

FY 2017 & 2018 U.S. Agricultural Trade Forecasts

Initial FY 2018 Forecasts

Exports = \$139.0 billion

Imports = \$115.5 billion

Surplus = \$23.5 billion

Changes to FY 2017 Forecasts

Exports ↑ \$2.8 billion to \$139.8 billion

Imports ↑ \$1.7 billion to \$116.2 billion

Surplus ↑ \$1.1 billion to \$23.6 billion

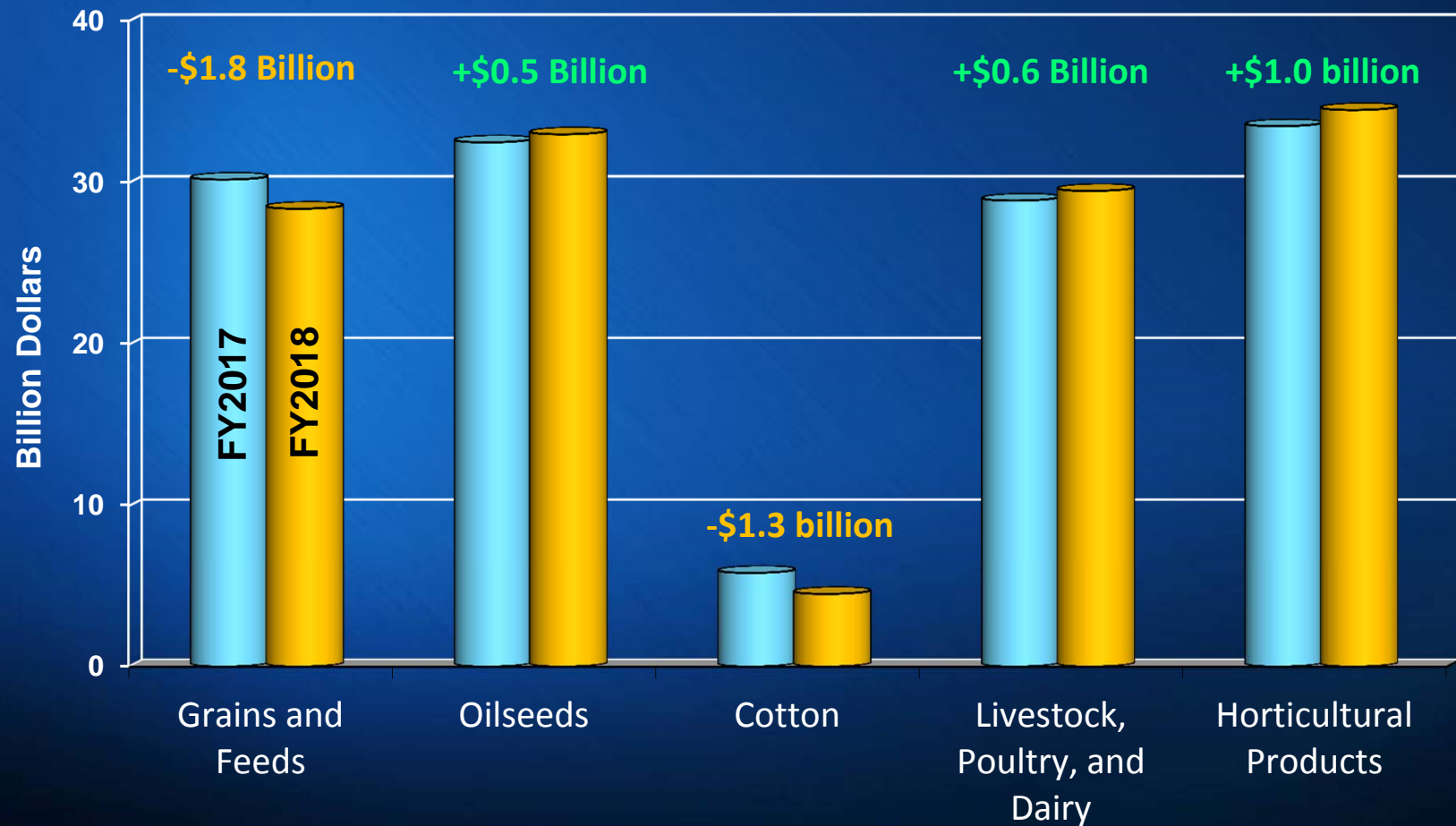
USDA's "Outlook for U.S. Agricultural Trade"
Released on August 29, 3PM EST

