



U.S. Grain Exports and Trade

Wheat, Corn, Grain Sorghum and Soybean Complex

19th November 2020

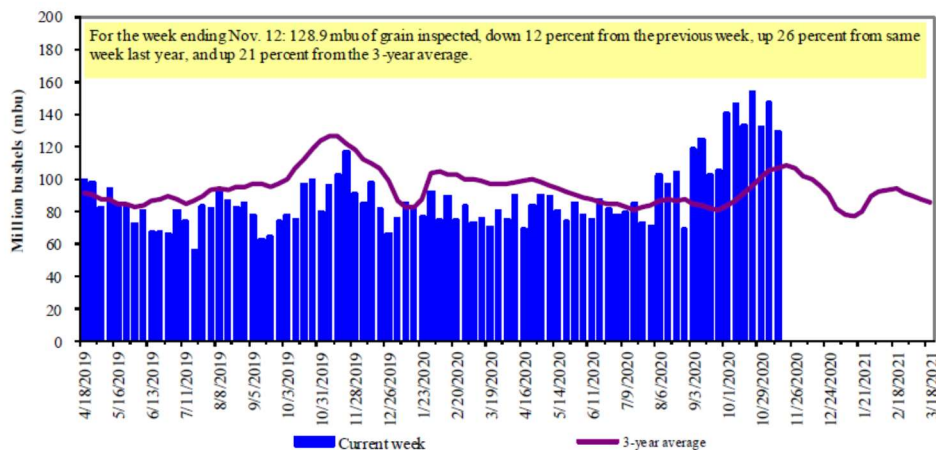
KSU Ag Manager Link: <https://www.agmanager.info/grain-marketing/grain-market-outlook-newsletter/notes-and-observations-international-commodity>

KSU Agriculture Today Broadcast: International Grain Markets...
<https://agtodayksu.libsyn.com/international-grain-marketsnew-landscape-perennials>

Complete USDA Report: <https://apps.fas.usda.gov/export-sales/complete.htm>

U.S. Corn Exports, Chinese Demand, Corn Prices and Livestock Markets... a Global Agritrends Podcast: <https://agmanager.info/grain-marketing/publications/us-corn-exports-chinese-demand-corn-prices-and-livestock-markets-video>

U.S. grain inspected for export (wheat, corn, and soybeans)



Note: 3-year average consists of 4-week running average.

Source: USDA, Federal Grain Inspection Service.

➤ Vessel Loading Activity in U.S. Gulf Up Since Late Third Quarter of 2020

In recent weeks, loading activity of oceangoing grain vessels has accelerated in the U.S. Gulf. From the week ending the 3rd of September to the week ending 12th of November 2020, there has been a weekly average of 47 grain vessels loaded or waiting to load. In comparison, from the week ending the 2nd of January 2020 to the

week ending the 27th of August 2020, there was a weekly average of 36 vessels loaded or waiting to load. H

Higher U.S. Gulf grain vessel loading activity is partly due to strong grain shipments to Asia, especially China. Year-to-date 2020 (as of 12th November 2020), China has imported 23 mmts of U.S. soybeans, compared to 12.5 mmts for the same period in 2019. In addition, ocean freight rates for shipping bulk items, including grain, were lower than for the same period a year ago.

➤ Corn and Wheat Inspections Increase, but Total Grain Inspections Decrease From Last Week

For the week ending the 12th of November, total inspections of grain (corn, wheat, and soybeans) for export from all major U.S. export regions totaled 3.5 mmts. Total grain inspections were down 12% from the previous week, up 26% from last year, and up 21% from the 3-year average.

However, corn inspections increased 18%, and wheat inspections increased 7, from the previous week. Demand for wheat increased primarily from Africa, and demand for corn increased mainly from Asia. Yet, the increases could not offset the 22% drop in soybean inspections. From the previous week, grain inspections decreased 19% in the Pacific Northwest (PNW) and decreased 12% in the Mississippi Gulf. During the last 4 weeks, inspections were up 49% from last year and up 32% from the 3-year average.

CONVERSION FACTORS: BUSHELS OR CWT PER METRIC TON 1/

Commodity	Unit	lbs / Unit	Bushes / Metric Tonne
Wheat	BU	60	36.743333
Soybeans	BU	60	36.743333
Corn	BU	56	39.367857
Grain Sorghum	BU	56	39.367857
Barley	BU	48	45.929166
Oats	BU	32	68.893750
Rice	CWT	100	22.046

1/ a Metric Ton = 2,204.6 pounds (lbs)

<https://fgisonline.ams.usda.gov/ExportGrainReport/default.aspx>

Top 10 importers¹ of all U.S. wheat

For the week ending 11/05/2020	Total commitments ²		% change current MY from last MY	Exports ³ 3-yr. avg. 2017-19
	2020/21 current MY	2019/20 last MY		
	1,000 mt -			- 1,000 mt -
Mexico	2,249	2,290	(2)	3,213
Philippines	2,373	1,827	30	2,888
Japan	1,571	1,574	(0)	2,655
Nigeria	791	958	(17)	1,433
Korea	1,166	865	35	1,372
Indonesia	606	341	78	1,195
Taiwan	769	772	(0)	1,175
Thailand	495	463	7	727
Italy	487	537	(9)	622
Colombia	268	469	(43)	618
Top 10 importers	10,775	10,094	7	15,897
Total U.S. wheat export sales	17,058	15,177	12	23,821
% of projected exports	64%	58%		
change from prior week ²	301	239		
Top 10 importers' share of U.S. wheat export sales	63%	67%		67%
USDA forecast, November 2020	26,567	26,294	1	

¹ Based on USDA, Foreign Agricultural Service (FAS) marketing year ranking reports for 2018/19; Marketing year (MY) = Jun 1 - May 31

² Cumulative exports (shipped) + outstanding sales (unshipped), FAS weekly export sales report, or export sales query. The total commitments change (net sales) from prior week could include revisions from the previous week's outstanding and/or accumulated sales.

