

# OUTLOOK for U.S. Agricultural Trade

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## PROSPECTIVE 2001 U.S. AGRICULTURAL EXPORTS ELEVATED TO \$53 BILLION

Strong global economic growth and reduced competition are pushing U.S. agricultural exports up to a projected \$53 billion in fiscal 2001, \$2.1 billion over the final fiscal 2000 figure of \$50.9 billion. Much of the gain is expected in Asia, as that region's economic growth continues recovering from the financial crisis of 1997-99. Exports to Canada and Mexico also are likely to rise. However, depreciation of the euro against the dollar is expected to continue to dampen U.S. exports to Western Europe.

Projected corn exports are raised significantly from the August forecast, primarily reflecting reduced export competition from Argentina. Similarly, export prospects for livestock and products have sharply improved. Expected export value of wheat, soybeans, soybean meal, and horticultural products also is increased.

U.S. agricultural imports are forecast at \$40 billion, \$1.1 billion more than in fiscal 2000 and up \$500 million from August. Much of the growth is expected to come from Canada and Mexico.

Although still well below the 1996 record, the expected 2001 surplus in U.S. agricultural trade is boosted to \$13 billion, an 8-percent gain over fiscal 2000.

Table 1--U.S. agricultural trade, fiscal years, 1996-2001  
Year ending September 30

Item	1996	1997	1998	1999	2000	Fiscal 2001	
						Aug.	Nov.
Billion dollars							
Exports	59.9	57.4	53.7	49.2	50.9	51.5	53.0
Imports	32.5	35.7	36.8	37.3	38.9	39.5	40.0
Balance	27.4	21.7	16.9	11.9	12.0	12.0	13.0

This outlook reflects commodity forecasts in the Nov. 9, 2000, World Agricultural Supply and Demand Estimates report.

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## Commodity Highlights

The forecast for fiscal 2001 U.S. wheat and flour exports is lowered 500,000 tons from the August forecast to 29.5 million tons, but higher wheat unit values raise export value to \$3.8 billion. U.S. crop estimates were reduced somewhat since August. Downward revisions in the crop size of some key exporters, most notably Canada and Australia, helps support prices. Several major exporters have poorer-quality harvests, the result of unfavorable weather conditions.

Table 2--U.S. agricultural exports: Value by commodity, 1997-2001

Commodity	Fiscal	Fiscal	Fiscal	Fiscal	Forecast	
	1997	1998	1999	2000	2001	Aug. Nov.
Billion dollars						
Grains and feeds 1/	16.534	14.128	14.400	13.886	13.6	14.6
Wheat & flour	4.323	3.898	3.839	3.523	3.7	3.8
Rice	0.962	1.133	1.015	0.908	0.8	0.8
Coarse grains 2/	6.929	4.996	5.607	5.281	5.2	5.8
Corn	6.114	4.267	5.044	4.602	4.6	5.3
Feeds and fodders	2.673	2.412	2.240	2.479	2.2	2.5
Oilseeds and products	11.519	11.162	8.735	8.546	8.7	9.0
Soybeans	6.985	6.146	4.757	5.074	5.0	5.4
Soybean meal	1.747	1.944	1.066	1.226	1.2	1.3
Soybean oil	0.515	0.882	0.607	0.279	0.4	0.3
Livestock products	7.678	7.589	7.199	8.596	8.4	8.8
Beef, pork & variety meats	3.981	4.043	4.134	5.035	5.1	5.2
Hides & skins, incl. furs	1.695	1.359	1.113	1.476	1.2	1.5
Poultry & products	2.869	2.713	2.068	2.260	2.2	2.2
Poultry meat	2.512	2.348	1.755	1.962	1.9	1.9
Dairy products	0.844	0.895	0.873	0.951	0.9	0.9
Tobacco, unmanufactured	1.612	1.448	1.376	1.245	1.3	1.2
Cotton & linters	2.736	2.535	1.323	1.833	2.6	2.4
Seeds	0.829	0.805	0.807	0.789	0.9	0.8
Horticultural products	10.624	10.319	10.299	10.537	10.7	10.9
Fruits & preparations	3.422	3.197	3.275	3.361	3.4	3.6
Vegetables & preparations	2.650	2.806	2.820	2.988	3.0	3.0
Tree nuts & preparations	1.282	1.215	1.080	0.987	0.9	1.0
Sugar & tropical products	2.117	2.109	2.090	2.260	2.2	2.3
Major bulk products 3/	23.447	20.056	17.817	17.764	18.5	19.3
Total 4/	57.364	53.707	49.171	50.905	51.5	53.0

