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# ECONOMIC FACTORS AFFECTING US SUGAR CONSUMPTION 

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## FACTORS TO EXAMINE ABOUT SUGAR CONSUMPTION

## Quantifiable

- Allotment Rollovers
- Sugar-Containing Product Shifts
- Analogies to Other Food Industries
- Economic Recession/Recovery
- Obesity Concerns
- Low-Carb Diets


## U.S. Real Per Capita Expenditures on Food Quarterly, 1999-2003



## US Sugar Consumption Trends 000 STRV

|  | $1999 / 00$ | $2000 / 01$ | $2001 / 02$ | $2002 / 03$ | 2003/04 est. |
| :--- | ---: | ---: | ---: | ---: | ---: |
| Total Domestic Sales (WASDE) | 10,111 | 10,142 | 9,972 | 9,975 | 9,675 |
| SCP Exports and Other Uses (WASDE) | -118 | -142 | -188 | -208 | -210 |
| Domestic Food Sales (WASDE) | 9,993 | 10,000 | 9,785 | 9,767 | 9,465 |
| Allotment Shifts (MB est.) |  |  |  |  |  |
| From September | -- | -- | -200 | -300 | $?$ |
| To October | -- | -- | -- | 200 | 300 |
| Actual Domestic Food Sales | 9,993 | 10,000 | 9,585 | 9,667 | 9,765 |
| SCP Imports | 647 | 725 | 819 | 926 | 1,050 |
| TOTAL CONSUMPTION | 10,640 | 10,725 | 10,404 | 10,573 | 10,815 |
| Change from Previous Year | $1.6 \%$ | $0.8 \%$ | $-3.0 \%$ | $1.6 \%$ | $2.3 \%$ |
|  |  |  |  |  |  |
| Note: "Total consumption" measures US industrial and consumer usage. "Domestic food sales" represents <br> (eliveries by US beet processors and cane sugar refiners. |  |  |  |  |  |

## US RESTAURANT INDUSTRY SALES GROWTH

(percentage growth in constant dollars)

- 1999
- 2000
- 2001
- 2002
- 2003
- 2004 est.
$+2.9 \%$
$+3.0$
$+0.8$
$+0.9$
+1.3
$+2.0$


## OBSERVATIONS

- Something happened to food consumption in 2001/02, from which the US is only now recovering
- Sugar has not been exempt from this trend
- Allotment rollovers have skewed demand reporting, requiring appropriate statistical adjustments
- Sugar-containing product imports must be added to domestic food sales to arrive at a meaningful understanding of consumption patterns
- The relationship of lifestyle issues to sugar demand is not supported by consumption statistics


## CONCLUSION

US sugar consumption weakened in 2001/02 due to the same economic factors that affected the rest of the food industry, but is now on the rebound.