³ FAS marketing year final reports (carry over plus accumulated export); yr. = year; avg. = average.

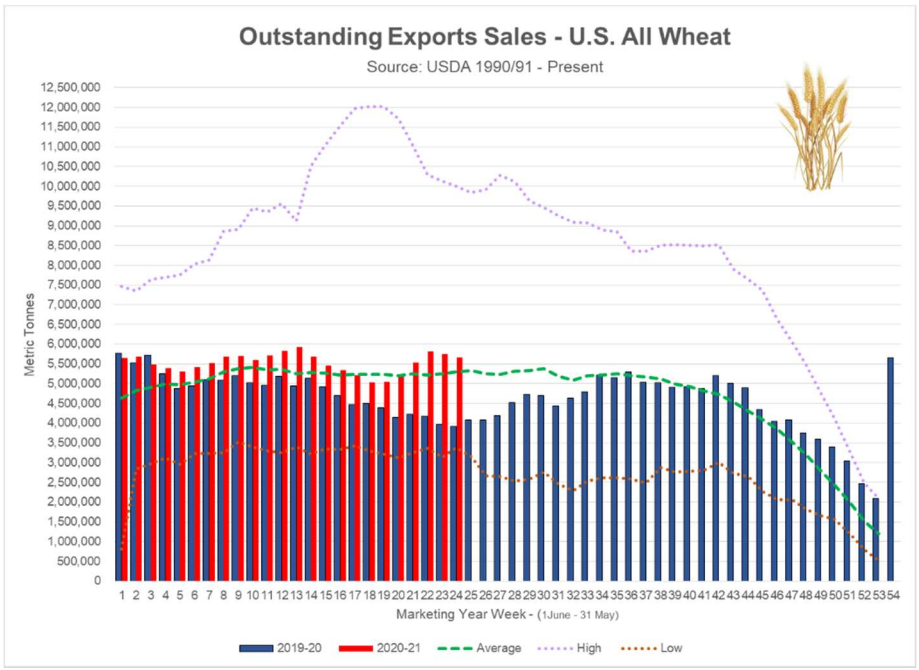
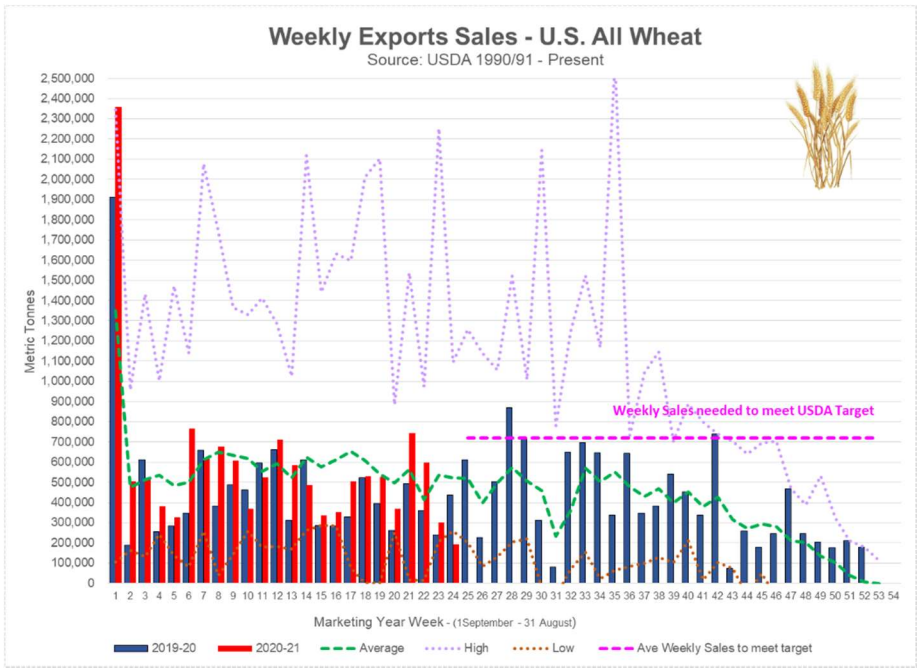
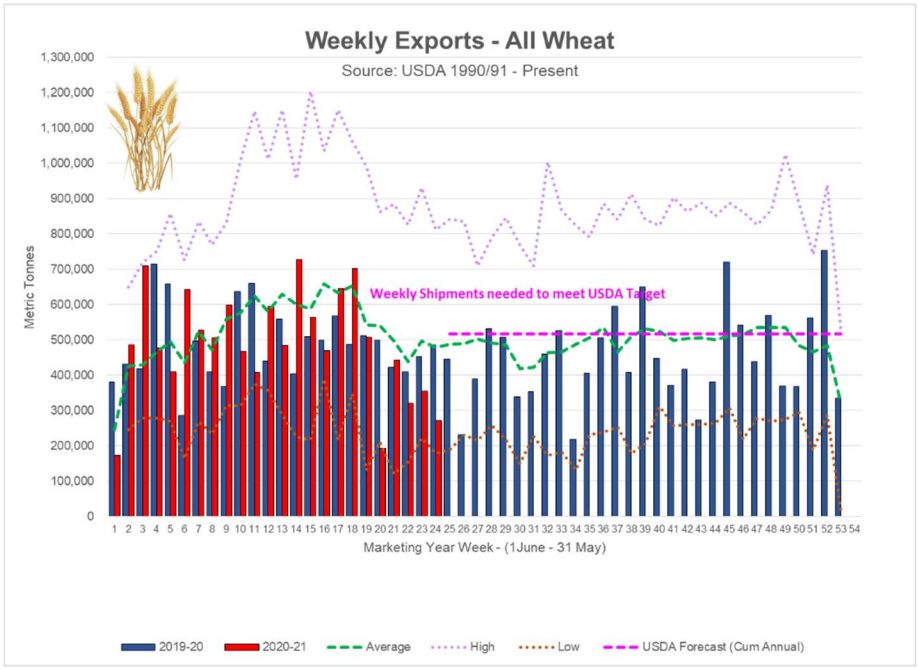
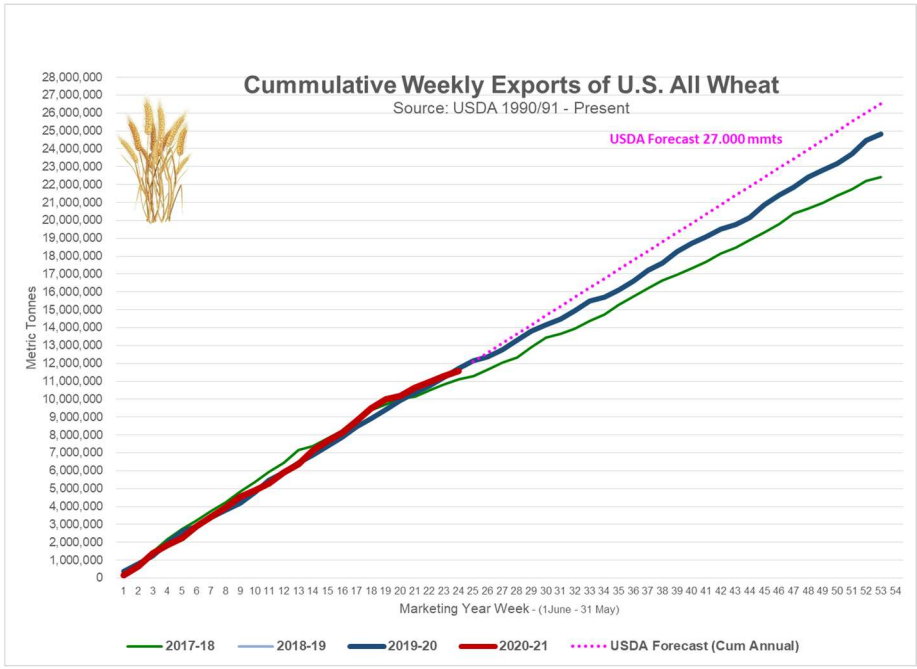
Note: A red number in parentheses indicates a negative number.

