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Outlook for U.S. Agricultural Trade

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Fiscal 2002 U.S. Agricultural Export Forecast Reduced \$2.5 Billion to \$54.5 Billion; Still Highest Since 1997

At \$54.5 billion, forecast fiscal 2002 U.S. agricultural exports drop \$2.5 billion from the August projection. Larger global supplies and slowing demand have reduced expected prices and the still strong U.S. dollar restricts U.S. export competitiveness. Except for poultry, the value forecast is reduced for all commodities. Export volume is lowered for soybeans, meats, and horticultural products, offsetting slight gains in corn and cotton volume. Nevertheless, year-to-year, the forecast value of grain, poultry, and horticultural exports still exceeds 2001, largely due to increased volume. Exports to the major U.S. markets in Asia and the Western Hemisphere are projected above 2001, despite slower economic growth.

U.S. agricultural imports remain at \$39 billion, unchanged from 2001 and August projections. The expected 2002 export surplus drops \$2.5 billion from the earlier forecast to \$15.5 billion, but remains \$1.6 billion above 2001.

Table 1--U.S. agricultural trade, fiscal years 1997-2002, year ending September 30

Item	1997	1998	1999	2000	2001	Forecast	
						Fiscal 2002 Aug.	Nov.
Billion dollars							
Exports	57.4	53.7	49.2	50.9	53.0	57.0	54.5
Imports	35.7	36.8	37.3	38.9	39.0	39.0	39.0
Balance	21.7	16.9	11.9	12.0	13.9	18.0	15.5

Reflects forecasts in the Nov. 9, 2001, *World Agricultural Supply and Demand Estimates* report.

Source: U.S. Department of Agriculture and Census Bureau, U.S. Department of Commerce.

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Economic Outlook

The U.S. and world economic slowdown in 2001 and 2002 will be both sharper and longer than initially anticipated. World growth is projected in the range of 1.5 percent for both years. U.S. growth for 2002 is likely to be below 1 percent for the first time in 10 years. Most of the world slowdown is directly and indirectly the result of the slowdown in the United States from a very high 4.1 percent in 2000 to approximately 1.5 percent in 2001. Thus, global recovery depends on renewed growth in the United States.

Developed Economies

The equity markets in the United States adjusted downward substantially in 2000 and 2001. However, as profit prospects for U.S. businesses and investment spending continue to lag into 2002, no rapid return to a bull market is anticipated. Business investment declined more than 18 percent between 2000 and 2001. Particularly pronounced is the decline in high-technology investment. Consumer spending and housing kept the United States out of a recession until the third quarter. Consensus projections forecast negative growth for the second half of 2001 and into early 2002 for the United States. Nevertheless, the dollar remains strong and is at near-record real levels. This higher dollar has encouraged strong U.S. import growth, continued high current account deficits, and has made U.S. exports less competitive.

Output growth in the European Union (EU) is now projected to slow to 1.7 percent for both 2001 and 2002. The euro continues to be weak against the dollar, raising import costs and increasing the competitiveness of EU products.

Japan is already in recession and likely to remain in recession in 2002. Japan's economy contracted because its export pace slackened and domestic demand remains weak. Despite the weakness of the yen over the past year, Japan's exports remain flat, reflecting the global economic slowdown.

Developing Economies

The developing countries, particularly those dependent on the United States for export markets, have experienced a significant slowdown in 2001. Return to robust growth will very much depend on renewed growth in the United States, which is the primary market for developing countries exports.

This problem is especially severe for Southeast Asian countries because they also depend on Japan's demand. The developing countries are expected to slow down from 5.6 percent growth in 2000 to 2.6 percent in 2001, then recover to 3 percent in 2002.

Overall growth in developing Asia is projected to decline from 6.8 to 3.9 percent in 2001, followed by modestly higher growth in 2002. Significant slowdowns have occurred in South Korea, Taiwan, Malaysia, the Philippines, and Thailand. The notable exceptions to significant slowing growth are China and India. In spite of the global slowdown, both of these economies continue to grow at very high levels of 7.5 and 5 percent in 2001, and continued strong growth is expected in 2002, largely due to the large size of these markets.

