Fiscal 2003
Export Forecasts for Agricultural, Fishery & Solid Wood Products

Ag Forecast Lowered $1 Billion to $56 Billion
Ag Imports Raised to $45.5 Billion

USDA's "Outlook for U.S. Agricultural Trade"
was released on May 27, 2003
Prepared by Foreign Agricultural Service/USDA

U.S. Agricultural Trade

Since February, 2003 export forecast cut $1 billion to $56 billion, due to lower corn volume & live animal/poultry meat sales. Surplus cut to $10.5 billion.

Commodity/Country 2003 Export Forecasts

Key Changes in Fiscal '03 Forecasts since February

	Final FY 2002	Feb FY '03 For.	May FY '03 For.	Feb/May Chg	Main Reasons
Corn ($ Billion)	4.581	5.5	4.7	-0.8	(-) volume/price
Hort. ($ Billion)	11.109	11.3	11.6	+0.3	exchg rate; (+) apples/pears/nuts
Corn (mmt)	46.913	47.0	42.0	-5.0	competition w/ China & Argent
Soybeans (mmt)	28.897	25.6	27.5	+1.9	China's demand

- China +$800 million to $3.1 billion (soybeans)
- Mexico -$300 million to $7.6 billion (coarse grain prices, animal & animal prods)
- Egypt -$300 million to $800 million (grains, soybeans)

…Western Hemisphere still leads Asia but gap narrows to only $200 million

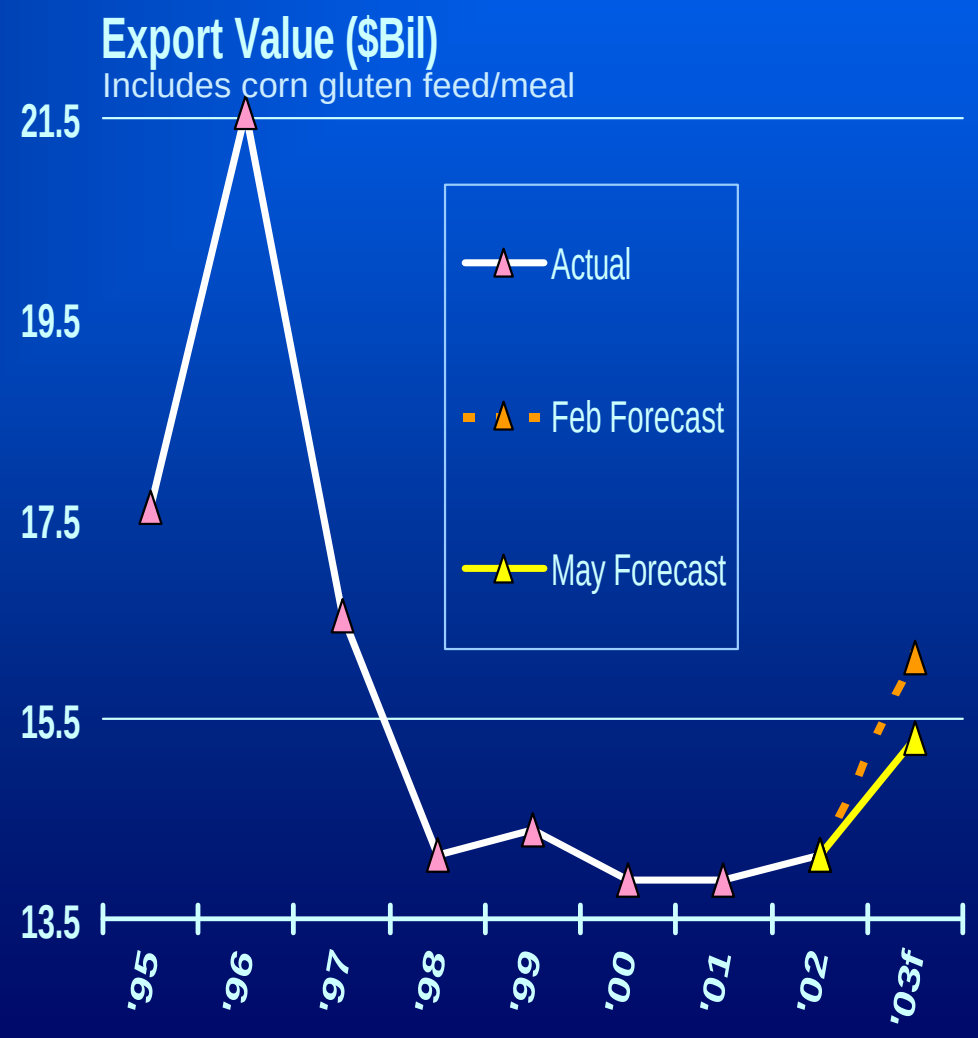
Export Outlook for Grain & Feed Products

