

Table of Contents

	PAGE
PROFILES:	
World Sugar Situation: Summary	4
World and Domestic Sugar Prices	6
Situation and Outlook in Selected Countries	8
Australian Sugar Industry Expected to Dominate Asian Market	13
U.S. Sugar and Sweeteners Exports	17
Honey Situation and Outlook in Selected Countries	42
 LIST OF TABLES:	
Marketing Years for Centrifugal Sugar	3
World and U.S. Raw and Refined Sugar Prices	7
U.S. 1997/98 Raw Sugar Tariff Rate Quota	8
World Sugar Production, Supply, and Distribution	20
U.S. Refined Sugar Exports	37
U.S. Raw Sugar Imports	40
Honey Production, Supply, and Distribution for Selected Countries	46
United States: Honey Imports by Class	47
United States: Honey Exports by Country of Destination.	48
United States: Honey Imports by Country of Origin	49
Germany: Honey Imports by Country of Origin	50
Argentina: Honey Exports by Country of Destination	50
Canada: Honey Exports by Country of Destination	51
China: Honey Exports by Country of Destination	51
Mexico: Honey Exports by Country of Destination	52

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Unless otherwise designated, split years (e.g. : 1991/92) refer to Marketing Years. All measures not otherwise noted are in metric tons and expressed in raw value. One kilogram (kg) = 2.2046 lbs., one metric ton (mt) = 2,204.62 lbs. or 1.10231 short tons, and one hectare = 2.471 acres. One ton of refined cane sugar = 1.07 tons of sugar, raw value. One ton of refined beet sugar = 1.087 tons of sugar, raw value (except for the United States which is 1.07).

MARKETING YEARS FOR CENTRIFUGAL SUGAR

Jan/Dec 1/	Apr/Mar	May/Apr	Jun/May	Jul/Jun	Aug/Jul	Sep/Aug	Oct/Sep	Nov/Oct	Dec/Nov
Egypt	Chile	Swaziland	Argentina	Australia	Romania	*Albania	Austria	*Cuba	Thailand
*Guyana	Indonesia	Brazil	Ecuador	*Bangladesh		*Algeria	Belgium/Lux	Dominican Rep.	
*Haiti	*Malawi		*Fiji	Greece		*Baltic States	China	Guatemala	
Jamaica	South Africa		*Mauritius	Ireland		*Barbados	Costa Rica	Mexico	
Kenya	Zimbabwe			*Paraguay		Belize	Denmark	Nigeria	
Malaysia				*Reunion		*Bolivia	France	Taiwan	
Morocco				Spain		*Bulgaria	Germany		
Peru				*Tanzania		Canada	India		
Trinidad & Tobago						Colombia	Japan		
*Zaire						*Cote d' Ivoire	Netherlands		
						Czech Republic	Pakistan		
						El Salvador	Panama		
						Finland	Poland		
						Honduras	Sweden		
						Hungary	United States		
						*Iran			
						*Iraq			
						Italy			
						South Korea			
						*Libya			
						*New Zealand			
						Nicaragua			
						*Norway			
						Philippines			
						Portugal			
						*Saudi Arabia			
						*Slovakia			
						*Sri Lanka			
						*Sudan			
						*Suriname			
						*Switzerland			
						*Tunisia			
						Turkey			
						United Kingdom			
						*Uruguay			
						Venezuela			
						former Yugoslavia			

1/ Calendar year in Egypt, Guyana, Haiti, Jamaica, Peru, and Trinidad & Tobago is during the second half of split year.

* Countries and regions not covered by USDA Agricultural Counselor or Attache Reports.

WORLD SUGAR SITUATION

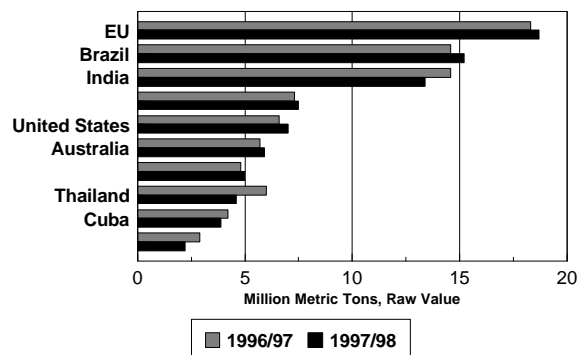
World sugar production and exports in 1997/98 are expected to remain relatively unchanged from the previous year. Higher exports from Brazil, the European Union, and Australia are expected to be offset by declines in exports from Thailand, Cuba, and Ukraine. World sugar consumption in 1997/98 is forecast at a record 124.7 million tons, 1 percent above the previous year's level. Demand for sugar remains strong in Central and South America. The impact of the recent currency problems in many Asian countries is unknown. Some industry sources believe that sugar consumption will continue to grow in the region, as sugar is seen as a staple commodity in the Asian diet.

Summary

Production

The 1997/98 world centrifugal sugar production estimate of 122.2 million tons (raw value), is virtually unchanged from the earlier May 1997 forecast. The 1997/98 estimate is slightly below the revised record output of 122.8 million tons produced in 1996/97. Sugar produced from sugarcane is forecast at 85.0 million tons, down slightly from last year, and sugar processed from sugarbeets is forecast at 37.4 million tons, down less than 1 percent from last season and 9 percent less than the record 41.1 million tons produced in 1990/91. The 1997/98 sugar production estimates for Thailand and India are 1.4 and 1.2 million tons respectively, below last year's output. The Ukraine will be down, 700,000 tons from 1996/97. Partially offsetting these declines are expected increases in 1997/98 for the following countries: Brazil, up 550,000 tons; United States, 463,000 tons; European Union, 429,000; Pakistan 400,000 tons, and Argentina 280,000 tons.

Leading Sugar Producing Countries
1996/97-1997/98 1/



1/ Estimate

The 400,000 ton upward revision in the 1996/97 estimate since June 1997 was due to increased output in Pakistan, China, Australia, Mexico, and Guatemala. Thailand's and Cuba's, estimates however were revised downward.

Trade

In 1997/98 world sugar trade is forecast to remain relatively unchanged from the previous year's shipments. Higher exports from Brazil, the European Union, and Australia are expected to offset declines in exports from Thailand, Cuba, and Ukraine. Many leading exporting countries are shipping to markets with increased domestic

consumption such as Central and South America and Asia.

Brazil is forecast to export a record 6.4 million tons in 1997/98, due to increased sugar production as cane is diverted from alcohol production, where high stocks prevail.

Leading importers of sugar are expected to be China, Russia, the United States, and the European Union. India is forecast to emerge as a net importer in 1997/98. This trend in India is forecast to continue as domestic consumption is expected to exceed production. Russia's sugar imports are forecast to remain unchanged from the 1996/97 level. Recently, Russia signed an agreement with Ukraine to import 600,000 tons of white sugar from them in 1997/98. An additional 400,000 tons is also expected to be shipped from Ukraine to Russia. Russia is expected to also import from Brazil and Cuba.

Consumption

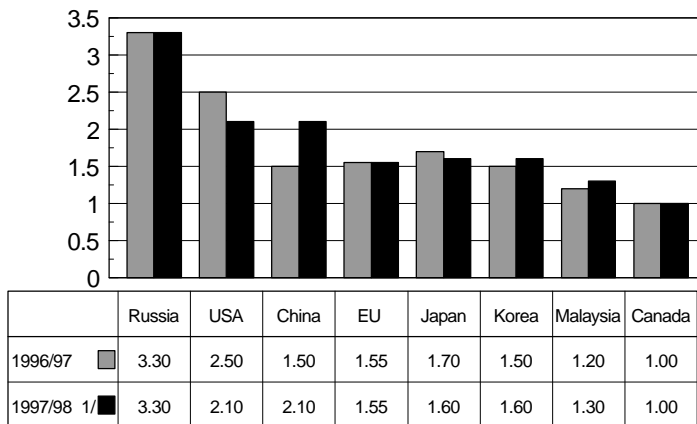
The world sugar consumption estimate for 1997/98 is forecast at a record 124.7 million tons, a 1 percent increase over the previous year's level. This increase is expected to be driven by many of the chief consuming countries, especially in India, the Middle East, Brazil, and the United States. Some growth is expected in Africa as South African production increases. The impact of the recent currency problems in many Asian countries is unknown. Some industry sources believe that sugar consumption will continue to grow in the region, as sugar is seen as a staple commodity in the Asian diet.

Stocks

The world sugar ending stock estimate for 1997/98 is forecast at 23.6 million tons, a 10 decrease from the 1996/97 level. India accounts for most of the reduction in stocks due to decreased production.