In Latin America, Argentina has the most serious problems, with its exchange rate pegged to the dollar and excessive debt. Faced with low oil prices and dependent on the U.S. market, prospects for Mexico's economy have also weakened.

In Africa, positive per capita income growth seems likely in 2002. This reverses decades of decay and negative income growth. However, growth in South Africa and several other countries may be negatively impacted by population losses due to AIDS.

Although there is some evidence of slowing, the transition economies, in general, are experiencing significant positive growth of around 4 percent a year after a decade of faltering and negative growth. A deceleration from 5.1 to 3.4 percent is forecast for the transition economies in 2001 followed by a slight increase to 3.8 percent in 2002.

Exchange Rates

The short-term outlook for the dollar remains strong despite significantly lower 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 lower domestic inflationary expectations and cause U.S. long-term real interest rates to remain relatively high. The continued strength of the dollar in the face of lower economic growth and lower interest rates portends problems for U.S. exports in a weak international market.

Export Products

The forecast for fiscal 2002 U.S. wheat and flour exports is lowered 500,000 tons from the August projection mainly due to greater than expected export competition from Australia and countries in the Black Sea region. This brings total wheat and flour exports to 28.5 million tons valued at \$4.0 billion. Despite this downward revision, the outlook for 2002 wheat export volume and unit prices remains an improvement over the previous year.

U.S. coarse grain exports are forecast at 58.8 million tons valued at \$6.2 billion. Compared with the August projection, volume is slightly increased, but total export value is somewhat lower due to weaker unit values. U.S. corn exports are raised 500,000 tons to 52.0 million tons, but export value is lowered \$300 million to \$5.4 billion due to larger U.S. supplies and reduced domestic prices. China remains an important competitor; its exports are now estimated at 4 million tons. But, the outlook for 2002 U.S. corn exports is a noticeable improvement over the previous year because of reduced competition from South American exports. Some increase in Canadian imports also supports higher exports.

The forecast for U.S. rice exports remains at 3.1 million tons. An upward revision in the size of the 2000/01 domestic crop will raise ending stocks. Export value remains unchanged at roughly \$700 million due to lower unit values.

A slight reduction in soybean volume and across-the-board cuts in the unit values of most products leads to a \$900-million downward revision in the export forecast for 2002 oilseeds and products. The outlook for U.S. soybean exports calls for 26.9 million tons valued at \$4.9 billion, or 200,000 tons and \$700 million less than the August projection. Foreign oilseed demand remains strong, but an expected record U.S. 2001/02 soybean crop, coupled with further sizable production gains and record crops in Brazil and Argentina, continue to pressure prices downward. Despite increased competition, the outlook calls for record U.S. soybean export volume, but most of the increase in U.S. supply will end up in stocks. The forecast for U.S. soybean meal and oil exports is largely unchanged. Slowing expansion in foreign vegetable oil supplies plus increased usage is expected to boost U.S. soybean oil exports sharply from the previous year.

The forecast for U.S. cotton exports is increased 100,000 tons to 2.1 million tons, but weaker unit values lower total value \$200 million to \$2.1 billion. A large U.S. crop, continued softening in domestic use, and low world prices shape the current situation. Compared with the previous year, the outlook for 2002 calls for no change in total export value despite a 400,000-ton increase in export volume.

The U.S. export forecast for livestock, poultry, and dairy products is lowered \$400 million from the August projection to \$12.4 billion. This would represent a 1-percent decrease from 2001 sales and the first year-over-year decline since the slump in sales from 1997 to 1999. This revision is largely due to reduced expectations for beef exports. U.S. beef shipments are lowered 85,000 tons to 755,000 tons largely due to Japan's falling demand for beef due to food safety concerns and economic recession. Pork export value is forecast slightly lower due to declining U.S. hog prices and stiff foreign competition in major overseas markets. The outlook remains positive for poultry meat exports, with volume expected to remain at a record 3.2 million tons supported by sales to Russia, China, and Mexico. Adequate cattle hide supplies and strong foreign demand, especially from China and Korea, support continued strong exports of U.S. hides and skins forecast at a record \$2.0 billion. Dairy exports remain unchanged at \$1.1 billion, as the positive effect of lower U.S. prices for dairy products is generally offset by weaker global demand.