Slides prepared by Office of Global Analysis/FAS

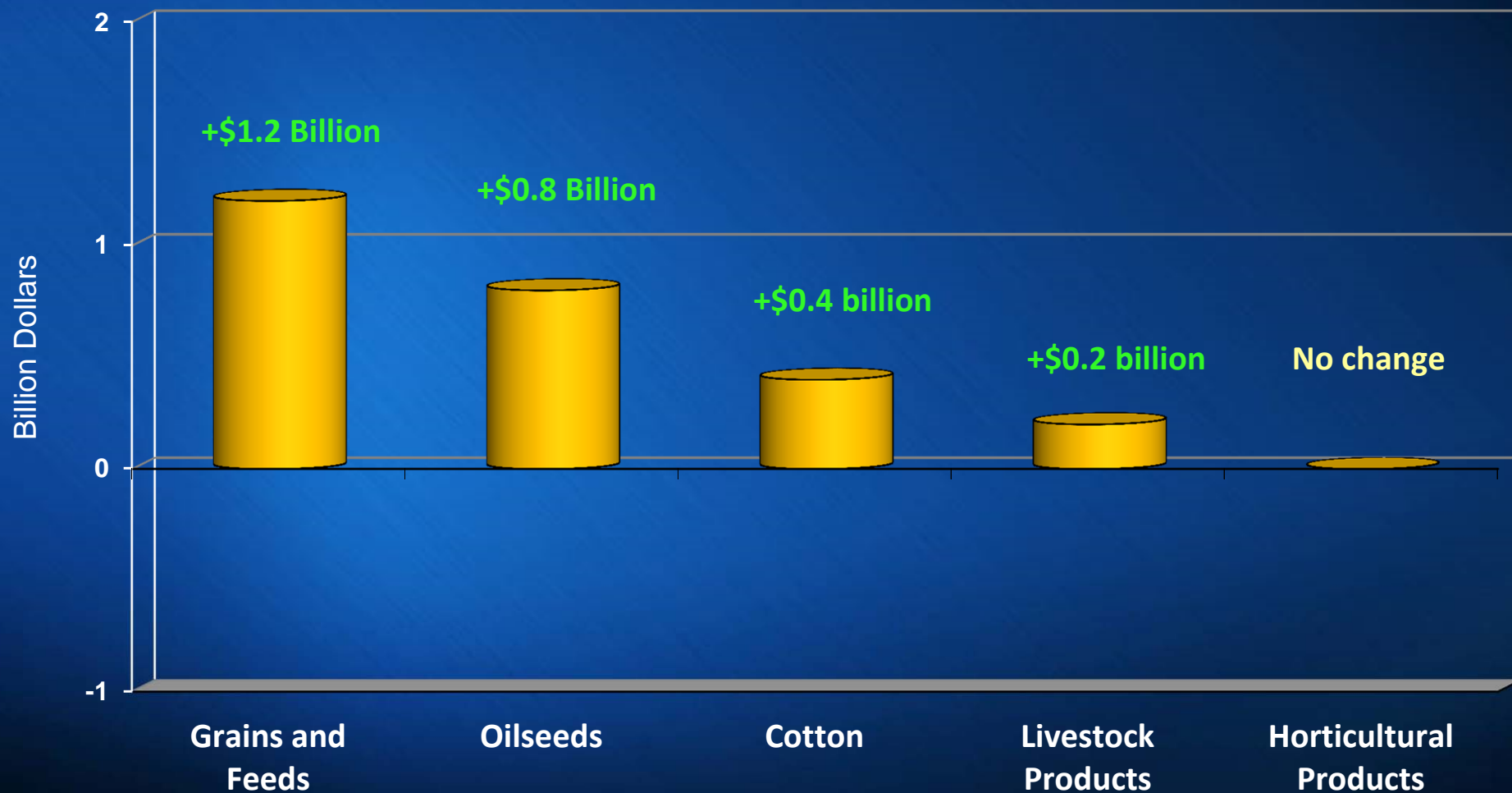
U.S. Agricultural Trade



FY 2018 Export Forecast

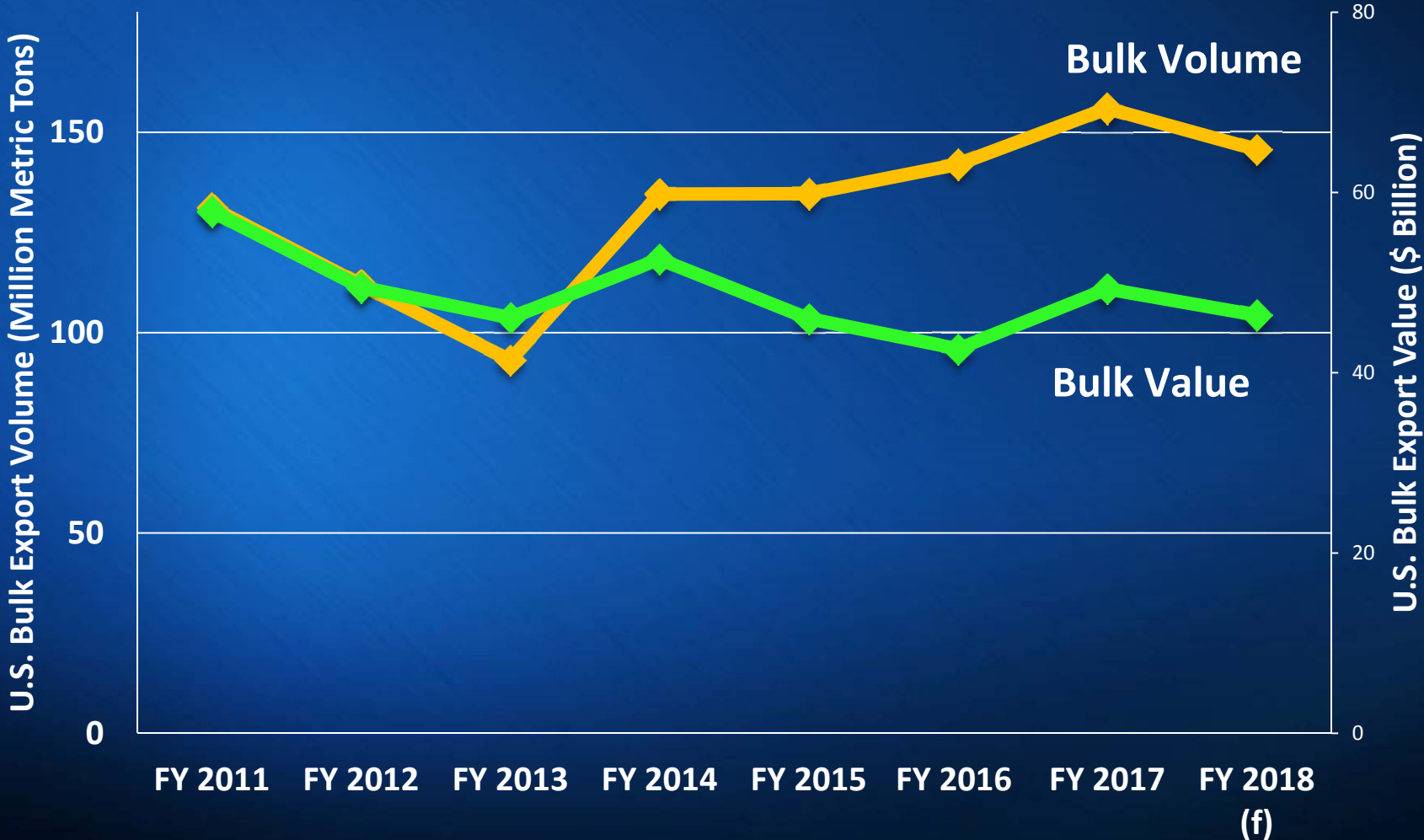


FY 2017 Export Forecast: Aug vs. May



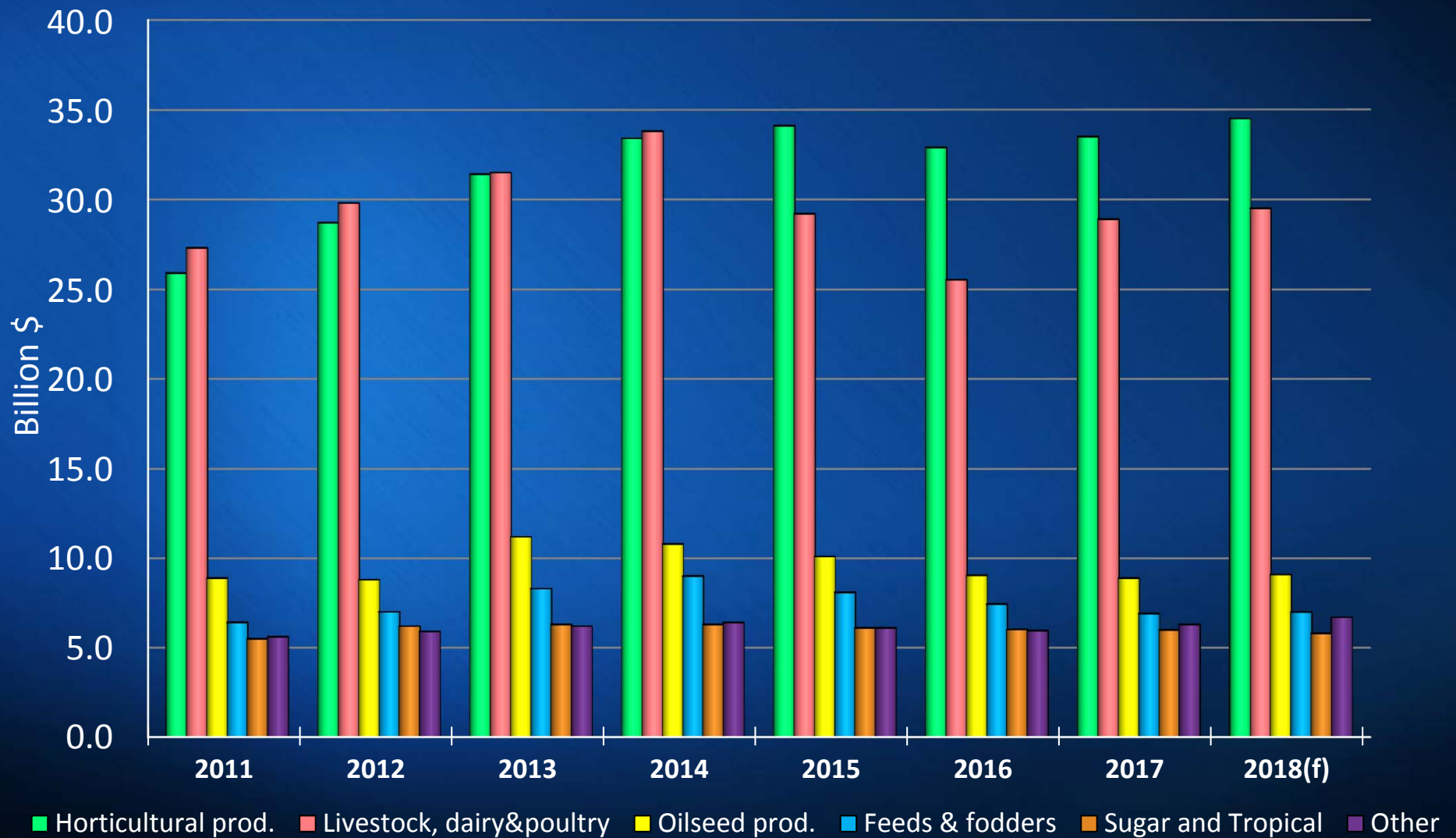
U.S. Major Bulk Export Forecast Down

