



# Global Update

April 1, 2010

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## Farmers May Increase Corn Acres This Year

A good crop year – as evidenced by the record U.S. corn crop last year – “gets farmers charged up and excited to produce another good crop,” said Dexter, Mo., farmer Jim Stuever in response to the U.S. Department of Agriculture’s Prospective Plantings report released March 31.

In that report, USDA said U.S. corn farmers intend plant 88.8 million acres, which is up 3 percent from last year’s 86.5 million acres. It’s also about 3 percent more than 2008’s plantings of 86.0 million acres.

If realized, the plantings figure would be the largest since 2007 when 93.5 million acres were planted – and that was the most since the 1940s. USDA’s estimates are based on a survey of farmers conducted in early March.

“There is an optimistic feel heading into planting,” Stuever said. “Corn market prices are stable and within reason, crop input prices are acceptable and farmers see more of an opportunity to produce a corn crop that yields well. Farmers see a good future in corn.”

Stuever, a board member of the Missouri Corn Growers Association and U.S. Grains Council delegate, said with last year’s record production of 13.1 billion bushels, which will leave a 1.8 billion bushel carryout at the end of this marketing year, should ease any concern about the U.S. corn supply.

“Even though corn demand has been positive, including by the domestic ethanol and feed sectors, as well as exports, a lot of corn remains in the countryside,” he said.

In fact, USDA’s March 31 Grain Stocks report noted that 7.7 billion bushels of corn were in storage across the United States as of March 1. That’s an increase of 11 percent over last year.

While weather can influence final planting numbers – USDA will provide figures on actual plantings June 30 – the general trend is for farmers to match or exceed USDA intentions when it comes to planting corn.

## U.S. Farmers May Plant Less Barley, Sorghum

In its March 31 Planting Intentions report, the U.S. Department of Agriculture said U.S. farmers intend to plant some 3.3 million acres of barley in 2010. If that estimate holds, barley acres will fall by some 8 percent from last year’s 3.6 million – and would be well below 2008’s 4.2 million acres.

U.S. barley stocks as of March 1 totaled approximately 157 million bushels, an increase of 22 percent from March 1, 2009, even though barley use increased about 12 percent during the December 2009-February 2010 period when compared to prior year.

U.S. barley supplies remain positive thanks to last year’s good crop when 227 million bushels were produced. In fact, USDA estimated a carryout of 111 million bushels of barley at the end of the current marketing year.

As for sorghum, USDA said U.S. farmers intend to plant some 6.4 million acres this year, a decline of about 4 percent from last year’s 6.6 million acres, should those intentions hold.

Grain sorghum in storage as of March 1 totaled 175 million bushels, down 15 percent from last year. This reduction echoes a 383 million bushels harvest last fall that was below the 472 million bushels harvested in 2008.



For more information on the contents of this newsletter or the U.S. Grains Council, its mission and programs, please contact Marri Carrow at 202-789-0789.

The U.S. Grains Council is a private, non-profit partnership of producers and agribusinesses committed to building and expanding international markets for U.S. barley, corn, grain sorghum and their products. The Council is headquartered in Washington, D.C., and has 10 international offices that oversee programs in more than 50 countries. Financial support from our private industry members, including state checkoffs, agribusinesses, state entities and others, triggers federal matching funds from the USDA resulting in a combined program value of more than \$26 million.

## TALKIN' TRADE



### 50 Year Anniversary of a Global Relationship

By Craig Floss  
Chief Executive Officer  
Iowa Corn Promotion Board

Today, Iowa's corn growers feed not only North America, but also significant parts of the globe.

The increase in international trade can be traced directly back to the humanitarian shipment of hogs and corn from Iowa to Japan in 1959.

The famous "Hog Lift" event brought Iowa swine breeding technology and grain hungry animals to a typhoon stricken Japan, but it also contributed to a shortage of feed grains on the island. With U.S. grain surpluses at the time and a ready customer in Japan, Iowa and other U.S. grain producers were able to easily fill a growing need for feed grains. The "Hog-Lift," including 60,000 bushels of number-one grade corn to Japan, was merely a jump-start.