The forecast for U.S. horticultural exports is lowered \$300 million from the August estimate to \$11.3 billion. However, this still represents a 2-percent increase over 2001, and the third year of solid growth since the 1998-99 slump. This revision is largely due to weaker economic conditions in the key markets--Japan, some other Asian markets, and Mexico. A continued strong U.S. dollar is also expected to restrain U.S. sales. Strong exports of citrus, table grapes, and cherries should compensate for reduced exports of apples and pears. Sales gains are expected for fresh lettuce, onions, and carrots. Substantial increases in the domestic almond and walnut crops should pressure prices lower but result in noticeably larger shipments.

Table 2--U.S. agricultural exports: value and volume by commodity, 1998-2002

Commodity	Fiscal 1998	Fiscal 1999	Fiscal 2000	Fiscal 2001	Forecast Fiscal 2002	
					Aug.	Nov.
Billion dollars						
VALUE						
Grains and feeds 1/	14.128	14.400	13.886	13.922	16.0	15.5
Wheat & flour	3.898	3.839	3.523	3.371	4.2	4.0
Rice	1.133	1.015	0.908	0.762	0.7	0.7
Coarse grains 2/	4.996	5.607	5.281	5.241	6.5	6.2
Corn	4.267	5.044	4.602	4.511	5.7	5.4
Feeds and fodders	2.412	2.240	2.479	2.761	2.9	2.8
Oilseeds and products	11.162	8.735	8.546	8.776	9.7	8.8
Soybeans	6.146	4.757	5.074	5.089	5.6	4.9
Soybean meal	1.944	1.066	1.226	1.373	1.3	1.3
Soybean oil	0.882	0.607	0.279	0.240	0.5	0.4
Livestock products	7.589	7.199	8.596	8.935	9.2	8.7
Beef, pork & variety meats	4.068	4.152	5.086	4.897	5.1	4.6
Hides & skins, incl. furs	1.359	1.113	1.476	1.954	1.9	2.0
Poultry & products	2.713	2.068	2.260	2.552	2.5	2.6
Poultry meat	2.348	1.755	1.962	2.228	2.2	2.3
Dairy products	0.895	0.873	0.951	1.073	1.1	1.1
Tobacco, unmanufactured	1.448	1.376	1.245	1.180	1.2	1.2
Cotton & linters	2.535	1.323	1.833	2.102	2.3	2.1
Seeds	0.805	0.807	0.789	0.741	0.8	0.7
Horticultural products	10.319	10.299	10.537	11.097	11.6	11.3
Fruits & preparations	3.197	3.275	3.361	3.507	3.7	3.6
Vegetables & preparations	2.806	2.820	2.988	3.043	3.2	3.1
Tree nuts & preparations	1.215	1.080	0.987	1.133	1.3	1.2
Sugar & tropical products	2.109	2.090	2.260	2.582	2.6	2.6
Major bulk product value 3/	20.056	17.817	17.764	17.645	20.4	19.0
Total value 4/	53.707	49.171	50.905	52.961	57.0	54.5
Million metric tons						
VOLUME						
Wheat	25.871	28.817	27.818	25.268	28.4	27.9
Wheat flour	0.460	0.951	0.812	0.500	0.6	0.6
Rice	3.314	3.086	3.310	3.077	3.1	3.1
Coarse grains 2/	44.023	57.720	56.535	55.214	58.5	58.8
Corn	37.755	51.949	49.371	48.180	51.5	52.0
Feeds & fodders	11.693	11.751	13.315	12.680	13.2	12.9
Oilseeds and products	36.166	33.698	36.173	37.016	38.0	38.1
Soybeans	23.395	23.029	26.058	26.569	27.1	26.9
Soybean meal	8.464	6.461	6.651	6.927	6.9	6.9
Soybean oil	1.397	1.076	0.624	0.636	1.1	1.1
Beef, pork & variety meats	1.576	1.629	1.888	1.942	1.9	1.8
Poultry meat	2.664	2.416	2.847	3.101	3.2	3.2
Animal fats	1.356	1.387	1.206	1.051	1.0	1.0
Tobacco, unmanufactured	0.208	0.205	0.183	0.176	0.2	0.2
Cotton & linters	1.602	0.919	1.539	1.693	2.0	2.1
Horticultural products	7.415	7.337	7.732	8.137	8.5	8.2
Sugar & tropical products	1.283	1.277	1.276	1.365	1.4	1.4
Total major bulk product volume 3/	98.412	113.776	115.443	111.997	119.3	119.0

