

FY 2015 U.S. Agricultural Trade Forecasts

Changes to FY 2015 Forecasts

Exports  \$1.0 billion to \$143.5 billion
Imports  \$1.0 billion to \$116.0 billion
Surplus Unchanged at \$27.5 billion

Final Changes For FY 2014

Exports Unchanged at \$152.5 billion
Imports  \$0.3 billion to \$109.2 billion
Surplus  \$0.3 billion to \$43.3 billion

U.S. Agricultural Trade

FY 2014 sets record exports, imports, and surplus

Declining bulk export prices & greater export competition lower FY 2015 forecast



FY 2015 August to November Export Forecast Changes

Exports are forecast at \$143.5– down \$1.0 billion from the August forecast

Total Exports ↓ \$1.0 billion but still second highest level in history

Grain and Feed ↓ \$1.2 billion – lower prices for corn and wheat as a result of plentiful global supplies

Cotton ↓ \$400 million– lower export volumes as a result of a smaller U.S. crop than previously expected, and lower values due to falling global import demand

Oilseeds and Products → Unchanged– lower soybean unit values (due to record U.S. production) offset by expected record export volumes.

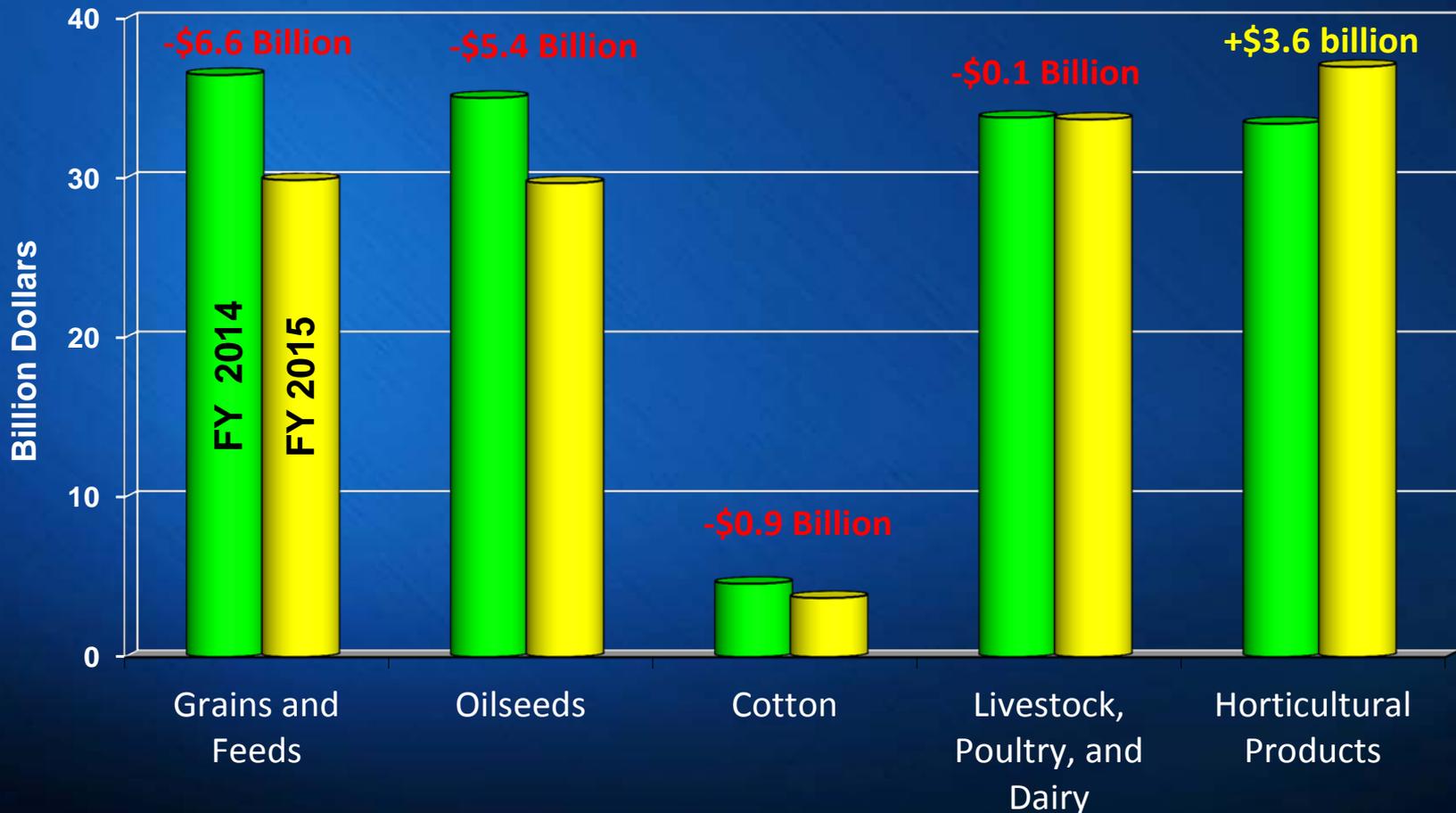
Horticultural Products → Unchanged– demand for tree nuts, fresh fruits and vegetables, processed fruit, wine, and essential oils continues strong growth

Livestock & Dairy ↑ \$800 million – rising prices for beef as a result of tight supplies and strong global demand. Also pork and poultry unit values and volumes are up. Dairy products, though, are revised down on strong global competition.

