

FY 2016 U.S. Agricultural Trade Forecasts

Changes to FY2016 Forecasts

Exports ↓ \$7.0 billion to \$131.5 billion

Imports ↓ \$0.5 billion to \$122.0 billion

Surplus ↓ \$6.5 billion to \$9.5 billion

Final Changes to FY2015 Forecast

Exports ↑ \$0.2 billion to \$139.7 billion

Imports ↓ \$1.5 billion to \$114.0 billion

Surplus ↑ \$1.7 billion to \$25.7 billion

USDA's "Outlook for U.S. Agricultural Trade"
Released on December 1, 3:00 pm EST

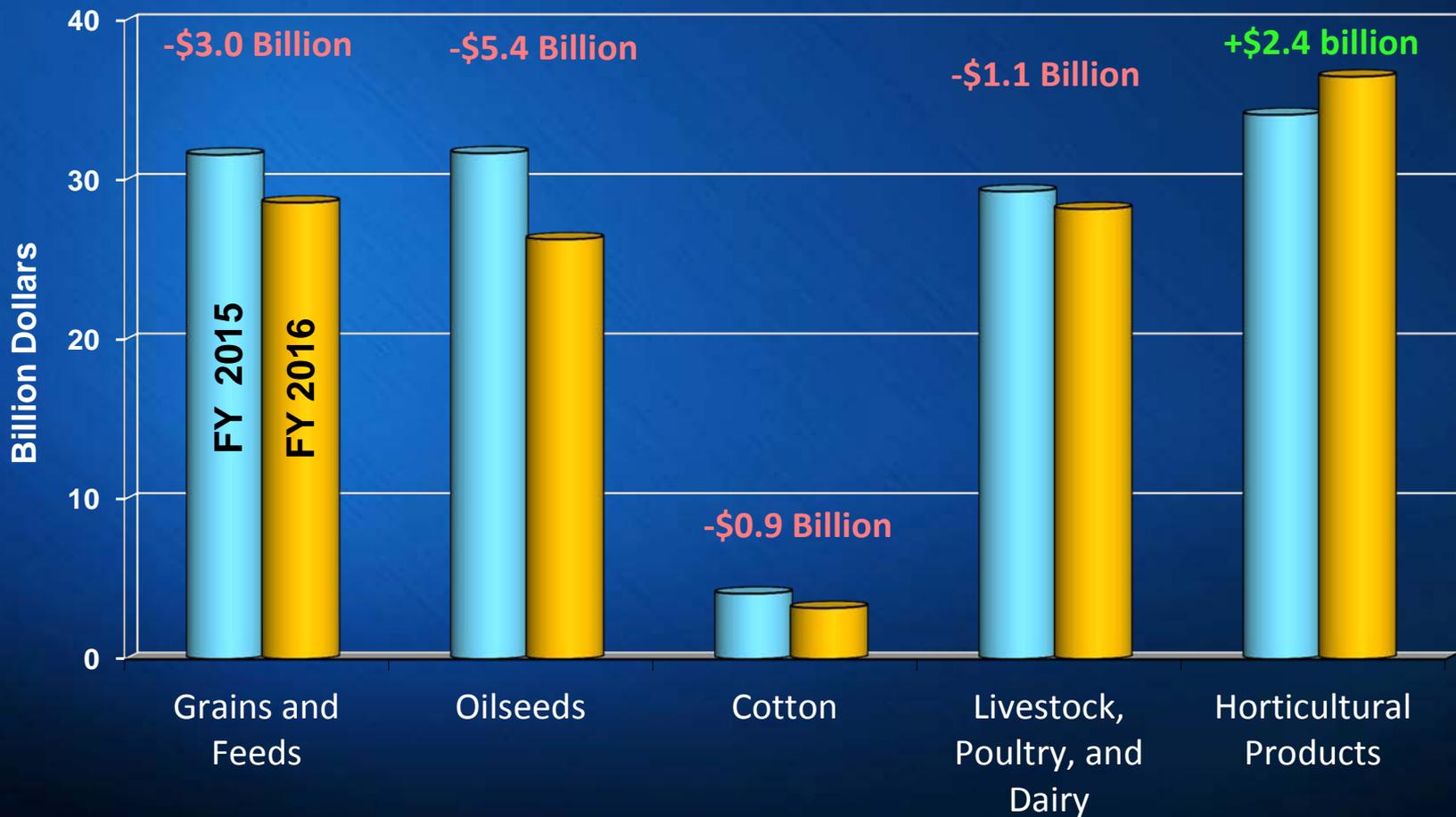
Slides prepared by Office of Global Analysis/FAS

