

FY 2014 & 2015 U.S. Agricultural Trade Forecasts

Initial FY 2015 Forecasts

Exports = \$144.5 billion

Imports = \$117 billion

Surplus = \$27.5 billion

Changes Since May in 2014 Forecast

Exports  \$3.0 billion to \$152.5 billion

Imports  \$1.0 billion to \$109.5 billion

Surplus  \$4.0 billion to \$43 billion

USDA's "Outlook for U.S. Agricultural Trade"
Released on August 28, 3:00 pm EST

Slides prepared by Office of Global Analysis/FAS

U.S. Agricultural Trade

Lower Bulk Export Prices and Greater Export Competition



FY 2014 Exports Revisions (Aug. vs. May)

Exports forecast up \$3 billion to a record \$152.5 billion

Grains, Oilseeds & Cotton

Grain and Feed ↑ \$200 million - higher coarse grain exports more than offset lower wheat exports

Oilseeds ↑ \$1.0 billion - strong exports of both soybeans and meal

Cotton ↑ \$300 million - strong unit values

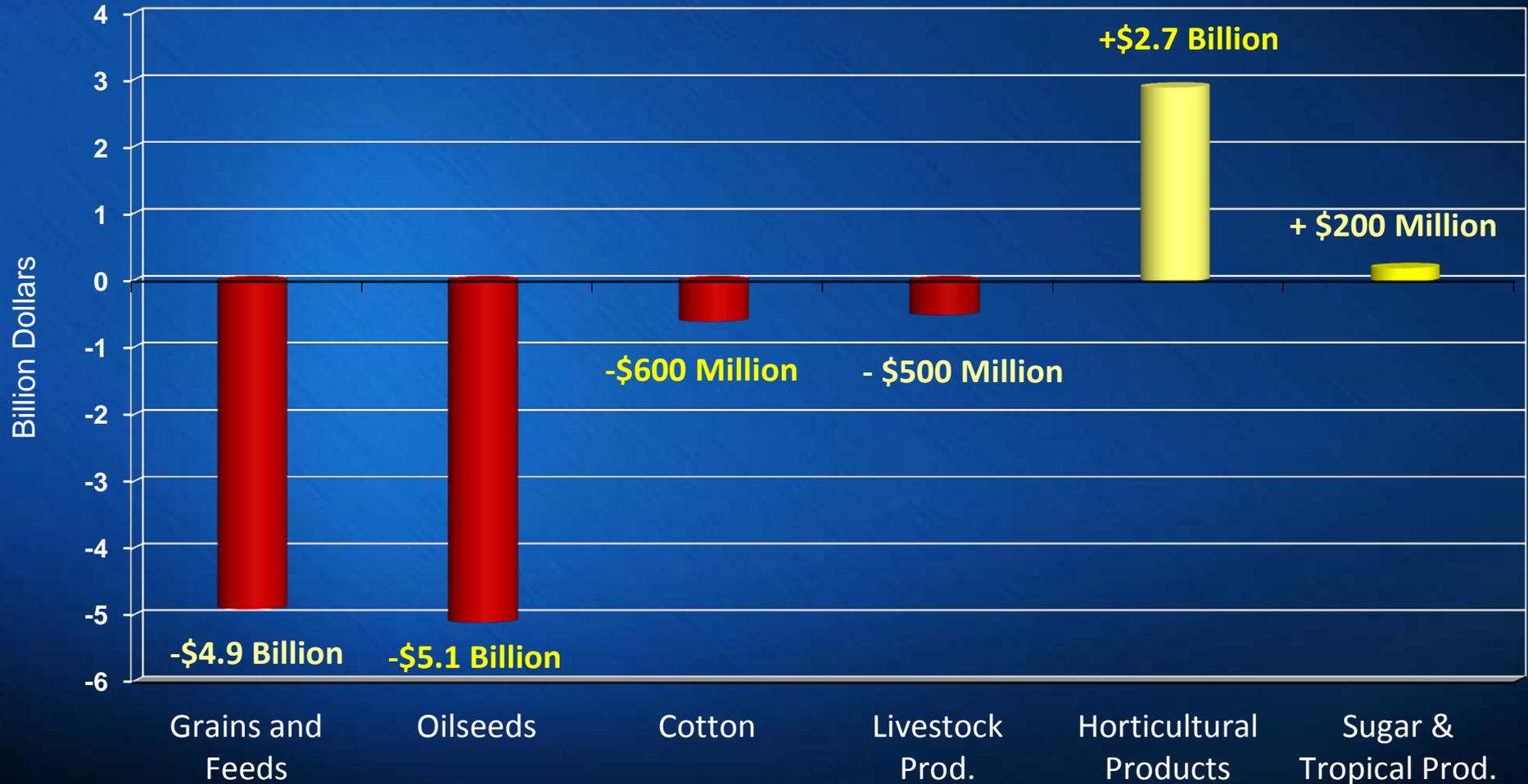
Livestock & Horticultural Products

Livestock & Products ↑ \$1.2 billion – most categories up, especially dairy

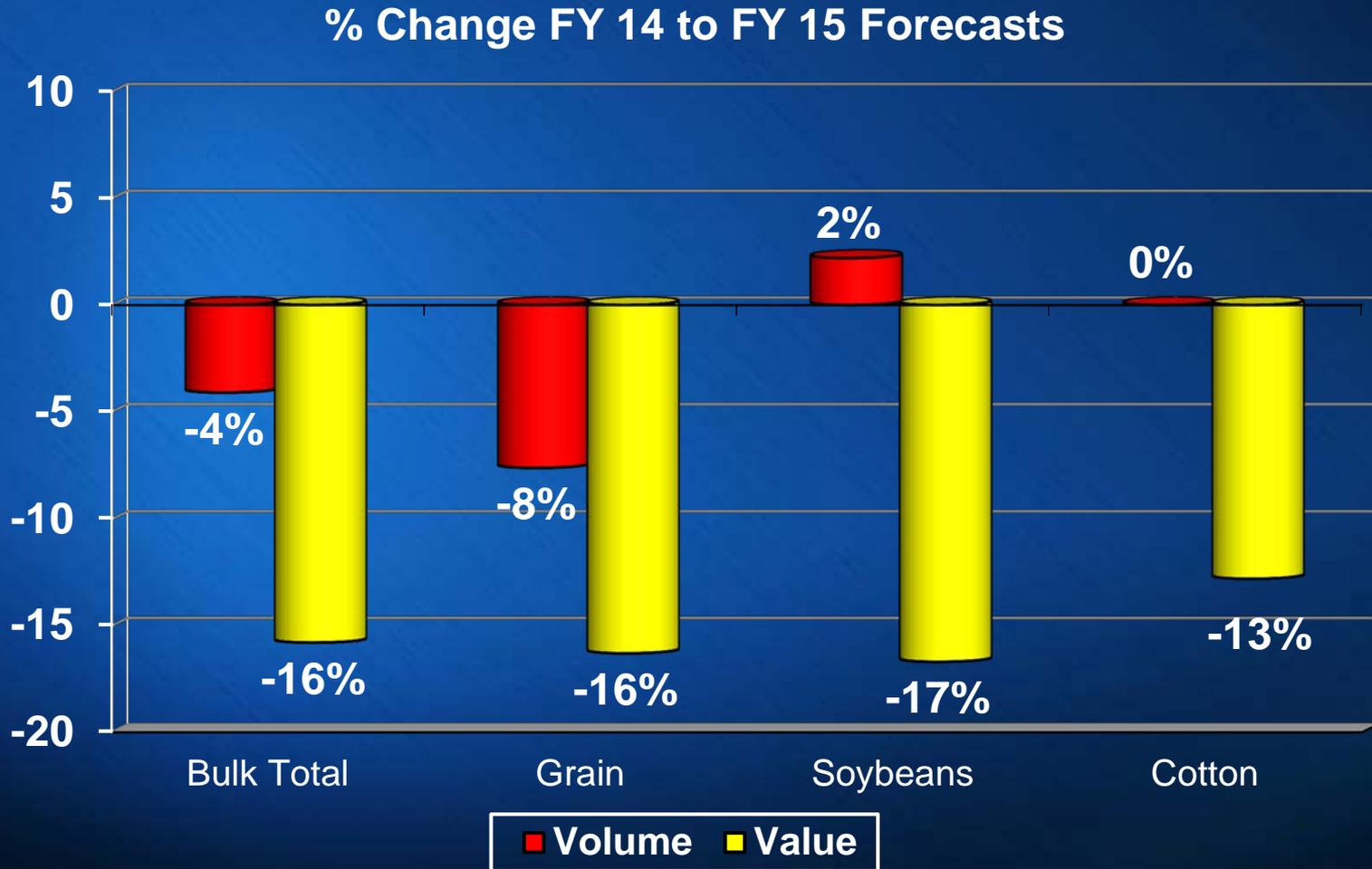
Horticultural Products No Change

FY 2015 Forecasts

Initial FY 2015 Forecast vs. Revised FY 2014



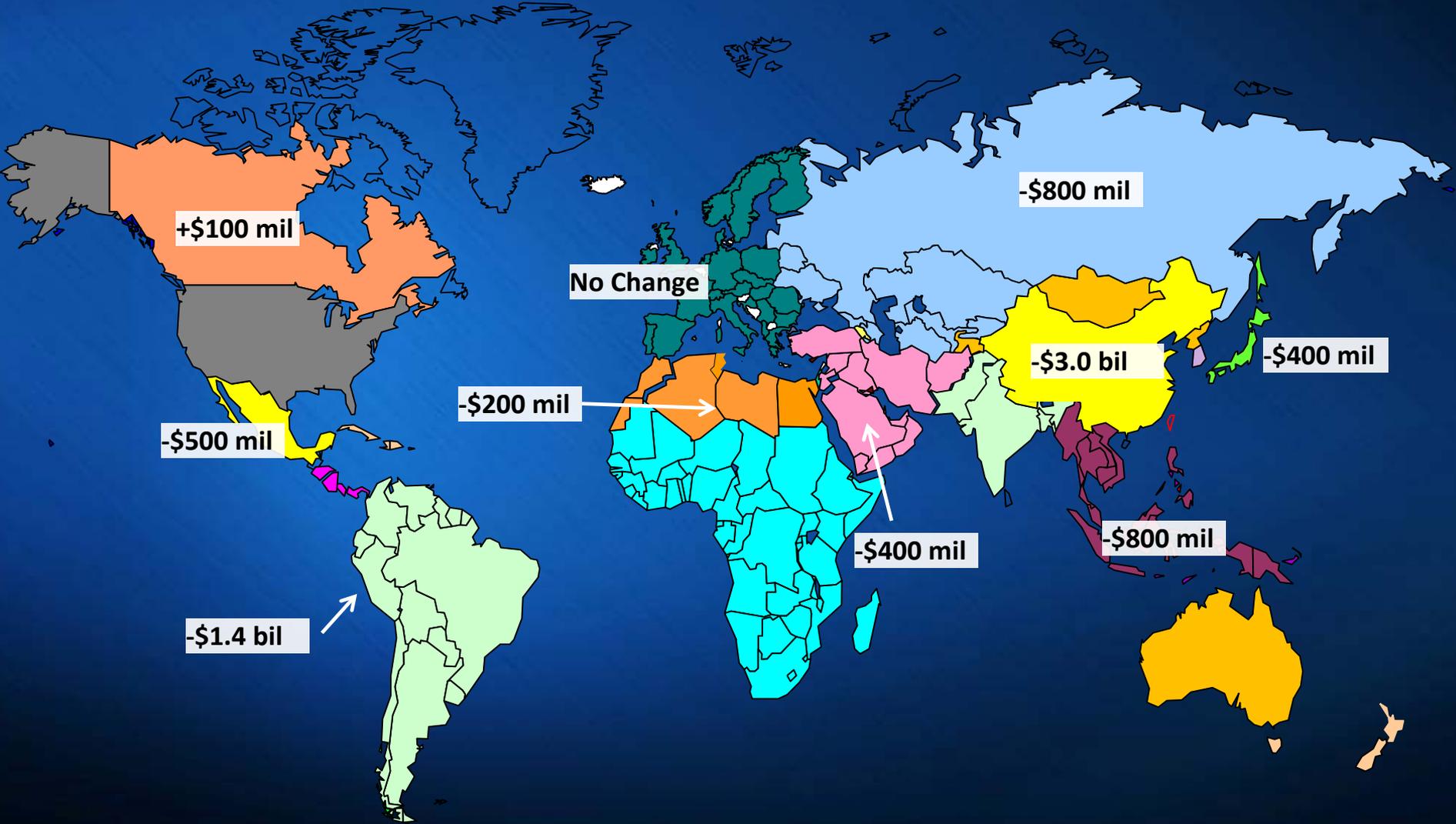
Most of Decline in Value of Bulk Exports Due to Lower Prices