November FY 2015 Forecast vs. FY 2014 Exports

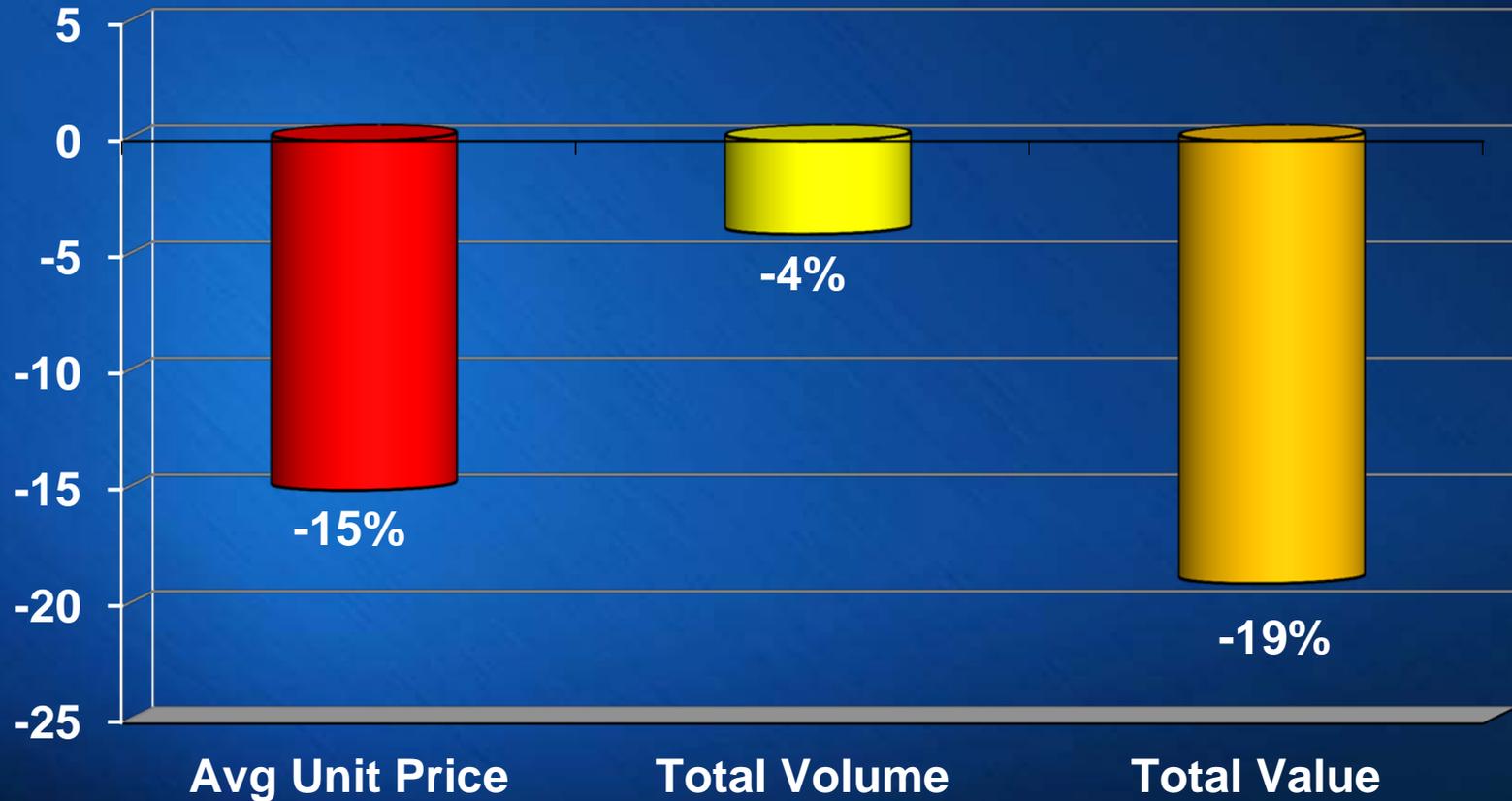
Horticultural and Livestock/Poultry/Dairy Products To Surpass Grain and Feed and Oilseeds in Export Value