Today, the partnership continues to facilitate billions of dollars in U.S. agricultural exports and create millions of jobs. Since the "Hog Lift," there have been businesses that grew from the relationship. The three top meat companies in Japan have operations on the ground in Iowa and Iowa is the number one exporter of meat to Japan, sending a record \$530 million in pork last year and \$30 million in beef each year.

In 1960, the first of its kind sister-state relationship was established between Iowa and the Yamanashi prefecture. Over the years, the relationship has involved many exchanges from farmers to Iowa governors. During the Great Flood of 1993, \$300,000 in flood aid relief was given to Iowa from Yamanashi.

Yamanashi symbolizes the success of the United States' worldwide cooperator program, and Iowa's special ag-

**Talkin' Trade Continued on Page 4**

### USGC to Celebrate U.S., Japan Trade Partnership at Global Food Security Symposium

For more than 50 years, the United States and Japan have enjoyed a partnership that has yielded more than \$280 billion in sales of U.S. food and agricultural products to Japan, creating a relationship that has helped cater to the needs of Japanese consumers while fueling the U.S. economy.

To celebrate the success of this relationship, which also helped plant the seeds for the U.S. Grains Council 50 years ago, the Council is sponsoring the Global Food Security Symposium in Tokyo, kicking off the Partners-in-Agriculture event April 7.

"Humanity will need all the tools available to it in order to meet global food demands in this century," said USGC Chairman Rick Fruth, who will be representing the Council at the event. "This symposium will examine what those tools are, how they can be used sustainably, and how the trade experience of the world's two largest economies can leverage them to successfully feed the world."

The symposium will also provide an opportunity to highlight the successful impact improved farming practices and technologies have made in producing the world's food and how, when applied appropriately, such technology can provide the mechanism to mitigate long-term, intransient global hunger by providing economic opportunities in parts of the world thirsting for it.

Speakers at the symposium include:

- U.S. Secretary of Agriculture Tom Vilsack;
- Japans Minister of Agriculture, Forestry and Fisheries the Honorable Hiroataka Akamatsu;
- State Secretary of the Japanese Ministry of Foreign Affairs the Honorable Koichi Takemasa;
- U.S. Ambassador to Japan John V. Roos; and
- Dr. Kenneth Quinn of the World Food Prize Foundation.

Written by Jodi Kiely, USGC Contributing Writer



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## USDA's Weekly Export Sales Highlights

### March 19-25, 2010

### Corn Net Sales

Net sales of 826,100 metric tons (32.5 million bushels) for delivery in 2009/2010 were up 36 percent from the previous week and 35 percent from the prior four-week average.

Increases Reported:	Metric Tons	Bushels (million)
Japan	323,000	12.7
South Korea	171,300	6.7
Mexico	104,600	4.1
Venezuela	95,300	3.8
Taiwan	59,300	2.3
Egypt	50,600	2
Lebanon	40,800	1.6

Decreases Reported	Metric Tons	Bushels (million)
Unknown Destinations	126,000	5
Syria	12,300	0.5
<b>Net Sales for 2010/2011</b>		
Canada	400	0.02

### Sorghum Net Sales

Net sales of 13,300 metric tons (524,000 bushels)

	Metric Tons	Bushels (million)
Unknown Destinations	10,200	0.4
Mexico	3,500	0.1
Partially offset by decreases for:		
Morocco	300	0.01
Canada	100	0.004

### Sorghum Exports

Exports of 44,400 metric tons (1.7 million bushels)

	Metric Tons	Bushels (million)
Mexico	29,500	1.2
Japan	8,100	0.3
Morocco	6,700	0.3
Canada	100	0.004

### Corn Exports

Exports of 1,214,600 metric tons (47.8 million bushels) were up 5 percent from the previous week and 18 percent from the prior four-week average.

