

ECONOMIC IMPORTANCE OF LOUISIANA SUGARCANE PRODUCTION IN 2016

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Overview

In 2016, sugarcane was grown on 431,300 acres in 23 Louisiana parishes. An estimated 414,048 acres were available for harvest for sugar, assuming that 4.0 percent of the total acres were used for seed cane. The 11 operating raw sugar factories in the state processed 13,166,726 tons of cane, which was an increase from 2015. In total, the 11 factories produced 1.577 million short tons of sugar (96° pol). The average yield of cane produced from each harvested acre amounted to 31.8 tons/acre (a decrease of 1.4 tons/acre compared to 2015). The average sugar recovery at the 11 raw sugar factories was 12.92 percent or 246 pounds of sugar (96° pol) per ton of cane; this was an increase of 29 pounds of sugar per ton of cane compared to the 2015 crop. The yield of commercially recoverable sugar produced per harvested acre was approximately 7,823 pounds (an increase of 623 pounds compared to the 2015 crop).

Louisiana's Rank is Total U.S. Sugar Production

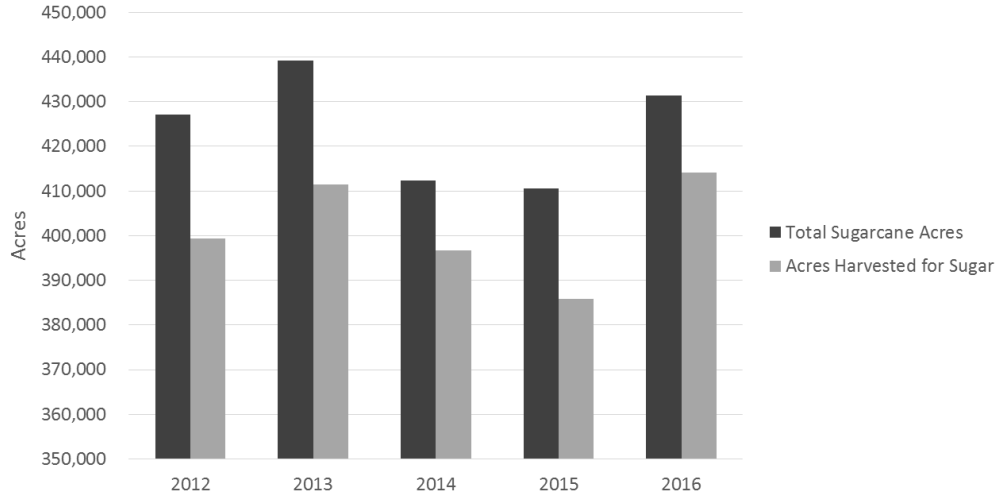
Refined white sugar in the United States is produced from two sources. Sugarbeets are processed directly into refined sugar, while sugarcane is first processed into raw sugar before being refined into white sugar. In 2016, 56.8 percent of total U.S. sugar production came from sugar beets and 43.1 percent came from sugarcane. For the 2016/17 fiscal year, Louisiana accounted for approximately 41.6 percent of total U.S. cane sugar production and 17.9 percent of total U.S. sugar production.

U.S. Sugar Production, 2015/16 and 2016/17

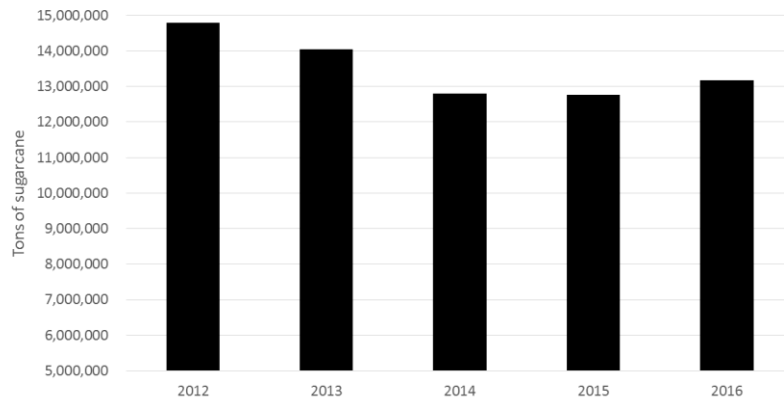
	2015/16	2016/17
	(1,000 short tons, raw value)	(1,000 short tons, raw value)
Beet sugar production	5,119	5,106
Cane sugar production	3,870	3,869
Florida	2,173	2,072
Hawaii	152	43
Louisiana	1,428	1,612
Texas	116	142
Total U.S. sugar production	8,989	8,975

Source: World Agricultural Outlook Board, U.S. Department of Agriculture, WASDE-563, March 2017.

