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Outlook for U.S. Agricultural Trade

FY 2010 Exports Projected at \$97 Billion, Down Slightly From FY 2009; Imports Resume Growth

Fiscal 2010 exports are projected at \$97 billion, only slightly lower than the revised 2009 forecast. Lower value for bulk commodities more than offsets gains for high-value products. Grain exports are down \$1.3 billion on lower unit values and abundant global supply. Oilseeds and products are down \$800 million as reduced soybean and meal prices, resulting from record global production and increased supply, are only partly offset by larger soybean oil shipments. Cotton exports fall \$600 million as volume declines 20 percent due to tighter domestic supply and increased competition. Red meats and dairy products rise \$700 million with sales prospects improving as the global economy recovers. Higher prices for many horticultural products, especially processed fruits and vegetables, are expected to boost sales \$1 billion.

Fiscal 2009 agricultural exports are raised \$1.5 billion from May's forecast to \$97.5 billion. Grains and oilseeds accounted for most of this revision. Grain volumes are down sharply due to increased competition, but stronger than expected late-season corn shipments and higher rice unit values reduced year-to-year declines. Soybean shipments reach a new record, reflecting strong Chinese demand and reduced competition.

Fiscal 2010 imports are forecast at \$82 billion, indicating imports are expected to grow. FY 2009 imports are reduced \$5 billion to \$76 billion or \$3.3 billion below the previous year. Weak consumer spending and lower prices due to the recession reduce import value.

Table 1--U.S. agricultural trade, fiscal years 2005-2010, year ending September 30

| Item | 2005 | 2006 | 2007 | 2008 | Forecast | | |
|---------|------|------|------|-------|-------------------|------|-------------|
| | | | | | fiscal 2009 | | fiscal 2010 |
| | | | | | May | Aug. | Aug. |
| | | | | | <i>\$ billion</i> | | |
| Exports | 62.5 | 68.6 | 82.2 | 115.3 | 96.0 | 97.5 | 97.0 |
| Imports | 57.7 | 64.0 | 70.1 | 79.3 | 81.0 | 76.0 | 82.0 |
| Balance | 4.8 | 4.6 | 12.1 | 36.0 | 15.0 | 21.5 | 15.0 |

Reflects forecasts in the August 12, 2009, *World Agricultural Supply and Demand Estimates* report.

Source: Compiled by USDA using data from Census Bureau, U.S. Department of Commerce.

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The next release is
November 30, 2009

Approved by the
World Agricultural
Outlook Board.

World GDP drops in 2009, with recovery by year end

From the start of the recession through the first half of 2009, Canada and the United States saw the sharpest drops in Gross Domestic Product (GDP) since the Great Depression. The U.S. economy is forecast to shrink 2.5-3 percent in 2009. Canada's economic output is expected to fall an estimated 2.3-2.8 percent. Similarly, the Mexican economy is slated to fall about 6.5 percent in 2009. Japan should see its output drop a post-World War II record 6.5 percent. In 2009, the euro area will likely see GDP shrink 4.5-5.4 percent. China, the only major growth center left in early 2009, will likely see output grow 8 percent. Given the weak first half of 2009, world GDP (at current exchange rates) is slated to shrink about 3 percent in 2009, despite an incipient recovery in the last half year. North America is doing somewhat better than previously expected, and the euro zone is somewhat worse. World trade volume could drop as much as 10 percent, with value falling almost 20 percent.

For the first time since World War II, household spending shrank in major developed countries in the first half of 2009. Agriculture and manufacturing in developing countries were hurt as trade with developing economies declined in the first half of 2009. World-wide supply disruptions led to large drops in aggregate demand and lower foreign direct investment in both developed and developing countries. The ripple effects of the crises in world financial and asset markets and institutions have spread to countries with few asset or banking system problems. Restrictive credit and high borrower interest rates have brought contraction in sectors that had not shrunk since the early 1980s. Higher cost and lower availability of short-term financing hurt foreign trade in the first half of 2009. Worldwide loan availability is now improving with financial market conditions and equities markets surging as the recession bottoms out in much of the developed world. Emerging Asia is central to the world economic turnaround speeding up in late 2009. With broad stabilization of financial markets, and an upturn in industrial materials prices, the worst of the world recession is over, at least for some of the world. But the turnaround in the last half of 2009 is not expected to be strong enough to keep world output from falling in 2009 as a whole. Moreover, the recovery will be far from uniform.

Growth in China, India, and Korea make it nearly certain that emerging Asia will lead the world recovery. China and India experienced modest slowdowns and will provide the base for the Asian-led recovery. The large Chinese stimulus package has boosted growth in domestic demand through higher consumer spending and a sharp rise in spending on infrastructure. In addition, Asian economies built up their raw materials inventory in commodities such as oil. Indian deficit expansion will also support resurgent Asian growth. Korea and the Philippines will see a mild annual decline in GDP of between 1 and 1.5 percent, reflecting a strong pickup in export growth in the second half of 2009 resulting from higher domestic demand in China. Indonesia will come in flat for the year despite picking up in the second half in part from higher industrial commodity and oil prices as world industrial material markets recover. Although Taiwan, Malaysia, and Thailand will shrink by over 5 percent, the drop would have been far sharper without strong Chinese demand growth. The turnaround in the world economy is not yet broad-based, and is expected to gain traction in the second half of 2009. Brazil has recovered rapidly, with only one percent off GDP for 2009.

World economy moves to positive growth in 2010

Financial markets and commodity prices are stabilizing. Oil, selected industrial commodities, and U.S. housing prices have risen from the bottoms of 2009. Brent crude oil prices, which averaged \$40 per barrel in December 2008, rose to nearly \$70 per barrel in August. Crude oil prices have dropped 40 percent in 2009, but will likely be up by around 20 percent on average in 2010. Stock markets have risen, reflecting improved economic prospects in 2010.

U.S. and Canadian GDP are expected to grow 2 percent in 2010, hampered by weak growth in consumption as households trim debt. Mexico will see 4-5 percent growth as U.S. growth recovers, and world commodity prices rise further. The Eurozone's expected growth in 2010 of about zero will dampen the world recovery. Japan will see about 1 percent growth. Developed economies overall will grow about 1 percent in 2010. Developing economies are expected to grow around 5 percent, being the major source of strengthening world growth in 2010. Output in Asia is expected to be up 6 percent, due to increased trade with developed economies, a surge in intra-Asian trade, and higher domestic demand despite sluggish Japanese growth. Chinese growth of 9 percent will lead the Asian economy. Taiwan, Korea, Malaysia, and Thailand are expected to see 2-3 percent growth in 2010. Indonesia's and India's growth of 4 and 7 percent, respectively, will round out the Asian growth picture. World CPI inflation will pick up to 3 percent with India at between 4 and 5 percent. South America has expected growth of 3 percent in 2010. Brazil will lead the way with 4 percent growth in GDP. Output in Colombia, Argentina, and Venezuela is slated to grow about 2 percent.

The dollar continues mixed in 2010

The yen appears likely to appreciate 5 percent versus the dollar in 2009, on average, and is expected to depreciate a like amount in 2010. The Canadian dollar depreciated an expected 8 percent versus the dollar in 2009, and is expected to appreciate slightly in 2010. The Mexican peso, estimated to have dropped 22 percent relative to the dollar in 2009, is slated to pick up modestly against the dollar in 2010. Brazil, with the real depreciating about 12 percent in 2009, will sag modestly further in 2010. The pound, which appreciated about 11 percent in 2009, is slated to continue to appreciate versus the dollar in 2010. The euro is expected to appreciate in 2010, largely offsetting its roughly 6 percent depreciation in 2009. The yuan will continue to appreciate against the dollar in 2010 as it did in 2009.

Risks and caveats

The world recovery in 2010 will come without major EU contributions. Asia, North America, and Latin America need to have sufficient liquidity to finance international trade for trade volumes to turn around to support the modest world growth expected in 2010. For the United States at least, job expansion is expected to be modest at best. Given the severity of the recent recession, U.S. businesses will be less likely to add workers until they see a large rise in product demand. If U.S. consumers increase their saving too rapidly or credit tightens, the recovery expected in 2010 could stagnate.