U.S. Agricultural Trade

Lower Export Prices and Strong Dollar Impact Exports



November FY 2016 Forecast vs. FY 2015 Exports



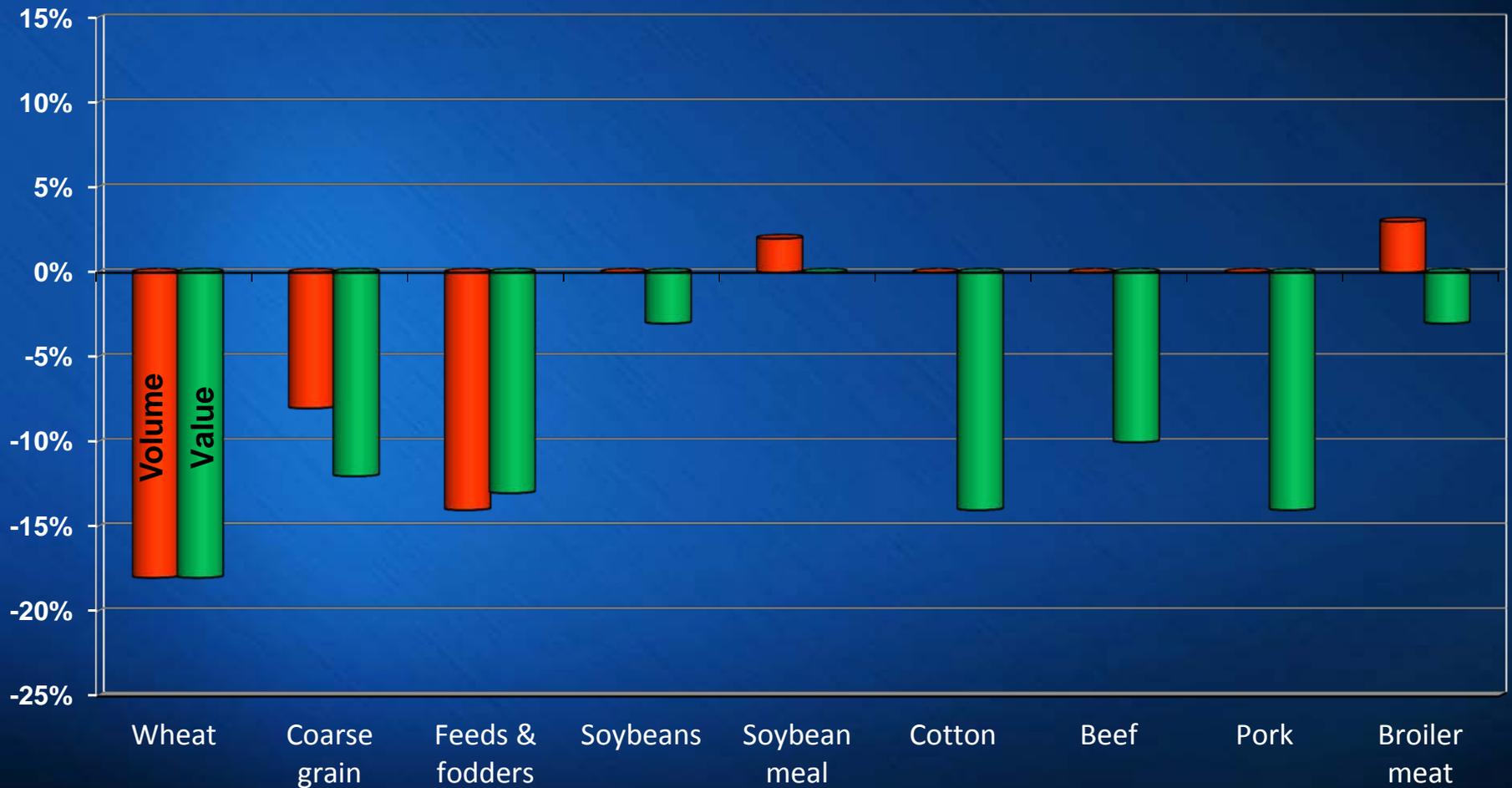
FY 2016 Forecast

November vs. August Forecast



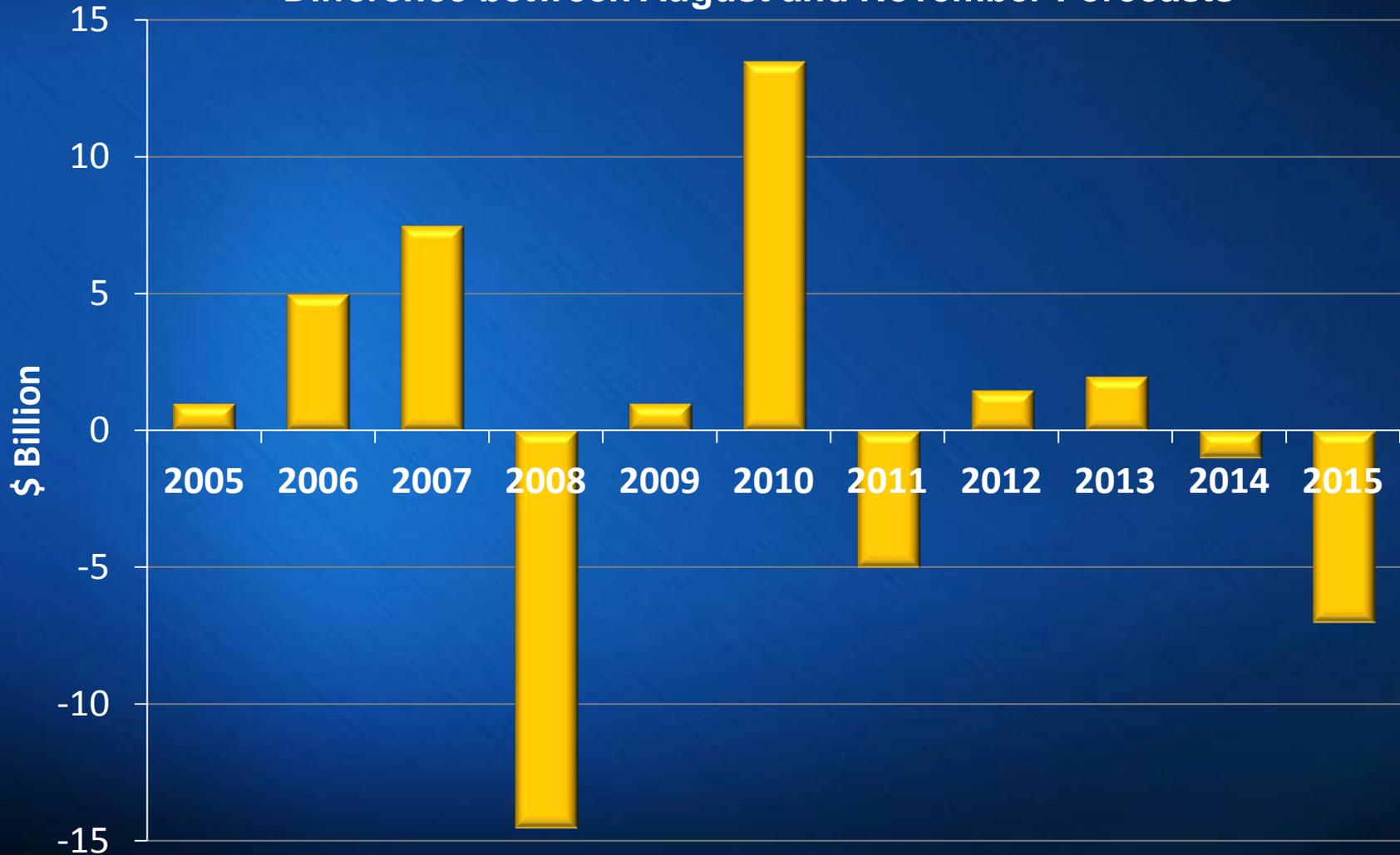
