

# FY 2015 U.S. Agricultural Trade Forecasts

## Changes to FY 2015 Forecasts

Exports ↓ \$2.0 billion to \$141.5 billion

Imports ↑ \$3.0 billion to \$119.0 billion

Surplus ↓ \$5.0 billion to \$22.5 billion

# U.S. Agricultural Trade

FY 2015 export forecast falls with lower expected high-value product exports



# FY 2015 November to February Export Forecast Changes

***Exports are forecast at \$141.5– down \$2.0 billion from the November forecast***

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**Total Exports ↓ \$2.0 billion but still second highest level in history**

**Grain and Feed → Unchanged**– Higher volumes and values of coarse grains (especially sorghum) offset lower wheat and rice volumes

**Cotton → Unchanged**– higher export volumes as the U.S. captures more of world trade, but lower unit values due to lower global consumption

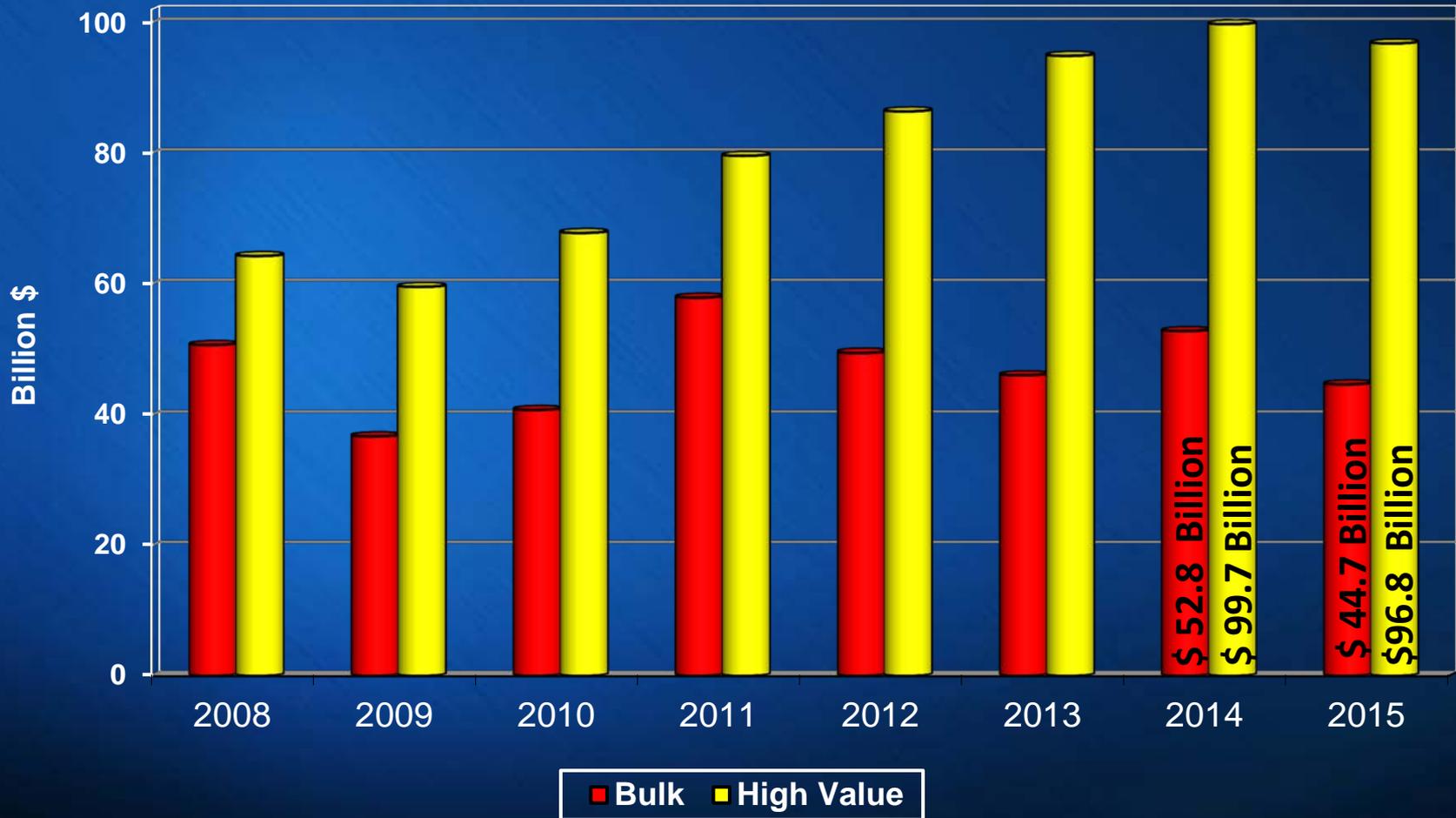
**Oilseeds and Products ↑ \$1.2 billion** – Record pace of U.S. soybean and soybean meal shipments