U.S. Major Bulk Export Volume and Value

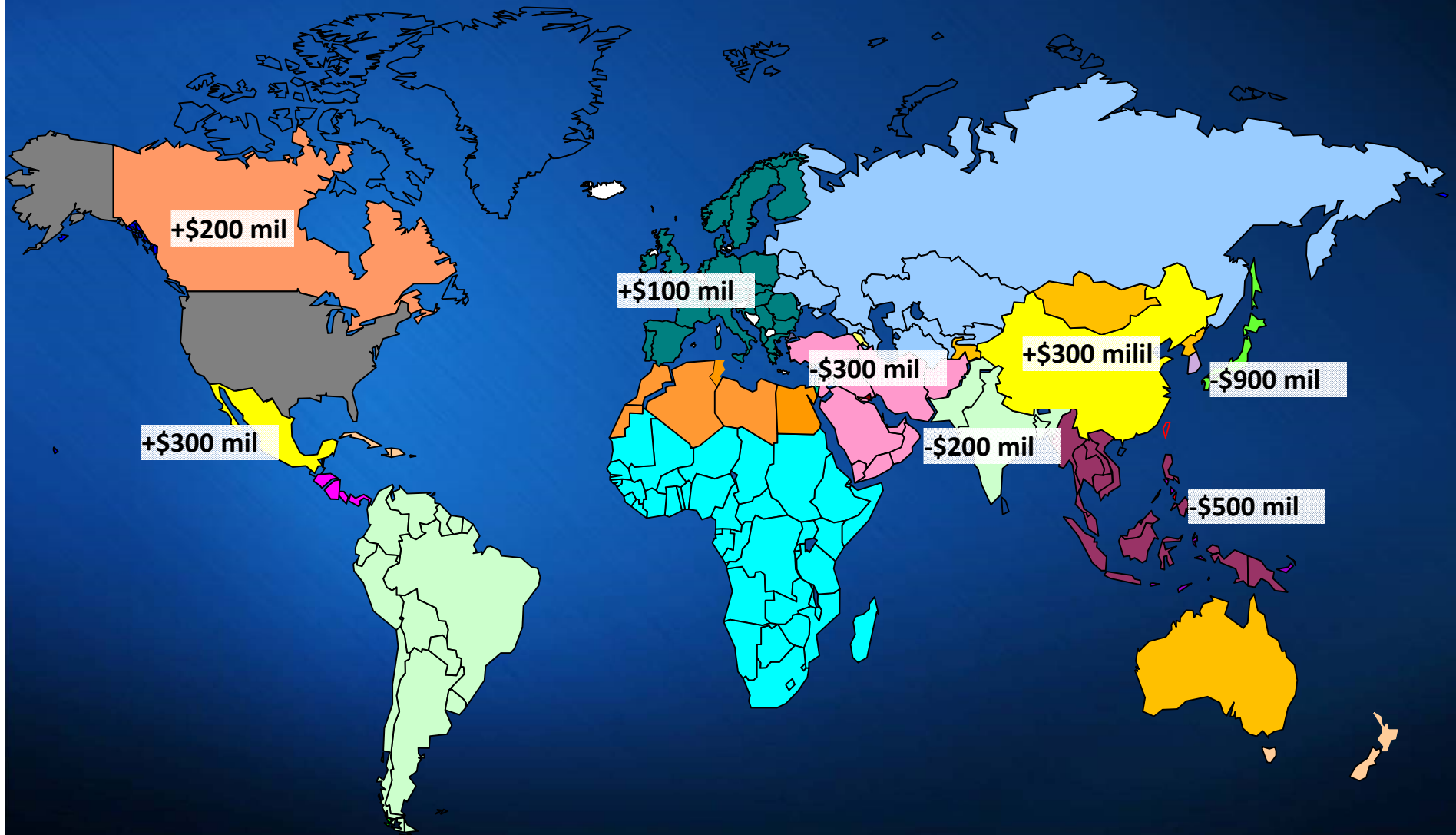


High Value Product Exports Continue to Rise

Led by Horticultural Products

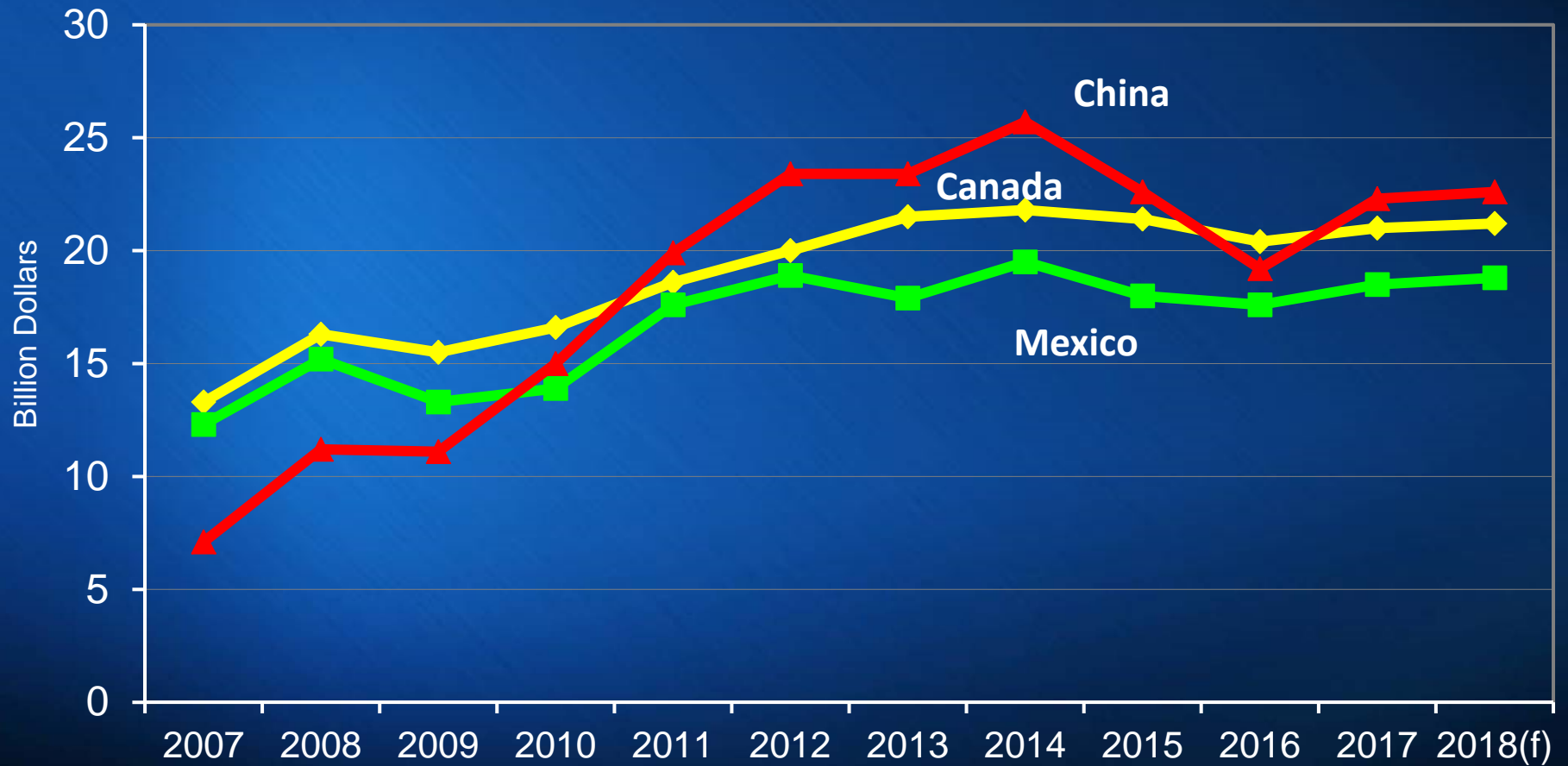


FY 2018 Forecast Changes By Market: A Highlight

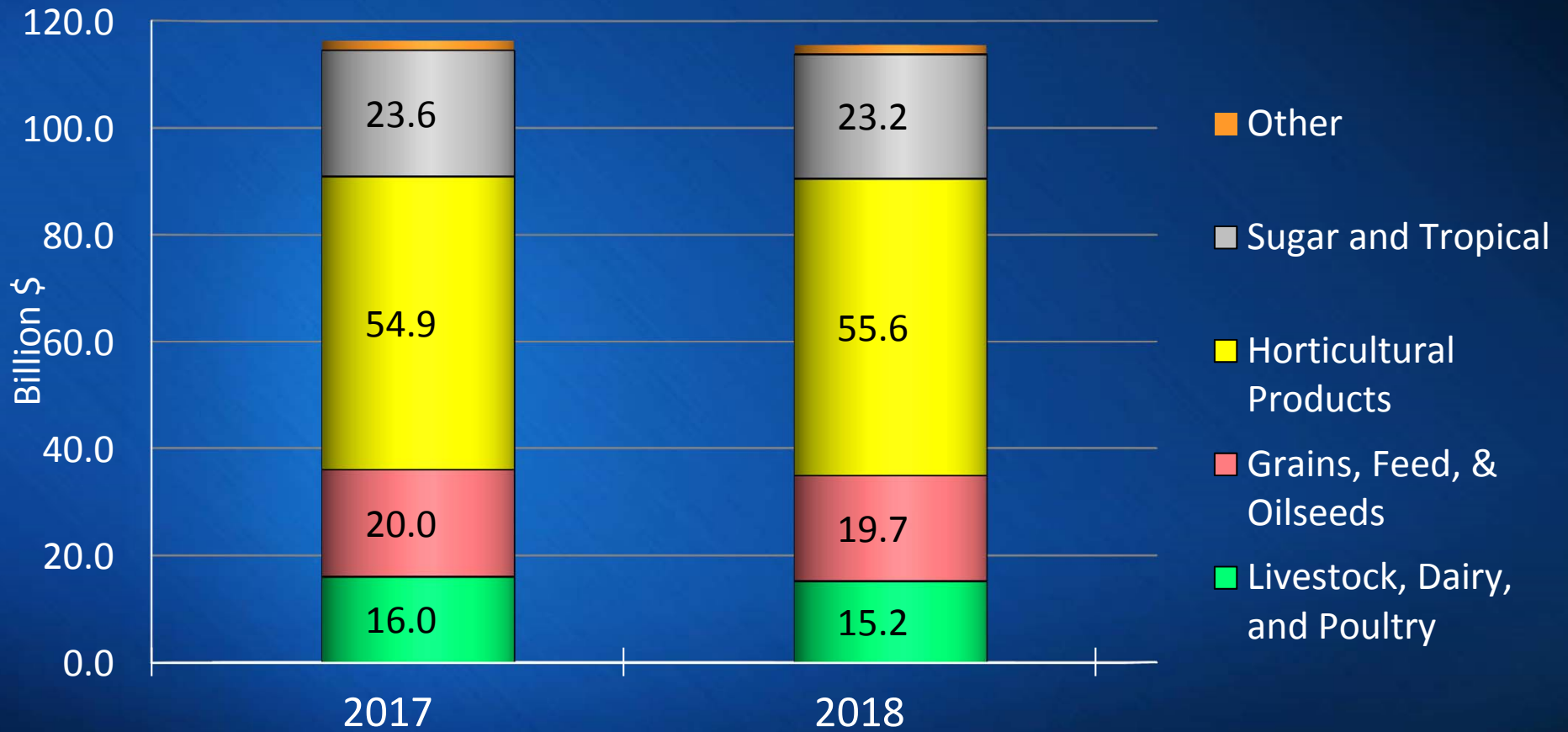


China Remains the Largest Export Market

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



Import Forecast



Export Outlook for Grain & Feed Products

Initial FY 2018 Projection: \$28.4 Billion

Revised FY 2017 Forecast: \$30.2 Billion  \$1.2 Billion

2018

Key Developments

- Corn down on both volume and unit values
- Wheat volume is down, but is offset by higher unit values

Wild Cards

- South America's capacity to export record corn supplies
- U.S. corn retaining market share in major Asian markets
- Russia's capacity to export record wheat supplies


2017

Key Developments

- Feeds and fodders up on various products
- Corn and sorghum also higher



Export Outlook for Oilseeds & Products

Initial FY 2018 Projection: \$33.0 Billion
Revised FY 2017 Forecast: \$32.5 Billion  \$0.8 Billion

2018

Key Developments

- ❑ Strong demand supports record soybean exports
- ❑ Record U.S. crop coupled with abundant South American supplies weighs prices