FY2016 November vs. August Forecast

Grains and feeds lose volume; livestock products lower on unit price



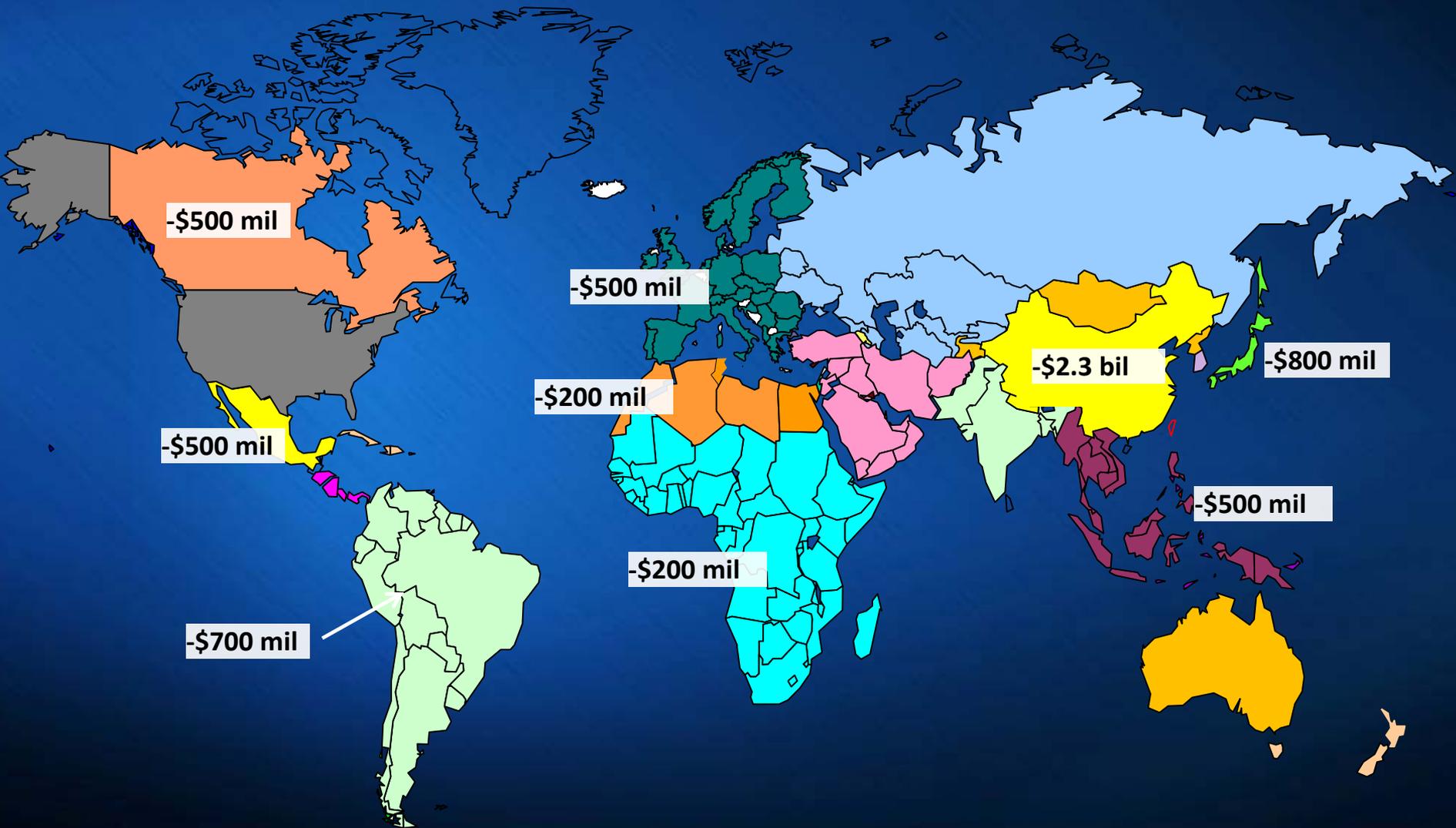
Biggest Aug-to-Nov Decline Since 2008

Difference between August and November Forecasts



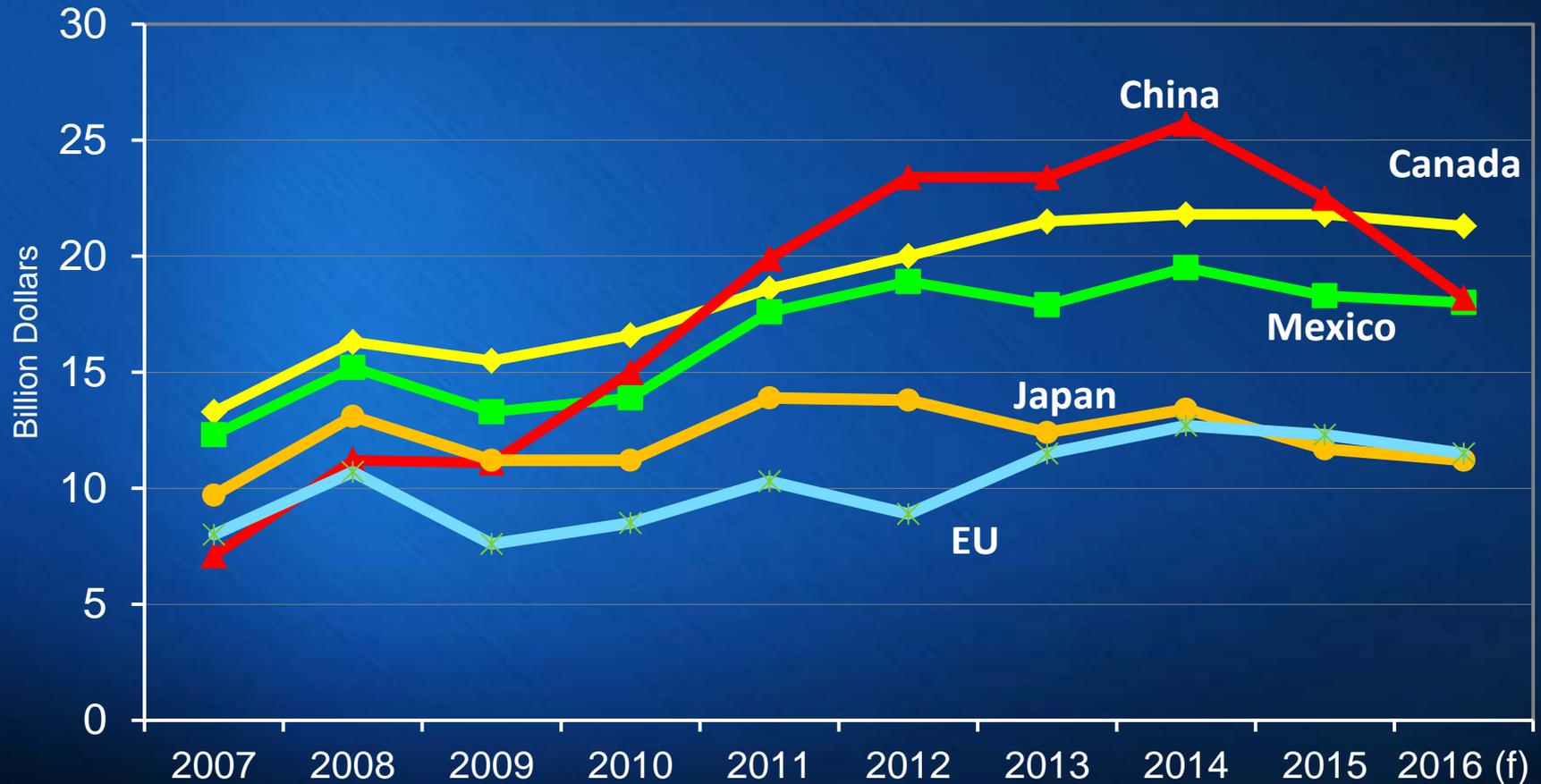
