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John Lindblom is Regional Director-East Asia of the American Soybean Association - International Marketing, based in Singapore.

Prior to joining ASA in 1998, John was the managing director of Solvay Animal Health Asia/Pacific, a Belgian corporation, and responsible for its animal health business in the region. He holds a Master’s Degree in International Management from the American Graduate School of International Management in the United States.
Global Soy and Grain Supply and Demand Overview: A Challenging Year

John Lindbloom
Regional Director
American Soybean Association - International Marketing
Southwest ASIA
• 2012 In Retrospect
• Scenario For 2013
• Global Perspective
2012 - A Very Unique Year

Pompano

Sea Bass

Tilapia

Milkfish
Soybeans

- For the first time in more than three decades, the U.S., Brazil, Argentina and Paraguay suffered droughts in the same calendar year.
- South American soybean production in 2012 was reduced by 22.2 mmt or 16.3% versus 2011.
- U.S. soybean production was reduced by 6.35 mmt or 7.5% versus 2011. (This may change in final USDA estimates).
- In total, soybean production in North and South America in 2012 was 27.45 mmt less than in 2011.
North/South American Soybean Production
1985 - 2012

Production down 27.45 MMT from 2011 to 2012
Tight Soybean Supplies In South America

Brazil

• Over 95% of the soybeans grown in Brazil in 2012 are estimated to have already been sold by farmers. New-crop soybeans will not be available in substantial quantities until late February 2013. Dry weather in Center-West region is delaying planting and will delay new-crop harvest and shipments into March 2013.

• Many Brazilian soybean processors are expected to shut down by the end of October because of a lack of soybean supplies. The focus of remaining crushers will be on supplying domestic demand.

• Oil World expects Brazil to import 250,000 mt of soybeans and 340,000 mt of soymeal from Bolivia.
Tight Soybean Supplies In South America

Argentina

• Argentina is so short on soybeans that processors earlier this year asked the government to raise the soybean export tax from 35% to 40% to keep soybeans in country for processing. The government refused.

• Argentine government has eliminated the restriction on importing soybeans so as to boost supplies for processing and soybeans are being imported from Paraguay and Bolivia.
Hurricane Isaac broke the drought!!
Production estimates have increased as harvest progresses.
Soybean Stocks
US, Argentina, Brazil, Paraguay

Stocks 15.7 MMT less in 2012 than in 2011
• Argentina’s corn crop in 2012 was reduced by 4.2 mmt (16.8%) versus 2011.

• Fortunately, because of a large winter crop of corn in Brazil total South American corn production in 2012 was 11.247 mmt (12.2%) greater than in 2011.

• USDA is forecasting U.S. corn production in 2012 will be 41.96 mmt (13.4%) less than in 2011. The decline may ultimately be greater than that once farmers complete the harvest.

• There are quality problems (aflatoxin) with U.S. corn from 2012 crop because of heat and drought.
Global Corn Production And Consumption

![Bar chart showing global corn production and consumption from 2000/01 to 2012/13. The chart displays production in blue and consumption in red, with MMT on the y-axis and years on the x-axis. Production values range from 591 to 877 MMT, while consumption values range from 603 to 877 MMT.](chart.png)
World’s Largest Corn Producers

<table>
<thead>
<tr>
<th>Country</th>
<th>MMT</th>
</tr>
</thead>
<tbody>
<tr>
<td>United States</td>
<td>274</td>
</tr>
<tr>
<td>China</td>
<td>200</td>
</tr>
<tr>
<td>Brazil</td>
<td>70</td>
</tr>
<tr>
<td>EU-27</td>
<td>62</td>
</tr>
<tr>
<td>Argentina</td>
<td>28</td>
</tr>
<tr>
<td>Mexico</td>
<td>22</td>
</tr>
<tr>
<td>Ukraine</td>
<td>21</td>
</tr>
<tr>
<td>India</td>
<td>20</td>
</tr>
<tr>
<td>South Africa</td>
<td>14</td>
</tr>
<tr>
<td>Canada</td>
<td>13</td>
</tr>
</tbody>
</table>
World’s Largest Corn Importers

