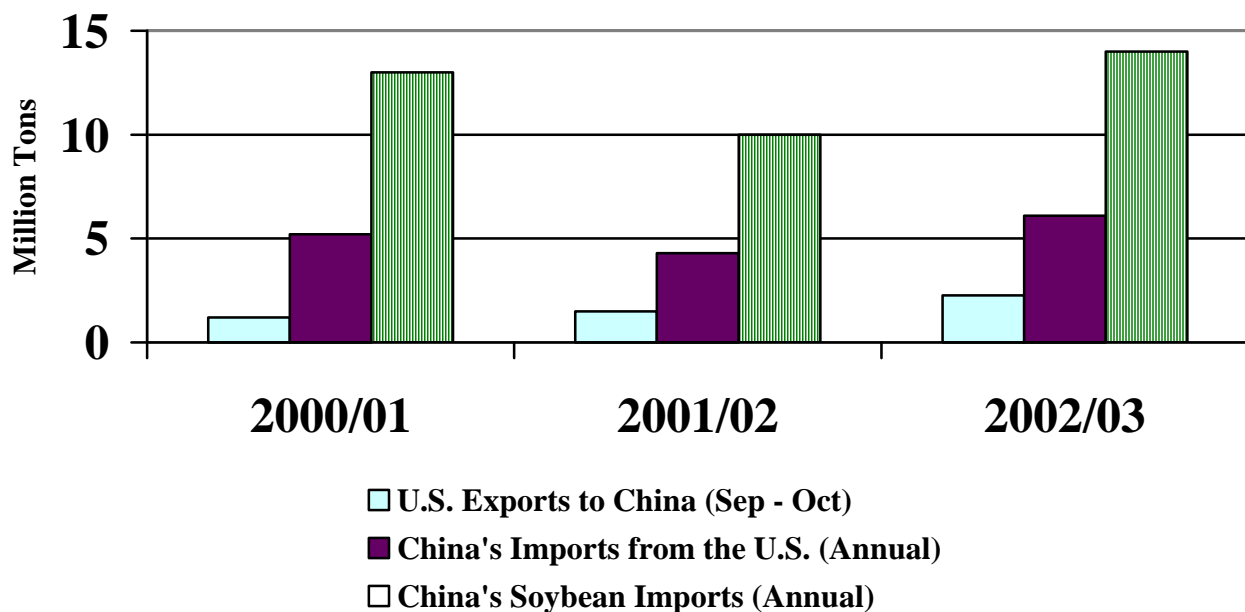




# Oilseeds: World Markets and Trade

## U.S. SOYBEAN EXPORTS TO CHINA IMPROVE



Note: Annual figures for 2002/03 are forecasts.

U.S. soybean sales to China for the period September through October 31, 2002 have reached 2.27 million tons, compared to only 1.5 million tons for the same period last year, setting a record for the first two months of the marketing year. China's domestic soybean price has been increasing despite a record-sized crop. As a result, the Chinese government appears to be less concerned about excessive supplies weighing on prices. The trade indicates that China has issued additional soybean import inspection permits that have allowed Chinese crushers to buy additional imported soybeans. In marketing year 2001/02, U.S. soybean exports to China fell from 5.7 million tons to 4.3 million tons because of the confusion surrounding China's biotech regulations. The extension of the interim period for the importation of biotech soybeans from December 20, 2002 to September 20, 2003 should limit similar confusion in the current marketing year and allow for imports to resume the higher pace. Consistent with the renewed strength of Chinese imports, U.S. shipments of soybeans to China should recover from the dip last marketing year. China accounts for over 20 percent of all U.S. soybean exports, representing approximately \$1 billion annually.