	Metric Tons	Bushels (million)
Japan	306,000	12
Mexico	201,000	7.9
South Korea	174,000	6.9
Egypt	103,100	4.1
Syria	95,700	3.8
Taiwan	67,100	2.6
Venezuela	60,800	2.4

### Barley Net Sales

There were no sales reported during the week.

### Barley Exports

Exports of 200 metric tons (9,000 bushels)

	Metric Tons	Bushels
Mexico	200	9,000



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## I-LEAD Team Gets Firsthand Look at Korea, Vietnam Export Markets

The U.S. Grains Council showcased the agricultural export markets of Korea and Vietnam to members of the Iowa Corn Leadership Enhancement and Development (I-LEAD) program as an I-LEAD team traveled to Asia for a two-week international trade mission March 11-22. I-LEAD, a two-year program led by the Iowa Corn Promotion Board and the Iowa Corn Growers Association, provides men and women from Iowa with the tools they need to succeed as leaders and spokespeople for agriculture. This year's mission focused on export market development for four of the state's agricultural products: corn, soybeans, pork and beef.

While in South Korea, the team met with USGC Director in Korea Mr. Byong Ryol Min. They also toured a local beef farm, met with local importers and visited with officials at the Agricultural Trade Office. One thing I-LEAD participants learned while in Korea was that food demand is expanding in the country while the amount of available land to raise crops and livestock is decreasing.

"In 2009, South Korea imported \$19.8 billion worth of agriculture products, 23.6 percent of which was from the United States," said I-LEAD Class member Neil Bouray. "As their demand for food grows, the United States and Iowa have an excellent opportunity to export more to them, especially if the Korea Free Trade Act is passed."

While in Vietnam, the team met with USGC Regional Director in Southeast Asia Adel Yusupov and USGC Country Representative Mr. Tran Trong Chien. Activities included a tour of a feed mill, a visit to a swine farm and a local aquaculture farm and a firsthand look at the country's import system at Interflour Port. In particular, I-LEAD members learned about market development opportunities for distiller's dried grains with solubles (DDGS), a co-product of ethanol production.

"Vietnam's population continues to grow as does their demand for meat products," said Chris Edgington, I-LEAD class member and farmer. "Feed costs are high for livestock producers, and DDGS from Iowa offers a low-cost feed ingredient."

A more detailed account of the team's trip to Korea and Vietnam can be found on the I-LEAD trip blog,

<http://ileadclass4.wordpress.com>.

*Written by Jodi Kiely, USGC Contributing Writer*



### Talkin' Trade Continued from Page 2

gricultural relationship with Japan. Within this global relationship, Japan stands out as the most successful country for the market development of not only Iowa, but U.S. food and agricultural products.

The International Trade office of the Iowa Department of Economic Development (IDED), in partnership with the Iowa Corn Promotion Board, Iowa Pork Producers Association, the Iowa Soybean Association, the Iowa Beef Industry Council, Iowa Farm Bureau, and the Iowa Sister States, will join with the U.S. Grains Council and the U.S. Foreign Agricultural Service in Japan, to commemorate the "Hog Lift," the 50th anniversary of the Iowa-Yamanashi sister-state relationship.



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## COUNCIL NEWS

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### **Theresa Carethers Joins the Council as Executive Assistant**

Please join the Council in welcoming Theresa Carethers as the new executive assistant. Theresa was previously the executive assistant to the chief financial officer and the vice president of strategic planning at the Washington Hospital Center. Prior to that, she was the executive assistant to the senior vice president of risk management advisories services at Fireman's Fund Insurance Company. Originally from New York City, Theresa moved to Washington, D.C., in 1974. She enjoys golfing, bowling and spending time with her daughter and two grandkids. Theresa can be reached at [tcarethers@grains.org](mailto:tcarethers@grains.org).

### **Register for USGC International Distillers Grains Workshops: Japan and China**

The U.S. Grains Council, in partnership with USDA's Foreign Agricultural Service (FAS), is sponsoring several DDGS seminars and trade conferences in Japan and China in June 2010. The Council extends an invitation to U.S. DDGS exporters and producers to attend these seminars to initiate face-to-face introductions with foreign end-users and importers.