Wild Cards

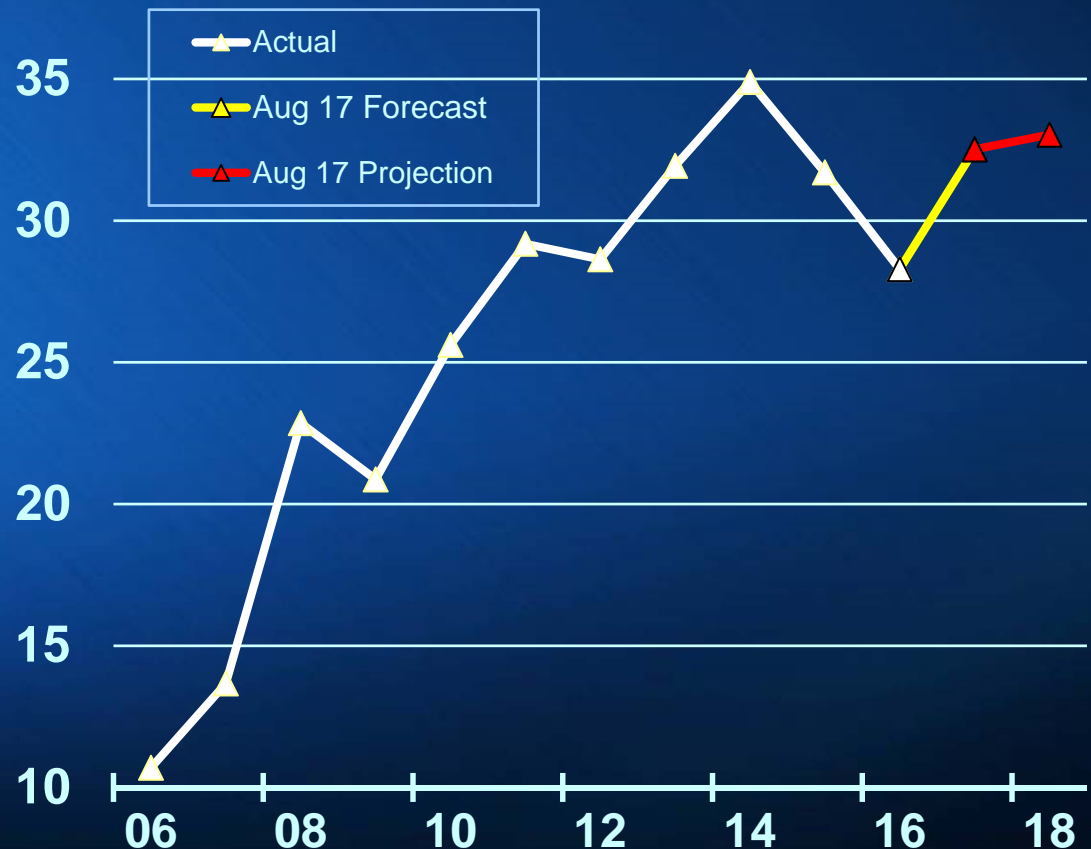
- ❑ China soybean imports
- ❑ Exchange rates
- ❑ Final U.S. crop size

2017

Key Developments

- ❑ Strong soybean shipments as soybean meal slows

Export Value (\$Bil)



Export Outlook for Cotton

Initial FY 2018 Projection: \$4.5 Billion

Revised FY 2017 Forecast: \$5.8 Billion  \$400 million

2018

Key Developments

- Sharply higher U.S. production
- Sharply higher stocks outside of China are expected to push prices down and limit exports

Wild Cards

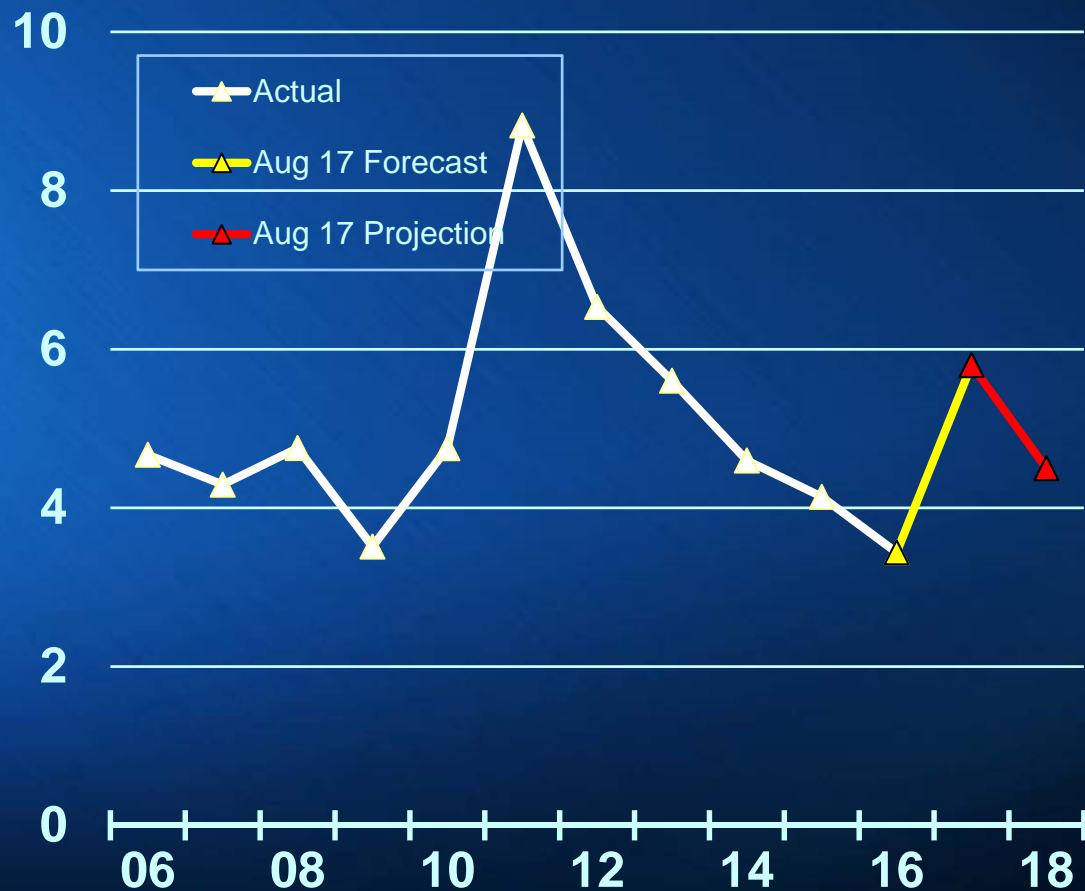
- India support program
- Cotton yarn demand in China
- Sales from China State Reserve