Export Products

Grain and feed exports are forecast at \$25.5 billion in fiscal 2010, down \$900 million from the 2009 forecast. Sharply lower unit values for wheat, corn, and rice more than offset stronger corn and wheat export volumes. Wheat exports are forecast at \$5.9 billion, a decline of \$550 million. Unit values are down \$35 per ton, to an average of \$230 per ton. This drop was caused by the second bumper global harvest in a row and large carry-in stocks. Larger crops expected in North Africa, the Middle East, and South Asia are likely to limit global import demand.

Coarse grain exports are forecast at \$9.6 billion, down \$400 million, as declines in unit values offset increased shipments. Volume is forecast up 6.2 million tons, or 12 percent, to 57 million tons because of record U.S. corn supplies, reduced global wheat feeding, and weaker competition from Ukraine and Russia. Rice exports are forecast to decline \$400 million to \$1.8 billion, due to lower unit values. The volume is forecast to remain at 3.5 million tons as stronger sales to traditional markets in Latin America offset weaker expected sales, mostly to the Middle East.

The fiscal 2009 forecast for grain and feed exports is boosted from the May forecast to \$26.4 billion. Corn shipments are increased 2.5 million tons and \$400 million, reflecting stronger shipments in recent months as lower prices boosted demand for feed grains. Wheat exports are unchanged at \$6.4 billion, as slightly higher unit values offset a marginal reduction in volume. Rice is raised \$200 million to \$2.2 billion on stronger-than-expected unit values.

Fiscal 2010 oilseed and product exports are forecast at \$20.1 billion, or \$800 million below the 2009 forecast, mainly due to lower unit values for soybeans and soybean meal. Soybean export value is forecast to decline \$800 million to \$12.9 billion as unit values fall in response to record global production and increased exportable supply. Limited South American exportable supplies should accelerate the pace of U.S. exports through the first half of the fiscal year. However, an expected strong recovery in South American production will likely result in weaker second half sales and should leave year-to-year export volume nearly unchanged.

Reduced unit values should lower soybean meal export value in 2010 as volume remains unchanged. In contrast, U.S. soybean oil exports are forecast to rise \$500 million, mainly due to increased shipments. Rising biodiesel production in Brazil and Argentina limits competition from these suppliers. Strengthening energy prices should create a floor under vegetable oil prices.

Fiscal 2009 oilseed exports are forecast at \$20.9 billion, \$900 million higher than in May on unexpectedly stronger late-season sales to China and higher unit values.

Fiscal 2010 cotton exports are forecast at \$3.1 billion, down \$600 million from the 2009 forecast, as a decline in export volume is only partially offset by higher unit values. U.S. exports are forecast to decline 20 percent, to 2.2 million tons, due to a smaller domestic exportable supply and greater foreign competition. The U.S. share of world trade is also expected to fall. Abundant foreign exportable supplies, resulting from large carry-in stocks particularly in India and Central Asia, will limit U.S. export prospects. However, U.S. ending stocks are forecast to continue falling, with unit values expected to rise as global demand begins recovering and world stocks tighten. China remains the largest buyer and the largest source of demand growth.

The fiscal 2009 forecast for cotton is lowered \$100 million from May's forecast to \$3.7 billion as export unit values have fallen dramatically.

Fiscal 2010 livestock, poultry, and dairy exports are forecast to rise \$900 million to \$19.7 billion, as expected improvement in global economic conditions drive demand growth across most of the sector. Pork exports are forecast to reach \$4 billion largely on greater volume. Shipments to major markets are expected to strengthen with improved market conditions and competitive prices. Beef exports are forecast at \$2.6 billion, mostly on higher volume, but also some gains in unit value, as general global economic recovery bolsters demand, reversing slightly weaker 2009 sales volume. Shipments to most major markets are forecast higher.

Fiscal 2009 poultry product exports are forecast down slightly to \$4.6 billion due to intensified broiler meat competition from Brazil and reduced turkey meat demand by Mexico. Dairy export values are forecast to grow modestly by \$120 million to \$2.4 billion as global demand begins recovering. International dairy prices are also forecast to improve. However, substantial stocks of nonfat dry milk in the United States and the EU will continue to overhang markets and dampen prices.

The fiscal 2009 export value forecast for livestock, poultry, and dairy products is raised \$400 million from the May forecast on marginal adjustments for many products. Pork export value is raised slightly on higher unit value.

The fiscal 2010 export forecast for horticultural products is a record \$22 billion, \$1 billion higher than the revised 2009 forecast. The outlook anticipates expanding exports due primarily to higher unit values for most products. Fresh fruit and vegetable exports are forecast at a record \$5.7 billion, up \$200 million. Export value to Canada, and to a lesser extent Mexico and Japan, should continue to expand. Processed fruit and vegetable exports are forecast up \$500 million, to \$6 billion. Unit values for several processed products are expected to continue rising with demand from top markets. Whole and processed tree nuts are forecast at \$3.8 billion, up \$200 million as demand from Asian and European markets continues to grow for almonds and walnuts. Record U.S. almond stocks will help the industry meet foreign demand although unit values are expected lower.

The 2009 export forecast for horticultural products is revised down \$500 million to \$21 billion due to a short-term contraction in trade volumes related to the global economic crisis.

Table 2--U.S. agricultural exports: Value and volume by commodity, 2008-2010

| Commodity | October-June | | Fiscal year 2008 | Forecast fiscal 2009 | | Forecast fiscal 2010 |
|-------------------------------------|---------------------------|--------|---------------------|-------------------------|-------|-------------------------|
| | 2008 | 2009 | | May | Aug. | Aug. |
| VALUE | ---Billion dollars--- | | | | | |
| Grains and feeds 1/ | 27.933 | 19.468 | 38.326 | 25.6 | 26.4 | 25.5 |
| Wheat 2/ | 8.694 | 4.521 | 12.332 | 6.4 | 6.4 | 5.9 |
| Rice | 1.452 | 1.813 | 2.016 | 2.0 | 2.2 | 1.8 |
| Coarse grains 3/ | 11.792 | 7.258 | 15.750 | 9.6 | 10.0 | 9.6 |
| Corn | 10.370 | 6.721 | 13.999 | 8.9 | 9.3 | 9.0 |
| Feeds and fodders | 3.501 | 3.251 | 4.821 | 4.1 | 4.2 | 4.5 |
| Oilseeds and products 4/ | 18.887 | 17.516 | 22.810 | 20.0 | 20.9 | 20.1 |
| Soybeans | 12.545 | 12.092 | 14.516 | 13.1 | 13.7 | 12.9 |
| Soybean meal 5/ | 2.480 | 2.378 | 3.231 | 2.8 | 3.0 | 2.7 |
| Soybean oil | 1.298 | 0.589 | 1.532 | 0.8 | 0.9 | 1.4 |
| Livestock, poultry, and dairy | 16.043 | 14.132 | 22.164 | 18.4 | 18.8 | 19.7 |
| Livestock products | 9.479 | 8.836 | 13.203 | 11.5 | 11.9 | 12.7 |
| Beef and veal 6/ | 1.734 | 1.899 | 2.664 | 2.5 | 2.5 | 2.6 |
| Pork 6/ | 2.841 | 2.781 | 3.932 | 3.5 | 3.6 | 4.0 |
| Beef and pork variety meats 6/ | 0.859 | 0.906 | 1.271 | 1.2 | 1.3 | 1.4 |
| Hides, skins, and furs | 1.642 | 1.173 | 2.131 | 1.7 | 1.6 | 1.7 |
| Poultry and products | 3.487 | 3.584 | 4.929 | 4.6 | 4.7 | 4.6 |
| Broiler meat 6/ 7/ | 2.393 | 2.488 | 3.422 | 3.1 | 3.2 | 3.1 |
| Dairy products | 3.077 | 1.712 | 4.032 | 2.3 | 2.3 | 2.4 |
| Tobacco, unmanufactured | 1.165 | 1.097 | 1.280 | 1.4 | 1.2 | 1.2 |
| Cotton | 3.499 | 2.754 | 4.754 | 3.8 | 3.7 | 3.1 |
| Seeds | 0.935 | 1.057 | 1.166 | 1.4 | 1.3 | 1.3 |
| Horticultural products 8/ | 15.500 | 15.540 | 20.792 | 21.5 | 21.0 | 22.0 |
| Fruits and vegetables, fresh | 4.076 | 3.993 | 5.508 | 5.7 | 5.5 | 5.7 |
| Fruits and vegetables, processed 8/ | 3.931 | 4.035 | 5.369 | 5.7 | 5.5 | 6.0 |
| Tree nuts, whole and processed | 2.703 | 2.776 | 3.487 | 3.6 | 3.6 | 3.8 |
| Sugar and tropical products 9/ | 2.928 | 2.868 | 4.004 | 4.0 | 4.0 | 4.3 |
| Major bulk products 10/ | 39.148 | 29.535 | 50.648 | 36.3 | 37.2 | 34.5 |
| Total | 86.898 | 74.465 | 115.305 | 96.0 | 97.5 | 97.0 |
| VOLUME | ---Million metric tons--- | | | | | |
| Wheat 2/ | 22.564 | 16.373 | 32.847 | 24.6 | 24.2 | 25.5 |
| Rice | 3.093 | 2.688 | 3.909 | 3.5 | 3.5 | 3.5 |
| Coarse grains 3/ | 54.035 | 35.725 | 68.205 | 48.2 | 50.8 | 57.0 |
| Corn | 47.745 | 32.972 | 60.593 | 44.5 | 47.0 | 53.0 |
| Feeds and fodders | 10.597 | 9.802 | 14.476 | 12.9 | 12.9 | 13.8 |
| Soybeans | 27.210 | 31.126 | 30.784 | 33.7 | 34.4 | 34.4 |
| Soybean meal 5/ | 6.671 | 6.414 | 8.384 | 7.8 | 8.1 | 8.1 |
| Soybean oil | 1.151 | 0.671 | 1.320 | 0.9 | 1.0 | 1.5 |
| Beef and veal 6/ | 0.397 | 0.434 | 0.600 | 0.6 | 0.6 | 0.6 |
| Pork 6/ | 1.147 | 1.044 | 1.529 | 1.4 | 1.4 | 1.5 |
| Beef and pork variety meats 6/ | 0.499 | 0.600 | 0.724 | 0.7 | 0.9 | 0.9 |
| Broiler meat 6/ 7/ | 2.233 | 2.336 | 3.107 | 3.0 | 3.0 | 2.8 |
| Tobacco, unmanufactured | 0.167 | 0.150 | 0.184 | 0.2 | 0.2 | 0.2 |
| Cotton | 2.172 | 2.132 | 2.957 | 2.7 | 2.8 | 2.2 |
| Major bulk products 10/ | 109.240 | 88.193 | 138.886 | 112.9 | 115.9 | 122.7 |