Source: USDA, Foreign Agricultural Service.

➤ Wheat Export Shipments & Sales

Net sales of 192,400 mts for 2020/2021--a marketing-year low--were down 36% from the previous week and 62% from the prior 4-week average. Increases primarily for China (125,000 mts), Mexico (28,700 mts, including decreases of 500 mts), and Japan (25,400 mts), were offset by reductions for the Philippines (1,100 mts), Panama (800 mts), and the United Arab Emirates (100 mts). Exports of 270,500 mts were down 24% from the previous week and 17% from the prior 4-week average. The destinations were primarily to the Philippines (78,900 mts), Japan (57,000 mts), Taiwan (52,000 mts), South Korea (34,700 mts), and Panama (24,400 mts).

Optional Origin Sales: For 2020/2021, the current outstanding balance of 10,000 mts, all Spain.



Note: There are currently 5,447 mmts of unknown corn sales on the books, of which 50% is estimated to be destined for P.R. China.

➤ **Corn Export Shipments & Sales**

Net sales of 1,088,600 mts for 2020/2021 were up 11% from the previous week, but down 43% from the prior 4-week average. Increases primarily for Mexico (244,300 mts, including decreases of 2,300 mts), Japan (203,400 mts, including 57,000 mts switched from unknown destinations and decreases of 51,100 mts), China (174,700 mts, including decreases of 600 mts), and Taiwan (138,000 mts, including 65,000 mts switched from unknown destinations), were offset by reductions primarily for unknown destinations (162,000 mts), Guatemala (28,300 mts), and France (20,000 mts). Exports of 844,600 mts were up 16% from the previous week and 9% from the prior 4-week average. The destinations were primarily to China (278,700 mts), Mexico (205,200 mts), Japan (159,400 mts), Venezuela (67,500 mts late - see below), and Peru (52,100 mts).