Horticulture Expected to Be Largest Export Group for First Time

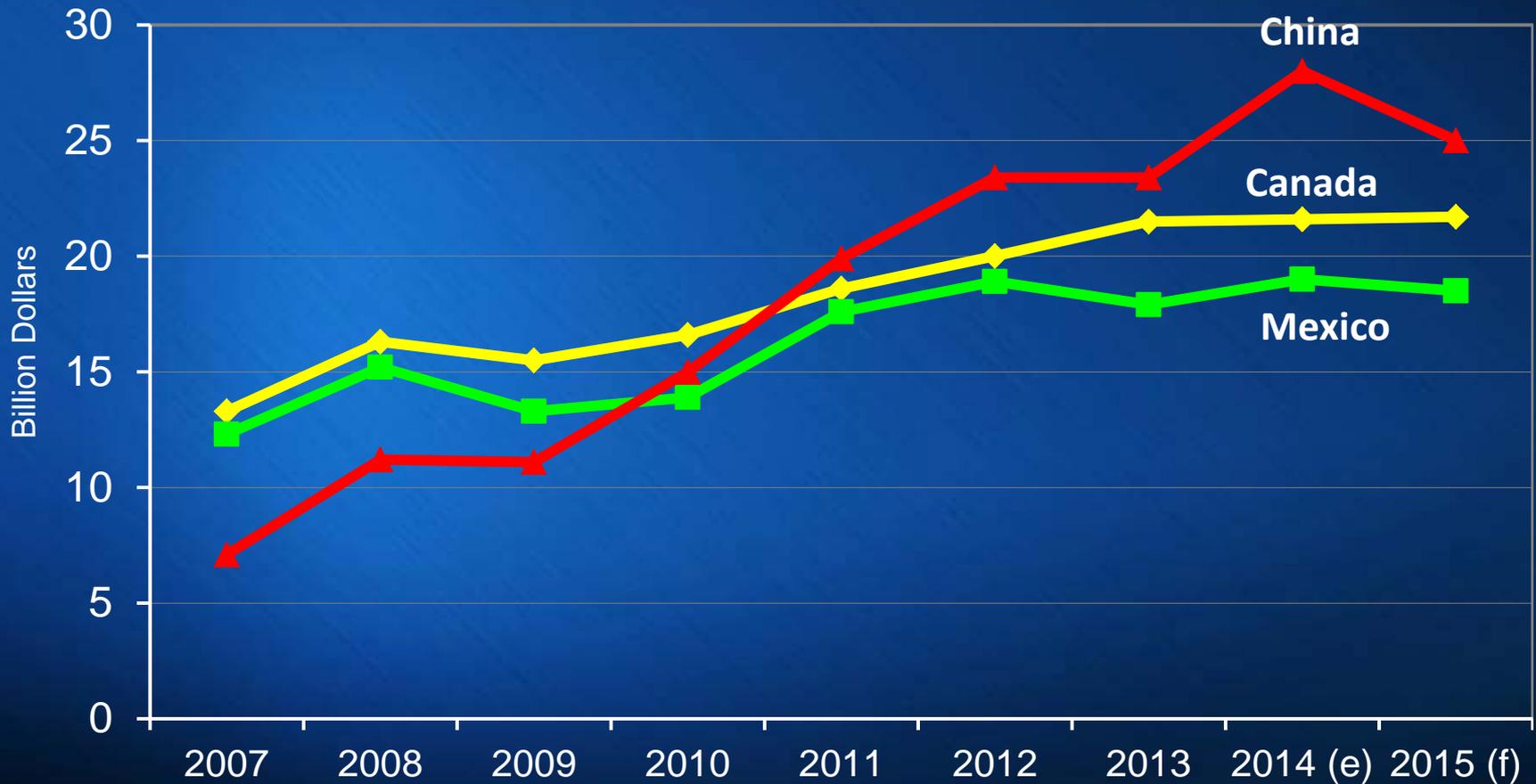


FY 2015 Export Changes by Market

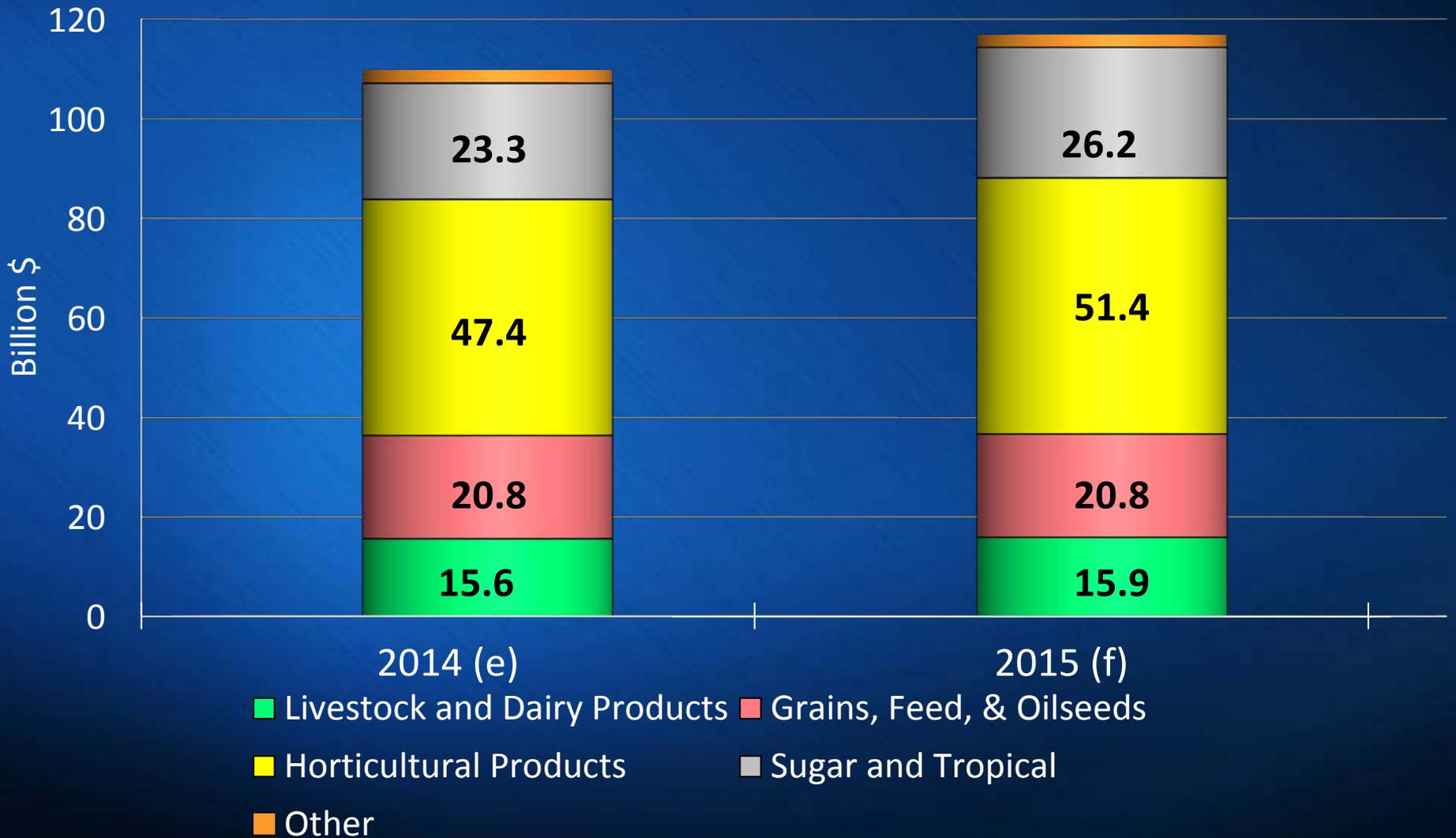


Despite Fall, China Remains Largest Market

U.S. Agricultural Exports to Canada, China, & Mexico



Imports Forecast at a Record \$117 Billion



*Includes Wheat, Corn, Sorghum, & Barley

Export Outlook for Grain & Feed Products

Initial FY 2015 Projection: \$31.1 Billion

Revised FY 2014 Forecast: \$36.0 Billion  \$200 Million

2015

Key Developments

- Corn volumes, values down on higher competition and weak prices
- Wheat prices down with abundant global supplies.