1/ Includes pulses and processed grain products. 2/ Includes corn, barley, sorghum, oats, and rye. 3/ Includes wheat, rice, coarse grains, soybeans, cotton, and tobacco. 4/ Total includes a small amount of miscellaneous products not elsewhere specified.

U.S. coarse grain exports are raised 2.6 million tons and \$600 million from the August estimate to 62.8 million tons valued at \$5.8 billion. Corn export volume is increased 3.5 million tons in response to tighter foreign supplies and reduced export competition from Argentina and Eastern Europe, while sorghum export volume is lowered 1 million tons to 5 million tons due to a smaller than expected U.S. crop. China's corn crop is expected to be the smallest in 3 years, but China is more likely to respond by drawing down stocks rather than increasing imports. The current outlook implies corn export unit values will remain near their 2000 level rather than sink further, as was anticipated in August.

At 3.1 million tons valued at nearly \$800,000, the rice export forecast remains largely unchanged from August. Export unit values continue to slide downward as the proportion of lower-value rough rice to total rice shipments continues to climb. U.S. rice suppliers are losing market share in milled rice markets as South American and Asian competition rises.

Table 3--U.S. agricultural exports: Volume by commodity, 1997-2001

Commodity	Fiscal	Fiscal	Fiscal	Fiscal	Forecast	
	1997	1998	1999	2000	2001	
					Aug.	Nov.
Million metric tons						
Wheat	24.905	25.871	28.817	27.818	29.0	28.7
Wheat flour	0.504	0.460	0.951	0.812	1.0	0.8
Rice	2.565	3.314	3.086	3.310	3.2	3.1
Coarse grains 1/	53.090	44.023	57.720	56.535	60.2	62.8
Corn	46.638	37.755	51.949	49.371	53.5	57.0
Feeds & fodders	12.269	11.693	11.751	13.315	11.6	13.0
Oilseeds and products	34.090	36.166	33.698	36.493	37.8	36.7
Soybeans	24.138	23.395	23.029	26.058	27.5	26.4
Soybean meal	6.345	8.464	6.461	6.651	6.7	6.7
Soybean oil	0.922	1.397	1.076	0.624	0.8	0.8
Beef, pork & variety meats	1.358	1.558	1.607	1.845	1.8	1.8
Poultry meat	2.549	2.664	2.416	2.847	2.7	2.8
Animal fats	1.047	1.356	1.387	1.206	1.2	1.2
Tobacco, unmanufactured	0.238	0.208	0.205	0.183	0.2	0.2
Cotton & linters	1.648	1.602	0.919	1.539	1.8	1.7
Horticultural products	7.496	7.415	7.337	7.732	7.7	7.7
Sugar & tropical products	1.190	1.283	1.277	1.276	1.3	1.3
Tot. maj. bulk prod. 2/	106.584	98.412	113.776	115.442	121.9	122.9

1/ Includes corn, barley, sorghum, oats, and rye. 2/ Includes wheat, rice, coarse grains, soybeans, cotton, and tobacco.