Revised FY 2003 Forecast: ↓ $800 Million to $15.3 Billion

Revised FY 2003 Forecast

Key Developments

- U.S. corn exports slashed due to competition from China & Argentina
- Abundance of feed quality wheat weighs on corn prices
- Rice sales up to Brazil and Venezuela



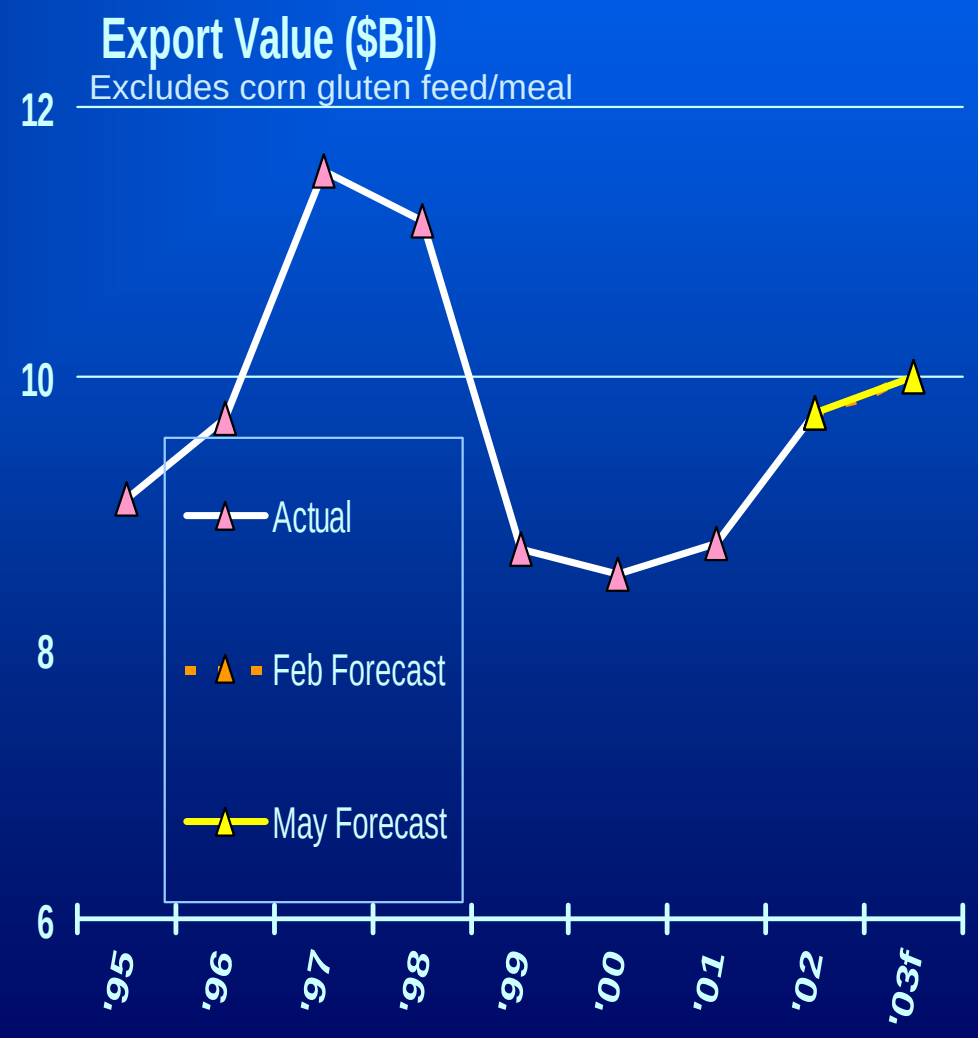
Export Outlook for Oilseeds & Products

Revised FY 2003 Forecast: Unchanged at $10.0 Billion

Revised FY 2003 Forecast

Key Developments

- Strong U.S. soybean sales to China – China's imports at record 16.5 mmt for MY 2002/03
- Lower soybean export unit price



