



# Global News Update

## Year-to-Date Exports

Soybeans  
1.24 billion bushels  
(Final year- end total)

Soybean Meal  
314 million bushels

Soybean Oil  
880,000 metric tons

## **\$392 million of U.S. Ag Products Purchased at Southeast Asia U.S. Ag Cooperators' Conference**

The 6<sup>th</sup> Southeast Asia U.S. Agricultural Cooperators' Conference held in the Philippines resulted in over \$390 million in U.S. ag purchases. The 3-day event, "Celebrating 80 Years of Service", sponsored by ASA-IM and the U.S. Grains Council, commemorated ASA-IM's 30<sup>th</sup> anniversary in Southeast Asia (1979-2009) and the U.S. Grains Council's 50<sup>th</sup> anniversary (1960-2010) worldwide. 142 participants from 12 countries and over 90 major companies represented an import potential of over 845 million bushels of soybeans, soybean meal, corn and corn products.

As Actual trades and negotiations for U.S. agricultural products are a regular feature of this event and this year was no exception. Approximately 1.4 million metric tons of U.S. ag products were bought or negotiated, valued at \$392 million based on current CBOT futures. Compared with the same event in 2008, this value represents a 160 percent increase for soybeans, 11 percent increase for soybean meal, 27 percent increase for corn and corn products, Participating as corporate sponsors for the event were Toepfer International/ADM, Bunge, Noble Grain, AGP, Cargill and the CME Group (Chicago Mercantile Exchange).



*Over 90 companies purchased \$392 million of U.S. soy and corn at the conference.*

## **Taiwan Importers Agree to Purchase \$3.5 Billion in U.S Ag Products**

Taiwan's Agricultural Trade Goodwill Team traveled to meet U.S. Ag and trade policy makers in Washington, D.C. and observe grain harvest in the Midwest. While in Washington, D.C, leaders of the delegation signed a Letter of Intent that represents a commitment to purchase 115 million bushels of U.S. soybeans in 2010-2011, valued at approximately \$1.4 billion. Prior to the ceremony, the team met Representatives Jean Schmidt (Ohio), Dan Burton (Indiana) and Steve King (Iowa) who witnessed the signing on Capitol Hill. Signing the letter were Mr. Han-yeh Wang, board member of the Taiwan Vegetable Oil Manufacturers' Association, and Mr. Rob Joslin, First Vice President of the American Soybean Association.

Taiwan is the seventh largest export market for U.S. Ag products, purchasing over \$3.5 billion last year. Taiwan's Goodwill teams have been traveling to the U.S. since 1998, to place orders and meet with key figures in the U.S. ag industry. The team consists of 22 members, including 14 for the soybean and corn segment and eight for the wheat industry. This year's delegation head is Mr. Paul Ming-hsien Sun, Chairman of the Board of The World Vegetable Center and a former Minister of the Council of Agriculture for Taiwan.

Taiwan's team visits are an important element in fostering the strong relationship the two countries enjoy and has helped the U.S. maintain an average of 77 percent of the market share in Taiwan for the past 10 years.

## **USSEC Welcomes New Export Members**

USSEC is proud to introduce its latest additions to our membership roster. Currently, USSEC has 29 Exporter Class members and 23 Allied Industry Class members for a total of 52. Here are our new members:

**American Pacific International Capital, Inc.** of Portland, Oregon: APIC is actively involved in joint ventures in the Chinese soybean crushing industry.

**Cooperative Business International** of Columbus, Ohio combines its strong ties to U.S. and foreign food and agribusiness entities with its extensive knowledge of existing and emerging economies. CBI identifies, structures and develops business opportunities for the import of foreign or the export of domestic agricultural commodities, foodstuffs and value-added products.

**Harmony Agricultural Products-Ohio LLC** of Marysville, Ohio is a subsidiary of Honda Trading America Corporation. HAPI-Ohio was established in 1999 and provides non-GMO, identity-preserved soybeans for food grade uses, primarily to Japan.

**Specialty Grains, Inc.** of Gibson City, Illinois exports U.S. value-added soybeans and grain.

**Touton USA Limited** of Carmel, Indiana: Touton S.A. is a 150-year-old trading firm based in Bordeaux, France. Their grain group is based in Singapore, with supporting offices in the U. S., Australia, Vietnam, China and Russia.

## U.S. Soybean Meal in Korean Comparison Tests

Maniker, Korea's second largest broiler integrator is planning to test U.S. soybean meal against meals from other origins. If the results show U.S. soybean meal to be nutritionally superior, Maniker plans to use U.S. meal exclusively in their feed. Korea consultant Hyung Suk Lee provided Maniker with nutrient specifications of U.S. meal for their experimental feed formulation and a list of suppliers U.S. suppliers.