The export forecast for oilseeds and products is lowered 1.1 million tons to 36.7 million tons, due entirely to a downward revision in soybean shipments. However, stronger unit values for soybeans and meal result in a \$500-million increase in export value to \$6.7 billion. Despite reduced expectations for soybean shipments since August, reflecting upward revisions in China's and South America's production, the outlook for 2001 still calls for a record U.S. soybean export volume of 26.4 million tons. Continued demand growth and abundant U.S. supplies set the stage for a banner export year. Some reduction in global oilseed stocks should support unit values for soybeans and meal above 2000 levels. Little improvement in the value of U.S. soybean oil exports is expected since there is no immediate opportunity for increased sales to China, and Malaysian and Indonesian palm oil supplies remain high.

The forecast for U.S. cotton exports is reduced 100,000 tons and \$200 million from the August estimate to 1.7 million tons valued at \$2.4 billion. This mainly reflects an 8.6-percent drop (since August) in the estimated size of the current U.S. crop to 17.5 million 480-lb. bales. In addition, some export competition from Australia is expected and import demand from some Asian countries is likely to slow, the result of some recent build-up in inventories. The outlook for 2001 cotton exports continues to represent a substantial improvement over 2000, supported by a larger U.S. cotton crop, especially strong sales to Mexico and Turkey, and an expected reduction in China's exports.

U.S. exports of livestock, poultry, and dairy products are raised \$400 million from the August estimate to a record \$11.9 billion. If realized, this would exceed 2000 exports by \$100 million. This revision reflects a \$300-million increase for hide and skin exports, returning this product group to its 2000 sales level, and reflects further upward revisions for red meats, especially beef. A decline in cattle slaughter will tighten U.S. hide supplies and boost prices. Higher prices should more than offset volume declines and thus raise the value of hide and skin exports. A \$100-million increase in the red meat forecast since August now places this product group at \$5.2 billion, nearly \$200 million above 2000 sales. Year-to-year gains largely are due to higher beef prices. Russia and China remain the largest poultry meat markets, and no major changes are anticipated. Dairy exports remain unchanged at roughly \$900 million, as reduced Dairy Export Incentive Program support will likely be offset by rising commercial sales.

The forecast for U.S. horticultural exports is raised \$200 million from the August estimate to \$10.9 billion. This represents a 3.4-percent increase over 2000, as well as a second year of solid sales growth since the 1998-99 slump. This outlook is based primarily on continued strong sales to Canada and Mexico. Exports to China and some Asian countries also are expected to achieve solid gains. Fresh and processed fruits

should drive most of the gain in 2001, with exports forecast to rise \$200 million to \$3.6 billion. A normal citrus crop and stable prices are expected with the opening of China's market, resulting in new citrus sales. Apple exports should also rise, supported by greater exportable supplies. Vegetable sales should remain strong but no increase is expected. Tree nut exports are expected to remain at the \$1-billion level. While world tree nut supplies remain abundant and U.S. almond exports continue strong, growers should see slightly higher prices and some recovery in export values. Among other horticultural products, wine continues to record strong gains in Europe, Japan, and Canada.

### Economic Outlook

The prospects for world Gross Domestic Product (GDP) growth in 2001 remain relatively strong at between 3 and 3.5 percent, with developed economies growing at less than 3 percent as a group. Compared with this year's impressive global output growth of 4 percent, however, prospects for next year are moderating. Slowing economic activity in the United States, in particular, and to a lesser extent in the European Union (EU) and Japan next year, appears as the likely short-term trend. The developing countries are expected to slow only slightly from 5.7 in 2000 to 5.4 percent in 2001. A similar deceleration from 5 to 3 percent is forecast for the transition economies.

#### **Developed Economies**

As equity markets in the United States adjust downward after continued gains until last year, the pace of business investment and consumer spending is expected to decline somewhat next year. Nevertheless, the U.S. economy is still forecast to expand 3 percent in 2001. The strong dollar, which has driven U.S. import demand and the current account deficit to much higher levels, has made U.S. exports less competitive. U.S. agricultural exports, which are projected to rise in 2001, have declined in value each fiscal year since 1996 even as nonfarm exports rose.