Leading Sugar Importing Countries

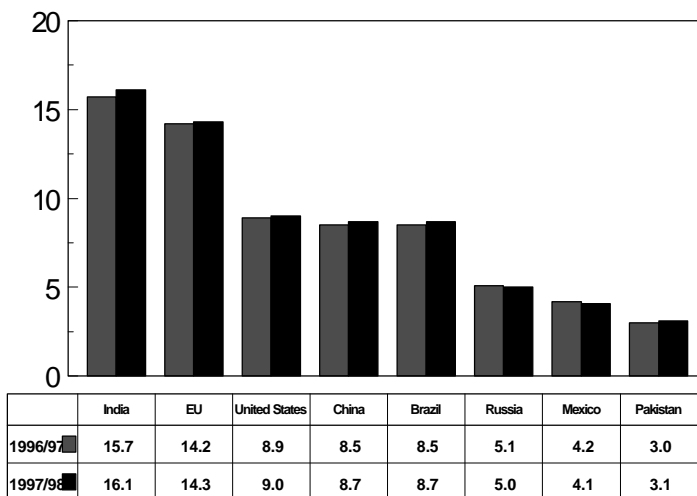
Million Metric Tons, Raw Value



1/ Estimate

Leading Sugar Consuming Countries 1996/97-1997/98 1/

Million metric Tons, Raw Value



1/ Estimate

World and Domestic Sugar Prices

World prices for raw sugar (f.o.b. Caribbean Contract No. 11) averaged 11.21 cents per pound during the first quarter of 1997, 11.69 in the second quarter, and 12.44 in the third quarter of 1997. In comparison, these prices were 12.87 cents, 12.30 cents, and 12.34 cents a pound for the first three quarters of 1996 respectively. In the first quarter of 1997, world raw sugar prices dropped significantly, reaching a low of 11.06 cents per pound in February. Since that time, prices have risen steadily. This increase is in part due to prices hitting an upward movement in the 2-year sugar price cycle, after hitting a low in 1996. In addition, prices this year have strengthened from possible lower production due to El Niño, a drop in acreage harvested in the European Union, and a drop in the acreage harvested in India.

World refined sugar (c.i.f., London, Contract No. 5) prices averaged 13.97 cents and 14.58 cents per pound for the first 2 quarters of 1997, compared to 17.80 cents and 17.94 cents per pound in the first 2 quarters of 1996.

In the United States, wholesale refined sugar prices averaged 28.71 cents, 27.83 cents, and 26.68 cents per pound in the first 3 quarters of 1997, compared to 29.06 cents, 29.57 cents, and 29.17 cents per pound in the first 3 quarters of 1996 respectively. The strong prices in 1996 were in part due to a much poorer 1995/96 U.S. beet sugar output than had been expected earlier in the season. Prices have softened in the spring of 1997, as a better beet crop in 1997/98 is expected, and the pace of growth of U.S. sugar deliveries may be weakening.

U.S. raw sugar prices (nearby futures, c.i.f., duty-fee paid, New York, Contract No. 14) averaged 22.18 cents per pound for the third quarter of 1997, compared to 22.23 cents per pound in the third quarter of 1996.

**World and U.S. Raw and Refined Sugar Prices
(monthly averages)**

World Raw Sugar Prices 1/

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
	(Cents per Pound)											
1994	10.29	10.80	11.71	11.10	11.79	12.04	11.73	12.05	12.62	12.75	13.88	14.76
1995	14.87	14.43	14.58	13.63	13.49	13.99	13.46	13.75	12.72	11.94	11.96	12.40
1996	12.57	12.97	13.07	12.43	11.94	12.54	12.83	12.33	11.87	11.65	11.29	11.38
1997	11.13	11.06	11.17	11.50	11.54	12.02	12.13	12.54	12.65	n/a	n/a	n/a

1/ Contract No. 11 F.O.B stowed port (including Brazil bulk spot price)
Source: New York, Coffee, Sugar, and Cocoa Exchange

World Refined Sugar Prices 2/

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
	(Cents per Pound)											
1994	13.14	14.11	15.46	14.92	15.77	16.05	15.54	15.62	15.42	15.46	17.77	18.65
1995	18.75	18.17	17.45	16.31	17.05	19.16	20.27	20.01	16.58	17.29	17.64	17.21
1996	17.36	17.90	18.14	18.02	17.79	18.00	16.99	16.81	15.74	14.87	14.09	13.95
1997	13.87	13.98	14.05	14.19	14.61	14.93	15.07	15.66	n/a	n/a	n/a	n/a

2/ Contract No. 5, London Daily Price for refined sugar, F.O.B Europe, spot.
Source: LIFFE, London

U.S. Raw Sugar Prices 3/

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
	(Cents per Pound)											
1994	22.00	21.95	21.95	22.08	22.18	22.44	22.72	21.84	21.78	21.58	21.57	22.35
1995	22.65	22.69	22.46	22.76	23.10	23.09	24.47	23.18	23.21	22.67	22.60	22.63
1996	22.39	22.68	22.57	22.71	22.62	22.48	21.80	22.51	22.38	22.37	22.12	22.14
1997	21.88	22.07	21.81	21.79	21.70	21.62	22.04	22.21	22.30	22.27	n/a	n/a

3/ Duty-Free paid, New York
Source: New York, Coffee, Sugar, and Cocoa Exchange

U.S. Wholesale Refined Sugar Prices 4/

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
	(Cents per Pound)											
1994	25.75	25.50	25.50	24.50	24.75	25.25	25.00	25.00	24.70	25.00	25.39	25.50
1995	25.50	25.50	25.50	25.50	25.13	25.10	24.75	24.75	25.50	25.75	28.13	28.85
1996	28.69	29.00	29.50	29.50	29.70	29.50	29.50	29.00	29.00	29.00	29.00	29.00
1997	29.00	29.00	28.13	28.00	28.00	27.50	27.00	26.65	26.38	24.90	n/a	n/a

4/ Midwest Market
Source: Milling and Baking News

**U.S. Raw Sugar Tariff Rate Quota
1997/98 Allocations
(Metric tons, Raw Value)**

Country Allocation	INITIAL	Quota ALLOCATION
Argentina		48,101
Australia		92,846
Barbados		7,830
Belize		12,305
Bolivia		8,949
Brazil		162,201
Colombia		26,847
Congo		7,258
Costa Rica		7,258
Cote d'Ivoire		16,779
Dominican Republic		196,878
Ecuador		12,305
El Salvador		29,084
Fiji		10,068
Gabon		7,258
Guatemala		53,694
Guyana		13,424
Haiti		7,258
Honduras		11,186
India		8,949
Jamaica		12,305
Madagascar		7,258
Malawi		11,186
Mauritius		13,424
Mexico ¹		25,000
Mozambique		14,542
Nicaragua		23,491
Panama		32,440
Papau New Guinea		7,258
Paraguay		7,258
Peru		45,864
Philippines		151,015
South Africa		25,728
Saint Kitts & Nevis		7,258
Swaziland		17,898
Taiwan		13,424
Thailand		15,661
Trinidad & Tobago		7,830
Uruguay		7,258
Zimbabwe		13,424
Subtotal		1,200,000
To be allocated in January ²	200,000	
To be allocated in March ²	200,000	
<u>To be allocated in May²</u>	<u>200,000</u>	
Total		1,800,000

¹ May be entered as raw or refined sugar.

² To be allocated if forecast end of fiscal year stocks-to-use ratio is 15.5 percent or lower. The total TRQ will be reduced by 200,000 tons if the forecast ratio is 15.6 percent or higher.

Situation and Outlook in Selected Countries

North America

United States

United States' sugar production in 1997/98 is forecast at 7 million tons, an increase of 7 percent from last year's production. This increase in production is due mainly to increased sugar beet harvested area and increased yield in Michiga, Idaho, Minnesota and North Dakota.

U.S. exports in 1997/98 are forecast at 181,000 tons, down 5 percent from the previous year's shipments. The U.S. export markets are largely Canada, Mexico, and Jamaica.

U.S. imports are forecast at 2.1 million tons in 1997/98. For fiscal year 1998, the U.S. has allocated 1.2 million tons of sugar imports under the raw sugar tariff rate quota (TRQ). Throughout the year, according to stocks-to-use ratios, tranches of 200,000 tons may be made available. Each country listed will be entitled to a percentage share of each tranche. (See footnote 2 at bottom of page.)

Canada

Canadian sugar production in 1997/98 is forecast to decrease by 17 percent to 96,000 tons due to reduced sugar refining capacity. In September of this year, the one sugar refinery in Winnipeg, Manitoba closed, leaving only one other refinery in Alberta to process domestic sugar beets.

With only minor production of domestic beet sugar, Canadian demand for refined sugar is met primarily through imports. However, refined sugar imports fell from 33,000 tons in 1995/96 to 12,000 tons in 1996/97 due to Canada's imposition of antidumping duties on imports from the United States and the European Union. The major share of current refined sugar imports is believed to enter under a duty drawback program whereby antidumping duties are refunded if the sugar is incorporated into products that are subsequently re-exported. With domestic beet sugar production and imports of refined sugar forecast to drop, and with consumption expected to grow 1 percent, raw sugar imports are projected to rise 3 percent to 1.1 million tons in 1997/98.

Pursuant to a September 1997 understanding reached between the United States and Canada, the United States has allocated a 10,300 ton share of the U.S. refined sugar TRQ (tariff rate quota) to Canada in 1997/98. With assured access for greater exports to the U.S. market, Canadian refined sugar exports to some smaller markets may drop off, leaving the total sugar exports in 1997/98 unchanged from the 1996/97 level of 15,000 tons.

Mexico

Mexican sugar production in 1997/98 is forecast at 5 million tons, an increase of 3 percent over last year's output. This increase is mainly due to favorable weather and increased efficiencies in the sugar industry leading to higher yields.

Imports in 1997/98 are forecast to decrease 2 percent, to 80,000 tons based on the expected increase in production. Exports for 1997/98 are expected to remain unchanged from the previous year at 750,000 tons.

