

Key Revisions in FY 2007 Export Forecasts

AgExports lowered \$500 million since February . . .

Grains & Feeds \$200 million

- (-) corn / lower vol & unit value – more competition from China/Argentina/Brazil
- (+) wheat / higher vol & unit value – less competition from Canada & EU

Cotton \$600 million

- lower vol and unit value
- slow China response to TRQ allocations & increased competition from India

Livestock/Poultry/Dairy Products \$200 mil to \$14.8 bil (record)

- (+) hides and skins / higher vol & value to top mkts China and Korea
- (-) beef / lower vol sales to Mexico

China \$700 million to \$7.6 billion (ties EU for 4th largest mkt)

- less cotton (and soybean) sales

Top Regional Mkt: W. Hemisphere at \$32.6 bil (Asia 2nd at \$27.9 bil)