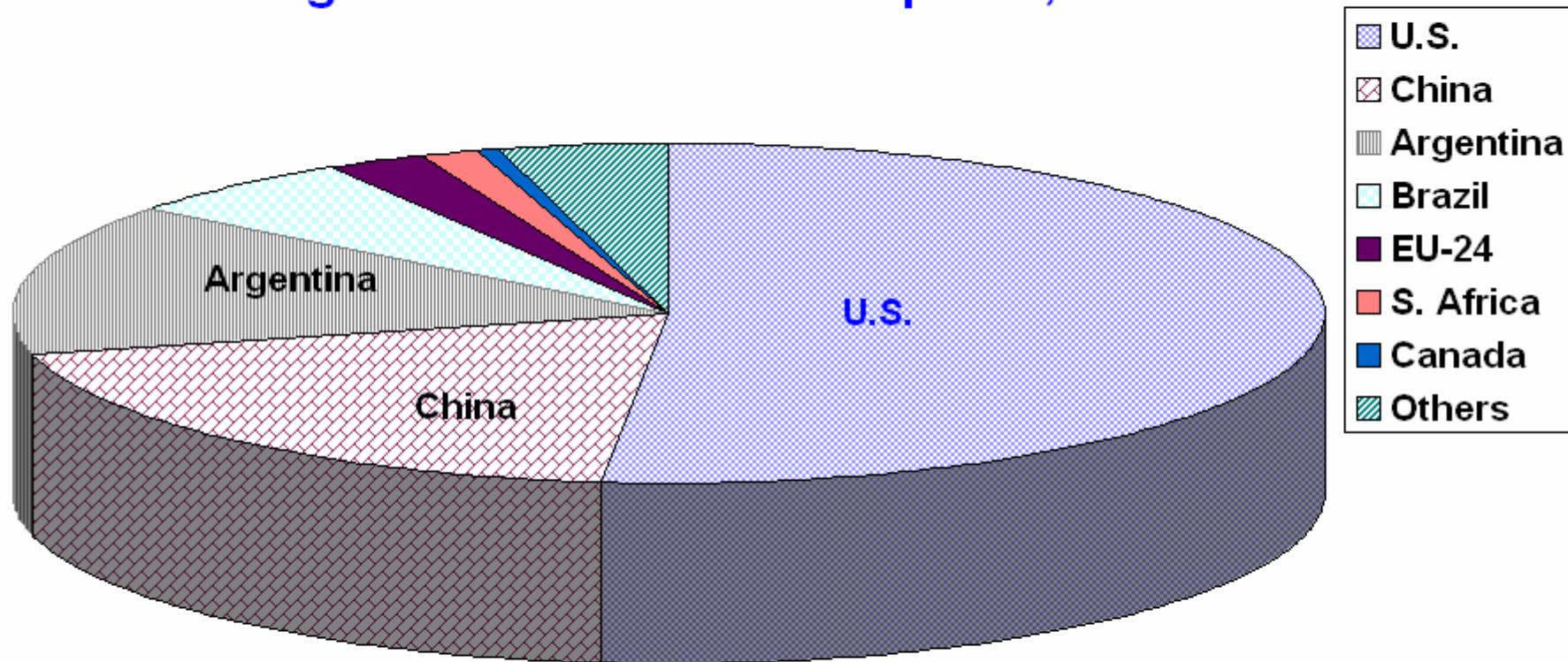


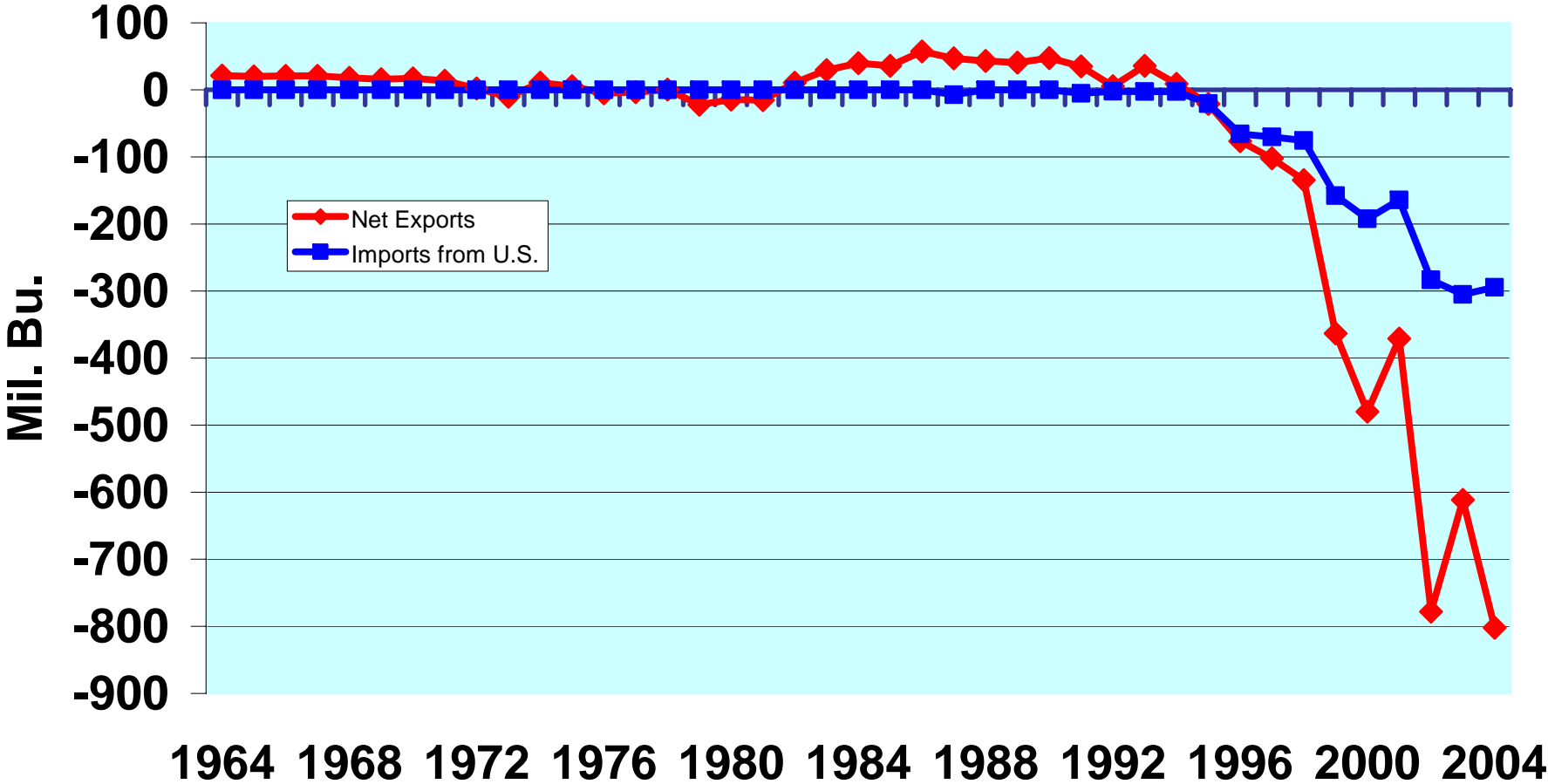
# **Will China Shift From Corn Exporter to Importer?**

- **Widely expected, but jury is still out**
- **If so, has major implications for U.S. agriculture**
- **Very positive for corn growers**
- **Would require U.S. crop rotation adjustments**
- **Implications: Less positive for U.S. livestock producers & ethanol**
- **Major implications for input suppliers to agriculture**