Optional Origin Sales: For 2020/2021, new optional origin sales of 68,000 mts

were reported for South Korea. Decreases totaling 130,000 mts were reported for Vietnam. The current outstanding balance of 1,320,600 mts is for South Korea (505,000 mts), Taiwan (205,000 mts), Japan (188,000 mts), unknown destinations (167,600 mts), Vietnam (130,000 mts), China (65,000 mts), and Ukraine (60,000 mts).

Late Reporting: For 2020/2021, net sales and exports totaling 67,500 mts were reported late. These sales and exports were reported for Venezuela.

Top 5 importers¹ of U.S. corn

For the week ending 11/05/2020	Total commitments ²		% change current MY from last MY	Exports ³ 3-yr. avg. 2017-19
	2020/21 current MY	2019/20 last MY		
	- 1,000 mt -			
Mexico	7,078	6,344	12	14,869
Japan	4,592	1,709	169	11,221
Columbia	1,654	650	154	4,830
Korea	600	75	698	4,011
China	10,774	61	17,620	909
Top 5 importers	24,698	8,839	179	35,840
Total U.S. corn export sales	34,168	12,475	174	49,983
% of projected exports	51%	28%		
Change from prior week²	978	581		
Top 5 importers' share of U.S. corn export sales	72%	71%		72%
USDA forecast November 2020	67,430	45,242	49	
Corn use for ethanol USDA forecast, November 2020	128,270	123,241	4	