Other large Korean broiler integrators Harim, Cherrybro and Dongwoo, have purchased U.S. soybean meal, with a December arrival date, and all three are now seeking more U.S. soybean meal with an April arrival time anticipated. Previously, Korean poultry integrators only occasionally purchased U.S. soybean meal, now the goal is year-round use of the U.S. meal. Seoul office staff focuses on educating the integrators on how and why U.S. soybean meal improves profits.

## USSEC Staff Participate Marketing Programs for Asia Subcontinent

USSEC staff Paul Burke and International Animal Nutrition Director Nelson Ruiz traveled to Hyderabad, India to participate in the annual animal feed and human food marketing program review and planning for the Asia Subcontinent region. Discussions at the meeting tracked soy utilization results for FY09 and planned activities and objectives for FY10 and beyond. At the meeting, an independent survey conducted Agriwatch, showed soy meal exports in India were nearly equal to that of domestic consumption for the first time. Using this as a baseline, the animal feed and human food



*Nelson and Paul discussing poultry feed formulations at a layer farm*

programs were able to draw a marketing vision through FY14 that indicates there will be a tipping point when supply of soy meal in India will equal domestic demand.

The group also made visits to the poultry sector with local staff to assess soy utilization programs. There is a strong need to make available quality soy meal and overall improvements in feed manufacturing and management in support of good genetic strains in poultry. Indian poultry operators are concerned that crushers who primarily crush beans for oil are not focused on providing quality meal. Through ASA-IM's programs the operators now realize they need quality soy meal for future operations and are themselves investing in crush plants with an objective to "crush for quality meal" to supply their poultry operations.

## **Soy Flour Improves Health in India**

The government of the Indian state of Gujarat voted to fund three nutritional programs whose primary goal will be to raise their low health index ratings by fortification of foods with soy flour. Chief Minister Narendra Modi stated, "The soybean protein-fortified flour will be given to families living below the poverty line, children in schools for mid-day meal, as well as pregnant and lactating women." Gujarat is located in western India and has a population of over 50 million.

Consultant Raj Kapoor worked closely with government officials and stakeholders to convince state legislators to support the inclusion of soy flour as a major part of these efforts. Human Nutrition Director Suresh Itapu noted, "This success is a great boost for human soy consumption and will be used in similar programs throughout India." Kapoor and Itapu estimate Gujarat's annual soybean use will reach 1.5 million bushels.

## **Poultry Nutrition Course in Costa Rica**

A Regional Animal Production Training Course (RAPCO) for Poultry in Costa Rica focused on nutrition, management and the efficient use of soybean products in poultry diets. Regional animal nutrition consultants Carlos Campabadal and Alberto Celis organized the training program and USSEC Animal Nutrition Director Dr. Nelson Ruiz discussed technical issues and presented an overview of the course.

There were 42 participants, all poultry producers and technicians representing 11 Latin American countries. The participating companies represent annual usage of more than 500,000 metric tons of soybean meal.

Discussion topics included the nutritional quality of soybean products and comparisons of U.S. and South American soybean meal, as well as the importance of the digestible amino acid content, the ideal protein concept in formulating poultry diets and grain sampling for mycotoxin analysis.

## **USSEC Offers Technical Service Program in El Salvador**

An extensive technical service program to assist Salvadoran livestock and poultry producers supported soy meal usage in one of the few Central American countries showing increases in animal production. El Salvador currently produces more than 80 million broilers and 5 million layers annually. Swine production recently increased from 6,000 to 8,000 sows, due in large part to the U.S. soybean industries technical programs and assistance to the industry. This support successfully reversed the negative effects created by the H1N1 influenza scare. Last year, El Salvador imported 148,000 metric tons of soybean meal, all from the United States.

Under the direction of Regional Animal Nutritionist Carlos Campabadal, the livestock producers visited swine and poultry farms and feed mills, and provided training on feed formulation and nutrition, development of feeding programs and management.

Campabadal met with the President of the Salvadorian Pork Producers Association to discuss a pork consumption campaign and presented two conferences for pork and dairy organizations.

## USSEC Soy Bits

- Oil World Weekly reports, "Exports of biodiesel to the European Union have picked up lately as a loophole was found that the prohibitively high import duties (announced by the EU in March 2009) can be prevented if it is mixed with crude mineral oil and the share of biodiesel is not exceeding 19%, according to (still unconfirmed) trade reports." U.S. exports of biodiesel to the EU totaled over 80,000 tons in June and July.

## USSEC Events Calendar

Oct 27-30	Global Aquaculture Alliance GOAL	Seattle
Nov 2-5	Soya Summit/Global Soy Transport	New Orleans
Nov 12	National Farm Broadcasters Trade Talk	Kansas City
Nov 15-21	Middle East Team to Extrusion Course	MO, KS
Nov 17-20	USAEDC (FAS Cooperators) Conference	Baltimore
Nov 16-25	Quality Conferences	Japan, Taiwan, China, Korea



*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.*