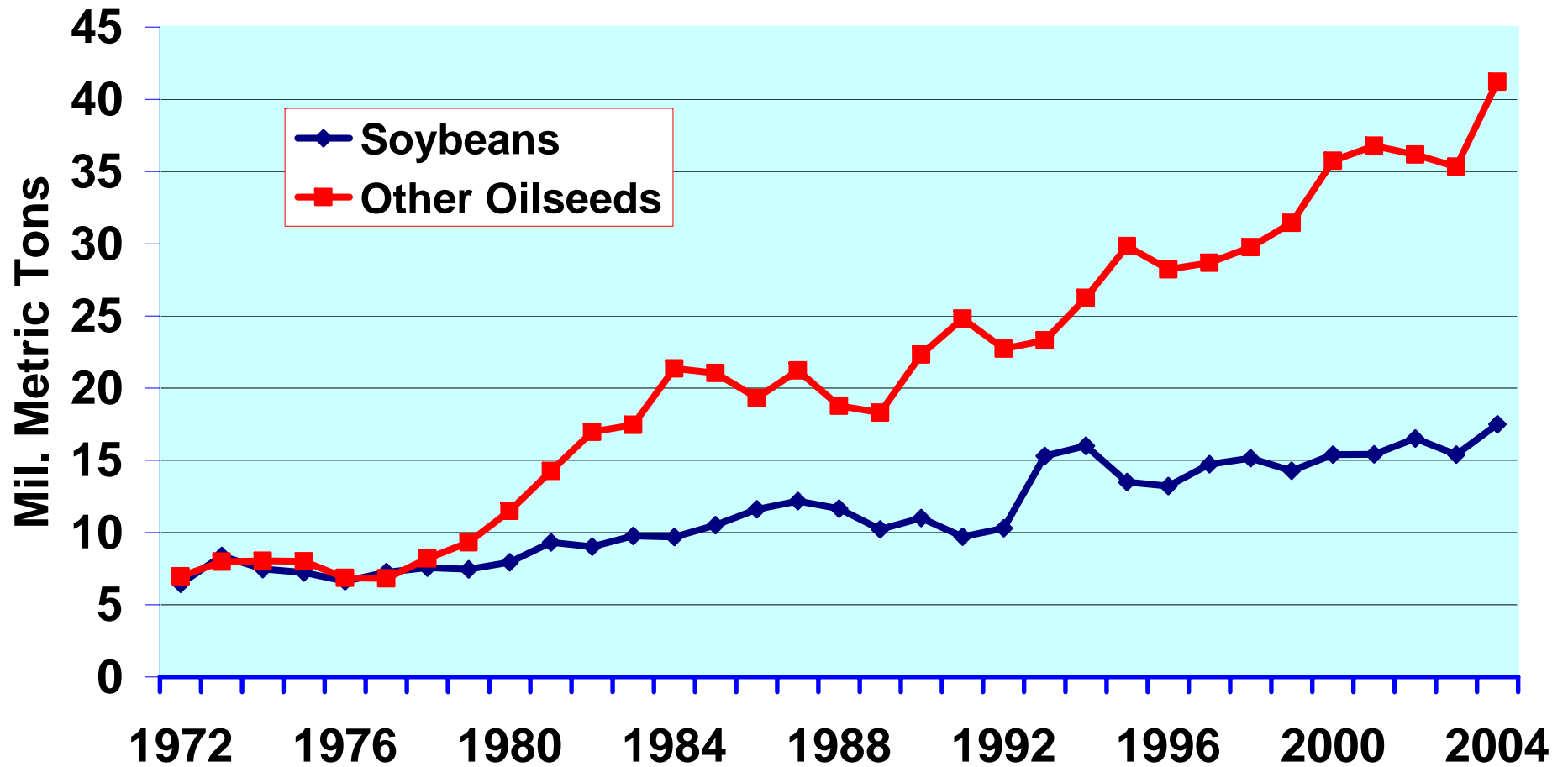
Figure 1. World Corn Exports, 2002-03



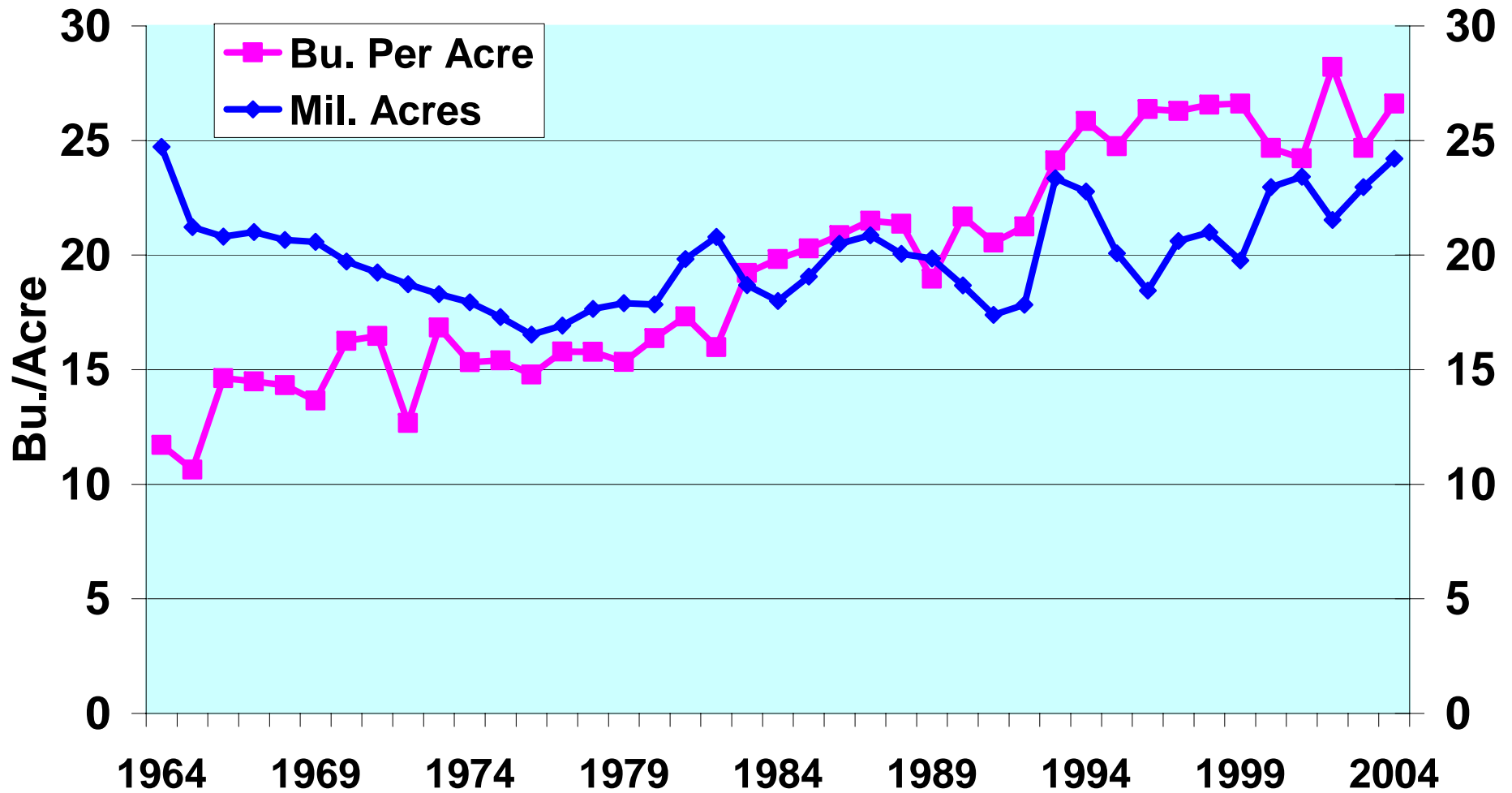
# China Net Soybean Exports & Imports from U.S.