Output growth in the EU will slow to 3 percent in 2001 because of higher inflation (more than 2 percent), in large part attributed to higher import costs and interest rates. The euro's continued weakness against the dollar, although a boon to EU exports, has raised import costs and caused capital outflows, largely to the United States. Japan, which expects to post 2 percent GDP growth in 2000, will see slower overall growth next year as the country's export pace slackens and domestic demand remains weak. The yen's high exchange rate vis-à-vis the dollar is partly responsible for Japan's export slowdown.

### **Developing Economies**

The developing countries are expected to experience a second year of robust growth of about 5.4 percent in 2001 despite slowing production in East Asia and the Middle East. South Korea and Taiwan, in contrast to China and other Asian countries, appear to be decelerating toward a more sustainable growth pace of around 5 percent. This is due in part to higher import costs of petroleum and to corrections in recently robust equity markets. Latin American economies, except Mexico, will continue to recover from recessions in 1999. Lower inflation and positive current accounts in many countries have encouraged investment activity by the private sector, particularly in Brazil. Latin American exports are expected to expand for the first time since 1995. In Mexico, surging consumer demand presents export opportunities for U.S. producers, especially as U.S. domestic demand slows.

### **Exchange Rates**

The short-term outlook for the dollar remains strong despite lower or flat U.S. interest rates. Although the interest-rate gap with respect to the euro has narrowed, the general slowdown of the U.S. economy will deflate domestic inflationary expectations and leave U.S. real interest rates relatively high. The dollar is expected to decline against the currencies of only a handful of countries—Canada, Japan, Australia, and New Zealand. Thus, U.S. exports will gain a measure of competitiveness against these competitors, as well as market share, since they are also major markets for U.S. agricultural exports.

The dollar's real exchange value has appreciated by 16 percent since 1996 with respect to the currencies of U.S. agricultural export markets. It is at about the same level as in 1998. On top of this, the dollar has appreciated to an even higher rate against U.S. export competitors—by 27 percent since 1996. Among bulk exports, soybeans, rice, and cotton have significant exchange-rate disadvantages against U.S. competitors. Among high-value exports, red meats, poultry, dairy products, hides, and fruits face a similar situation. Nevertheless, strong economic growth in foreign markets appears, at long last, to be overcoming the dollar's high exchange rate impact on the performance of U.S. agricultural exports.

### Regional Highlights

The \$2.1-billion gain in U.S. agricultural exports in fiscal 2001 is expected to remain largely confined to Asia and the Western Hemisphere. Exports to Eastern Europe also may rise slightly. Little change is expected to the European Union (EU) and elsewhere.

Exports to Asia show the strongest growth, projected up nearly 8 percent to \$21.2 billion, rising in both East and Southeast Asia where most of the gain results from improved economic growth. Strong economic growth is

projected for Taiwan, South Korea, China, and most of the Southeast Asian countries. Strong growth leads to rising incomes and greater demand for higher-valued imports, such as red meats, exports of which are expected to increase. Exports of feed grains also are expected to rise. Reduced export competition from China in the corn market will be important in raising U.S. exports of corn to Asia. South Korea and Indonesia, particularly, are likely to