Domestic consumption of sugar is also expected to remain flat in 1997/98. However, it could be affected by an agreement between the sugar mills and the soft drink bottling industry that has been negotiated to limit the use of high fructose corn syrup (HFCS) in Mexico, as a result of antidumping claims. It is still uncertain how this agreement will affect overall sugar consumption since some soft drink industries may not abide by the agreement and still use HFCS instead of sugar in their processing. The agreement calls for only 350,000 tons of HFCS being used by the soft drink industry. The increasing use of HFCS is a concern for the sugar industry because if domestic demand continues to be low for 1997/98, exports and ending stocks are expected to be higher.

The soft drink industry's use of refined sugar has dropped in the last two years, mainly due to the effects of the economic crisis and recession, and the use of HFCS. Industry sources indicate that refined sugar

consumption in the soft drink industry has decreased from 1.7 million tons to about 1.4 million tons in the past two years.

Currently, there are two plants in Mexico producing HFCS. Much of the corn in these plants will be imported from the United States under the NAFTA tariff rate quota (TRQ). According to industry sources, domestic HFCS production for 1997 could range from 450,000 to 550,000 tons. This would replace 350,000 - 400,000 tons of domestic sugar. Current levels of HFCS production in Mexico will be maintained almost at the same level despite the agreement between the sugar and soft drink industries. However, if the agreement is successful, there could be a reduction of future growth of HFCS production in Mexico. The main users of HFCS will continue to be the bakery, food processing, fruit canning, and soft drink industries.

Caribbean/Central/South America

Cuba

Cuba's 1997/98 sugar production is forecast at 3.9 million tons, down 7 percent from last year's 4.2 million ton outturn. Cuban officials indicate the 1997/98 season will not show any increase in output from last season, due to lack of sugarcane for grinding and, in an attempt to improve the cane for the next season, will not be harvesting immature cane. The 1997/98 harvest is expected to begin the week of November 24th.

Dominican Republic

Sugar production in the Dominican Republic in 1997/98 is forecast at 600,000 tons, 17 percent below last year's revised output. An extended drought has severely affected the growth of new cane.

In 1997/98 both imports and exports are forecast to decrease 100 and 15 percent respectively. The restrictive import policy maintained through August 1996 and low production levels in 1995 and 1996 caused dramatic shortages of sugar in the local market. When the government permitted

sugar imports, a large influx of refined sugar flooded the market, increasing ending stocks. In 1996/97, imports totaled 3,000 tons. Due to increased stocks, the Dominican Republic is not expected to import any sugar in 1997/98.

Domestic consumption of sugar is forecast to increase 2 percent in 1997/98 as sugar remains to be one of the least expensive caloric sources in the Dominican diet.

Guatemala

Guatemalan sugar production is forecast to increase 5 percent to 1.64 million tons, due to improved weather conditions. The cane sugar industry expects above average sugar cane yields, due to the excellent growing conditions.

In 1996/97, sugar exports reached a record 1.1 million tons. Exports in 1997/98 are forecast at a record 1.2 million tons. Main non-U.S. export destinations include Peru, Russia, Canada, Chile, and Mexico. Guatemala's initial allocation under the United States raw sugar tariff rate quota for 1997/98 is set at 53,694 tons.

Brazil

Sugar production in Brazil in 1997/98 is forecast at a record 15.2 million tons, a 4 percent increase over the previous year's output. This increase is based on an expected increase in area harvested. In addition, some millers have shifted from alcohol to sugar production. In 1997/98 Brazilian sugar production is expected to account for 36 percent of total sugarcane production, with the remainder going to alcohol production.

Brazilian sugar exports in 1997/98 are forecast at a record 6.4 million tons, 10 percent above the previous year's shipments. Increased production and the termination of the quota system should boost exports. Brazil's main export destinations are Russia, the United States, the United Arab Emirates, and Egypt.

Last June, Brazilian President Fernando Henrique Cardoso announced that the Brazilian Government was interested in reactivating its alcohol program (PROALCOOL), whereby alcohol would once again be subsidized by the Brazilian Government's oil monopoly, PETROBRAS.

In reaction to this Brazilian consideration, the Argentine Congress approved the "Sugar Law" maintaining the 21 percent import tariff for sugar imports from Brazil. According to the MERCOSUR trade agreement, the import tariff should be 16 percent with this rate scheduled to be reduced gradually over the next 4 years. In reaction to this measure, a bill has been submitted to the Brazilian Congress prohibiting wheat imports from Argentina, alleging that Argentine wheat is heavily subsidized.

The "sugar vs. wheat" issue is sensitive because it involves the MERCOSUR trade pact as a whole. Currently, discussions between the two countries are being held to address this issue and to decide on future actions.

European Union

Total sugar production in the European Union in 1997/98 is forecast at 18.7 million tons. Tests performed by sugar manufacturers have shown that this year's crop is characterized by a record high beet weight. While sugar weight and beet weight have increased, sugar content however, has dropped.

There is a general satisfaction among policy makers with the operation of the current sugar regime, which is in effect until 2000/01, and provision has been made for compliance with Uruguay Round commitments. However, EU industrial users of sugar are in favor of reform. They propose to trade price cuts for increased direct aid. In their view, the large gap between EU and world sugar prices hinders the competitiveness of the EU sugar-using industry. They argue the rigid import quota system prevents the industry from purchasing larger sugar quantities at world

prices. Raw sugar accounts for up to 20 percent of total production costs and prices of finished product necessarily reflect higher EU sugar costs, and render export competition more difficult.

Exports from the EU in 1997/98 are forecast to increase 4 percent to 5.9 million tons. Imports are forecast to remain unchanged from the previous year at 1.55 million tons.

Eastern Europe/Former Soviet Union

Poland

Poland's sugar production in 1997/98 is forecast at 2.3 million metric tons, down 9 percent from last year's record production, but a 17 percent above the initial 1997/98 forecast. Favorable weather conditions in 1997 contributed to a larger crop and higher sugar yields.

Poland's sugar exports in 1997/98 are forecast at 435,000 tons, 65 percent above the previous forecast, based on expected higher production. Most of this sugar will be shipped primarily to Former Soviet Union countries.

Poland is not expected to import any sugar in 1997/98. In the previous year, low sugar prices in the world market and some preferential sugar tariffs for Central European Free Trade Area (CEFTA) countries allowed significant imports, reaching 54,000 tons. On August 18, 1997, the Government of Poland introduced an import threshold level for sugar for 1997. As a result, in the event of higher imports or low import prices, the Minister of Economy may introduce additional tariffs, effective until the end of 1997. Based on the agreement with the WTO, the additional tariffs can be introduced only until the end of the announced calendar year.

Domestic consumption of sugar in Poland in 1997/98 is forecast at 1.84 million tons, 2 percent increase above last year's level.

Russia

Sugar production in Russia in 1997/98 is forecast at 1.6 million tons, a 5 percent decrease from the previous year's output. This decrease is mainly due to reduced area planted for sugar beets.

Russia's imports for 1997/98 are forecast at 3.3 million tons, unchanged from the previous year's imports. On May 15, 1997, a 25 percent customs duty was levied on imports of sugar into Russia. The tariff was effective in reducing imports of white sugar into Russia and increased revenues for the state budget.

After the introduction of the tariff, shipments of raw sugar rose substantially, allowing domestic refineries to build up their raw material base. Much of this raw sugar will be imported from Cuba. In 1997/98, Russia is expected to buy 2.25 million tons of raw sugar from Cuba in exchange for 9.75 million tons of oil.

More recently, Russia signed an agreement with Ukraine to import 600,000 tons of white sugar from them in 1997/98.

Ukraine

Ukrainian sugar production continues to decrease. Production in 1997/98 is forecast to drop 5 percent to 2.8 million tons based on a decrease in beet sugar acreage. An increase in beet yields is not expected to offset the overall decline in area.

Russia remains the major importer of Ukrainian sugar. In 1997/98 Ukraine is forecast to export 1 million tons to Russia. Ukrainian sugar is still popular with Russian importers, since Ukraine is one of the only countries in the world that accepts barter deals. Other destinations for Ukrainian sugar include Armenia, Azerbaijan, Republic of Georgia, and other central Asian countries.

Asia

India

In India, sugar production follows a 4 to 5 year production cycle, where 2-3 good production years are followed by 2-3 poor years. Following 2 consecutive years of record sugar production in 1994/95 and 1995/96, production declined 20 percent in 1996/97 and is forecast to decline 9 percent in 1997/98. In 1996/97, mounting payment arrears to cane farmers by sugar mills resulted in a large scale diversion to gur and khandsari sugar production and a decline in area planted to sugar cane in 1997/98.

After being a net exporter of sugar in 1995/96 and 1996/97, India is expected to be a net importer of sugar in 1997/98. Imports are expected to increase sharply in 1997/98 due to the decline in sugar production combined with expected higher consumption.

Despite lower sugar production prospects and a tight supply position, India is still expected to export 200,000 tons of sugar in 1997/98. Most of the exports will go towards the export quota to the European Union and the United States.

Pakistan

Sugar production in Pakistan in 1997/98 is forecast up 16 percent from the previous year's output. This increase is based on increased support price incentives provided by the government and good weather.

Sugar imports in 1997/98 are forecast at 150,000 tons, a 78 percent drop from last year's imports, due to increased production and large beginning stocks. In 1996/97 Pakistan imported 675,000 tons compared to 216,000 tons in 1995/96. These imports were done by the private sector and only about 32,000 tons was imported by the Trading Corporation of Pakistan, a state owned organization. Because sugar is considered a politically sensitive commodity, the GOP allowed duty free imports of sugar to avoid any shortfalls and to control rising domestic

price levels. Large sugar imports in 1996/97 at low price levels, resulted in lower domestic sugar prices. To protect the domestic sugar industry from falling prices, the GOP has imposed a 10 percent regulatory duty on sugar imports.