Total may not add due to rounding.

1/ Includes corn gluten feed and meal and processed grain products. 2/ Excludes wheat flour. 3/ Includes corn, barley, sorghum, oats, and rye. 4/ Excludes corn gluten feed and meal. 5/ Includes soy flours made from protein meals. 6/ Includes chilled, frozen, and processed meats. 7/ Includes only federally inspected product. 8/ Includes juices. 9/ Includes coffee and cocoa products, tea, and spices. 10/ Includes wheat, rice, coarse grains, soybeans, cotton, and unmanufactured tobacco.

Source: Compiled by USDA using data from Census Bureau, U.S. Department of Commerce.

Regional Exports

Outlook for fiscal 2010

Fiscal 2010 agricultural exports are forecast to decline by \$500 million from the 2009 forecast. Bulk exports are expected to fall \$2.7 billion due to lower unit values for grains and soybeans and reduced cotton shipments. The export value for high-value products rises \$2.2 billion on generally higher prices for horticultural products and increased meat and soybean oil shipments.

Year-over-year decreases in total export value are concentrated in East Asia as lower bulk commodity prices more than offset some gains for high-value products. The opposite is true for the North American market which should achieve the largest annual increase of any regional market.

Canada and Mexico, our top two markets, expand their lead with exports forecast to rise a combined \$800 million to \$16.1 billion and \$14.5 billion, respectively. Exports to Japan are forecast to drop \$400 million to \$11.4 billion on lower grain and soybean unit value. Exports to China are expected to fall \$500 million (to \$10.9 billion) on lower unit values for soybeans and reduced cotton shipments. Sales to the European Union, our fifth largest market, are expected to remain unchanged at \$7.3 billion.

Revised outlook for fiscal 2009

The forecast for 2009 agricultural exports rises to \$97.5 billion, up \$1.5 billion from the May forecast. Larger than expected recent corn and soybean shipments, combined with higher prices for soybeans and rice account for most of the increase.

There are large upward revisions for Asia, with East Asia now forecast at \$31.6 billion and Southeast Asia at \$5.6 billion. There are larger downward revisions for Europe (down \$1.7 billion to \$7.3 billion) and North America (down \$1.1 billion to \$29.8 billion). Our NAFTA partners, Canada and Mexico, remain well ahead of East Asia as the top regional destination for U.S. agricultural exports. Other revisions were comparatively small. The Caribbean forecast is increased \$300 million, while Africa and the Middle East are each raised \$200 million.

The top five export markets account for 62 percent of all exports at \$60.3 billion. Canada and Mexico remain the top markets with exports of \$15.6 and \$14.2 billion, respectively. Japan and China are forecast at \$11.8 and \$11.4 billion, respectively. The export forecast to the EU-27 drops to \$7.3 billion.

Table 3--U.S. agricultural exports: Value by region, 2008-2010

| Country and region 1/ | October-June | | Fiscal year 2008 | Share of 2008 total | Forecast fiscal 2009 | | Forecast fiscal 2010 Aug. |
|-------------------------------|----------------------|---------------|---------------------|---------------------------|-------------------------|-------------|---------------------------------|
| | 2008 | 2009 | | | May | Aug. | |
| | ---Billion dollars-- | | | Percent | ---Billion dollars-- | | |
| Asia | 33.137 | 29.794 | 43.228 | 38.1 | 35.1 | 38.3 | 37.2 |
| East Asia | 27.075 | 24.594 | 34.934 | 31.2 | 29.2 | 31.6 | 30.7 |
| Japan | 9.590 | 8.668 | 13.061 | 11.0 | 10.5 | 11.8 | 11.4 |
| China | 9.397 | 9.497 | 11.170 | 10.8 | 10.4 | 11.4 | 10.9 |
| Hong Kong | 1.197 | 1.362 | 1.598 | 1.4 | 1.6 | 1.7 | 1.7 |
| Taiwan | 2.710 | 2.141 | 3.509 | 3.1 | 2.8 | 2.7 | 2.7 |
| South Korea | 4.158 | 2.899 | 5.552 | 4.8 | 4.0 | 3.9 | 3.9 |
| Southeast Asia | 5.203 | 4.269 | 7.113 | 6.0 | 4.9 | 5.6 | 5.4 |
| Indonesia | 1.633 | 1.281 | 2.205 | 1.9 | 1.5 | 1.8 | 1.7 |
| Philippines | 1.261 | 0.932 | 1.730 | 1.5 | 1.1 | 1.3 | 1.3 |
| Malaysia | 0.474 | 0.403 | 0.631 | 0.5 | 0.4 | 0.5 | 0.5 |
| Thailand | 0.812 | 0.658 | 1.144 | 0.9 | 0.8 | 0.9 | 0.9 |
| South Asia | 0.858 | 0.931 | 1.181 | 1.0 | 1.1 | 1.1 | 1.1 |
| Western Hemisphere | 32.042 | 28.862 | 43.801 | 36.9 | 39.5 | 39.0 | 39.6 |
| North America | 23.297 | 21.776 | 31.839 | 26.8 | 30.5 | 29.8 | 30.6 |
| Canada | 11.989 | 11.507 | 16.257 | 13.8 | 15.7 | 15.6 | 16.1 |
| Mexico | 11.308 | 10.269 | 15.582 | 13.0 | 14.7 | 14.2 | 14.5 |
| Caribbean | 2.534 | 2.450 | 3.512 | 2.9 | 3.0 | 3.3 | 3.3 |
| Central America | 2.302 | 2.025 | 3.058 | 2.6 | 2.6 | 2.6 | 2.6 |
| South America | 3.909 | 2.612 | 5.392 | 4.5 | 3.5 | 3.3 | 3.1 |
| Brazil | 0.455 | 0.268 | 0.663 | 0.5 | 0.5 | 0.4 | 0.4 |
| Colombia | 1.315 | 0.709 | 1.757 | 1.5 | 0.9 | 0.9 | 0.9 |
| Venezuela | 1.018 | 0.864 | 1.451 | 1.2 | 1.1 | 1.2 | 1.1 |
| Europe/Eurasia | 10.643 | 7.931 | 13.509 | 12.2 | 11.1 | 9.4 | 9.4 |
| European Union-27 2/ | 8.629 | 6.207 | 10.660 | 9.9 | 8.9 | 7.3 | 7.3 |
| Other Europe 3/ | 0.426 | 0.481 | 0.517 | 0.5 | 0.5 | 0.5 | 0.5 |
| FSU-12 4/ | 1.588 | 1.243 | 2.333 | 1.8 | 1.7 | 1.6 | 1.6 |
| Russia | 1.320 | 1.011 | 1.888 | 1.5 | 1.2 | 1.3 | 1.3 |
| Middle East | 5.202 | 3.827 | 6.925 | 6.0 | 4.7 | 5.0 | 4.8 |
| Turkey | 1.448 | 1.062 | 1.732 | 1.7 | 1.5 | 1.3 | 1.3 |
| Saudi Arabia | 0.696 | 0.493 | 0.978 | 0.8 | 0.8 | 0.7 | 0.7 |
| Africa | 4.783 | 3.036 | 6.363 | 5.5 | 4.1 | 4.4 | 4.6 |
| North Africa | 3.077 | 1.406 | 3.841 | 3.5 | 2.2 | 1.9 | 2.0 |
| Egypt | 1.614 | 0.969 | 2.199 | 1.9 | 1.9 | 1.4 | 1.4 |
| Sub-Saharan Africa | 1.706 | 1.631 | 2.523 | 2.0 | 1.9 | 2.4 | 2.5 |
| Oceania | 0.176 | 0.183 | 1.142 | 0.9 | 1.2 | 1.2 | 1.2 |
| Trans-shipments via Canada 5/ | 0.822 | 0.892 | 0.336 | 0.3 | 0.3 | 0.2 | 0.2 |
| Total | 86.898 | 74.465 | 115.306 | 100.0 | 96.0 | 97.5 | 97.0 |