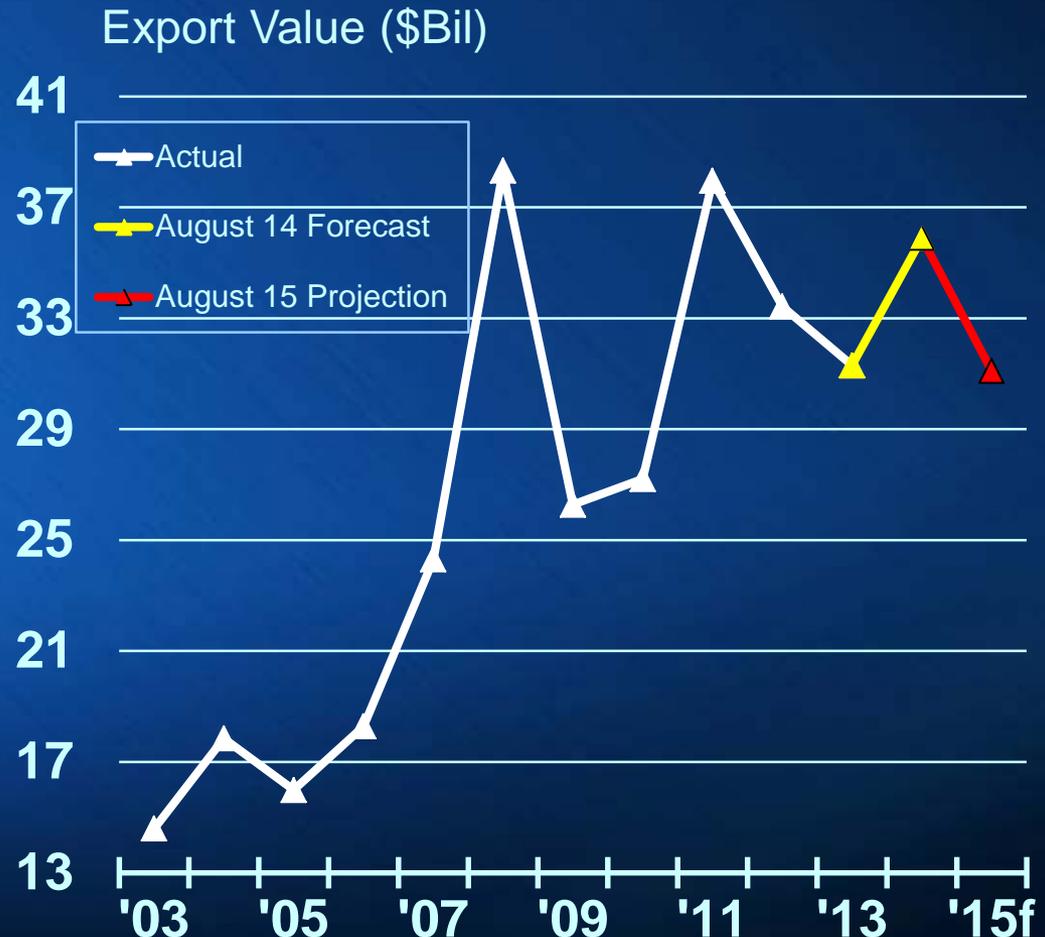
Wild Cards

- New-crop South American corn plantings
- Wheat production in Southern Hemisphere
- 2015/16 Northern Hemisphere winter wheat planting

2014

Key Developments

- Corn, sorghum boosted on strong demand



Export Outlook for Oilseeds & Products

Initial FY 2015 Projection: \$29.7 Billion

Revised FY 2014 Forecast: \$34.8 Billion  \$1.0 Billion

2015

Key Developments

- Export value down on lower unit prices
- Soybean complex volumes rise on strong demand, lower prices
- Soybean and soybean meal volumes to set records

Wild Cards

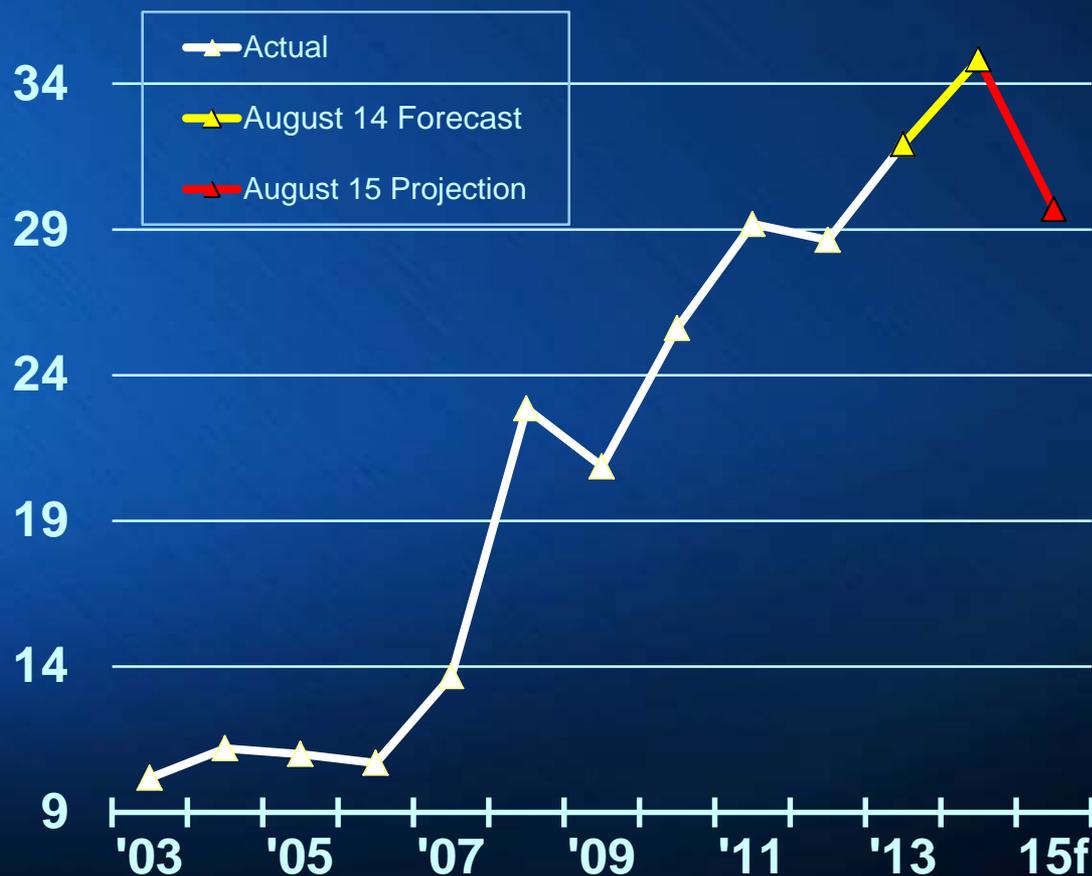
- China soybean demand
- U.S. production prospects