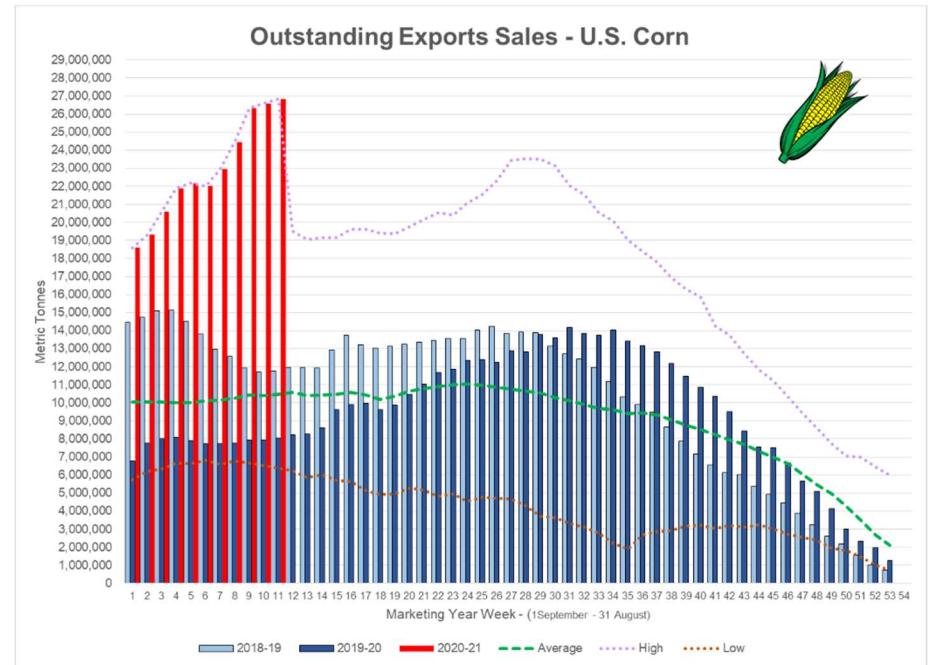
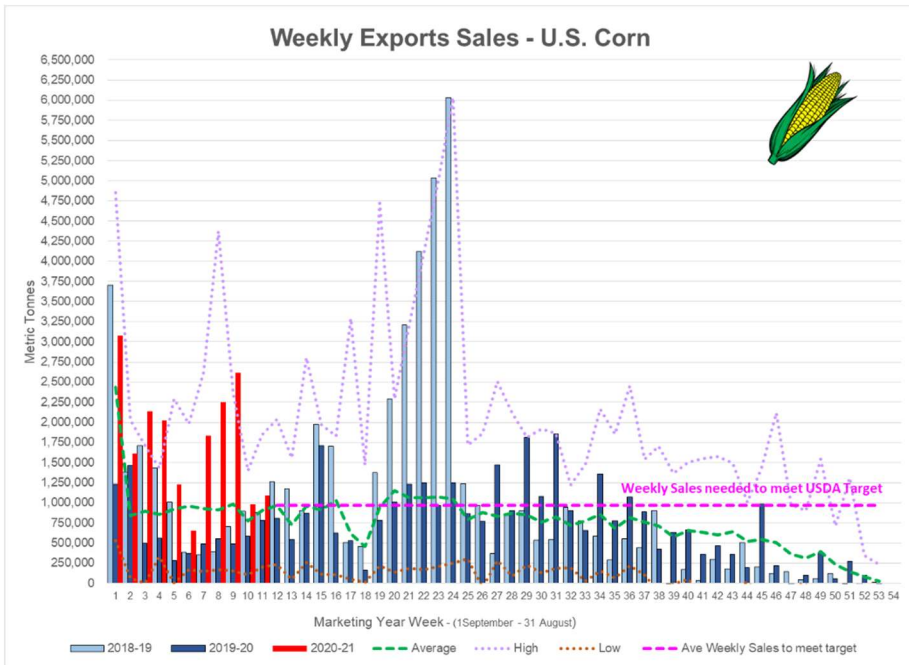
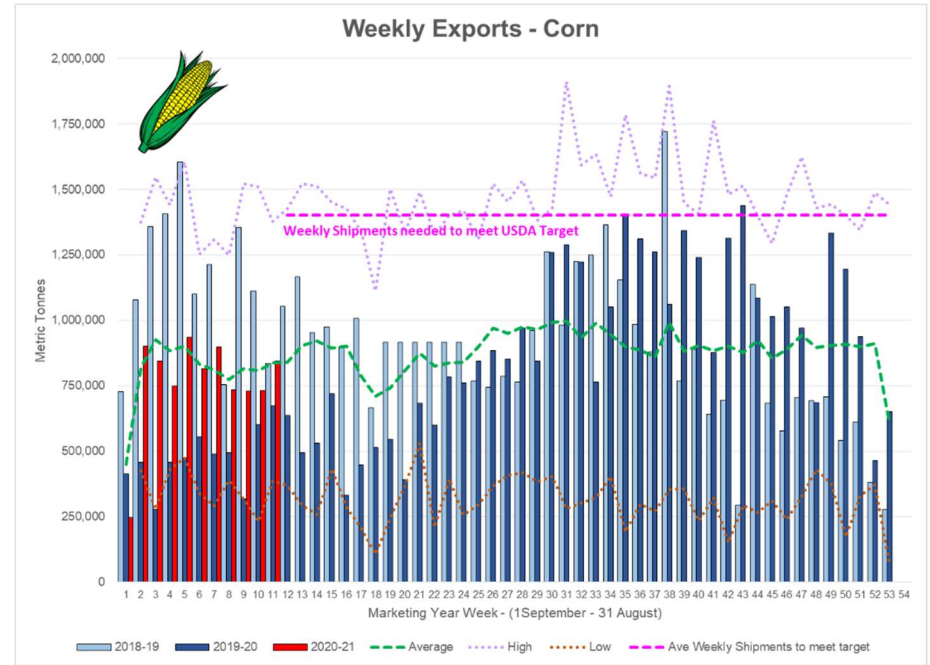
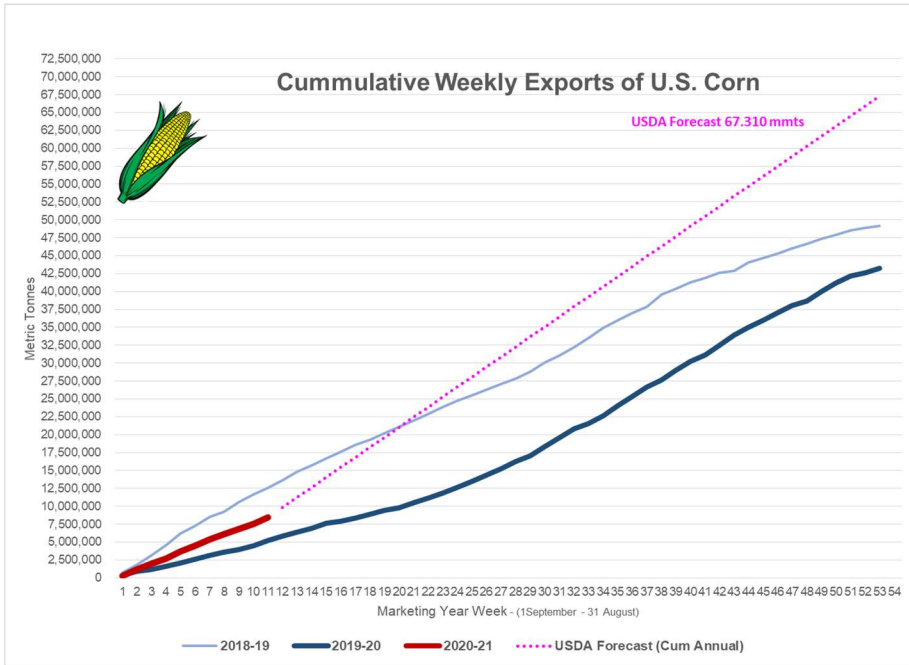
¹Based on USDA, Foreign Agricultural Service (FAS) marketing year ranking reports for 2018/19; marketing year (MY) = Sep 1- Aug 31

²Cumulative exports (shipped) + outstanding sales (unshipped), FAS weekly export sales report, or export sales query. Total commitments change (net sales) from prior week could include revisions from previous week's outstanding sales or accumulated sales.

³FAS marketing year ranking reports (carryover plus accumulated export); yr. = year; avg. = average.

Note: A red number in parentheses indicates a negative number; mt = metric ton.

Source: USDA, Foreign Agricultural Service.



➤ **Grain Sorghum Export Shipments & Sales**

Net sales of 117,900 mts for 2020/2021 resulting in increases for China (131,200 mts, including 68,000 mts switched from unknown destinations) and Eritrea (30,600 mts, switched from unknown destinations), were offset by reductions for unknown destinations (30,000 mts) and Japan (13,900 mts). For 2021/2022, total net sales of 68,000 mts were reported for unknown destinations. Exports of 254,900 mts were to China (199,200 mts), Eritrea (30,600 mts), and Japan (25,100 mts).

➤ **Barley Export Shipments & Sales**

No net sales or exports were reported for the week.

