

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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POLICY

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GAIN Report Number: MX1081

Mexico

Post: Mexico

2011 Sugar Reference Price

Report Categories:

Sugar

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Report Highlights:

The National Committee for the Sustainable Development of Sugarcane (CONADESUCA) through the Secretariat Economy (SE) published in the *Diario Oficial* (Federal Register), the [sugarcane reference price](#) for MY 2011/12. This reference price is the price that should be used to calculate final sugarcane payments for the MY 2010/11 crop. The reference price is \$10,368.58 pesos per MT (US\$768.61/MT at \$13.49 pesos per dollar exchange rate)

General Information:

Introduction: This report summarizes an announcement from the Secretariat of Economy the sugarcane reference price for MY 2010/11, published in Mexico's "Diario Oficial" (Federal Register) on October 24, 2011.

Disclaimer: This summary is based on a cursory review of the subject announcement and therefore should not, under any circumstances, be viewed as a definitive reading of the regulation in question, or of its implications for U.S. agricultural export trade interests. In the event of a discrepancy or discrepancies between this summary and the complete regulation or announcement as published in Spanish, the latter shall prevail.

Title: Announcement of the Reference Price of Sugar- Standard Base- for payments for sugarcane for MY 2011/12 as Proposed by the National Committee for the Sustainable Development for Sugarcane.

Executive Summary: The Secretariat of Economy published an announcement in the *Diario Oficial* (Federal Register), on October 24, 2011 that states the reference price of sugar -standard base- that should be used to calculate sugarcane payments for the MY 2011/12 crop. The reference price is \$10,368.58 pesos per MT (US\$768.61/MT at \$13.49 pesos per dollar exchange rate) which is 1.43 percent higher than last marketing year's price of \$10,222.26 pesos per MT (US\$819.74/MT at \$12.47 pesos per dollar).

According to what has been established by the National Committee, this reference price will be the definitive reference price of sugar for the final payment adjustments for sugarcane from MY 2010/11.

The sugar reference price is based a complex formula involving, amongst other data, the average price of semi-refined (estandar) sugar in different regions of the country, as determined by CONADESUCA. The reference price is important because, according to Article 58 of the Law of Sustainable Development of Sugarcane, approximately 57 percent of this set reference price is paid to growers for their sugarcane.

For More Information:

FAS/Mexico Web Site: We are available at www.mexico-usda.com or visit the FAS headquarters' home page at www.fas.usda.gov for a complete selection of FAS worldwide agricultural reporting.

FAS/Mexico YouTube Channel: Catch the latest videos of FAS Mexico at work
<http://www.youtube.com/user/ATOMexicoCity>

Useful Mexican Web Sites: Mexico's equivalent to the U.S. Department of Agriculture (SAGARPA) can be found at www.sagarpa.gob.mx and Mexico's equivalent to the U.S. Department of Commerce (SE) can be found at www.economia.gob.mx. These web sites are mentioned for the readers' convenience but USDA does NOT in any way endorse, guarantee the

accuracy of, or necessarily concur with, the information contained on the mentioned sites.

Other Relevant Reports Submitted by FAS/Mexico:

Report Number	Subject	Date Submitted
MX1078	Mexico Announces a New TRQ	10/26/2011
MX1065	Mexico to Consider Additional Sugar TRQs	8/15/2011
MX1048	Expected Tariff Rate Quota for Sugar	6/13/2011
MX1029	2011 Sugar Annual: Sugar and Sugar Cane Production Forecast Stable with HFCS Consumption Grows	4/15/2011
MX0081	Sugar Reference Price	11/9/2010
MX0071	Mexico Formally Announces 100K MT Sugar TRQ	10/18/2010
MX0069	TRQ for Sugar Expected	10/4/2010
MX0068	Sugar, Sugar Cane, and HFCS Situation	10/4/2010