Thailand

Thailand's sugar production in 1997/98 is forecast at 4.6 million tons, a 24 percent decrease from the previous year's estimate. This drop in production is mainly due to a shortage of rains and pest problems in the major producing regions.

Exports in 1997/98 are forecast to decrease to 3.7 million tons, 12 percent below the previous year's shipments. Japan, South Korea, and Malaysia are the major buyers of Thai raw sugar. Indonesia and Iran are the major purchasers of white and refined sugar in 1997.

Consumption of sugar, however is forecast to increase in 1997/98 due to strong domestic demand. Asia, in addition to Latin and South America, is one of the largest growing regions in regards to the consumption of sugar.

Oceania

Australia

Australia's sugar industry continues to grow at a rapid pace. Australian sugar production in 1997/98 is forecast at a record 5.86 million tons, a 3 percent increase over last year's output. Although Cyclone Justin caused damage in the area between Ingham and Mossman, which produces 30 percent of Queensland's sugar cane, it also provided much needed rain to growers in the Burdekin region.

Australian sugar exports in 1997/98 are forecast at 4.5 million tons, up 5 percent from last year's shipments. Australia removed its sugar import tariff on July, 1997. With the Australian industry continuing to become more competitive, refining capacity is expected to exceed domestic consumption

needs. In addition to rising production, it seems unlikely that sugar imports will become significant in the future.

Australian Sugar Industry Expected to Dominate Asian Market

The Australian sugar industry has been growing over the past few years. Continued growth is forecast for production and exports through the year 2002. Australia is currently the world's sixth largest sugar producer and third largest exporter. In 1997/98, Australia is forecast to increase production 3 percent and exports 5 percent. This expected growth is based on expanded acreage, increased milling efficiency, and a growing overseas demand for sugar. Currently, Australia is one of the lowest cost producers of sugar in the world. As the Australian sugar industry undergoes changes and reforms, Australia has the potential to become the largest producer/exporter in the Asia Pacific region in the future. Sugar consumption in Asia is forecast to continue to increase. This large Asian market could enable Australia to continue to export up to 85 percent of its total sugar production.

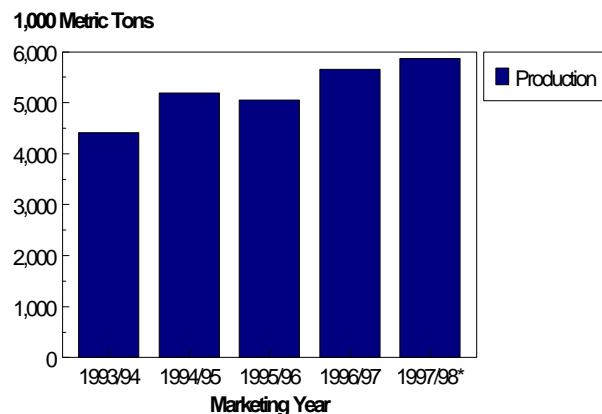
Production

The Australian sugar industry is one of the most dynamic sugar industries in the world. In 1996/97 it ranked as the fifth largest producer behind the European Union, Brazil, the United States, and Thailand. In 1997/98 Australia is forecast to surpass Thailand in both production and exports. Production in 1997/98 is forecast at 5.9 million metric tons, a 3 percent increase over the previous year's output.

Sugar is produced in Australia in three states: Queensland, accounting for 95 percent of total production; New South Wales (N.S.W.) about 5 percent; and less than 1 percent in Western Australia. In all states, sugar production continues to experience expansion in both the resource base and productivity. Growth of Australia's resource base is reflected in planting additional area. In 1997/98 Australia is forecast to increase the sugar cane area by 6 percent. Land devoted to sugar production has increased from 317,000 hectares in 1988/89 to a forecast 425,000 hectares in 1997/98. Most of the increase in acreage is in the irrigated regions of Burdekin and Tully regions in the northern state of Queensland. Greater efficiency in growing sugar is reflected in growth in productivity. Improved farming techniques on

existing land, and the economies of scale accruing to new larger farms, will increase productivity. The new larger farms require less labor inputs and often utilize contract services for planting, weed control, and harvesting.

Australian Sugar Production



* Forecast

In addition, the Bureau of Sugar Experiment Stations, a research extension service develops new varieties of cane and provides assistance to farmers for best sugar crop and yield results. Overall, Australian sugar

industry officials expect production to grow approximately 3 to 5 percent per year. Some industry contacts expect Australian sugar production to reach 6.4 million tons in the year 2002.

Exports

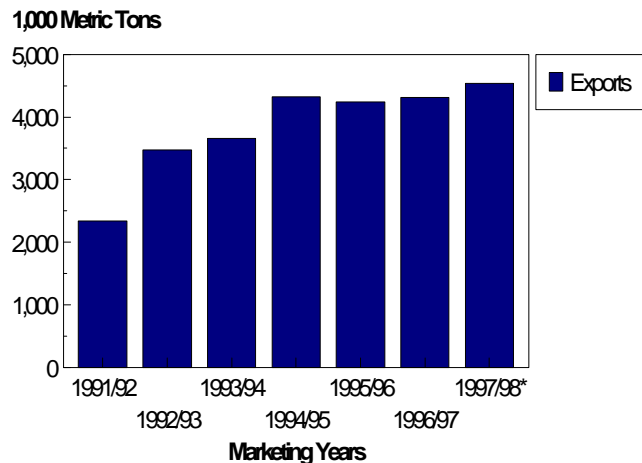
In 1997/98 Australia's sugar exports are forecast at a record 4.5 million tons, 5 percent above the previous year's shipments. In 1997/98 Australia is expected to pass Thailand as the world's third largest sugar exporter after Brazil and the European Union. Although Australia's sugar production is expected to continue to increase in the future, domestic consumption is forecast to remain relatively flat, allowing for increases in population. As a result, the excess production will likely be exported. As discussed in the FAO/Fiji Asia Pacific Conference on sugar, Australia's future sugar exports are expected to rely on the Asian markets. Sugar production in many Asian countries such as the Philippines, Japan, and India are expected to decline over the next 5 years. In other Asian countries such as China, Indonesia, and Malaysia, domestic consumption of sugar is forecast to exceed any increases in production. This gives Australia the opportunity to expand its exports in a large and growing market. While other major sugar producers are also forecast to increase production, such as Brazil and the European Union, Australia has the advantage of very low costs of production and is extremely competitive.

Australia also has potential to expand raw sugar exports in the Middle East. Countries such as Saudi Arabia, Syria, and Oman have recently constructed new sugar refineries. Similar to the Asian markets, sugar production in the Middle East countries' is not meeting domestic consumption.

Australia exports approximately 85 percent of its total sugar production and ships approximately two-thirds of its exports to Southeast Asia. Other shipments go to Canada, the Middle East, and the United States. In the short run, Australia may ship to

Eastern Europe. In the long run, India is expected to be an attractive market, since it is becoming a net importer.

Australian Sugar Exports



*Forecast

Sugar Industry Review

The Government of Australia (GOA) and the Queensland Government undertook a review of the industry's marketing structure and the sugar import tariff in 1996. This review was conducted within the context of the National Competition Policy, which aims to look at ways of making Australian industries more competitive. The Sugar Industry Review Working Party's (SIRWP) recommendations include: removing the tariff on imports of sugar into Australia; eliminating the pool price differential; pricing domestic sugar at export parity; and retaining acquisition and single desk selling of raw sugar on the export and domestic markets. The sugar import tariff was removed on July 1, 1997. The removal of the tariff has received criticism from some sectors of the Australian sugar industry, especially the N.S.W. industry that relies totally on the domestic market. The GOA has responded by setting up a five member task force to review options to assist the adjustment process for the N.S.W. industry. This is understood to include options such as gaining a share of the U.S. sugar quota, and

the upgrading of transport and handling facilities for bulk N.S.W. sugar so that it can be sold through Brisbane ports. The package will aim to assist the development of a sound export-based industry in N.S.W.

Milling/Refining

Currently, there are 29 sugar mills in Australia located in Queensland and N.S.W. Mills in Queensland are divided among 4 owners: CSR, Mackay Sugar Cooperative, Bundaberg Sugar (Tait and Lyle), a network of 4 mills in northern Queensland, and 8 independent mills. There are 3 mills in N.S.W. controlled by the Harwood Manildra group. As the amount of sugar cane harvested has increased over the last several years, the mills have adapted to meet increased crushing demand. Mills have switched from a 5 day crushing week to an everyday continuous crushing process which has expanded milling capacity.

However, despite increased capacity, the expected larger cane harvests will place additional demand on the mills. The mills would like to extend the crushing season, giving them more time to crush the additional cane. Currently, the world market price for Contract #11 sugar ranges between US\$0.11 and US\$0.12. While this is seen as a good price for sugar growers and exporters, it does not provide enough incentive for the mills to make large capital investments in order to expand their capacity. In addition, the cost of borrowing funds in times of high interest rates also deters the mill from further investment. Although, currently, interest rates are relatively low. The growers on the other hand, disagree and would prefer the mills to make additional capital investments. If the crushing season is extended, the quality and yield of the cane deteriorates, which is to the growers disadvantage.