# China Soybean & Other Oilseed Production



# China Soybean Acres & Yields



**Figure 5. China's Net Corn Imports, 1970-2003 Marketing Years & Projected 2004**

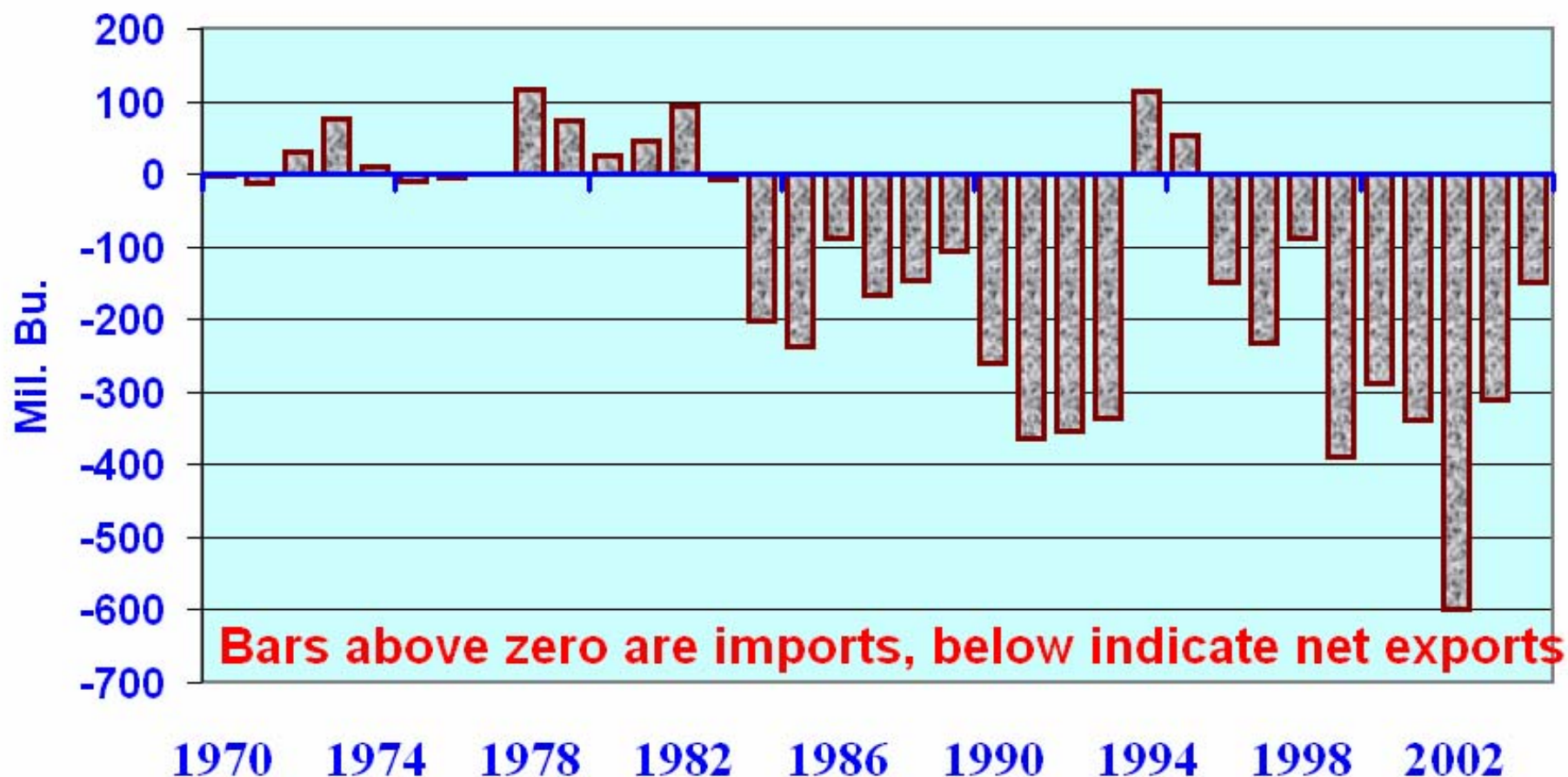
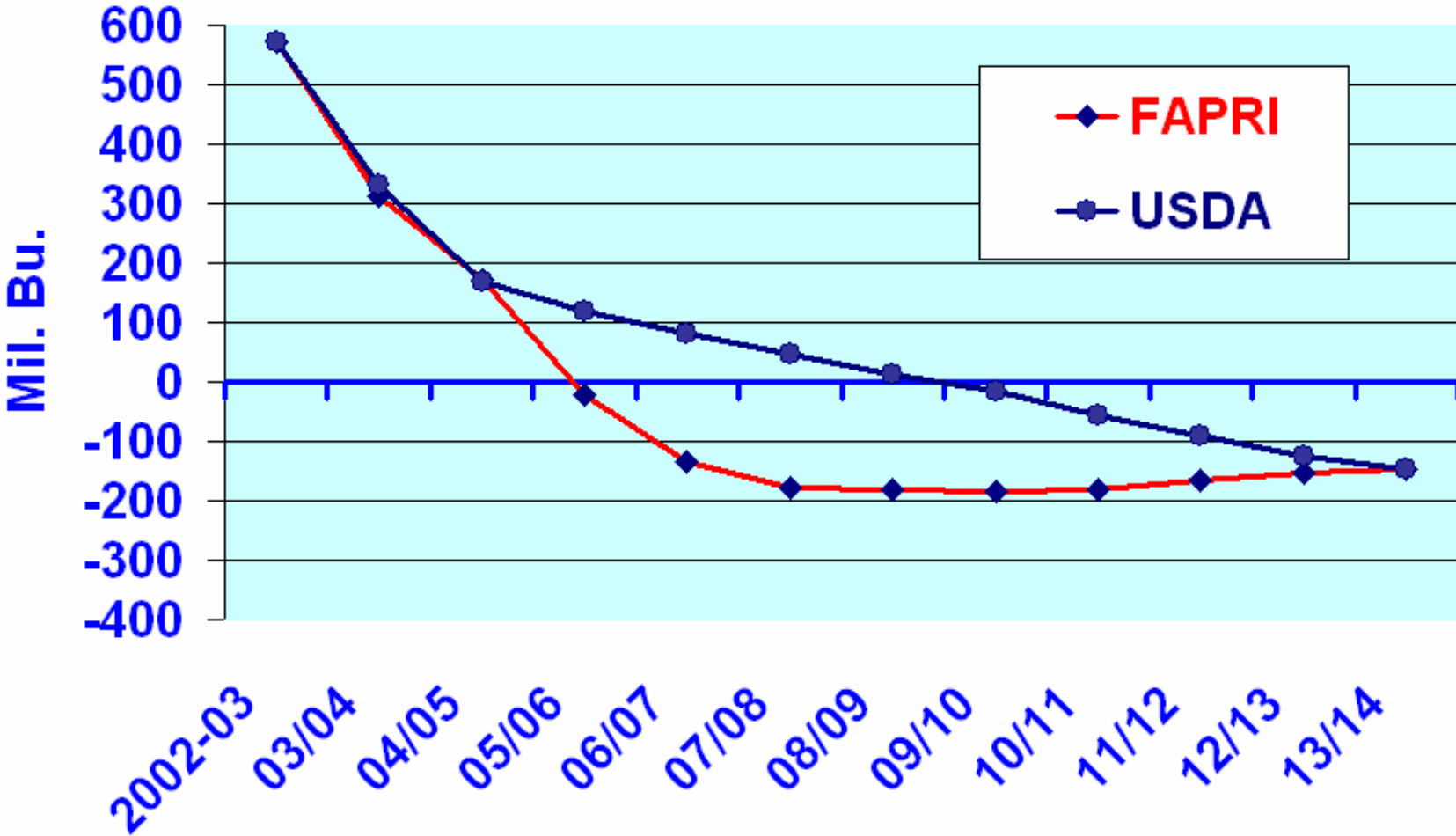
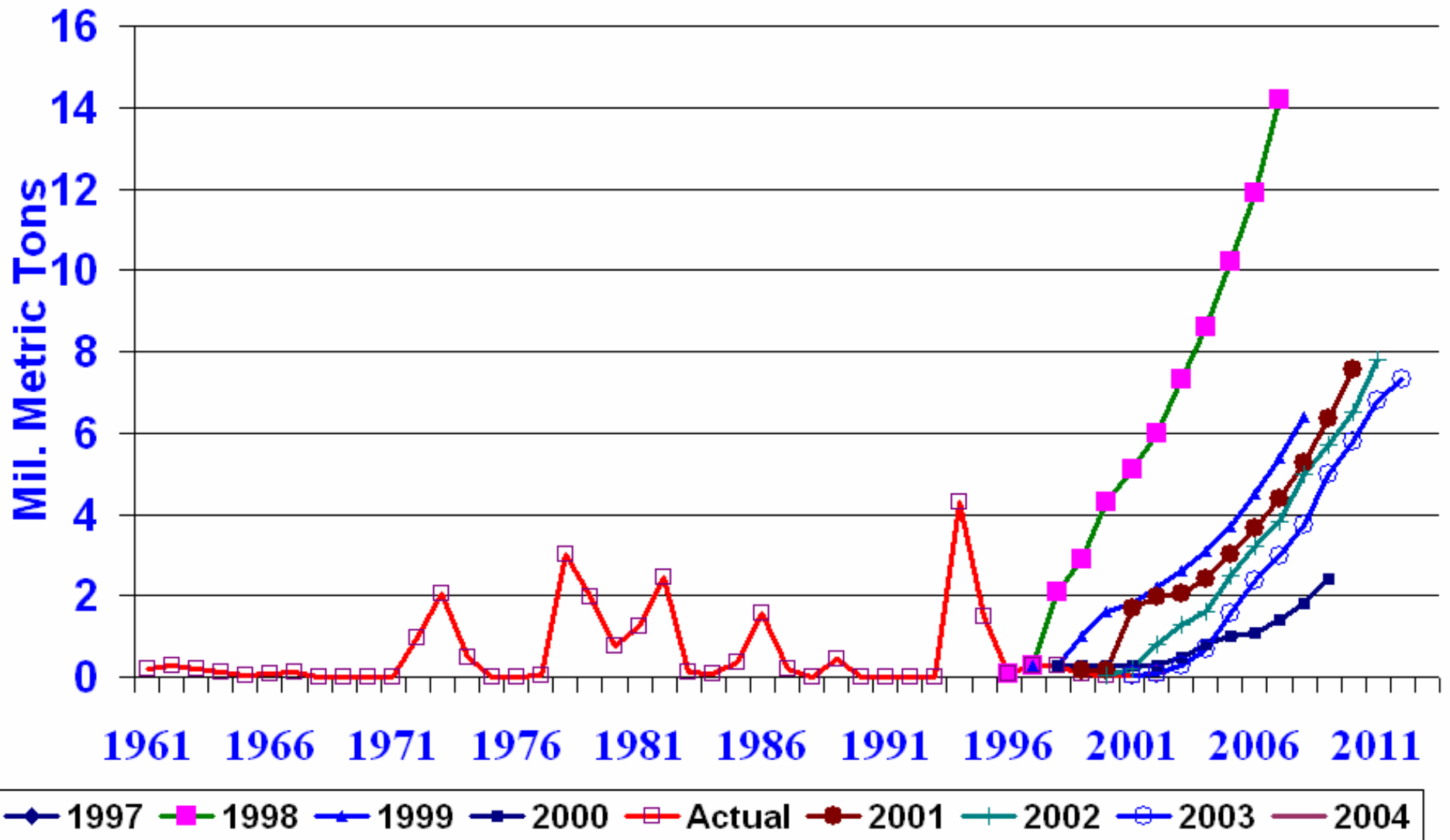


