



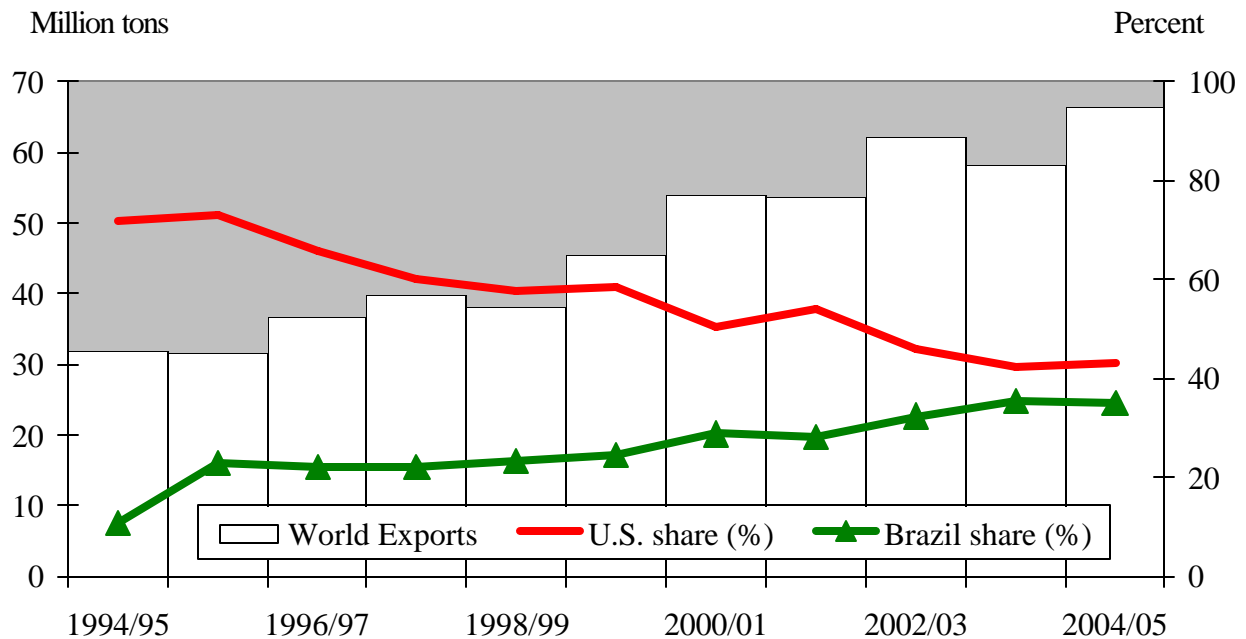
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Oilseeds: World Markets and Trade

2004/05 World Soybean Exports are Forecast to Rise; U.S. Share Increases Slightly



For MY 2004/05, world soybean exports are forecast to reach 66.3 million tons, up nearly 14 percent from the previous year. The increase in world exports is attributed largely to a rebound in U.S. exports, along with continued strong exports by the other major producing countries in South America. U.S. soybean exports to the world for 2004/05 are forecast at 28.6 million tons, up 17 percent from the previous year, boosted primarily by record-high production. Soybean exports from South America, namely Brazil, Paraguay, Uruguay, and Argentina should strengthen as production expands in the region. Brazil's soybean exports for 2004/05 are forecast at 23.4 million tons, up 13 percent from the previous year.

China's dominance in world soybean imports is expected to continue as it demands nearly 37 percent of world soybean imports or 24 million tons in 2004/05 despite a substantial increase in production. For 2003/04, China's soybean imports are projected at 18 million tons, down one million tons from last month's forecast. The downward revision is attributed to China's phytosanitary concerns with a fungicide in Brazilian beans. In addition, high prices for imported soybeans reduced Chinese crush margins, causing crushers to default on contracts.