1/ Includes pulses and processed grain products.

2/ Includes corn, barley, sorghum, oats, and rye.

3/ Includes wheat, rice, coarse grains, soybeans, cotton and linters, and tobacco.

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

Source: U.S. Department of Agriculture and Bureau of Census, U.S. Department of Commerce.

Export Programs

Export Subsidy Programs

Activated allocations under the Dairy Export Incentive Program (DEIP) in marketing year July 2001 through June 2002 totaled 3,030 metric tons of cheese and 68,201 metric tons of nonfat dry milk. As of November 23, 2001, marketing year awards under DEIP totaled 3,030 metric tons of cheese with a bonus value of \$1.8 million and 4,494 metric tons of nonfat dry milk with a bonus value of \$1.1 million.

CCC Export Credit Guarantee Programs

Country allocations for fiscal 2002 under the export credit guarantee programs (GSM-102, GSM-103, the Supplier Credit Guarantee Program (SCGP), and the Facility Guarantee Program (FGP)) total \$5 billion as of November 16, 2001. Sales approvals of about \$480 million are about 28 percent higher than fiscal 2001 approvals at the same time last year. Since October 1, 2002, credit guarantee approvals are approximately \$435 million for GSM-102 and \$45 million for SCGP. As of the same date no sales have been approved for the GSM-103 or for FGP.

Country allocations for fiscal 2001 totaled about \$5.5 billion as of September 30, 2001. Sales approved totaled about \$3.2 billion. Approvals were approximately \$3 billion for GSM-102; \$43 million for GSM-103; and \$226 million for SCGP.

U.S. Food Aid Programs

Preliminary planned programming for fiscal year 2002 under PL 480 Title I and Title I-funded Food for Progress is valued at \$135 million. This includes allocations for 10 countries under the Title I concessional sales program and four countries under the Title I-funded Food for Progress, with total commodity assistance estimated at 700,000 tons of food. Additional programming will be possible later in the fiscal year.

For the Commodity Credit Corporation-funded Food for Progress, the preliminary fiscal year 2002 programming level is \$90 million for the cost of

about 270,000 tons of commodity, transportation, and administrative costs. Programs are planned for 24 countries.

Initially Section 416(b) programming for fiscal year 2002 is limited to the carryover agreements from fiscal year 2001. A total of about 830,000 tons valued at \$300 million will be provided under these carryovers. Information on Title II programs for 2002 is not yet available.

Final figures for PL 480 Title I and Title I-funded Food for Progress for fiscal year 2001 show a total of eight countries at a value of \$105.2 million and 755,000 tons under PL 480 Title I. An additional nine countries, and 147,700 tons valued at \$35.4 million was provided in fiscal year 2001 via Title I-funded Food for Progress.

Fiscal 2001 Commodity Credit Corporation-funded Food for Progress totaled 22 programs to 12 countries for about 125,000 tons valued at \$88 million. And, a total of 3.1 million tons valued at \$1.2 billion was provided under Section 416(b). These programs were implemented via the World Food Program (39 countries), private voluntary organizations (19 countries) and under 11 government agreements. This includes 38 of the 49 pilot programs under the Global Food for Education (GFE) initiative. The remaining 11 GFE programs will be initiated in fiscal year 2002.