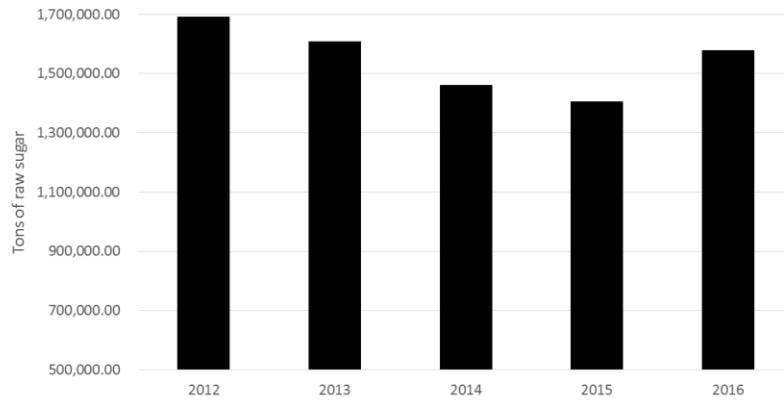
Louisiana Sugarcane Acreage, 2012-2016



Louisiana Sugarcane Production, 2012-2016



Louisiana Sugar Production, 2012-2016



2016 Louisiana Agricultural Summary Data for Sugarcane

Parish	Sugarcane Products	Total Producers	Units of Production (Yield per acre)	Total Production	Total Acres	Total Crop Value ¹
Acadia	Raw sugar (lbs)	*	6,010	24,189,625	4,193	\$6,279,301
	Molasses (gal)		138	556,351		
Ascension	Raw sugar (lbs)	10	7,285	122,640,469	17,536	\$31,835,818
	Molasses (gal)		168	2,820,731		
Assumption	Raw sugar (lbs)	39	7,840	275,318,584	34,189	\$66,796,446
	Molasses (gal)		180	5,918,327		
Avoyelles	Raw sugar (lbs)	17	8,300	74,238,653	9,317	\$19,271,357
	Molasses (gal)		191	1,707,489		
Calcasieu	Raw sugar (lbs)	*	6,780	2,594,408	399	\$673,473
	Molasses (gal)		156	59,671		
Cameron	Raw sugar (lbs)	*	6,780	215,441	*	\$55,925
	Molasses (gal)		156	4,955		
Evangeline	Raw sugar (lbs)	*	7,600	2,099,059	*	\$544,887
	Molasses (gal)		175	48,278		
Iberia	Raw sugar (lbs)	89	7,296	395,322,495	56,441	\$102,620,406
	Molasses (gal)		168	9,092,417		
Iberville	Raw sugar (lbs)	30	8,295	295,134,507	37,062	\$76,612,952
	Molasses (gal)		191	6,788,094		
Jefferson Davis	Raw sugar (lbs)	10	6,000	3,583,872	622	\$930,325
	Molasses (gal)		138	82,429		
Lafayette	Raw sugar (lbs)	20	7,250	60,828,312	8,740	\$15,790,212
	Molasses (gal)		167	1,399,051		
Lafourche	Raw sugar (lbs)	22	6,957	175,808,622	26,324	\$45,637,555
	Molasses (gal)		160	4,043,598		
Pointe Coupee	Raw sugar (lbs)	33	8,300	368,861,827	46,293	\$95,751,573
	Molasses (gal)		191	8,483,822		
Rapides	Raw sugar (lbs)	10	8,300	96,074,160	12,058	\$24,939,561
	Molasses (gal)		191	2,209,706		
St. Charles	Raw sugar (lbs)	*	7,159	9,403,146	1,368	\$2,440,930
	Molasses (gal)		165	216,272		
St. James	Raw sugar (lbs)	22	7,872	218,019,133	28,850	\$56,594,837
	Molasses (gal)		181	5,014,440		
St. John	Raw sugar (lbs)	8	7,686	44,866,810	6,081	\$11,646,821
	Molasses (gal)		177	1,031,937		
St. Landry	Raw sugar (lbs)	13	7,600	48,224,371	6,610	\$12,518,399
	Molasses (gal)		175	1,109,161		
St. Martin	Raw sugar (lbs)	37	7,130	196,853,026	28,760	\$51,100,400
	Molasses (gal)		164	4,527,620		
St. Mary	Raw sugar (lbs)	24	7,760	336,306,232	45,144	\$87,300,578
	Molasses (gal)		179	7,735,043		
Terrebonne	Raw sugar (lbs)	8	6,950	61,660,622	9,242	\$16,006,269
	Molasses (gal)		160	1,418,194		
Vermilion	Raw sugar (lbs)	31	6,850	241,612,104	36,742	\$62,719,255
	Molasses (gal)		158	5,557,078		
West Baton Rouge	Raw sugar (lbs)	15	8,300	119,951,866	15,054	\$31,137,892
	Molasses (gal)		191	2,758,893		