FY 2014 Exports vs. 2015 Forecast



Decline in Value of Bulk Exports* Due Mostly to Lower Prices

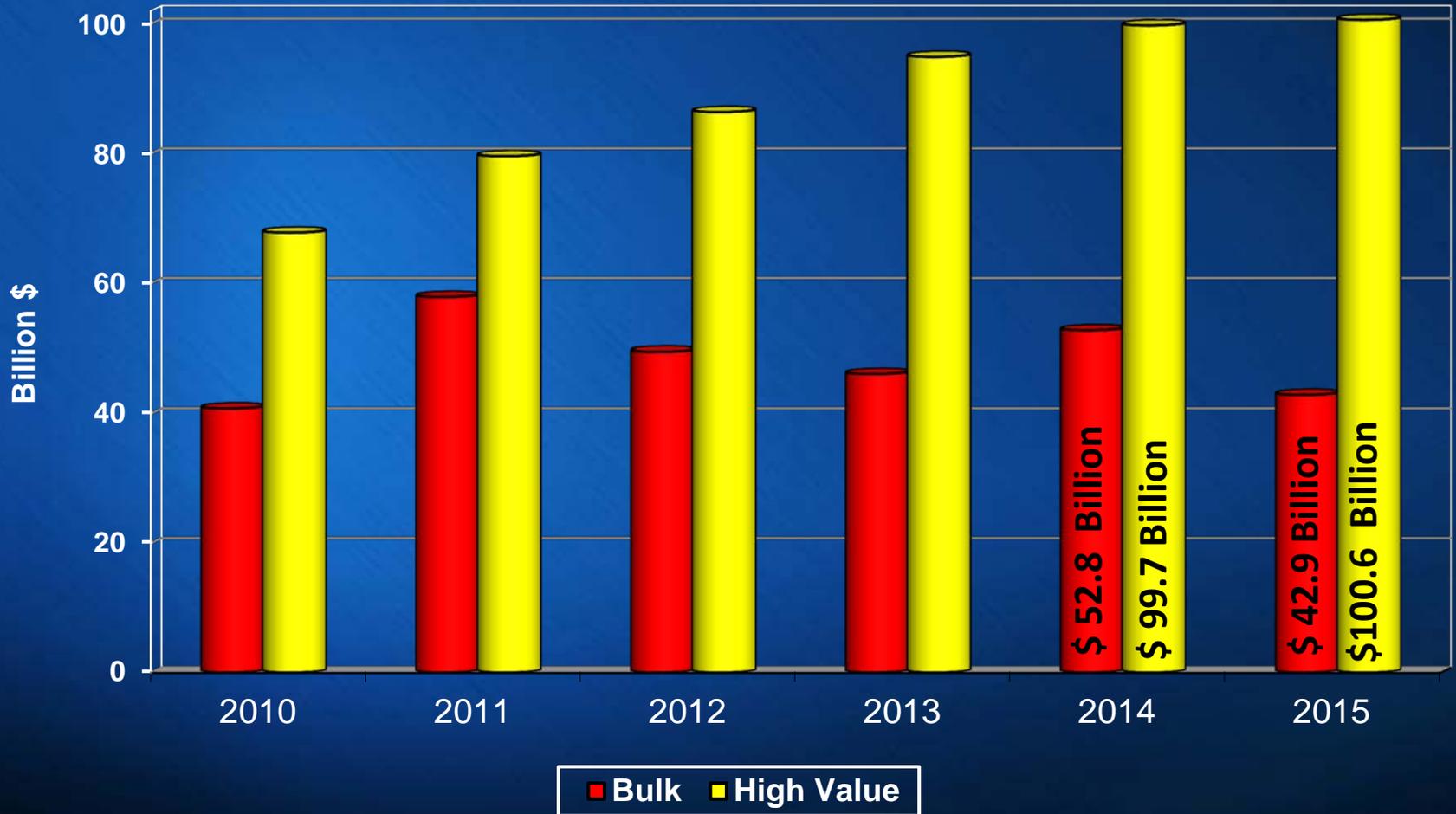