**Horticultural Products ↓ \$1.0 billion** – lower than expected fruit and vegetable shipments, as well as slowing tree nut demand in China and Europe

**Livestock & Dairy ↓ \$1.9 billion** – weaker demand for U.S. beef, pork and poultry and stronger dollar reduces competitiveness. Also pork and poultry unit values and volumes are up. Dairy products are also down on weak prices.

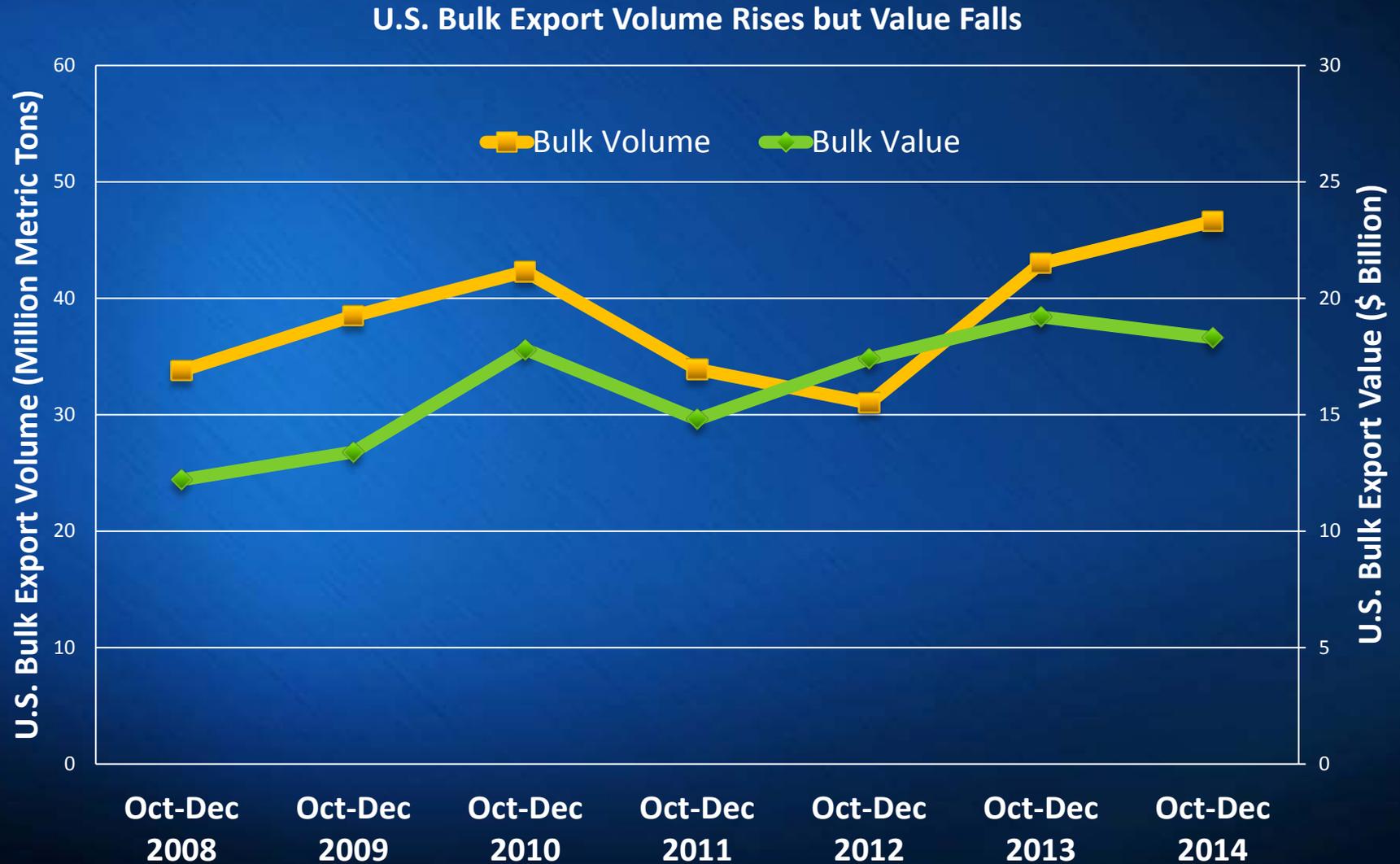
# High Value Exports to Fall for First Time Since 2009