In the short term, this disagreement between the mills and growers may be worked out by extending the season and negotiating bonus payments to growers to offset increased risks and lower sugar contents in the cane. In the longer term, however, new capital

investments may be necessary. This will of course continue to depend on the world price of sugar. In addition, changes in the sugar industry may occur such as consolidations and mergers. In the area of refined sugar, this has already started to occur.

In September, a merger of the two largest sugar refiners, CSR and Mackay Sugar, was announced. ED&F Mann, the British sugar trader, is the other joint venture partner in Mackay Refined Sugars, which operates a refinery at Mackay. The merger, originally prohibited, was revived in July 1997, due to a reversed decision by the Australian Competition Consumer Commission, prompted by the Federal government's decision to drop the tariff of A\$55 per ton on sugar imports on July 1, 1997, as part of the total package of changes to the sugar industry. Currently, CSR's total capacity is 460,000 tons, while Mackay Sugar Refinery runs at 350,000 tons. This merger would put the combined mills well ahead of the next largest producers, Harwood Manildra, with a capacity of 250,000 tons.

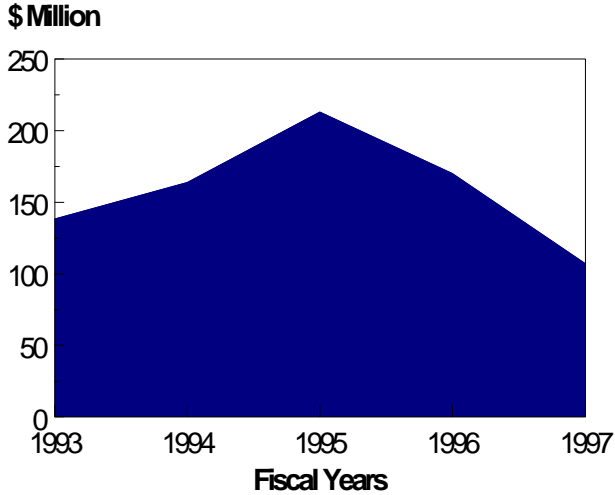
As a result of the combination of a flat world price for refined sugar, and the excess of refining capacity over domestic consumption, many refineries have been closed down over the past few years. Additional closures are expected. However, the refineries expected to be closed have a capacity of less than 100,000 tons per year.

Marketing

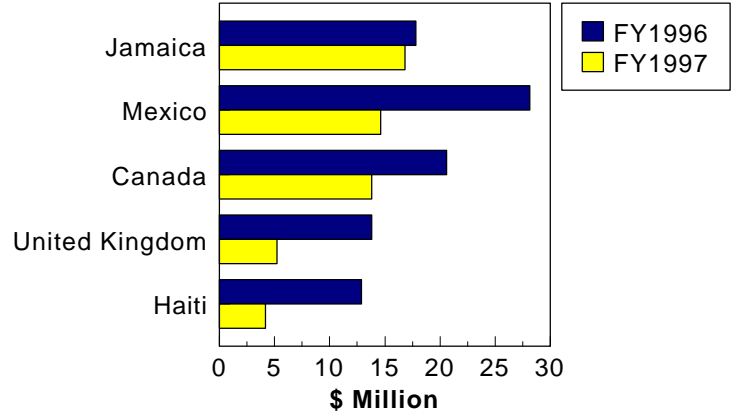
As stated in the SIRWP's recommendation, Queensland is allowed to keep the single desk seller, Queensland Sugar Corporation (QSC). Maintaining a single desk seller enables the QSC to benefit from premiums on sugar in the Asian markets. The QSC works in conjunction with CSR in marketing Queensland sugar. Since CSR is the owner of many mills in the state, it can control the price at which the sugar is sold. This marketing plan enables the mill (and the grower) to get the best price for their sugar.

U.S. Sugar and Sweeteners Exports

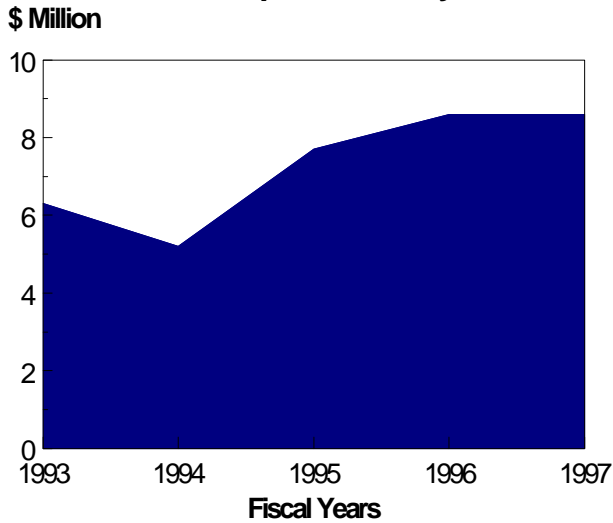
**U.S. Exports of Sugar
(includes Molasses and Syrups)**



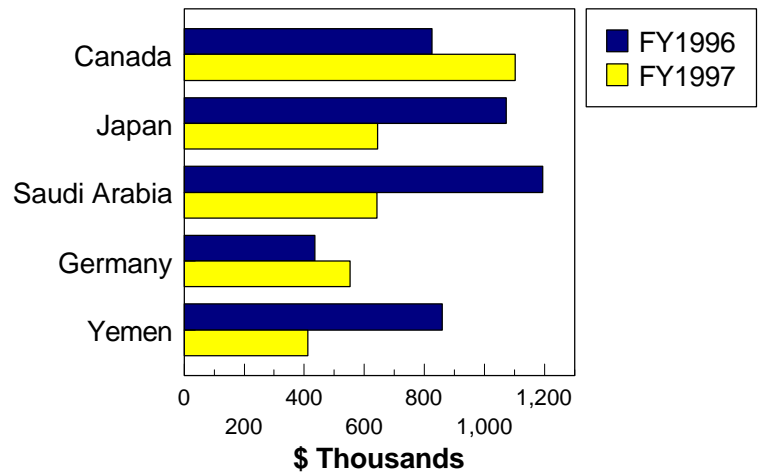
**Top Five Markets for U.S. Exports
of Sugar (includes Molasses and Syrups)**



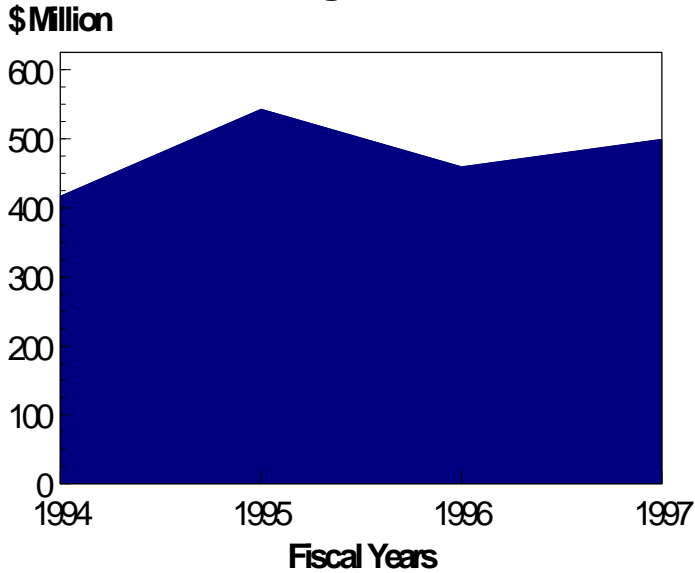
U.S. Exports of Honey



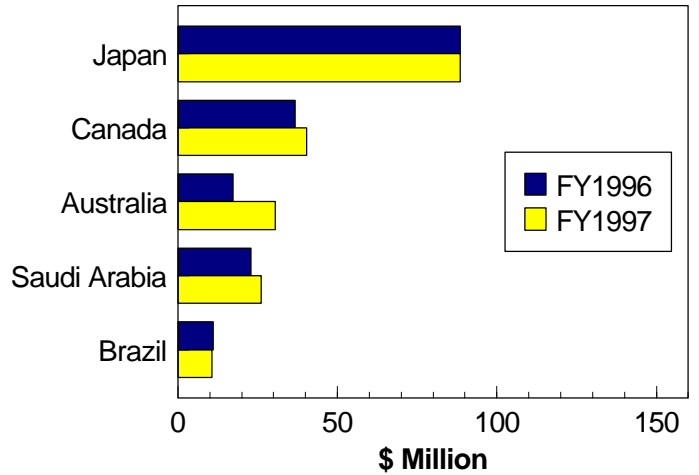
**Top Five Markets for U.S. Exports
of Honey**



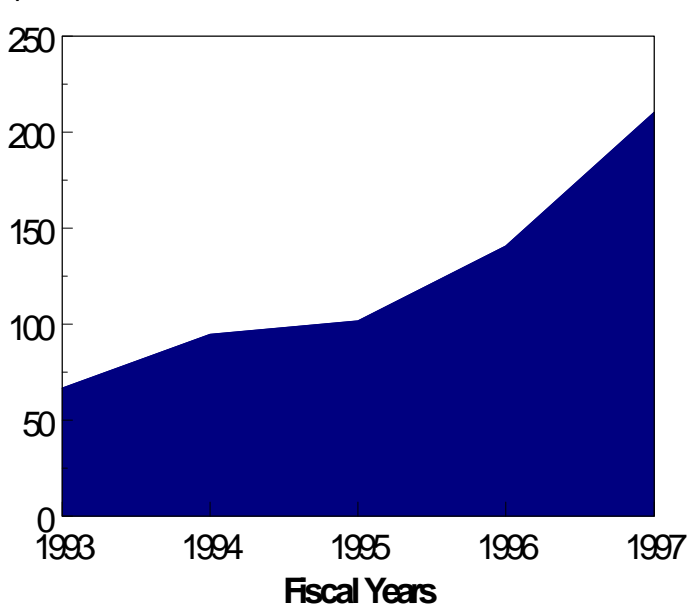
U.S. Exports of Beverages containing Nutrasweet