Total may not add due to rounding.

1/ Projections are based primarily on trend or recent average growth analysis.

2/ The former EU-25 plus Romania and Bulgaria who acceded in January 2007.

3/ Major countries include Switzerland, Norway, Iceland, and former Yugoslav states.

4/ The former 15 Republics of the Soviet Union minus the three Baltic Republics.

5/ Trans-shipments through Canada have not been allocated to final destination, but are included in the total.

Source: Compiled by USDA using data from Census Bureau, U.S. Department of Commerce.

Import Products

Despite the deep downturn in U.S. economic activity over the past year, U.S. agricultural import volume is down by only 0.4 percent (or 133,000 metric tons) thus far in fiscal year 2009. However, total import value to date is 5 percent or \$3 billion lower than in 2008, due to an overall 4.7-percent import price decline. The projected reduction in U.S. real GDP (in chained 2005 dollars) from the fourth quarter of 2008 to the third quarter of 2009 is 3 percent. U.S. agricultural imports, 88 percent of which were food products in 2008, are expected to fall by 4.2 percent in value in 2009. This is attributed in part to lower average international food prices in 2009 compared to 2008. Relative to total U.S. merchandise imports, which fell 35 percent in April-June 2009 (from the same quarter in 2008), agricultural imports dropped by 13 percent in value.

U.S. agricultural imports are forecast to decline to \$76 billion in fiscal 2009, or 4 percent from 2008's \$79.3 billion. The largest reductions by commodity group are the \$1.3 billion from horticulture products and \$1 billion from livestock products. The drop in imported oilseeds and products and rubber is \$700 million each. Cattle and calves, processed fruit, and wine each fell by \$600 million. Vegetable oils and fruit juices were cut by \$500 million each. Notable expected increases from 2008 are \$700 million for sugar, \$600 million for fresh fruits, and \$400 million for cocoa and chocolate, which are all due to larger import volumes thus far in 2009. Cocoa and fresh fruit import unit values were both higher than in 2008.

U.S. consumer spending for food through June 2009 is estimated at an annualized \$1.07 trillion, down 3.7 percent from 2008's \$1.1 trillion. Spending for food consumed at home is expected to be \$565.6 billion (at retail), or 53 percent of total food expenditures. This amount is down 4.6 percent from 2008. Food expenditures away from home are projected at \$504.2 billion, which is 2.7 percent lower than in 2008. In light of the 1-percent lower U.S. personal consumption spending thus far in fiscal 2009, compared with the same period a year ago, it is not surprising that import demand for food has fallen as well, albeit with a lag of one quarter. Nevertheless, disposable personal income posted a 4.6-percent jump from April to June, the first positive growth since the same quarter in 2008. If this growth is sustained, imports are expected to climb as well this fall.

With respect to fiscal 2010, imports of agricultural products are forecast to grow 7.8 percent to \$82 billion. About half of this increase is due to larger imported volumes and the other half is from higher prices. Sugar prices are already on the rise, as are prices of bananas, cocoa beans, coconut and palm oils, coffee beans, rice, and rubber. \$1.6 billion more in imports are projected for sugar and tropical products, and \$2.1 billion more for horticulture products. Imported livestock, dairy, and poultry products are forecast to increase by \$800 million in 2010 from 2009. As consumer spending turns positive through 2010, import growth will follow. In June 2009, U.S. personal consumption expenditures expanded by 0.4 percent despite a 1.3-percent drop in disposable personal income.

The \$800-million drop in 2009 U.S. imports of livestock and products, compared with 2008, is largely due to smaller shipments of live cattle and calves and swine from Canada. This decline reflects several factors, including several years of contracting Canadian inventories due to poor producer returns, weaker pork demand, and uncertainties regarding impacts of country of origin labeling (COOL).

Beef imports in 2009 are expected to exceed imports in 2008 as prices have fallen and product previously directed by foreign exporters toward third countries is shipped to the U.S.

Pork imports are down as pork shipments from Denmark, which account for over 10 percent of U.S. pork imports, were almost 11 percent lower in the third quarter of fiscal 2009. The lower swine and pork imports from Canada are largely due to industry contraction from continued dismal returns as high feed and energy costs, and drought adversely impact farmers' bottom line. Imported lamb and mutton (two-thirds from Australia) is down as consumers have shifted to lower-valued meats and consumption in restaurants decline during the recession.

The volume reduction in bulk grain imports (rice and feed grains, except sorghum) and processed grains as well as oilseeds (except soybeans) are responsible for the \$1-billion combined decline in grain and oilseed products from 2008 to 2009. Similarly, horticulture products are projected to drop \$1.3 billion in import value as fruit juices, fresh vegetables, wine, beer, essential oils, cut flowers, and nursery stock all fall despite the \$500-million gain for fresh fruits from 2008. The 2009 value of sugar and tropical products is anticipated to be about equal to 2008. Decreased imports of rubber, coffee beans, and confections will be offset by gains for sugar, cocoa, and chocolate whose higher prices contrast with lower unit values for rubber and coffee beans (*vis-à-vis* 2008 prices).

For 2010, both horticulture and sugar and tropical products are forecast to climb in value and volume as U.S. import demand picks up along with the economy. A total \$3.6-billion gain in combined import value for horticulture, sugar, and tropical products is projected for 2010. This represents 60 percent of the projected \$6-billion more imports of all agricultural products next year. Another \$1.3 billion in imports is anticipated to come from grains and oilseed products. The remaining \$1-billion import gain in 2010 will be contributed by livestock and products and other imports. In 2010, the reversal of 2009's import contraction is dependent on the expected growth of disposable personal income as well as personal spending in the months ahead.