**Japan Workshops, June 13-19**, will be held in Tokyo, and in two livestock industry areas, Hokkaido and Miyazaki. The Council will provide attendees with updated information on supply and demand, export availability and transportation of DDGS. It will provide updates on the ongoing feeding demonstration in Canada of high inclusion rates in beef using U.S. DDGS. The Council expects attendance of approximately 80 participants at the Tokyo seminar and 30-50 in other cities.

**China Workshops, June 19-26, 2010**, include two one-day workshops in Fuzhou in Fujian Province and in Nanjing in Jiangsu Province. These workshops coincide with small trade shows hosted by U.S. DDGS suppliers. The Council will arrange for a table for each supplier member to let them show their samples and talk with the customers during breaks and other times set aside for a mini-trade show. DDGS suppliers will need to bring their product samples, including the detailed chemical and physical analyzing reports and the information of its availability and prices, etc., and be ready to sign export contracts if possible. The Council expects 70-100 participants at each workshop, including traders, feed and livestock end-users as well as government officials in each region, and some local international traders.

The Council will assist members with hotel arrangements, but travel and hotel costs will be the responsibility of the participant. The Council and FAS will pay for the seminars, reception, marketing materials and translators.

If interested in attending, please contact Kimberly Karst at [kkarst@grains.org](mailto:kkarst@grains.org) or 202-326-0637.

### **USGC Calls for Board, Officer Applications**

The U.S. Grains Council is now accepting applications from qualified individuals interested in standing for election at the USGC Board of Delegates meeting in Boston, Mass., July 19, 2010, to fill expiring Board of Directors positions, or to become the next officer of the Board. The Nominating Committee will consider all applications received by April 30, 2010, and will announce the slate of candidates by June 1, 2010.

Two at-large director positions are up for election this year, as well as the sorghum and state executive board positions. The Board of Delegates will also be electing a new secretary to begin a five year rotation in the Council's Board officers.

Application forms have been sent via e-mail to all current Council delegates. Application forms will also be available in The GRAINS Center, the members-only section of the Council's Web site, [www.grains.org](http://www.grains.org).



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## COUNCIL ACTIVITY CALENDAR

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**April 7-8:** The U.S. Grains Council will sponsor the Global Food Security Symposium in Tokyo. The Symposium is part of the “Partners in Agriculture” events being held throughout Japan this spring to celebrate the successful agricultural trade partnership between the United States and Japan.

Speakers at the Symposium include:

- U.S. Secretary of Agriculture Tom Vilsack;
- Honorable Hirotaka Akamatsu, Japanese Minister of Agriculture, Forestry and Fisheries;
- Honorable Koichi Takemasa, State Secretary, Japanese Ministry of Foreign Affairs;
- Ambassador John V. Roos, U.S. Ambassador to Japan; and
- Dr. Kenneth Quinn with the World Food Prize Foundation.

USGC representatives include:

- Thomas C. Dorr, president and CEO;
- Rick Fruth, chairman;
- Mike Callahan, senior director of international operations for Asia;
- Tommy Hamamoto, director in Japan;
- Kimberly Karst, manager of international operations for Asia; and
- Marri Carrow, manager of communications.

For more information, contact Karst at [kkarst@grains.org](mailto:kkarst@grains.org).

**April 11-17:** A team of European food manufactures and a Taiwanese food researcher will travel to Kansas and Nebraska. While in Kansas, the team will attend a workshop at the International Grains Program at Kansas State University, to learn how to properly utilize sorghum for human consumption. The team will have the opportunity to meet with representatives of Council members United Sorghum Checkoff Program and Kansas Grain Sorghum Commission. While in Nebraska, the team will visit a sorghum flour mill and meet with local sorghum producers and members. For more information, contact Gina Tumbarello, USGC manager of international operations for Rest of the World, at [gtumbarello@grains.org](mailto:gtumbarello@grains.org).