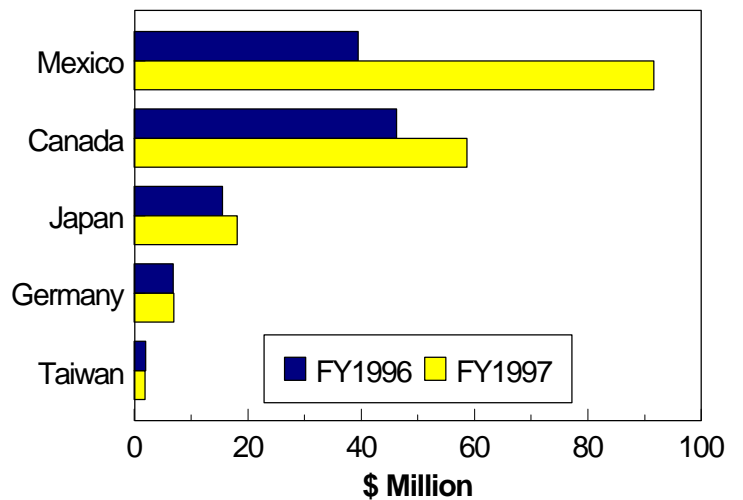
Top Five Markets for U.S. Exports of Beverages containing Nutrasweet



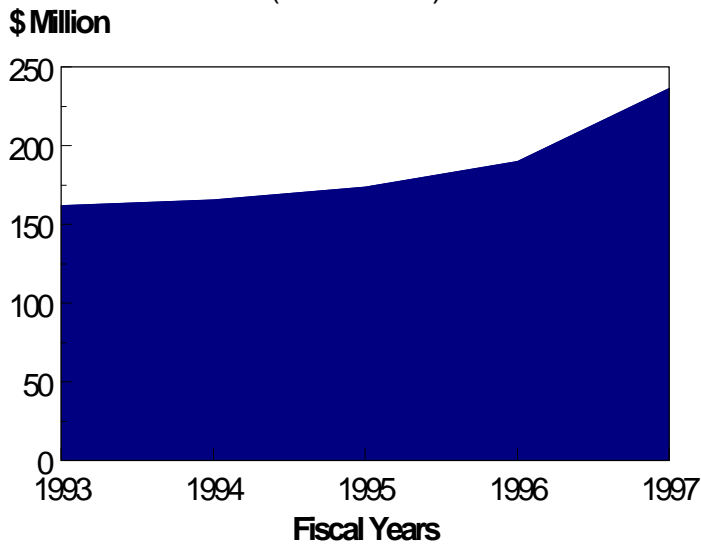
U.S. Exports of High Fructose Corn Syrup



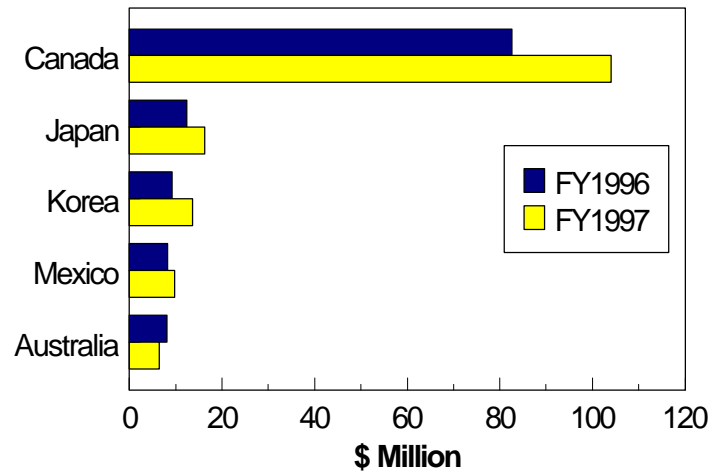
Top Five Markets for U.S. Exports of High Fructose Corn Syrup



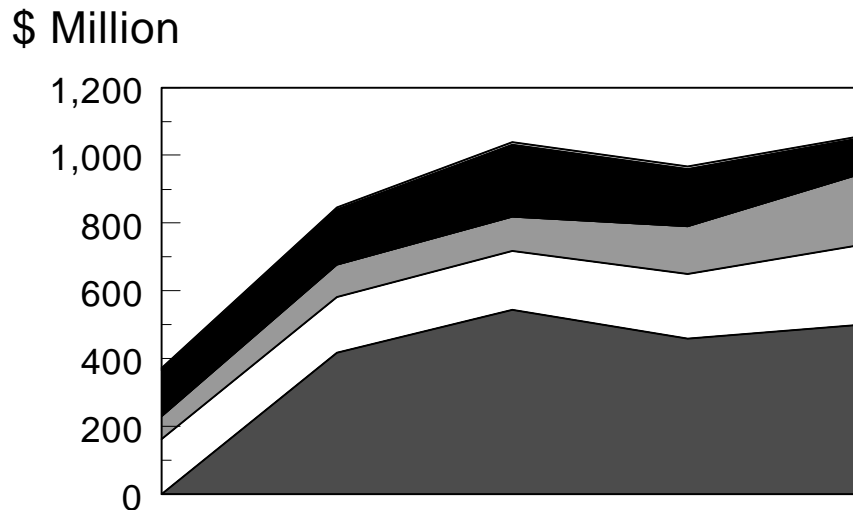
U.S. Exports of Confectionery Sugar Products (without cocoa)



Top Five Markets for U.S. Exports of Confectionery Sugar products (without cocoa)



U.S. Exports of Selected Sweeteners Fiscal Years 1993-1997



Fiscal Years	1993	1994	1995	1996	1997
Beverages	0.0	416.6	543.3	459.2	499.5
Confectionery & Products	161.8	165.8	173.8	189.9	236.4
HFCS	66.7	94.7	101.8	140.9	210.5
Sugar & Molasses	138.2	163.8	212.9	170.1	106.9
Honey	6.3	5.2	7.7	8.6	5.3

Honey Situation and Outlook in Selected Countries

Honey production in six major producing countries in 1997 is forecast at 395,000 metric tons, up 3 percent from 1996, but 14 percent below the 1995 output. Honey exports from these countries in 1997 are forecast to decrease 8 percent to 179,600 metric tons. China, the world's largest honey exporter, is expected to account for the bulk of the decrease in selected country exports. China's honey exports from January-June 1997 are down by more than 50 percent from the previous year's shipments during the same time period. This drop in exports is mainly due to decreased shipments to Canada, the United States, and Japan. However, China's 1996 honey exports reached a record value of \$110 million, due to strong international honey prices caused by reduced world supplies. U.S. honey exports in 1996 also reached a record \$9.2 million. Major U.S. markets were Saudi Arabia, Canada and Japan. U.S. exports in 1997 are forecast to approximate the previous year's level.

China

Production

China's honey production in 1997 is forecast at 150,000 metric tons, 2 percent above the revised 1996 output. This small increase in production in 1997 is mainly due to an increase in the number of noncommercial colonies. Honey production in 1996 is estimated at 147,000 tons, 39 percent above the previous estimate. Nevertheless, these production levels are still significantly below the 1993-95 average production. The below average production in 1995 and 1996 is mainly due to smaller bee hives, fewer choices of feeding locations, and people's reluctance to raise bees. According to recent press reports in China, the Ministry of Agriculture (MOA) is encouraging more training for beekeepers. The MOA plans to work with traders, honey procurement stations, and the State Bureau of Commercial Inspection to improve the quality of honey. In addition, some provincial honey officials are

investing in newer, better honey processing facilities. Some joint venture processing plants have also opened in the last few years.

Trade

China is the world's largest honey exporter. Exports in 1997 are forecast at 65,000 metric tons, 22 percent below the revised 1996 volume, based on lower than expected sales to date. During the first 6 months of 1997, China exported approximately 18,000 tons of honey, less than half the amount exported during the same time period last year. This drop in exports is mainly due to reduced sales to Japan, Europe and the United States. U.S. buyers are reportedly waiting for honey prices to fall.

The value of China's honey exports in 1996 reached a record \$110.7 million, 27 percent above the 1995 value as a result of high international prices. China's average honey export price per metric ton in 1996 was \$1,325 compared with \$1,006 in 1995. In comparison, the average export price to the

United States in 1996 was \$1,502 per ton, \$177 per ton higher than the average to all destinations, due to the terms of the 1995 Suspension Agreement signed by China and the United States which ended the honey dumping suit.

China's honey exports are controlled by a quota bidding system. The bidding is broken down into two categories. The first type is for non-U.S. countries. Approximately 160 Chinese firms have earned the right to sell honey in countries other than the United States, the first category. The second category is reserved for the U.S. market only. Only 10 companies have obtained the right to sell to the United States. These 10 companies were chosen by the Chamber of Commerce and Ministry of Foreign Trade and Economic Cooperation (MOFTEC). The companies who can apply for bids must all have been involved in the anti-dumping case initiated by the United States in 1994 and suspended in 1995.