Table 4--U.S. agricultural exports: Value by region, 1997-2001

Region	Fiscal 1997	Fiscal 1998	Fiscal 1999	Fiscal 2000	Forecast 2001 Nov.
Billion dollars					
Asia (excluding Mid East)	23.866	19.703	18.463	19.688	21.2
Japan	10.703	9.462	8.933	9.353	9.8
China	1.774	1.515	1.011	1.474	1.6
Hong Kong	1.640	1.568	1.264	1.255	1.3
Taiwan	2.588	1.975	2.047	2.011	2.1
South Korea	3.292	2.257	2.482	2.569	3.1
Southeast Asia	3.139	2.293	2.218	2.602	2.9
Indonesia	0.769	0.530	0.499	0.681	0.8
Philippines	0.899	0.751	0.735	0.866	0.9
Malaysia	0.580	0.310	0.332	0.284	0.4
Thailand	0.565	0.452	0.409	0.492	0.5
South Asia	0.727	0.626	0.499	0.416	0.4
Western Hemisphere	16.585	18.368	17.446	18.159	19.0
Canada	6.612	7.013	6.951	7.520	7.8
Mexico	5.072	5.953	5.672	6.329	6.8
Brazil	0.458	0.563	0.366	0.253	0.3
Venezuela	0.552	0.515	0.458	0.404	0.4
Other Latin America	3.891	4.324	4.000	3.653	3.7
Western Europe	9.617	8.858	7.528	6.712	6.6
European Union	8.997	8.521	6.958	6.373	6.3
Central and Eastern Europe	0.316	0.320	0.190	0.167	0.2
New Independent States 1/	1.593	1.455	0.881	0.934	0.8
Russia	1.281	1.103	0.532	0.671	0.6
Middle East	2.562	2.285	1.978	2.363	2.4
Turkey	0.742	0.658	0.448	0.701	0.8
Saudi Arabia	0.630	0.534	0.468	0.482	0.5
Africa	2.265	2.175	2.160	2.272	2.3
North Africa	1.480	1.475	1.468	1.565	1.5
Egypt	0.928	0.939	1.002	1.094	1.0
Sub-Saharan Africa	0.785	0.699	0.693	0.707	0.7
Oceania	0.534	0.548	0.502	0.490	0.5
Transshipments 2/	0.000	0.000	0.000	0.123	0.1
Total 2/	57.364	53.707	49.171	50.905	53.0

Total may not add due to rounding. 1/ New Independent States (NIS) are the former Soviet Union, including the Baltic Republics. 2/ Transshipments through Canada are distributed by country prior to 2000, but are included in the total only for 2000 and 2001.

take more U.S. corn in 2001 than in 2000. Strong growth in exports of a wide variety of non-bulk commodities, such as meats, fruits, and vegetables, also is expected in Asia.

Exports to the Western Hemisphere also are likely to grow in 2001, with much of the projected gain in the major markets of Canada and Mexico. Exports to Canada are projected up 4 percent to \$7.8 billion, while exports to Mexico jump to \$6.8 billion, a 7-percent gain. Western Hemisphere trade continues to expand significantly, bolstered by the North American Free Trade Agreement (NAFTA) and economic growth.

The value of exports to Eastern Europe is raised as well. This increase mainly reflects adverse weather and related reductions in harvests in the region, leading to increased import demand for U.S. grain.

The recent weakening of the euro against the U.S. dollar is likely to continue to dampen trade with the EU by making U.S. products more expensive in the region. Exports to the EU are projected at \$6.3 billion.

Exports to the New Independent States are projected virtually unchanged largely on the strength of continued commercial sales. Some growth in Russian income also is expected.

Exports to the Middle East and Africa also remain about unchanged from 2000. Cotton exports to Turkey are anticipated to remain large, as export competition from Central Asian countries drops. Additional cotton shipped to Turkey is expected to support overall exports to the Middle East at \$2.4 billion. Exports to Africa are projected at \$2.3 billion.

### U.S. Agricultural Export Programs

#### **Export Subsidy Programs**

As of November 17, 2000, fiscal 2001 awards under the Export Enhancement Program (EEP) total 262 tons of frozen poultry for a total bonus value of \$170,000. As of the same date, no Dairy Export Incentive Program (DEIP) awards have been made in fiscal 2001.

Fiscal 2000 awards under EEP totaled 2,529 tons of frozen poultry for a total bonus value of \$1.64 million. The fiscal 2000 awards under DEIP totaled 6,012 tons of cheese, 5,298 tons of butterfat, 67,862 tons of nonfat dry milk, and 15,832 tons of whole milk powder for a total bonus value of \$77.3 million.