Table 4--U.S. agricultural imports: Value and volume by commodity, fiscal years 2008-2010

| Commodity | October-June | | Fiscal year 2008 | Forecast fiscal year 2009 | | Forecast |
|--|---|--------|---------------------|------------------------------|------|---------------------|
| | 2008 | 2009 | | May | Aug. | fiscal 2010 Aug. |
| | VALUE --- Billion dollars --- | | | | | |
| Livestock, dairy, and poultry | 9.341 | 8.412 | 12.175 | 11.4 | 11.4 | 12.0 |
| Livestock and meats | 6.694 | 5.981 | 8.703 | 8.0 | 8.0 | 8.4 |
| Cattle and calves | 1.645 | 1.138 | 2.022 | 1.3 | 1.4 | 1.5 |
| Swine | 0.431 | 0.277 | 0.544 | 0.4 | 0.4 | 0.3 |
| Beef and veal | 2.194 | 2.271 | 2.965 | 3.2 | 3.1 | 3.3 |
| Pork | 0.825 | 0.769 | 1.099 | 1.0 | 1.0 | 1.0 |
| Dairy products | 2.311 | 2.135 | 3.008 | 3.0 | 3.0 | 3.1 |
| Cheese | 0.887 | 0.793 | 1.172 | 1.1 | 1.1 | 1.2 |
| Grains and feed | 5.793 | 5.522 | 7.884 | 8.4 | 7.6 | 8.2 |
| Grain products | 3.347 | 3.309 | 4.603 | 4.8 | 4.6 | 4.8 |
| Oilseeds and products | 4.726 | 4.143 | 6.587 | 7.1 | 5.9 | 6.6 |
| Vegetable oils | 3.268 | 2.862 | 4.600 | 5.0 | 4.1 | 4.6 |
| Horticulture products | 26.652 | 25.570 | 34.707 | 34.7 | 33.4 | 35.5 |
| Fruits, fresh | 4.552 | 4.981 | 5.544 | 6.1 | 6.1 | 6.4 |
| Fruits, processed | 2.981 | 2.563 | 3.981 | 3.7 | 3.4 | 3.7 |
| Fruit juices | 1.475 | 1.084 | 1.932 | 1.6 | 1.4 | 1.6 |
| Nuts, whole and processed | 0.907 | 0.834 | 1.276 | 1.3 | 1.3 | 1.4 |
| Vegetables, fresh | 3.683 | 3.488 | 4.441 | 4.3 | 4.2 | 4.4 |
| Vegetables, processed | 2.620 | 2.621 | 3.520 | 3.7 | 3.5 | 3.7 |
| Wine | 3.503 | 3.087 | 4.753 | 4.4 | 4.2 | 4.5 |
| Malt beer | 2.698 | 2.533 | 3.662 | 3.6 | 3.5 | 3.7 |
| Essential oils | 2.032 | 1.828 | 2.653 | 2.6 | 2.4 | 2.6 |
| Cut flowers and nursery stock | 1.210 | 1.072 | 1.515 | 1.4 | 1.3 | 1.4 |
| Sugar and tropical products | 11.833 | 11.668 | 16.357 | 17.6 | 16.3 | 18.0 |
| Cane and beet sugar | 0.646 | 0.997 | 0.949 | 1.6 | 1.5 | 2.0 |
| Confections 1/ | 0.902 | 0.838 | 1.255 | 1.3 | 1.2 | 1.3 |
| Cocoa and chocolate 1/ | 2.205 | 2.490 | 3.046 | 3.4 | 3.4 | 3.6 |
| Coffee beans and products | 3.209 | 3.077 | 4.349 | 4.3 | 4.2 | 4.5 |
| Rubber, natural | 1.854 | 1.317 | 2.711 | 2.8 | 2.0 | 2.4 |
| Other imports 2/ | 1.276 | 1.288 | 1.610 | 1.7 | 1.6 | 1.7 |
| Total agricultural imports | 59.621 | 56.602 | 79.320 | 81.0 | 76.0 | 82.0 |
| VOLUME --- Million metric tons --- | | | | | | |
| Wine 3/ | 0.616 | 0.710 | 0.835 | 0.9 | 1.0 | 1.2 |
| Malt beer 3/ | 2.504 | 2.302 | 3.389 | 3.2 | 3.2 | 3.4 |
| Fruit juices 3/ | 3.878 | 3.243 | 4.935 | 4.0 | 4.1 | 4.3 |
| Cattle and calves 4/ | 2.153 | 1.691 | 2.563 | 2.0 | 2.0 | 2.2 |
| Swine 4/ | 7.933 | 5.458 | 10.134 | 7.2 | 7.0 | 6.2 |
| Beef and veal | 0.629 | 0.692 | 0.820 | 0.9 | 0.9 | 1.0 |
| Pork | 0.277 | 0.267 | 0.359 | 0.3 | 0.3 | 0.4 |
| Fruits, fresh | 6.918 | 7.042 | 8.668 | 8.8 | 8.8 | 9.0 |
| Fruits, processed 5/ | 1.077 | 1.023 | 1.447 | 1.4 | 1.4 | 1.5 |
| Vegetables, fresh | 3.823 | 3.762 | 4.596 | 4.6 | 4.5 | 4.6 |
| Vegetables, processed 5/ | 2.275 | 2.218 | 3.015 | 3.0 | 2.9 | 3.1 |
| Vegetable oils | 2.441 | 2.482 | 3.255 | 3.6 | 3.3 | 3.5 |
| Cocoa and chocolate | 0.829 | 0.868 | 1.075 | 1.1 | 1.1 | 1.2 |
| Coffee beans | 1.010 | 1.002 | 1.350 | 1.4 | 1.4 | 1.5 |
| Rubber, natural | 0.772 | 0.578 | 1.065 | 1.0 | 0.9 | 1.0 |

Total may not add due to rounding.

1/ Confections are consumer-ready products that contain sugar. Cocoa and chocolate are intermediate products.

2/ Largely tobacco and planting seeds. 3/ Liquid volume is in billion liters. 4/ Million head; includes bison. 5/ Excludes juices.

Source: Compiled by USDA using data from Census Bureau, U.S. Department of Commerce.

Regional Imports

Following declines for 2009, the largest import reversals in 2010 are with respect to Canada, the European Union, Mexico, South America, and Southeast Asia. If U.S. import demand reaches \$82 billion as expected next year, the competition between foreign suppliers for the large American food market depends on a few key factors. Most important is the import share of U.S. food consumption, which is estimated to be about 18 percent in 2010. Most U.S. food imports are processed and high-value products. Among the foods that are most dependent on imports are tropical products (coffee, cocoa, spices) whose import shares of consumption are at or close to 100 percent. Fruits and nuts' collective import share is over 40 percent, which include bananas, grapes, berries, and cashew nuts. The countries that are the major suppliers of these tropical and seasonal crops are in Latin America and Asia. Colombia, Brazil, Mexico, Chile, China, Costa Rica, Vietnam, and India are among the front-running suppliers. As a group, these developing countries will increase their share of the U.S. food market if the import share of U.S. consumption of fruits, nuts, and tropical products continues to rise. The promise of these imported products in future U.S. food demand is attested to in 2009 when their import values did not decline unlike most other imports.

Additionally, the collective import volume of tropical oils (coconut, palm, and palm kernel), which are largely from Southeast Asia, registered higher to date as prices retreated from 2008.