Total Sugarcane Crop Value

\$819,205,172

¹ Total crop value of raw sugar and molasses.

Source: 2016 Louisiana Summary of Agriculture and Natural Resources, LSU Agricultural Center.

SUGARCANE SUMMARY FOR CROP YEAR 2016

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In 2016, sugarcane was grown on 431,351 acres in 24 Louisiana parishes. An estimated 407,627 acres were available for harvest for sugar, assuming that 6.5 percent of the total acres were used for seed cane.

The 11 operating raw sugar factories in the state processed 12,756,471 tons of cane. In total, the 11 factories produced 1.578 million short tons of sugar (96° pol). The average yield of cane produced from each harvested acre amounted to 31.8 tons/acre. The average sugar recovery at the 11 raw sugar factories was 12.3 percent or 246 pounds of sugar (96° pol) per ton of cane. The yield of commercially recoverable sugar produced per harvested acre was approximately 7,823 pounds. The 2012 crop had the highest recoverable sugar per acre of any sugarcane crop ever grown in Louisiana when production was recorded at 8,412 pounds of sugar/harvested acre.

Although the pricing period is not completed for the 2016 crop, the average predicted price for raw sugar for 2016 is \$0.245 per pound. Molasses prices is estimated to have an average price of \$108 per short ton at 79.5° Brix.

The gross farm value of the 2016 sugarcane crop was \$ 486,921,998 for sugar and molasses. The gross farm value represents 60 percent of the value of the sugar and 50 percent of the value of molasses produced. The remaining percentages are for processing and marketing, which amounted to \$ 332,287,438. Therefore, the total value of the sugarcane crop to Louisiana producers, processors and landlords at the first processing level was \$ 819,209,436.

The 2016 sugarcane crop got off to an early start. Late winter (January and February) temperatures were above normal, and spring temperatures (March – May) were above normal. Rainfall was above normal during this same time frame (see Tables 1 - 3). The high rainfall and in some cases high water tables were not conducive for early crop growth. High rainfall and the wet harvest of 2015 made for some weak stands of stubble cane in the cane belt. Summer growth was excellent, and the cane height at the beginning of planting was above normal. Some growers began planting in late July, but wet conditions in August through September made this one of the most difficult crops to plant in recent memory. Fields for planting began to dry by late September and by the first week of October the majority of planting was completed. Planting ratios were very good for the 2016 planting season. Cane planted prior to the flooding rains of August 11 & 12, 2016 were so in germinating, and a few acres that remained under water for as much as three weeks had to be plowed out. The months of October and November were very dry. Some stands of newly planted cane suffered because of the extended dry weather. Sugarcane crop growth was excellent throughout the summer months and just prior to harvest.

Sugarcane brown rust levels were moderately high throughout the growing season, and fungicides were applied primarily to HoCP 96-540 and L 01-283. Brown strip disease was commonly seen on fields of L 01-299. The mild winter was the likely cause of an outbreak of the West Indian canefly. Insecticide were used to successfully control this insect pest. Sugarcane borer pressure was light.