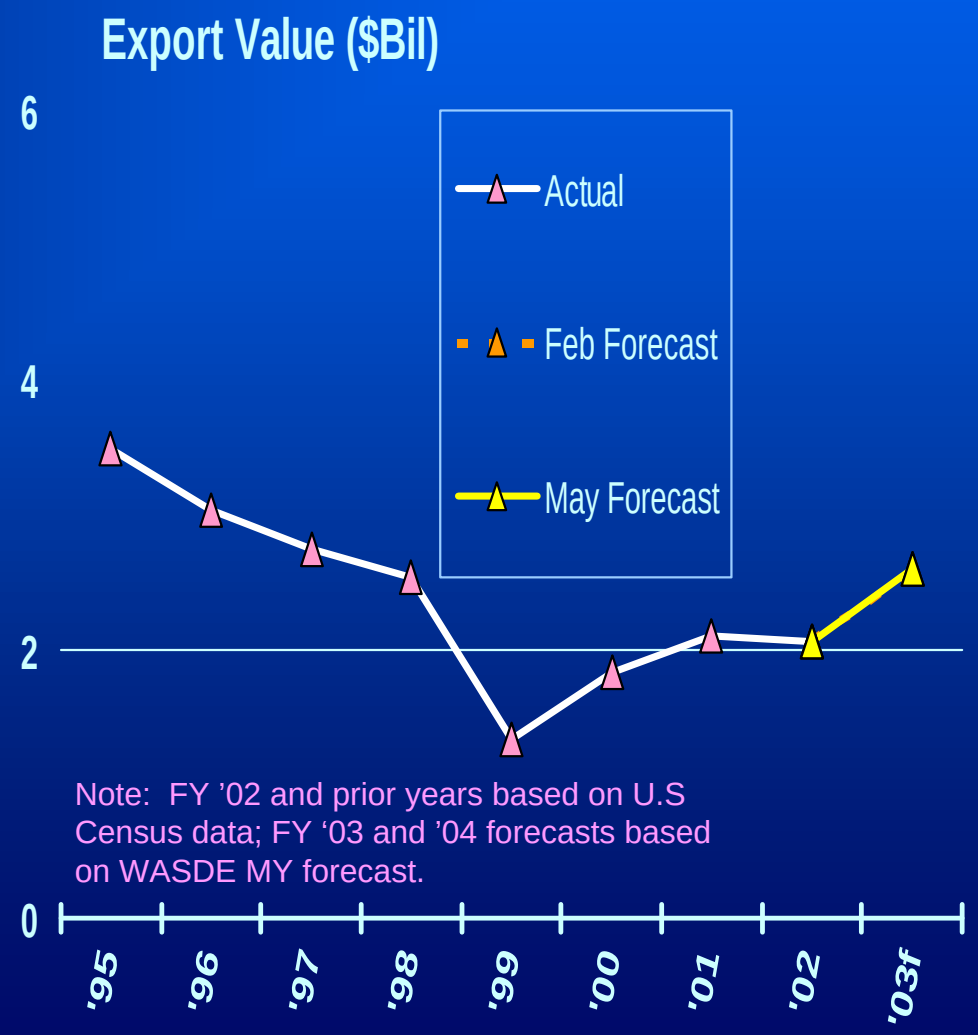
Export Outlook for Cotton & Linters

Revised FY 2003 Forecast: Unchanged at $2.6 Billion

Revised FY 2003 Forecast

Key Developments

- Exports fall later in season which helps boost total value



Note: FY '02 and prior years based on U.S Census data; FY '03 and '04 forecasts based on WASDE MY forecast.