<table>
<thead>
<tr>
<th>Country</th>
<th>MMT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan</td>
<td>15.0</td>
</tr>
<tr>
<td>Mexico</td>
<td>8.5</td>
</tr>
<tr>
<td>Korea, South</td>
<td>7.5</td>
</tr>
<tr>
<td>Egypt</td>
<td>5.2</td>
</tr>
<tr>
<td>Taiwan</td>
<td>4.3</td>
</tr>
<tr>
<td>Iran</td>
<td>3.5</td>
</tr>
<tr>
<td>Colombia</td>
<td>3.5</td>
</tr>
<tr>
<td>Malaysia</td>
<td>3.1</td>
</tr>
<tr>
<td>EU-27</td>
<td>3.0</td>
</tr>
<tr>
<td>Algeria</td>
<td>2.8</td>
</tr>
<tr>
<td>Saudi Arabia</td>
<td>2.1</td>
</tr>
<tr>
<td>China</td>
<td>2.0</td>
</tr>
</tbody>
</table>
Soybeans – 2012 Prices

Corn – 2012 Prices
Wheat Feeding In SE Asia
All Origins

Graph showing the trends in wheat feeding in Southeast Asia from 2001/02 to 2011/12. The graph compares ASEAN Feed Wheat Imports, Vietnam, Philippines, Thailand, and Others. The data shows a significant increase in imports from 2001/02 to 2011/12, with a peak in 2010/11 and 2011/12.
Outlook For 2013
Early Outlook For U.S. Corn And Soybean Plantings In 2013

- Because corn appears to have been impacted more by 2012 drought than soybeans it is likely economics will favor corn plantings over soybeans in 2013.
- However, a major limiting factor to corn plantings in 2013 may be an inadequate planting seed supply as the drought sharply reduced output of seed corn in 2012.
- Many farmers also will see much lower yields from corn planted after corn in 2012 and may choose to reduce corn plantings in favor of soybeans to improve rotations.
- A survey by Farm Futures magazine found farmers will plant more soybeans and less corn in 2013.
Global Soy / Corn Supply And Demand
Soybeans, Corn, Wheat, Cotton And Rice

Percentage Change In Global Consumption

Soybean demand up 152%; corn up by 90%, wheat up by only 24%
Global Soybean Production And Consumption

![Graph showing soybean production and consumption from 2000/01 to 2012/13.](image-url)
Global Soybean Production By Country

- Brazil: 31%
- United States: 28%
- Argentina: 21%
- China: 5%
- Paraguay: 3%
- India: 4%
- Other: 6%
- Canada: 2%
Soybean Production – Top Four Producers

![Graph showing soybean production from Argentina, Brazil, USA, and China from 2000/01 to 2012/13.](image-url)
Global Corn Production By Region

- East Asia: 24%
- North America: 36%
- South America: 13%
- Other Europe: 1%
- Southeast Asia: 3%
- South Asia: 3%
- Caribbean: 8%
- Central America: 0%
- Sub-Saharan Africa: 0%
- European Union: 7%
- Middle East: 1%
- North Africa: 1%
- Former Soviet Union - 12: 4%
U.S. Average Corn Yields
1984 – 2011 (USDA)
Estimate for 2012

- Major Droughts in 1988 and 2012
- Lowest yields since 1995/1996
- 122 bu vs. 147 bu in 2011
The demand for soymeal is being driven by demand for pork, poultry meat, eggs, milk, and farm-raised fish.
Brazil plantings fell as profitability fell. However, it made up for reduced plantings with higher yields. High internal transportation costs are the main impediment to expanding soybean planted area.
World’s Largest Soybean Importers

China Was A Net Exporter Of Soybeans In 1995!!!
China’s Soymeal Consumption

China’s Government Began Liberalizing Economy In 1991!
Soybean Imports By China And The Rest Of The World
World’s Largest Soymeal Consumers

- China: 46.78
- EU-27: 30.02
- United States: 28.71
- Brazil: 13.94
- Mexico: 4.33
- Thailand: 4.01
- Japan: 3.80
- India: 3.48
- Vietnam: 3.15
- Indonesia: 2.37
- Russia: 2.37
- Korea, South: 2.27
- Canada: 2.11
- Egypt: 2.09
- Philippines: 1.95
- Iran: 1.92
- Taiwan: 1.73

MMT
India’s Soymeal Exports And Consumptions

India soon will consume more soymeal than it exports
Southeast Asia’s Imports Of Soybeans And Soymeal
Global Soybean Consumption
Thank You!