FY 2016 Export Changes by Market

Changes in FY2016 exports from August forecast

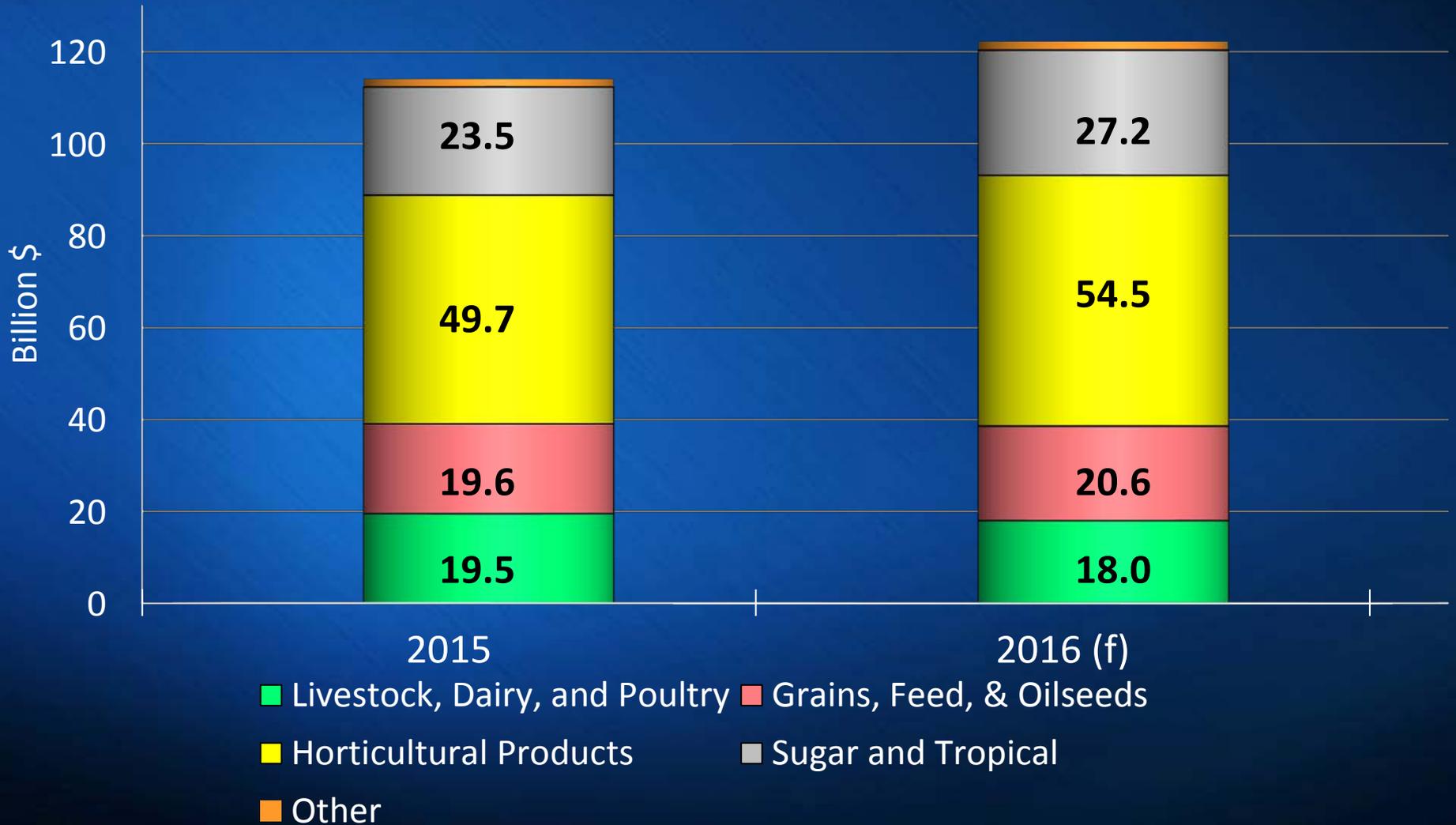


Canada Returns as Largest Export Market; EU Overtakes Japan

U.S. agricultural exports to the top 5 markets



Imports Forecast at a Record \$122.0 Billion