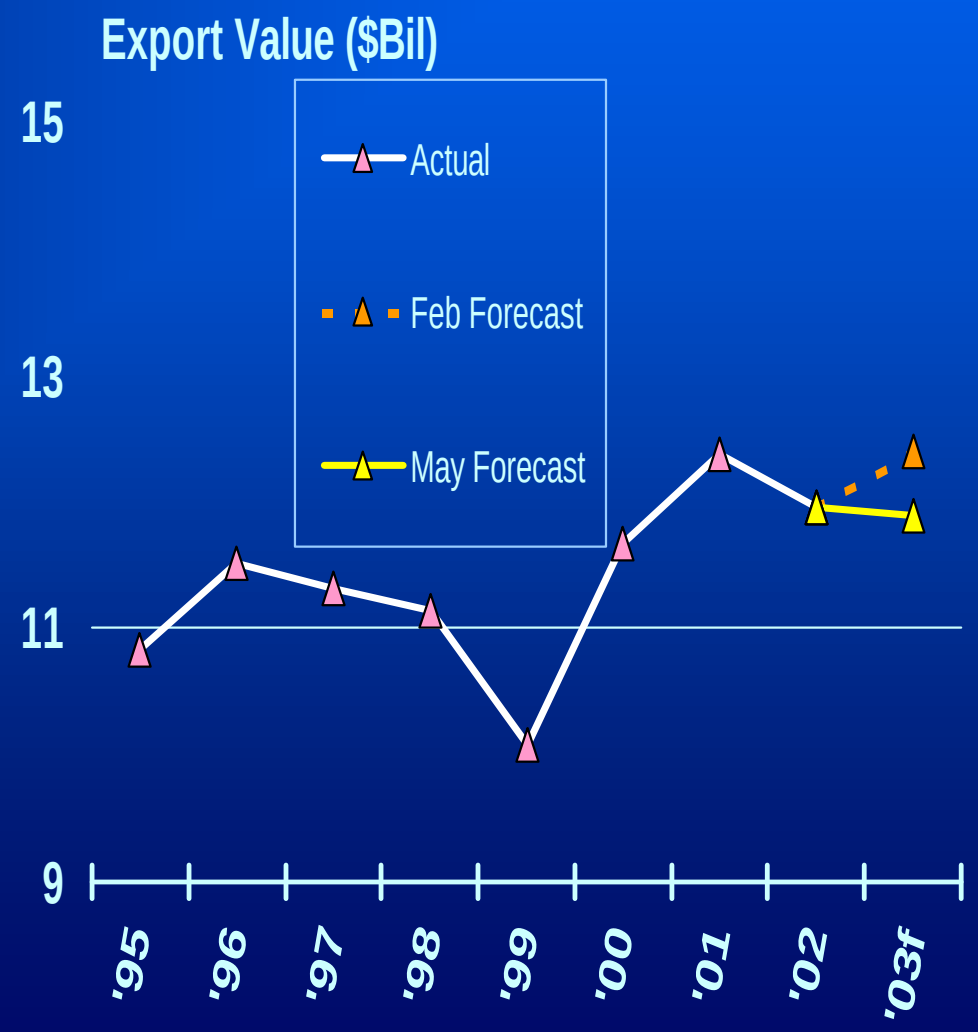
Export Outlook for Dairy, Livestock & Poultry

Revised FY 2003 Forecast: ↓ $500 Million to $11.9 Billion

Revised FY 2003 Forecast

Key Developments

- Lower pork and poultry prices
- Broiler sales to Japan affected by domestic disease outbreaks
- Expanding poultry exports to secondary mkts (Angola/Baltics)
- Reduced live animal shipments



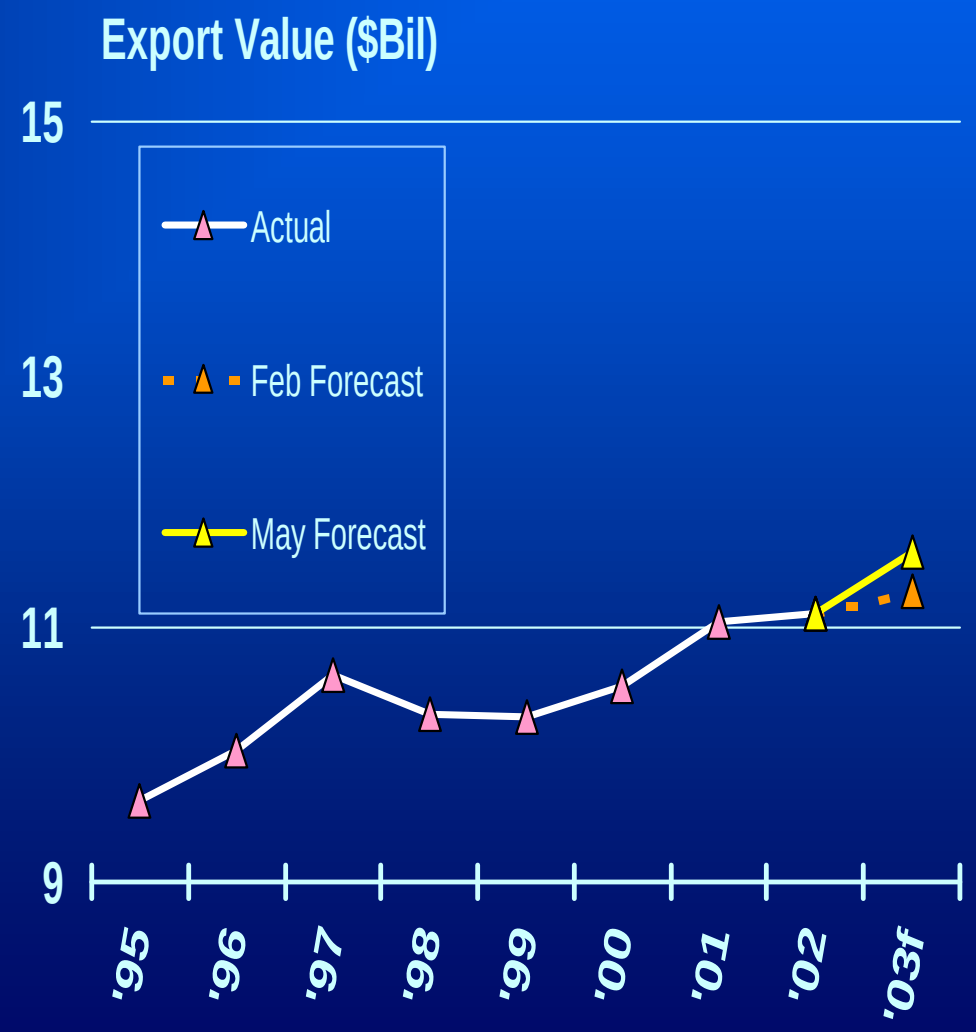
Export Outlook for Horticultural Products