% Change FY 14 to FY 15 Forecast



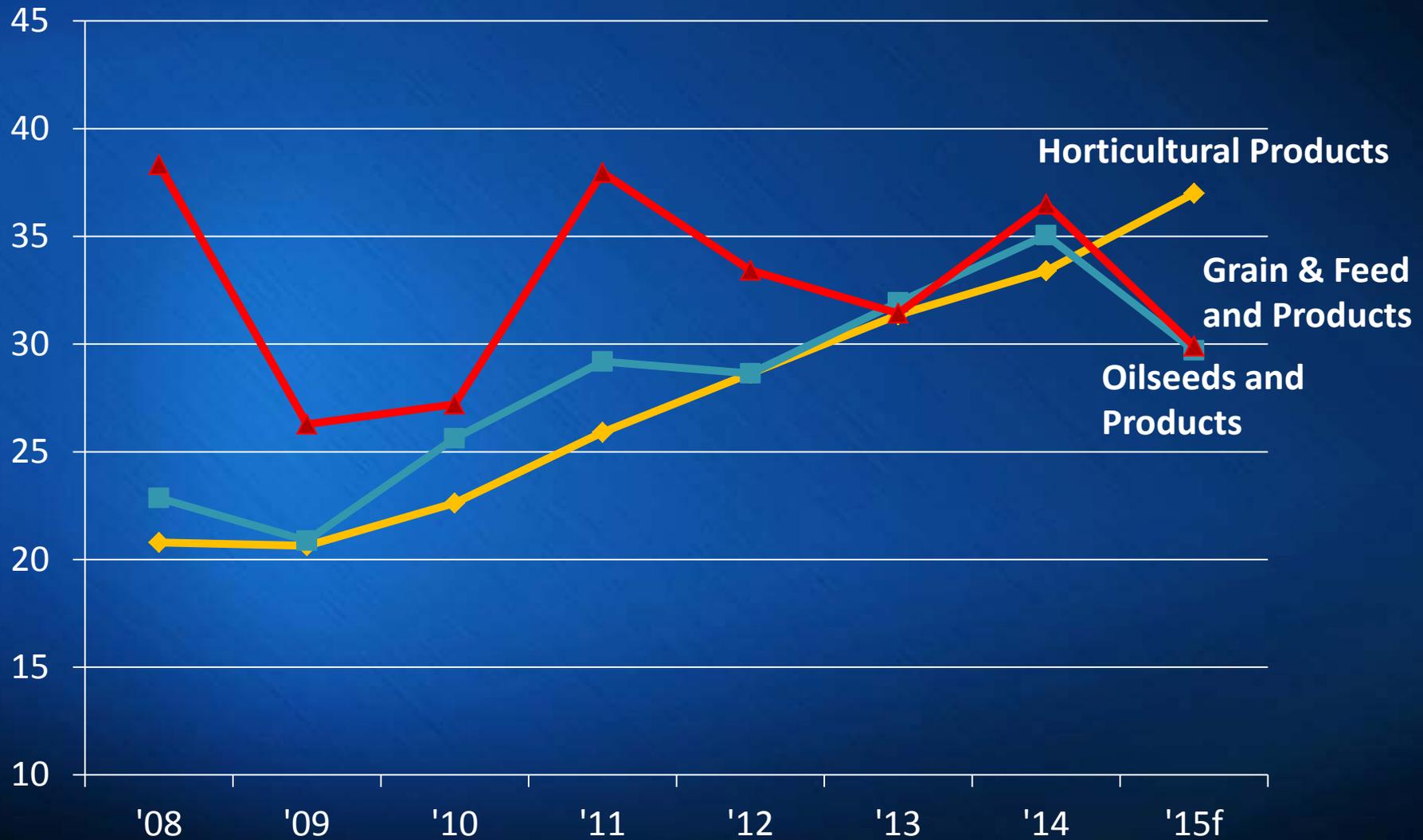
*Includes wheat, rice, coarse grains, soybeans, cotton, and unmanufactured tobacco