➤ **Australia Wins Saudi Barley Tender**

The Saudi Arabian Grain Organization (SAGO) feed barley tender for a total of 720 kmts of feed barley was announced on Monday, with Australia exporters winning the whole of the tender. With harvest finishing up of a large barley crop, Australia needs to secure some export sales outside of China.

The tender included 12 shipments for arrival in January and February 2021. Eight of those cargoes, totaling 480 kmts, are scheduled to discharge at Red Sea ports, with the balance of 240 kmts to be offloaded at Dammam.

Glencore and GrainCorp secured the Red Sea port sales at four cargoes each, with the Arabian Gulf business going to Glencore and CBH, at two cargoes each.

In the end, SAGO purchased 730 kmts of feed barley at an average price of \$234.83/mt C&F. This was \$8.49 higher than the September tender for 540 kmts for November to December. This value equates to around \$212.50/mt free on board South and Western Australian ports, when assuming ocean freight and costs at \$22.50.

While the offers are optional origin, most, if not all, are expected to be executed out of Australia as the 80% tariff imposed on Australian barley by China making Australian barley very competitive into other destinations.

Major exporters of barley include Australia, the EU, Russia and the Ukraine. At current values would appear to be underpriced as Australia is strongly competitive into the Saudi Arabian Red Sea ports, as well as the cheapest origin into the Arabian Gulf destinations of Kuwait, Qatar, and the UAE.

This month's USDA WASDE forecast Saudi Arabian feed barley imports to be 7.3 mmts in the 2020-21 marketing year, down 200,000 mts from the October forecast, but up 0.1 mmts from last year.

Future of SAGO

Saudi Arabia also announcement last week that they may abandon their state managed grain tendering program in favor of private sector imports.

The decision by the world's largest importer of barley is seen as significant step in the transformation process which began in 2016. Saudi Vision 2030 is a strategic