Appropriations for the Title II program in fiscal 2001 were estimated at \$835.2 million, up nearly 5 percent from the previous year. An almost even split occurred in allocations between the development and emergency components of the program. Commodity allocations likely totaled more than 2.1 million tons, about half of which targeted Sub-Saharan Africa. Wheat and wheat products accounted for more than half this total. Allocations to Bangladesh and Ethiopia – the largest recipients – equaled about 300,000 tons each.

Regional Exports

Two-thirds of the \$1.5 billion increase over 2001 forecast in 2002 U.S. agricultural exports is projected to go to Asia. Some of the gain also will go to Canada, Mexico, and Africa. Exports to Asia are projected up \$1 billion to \$21.2 billion, a 5-percent gain. Expected exports to the Western Hemisphere rise by \$600 million to \$20.3 billion. And the relatively strong economic growth expected for Africa pushes forecast exports to that region up nearly \$200 million as well. Exports to other regions are forecast virtually the same as 2001.

China and Hong Kong account for much of the growth expected in 2002 U.S. exports to Asia. Exports to China are forecast to increase by more than \$400 million, to reach \$2.3 billion, while exports to Hong Kong rise to \$1.4 billion, a \$140-million gain. Continued robust economic growth prospects in China are mainly responsible for these gains. Hong Kong will continue to function as an important importer for re-export into China. Soybeans remain the most important U.S. export to China in 2002.

Modest export gains also are projected to South Korea and some of the countries in Southeast Asia. Forecast low production of grains and oilseeds in Canada is providing the United States an opportunity to increase share in these markets. U.S. wheat exports to these countries also are expected to be strong.

Exports to Japan, the number one U.S. agricultural market, are likely to remain sluggish, as Japan's economy struggles to recover from recession. Exports of beef to this market will drop in value as Japan reduces beef imports. Exports to Japan in 2002 are forecast at \$9 billion, about \$50 million over 2001. As in other Asian countries, Japan is expected to take significant quantities of U.S. coarse grains and oilseeds in 2002.

Gains also are expected to the other two major U.S. markets, Canada and Mexico. Canada is likely to continue large imports of U.S. fresh fruits and vegetables. In addition, Canada is expected to import

record amounts of U.S. corn due to its poor corn and barley crops. Forecast exports to Canada are \$8.5 billion, a \$500-million gain.

Exports to Mexico are not likely to expand as much as in previous years. Mexico's import financing depends highly on its own exports to the United States and these are expected to be slowing. Exports to Mexico are projected at \$7.7 billion in 2002, \$300 million above 2001. Mexico also will be a large importer of U.S. coarse grains and oilseeds in 2002.

U.S. exports to the remainder of the Western Hemisphere, particularly to Central America and the Caribbean, but also to much of South America, are forecast to decline in 2002. Many of these economies also are highly dependent on exports to the United States to earn foreign exchange to pay for imports. And some economies in this region have currencies tied to the U.S. dollar and are adversely affected by the dollar's strength.

Soybeans will continue to be a large 2002 export to Western Europe, the fourth largest U.S. market. But, exports there are forecast at \$6.7 billion, slightly less than in 2001. Slowing economic growth will be a factor.

Exports to Africa are projected at \$2.3 billion in 2002. Gains in exports to Africa will be split between North Africa and Sub-Saharan. Egypt and other North African countries are likely destinations for more corn exports. Sub-Saharan countries are projected to take an increased quantity of U.S. wheat.

Wheat and corn are important exports to the Middle East. But, exports to this region slip to a forecast \$2.1 billion.

Projected exports to the New Independent States and Eastern Europe are little changed from 2001, at \$1 billion and \$200 million, respectively. Poultry exports to this entire region are projected up sharply and may account for as much as one-third of U.S. poultry exports in 2002.