2017

Key Developments

- Export competitors facing tighter stocks

Export Value (\$Bil)



Export Outlook for Dairy, Livestock, and Poultry

Initial FY 2018 Projection: \$29.5 Billion

Revised FY 2017 Forecast: \$28.9 Billion  \$200 Million

2018

Key Developments

- ❑ Beef and pork up as higher volumes more than offset lower prices
- ❑ Poultry unchanged on sustained shipments to primary markets.
- ❑ Dairy products higher due to stronger world prices and improved demand

Wild Cards

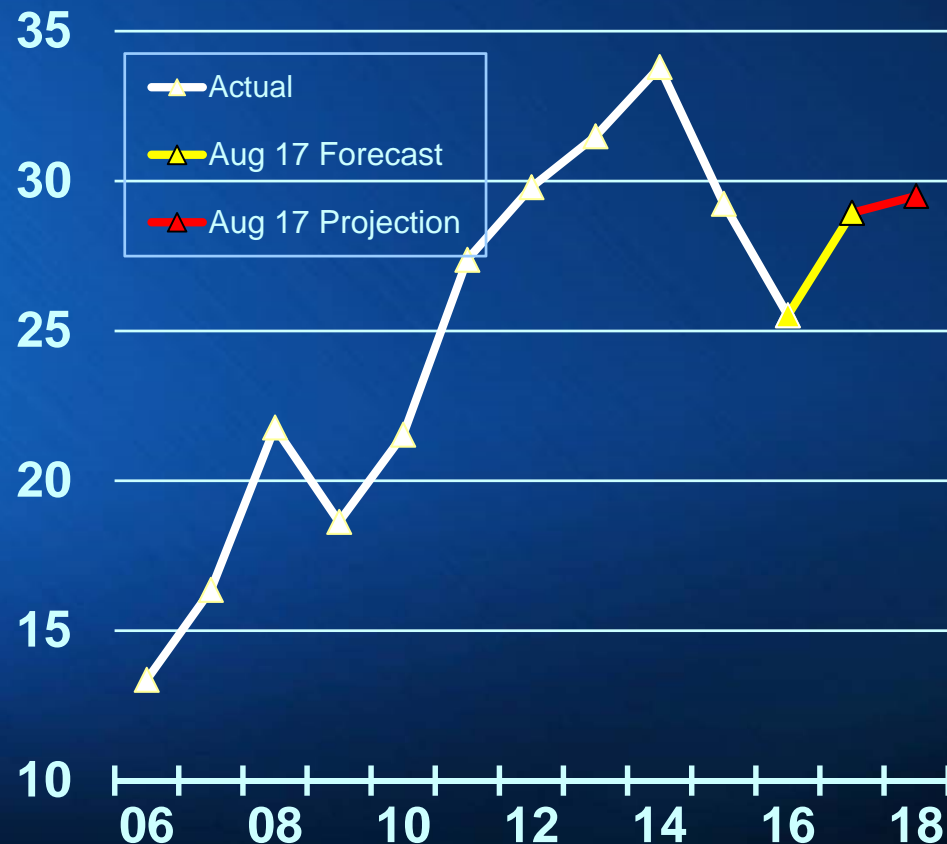
- ❑ Ongoing SPS trade issues

2017

Key Developments

- ❑ Beef higher as increased prices more than offset a decline in volume
- ❑ Pork lower as slight increase in price is unable to offset a decline in volume
- ❑ Dairy higher on demand recovery

Export Value (\$Bil)



Export Outlook for Horticulture Products

Initial FY 2018 Projection: \$34.5 Billion

Revised FY 2017 Forecast: \$33.5 Billion → Unchanged

2018

Key Developments

- Fresh fruit and vegetables up on higher volumes to Canada and Mexico
- Tree nuts slightly higher on rising unit values for almonds and walnuts
- Processed fruit and vegetables unchanged on steady demand from Canada and Japan

Wild Cards

- China's tree nut demand

2017

Key Developments

- Processed fruit and vegetable exports are up on higher shipments to Japan, China and Hong Kong
- Tree nuts are down on lower unit values