Consumption

China's domestic honey consumption in 1997 is forecast to increase 9 percent, due to expected strong domestic demand. In addition, as the development of China's processed food industry grows, so too will the demand for honey. Honey is viewed as a health food which increases its appeal to consumers. One downside to increased sales, however, has been the poor quality of Chinese honey.

Canada

Production

Canada's honey production in 1997 is forecast at 29,000 metric tons, 14 percent above the previous year's output. Higher honey yields are expected in all major honey producing regions, reflecting improved weather conditions and more crop flowering days than a year ago.

Trade

Canada's honey exports in 1997 are forecast at 8,000 tons, 20 percent below the previous year's shipments. In 1996 exports totaled

9,962 tons, 35 percent below the 1995 volume. These export decreases reflect reduced U.S. imports of blended honey.

Honey imports in 1997 are forecast to drop 55 percent to 6,000 tons, based on expected reduced imports of Chinese honey. In 1996, Canadian imports of Chinese honey, which had risen steadily in recent years, peaked at 10,918 tons. Since then the Ontario company which blended imported Chinese honey with Canadian honey for export to the United States reportedly went bankrupt following the loss of its major buyer in the United States.

Canada has no quantitative restrictions on honey imports from the United States, but market opportunities for U.S. honey remain limited, reflecting Canada's surplus production position and a weak Canadian dollar. However, prospects in the food service and specialty food markets remain fair.

Canada has banned imports of live U.S. bees since 1987 due to the presence of varroa mite in certain U.S. states. In 1993, Agriculture and Agri-Food Canada permitted the resumption of the importation of queen bees from Hawaii under strict health measures. The current honeybee import prohibition order expires on December 31, 1997 but is expected to be renewed again before that time.

Argentina

Production

Honey production in 1997 in Argentina is forecast at 67,000 tons, 12 percent above the revised 1996 output. Favorable weather conditions during 1997 are expected to increase honey production.

Trade

Argentina is the world's second largest exporter of honey. Exports in 1997 are forecast at 62,000 tons, 14 percent above the revised 1996 shipments, based on increased domestic production and likely lower exports from Mexico and China. Most of the Argentine honey is exported in bulk. Only a small amount of honey is packaged in jars

and exported to Brazil. Honey is exported during the entire year with the heaviest export flow taking place between March and May. The United States was the main import market in 1996, accounting for 58 percent of total shipments. Other key export markets include Germany and Italy.

Consumption

Only about 6-7 percent of Argentina's honey production is consumed domestically. Honey consumption has remained relatively stable due to competition from sugar which continues to be the cheapest sweetener available in Argentina.

Mexico

Production

Honey production in 1997 is forecast at 46,000 tons, 4 percent below the revised 1996 estimate. The 1996 production estimate was reduced by 20 percent to 47,997 tons. These drops in production are mainly due to adverse weather conditions in the Yucatan peninsula, the outbreak of Varroa mites, the presence of Africanized honeybees, and increased competition from other exporters.

Currently, production of queen bees, which are used to prevent Africanization of beehives, is insufficient to cover domestic demand. In addition, queen bee imports are restricted due to animal health concerns. The Varroa mite is present throughout Mexico's honey producing regions, with the exception of the states of Baja California Sur and Quintana Roo. Some insecticidal controls are effective against the mite, but for the most part are too expensive for the Mexican producer to use effectively.

Trade

Exports of honey in 1997 are forecast at 24,000 tons, 13 percent below 1996 shipments based on the lower production estimate. Major markets for Mexican honey include Germany, the United States, the United Kingdom, and Saudi Arabia.

Mexico's honey industry largely focuses on international markets. However, recently,

there have been reports of adulteration of some Yucatan honey production with added sugar and fructose being sold as pure honey. To combat this problem, the Council for Regulating Mexican Honey was established. This group is comprised of honey producers, packers, and exporters. The Council's purpose is to control and combat the adulteration of Mexican honey destined for the domestic and export markets in an effort to regain Mexico's prestige as a quality producer and exporter which it has enjoyed in past years.

Consumption

Domestic honey consumption in 1997 is forecast to increase, due to expected lower domestic retail prices and improved consumer purchasing power. The growth of the domestic market is limited given that sugar continues to be the main sweetener used and is considerably cheaper than honey.

Germany

Production

Germany's honey production in 1997 is forecast at 15,000 tons, only marginally above the previous year's weather reduced output. Honey production in 1996 is estimated at 14,674 tons, 41 percent below the previous estimate and 60 percent below from the previous year's output due to the strong winter. Unfavorable weather and weak colonies contributed to the drop in production.

Trade

Germany, the world's largest importer of honey is forecast to increase imports slightly in 1997. The bulk of imports are from Argentina, China, and Mexico. Imports from the United States in 1996 totaled 322 tons. The German market provides opportunities for U.S. honey processors, especially if the honey is marketed in attractive honey jars (i.e., appealing to children) or plastic containers in consumer-friendly sizes.

Germany exported 16,200 tons in 1996, with most going to other European Union countries such as the Netherlands, Austria, and France.

United States

Production

The first official estimate of 1997 U.S. honey production, based on an objective survey, will not be available from the National Agricultural Statistics Service (NASS) until February 1998. Weather conditions varied throughout the country for most of the season. Some sources expect production in 1997 to approximate last year's output of 90,000 metric tons.

According to industry sources, the number of bee colonies continues to decline. Decreasing colony numbers are mainly due to increased use of pesticides, increasing losses from mites, and rising production costs.

Nearly half of all bee colonies in the United States are located in California, Florida, Minnesota, North Dakota, and South Dakota. These states continue to account for more than half of all U.S. honey production.

Trade

Exports of U.S. honey in 1997 are forecast at 4,300 tons, a 4 percent decrease from last year's shipments. U.S. imports in 1997 are forecast at a record level for a second year in a row. Although U.S. retail prices of honey have dropped approximately \$0.50 per pound over the past year, U.S. imports of honey are still expected to increase, due to less expensive honey from Argentina and Mexico.

Consumption

The United States is one of the world's largest markets for industrial honey. This sector accounts for approximately 45 percent of total domestic consumption. The primary users of industrial honey are bakery, health food, and cereal manufacturers. Other users such as the food service industry account for another 10 percent of domestic consumption. However, the percentage of individual buyers of honey is growing.

**Honey Production, Supply, and Distribution
For Selected Countries
Calendar Years 1993-1997 1/**

Country	Year	Total Colonies 2/	Yield/ Colony	Honey Production	Beginning Stocks	Imports	Total Supply/ Distribution	Exports	Domestic Consumption	Ending Stocks 3/
		(1,000)	(Kilograms)	=====METRIC TONS=====						
Argentina	1993	1,700	34.7	59,000	1,321	1	60,322	55,000	5,000	322
	1994	1,700	37.6	64,000	322	2	64,324	62,312	2,012	0
	1995	1,800	38.8	70,000	0	0	70,000	63,512	3,000	3,488
	1996	1,800	31.7	57,000	3,488	123	60,611	53,559	4,000	3,052
	1997	1,810	35.9	65,000	3,052	100	68,152	62,000	4,000	2,152
Canada	1993	505	60.9	30,758	4,000	1,486	36,244	8,353	23,991	3,900
	1994	504	65.3	32,920	3,900	2,548	39,368	8,431	24,837	6,100
	1995	521	58.7	30,575	6,100	4,249	40,924	15,587	22,537	2,800
	1996	514	48.4	24,895	2,800	13,411	41,106	9,962	25,144	6,000
	1997	510	56.9	29,000	6,000	6,000	41,000	8,000	26,500	6,500
China	1993	6,380	27.6	176,000	4,000	6	180,006	96,538	80,468	3,000
	1994	6,440	27.5	177,000	3,000	40	180,040	102,285	76,755	1,000
	1995	6,300	28.3	178,000	1,000	160	179,160	86,991	77,000	15,169
	1996	6,250	23.5	147,000	15,169	43	162,212	83,462	73,000	5,750
	1997	6,500	23.1	150,000	5,750	80	155,830	65,000	80,000	10,830
Germany	1993	1,180	22.3	26,357	3,685	80,673	110,715	13,805	93,910	3,000
	1994	1,100	20.2	22,233	3,000	82,659	107,892	13,626	93,266	1,000
	1995	1,047	35.2	36,685	1,000	90,074	127,759	15,816	108,943	3,000
	1996	1,028	14.3	14,674	3,000	87,976	105,650	16,200	88,950	500
	1997	1,010	14.9	15,000	500	90,000	105,500	16,000	89,000	500
Mexico	1993	2,150	22.3	48,000	1,802	15	49,817	34,950	12,000	2,867
	1994	2,100	19.8	41,500	2,867	15	44,382	30,167	12,500	1,715
	1995	2,000	24.6	49,228	1,715	8	50,951	25,650	25,301	0
	1996	2,050	23.4	47,997	0	3	48,000	27,448	20,552	0
	1997	2,000	23.0	46,000	0	0	46,000	24,000	22,000	0
United 4/ States	1993	2,880	36.3	104,620	46,964	60,617	212,205	3,874	155,129	53,202
	1994	2,770	36.5	98,500	53,202	55,896	207,598	3,784	161,140	42,674
	1995	2,648	36.1	95,490	42,674	40,186	178,350	4,233	154,964	19,153
	1996	2,566	35.1	89,850	19,153	68,307	177,310	4,477	151,526	21,307
	1997	2,500	36.0	90,000	21,307	70,000	181,307	4,300	153,000	24,007
Total	1993	14,795	30.1	444,735	61,772	142,798	649,309	212,520	370,498	66,291
	1994	14,995	29.1	436,153	66,291	141,160	643,604	220,605	370,510	52,489
	1995	14,316	32.1	459,978	52,489	134,677	647,144	211,789	391,745	43,610
	1996	14,208	26.8	381,416	43,610	169,863	594,889	195,108	363,172	36,609
	1997	14,330	27.6	395,000	36,609	166,180	597,789	179,300	374,500	43,989

1/ Data for 1997 are forecasts. 2/ For the United States, only colonies with 5 or more hives are included. 3/ For the United States, includes honey in CCC inventory, in outstanding loans, and commercial stocks. 4/ 1997 production forecast is the first estimate based on objective survey which is expected to be released in February, 1998.