Table 3--U.S. agricultural exports: value by region, 1998-2002

Region	Fiscal 1998	Fiscal 1999	Fiscal 2000	Fiscal 2001	Forecast Fiscal 2002 Nov.
Billion dollars					
Asia (excluding Mid East)	19.703	18.463	19.688	20.175	21.2
Japan	9.462	8.933	9.353	8.953	9.0
China	1.515	1.011	1.474	1.884	2.3
Hong Kong	1.568	1.264	1.255	1.258	1.4
Taiwan	1.975	2.047	2.011	1.992	2.0
South Korea	2.257	2.482	2.569	2.581	2.7
Southeast Asia	2.293	2.218	2.602	2.929	3.1
Indonesia	0.530	0.499	0.681	0.882	0.9
Philippines	0.751	0.735	0.866	0.838	0.9
Malaysia	0.310	0.332	0.284	0.366	0.4
Thailand	0.452	0.409	0.492	0.537	0.6
South Asia	0.626	0.499	0.416	0.572	0.7
Western Hemisphere	18.368	17.446	18.159	19.707	20.3
Canada	7.013	6.951	7.520	8.010	8.5
Mexico	5.953	5.672	6.329	7.416	7.7
Caribbean	1.487	1.453	1.457	1.396	1.3
Central America	1.137	1.209	1.129	1.187	1.1
South America	2.777	2.161	1.724	1.698	1.7
Brazil	0.563	0.366	0.253	0.219	0.2
Colombia	0.607	0.468	0.427	0.442	0.5
Venezuela	0.515	0.458	0.404	0.416	0.4
Western Europe	8.858	7.528	6.712	6.777	6.7
European Union	8.521	6.958	6.373	6.264	6.3
Central & Eastern Europe	0.320	0.190	0.167	0.191	0.2
New Independent States 1/	1.455	0.881	0.937	1.032	1.0
Russia	1.103	0.532	0.674	0.826	0.8
Middle East	2.285	1.978	2.363	2.192	2.1
Turkey	0.658	0.448	0.701	0.562	0.6
Saudi Arabia	0.534	0.468	0.482	0.471	0.5
Africa	2.175	2.160	2.272	2.131	2.3
North Africa	1.475	1.468	1.565	1.464	1.6
Egypt	0.939	1.002	1.094	1.004	1.1
Sub-Saharan Africa	0.699	0.693	0.707	0.668	0.7
Oceania	0.548	0.502	0.490	0.474	0.5
Transshipments 2/	0.000	0.000	0.123	0.282	0.2
Total 2/	53.707	49.171	50.905	52.961	54.5

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.

Source: U.S. Department of Agriculture and Bureau of Census, U.S. Department of Commerce.

Import Products

Notwithstanding the strong dollar, weak U.S. economic growth and continued low commodity prices keep U.S. agricultural imports in fiscal 2002 at \$39 billion, equal to fiscal 2001. Import demand, which normally responds to macroeconomic developments with a lag of 6 months to a year, likely will remain flat, not unlike in 1992 after the last U.S. recession. U.S. demand for two of the largest imported food groups—horticulture products and tropical commodities—is forecast to remain unchanged in value and volume from the August 2001 projections.

Horticulture imports in 2002 will amount to \$16.7 billion, \$100 million more than the August forecast, and about \$300 million more than fiscal 2001. Fresh vegetable and fruit imports are each expected to rise by about \$100 million above the August forecast and continue the historical upward trend. However, because of weaker U.S. demand, low commodity prices, and the strong dollar, imports of nuts and cut flowers should decline from August estimates by about \$200 million, offsetting the projected rise in fruits and vegetables.

Import volumes of fruit juices and wine are expected to fall from the August 2001 projections, as weak consumer spending keeps the current forecasts closer to fiscal 2001 levels. Fruit juice and wine imports are projected to drop because the relatively higher prices make them more responsive to economic fluctuations. In general, imports of processed products decline faster than raw commodity imports as weaker economic conditions curtail overall demand.

U.S. imports of tropical products are forecast at about \$6.1 billion in 2002. Import forecasts for coffee, cocoa, rubber and gums, bananas, and other

non-competitive products are expected to be the same as August's projections. However, compared with fiscal 2001 imports, the current forecasts are about \$200 million less. Except for bananas, the lower projected value for tropical imports is partly due to continued weak commodity prices, especially for coffee.