*Includes Wheat, Corn, Sorghum, & Barley

Export Outlook for Grain & Feed Products

Revised FY 2016 Forecast: \$28.6 Billion  \$3.8 Billion

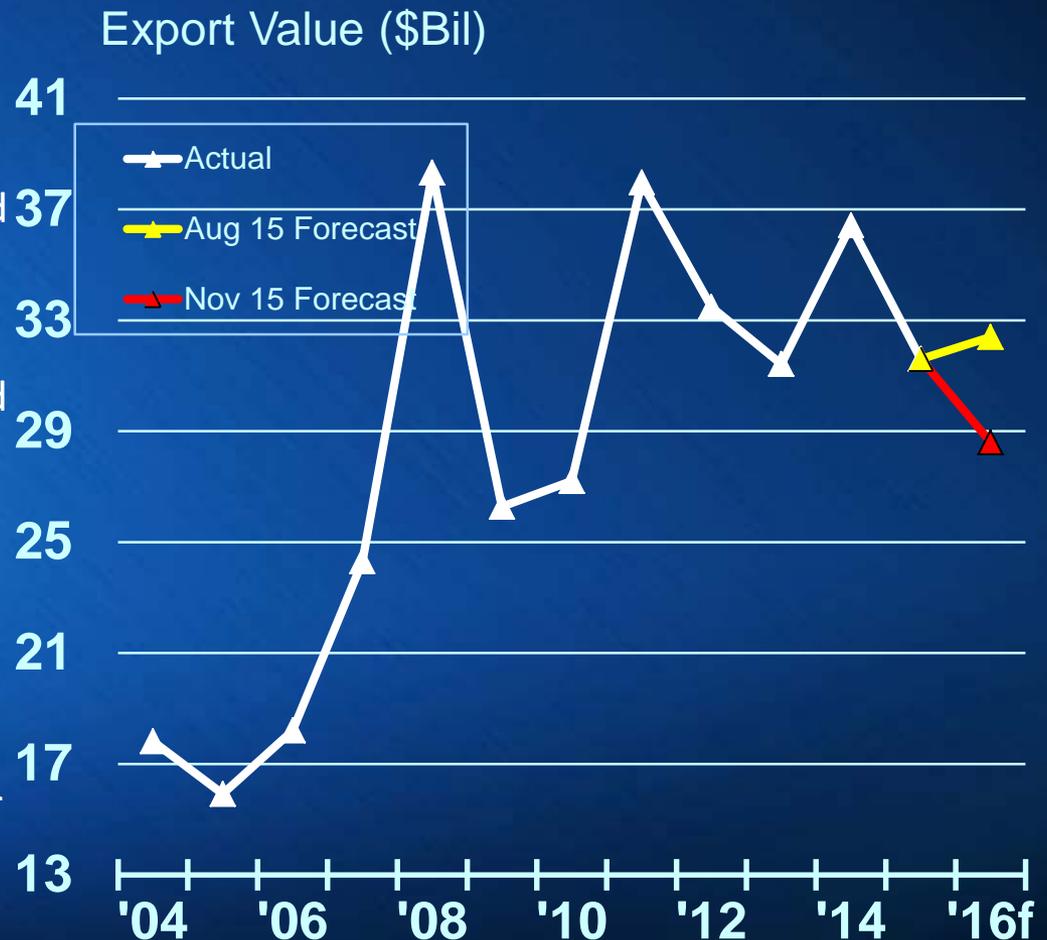
2016

Key Developments

- Large cuts to sorghum and certain feed products, mainly attributable to lower volumes
- Corn volume and unit values down
- Wheat volume down sharply on record global supplies, strong dollar

Wild Cards

- New-crop South American corn plantings
- China's demand for imported feedstuffs
- 2015/16 Northern Hemisphere winter wheat conditions