Bulk Exports Fall While High Value Exports Continue to Rise

Overall Forecast down \$1.0 Billion from FY 2014

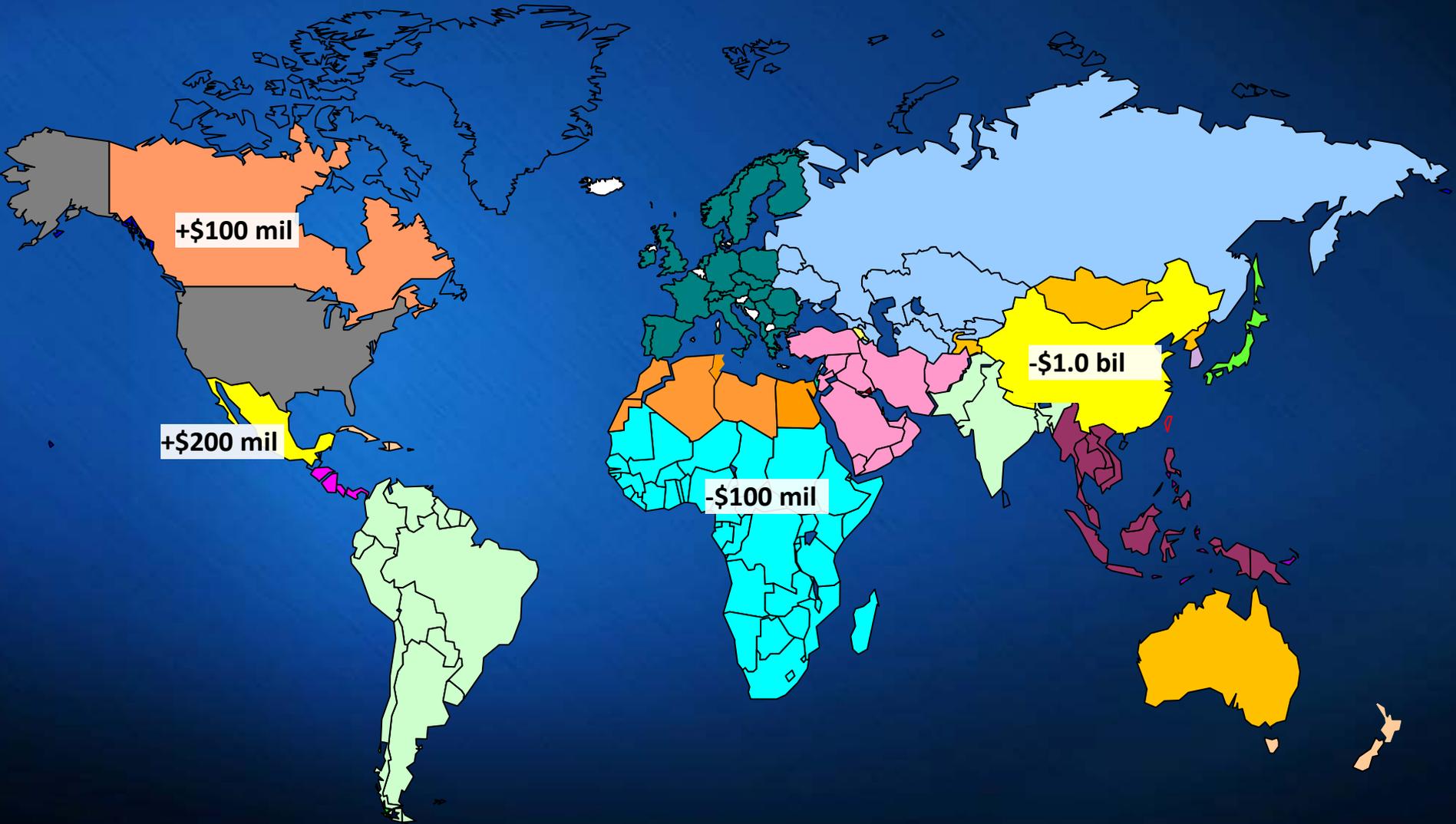


Horticulture to be Largest Export Group



Exports Revised Down to China, Up to Mexico and Canada

Change in FY 2015 Exports from August Forecast



FY 2015 August to November Import Forecast Changes

Imports are forecast at a record \$116 billion – down \$1.0 billion from the Aug. forecast