2014

Key Developments

- Soybean volume rises on record sales to China
- Soybean meal and oil volume up on stronger demand

Export Value (\$Bil)



Export Outlook for Cotton

Initial FY 2015 Projection: \$4.1 Billion

Revised FY 2014 Forecast: \$4.7 Billion  Up \$300 Million

2015

Key Developments

- Import demand slows further
- Prices fall on record stocks

Wild Cards

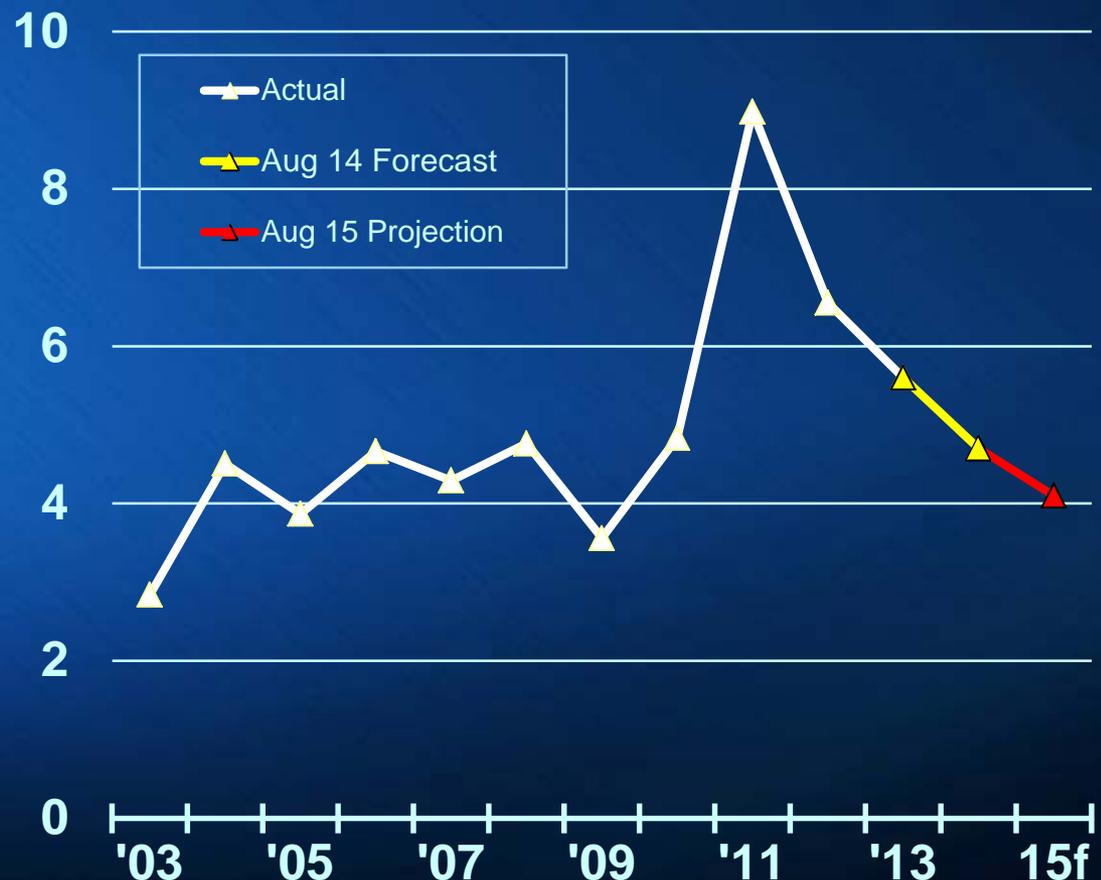
- Additional changes in China's reserve policy
- Cotton yarn demand in China