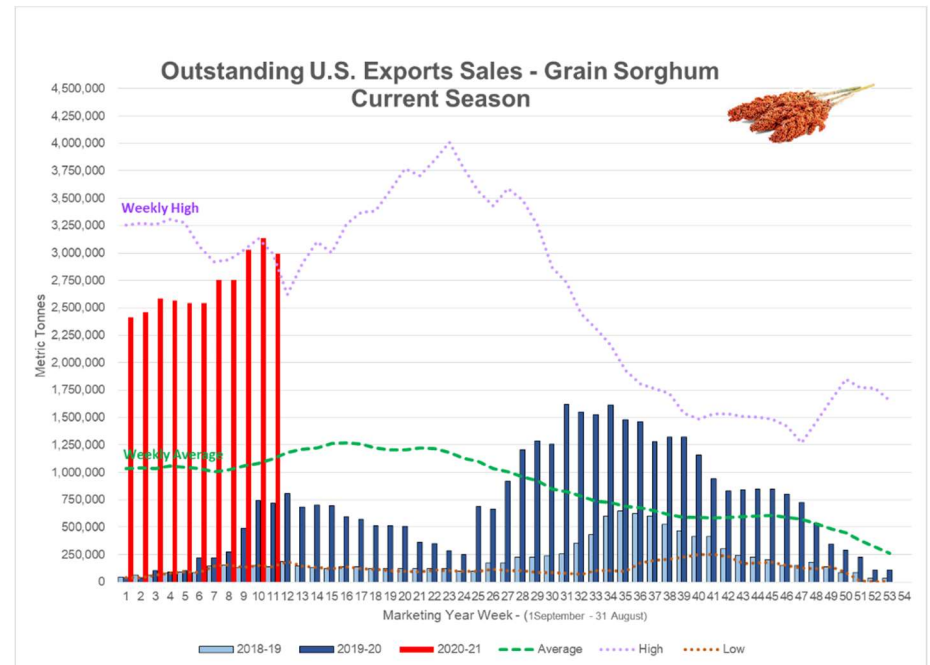
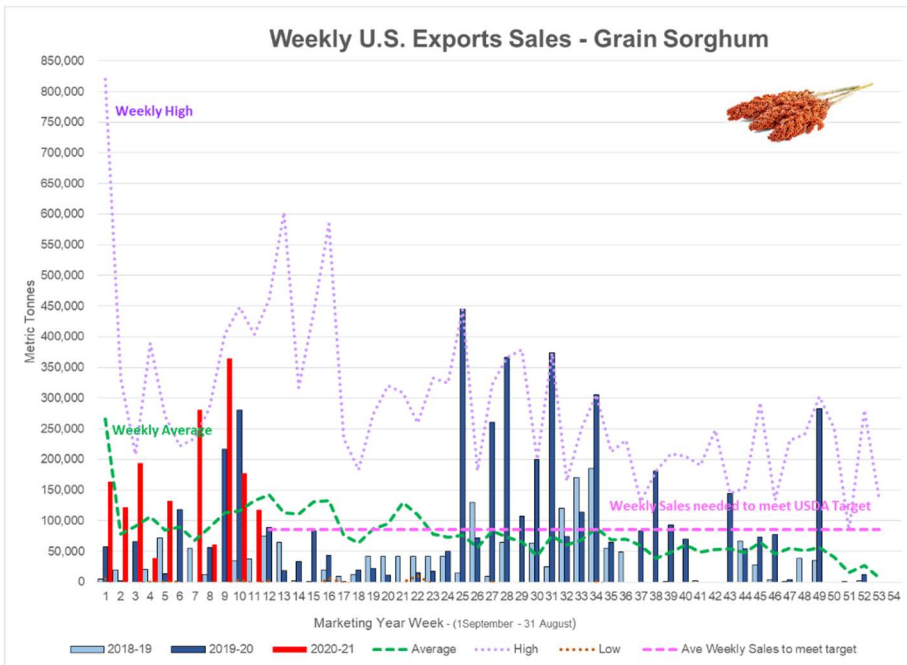
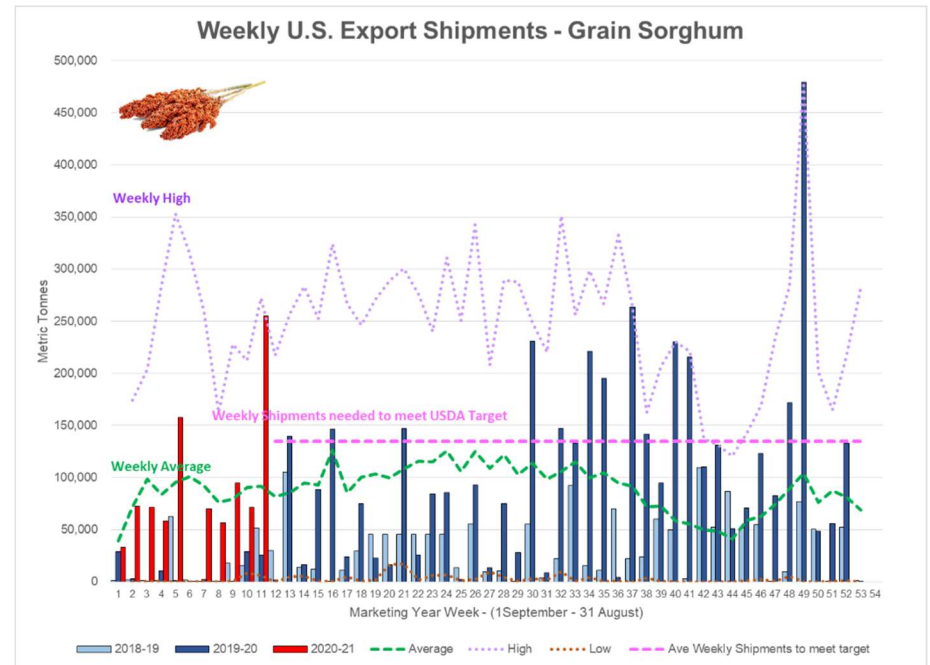
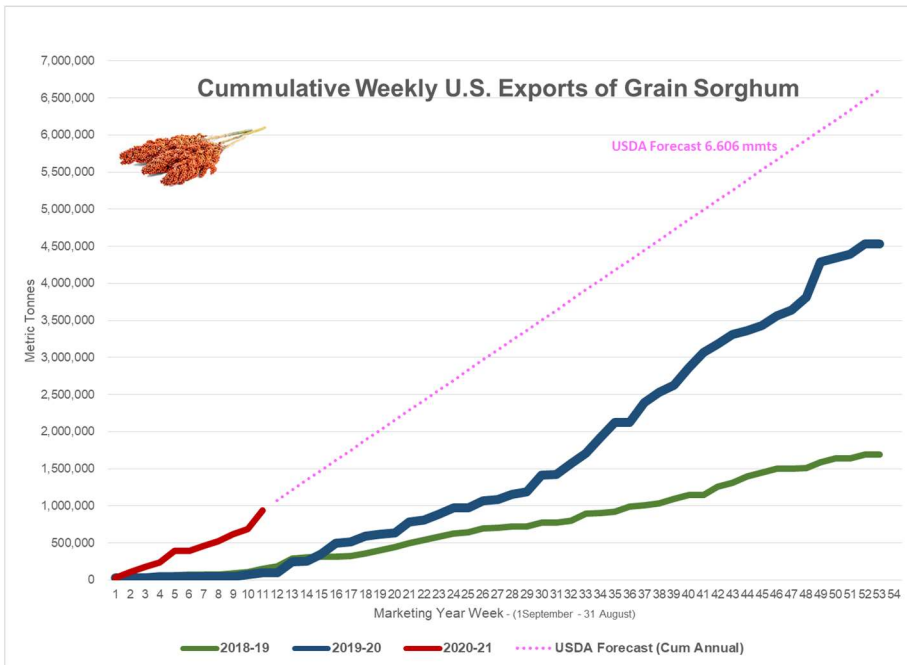
framework to improve the nation's food security and to reduce Saudi Arabia's dependence on oil.

Saudi Arabia – Selected Agricultural Imports

Commodity	Attribute	Country	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	Unit Description
Barley	Imports	Saudi Arabia	11,200	8,100	8,000	6,500	6,800	7,300	0	(1000 MT)
Corn	Imports	Saudi Arabia	3,583	3,421	3,983	3,662	4,526	4,700	0	(1000 MT)
Meal, Soybean	Imports	Saudi Arabia	653	753	922	715	830	870	0	(1000 MT)
Meat, Beef and Veal	Imports	Saudi Arabia	163	156	125	123	137	125	135	(1000 MT CWE)
Meat, Chicken	Imports	Saudi Arabia	870	878	711	629	609	550	625	(1000 MT)
Sorghum	Imports	Saudi Arabia	11	4	6	9	10	10	0	(1000 MT)
Wheat	Imports	Saudi Arabia	2,933	3,720	3,492	2,902	3,648	3,200	0	(1000 MT)

The privatization of barley imports is being facilitated by a change in the country's policy from January of this year. Historically, the Saudi government directly subsidized all grain and feed imports except. However, changes now see payments made directly to livestock and poultry producers based on production.