Imports ↓ \$1.0 billion but remain at a record of \$116 billion

Sugar & Tropical Products ↓ \$900 million – lower imports of sugar from Mexico

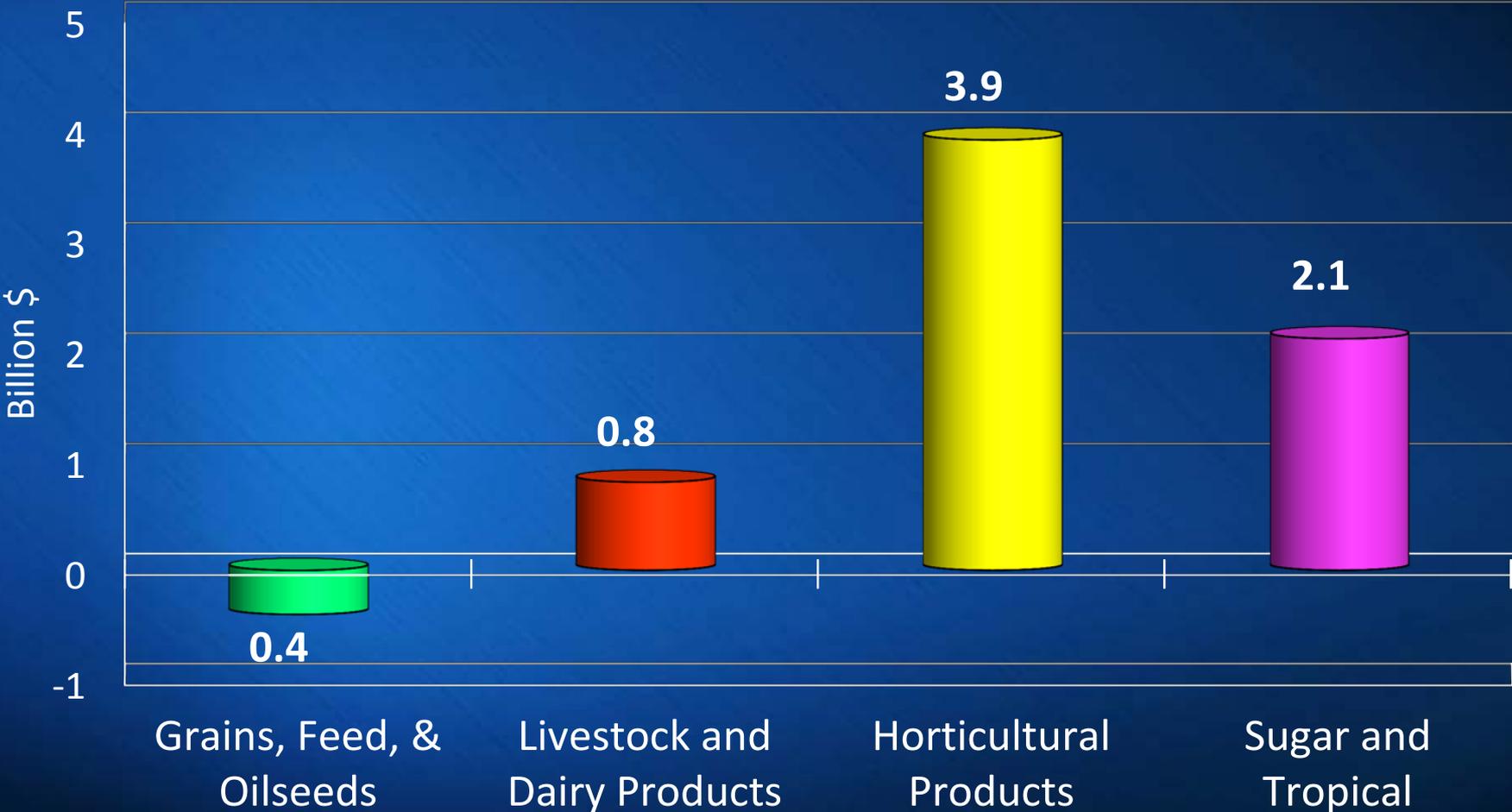
Horticultural Products ↓ \$500 million – lower than expected imports of fresh and processed fruits

Grain and Oilseeds ↓ \$500 million – lower U.S. demand for imported vegetable oils

Livestock & Dairy ↑ \$900 million – high beef prices to spur more cattle and beef imports

November FY 2015 Forecast vs. FY 2014 Imports

Total Imports Up \$6.8 billion to \$116 billion



*Includes Wheat, Corn, Sorghum, & Barley

Export Outlook for Grain & Feed Products

Revised FY 2015 Forecast: \$29.9 Billion  \$1.2 Billion

2015

Key Developments

- Corn value down on weaker prices and ample competing feedstuffs
- 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 conditions