Harvest began on September 20, 2016 at the Alma mill at Lakeland and concluded at Sterling on January 15, 2016. By October 10, 2016, all factories were in operation. At the beginning of the grinding season, the weather was dry, the cane was straight, and sugar recoveries were high. No tropical systems from the Atlantic basin affected the Louisiana sugar industry in 2016. Weather conditions for the majority of the harvest were dry. The crop was erect. Dry weather and an erect crop contributed to the record sugar recoveries at the factory. Throughout harvest, cane yields (tons/acre) were lower than expected, which was likely due to excessive rainfall throughout the year.

The 2016 sugarcane variety census showed Louisiana producers have spread their risk and continued to rely on several varieties. The most widely grown variety was L 01-299, which was grown on 36 percent of the production acres. This was followed by HoCP 96-540 (30%), L 01-283 (12%), and HoCP 04-838 (10%). All other varieties each occupied less than 6% of the state's acreage. HoCP 09-804 sugarcane variety was released to the industry in 2016. Seed-cane of the new release was distributed by secondary seed increase stations.

The Louisiana sugar industry did not experience below freezing temperatures harmful to the crop in 2016.

Table 1. 2016 monthly weather summary for Baton Rouge. Data obtained from Ryan Airport.

Month	Max Temp	Min Temp	Ave Temp	High Temp	High Date	Low Temp	Low Date	Monthly Precip	Rain Days
January	62	40	51	78	31	27	24	5.73	7
February	68	44	56	79	20	30	6	3.58	5
March	76	56	66	84	17	34	21	10.00	11
April	80	59	69	89	29	41	3	4.74	11
May	85	64	75	91	31	50	7	6.16	7
June	91	73	82	98	26	69	8	7.34	14
July	94	75	84	97	30	72	29	6.64	16
August	92	75	83	97	4	71	12	30.96	20
September	91	72	82	96	1	56	30	2.48	11
October	86	60	73	91	18	45	23	0.61	2
November	76	51	64	89	4	32	21	2.59	7
December	68	49	58	82	27	30	20	9.71	13
Annual	81	60	70	98		27		90.54	124

Table 2. 2016 monthly weather summary for New Orleans. Data obtained from Louis Armstrong New Orleans International Airport.

Month	Max Temp	Min Temp	Ave Temp	High Temp	High Date	Low Temp	Low Date	Monthly Precip	Rain Days
January	62	46	54	77	31	33	24	4.41	13
February	69	49	59	79	2	36	6	3.72	6
March	76	60	68	85	17	44	22	6.36	10
April	79	64	72	87	29	51	3	9.89	9
May	85	70	78	92	30	59	8	4.95	8
June	92	76	84	100	26	72	18	9.78	14
July	94	79	87	99	21	75	16	4.45	16
August	93	79	86	98	2	73	13	11.87	18
September	92	78	85	98	1	70	30	4.63	10
October	87	69	78	94	4	54	23	0.05	1
November	75	57	66	88	4	38	21	2.77	6
December	67	52	60	82	12	36	19	7.86	9
Annual	81	65	73	100		33		70.74	120

Table 3. 2016 monthly weather summary for Lafayette. Data obtained from Lafayette Regional Airport.

Month	Max Temp	Min Temp	Ave Temp	High Temp	High Date	Low Temp	Low Date	Monthly Precip	Rain Days
January	62	41	51	75	31	31	5	4.67	9
February	68	46	57	77	29	34	7	4.46	4
March	75	58	67	82	17	38	21	5.41	11
April	80	62	71	87	28	45	3	7.14	9
May	85	67	76	91	31	56	7	6.71	7
June	90	74	82	97	26	70	4	6.99	14
July	93	77	85	97	21	73	17	4.97	16
August	91	76	84	96	4	72	13	24.74	16
September	91	73	82	97	1	58	30	3.49	9
October	86	62	74	93	7	46	23	0.49	3
November	77	54	65	88	4	35	21	2.8	7
December	68	51	60	82	27	31	20	9.09	9
Annual	81	62	71	97		31		80.96	114