**U.S. Honey Imports by Class
1994-1996
(Complete Calendar Years)**

Country	CLASS												Total		
	Packed for Retail Sale			Extra Light and White (BULK)			Light Amber and Darker (BULK)								
	1994	1995	1996	:	1994	1995	1996	:	1994	1995	1996	:	1994	1995	1996
China	113	16	10	:	15,694	6,287	14,127	:	13,527	6,179	5,281	:	29,334	12,482	19,418
Argentina	35	0	20	:	14,337	9,625	24,186	:	3,930	2,906	6,786	:	18,302	12,531	30,992
Canada	409	926	1,325	:	3,136	7,205	2,463	:	1,102	3,895	4,213	:	4,648	12,026	8,001
Mexico	52	136	48	:	70	246	1,109	:	2,283	2,168	4,331	:	2,404	2,550	5,488
Australia	26	31	11	:	225	0	1,202	:	342	1	116	:	593	32	1,329
Dom. Republic	20	9	6	:	0	0	0	:	97	118	72	:	117	127	78
Germany	98	80	8	:	0	0	0	:	0	0	107	:	98	80	115
Hong Kong	20	8	3	:	0	0	0	:	65	6	3	:	85	14	6
New Zealand	30	19	19	:	7	3	64	:	22	57	71	:	59	78	154
Other	119	101	125	:	0	2	826	:	136	165	1,776	:	256	268	2,727
Total (MT)	922	1,326	1,574	:	33,469	23,365	43,977	:	21,504	15,495	22,756	:	55,896	40,186	68,307
% Total Volume	1.6%	3.3%	2.3%	:	59.9%	58.1%	64.4%	:	38.5%	38.6%	33.3%	:	100%	100%	100%
Total (\$ million)	2.4	3.5	5.3	:	27.4	26.3	69.5	:	15.8	17.2	35.9	:	45.6	47.0	110.7
Value/MT (\$)	2,626	2,661	3,385	:	818	1,130	1,580	:	736	1,110	1,579	:	816	1,170	1,621
Value/LB (¢)	119	121	153	:	37.1	51.2	71.7	:	33.4	50.3	71.7	:	37.0	53.1	73.5

Source: U.S. Department of Commerce, Bureau of the Census

United States
Honey Exports by Country of Destination
1993-1997^{1/}
Metric Tons

Country of Destination	1993	1994	1995	1996	1997
Sweden	287	583	291	351	19
Germany	315	464	789	344	106
Japan	228	389	345	626	215
Canada	393	359	306	547	147
Yemen	507	353	500	296	313
Saudi Arabia	565	304	500	567	242
Hong Kong	177	254	132	226	65
United Arab Emirates	261	176	118	194	111
Kuwait	212	123	243	270	170
China	47	123	0	0	0
Mexico	133	115	12	22	4
Taiwan	44	115	80	29	69
Korea	3	55	261	402	47
Singapore	39	45	34	42	12
United Kingdom	173	42	121	8	3
France	65	30	36	2	7
Belgium-Luxembourg	0	16	52	33	23
Netherlands	178	7	27	8	1
Philippines	27	0	12	96	5
Denmark	0	0	12	7	0
Others	220	231	362	407	387
Total Volume	3,874	3,784	4,233	4,477	1,946
Total Value (\$)	6,118,841	5,631,473	7,711,131	9,239,353	3,882,395
Aver. Value (\$/MT)	1,579	1,488	1,821	2,064	1,995

Source: U.S. Department of Commerce, Bureau of the Census.

^{1/} January through June 1997 only.

United States
Honey Imports by Country of Origin
1993-1997^{1/}
Metric tons

Country of Origin	1993	1994	1995	1996	1997
China	34,826	29,334	12,482	19,418	8,786
Argentina	16,338	18,302	12,531	30,993	24,052
Canada	5,431	4,648	12,026	8,001	1,865
India	0	0	0	624	1,061
Mexico		2,160	2,404	2,549	5,488
Australia	1,134	593	32	1,330	809
Dominican Republic	195	117	127	78	76
Germany	99	98	80	115	45
United Kingdom	19	97	21	12	6
Hong Kong	131	85	14	6	5
New Zealand	70	59	111	155	26
Switzerland	72	38	43	35	29
El Salvador	1	20	0	0	0
France	12	13	10	23	8
Hungary	28	2	4	19	0
Uruguay	0	0	0	379	225
Vietnam	0	20	79	717	487
Others	102	86	156	914	738
Total Volume	60,617	55,896	40,186	68,307	42,460
Total Value (\$)	51,554,508	45,631,782	47,121,954	110,727,855	70,923,927
Aver. Value (\$/MT)	850	816	1172	1621	1,670

Source: U.S. Department of Commerce, Bureau of the Census

^{1/} January through June 1997 only.

Germany
Honey Imports by Country of Origin
1992-1996
Metric Tons

Country of Origin	1992	1993	1994	1995	1996
Argentina	22,306	17,182	22,541	26,915	13,918
Mexico		24,843	20,124	19,855	15,442
	13,197				
China	9,410	16,159	11,679	18,534	25,428
Hungary	2,037	4,609	3,823	5,296	5,687
Uruguay	4,818	2,746	3,741	2,556	2,877
Cuba	3,761	1,974	2,316	2,444	----
Other Eastern Europe	2,530	----	1,761	----	----
United States	500	226	323	289	322
Other	19,030	17,651	16,620	37,107	26,547
Total	89,235	80,518	82,659	90,074	87,976

---- Denotes not available, unknown, not applicable, or zero.

Source: Official trade statistics of Germany and reports of U.S. Agricultural Attache.

Argentina
Honey Exports by Country of Destination
1992-1996
Metric Tons

Country of Destination	1992	1993	1994	1995	1996
Germany	21,025	20,203	24,549	27,295	12,471
United States	13,831	16,806	17,735	12,980	30,948
Spain	6,325	3,992	5,744	5,693	----
Italy	6,250	4,209	4,970	6,075	2,996
United Kingdom	2,123	2,591	2,826	4,301	1,115
Japan	1,441	2,348	1,619	1,505	1,224
Denmark	514	779	752	417	----
Brazil	----	707	723	1,312	653
Netherlands	692	770	598	725	211
Ireland	390	552	----	1,000	733
Sweden	359	312	572	----	218
Others	2,215	1,731	2,224	2,209	2,990
Total	55,165	55,000	62,312	63,512	53,559

----Denotes not available, unknown, not applicable, or zero.

Source: Instituto Nacional de Estadisticas y Censo (INDEC) and reports from U.S. Agricultural Attaches.

Canada
Honey Exports by Country of Destination
1992-1996
Metric Tons

Country of Destination	1992	1993	1994	1995	1996
United States	7,644	5,431	4,648	12,024	8,002
Germany	1,662	1,352	1,770	1,688	1,187
Japan	329	119	408	734	113
United Kingdom	596	591	394	376	259
France	174	246	239	184	99
Netherlands	80	156	219	158	49
Sweden	136	131	186	40	20
Belgium	93	77	118	40	9
Switzerland	68	25	88	90	13
Denmark	116	88	58	78	----
Ireland	37	----	15	74	128
Other	159	137	288	175	83
Total	11,094	8,353	8,431	15,587	9,962

----Denotes not available, unknown, not applicable, or zero.

Source: Statistics Canada and reports from U.S. Agricultural Attaches.

China
Honey Exports by Country of Destination
1992-1996
Metric Tons

Country of Destination	1992	1993	1994	1995	1996
United States	24,780	33,495	28,263	12,939	18,497
Japan	27,125	31,735	37,823	27,995	28,601
Germany	8,759	12,176	12,186	19,707	17,285
Other 1/	21,956	19,132	24,013	26,350	19,079
Total	82,620	96,538	102,285	86,991	83,462

1/ Other significant destinations include United Kingdom, Belgium, Spain, Hong Kong, and Russia.

Source: China Customs Statistics and reports from U.S. Agricultural Attaches.

Mexico
Honey Exports by Country of Destination
1992-1996
Metric Tons

Country of Destination	1992	1993	1994	1995	1996
Germany	27,330	26,363	21,999	18,667	18,522
United Kingdom	4,761	3,478	3,715	2,511	1,558
United States	2,214	2,645	2,068	2,949	5,596
Belgium-Luxembourg	455	----	----	134	252
Switzerland	433	307	547	45	348
Other	854	2,157	1,838	1,468	1,172
Total	36,047	34,950	30,167	25,640	27,448

----Denotes not available, unknown, not applicable, or zero.

Source: Secretariat of Commerce and Industrial Development and reports from U.S. Agricultural Attaches.