Export Outlook for Oilseeds & Products

Revised FY 2015 Forecast: \$29.7 Billion ➡ Unchanged

2015

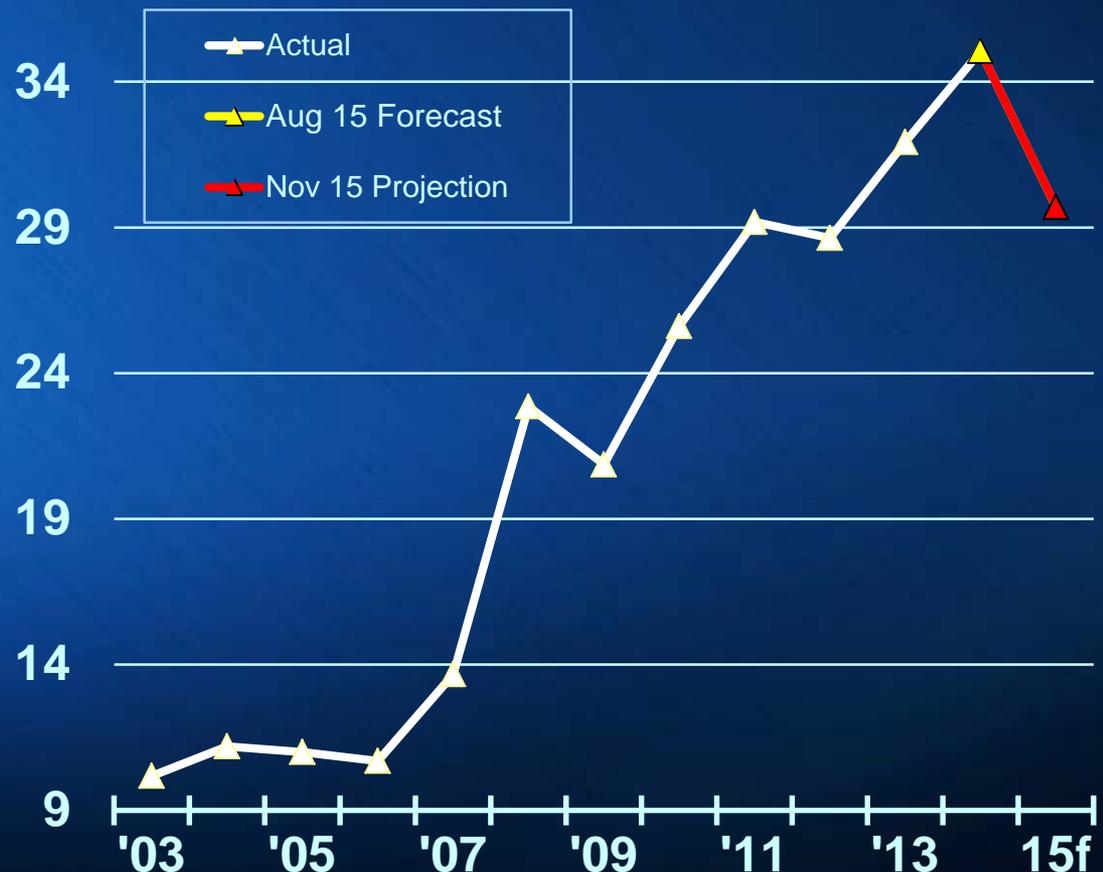
Key Developments

- ❑ Lower unit values offset export volume gains
- ❑ Soybean complex volumes rise on strong demand, lower prices
- ❑ Soybean and soybean meal volumes at record levels

Wild Cards

- ❑ China soybean demand
- ❑ Domestic shipping costs and logistics
- ❑ Argentine crush and soybean meal exports

Export Value (\$Bil)