Revised FY 2003 Forecast: ⇧ $300 Million to $11.6 Billion

Revised FY 2003 Forecast

Key Developments

- More competitive dollar
- Higher prices for apples & pears
- Strong tree nut and wine sales



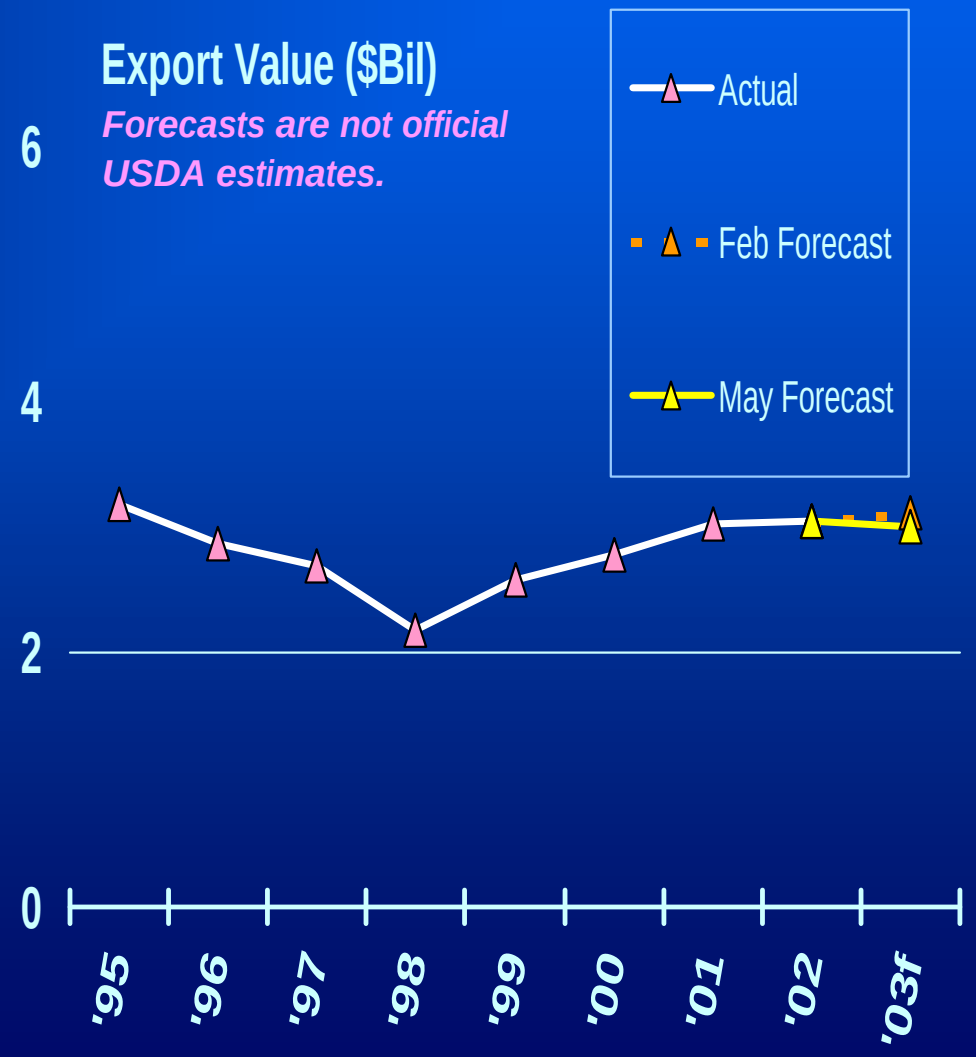
Export Outlook for Fishery Products

Revised FY 2003 Forecast: ↓ $100 Million to $3.0 Billion