Table 5--U.S. agricultural imports: Value by region, fiscal years 2008-2010

| Region and country | October-June | | Fiscal year 2008 | Share of total 2008 | Forecast fiscal year 2009 | | Forecast |
|-----------------------|-------------------------|---------------|---------------------|---------------------------|------------------------------|-------------|---------------------|
| | 2008 | 2009 | | | May | Aug. | fiscal 2010 Aug. |
| VALUE | --- Billion dollars --- | | | Percent | --- Billion dollars --- | | |
| Western Hemisphere | 32.073 | 31.247 | 41.880 | 52.8 | 43.4 | 40.9 | 44.1 |
| Canada | 13.320 | 11.727 | 17.936 | 22.6 | 17.7 | 15.9 | 17.2 |
| Mexico | 8.670 | 9.103 | 10.761 | 13.6 | 11.3 | 11.3 | 12.2 |
| Central America | 2.654 | 2.542 | 3.548 | 4.5 | 3.8 | 3.5 | 3.8 |
| Costa Rica | 0.909 | 0.885 | 1.202 | 1.5 | 1.2 | 1.2 | 1.3 |
| Guatemala | 0.930 | 0.964 | 1.259 | 1.6 | 1.5 | 1.4 | 1.5 |
| Other Central America | 0.815 | 0.692 | 1.080 | 1.4 | 1.1 | 0.9 | 1.0 |
| Caribbean | 0.323 | 0.383 | 0.423 | 0.5 | 0.5 | 0.5 | 0.5 |
| South America | 7.107 | 7.492 | 9.212 | 11.6 | 10.2 | 9.8 | 10.6 |
| Argentina | 0.831 | 0.924 | 1.176 | 1.5 | 1.4 | 1.4 | 1.5 |
| Brazil | 1.993 | 1.931 | 2.598 | 3.3 | 2.7 | 2.5 | 2.7 |
| Chile | 1.675 | 1.817 | 1.961 | 2.5 | 2.2 | 2.1 | 2.3 |
| Colombia | 1.310 | 1.347 | 1.716 | 2.2 | 1.9 | 1.8 | 1.9 |
| Other South America | 1.299 | 1.474 | 1.761 | 2.2 | 2.0 | 2.0 | 2.2 |
| Europe and Eurasia | 12.315 | 10.842 | 16.565 | 20.9 | 15.3 | 14.8 | 16.0 |
| European Union-27 1/ | 11.762 | 10.171 | 15.781 | 19.9 | 14.1 | 13.7 | 14.8 |
| Other Europe | 0.495 | 0.608 | 0.706 | 0.9 | 1.1 | 1.0 | 1.1 |
| Asia | 10.111 | 9.174 | 14.166 | 17.9 | 15.2 | 13.3 | 14.3 |
| East Asia | 3.311 | 2.970 | 4.481 | 5.7 | 4.3 | 4.1 | 4.4 |
| China | 2.530 | 2.194 | 3.426 | 4.3 | 3.2 | 3.0 | 3.2 |
| Other East Asia | 0.781 | 0.776 | 1.054 | 1.3 | 1.1 | 1.1 | 1.2 |
| Southeast Asia | 5.601 | 5.071 | 8.007 | 10.1 | 9.0 | 7.5 | 8.1 |
| Indonesia | 1.845 | 1.597 | 2.669 | 3.4 | 3.0 | 2.4 | 2.6 |
| Malaysia | 1.188 | 1.140 | 1.710 | 2.2 | 2.1 | 1.7 | 1.8 |
| Thailand | 1.310 | 1.228 | 1.831 | 2.3 | 2.1 | 1.8 | 1.9 |
| Other Southeast Asia | 1.258 | 1.106 | 1.797 | 2.3 | 1.8 | 1.6 | 1.7 |
| South Asia | 1.198 | 1.134 | 1.678 | 2.1 | 1.9 | 1.7 | 1.8 |
| India | 1.099 | 1.031 | 1.533 | 1.9 | 1.7 | 1.5 | 1.6 |
| Oceania | 3.223 | 3.428 | 4.243 | 5.4 | 4.6 | 4.5 | 4.9 |
| Australia | 1.797 | 1.884 | 2.404 | 3.0 | 2.5 | 2.5 | 2.7 |
| New Zealand | 1.352 | 1.477 | 1.740 | 2.2 | 2.1 | 1.9 | 2.0 |
| Africa | 1.247 | 1.275 | 1.659 | 2.1 | 1.7 | 1.7 | 1.8 |
| Sub-Saharan | 1.056 | 1.061 | 1.402 | 1.8 | 1.4 | 1.4 | 1.5 |
| Ivory Coast | 0.546 | 0.511 | 0.633 | 0.8 | 0.6 | 0.6 | 0.6 |
| Middle East | 0.653 | 0.637 | 0.808 | 1.0 | 0.8 | 0.8 | 0.9 |
| Turkey | 0.409 | 0.407 | 0.490 | 0.6 | 0.5 | 0.5 | 0.5 |
| World total | 59.621 | 56.602 | 79.320 | 100.0 | 81.0 | 76.0 | 82.0 |

Totals may not add due to rounding.

1/ The former EU-25 plus Romania and Bulgaria who acceded in January 2007.

Source: Compiled by USDA using data from Census Bureau, U.S. Department of Commerce.

Reliability Tables

Table 6--Reliability of quarterly U.S. export projections, by commodity and quarter

| Commodity | Average forecast errors Fiscal year 1997-08 | | | | | Forecast accuracy Fiscal year 1997-08 | | | | | Forecast accuracy |
|-------------------------------|--|-----|-----|-----|------------------|--|-----|-----|-----|------------------|----------------------|
| | Aug ¹ | Nov | Feb | May | Aug ² | Aug ¹ | Nov | Feb | May | Aug ² | |
| Export value | <i>Percent</i> | | | | | <i>"X" if error < 5%</i> | | | | | <i>Percent</i> |
| Grains and feeds | 13 | 10 | 6 | 3 | 2 | - | - | - | X | X | 40 |
| Wheat | 16 | 13 | 9 | 7 | 4 | - | - | - | - | X | 20 |
| Rice | 11 | 11 | 9 | 5 | 4 | - | - | - | X | X | 40 |
| Coarse grains | 22 | 17 | 9 | 3 | 2 | - | - | - | X | X | 40 |
| Corn | 23 | 18 | 10 | 3 | 2 | - | - | - | X | X | 40 |
| Feeds and fodders | 12 | 9 | 7 | 5 | 3 | - | - | - | X | X | 40 |
| Oilseeds and products | 11 | 9 | 6 | 5 | 3 | - | - | - | X | X | 40 |
| Soybeans | 12 | 11 | 7 | 5 | 2 | - | - | - | X | X | 40 |
| Soybean meal | 21 | 17 | 12 | 8 | 2 | - | - | - | - | X | 20 |
| Soybean oil | 31 | 32 | 13 | 6 | 11 | - | - | - | - | - | 0 |
| Livestock, poultry, and dairy | 12 | 10 | 7 | 4 | 3 | - | - | - | X | X | 40 |
| Livestock products | 14 | 10 | 6 | 4 | 3 | - | - | - | X | X | 40 |
| Beef and veal | 24 | 18 | 10 | 13 | 7 | - | - | - | - | - | 0 |
| Pork | 19 | 12 | 8 | 6 | 3 | - | - | - | - | X | 20 |
| Beef and pork variety meats | 21 | 17 | 8 | 5 | 5 | - | - | - | X | X | 40 |
| Hides, skins, and furs | 14 | 14 | 12 | 4 | 2 | - | - | - | X | X | 40 |
| Poultry and products | 15 | 12 | 10 | 5 | 4 | - | - | - | X | X | 40 |
| Broiler meat | 22 | 19 | 16 | 6 | 2 | - | - | - | - | X | 20 |
| Dairy products | 20 | 15 | 12 | 9 | 4 | - | - | - | - | X | 20 |
| Tobacco, unmanufactured | 9 | 8 | 9 | 7 | 4 | - | - | - | - | X | 20 |
| Cotton | 14 | 13 | 7 | 6 | 3 | - | - | - | - | X | 20 |
| Seeds | 13 | 12 | 10 | 6 | 3 | - | - | - | - | X | 20 |
| Horticultural products | 6 | 5 | 3 | 1 | 1 | - | X | X | X | X | 80 |
| Fruits and preparations | 5 | 6 | 5 | 3 | 2 | X | - | X | X | X | 80 |
| Vegetables and preparations | 6 | 4 | 4 | 3 | 2 | - | X | X | X | X | 80 |
| Tree nuts and preparations | 15 | 11 | 7 | 4 | 4 | - | - | - | X | X | 40 |
| Sugar and tropical products | 9 | 7 | 6 | 3 | 1 | - | - | - | X | X | 40 |
| Major bulk products | 8 | 8 | 6 | 4 | 4 | - | - | - | X | X | 40 |
| Total agricultural exports | 8 | 6 | 4 | 2 | 1 | - | - | X | X | X | 60 |
| Average error and accuracy | 15 | 13 | 8 | 5 | 3 | 3% | 7% | 13% | 67% | 93% | 37 |
| Export volume | | | | | | | | | | | |
| Wheat | 10 | 9 | 7 | 4 | 3 | - | - | - | X | X | 40 |
| Rice | 12 | 10 | 9 | 5 | 4 | - | - | - | X | X | 40 |
| Coarse grains | 13 | 11 | 8 | 4 | 3 | - | - | - | X | X | 40 |
| Corn | 14 | 11 | 8 | 4 | 3 | - | - | - | X | X | 40 |
| Feeds and fodders | 8 | 9 | 6 | 5 | 3 | - | - | - | X | X | 40 |
| Soybeans | 8 | 7 | 6 | 3 | 2 | - | - | - | X | X | 40 |
| Soybean meal | 17 | 10 | 9 | 6 | 2 | - | - | - | - | X | 20 |
| Soybean oil | 26 | 19 | 11 | 5 | 7 | - | - | - | X | - | 20 |
| Beef and veal | 17 | 25 | 14 | 6 | 0 | - | - | - | - | X | 20 |
| Pork | 18 | 9 | 13 | 6 | 3 | - | - | - | - | X | 20 |
| Beef and pork variety meats | 23 | 10 | 5 | 5 | 5 | - | - | X | X | X | 60 |
| Broiler meat | 12 | 10 | 9 | 4 | 2 | - | - | - | X | X | 40 |
| Tobacco, unmanufactured | 0 | 0 | 0 | 0 | 0 | X | X | X | X | X | 100 |
| Cotton and linters | 12 | 8 | 5 | 3 | 3 | - | - | X | X | X | 60 |
| Major bulk products | 6 | 5 | 4 | 3 | 2 | - | X | X | X | X | 80 |
| Average error and accuracy | 14 | 12 | 10 | 6 | 3 | 10% | 14% | 33% | 76% | 90% | 45 |