### **CCC Export Credit Guarantee Programs**

Country allocations under the fiscal 2001 export credit guarantee programs (GSM-102, GSM-103, the Supplier Credit Guarantee Program (SCGP), and the Facility Guarantee Program (FGP)) total \$4.6 billion as of November 17, 2000. Sales approvals of about \$374 million are about 18 percent lower than fiscal 2000 approvals for the same period last year. Since October 1, 2000, credit guarantee approvals were approximately \$355 million for GSM-102 and \$20 million for SCGP. As of the same date, no sales have been approved for the GSM-103 or for FGP.

Country allocations under the fiscal 2000 credit guarantee programs totaled about \$5.4 billion as of September 30, 2000. Sales approved for fiscal 2000 totaled about \$3.1 billion, about 1 percent higher than fiscal 1999. Fiscal 2000 approvals were distributed as follows: approximately \$2.9 billion for GSM-102; \$32.6 million for GSM-103; \$116.4 million for SCGP; and \$4.8 million for FGP.

### **U.S. Food Aid Programs**

No information is yet available on fiscal 2001 food aid programs.

For fiscal 2000, funding for Title I and Food for Progress programs was valued at more than \$270 million. Agreements have been signed with the seven countries that were eligible to receive funding under Title I (\$101 million). An additional five countries were eligible under Food for Progress funds (nearly \$121 million). Commodity assistance under these programs totaled 654,000 tons.

Programming levels under Section 416(b) were estimated to total over \$800 million for fiscal 2000, and provide 3.9 million tons of food. Countries receiving the largest donations under this program include Indonesia, Ethiopia, Yemen, and Jordan.

Appropriations for the Title II program were \$838 million in fiscal 2000, although total funds available to the program were closer to \$1 billion. Commodity allocations were expected to exceed 2 million tons, nearly half of which went to Sub-Saharan Africa. The largest single recipient (in dollar terms) under this program was India, followed by Ethiopia. The approved program level for Title III in fiscal 2000 was \$5.5 million, all of which went to Mozambique; this program provided more than 24,000 tons of wheat to that country.

## Import Highlights

Projected fiscal 2001 U.S. agricultural imports are about \$1 billion more than the actual value in fiscal 2000. Although U.S. economic growth is expected to moderate in 2001, the current and lagged effects of income gains and the dollar's strong buying power will keep U.S. import demand growing. Consumer spending in the United States is forecast to expand by a still-healthy 3 percent in 2001 after the brisk 5-percent rates of 1999 and 2000.

The sharp upward trend in U.S. imports of red meats and products in the past 2 years will slow in the coming year. Higher prices will more than offset a 1.5-percent decline in beef imports in 2001. U.S.

