

## 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 year 2004/05 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, the EU data shows the situation for the 25 countries that comprise the EU for that period and in the future.**

### World Sugar Situation 2004/05

World sugar production for the 2004/05 marketing year is estimated at 141.7 million tons, raw value, down slightly from the May forecast, while world consumption is lowered 1 percent to 140.5 million tons. A decline in India's production prospects was offset by an increase for Brazil, China, and Australia.

World production for 2004/05 equals the previous year's revised estimate of 141.7 million tons, while consumption is up 1.3 million tons from a year earlier. Exports are estimated at 45.7 million tons, up 132,000 tons, and ending stocks are estimated at 31.7 million tons, down 4.8 million tons.

Increases in 2004/05 world production and trade are mainly due to higher production in Brazil, up 2 million tons, Australia, up 500,000 tons, and China, up 400,000 tons. Production in Thailand is estimated at 6.5 million tons, down almost 500,000 tons from 2003/04.

Over the period 2002/03 through estimated 2004/05, Brazil and India have experienced the most dramatic changes in production and trade. In 2002/03, India produced a record 22.1 million tons of sugar, imported a negligible quantity, and exported 1.4 million tons. For 2004/05, India's production is 13.6 million tons and imports are 1.8 million tons. Ending stocks are estimated at 4.7 million tons, down from 12.4 million tons two years ago.

Since 2002/03, Brazil's sugar production has increased by 4.6 million tons to total 28.4 million tons, accounting for 20 percent of world production. Brazil's exports of 18.1 million tons in 2004/05, are up 4.1 million tons from 2002/03 and account for nearly 40 percent of world exports. In 2002/03, Brazil's ending stocks were only 270,000 tons, representing 1 percent of total disappearance (exports plus consumption). Ending stocks for 2004/05 are 1.3 million tons, nearly 4 percent of disappearance.