Overall Forecast down \$11.0 Billion from FY 2014



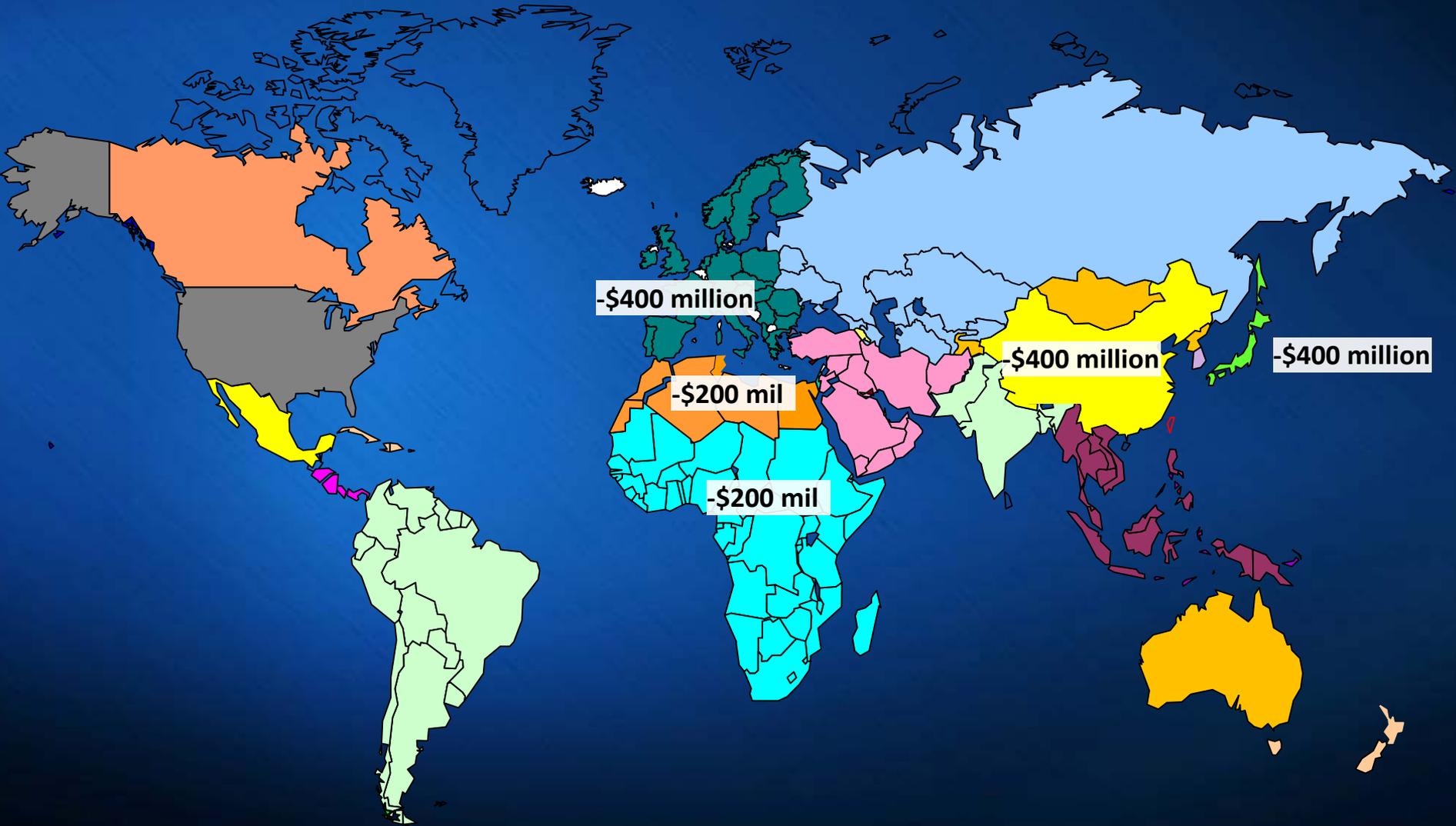
# U.S. Bulk Export Volume at Record in 1<sup>st</sup> Qtr of FY 2015