Export Outlook for Oilseeds & Products

Revised FY 2016 Forecast: \$26.3 Billion  \$400 Million

2016

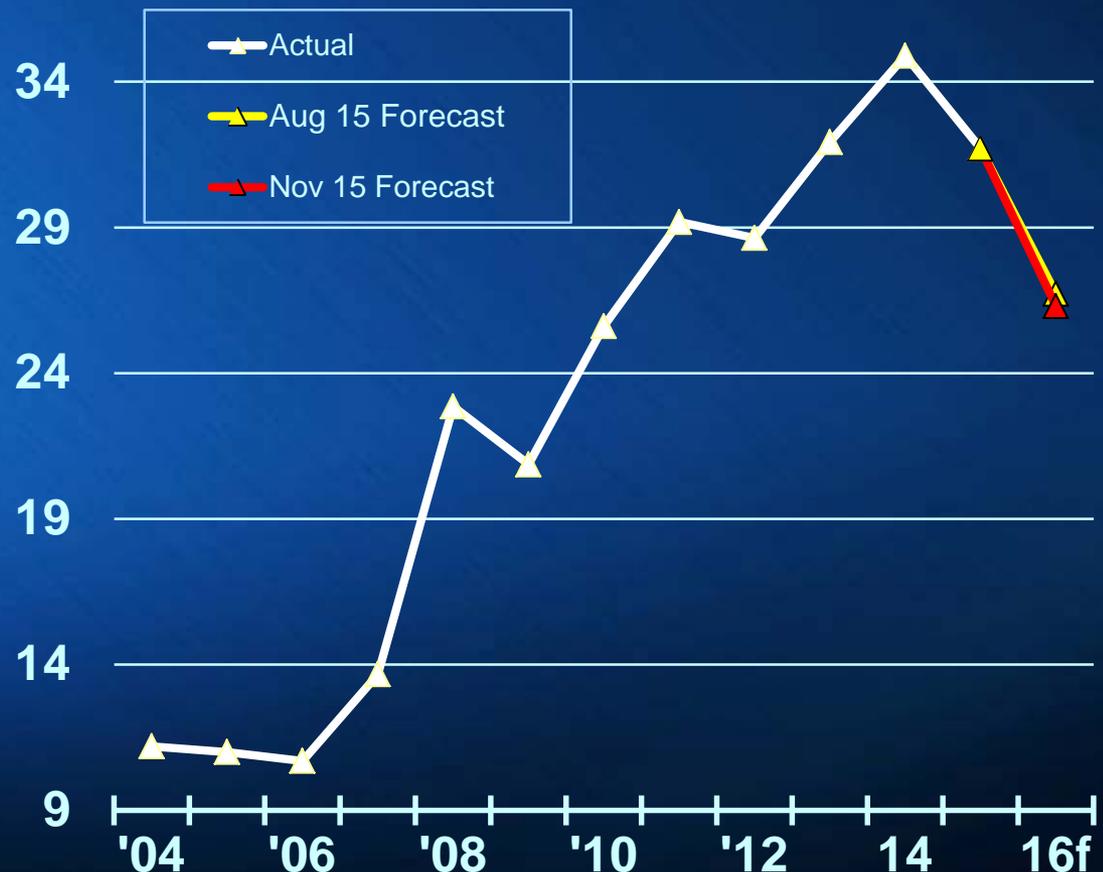
Key Developments

- ❑ Strong dollar hinders competitiveness leading to reduced export volume
- ❑ Despite a strong export pace, record U.S. soybean production drives unit prices lower
- ❑ Peanut export value declines as unit prices fall

Wild Cards

- ❑ China soybean demand
- ❑ Exchange rates
- ❑ Argentine crush and exports
- ❑ Brazil 2016 soybean harvest

Export Value (\$Bil)



Export Outlook for Cotton

FY 2016 Forecast:

\$3.2 Billion  \$500 million

2016

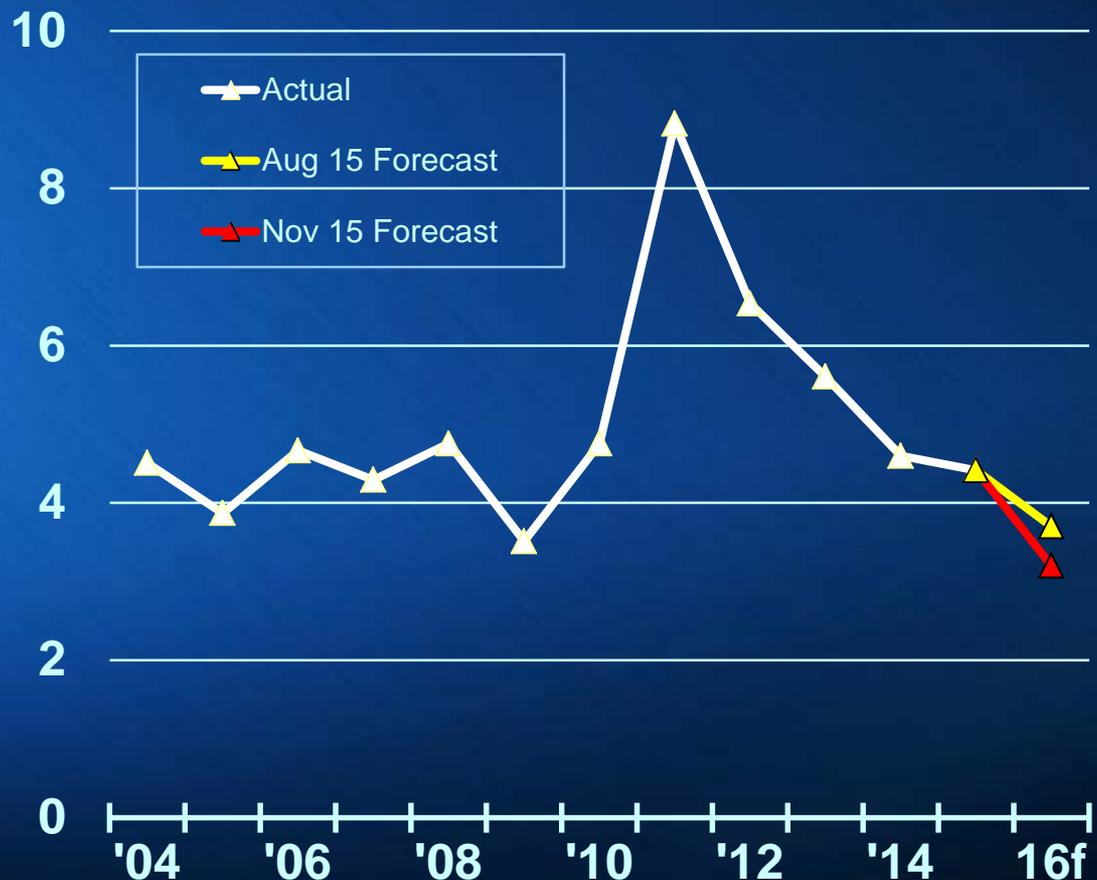
Key Developments

- Sharply lower U.S. production
- Global and farm prices have edged lower since last forecast
- Sales of US cotton have proceeded slowly as mill demand is sluggish and forward contracting is very low

Wild Cards

- India support program
- Cotton yarn demand in China
- Sales from China State Reserve

Export Value (\$Bil)



Export Outlook for Dairy, Livestock, and Poultry

Revised FY 2016 Forecast: \$28.2 Billion  \$2.2 Billion

2016

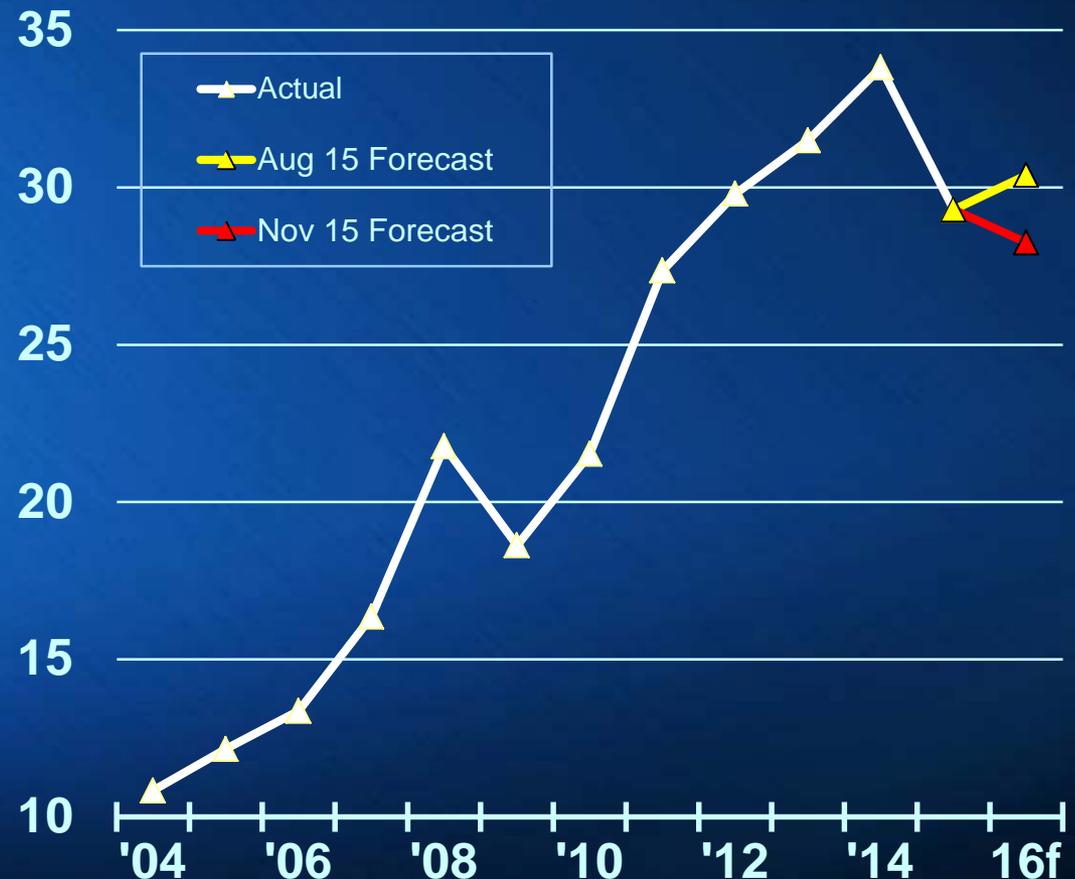
Key Developments

- ❑ Beef lower on prices and volumes
- ❑ Pork volumes unchanged but prices sharply lower
- ❑ Poultry and products lower on the slow pace of recovery in broiler markets
- ❑ Dairy lower on increased global competition

Wild Cards

- ❑ Recovery from HPAI
- ❑ Ongoing SPS trade issues

Export Value (\$Bil)



Export Outlook for Horticulture Products

Revised FY 2016 Forecast: \$36.5 Billion Unchanged

2016

Key Developments

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

Wild Cards

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

Export Value (\$Bil)