Grain and grain product imports are forecast to be \$3.2 billion in 2002, equal to fiscal 2001's actual value. The \$100-million decline from the August projection is explained by slightly higher expected prices for most grains, except for rice. In volume, however, U.S. grain imports are projected to drop by about 300,000 tons from fiscal 2001 due to smaller imports of oats and barley. A prolonged widespread drought cut Canadian production sharply, thereby decreasing exportable supplies, especially of quality oats and malting barley.

Lower prices for imported vegetable oils, except rapeseed (canola) oil, lead to reductions from August in both volume and value estimates for oilseeds and products in 2002. Nonetheless, the value of oilseeds and product imports in 2002 still is expected to exceed 2001.

Imports of animal and animal products are expected to equal fiscal 2001's \$9 billion, which is \$100 million larger than the most recent forecast. The \$100-million projected increase is due to import gains for red meats. Hog imports are expected to increase again, but lower projected cattle shipments results in steady live animal import value.

Table 4--U.S. agricultural imports: value and volume by commodity, 1998-2002

Commodity	Fiscal 1998	Fiscal 1999	Fiscal 2000	Fiscal 2001	Forecast	
					Fiscal 2002	
					Aug.	Nov.
Billion dollars						
VALUE						
Animals and products	6.788	7.039	8.145	9.033	8.9	9.0
Live animals, except poultry	1.650	1.411	1.737	2.198	2.2	2.2
Red meats and products	2.718	3.108	3.724	4.091	4.1	4.2
Dairy products	1.368	1.572	1.635	1.724	1.7	1.7
Grains and feeds	2.919	2.943	3.058	3.186	3.3	3.2
Grains	0.811	0.727	0.638	0.684	0.8	0.7
Grain products and feeds	2.467	2.446	2.516	2.608	2.5	2.5
Horticulture products 1/	13.850	15.321	15.820	16.430	16.6	16.7
Fruits & preps., and juices	4.008	4.683	4.537	4.607	4.6	4.7
Bananas	1.214	1.212	1.128	1.156	1.2	1.2
Nuts and preparations	0.643	0.708	0.792	0.655	0.8	0.7
Vegetables and preparations	4.249	4.527	4.657	5.181	5.2	5.3
Wine and malt beverages	3.502	3.995	4.345	4.523	4.7	4.6
Nursery and cut flowers	1.082	1.076	1.165	1.156	1.2	1.1
Sugar and related products	1.675	1.577	1.540	1.624	1.6	1.6
Tobacco, unmanufactured	0.822	0.742	0.651	0.648	0.7	0.7
Oilseeds and products	2.109	1.899	1.873	1.689	2.0	1.9
Coffee and products	3.587	2.967	2.905	1.762	1.7	1.7
Cocoa and products	1.701	1.531	1.466	1.390	1.3	1.3
Rubber and gums	1.027	0.739	0.841	0.668	0.6	0.6
Other noncompetitive imports 2/	1.334	1.301	1.384	1.334	1.3	1.3
Other competitive imports 3/	1.036	1.251	1.240	1.264	1.3	1.3
Total agricultural imports	36.848	37.310	38.923	39.029	39.0	39.0
Million metric tons						
VOLUME						
Fruit juices 4/	26.577	31.655	32.199	29.282	29.2	28.0
Wine and malt beverages 4/	22.959	24.831	27.414	29.680	32.4	30.0
Red meats and products	1.230	1.403	1.555	1.600	1.6	1.6
Cheese and casein	0.263	0.304	0.315	0.301	0.3	0.3
Grains and feeds	6.431	6.457	5.771	6.114	6.2	5.7
Grains	5.101	5.276	4.532	4.901	4.9	4.6
Feeds and fodders	1.329	1.181	1.240	1.212	1.3	1.1
Fruits and preparations	7.345	7.942	8.115	7.861	8.0	8.0
Bananas	4.175	4.418	4.396	4.093	4.1	4.1
Nuts and preparations	0.236	0.229	0.251	0.262	0.3	0.3
Vegetables, fresh or frozen	3.786	3.733	3.755	4.022	4.0	4.1
Cane and beet sugar	2.170	1.692	1.379	1.381	1.5	1.4
Tobacco, unmanufactured	0.241	0.217	0.220	0.211	0.2	0.2
Oilseeds and products	4.189	3.767	4.069	4.077	3.9	3.8
Vegetable oils	1.884	1.637	1.772	1.930	1.6	1.6
Coffee and products	1.155	1.294	1.411	1.213	1.2	1.2
Cocoa and products	0.875	0.865	1.046	0.898	0.9	0.9
Rubber and gums	1.162	1.148	1.249	1.059	1.1	1.0