## But Value Falls



# Exports Revised Down to Asia, Europe, Africa

Change in FY 2015 Exports from November Forecast



# FY 2015 November to February Import Forecast Changes

***Imports are forecast at a record \$119 billion – up \$3.0 billion from the November forecast and nearly \$10 billion above FY 2014***

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**Imports ↑ \$3.0 billion to a record of \$119 billion**

**Livestock & Dairy ↑ \$1.0 billion** –beef imports continue to surge, as well as dairy

**Oilseeds and Products ↑ \$400 million** –greater import demand for certain vegetable oils

**Sugar & Tropical Products ↑ \$1.3 billion** – growth due especially to coffee beans, as well as cocoa and cocoa products

**Horticultural Products ↑ \$500 million** – greater than expected imports of fresh fruit (especially bananas, avocados and grapes) and fresh vegetables (such as tomatoes and peppers)

# Export Outlook for Grain & Feed Products

Revised FY 2015 Forecast: \$29.9 Billion ➡ Unchanged

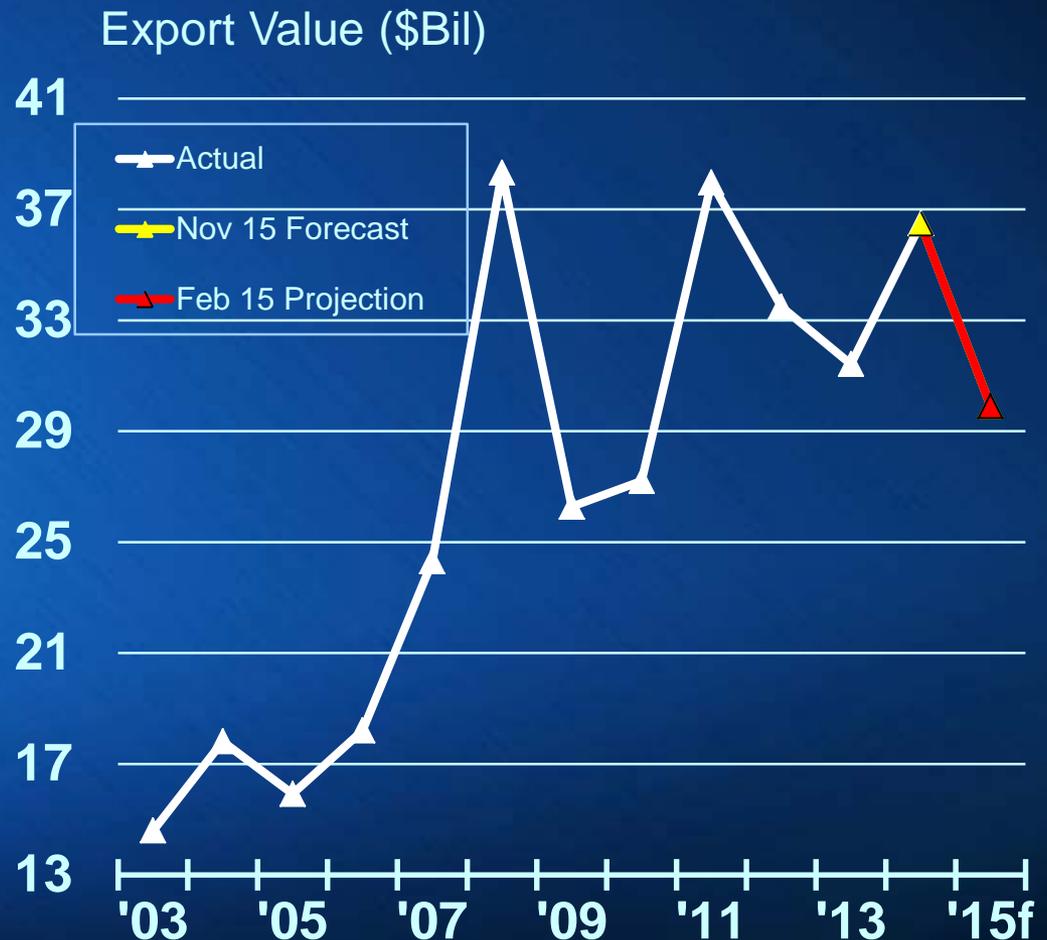
2015

## Key Developments

- Sorghum higher on Chinese purchases
- Corn up slightly
- Wheat volume down on intense competition- more than offsetting slightly higher unit value.

## Wild Cards

- China's dominance of sorghum trade
- 2015/16 Northern Hemisphere wheat production
- Wheat export policies in Argentina, Russia, and Ukraine



# Export Outlook for Oilseeds & Products

Revised FY 2015 Forecast: \$30.9 Billion  \$1.2 Billion

## 2015

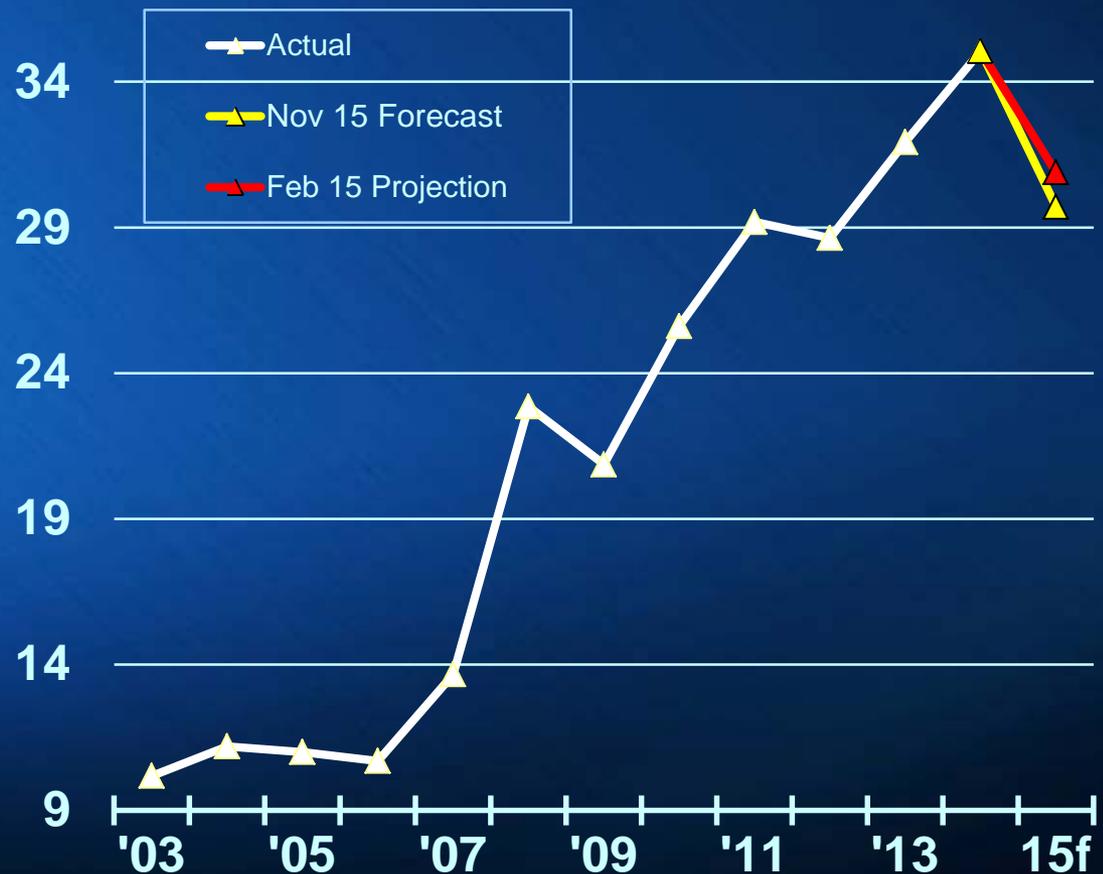
### Key Developments

- ❑ Soybean value rises on record sales pace and higher prices
- ❑ Soybean and soybean meal volumes at record levels
- ❑ Soybean oil value falls on reduced volume and value forecast
- ❑ Lower volumes and unit values for other oilseeds reduce overall gains