Table 5--U.S. agricultural imports: Value by commodity, 1997-2001

Commodity	Fiscal	Fiscal	Fiscal	Fiscal	Forecast	
	1997	1998	1999	2000	2001 Aug.	Nov.
Billion dollars						
Animals and products	6.403	6.788	7.039	8.143	8.4	8.2
Live animals, ex. poultry	1.505	1.650	1.411	1.737	1.9	1.8
Red meats and products	2.583	2.718	3.108	3.722	3.8	3.9
Dairy products	1.273	1.368	1.572	1.635	1.8	1.5
Grains and feeds	2.941	2.919	2.943	3.059	3.0	3.0
Grains	0.979	0.811	0.727	0.638	0.6	0.6
Feeds and products	1.962	2.108	2.216	2.421	2.4	2.4
Horticulture products	12.672	13.850	15.321	15.820	16.2	16.4
Fruits & preps., ex. juices	4.138	4.008	4.683	4.537	4.6	4.6
Bananas	1.218	1.214	1.212	1.128	1.2	1.2
Nuts and preparations	0.547	0.643	0.708	0.792	0.9	0.9
Vegetables and preps.	3.603	4.249	4.527	4.657	4.7	4.8
Wine and malt beverages	3.068	3.502	3.995	4.345	4.5	4.6
Nursery and cut flowers	0.974	1.082	1.076	1.165	1.2	1.2
Sugar and related products	1.869	1.675	1.578	1.541	1.5	1.7
Tobacco, unmanufactured	1.179	0.822	0.742	0.651	0.6	0.7
Oilseeds and products	2.138	2.109	1.899	1.873	1.8	1.9
Coffee and products	3.698	3.587	2.967	2.905	3.0	3.0
Cocoa and products	1.414	1.701	1.531	1.466	1.5	1.5
Rubber and allied gums	1.315	1.027	0.739	0.841	0.9	0.9
Other products	2.036	2.370	2.552	2.624	2.7	2.7
Total agric. imports 1/	35.665	36.848	37.310	38.923	39.5	40.0

1/ Total includes a small amount of miscellaneous products not elsewhere specified.

production of pork and poultry meats is forecast to rise, whereas beef production will fall 5 percent in 2001. Overall, U.S. production of red meat and poultry will be flat next year. Imports of cattle and other live animals, will slow due to lower cattle inventories and increased live slaughter in Canada. Cattle imports from Mexico are expected to rise slightly.

Projected imports of dairy products will be down about \$100 million in 2001, and also \$200 million below the August forecast. Unlike last year's 4-percent rise, dairy imports in fiscal 2001 will not be front-loaded because imports beyond the Tariff-Rate Quota (TRQ) are not expected in the first quarter. U.S. imports of animals and animal products next year are lowered to \$8.2 billion, \$200 million less than August's forecast.

Projections for grain and feed imports are unchanged from August and only slightly down from fiscal 2000's \$3.1 billion. Imports of grains, feeds and fodders, and grain preparations are anticipated to remain generally the same through next year. U.S. grain production is projected to be 3 percent higher in 2001 as higher coarse grain output offsets the decline in wheat production. The expected lower

Table 6--U.S. agricultural imports: Volume by commodity, 1997-2001

Commodity	Fiscal	Fiscal	Fiscal	Fiscal	Forecast	
	1997	1998	1999	2000	2001 Aug.	2001 Nov.
Million metric tons						
Fruit juices 1/	29.829	26.577	31.655	32.199	34.0	33.0
Wine and malt beverages	20.426	22.959	24.831	27.414	28.0	29.0
Red meats	1.140	1.230	1.403	1.555	1.6	1.5
Cheese and casein	0.254	0.263	0.304	0.315	0.3	0.3
Grains and feeds	7.093	6.431	6.457	5.790	5.8	5.8
Grains	5.643	5.101	5.276	4.532	4.6	4.5
Feeds and fodders	1.451	1.329	1.181	1.258	1.3	1.3
Fruits and preparations	6.918	7.345	7.942	8.115	8.3	8.3
Bananas	3.950	4.175	4.418	4.396	4.6	4.5
Nuts and preparations	0.203	0.236	0.229	0.251	0.3	0.3
Cane and beet sugar 2/	2.938	2.170	1.692	1.379	NA	1.5
Tobacco, unmanufactured	0.337	0.241	0.217	0.220	0.2	0.2
Oilseeds and products	3.681	4.189	3.767	4.069	3.8	4.1
Coffee and products	1.212	1.155	1.294	1.411	1.4	1.4
Cocoa and products	0.767	0.875	0.865	1.046	1.1	1.1
Rubber and allied gums	1.075	1.162	1.148	1.249	1.3	1.3

1/ Liquid imports are measured in hectoliters. All other imports exclude items measured in hectoliters, pieces, dozens, or numbers and include only items measured in metric tons. 2/ NA = not available; the 2001 sugar forecast was not available because the tariff-rate quota had not yet been announced.

corn imports will be offset by increases in imports of barley and oats. The smaller U.S. rice production estimate for 2001 will be partly offset by higher imports.