1/ Includes essential oils. 2/ Includes tea, spices, and natural drugs. 3/ Includes nonalcoholic beverages, seeds, and other vegetable products. 4/ Liquid imports are measured in hectoliters. All other imports include only items measured in metric tons.

Totals may not add due to rounding. Sources: U.S. Department of Agriculture and Census Bureau, U.S. Department of Commerce.

Regional Imports

By geographic distribution, U.S. imports of farm products are expected to increase slightly over 2001 for Canada, Mexico, and Australia. Countries from which compensating import declines are expected include the European Union (EU), South America, and Asia. These changes are similar to the pattern in 2001 over 2000.

Continued strong U.S. demand for red meat, vegetables, fruits, and beer confer advantages on Canada, Mexico, and Australia. On the other hand, weak commodity prices and domestic import demand likely will cause drops in import value from South America, Southeast Asia, and the EU.

Table 5--U.S. agricultural imports: value by region, 1998-2002

Region	Fiscal 1998	Fiscal 1999	Fiscal 2000	Fiscal 2001	Forecast Fiscal 2002 Nov.
Billion dollars					
Western Hemisphere	19.968	20.169	20.898	21.483	21.6
Canada	7.794	7.894	8.526	9.520	9.7
Mexico	4.667	4.828	4.991	5.312	5.5
South America	4.854	5.211	4.939	4.377	4.3
Brazil	1.207	1.438	1.250	0.985	1.0
Colombia	1.360	1.189	1.163	0.962	1.0
Chile	0.756	0.918	0.974	1.023	1.1
Other South America	1.532	1.667	1.552	1.406	1.4
Central America	2.179	1.887	2.124	1.933	1.9
Costa Rica	0.752	0.843	0.798	0.817	0.8
Caribbean	0.473	0.349	0.318	0.342	0.4
Western Europe	7.440	7.979	8.296	8.116	8.0
European Union	7.260	7.807	8.103	7.915	7.8
Eastern Europe	0.225	0.227	0.228	0.249	0.3
New Independent States 1/	0.054	0.062	0.083	0.081	0.1
Asia, less Middle East	5.588	5.282	5.392	4.787	4.7
China	0.754	0.762	0.814	0.788	0.8
Southeast Asia	3.377	2.971	2.886	2.511	2.4
Indonesia	1.341	1.169	1.002	0.858	0.8
Thailand	0.760	0.689	0.762	0.726	0.7
South Asia	0.804	0.870	0.933	0.746	0.7
India	0.727	0.799	0.867	0.689	0.6
Oceania	2.062	2.164	2.665	3.072	3.2
Australia	1.102	1.134	1.516	1.799	1.9
New Zealand	0.909	0.950	1.106	1.228	1.3
Africa	0.965	0.862	0.882	0.757	0.7
Ivory Coast	0.393	0.295	0.291	0.163	0.1
Middle East	0.546	0.564	0.477	0.483	0.5
Turkey	0.408	0.382	0.311	0.294	0.3
TOTAL	36.848	37.310	38.923	39.029	39.0

Totals may not add due to rounding.

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

Source: U.S. Department of Agriculture and Census Bureau, U.S. Department of Commerce.

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