¹ Forecast made for following fiscal year, with 15 months out. ² Forecast made for current fiscal year, with 3 months remaining in current fiscal year. - = Error exceeds 5 percent.

Table 7--Reliability of quarterly U.S. export projections, by country and quarter

| Country/region | Average forecast errors Fiscal year 1997-08 | | | | | Forecast accuracy Fiscal year 1997-08 | | | | | Forecast accuracy |
|----------------------------|--|-----|-----|-----|------------------|--|-----|-----|-----|------------------|----------------------|
| | Aug ¹ | Nov | Feb | May | Aug ² | Aug ¹ | Nov | Feb | May | Aug ² | |
| Export value | <i>-- Percent --</i> | | | | | <i>"X" if error ≤ 5%</i> | | | | | <i>Percent</i> |
| Asia | 20 | 8 | 7 | 4 | 2 | - | - | - | X | X | 50 |
| East Asia | 18 | 12 | 11 | 4 | 1 | - | - | - | X | X | 50 |
| Japan | 20 | 7 | 7 | 4 | 2 | - | - | - | X | X | 50 |
| China | 15 | 23 | 20 | 8 | 6 | - | - | - | - | - | 0 |
| Hong Kong | 20 | 9 | 7 | 5 | 2 | - | - | - | X | X | 50 |
| Taiwan | 17 | 9 | 8 | 7 | 4 | - | - | - | - | X | 25 |
| South Korea | 31 | 14 | 11 | 7 | 4 | - | - | - | - | X | 25 |
| Southeast Asia | 28 | 13 | 8 | 9 | 4 | - | - | - | - | X | 25 |
| Indonesia | 34 | 15 | 13 | 7 | 4 | - | - | - | - | X | 25 |
| Philippines | 31 | 19 | 14 | 7 | 5 | - | - | - | - | X | 25 |
| Malaysia | 8 | 2 | 5 | 7 | 3 | - | X | X | - | X | 75 |
| Thailand | 22 | 14 | 12 | 7 | 3 | - | - | - | - | X | 25 |
| South Asia | 33 | 25 | 23 | 18 | 10 | - | - | - | - | - | 0 |
| Western Hemisphere | 15 | 5 | 3 | 2 | 1 | - | X | X | X | X | 100 |
| North America | 11 | 5 | 3 | 2 | 1 | - | X | X | X | X | 100 |
| Canada | 11 | 5 | 3 | 2 | 1 | - | X | X | X | X | 100 |
| Mexico | 12 | 6 | 7 | 3 | 2 | - | - | - | X | X | 50 |
| Caribbean | 18 | 12 | 11 | 4 | 3 | - | - | - | X | X | 50 |
| Central America | 21 | 9 | 8 | 7 | 2 | - | - | - | - | X | 25 |
| South America | 35 | 7 | 10 | 8 | 5 | - | - | - | - | X | 25 |
| Brazil | 41 | 18 | 25 | 9 | 9 | - | - | - | - | - | 0 |
| Colombia | 23 | 6 | 14 | 2 | 2 | - | - | - | X | X | 50 |
| Venezuela | 47 | 20 | 15 | 4 | 6 | - | - | - | X | - | 25 |
| Europe and Eurasia | 22 | 11 | 6 | 4 | 3 | - | - | - | X | X | 50 |
| European Union-25 | 22 | 8 | 5 | 4 | 3 | - | - | X | X | X | 75 |
| Other Europe | 60 | 24 | 19 | 15 | 6 | - | - | - | - | - | 0 |
| FSU-12 | 35 | 28 | 26 | 18 | 16 | - | - | - | - | - | 0 |
| Russia | 26 | 33 | 31 | 24 | 16 | - | - | - | - | - | 0 |
| Middle East | 34 | 14 | 10 | 8 | 6 | - | - | - | - | - | 0 |
| Turkey | 23 | 23 | 19 | 15 | 11 | - | - | - | - | - | 0 |
| Saudi Arabia | 20 | 12 | 10 | 8 | 7 | - | - | - | - | - | 0 |
| Africa | 31 | 11 | 9 | 9 | 8 | - | - | - | - | - | 0 |
| North Africa | 36 | 12 | 10 | 10 | 9 | - | - | - | - | - | 0 |
| Egypt | 30 | 13 | 11 | 13 | 12 | - | - | - | - | - | 0 |
| Sub-Saharan | 18 | 12 | 11 | 9 | 7 | - | - | - | - | - | 0 |
| Oceania | 20 | 15 | 14 | 7 | 4 | - | - | - | - | X | 25 |
| Transshipments via Canada | 50 | 25 | 18 | 31 | 17 | - | - | - | - | - | 0 |
| Average error and accuracy | 26 | 13 | 12 | 8 | 6 | 0% | 11% | 16% | 37% | 61% | 31 |

¹ Forecast made for following fiscal year, with 15 months out. ² Forecast made for current fiscal year, with 3 months remaining in current fiscal year. - = Error exceeds 5 percent.

Table 8--Reliability of quarterly U.S. import projections, by commodity and quarter