In value and volume, U.S. imports of oilseeds and products are raised slightly from fiscal 2000 and from August. Higher U.S. oilseed production next year will limit U.S. soybean imports. Imported soybean meal is expected to go up 15,000 tons, largely resulting from cross-border access to Canadian feed supply. While average oilseed product prices have higher range estimates in 2001, range estimates for soybean prices are only marginally up because of the continued rise in U.S. and world supply.

The value of horticultural imports is projected up \$200 million from August and \$600 million from 2000. World prices will remain relatively low as supplies remain abundant and as import demand, primarily from the United States, slows. The 3.6-percent rise in horticulture imports will be driven by continued healthy growth in U.S. consumer spending. High-value imports, such as wine and malt beverages, vegetables, nuts, and fruits, will continue to increase with the help of a strong dollar.

Beet and cane sugar imports for 2001 are estimated up by about 10 percent, largely due to increasing TRQ-related imports. Projected imports of unmanufactured tobacco, coffee, cocoa, and rubber products are either unchanged or marginally up in value and volume. The dollar's high exchange value, in effect, will help domestic food prices remain stable even as import costs modestly rise.

Imports are projected to expand mostly from neighboring countries, principally Canada and Mexico. Mexico's share continues to go up as NAFTA frees more products from import tariffs. The dollar's strength vis-à-vis the euro will again raise U.S. imports from the European Union. Other regions will maintain their export shares of the U.S. market, while modest increases are anticipated for Southeast Asia, South Asia, and the New Independent States.

Table 7--U.S. agricultural imports: Value by region, 1997-2001

Region	Fiscal 1997	Fiscal 1998	Fiscal 1999	Fiscal 2000	Forecast 2001 Nov.
Billion dollars					
Western Hemisphere	19.229	19.968	20.169	20.898	21.6
Canada	7.286	7.794	7.894	8.526	8.8
Mexico	3.940	4.667	4.828	4.991	5.3
Brazil	1.516	1.207	1.438	1.250	1.3
Colombia	1.348	1.360	1.189	1.163	1.2
Chile	0.753	0.756	0.918	0.974	1.0
Other South America	1.722	1.532	1.667	1.552	1.6
Central America	2.163	2.179	1.887	2.124	2.1
Costa Rica	0.740	0.752	0.843	0.798	0.8
Caribbean	0.502	0.473	0.349	0.318	0.3
Western Europe	7.091	7.440	7.979	8.296	8.5
European Union	6.909	7.260	7.807	8.104	8.3
Eastern Europe	0.252	0.225	0.227	0.228	0.2
New Independent States 1/	0.072	0.054	0.062	0.083	0.1
Asia, less Middle East	5.689	5.588	5.282	5.392	5.5
China	0.645	0.754	0.762	0.814	0.8
Southeast Asia	3.718	3.377	2.971	2.886	3.0
Indonesia	1.576	1.341	1.169	1.002	1.0
Thailand	0.897	0.760	0.689	0.762	0.8
South Asia	0.687	0.804	0.870	0.933	1.0
India	0.617	0.727	0.799	0.867	0.9
Oceania	1.824	2.062	2.164	2.665	2.7
Australia	0.925	1.102	1.134	1.516	1.5
New Zealand	0.852	0.909	0.950	1.106	1.1
Africa	0.868	0.965	0.862	0.882	0.9
Ivory Coast	0.223	0.393	0.295	0.291	0.3
Middle East	0.639	0.546	0.564	0.477	0.5
Turkey	0.509	0.408	0.382	0.311	0.3
TOTAL	35.665	36.848	37.310	38.923	40.0

1/ New Independent States (NIS) are the former Soviet Union, including the Baltic Republics.