### Wild Cards

- ❑ China soybean demand
- ❑ Brazil soybean harvest
- ❑ Exchange rates
- ❑ Argentine crush and soybean meal exports

Export Value (\$Bil)



# Export Outlook for Cotton

Revised FY 2015 Forecast: \$3.7 Billion ➡ Unchanged

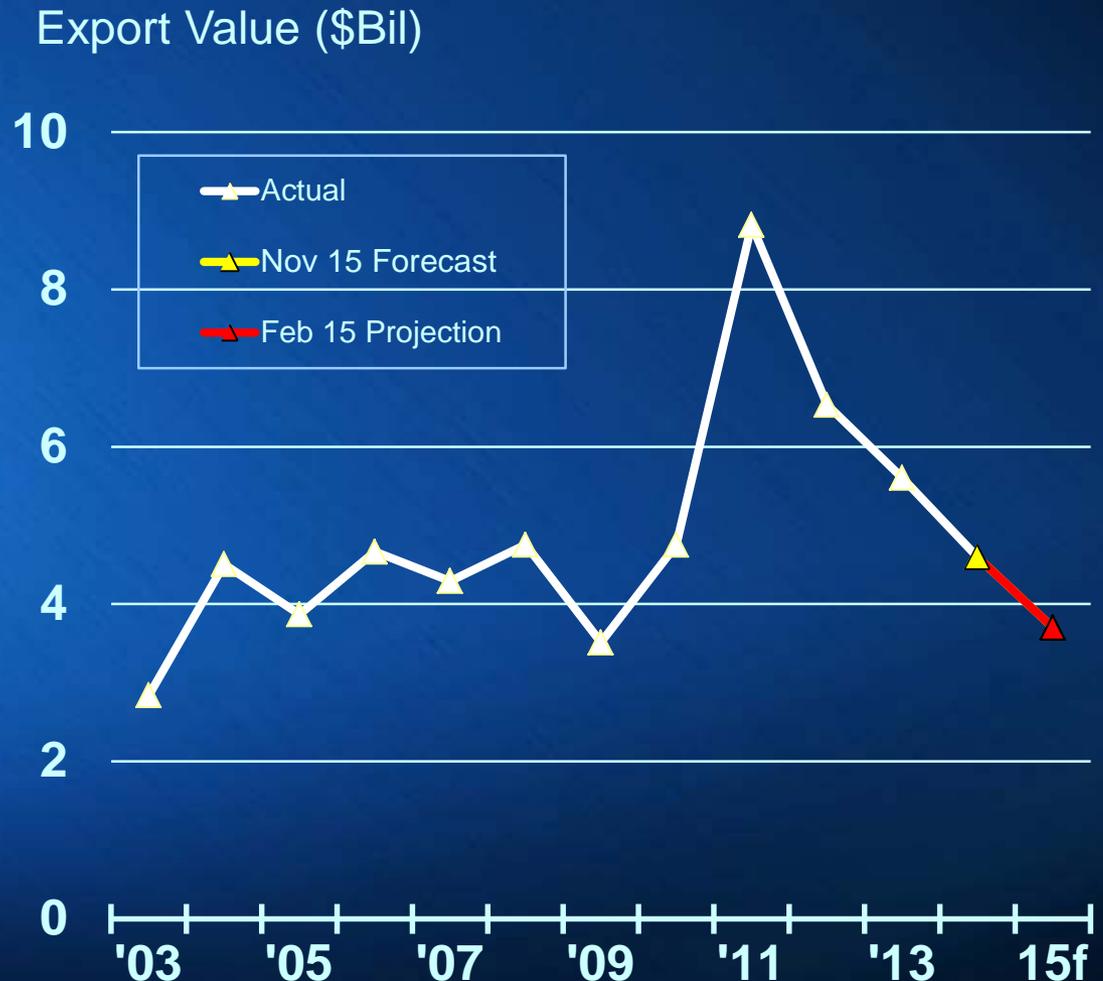
## 2015

### Key Developments

- Lower world prices
- Falling export unit value offsets higher volume

### Wild Cards

- India support program
- Cotton yarn demand in China
- Polyester prices in China