| Commodity | Average forecast errors Fiscal year 1997-08 | | | | | Forecast accuracy Fiscal year 1997-08 | | | | | Forecast accuracy Percent |
|-------------------------------|--|-----|-----|-----|------------------|--|-----|-----|-----|------------------|---------------------------------|
| | Aug ¹ | Nov | Feb | May | Aug ² | Aug ¹ | Nov | Feb | May | Aug ² | |
| | -- Percent -- | | | | | "X" if error ≤ 5% | | | | | |
| Import value | | | | | | | | | | | |
| Livestock and products | 8 | 5 | 6 | 4 | 2 | - | X | - | X | X | 60 |
| Livestock and red meats | 9 | 7 | 7 | 5 | 2 | - | - | - | X | X | 40 |
| Live animals, except poultry | 17 | 13 | 14 | 8 | 3 | - | - | - | - | X | 20 |
| Red meat and products | 12 | 10 | 10 | 6 | 1 | - | - | - | - | X | 20 |
| Beef and veal | 13 | 11 | 8 | 7 | 2 | - | - | - | - | X | 20 |
| Pork | 6 | 6 | 8 | 6 | 0 | - | - | - | - | X | 20 |
| Dairy products | 8 | 7 | 5 | 6 | 2 | - | - | X | - | X | 40 |
| Grains and feed | 6 | 6 | 4 | 3 | 1 | - | - | X | X | X | 60 |
| Grain products | 2 | 2 | 1 | 1 | 0 | X | X | X | X | X | 100 |
| Oilseeds and products | 13 | 13 | 9 | 6 | 3 | - | - | - | - | X | 20 |
| Vegetable oils | 22 | 19 | 9 | 6 | 6 | - | - | - | - | - | 0 |
| Horticulture products | 9 | 6 | 4 | 2 | 1 | - | - | X | X | X | 60 |
| Fruits, fresh or frozen | 18 | 14 | 8 | 5 | 2 | - | - | - | X | X | 40 |
| Fruits, prep.or pres.& juices | 15 | 9 | 5 | 3 | 1 | - | - | X | X | X | 60 |
| Nuts and preparations | 18 | 16 | 15 | 7 | 7 | - | - | - | - | - | 0 |
| Vegetables, fresh or frozen | 3 | 3 | 5 | 2 | 1 | X | X | X | X | X | 100 |
| Vegetables, prep.or pres. | 2 | 1 | 2 | 1 | 0 | X | X | X | X | X | 100 |
| Wine | 4 | 4 | 2 | 2 | 4 | X | X | X | X | X | 100 |
| Malt beverages | 2 | 2 | 3 | 3 | 1 | X | X | X | X | X | 100 |
| Essential oils | 8 | 7 | 3 | 4 | 4 | - | - | X | X | X | 60 |
| Cut flowers & nursery stock | 8 | 6 | 6 | 3 | 3 | - | - | - | X | X | 40 |
| Sugar and tropical products | 6 | 6 | 7 | 5 | 3 | - | - | - | X | X | 40 |
| Confections | 14 | 15 | 10 | 4 | 2 | - | - | - | X | X | 40 |
| Tobacco, unmanufactured | 34 | 30 | 25 | 14 | 11 | - | - | - | - | - | 0 |
| Cocoa and chocolate | 14 | 11 | 7 | 3 | 3 | - | - | - | X | X | 40 |
| Coffee beans and products | 17 | 17 | 15 | 4 | 4 | - | - | - | X | X | 40 |
| Rubber--natural | 21 | 22 | 22 | 10 | 8 | - | - | - | - | - | 0 |
| Spices, natural drugs, tea | 20 | 12 | 7 | 5 | 2 | - | - | - | X | X | 40 |
| Other imports | 10 | 5 | 7 | 8 | 2 | - | X | - | - | X | 40 |
| Total agricultural imports | 6 | 4 | 3 | 1 | 1 | - | X | X | X | X | 80 |
| Average error and accuracy | 11 | 9 | 8 | 5 | 3 | 22% | 27% | 41% | 65% | 86% | 48 |
| Import volume | | | | | | | | | | | |
| Wine (HL) | 18 | 17 | 7 | 6 | 1 | - | - | - | - | X | 20 |
| Malt beverages (HL) | 7 | 4 | 4 | 2 | 1 | - | X | X | X | X | 80 |
| Fruit juices (HL) | 15 | 14 | 12 | 5 | 4 | - | - | - | X | X | 40 |
| Cattle and calves | 16 | 3 | 33 | 13 | 12 | - | X | - | - | - | 20 |
| Beef and veal | 16 | 17 | 8 | 7 | 2 | - | - | - | - | X | 33 |
| Fruits, fresh or frozen | 7 | 5 | 4 | 2 | 0 | - | X | X | X | X | 80 |
| Fruits, prepared or preserved | 5 | 5 | 5 | 5 | 2 | X | X | X | X | X | 100 |
| Vegetables, fresh or frozen | 5 | 3 | 3 | 1 | 1 | X | X | X | X | X | 100 |
| Vegetables, prep.or pres. | 3 | 4 | 2 | 3 | 1 | X | X | X | X | X | 100 |
| Vegetable oils | 25 | 25 | 22 | 15 | 7 | - | - | - | - | - | 0 |
| Sugar and related products | 6 | 8 | 11 | 11 | 6 | - | - | - | - | - | 0 |
| Cocoa and products | 14 | 14 | 10 | 6 | 4 | - | - | - | - | X | 20 |
| Coffee and products | 8 | 7 | 8 | 4 | 4 | - | - | - | X | X | 40 |
| Rubber and allied gums | 10 | 8 | 7 | 7 | 6 | - | - | - | - | - | 0 |
| Average error and accuracy | 12 | 10 | 10 | 6 | 4 | 22% | 33% | 26% | 56% | 70% | 43 |

¹ Forecast made for following fiscal year, with 15 months out. ² Forecast made for current fiscal year, with 3 months remaining in current fiscal year. - = Error exceeds 5 percent.

Table 9--Reliability of quarterly U.S. import projections, by country and quarter

| Country/region | Average forecast errors Fiscal year 1997-08 | | | | | Forecast accuracy Fiscal year 1997-08 | | | | | Forecast accuracy |
|----------------------------|--|-----|-----|-----|------------------|--|-----|-----|-----|------------------|----------------------|
| | Aug ¹ | Nov | Feb | May | Aug ² | Aug ¹ | Nov | Feb | May | Aug ² | |
| Import value | <i>-- Percent --</i> | | | | | <i>"X" if error ≤ 5%</i> | | | | | <i>Percent</i> |
| Western Hemisphere | 7 | 3 | 3 | 2 | 1 | - | X | X | X | X | 100 |
| Canada | 8 | 5 | 5 | 3 | 1 | - | X | X | X | X | 100 |
| Mexico | 5 | 5 | 4 | 3 | 3 | X | X | X | X | X | 100 |
| Central America | 3 | 7 | 9 | 4 | 3 | X | - | - | X | X | 50 |
| Costa Rica | 8 | 5 | 6 | 3 | 0 | - | X | - | X | X | 75 |
| Guatemala | 12 | 14 | 10 | 7 | 3 | - | - | - | - | X | 50 |
| Other Central America | 9 | 7 | 7 | 3 | 0 | - | - | - | X | X | 100 |
| Caribbean | 31 | 9 | 13 | 11 | 7 | - | - | - | - | - | 0 |
| South America | 13 | 4 | 5 | 4 | 4 | - | X | X | X | X | 100 |
| Brazil | 2 | 12 | 10 | 6 | 5 | X | - | - | - | X | 25 |
| Chile | 8 | 6 | 7 | 8 | 5 | - | - | - | - | X | 25 |
| Colombia | 0 | 7 | 6 | 2 | 3 | X | - | - | X | X | 50 |
| Other South America | 7 | 7 | 5 | 1 | 3 | - | - | X | X | X | 75 |
| Europe and Eurasia | 0 | 6 | 4 | 3 | 2 | X | - | X | X | X | 75 |
| European Union-25 | 2 | 5 | 4 | 3 | 2 | X | X | X | X | X | 100 |
| Other Europe | 8 | 23 | 18 | 11 | 6 | - | - | - | - | - | 0 |
| FSU-12 | 20 | 10 | 8 | 7 | 4 | - | - | - | - | X | 25 |
| Asia | 13 | 7 | 6 | 3 | 1 | - | - | - | X | X | 50 |
| East Asia | 3 | 7 | 3 | 2 | 2 | X | - | X | X | X | 100 |
| China | 7 | 5 | 3 | 4 | 3 | - | X | X | X | X | 100 |
| Other East Asia | 9 | 5 | 3 | 2 | 3 | - | X | X | X | X | 100 |
| Southeast Asia | 9 | 10 | 10 | 3 | 2 | - | - | - | X | X | 50 |
| Indonesia | 10 | 14 | 12 | 4 | 4 | - | - | - | X | X | 50 |
| Thailand | 16 | 10 | 11 | 9 | 3 | - | - | - | - | X | 25 |
| Other Southeast Asia | 18 | 12 | 8 | 2 | 2 | - | - | - | X | X | 67 |
| South Asia | 13 | 9 | 12 | 7 | 2 | - | - | - | - | X | 25 |
| India | 10 | 9 | 10 | 7 | 4 | - | - | - | - | X | 25 |
| Oceania | 2 | 6 | 6 | 5 | 2 | X | - | - | X | X | 50 |
| Australia | 7 | 9 | 8 | 4 | 2 | - | - | - | X | X | 50 |
| New Zealand | 3 | 7 | 7 | 7 | 5 | X | - | - | - | X | 25 |
| Africa | 3 | 9 | 10 | 5 | 6 | X | - | - | X | - | 25 |
| Sub-Saharan | 4 | 2 | 8 | 2 | 4 | X | X | - | X | X | 75 |
| Ivory Coast | 8 | 19 | 21 | 10 | 8 | - | - | - | - | - | 0 |
| Middle East | 6 | 14 | 20 | 14 | 10 | - | - | - | - | - | 0 |
| Turkey | 16 | 8 | 10 | 3 | 1 | - | - | - | X | X | 50 |
| Average error and accuracy | 9 | 8 | 8 | 5 | 3 | 31% | 26% | 29% | 66% | 86% | 55 |

¹ Forecast made for following fiscal year, with 15 months out. ² Forecast made for current fiscal year, with 3 months remaining in current fiscal year. - = Error exceeds 5 percent.

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