Export Outlook for Cotton

Revised FY 2015 Forecast: \$3.7 Billion  \$400 Million

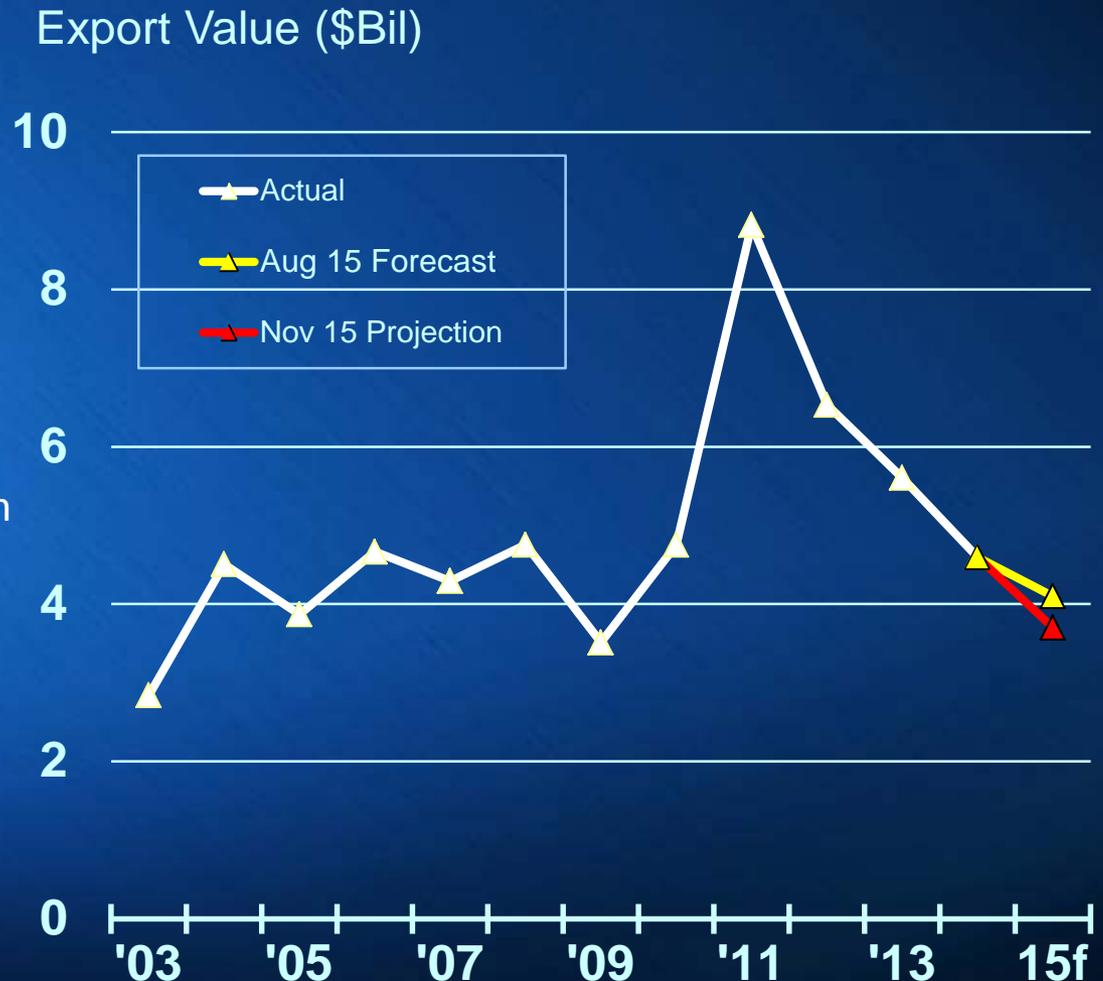
2015

Key Developments

- Smaller U.S. crop
- Lower world prices

Wild Cards

- India crop size and support program
- Cotton yarn demand in China



Export Outlook for Dairy, Livestock, and Poultry

Revised FY 2015 Forecast: \$33.7 Billion  \$0.8 Billion

2015

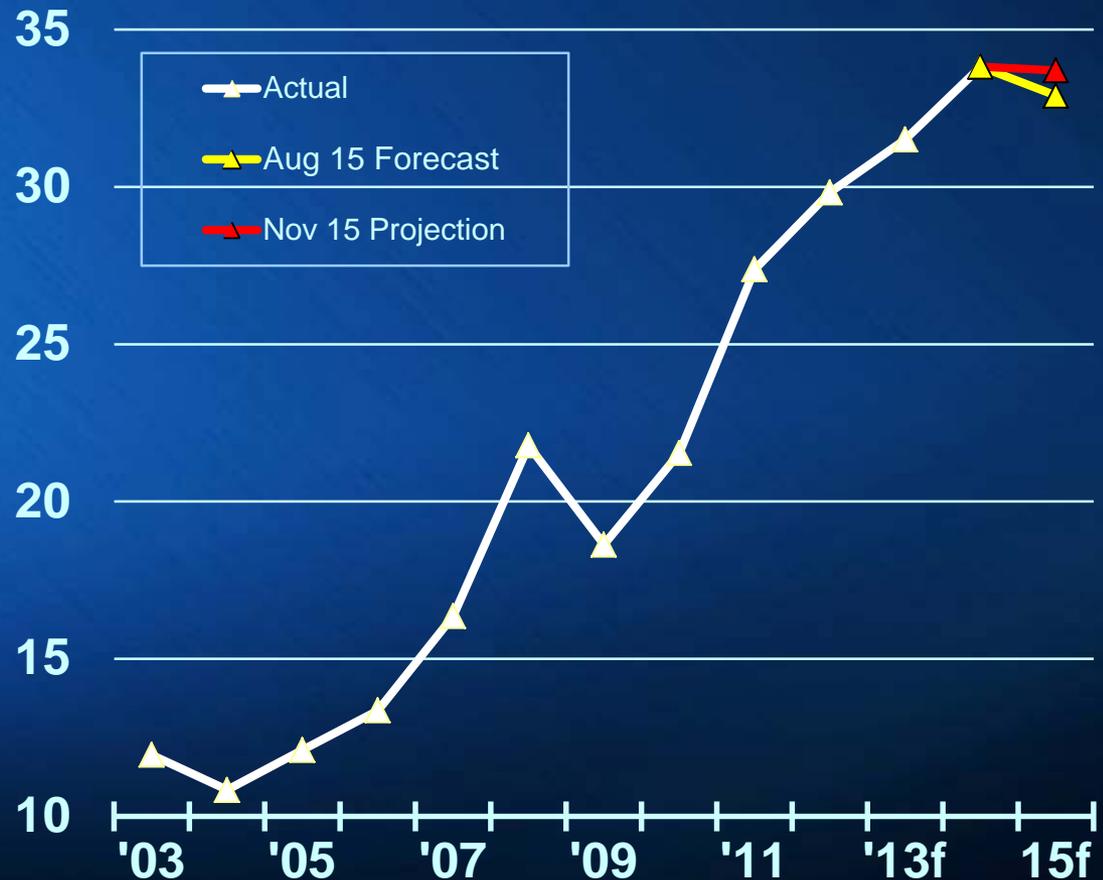
Key Developments

- ❑ Beef higher on elevated prices
- ❑ Pork and poultry higher on prices and volume despite loss of Russian market
- ❑ Dairy lower on increased global competition

Wild Cards

- ❑ PED impact
- ❑ Ongoing SPS trade issues

Export Value (\$Bil)



Export Outlook for Horticulture Products

Revised FY 2015 Forecast: \$37.0 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)