2014

Key Developments

- Unit values remain strong as prices fell

Export Value (\$Bil)



Export Outlook for Dairy, Livestock, and Poultry

Initial FY 2015 Projection: \$32.9 Billion

Revised FY 2014 Forecast: \$33.4 Billion  \$1.2 Billion

2015

Key Developments

- ❑ Beef higher as elevated prices outweigh lower shipments on tight supplies
- ❑ Dairy lower on increased global competition
- ❑ Pork lower on decreased prices and supplies
- ❑ Poultry lower on reduced broiler meat shipments

Wild Cards

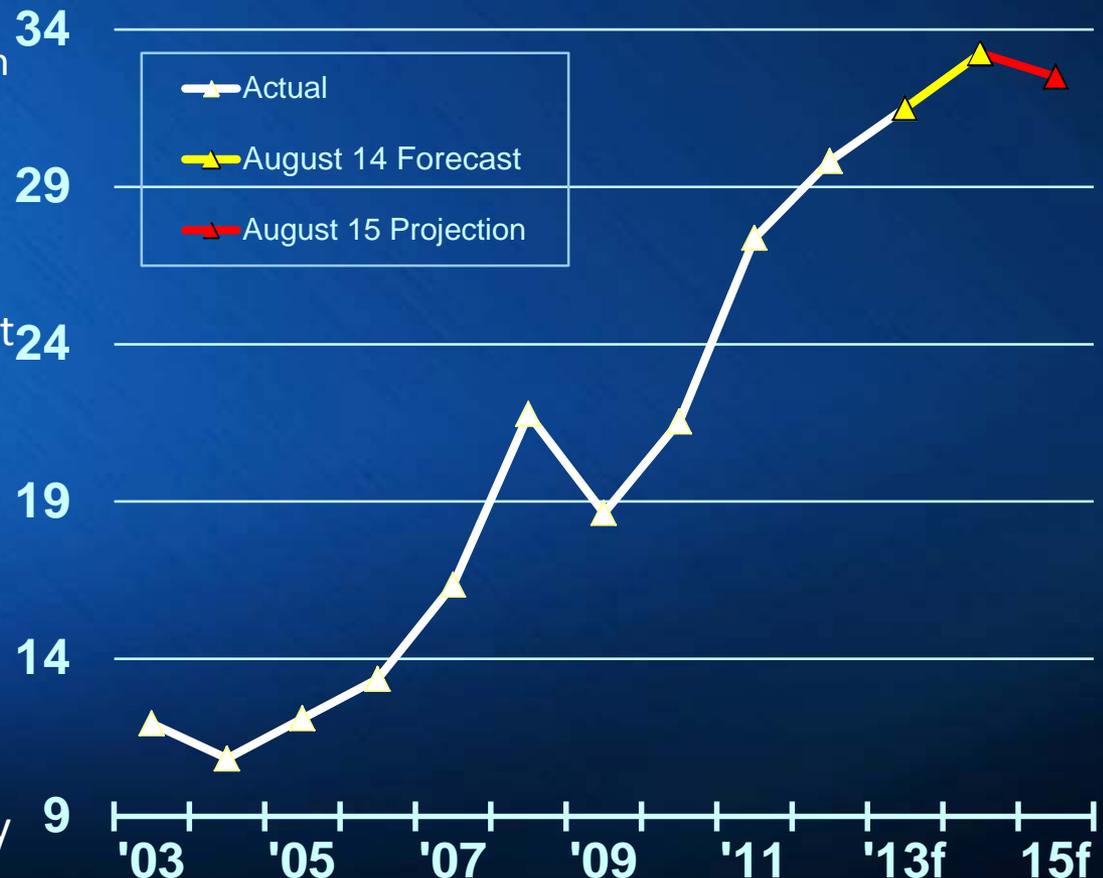
- ❑ PED impact
- ❑ Ongoing SPS trade issues

2014

Key Developments

- ❑ Gains in most categories, especially dairy

Export Value (\$Bil)



Export Outlook for Horticulture Products

Initial FY 2015 Projection: \$37.0 Billion

Revised FY 2014 Forecast: \$34.1 Billion

Unchanged

2015

Key Developments

- Long-term growth trend continues
- Strong exports to Canada, Europe and China
- Tree nut exports higher due to strong demand in China and Europe for almonds, pistachios and walnuts

Wild Cards

- China's continued growth, particularly for tree nuts, fresh fruit and wine

Export Value (\$Bil)