Figure 7. Ten-Year China Net Corn Export Projections, FAPRI and USDA, 2004



**Figure 6. China Gross Corn Imports & USDA Projections**



# Table 1. USDA, WAOB Chinese Corn Export Projections

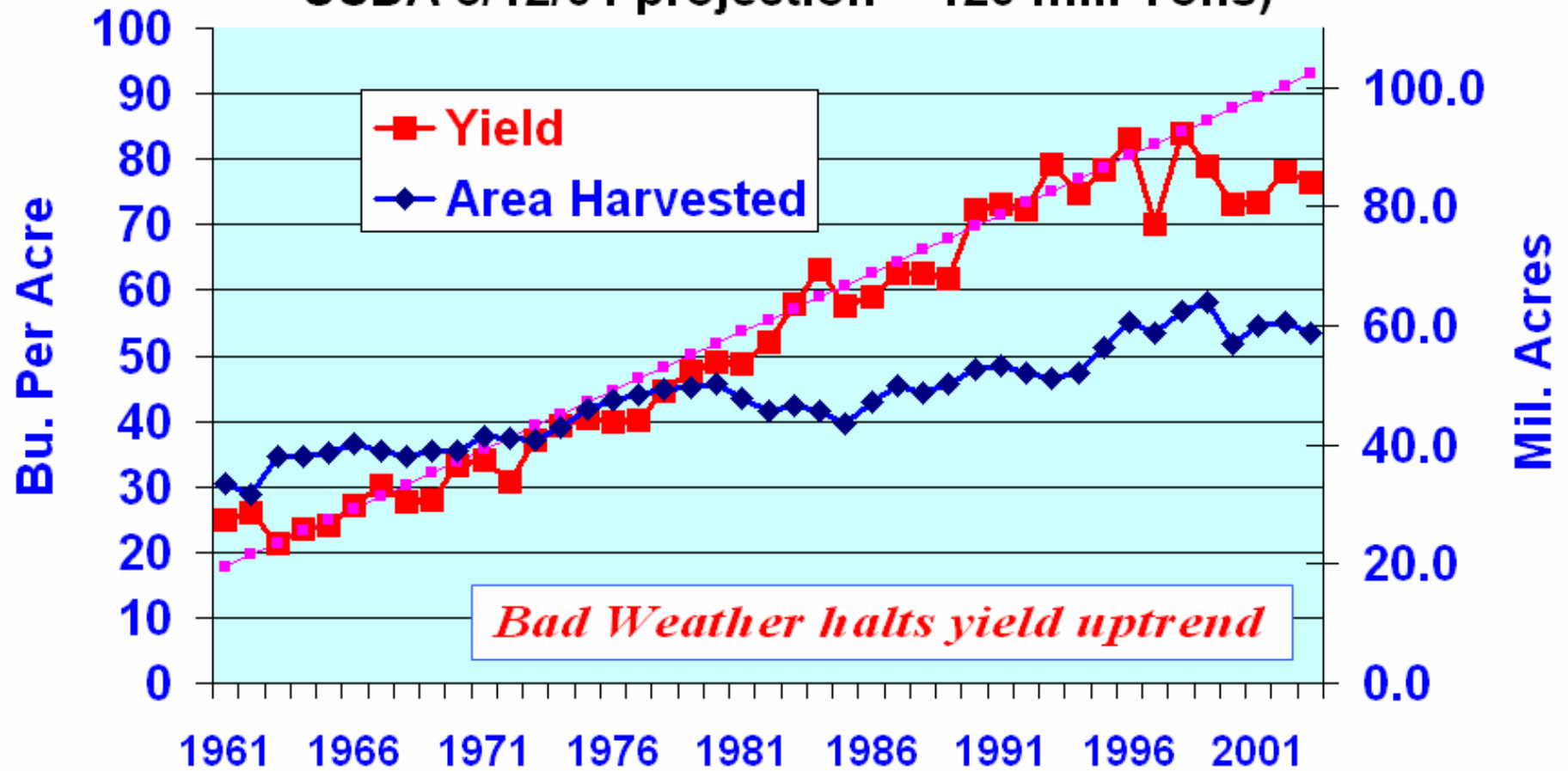
<b>Minus = projection too low</b>		<b>(Percent Error)</b>	
<b>Marketing</b>		<b>October</b>	<b>March</b>
<b>Year Beginning</b>		<b>(early in season)</b>	<b>(mid-way)</b>
<b>2003</b>		<b>+13%</b>	<b>+7 %</b>
<b>2002</b>		<b>-38%</b>	<b>-21%</b>
<b>2001</b>		<b>-54%</b>	<b>-65%</b>
<b>2000</b>		<b>-45%</b>	<b>-18%</b>
<b>1999</b>		<b>-50%</b>	<b>-20%</b>
<b>1998</b>		<b>20%</b>	<b>20%</b>
<b>1997</b>		<b>-59%</b>	<b>-19%</b>
<b>1996</b>		<b>-88%</b>	<b>-75%</b>
<b>1995</b>		<b>596%</b>	<b>552%</b>
<b>Avg.</b>		<b>-36%</b>	<b>-21%</b>