# Export Outlook for Dairy, Livestock, and Poultry

Revised FY 2015 Forecast: \$31.8 Billion  \$1.9 Billion

## 2015

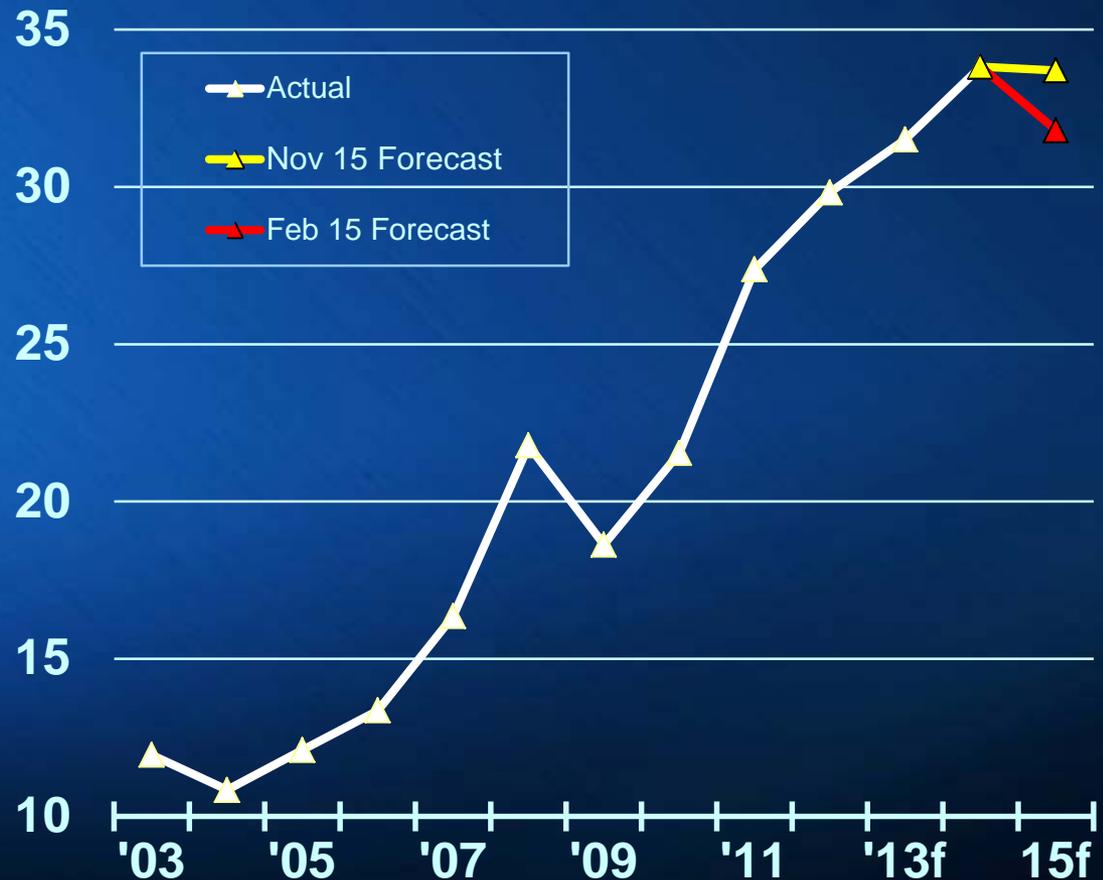
### Key Developments

- ❑ Beef and pork down on weak demand due to a strong dollar
- ❑ Poultry down on weak demand due to HPAI-related trade restrictions
- ❑ Dairy reduced on increased global competition

### Wild Cards

- ❑ Ongoing SPS trade issues

Export Value (\$Bil)



# Export Outlook for Horticulture Products

Revised FY 2015 Forecast: \$36.0 Billion  \$1.0 Billion

## 2015

### Key Developments

- Weak fresh fruit exports to Canada, Japan and Hong Kong as well as vegetable exports to Mexico
- Reduced dried fruit exports to Europe
- Lower tree nut demand from Europe and China

### Wild Card

- West coast port labor dispute

Export Value (\$Bil)