Independent of recent SAGO barley tenders, the private importers have been increasingly active in engaging the global barley market. Commitments from Australia alone are estimated to be as high as 500 kmts.



➤ **Soybeans, Oil and Meal Export Shipments & Sales**

Net sales of 1,387,700 mts for 2020/2021--a marketing-year low--were down 6% from the previous week and 18% from the prior 4-week average. Increases primarily for China (1,060,800 mts, including 528,000 mts switched from unknown destinations and decreases of 8,000 mts), Mexico (155,900 mts, including decreases of 600 mts), Spain (144,700 mts, including 122,300 mts switched from unknown destinations mts), Taiwan (83,400 mts, including decreases of 300 mts), and Indonesia (77,700 mts, including 16,500 mts switched from Taiwan and decreases of 200 mts), were offset by reductions for unknown destinations (436,600 mts). Exports of 2,558,500 mts were down 20% from the previous week and 6% from the prior 4-week average. The destinations were primarily to China (1,844,900 mts), Egypt (169,900 mts), Mexico (126,700 mts), Spain (124,700 mts), and Taiwan (59,700 mts).

Optional Origin Sales: For 2020/2021, options were exercised to export 63,000 mts to China from the United States. The current outstanding balance of 63,000 mts, all China.

Exports for Own Account: For 2020/2021, new exports for own account of 54,700 mts were reported for Canada. Exports for own account of 57,300 mts for Canada were applied to new or outstanding sales. The current exports for own account outstanding balance is 29,800 mts, all Canada.

Top 5 importers¹ of U.S. soybeans

For the week ending 11/05/2020	Total commitments ²	% change	Exports ³
	2020/21 current MY	2019/20 last MY	current MY from last MY
	1,000 mt -		- 1,000 mt -
China	27,553	7,907	248
Mexico	2,721	2,614	4
Egypt	1,332	920	45
Indonesia	773	572	35
Japan	837	887	(6)
Top 5 importers	33,216	12,900	157
Total U.S. soybean export sales	49,969	22,138	126
% of projected exports	83%	48%	
change from prior week ²	1,468	1,239	
Top 5 importers' share of U.S. soybean export sales	66%	58%	63%
USDA forecast, November 2020	59,946	45,668	131

¹Based on USDA, Foreign Agricultural Service (FAS) marketing year ranking reports for 2018/19; marketing year (MY) = Sep 1- Aug 31

²Cumulative exports (shipped)+outstanding sales (unshipped), FAS weekly export sales report, or export sales query. The total commitments change (net sales) from prior week could include revisions from previous week's outstanding sales and/or accumulated sales.

³FAS marketing year ranking reports (carry over plus accumulated export); yr. = year; avg. = average.

Note: A red number in parentheses indicates a negative number; mt = metric ton.

Source: USDA, Foreign Agricultural Service.

Soybean Cake and Meal: Net sales of 182,100 mts for 2020/2021, resulting in increases primarily for Mexico (63,100 mts, including decreases of 4,200 mts), Venezuela (33,700 mts, late – see below), Ecuador (27,800 mts, including 30,000 mts switched from unknown destinations and decreases of 2,800 mts), Denmark (27,500 mts, including 25,000 mts switched from unknown destinations), and Colombia (27,100 mts, including decreases of 17,700 mts), were offset by reductions primarily for unknown destinations (55,000 mts). Exports of 317,700 mts were primarily to Ecuador (56,500 mts), the Philippines (48,000 mts), Colombia (43,500 mts), Mexico (40,400 mts), and Venezuela (33,700 mts, late – see below).

Late Reporting: For 2020/2021, net sales and exports totaling 33,700 mts were reported late. These sales and exports were reported for Venezuela.

Soybean Oil: Net sales of 45,100 mts for 2020/2021, resulting in increases primarily for South Korea (25,500 mts), the Dominican Republic (19,400 mts), Canada (2,900 mts), and Guatemala (400 mts, including decreases of 100 mts), were offset by reductions for Mexico (3,200 mts). Exports of 2,900 mts were primarily to Mexico (2,200 mts) and Canada (500 mts).

➤ **EU & UK 2020/21 Soybean Imports 5.29 mmts, Rapeseed 2.60 mmts**

Reuters - Soybean imports into the European Union and Britain for the 2020/21 season that started on July 1st now totals 5.29 mmts as of November 12th, official EU data showed on Monday.

The data showed that was 2% above the volume imported by the same time in the previous 2019/20 season. EU and UK rapeseed imports in 2020/21 reached 2.60 mmts, down 18% versus 2019/20. Soymeal imports in 2020/21 came to 6.70 mmts, down 8%, while palm oil imports stood at 2.31 mmts, up 7%.

The data was due to cover the period up to November 15th, but the European Commission specified in a note that figures only ran to November 12th due to an ongoing technical issue. The European Commission has continued to include Britain in its 2020/21 grain export and import data following Britain's exit from the bloc at the end of January. The Commission's figures, based on customs data submitted by EU member countries, can be revised in subsequent weeks.