**Data Source: WAOB web site: <http://usda.mannlib.cornell.edu/>**

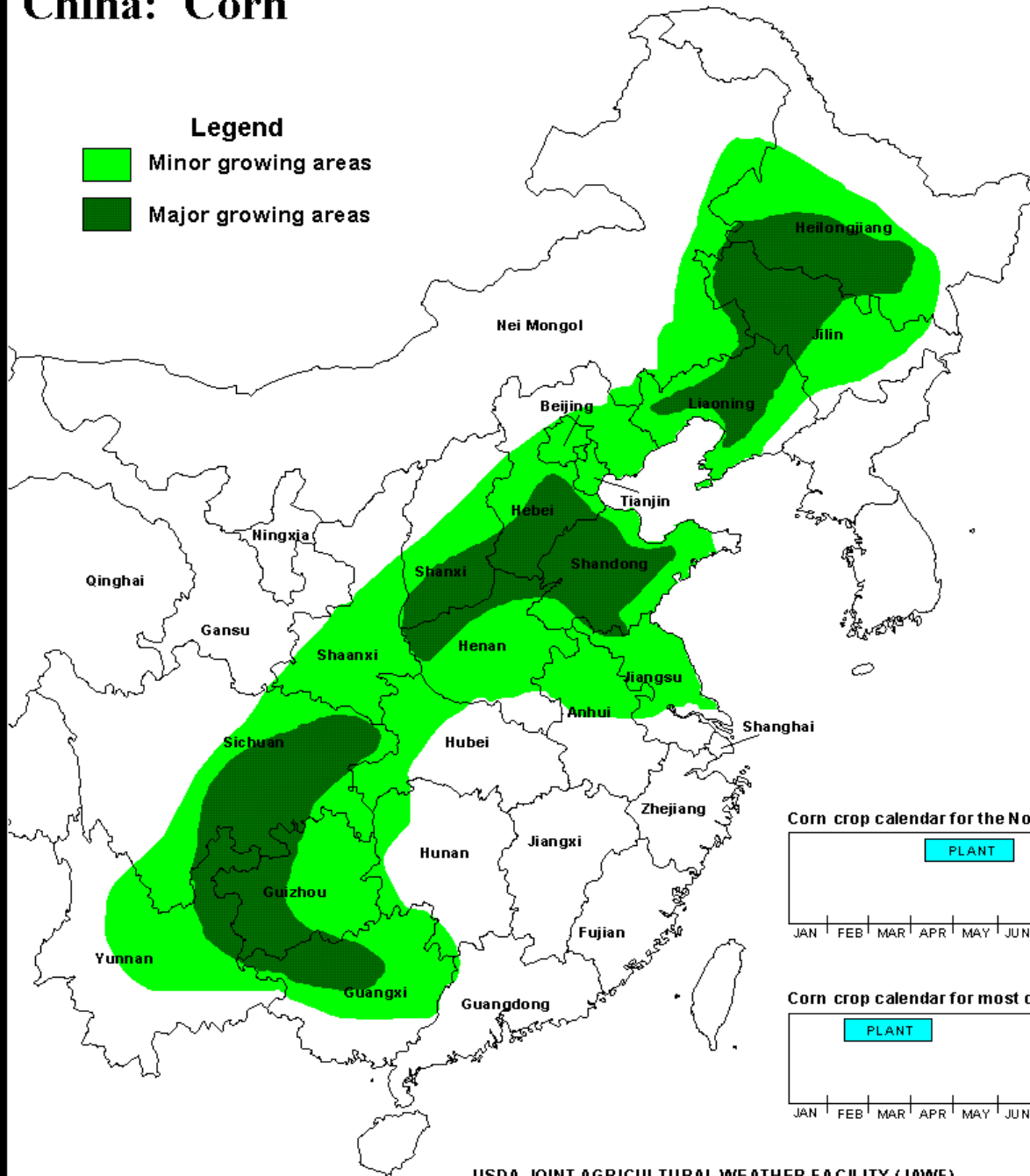
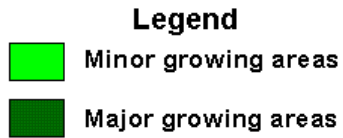
# Figure 3. China corn yield & area harvested

Source of data: USDA PS&D

(2004 Trend yield & 2003 Harv. A. = 141.5 Mil. Tons  
USDA 8/12/04 projection = 120 mil. Tons)



# China: Corn

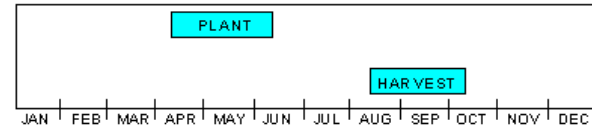


**Percent of corn production by province (1993-1997)**

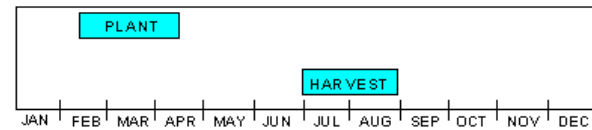
Jilin	13.3%
Shandong	12.6%
Heilongjiang	10.9%
Hebei	9.9%
Henan	8.3%
Liaoning	7.5%
Sichuan	6.1%
Nei Mongol	5.3%
Shanxi	3.4%
Shaanxi	3.2%
Yunnan	3.1%
Jiangsu	2.3%
Guizhou	2.3%
Xinjiang	2.3%
Anhui	2.1%
Guangxi	1.4%
Gansu	1.4%
Hubei	1.3%
Beijing	1.2%

These provinces account for 97.9% of total production.

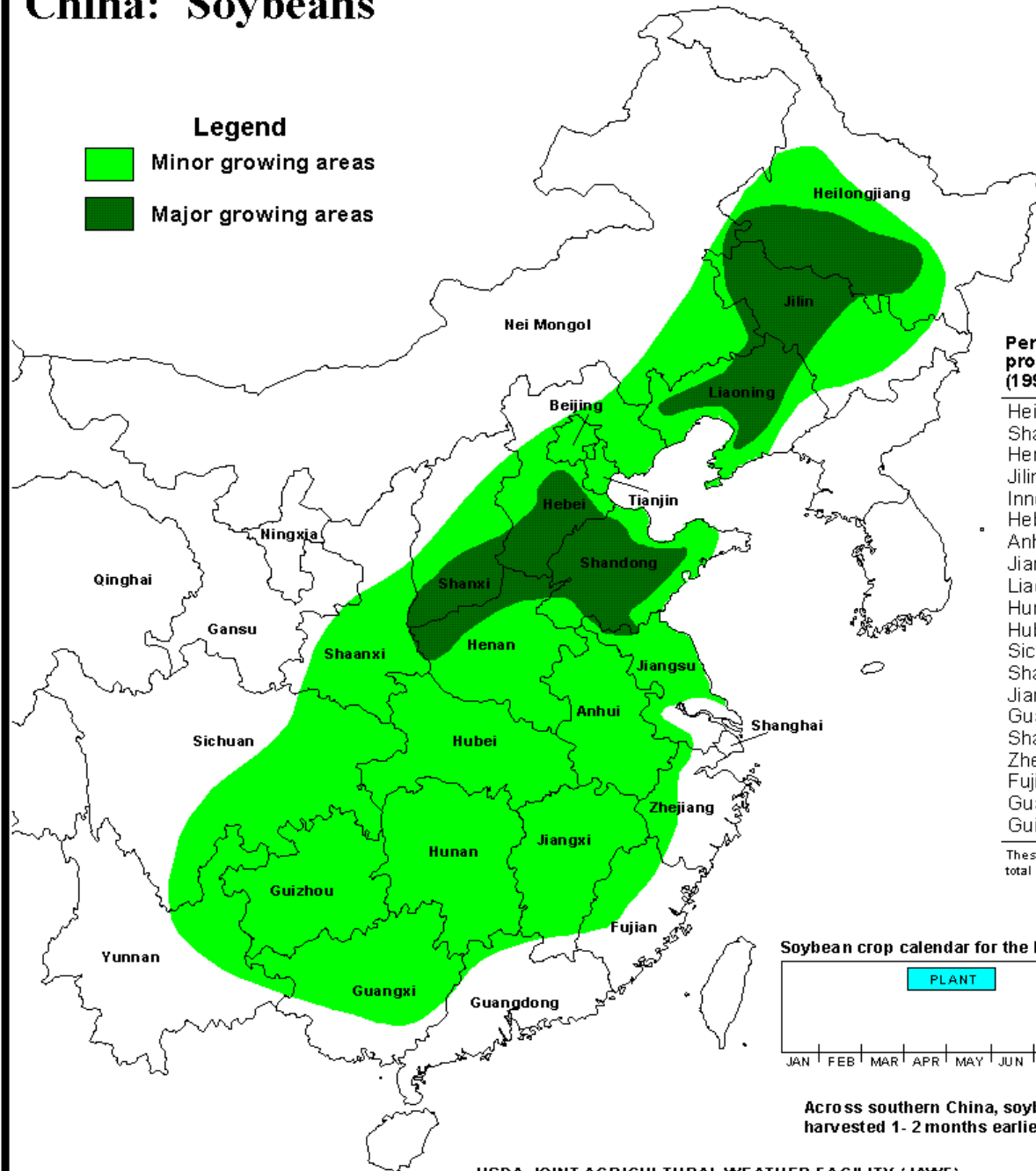
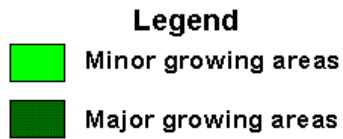
**Corn crop calendar for the North China Plain and Manchuria**



