,746	7,829,960	27,859,700
Source: Trade Data Monitor (TDM) based on the Brazilian Foreign Trade Secretariat (SECEX) Note: Numbers may not add due to rounding 1/ April - March				

Brazilian Sugar Exports (NCM 1701.99.00, MT, tel quel, US$ 000 FOB)				
Country	**MY 2019/20 1/**		**MY 2020/21 1/**	
	Value	**Quantity**	**Value**	**Quantity**
Yemen	62,176	199,592	113,016	370,068
Ghana	45,043	140,859	96,863	302,080
Benin	63,209	198,049	95,158	299,509
Mauritania	10,992	32,257	82,336	243,836
Venezuela	71,826	141,650	108,959	242,522
Togo	54,347	173,468	76,250	232,303
Gambia	34,243	109,525	72,756	223,231
United States	67,140	90,812	109,095	216,551
Senegal	31,159	91,041	67,783	213,583
Angola	91,261	285,204	63,586	203,172
Others	229,886	642,330	589,223	1,732,087
Total	761,283	2,104,786	1,475,027	4,278,942
Source: Trade Data Monitor (TDM) based on the Brazilian Foreign Trade Secretariat (SECEX) Note: Numbers may not add due to rounding 1/ April - March				

Major Brazilian sugar destinations include China, Algeria, Bangladesh, India, and Indonesia. The graph below illustrates Brazilian sugar exports by major destination for calendar years 2016 through 2020, as reported by the Trade Data Monitor (TDM).



Source: TDM - Trade Data Monitor

Stocks

Post forecasts total sugar ending stocks for MY 2021/22 at 890,000 mt, an increase of 550,000 from the revised estimate for MY 2020/21 (550,000 mt). There is no official source for carry-over stocks of sugar in Brazil.

Policy

U.S. Sugar TRQ

Imports of sugar into the United States are governed by tariff-rate quotas (TRQ), which allow a certain quantity of sugar to enter the country under a low tariff. TRQs apply to imported raw cane sugar, refined sugar, sugar syrups, specialty sugars, and sugar-containing products. The sugar import program meets the U.S. commitments under the Uruguay Round Agreement on Agriculture.

USDA establishes the annual quota volumes for each federal fiscal year (beginning October 1), and the U.S. Trade Representative (USTR) allocates the TRQs among countries. Sugar and related products paying a higher, over-quota tariff may enter the country in unlimited quantities. About 40 countries worldwide receive TRQs allocations based on historical trade to the United States. The top three quota holding countries are the Dominican Republic, Brazil, and the Philippines.

On July 9, 2020, the U.S. Secretary of Agriculture announced the establishment of the in-quota quantity for raw cane sugar for Fiscal Year (FY) 2021. The in-quota quantity for the TRQ on raw cane sugar for

FY 2021 is 1,117,195 metric tons, raw value, which is the minimum amount to which the United States is committed under the World Trade Organization (WTO) Agreement.

As the second-largest recipient of the U.S. sugar tariff quota, Brazil held a raw value allocation of 152,691 metric tons at the beginning of FY 2021, which is equivalent to approximately 14 percent of the total TRQ. Additional quota throughout the FY will depend on the U.S. crop outlook. The table below shows the Brazilian U.S. sugar TRQ allocations (original and additional) for the past years.

U.S. Raw Sugar Tarif-Rate Quota (TRQ) for Brazil (Metric Tons)

Fiscal Year - FY	Original TRQ Allocation	Additional TRQ Allocation	Total
2012	155,634	81,136	236,770
2013	152,691	16,107	168,798
2014	152,691	15,251	167,942
2015	152,691	37,978	190,669
2016	152,691	33,865	186,556
2017	152,691	30,001	182,692
2018	152,691	30,000	182,691
2019	152,691	52,464	205,155
2020	152,691	158,203	310,894
2021	152,691	--	152,691

Source: USTR

Sugarcane and Sugar PSD Tables

Sugar Cane for Centrifugal	2019/2020		2020/2021		2021/2022	
Market Year Begins	Apr 2019		Apr 2021		Apr 2022	
Brazil	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (1000 HA)	9900	9900	9900	9900	0	9800
Area Harvested (1000 HA)	9330	9330	9450	9450	0	9350
Production (1000 MT)	642000	642000	655000	657000	0	635000
Total Supply (1000 MT)	642000	642000	655000	657000	0	635000
Utilization for Sugar (1000 MT)	224700	224700	311125	303206	0	301625
Utilization for Alcohol (1000 MT)	417300	417300	343875	353794	0	333375
Total Utilization (1000 MT)	642000	642000	655000	657000	0	635000
(1000 HA) ,(1000 MT)						

Sugar, Centrifugal	2019/2020		2020/2021		2021/2022	
Market Year Begins	Apr 2019		Apr 2020		Apr 2021	
Brazil	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Beginning Stocks (1000 MT)	220	220	215	590	0	340
Beet Sugar Production (1000 MT)	0	0	0	0	0	0
Cane Sugar Production (1000 MT)	29925	30300	42060	42050	0	39920
Total Sugar Production (1000 MT)	29925	30300	42060	42050	0	39920
Raw Imports (1000 MT)	0	0	0	0	0	0
Refined Imp.(Raw Val) (1000 MT)	0	0	0	0	0	0
Total Imports (1000 MT)	0	0	0	0	0	0
Total Supply (1000 MT)	30145	30520	42275	42640	0	40260
Raw Exports (1000 MT)	17030	17030	25616	25720	0	23336
Refined Exp.(Raw Val) (1000 MT)	2250	2250	6404	6430	0	5834
Total Exports (1000 MT)	19280	19280	32020	32150	0	29170
Human Dom. Consumption (1000 MT)	10650	10650	10020	10150	0	10200
Other Disappearance (1000 MT)	0	0	0	0	0	0
Total Use (1000 MT)	10650	10650	10020	10150	0	10200
Ending Stocks (1000 MT)	215	590	235	340	0	890
Total Distribution (1000 MT)	30145	30520	42275	42640	0	40260
(1000 MT)						

Attachments:

No Attachments