Revised FY 2003 Forecast

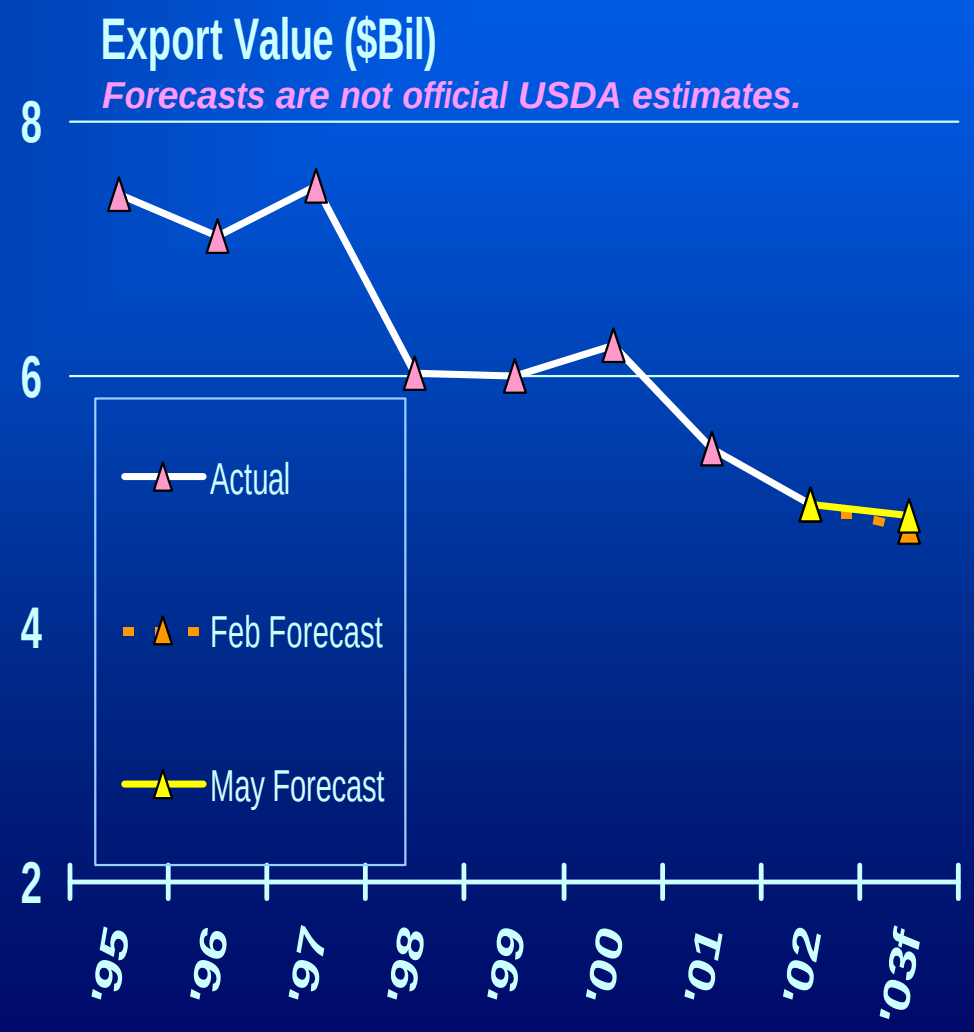
Key Developments

- Small California squid harvest due to *el Nino*



Export Outlook for Solid Wood Products

Revised FY 2003 Forecast: ⇧ $100 Million to $4.9 Billion

Revised FY 2003 Forecast

- U.S. exports to Canada rising on strength of hardwood lumber