**Corn crop calendar for most of southern China**



# China: Soybeans

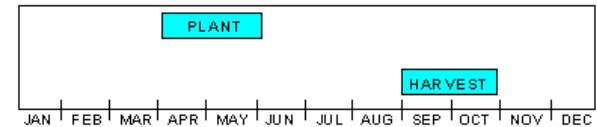


**Percent of soybean production by province (1993-1997)**

Heilongjiang	33.3%
Shandong	8.0%
Henan	7.0%
Jilin	5.8%
Inner Mongolia	5.7%
Hebei	5.5%
Anhui	5.1%
Jiangsu	3.3%
Liaoning	3.0%
Hunan	2.6%
Hubei	2.5%
Sichuan	2.4%
Shaanxi	2.0%
Jiangxi	2.0%
Guangxi	1.9%
Shanxi	1.8%
Zhejiang	1.3%
Fujian	1.2%
Guangdong	1.1%
Guizhou	1.1%

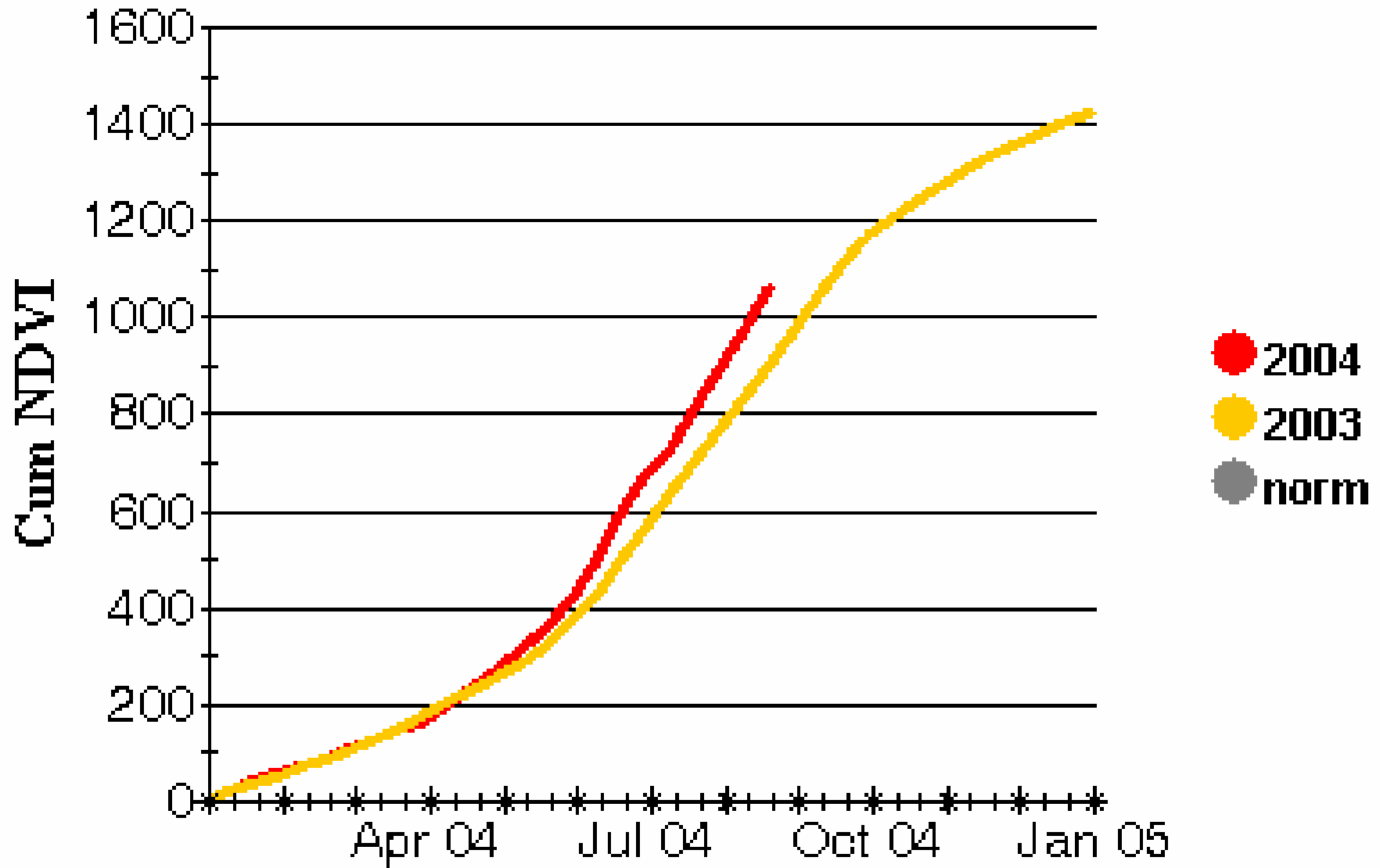
These provinces account for 96.6% of total production.

**Soybean crop calendar for the North China Plain and Manchuria**

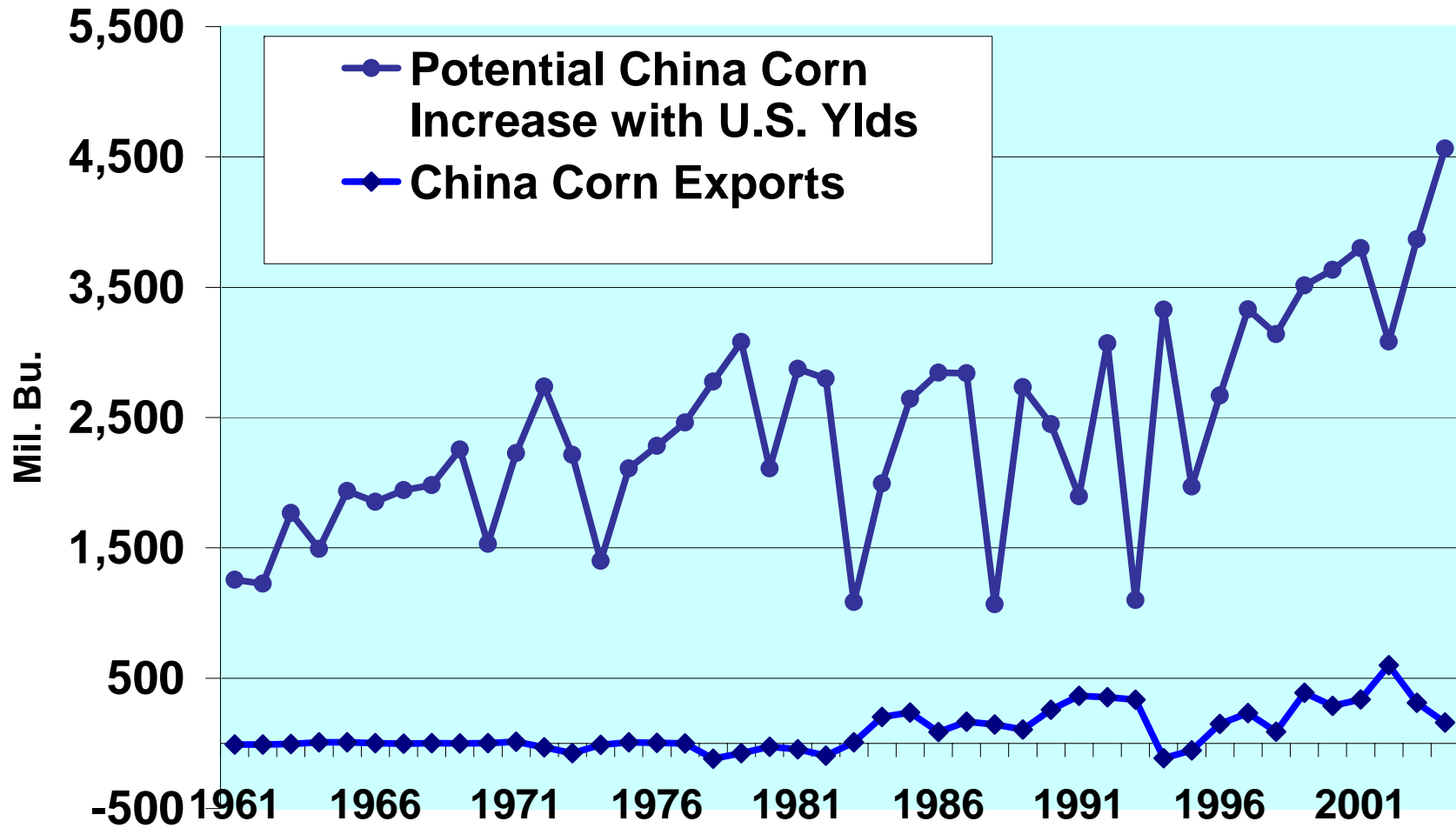


Across southern China, soybeans are planted and harvested 1-2 months earlier than depicted above.

