

## China Soy Buyers Seeking Easier U.S. Imports

Phil Laney and Zhang Xiaoping from the China office joined ASA Treasurer Steve Wellman, USSEC's Greg Olwig and Market Outlook Speaker David Asbridge of Doane Agricultural Services in attending the 5th Annual JCI Autumn Conference on the China Feed Ingredients Market in Beijing. The conference, held in cooperation with the Shanghai JC Intelligence Company (JCI) and U.S. Grains Council, had over 400 feed industry participants and provided information on supply and demand of main feed ingredients, price movement and policy trends.



*Steve Wellman speaks at JCI Autumn Conference*

Prior to the conference the China staff escorted Wellman and the others on visits to 3 key soy importers, Chinatex, COFCO & Sinograin Oil, to discuss the market situation and to express appreciation for their long-term relationship with the U.S. soy industry. The 3 major buyers expressed satisfaction with U.S.



*ASA-IM Grower-leaders, staff and contractor at the ASA-IM Beijing office*

soybean supplies, but two important issues were raised. COFCO, the major state-owned grain trading and soy processing company, expressed concerns regarding their inability to book U.S. soy shipments before late November and questioned if American logistical infrastructure was adequate to meet growing demands for soybean exports. Sinograin Oil Company told the visitors of their inability to import U.S. soybean oil because of China's quarantine requirement that deny certification for soy oil. Sinograin was told that there have been imports of soy oil from

the U.S. in recent years. They responded that regardless of what others were doing, as a state owned company, they had to comply with all government regulations. They indicated that both Brazil & Argentina do issue certificates for soy oil. As Sinograin is China's biggest importer of soy oil, importing a million tons annually, this problem of certification for U.S. soybean oil needs to be addressed.

## India Dairy Feed Mill Sets New Market Trend in Soybean Meal Use

The Indian province of The Kerala has the potential to use 1 million metric tons of formulated soy feed, in the local dairy industry. The current production and usage of dairy feed in The Kerala is 640,000 metric tons, with room for expansion of over 30,000 metric tons of soybean meal. The Kerala dairy industry is unique within India in that it consumes a large amount of commercial compounded feed providing a great opportunity for increasing soybean meal use. With the efforts of the New Delhi office, current use of soybean meal in dairy feed is now 13,000 metric tons. With milk prices on the rise in India, staff predict an increase in inclusion levels for soybean meal. India consultant S.P.Vinil works in this market segment to convince progressive dairy feed

millers to take advantage of the expanding market and increase use of soybean meal in the formulations. Marketing modules used for industry transformation include training courses at Northern Corps Institute in North Dakota, local dairy nutrition seminars, feed formulation inputs, feeding demonstrations, industry linkages and dissemination of market information.

Building on this market opportunity, Kerala Solvents Extractions decided to expand their dairy feed production from an original volume of 306,000 metric tons (36 percent of market share) to 486,000 metric tons, with the addition of a state-of-the-art feed mill. The new feed plant began production last month, creating a trend for automatic feed mills that produce quality dairy feeds with soybean meal, to take advantage of the gap between current production and the existing potential for dairy feed.



*New feed mill of Kerala Solvent Extractions processing 500 tons per day.*



*Korea's In Soo Shin cites advantages of soy-based extruded feeds in culturing marine fish*

## Korean Marine Fish Farmers Moving to Soy Based Feeds

Korea's In Soo Shin recently visited 3 marine fish farms on the southwest coast of Korea which supplies approximately 35 percent of the total flounder production for the country. Two of the farms use trash fish-based feeds, while the third farm was a sea bream grow-out operation that uses commercial extruded soy based feeds. Dr. Shin provided the farm owners with technical materials that show marine fish fed with soy meal-based feeds improved water quality and survival rate and saved feed costs by about 40 percent compared with trash fish-based feeds.

## Big Investment in Beef Production in Turkey Expands Soymeal Market

Middle East consultant Sinan Goker reports that Banvit Company, a prominent buyer of U.S. soybeans and soy meal, plans to become the market leader in red meat packing and trading, after launching a multi-million dollar investment in cattle breeding. The Middle East office works closely with Banvit to support their poultry business and Banvit's latest endeavor creates a new market for U.S. soy meal. Banvit owner Omer Gorener remarked that they plan to challenge other big players in the beef industry by aggressively investing in cattle breeding, with plans to raise the number of cattle to 50,000 by 2011. That would put Banvit in control of a 3 percent market share in red meat production in Turkey. Turkey's red meat market has an annual capacity of 600,000 tons.



*Banvit Poultry Production Line in Bandirma*



*Mr. Omer Gorener, Banvit CEO*

## Women in Soy Discover Opportunity in India

The Women in Soy delegation traveled in India meeting with women involved in many aspects of Indian agriculture. The team learned that as women elevate their status in Indian society, many programs that affect women and families gain in status as well. India holds great potential for the U.S. soy industry, representing almost 20 percent of the world's population and a growth rate of 18 million people per year.

New Delhi staff are building demand within the country in the areas of human and animal consumption, in order to decrease the amount of soy product India exports to neighboring regions. The Women in Soy delegation met with women entrepreneurs in the soyfood industry to learn more about the complexities of conducting business in India. A variety of tariffs make further processing of soy within India a challenge. However, U.S. soy protein manufacturers captured 99 percent market share for soy protein isolates imported from the U.S. Indian manufacturers recognize the value of U.S. soy and are finding ways to turn it into marketable soyfood products.



*Grower-leaders Sharon Covert and Vicki Coughlin attend a demonstration highlighting the health benefits of soy*

## USSEC Soy Bits

- Soy in Aquaculture and Mexico office staff will highlight the safety and sustainability benefits of biotechnology-derived soy in aquaculture feeds at the Seriola and Cobia Standards Dialogue Meeting in Vera Cruz, Mexico, September 24-25. This meeting precedes the World Aquaculture Conference and Exposition held September 26-29, in Vera Cruz.

## USSEC Events Calendar

Sept. 6-12	Southeast Asia Buyers Conference	Philippines
Sept. 9-11	Soy in Aquaculture Stakeholders Meeting	Montgomery, AL
Sept. 13-27	China Crop Tour	IN, IA, IL, MO, MN, WI
Sept. 14-19	Caribbean/ Latin America Buyers Mission Team	MN, LA
Sept. 19-26	Aqua Extrusion & Nutrition Team (ASC, CBB)	TX



*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.*

