



Global News Update

Year-to-Date Exports

Soybeans
840 million bushels

Soybean Meal
156 million bushels

Soybean Oil
532,000 metric tons

Friday, January 22, 2010

India Team Demonstrates Techno-Commercial Tactics of Soy-Based Fish Feeds

USSEC's Technical Director P.E. Vijay Anand and consultants G. Ramesh, Lukas Manomaitis and Tran Trong Chien designed and executed a successful program given in Vietnam to a team of nine potential Indian aquaculture entrepreneurs. The team represented 10,000 acres of fish farming in India, and four of the businesses represented U.S. sales of 5,000 metric tons of soy-based feeds. Six of the participating businesses have interests in feed mill investments, processing and the marketing of fish products. USSEC's team led a 4-day tour of Vietnam's hotbed of aquaculture, demonstrating business and operational ideas to produce modern extruded soy-based floating fish feeds, market more soy-based fish feed, efficiently handle hatchery operations and process a safe-to-eat fish product. Anand said that the trip was designed to share organizational capabilities, which is considered a very effective marketing tool for promoting soy in India.



USSEC's India team on a fish nursery pond tour that helped demonstrate the use of soy-based feeds

U.S. Hipro Dehulled Soy Meal Receives Praise From Korean Feed Millers

USSEC's Korea team presented the Korea Feed Association (KFA) member feed mills information from the 2009 U.S. Soybean Quality Report, which showed that protein content increased from 34.1% in 2008 to 35.2% in 2009. Korean millers were also interested in the recent crop's oil content, which decreased from 18.7% to 18.3% in 2009. Meanwhile, the quality of U.S. hipro dehulled meal that arrived in Korea in December was generally accepted as good by the Korean feed mills. Three shipments arrived in December, two from Cargill and one from Bunge. An additional three shipments are scheduled to arrive in the country: one in January from Bunge, another in February from ADM and the other in April from Bunge.

Tempe Project in Indonesia Creating Demand for High Quality U.S. Soybeans

USSEC Indonesian Technical Manager Dady Maskar was invited to represent the Indonesian Tempe Forum (ITF) at a meeting with the Provincial Government of East Java to discuss a project to improve the tempe industry. The meeting demonstrated the success and credibility generated by a training module developed jointly by USSEC and ITF to improve tempe production in Indonesia. In 2009, the country purchased more than 36 million bushels of U.S. soybeans, mostly U.S. No. 1 grade. With a population of 220 million and a consumption rate of 25 pounds per capita, mostly in the form of tempe and tofu, Southeast Asia is a major soybean consumer. Thus, this current tempe project is part of a larger USSEC program to stimulate even more growth in consumption by improving production facilities and quality of tempe and tempe products in order to raise the image of tempe as a safe and healthy food. The recent meetings were a result of the success of two projects held in 2009, one that included the development of a pilot plant and a training module developed by ITF with Maskar



A USSEC and ITF observation team conducting an audit taking notes on the fermentation processes at one of the tempe pilot plants in 2009

contributing the training on Good Hygienic Practices (GHP) in the tempe making process. Maskar is also part of the panel, which conducts regular audits of these pilot plants to identify which aspect of the facilities or production process needs improvement. Currently, there is no regulated implementation of GHP in tempe production in the country.

USSEC Team Visits Syria to Meet With Soybean Crushers and Traders

Regional Director Tim Burleigh and Consultant Mousa Wakileh travelled to Damascus, Homs, Hama and Lattakia to meet with the largest poultry producers, crushers and traders in Syria. During the meetings, the crushers, traders and poultry producers expressed thanks to USSEC for support in their respective businesses, along with their satisfaction with the quality of U.S. soybeans and U.S. soy meal. Syria is the third largest importer of U.S. soybeans in the region and has started to import U.S. high-pro soybean meal as demand for it increases as the region's poultry sector moves toward integration. Burleigh noted that Syrian crushing plants are playing a regional role to sell their production of soy meal and soy oil to poultry producers, feed millers and vegetable oil refineries in neighboring countries like Jordan, Lebanon and Iraq.

The following figures show Syria's imports from the U.S. for the last 5 years:

Year	2004/05	2005/06	2006/07	2007/08	2008/09
Metric tons of soybeans	109,016	149,623	249,463	335,077	426,072

Year	2004/05	2005/06	2006/07	2007/08	2008/09
Metric tons of soy meal	34,756	5,000	16,223	23,357	15,436

Year	2004/05	2005/06	2006/07	2007/08	2008/09
Metric tons of soy flour	0	0	0	0	185

USSEC's Efforts to Open India's Fish Feed Industry Gaining Momentum

India is crediting USSEC staff and consultants with elevating its use of soy-based fish feeds. According to Indian officials, the use of extruding floating feeds has started to replace manure and traditional mash fish feeds. USSEC's work has led the country to build an extrusion capacity of 60,000 bushels of soy meal per hour, one-third of that quantity dedicated to the production of soy-based fish feeds. Technical Director for Animal Feed Program Dr. P.E. Vijay Anand said that India had an extrusion feed milling capacity of "zero" as recently as 2006. He also added that USSEC will continue efforts to create programs to encourage more investments to help grow milling capacity. USSEC has designed, tested and used various marketing tools to examine the market potential and successfully opened some markets for commercial investments. Anand believes that freshwater fish feeds will compliment and accelerate the existing domestic soy meal use in the poultry and dairy industries in India.

Vietnam Seen as Biggest Growth Market for U.S. Soy in Southeast Asia

USSEC's Southeast Asia staff has reported exponential growth of U.S. soybean exports to Vietnam, from 14,000 bushels in 2004 to 3.7 million bushels in 2009. U.S. farmers now provide about 80% of the soy imported by Vietnam. The steady growth is credited to USSEC and member companies which have nurtured interest by U.S. container exporters in carving out market niches with smaller to medium-sized companies to establish a sustainable, growing, long term business relationships. The Soy meal market in Vietnam is far greater at 111 million bushels, but a challenge for the U.S. because Vietnam currently has no crushing industry. Thus, the U.S. market share for soy meal in 2009 was only 4.7 million bushels. Based on a series of meetings and discussions with the trade, USSEC's staff believes that to be a serious player in the meal market in Vietnam, U.S. companies willing and able to ship in bulk vessels must eventually enter the picture. The Interflour Cai Mep facility will soon be operational and USSEC has been assisting Interflour from the project's inception, with the goal of U.S. soy meal finally being imported in sizeable quantities and a potential future quantity buyer of U.S. soybeans for crushing.

Soybits

- Following disruptions of some U.S. ag commodity exports due to presence of biotech genetics not approved in a major importing country, a U.S. soy lecithin-using candy manufacturer contacted Technical Issues Director Kim Nill. The candy manufacturer requested assurance that the only biotech soybean varieties planted in the U.S. are fully approved for import in the particular country. After providing that assurance, Nill was quickly contacted by a major U.S. soybean processor, who thanked USSEC for helping it to keep that candy manufacturer utilizing its U.S.-origin soy lecithin.

USSEC Events Calendar

Jan 25-28	China Poultry Team	New Orleans/Atlanta
Jan 26-28	Middle East Poultry Team	Atlanta
Jan 27-29	International Poultry Expo	Atlanta
March 1-5	World Aquaculture Conference	San Diego



The activities of the U.S. Soybean Export Council to expand international markets for U.S. soybeans and soy products are made possible by producer checkoff dollars invested by the United Soybean Board and various State Soybean Councils, support from cooperating industry, and through the USDA's Foreign Agricultural Service investments provided through the American Soybean Association.