# Heilongjiang: Cumulative SPOT-VEG



# Potential Gain in China Corn Production with U.S. Yields vs. China Exports



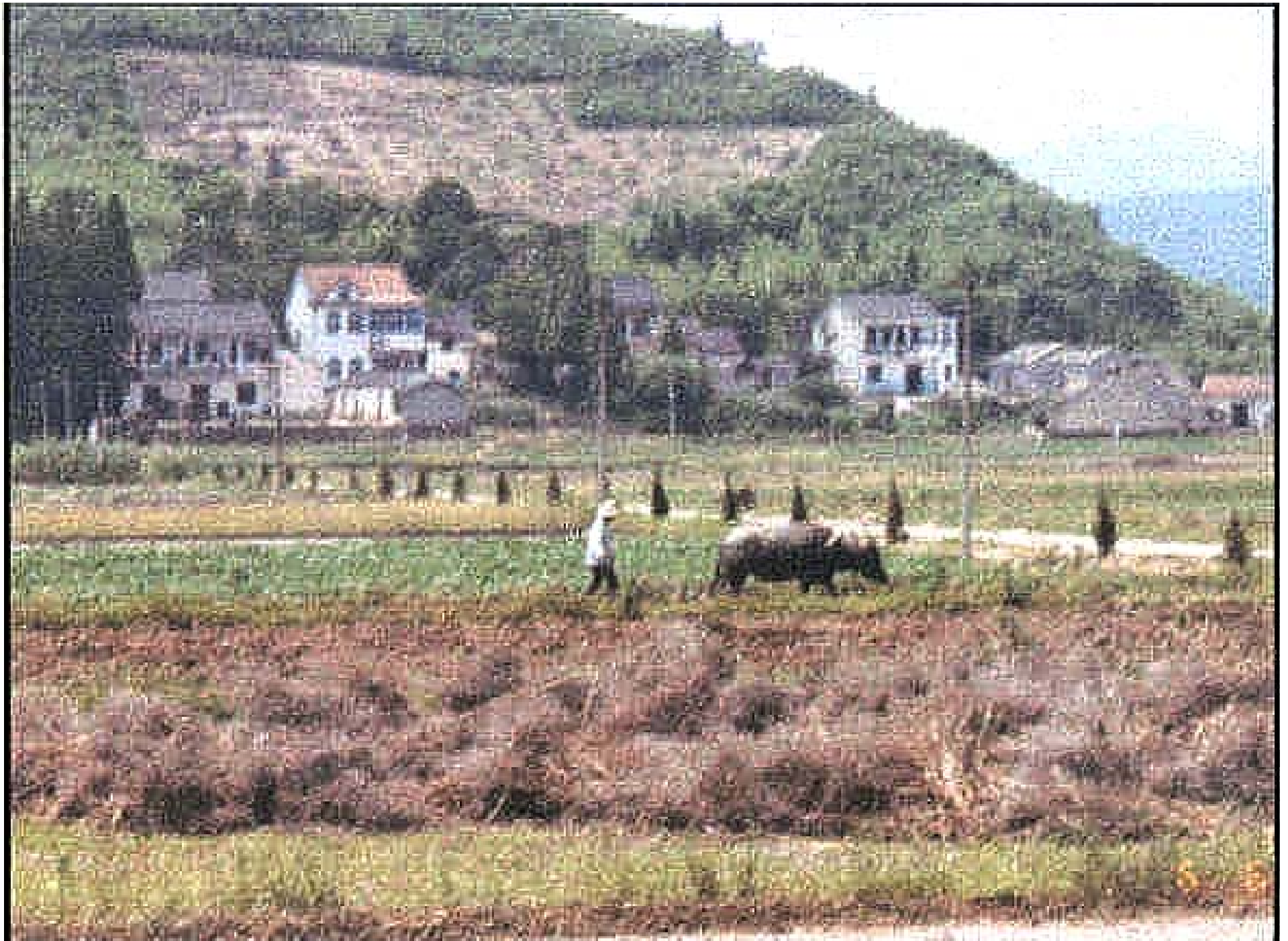
*Corn in China, June 2000*











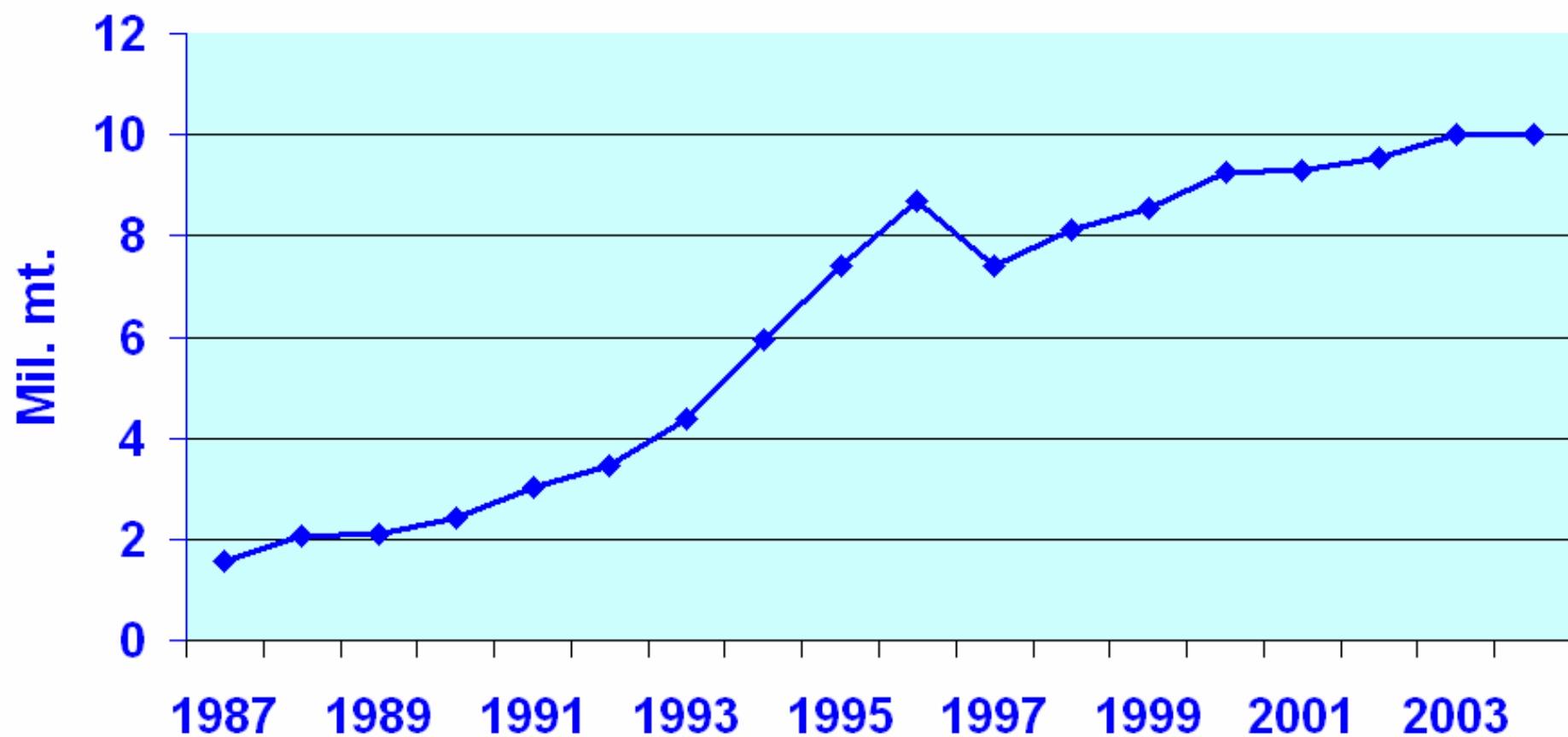






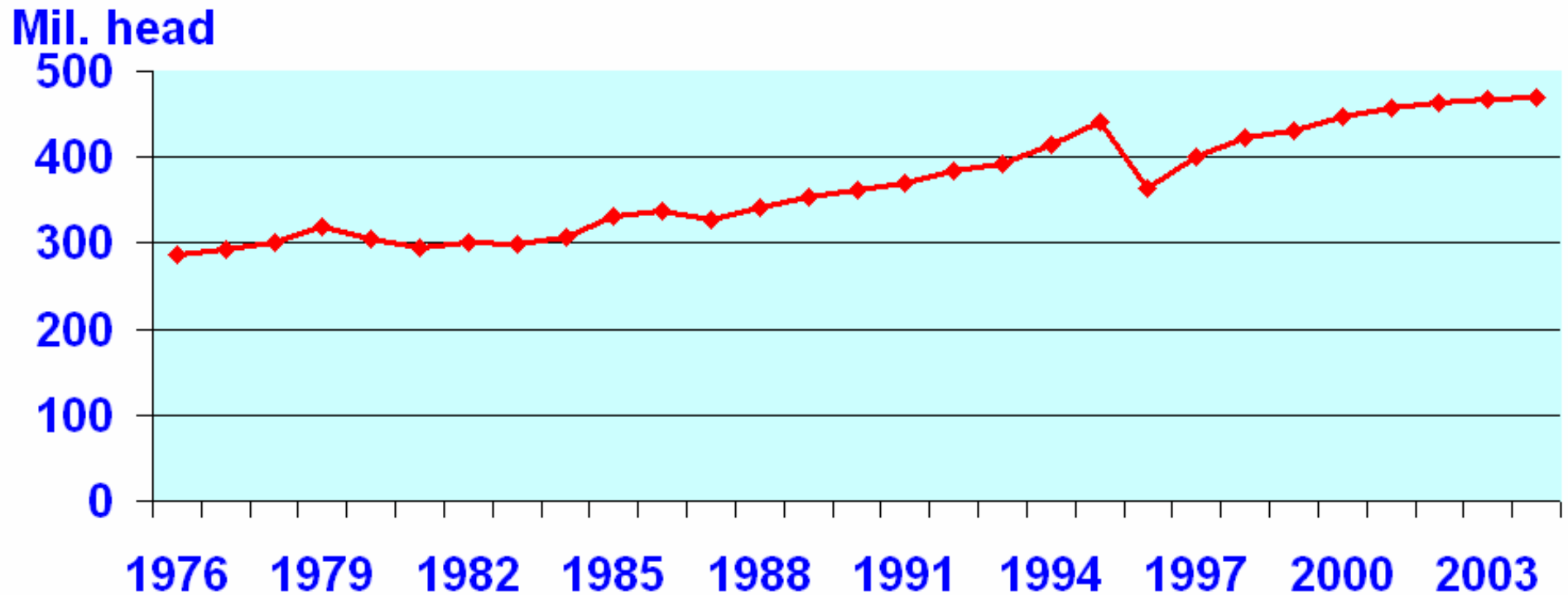


**Figure 8. China Broiler Meat production** *Source: USDA, PSD*



# Figure 9. China Swine Numbers

Source: USDA, PSD



# Corn Export Sales

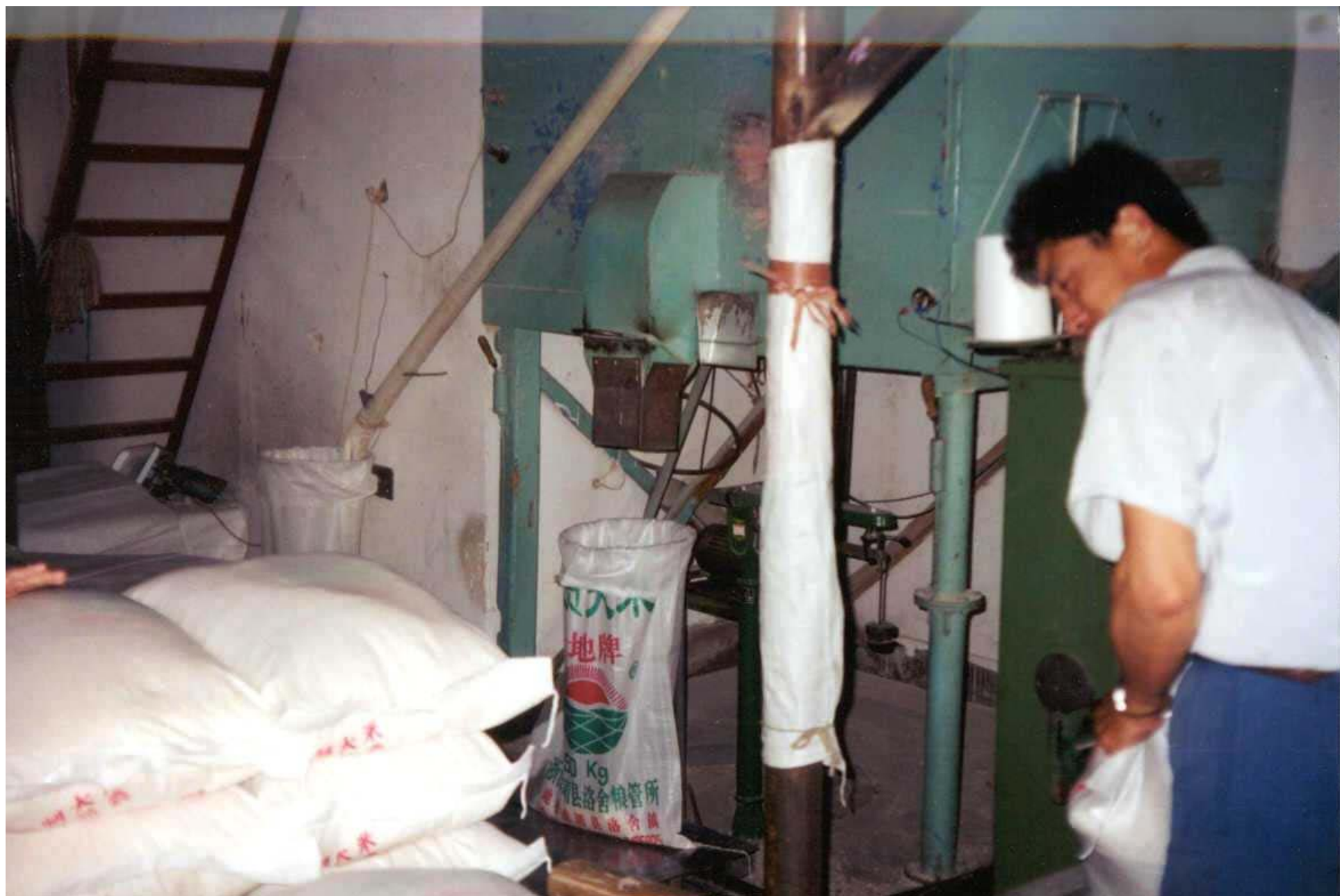
## 11/11/04

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• <b>Japan</b>	<b>-8%</b>
• <b>Africa</b>	<b>-7%</b>
• <b>Taiwan</b>	<b>-37%</b>
• <b>Other Asia</b>	<b>+47%(+20 mil. Bu.)</b>
• <b>W. Hemisphere</b>	<b>-2%</b>
• <b>Unknown</b>	<b>-4%</b>
<b>Total</b>	<b>-6%</b>
<b>Chg. Vs. '95</b>	<b>-39%</b>
<b>Chg. Vs. '96</b>	<b>-20%</b>
<b>Needed sales: 1.3-1.6 mil. Tons/wk.</b>	







# Take-Home Points

- **Chinese corn exports: depend heavily on supply side**
- **Yields have been well below trends for 4 years, probably due to drought**
- **Long-term potential depends on speed of new technology adoption**
- **Forecasting models of China exports have very poor track record**
- **If China stops exporting corn, implications for U.S. agriculture are large**

<http://www.econ.iastate.edu/faculty/wisner/>

