U.S. SOYBEAN EXPORT COUNCIL

MARKET SNAPSHOTS

September 2015

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MARKET SNAPSHOT SOUTHEAST ASIA

USSEC U.S. SOYBEAN EXPORT COUNCIL

SUPPLY / DEMAND BASICS

- Growing market for soybeans and soybean meal in the region. Export value into S.E. Asia for U.S. soybeans in 2014 was $1.82 Billion, and for U.S. soybean meal $1.12 Billion (FAS)
- Asia meat consumption is set to achieve a CAGR of 13% between 2014-2020. SE Asia alone is expected to achieve 20% CAGR (Rabobank)
- Growth in developing countries (S.E. Asia) will capture 82% of the additional global consumption over the projection period (2012 – 2021). Per capita meat consumption will increase by 3.2 kg p.a., with poultry accounting for 70% of this increase (FAO)
- Five countries ranked within the top 20 global broiler producers
- Five countries ranked within the top 10 in global aquaculture production
- Vietnam and Philippines ranked #4 and #6 in global pork production
- Actual imports for U.S. soybeans and soybean meal into S.E. Asia for MY 2014 is 3.52 MMT and 1.99 MMT, a 57% and 15% share of the market respectively. A 221 Million BU market for U.S. Soy (FAS)
- Feed production = 67.9 MMT in 2014, up over 10% from previous year (Alltech). Add another 14MMT for Australia and New Zealand (Australasia Livestock and Feed Grain Study 2015).

REGION OVERVIEW

- Total population 636M – Increasing to 697M by 2025 (U.S. Census Bureau)
- S.E. Asia has about 9 per cent of the world's population and covers a land area of 4.46 million square kilometres (3 percent of the world's total land area). The seas covered by ASEAN are about three times larger than its land area. Limited arable land but good potential for aquaculture.
- Wide mix of cultures and religions, but relatively stable socially and politically.

U.S. SOY PROJECTED IMPORTS (MMT)

COMMODITY	TOTAL IMPORTS 2012/2013	TOTAL IMPORTS 2013/2014 FORECAST	IMPORTS FROM THE U.S. 2012/2013	IMPORTS FROM THE U.S. 2013/2014	U.S. MARKET SHARE	MARKET ASSESSMENT
Soybeans	5.571	6.15	3.162	3.524	57.30%	Growing
Soymeal	12.489	13.372	1.462	1.995	14.91%	Growing
Soyoil	0.226	0.236	0.015	0.007	2.97%	Stable
TOTAL	18.286	19.758	4.639	5.581	28.25%	

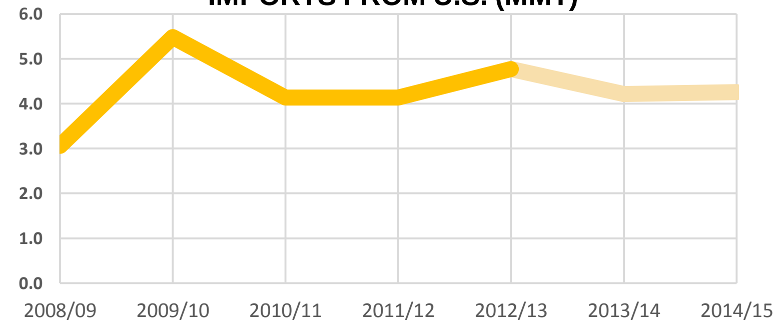
TRADE / COMMERCIAL OVERVIEW

- Collectively, ASEAN (Brunei, Burma, Cambodia, Indonesia, Laos, Malaysia, Philippines, Singapore, Thailand, and Vietnam) represents a market with a combined GDP of more than $6 Trillion (PPP) est. 2015.
- U.S. exports of agricultural products to ASEAN countries totalled $10.7 billion in 2013. Leading categories include: soybeans ($1.7 billion), dairy products ($1.3 billion), wheat ($1.1 billion), cotton ($923 million), and soybean meal ($909 million). (USTR)
- ASEAN is the second-fastest growing economy in Asia, after China. It has expanded 300% since 2001 (ISEAS & ASEAN-US Business Council)
- Growing, healthy economies with ~ 5.5% annual average growth - expected to continue to grow faster than the global economy (OECD)
- 110.5% growth in the middle class consumer in S.E. Asia 2012-2020 (AC Nielsen 2014)
- Southeast Asian consumer confidence reached the highest level recorded to date (Q1 2015) at 114 points compared with other global markets at 97, according to the 2015 Nielsen Global Survey of Consumer Confidence and Spending Intentions (AC Nielsen)

POLICY AND/OR COMMERCIAL ISSUES

- Implications from the formation of the ASEAN Economic Community (AEC) in 2015 as relates to developing a single production base, common market, and a single competitive economic region, is yet to be determined.
- Awareness on biotech mainly in the food sector is increasing but generally not a major issue in most parts of S.E. Asia's domestic markets.
- Food safety and food security policies under review in some countries may pose challenges to agricultural exports.

IMPORTS FROM U.S. (MMT)

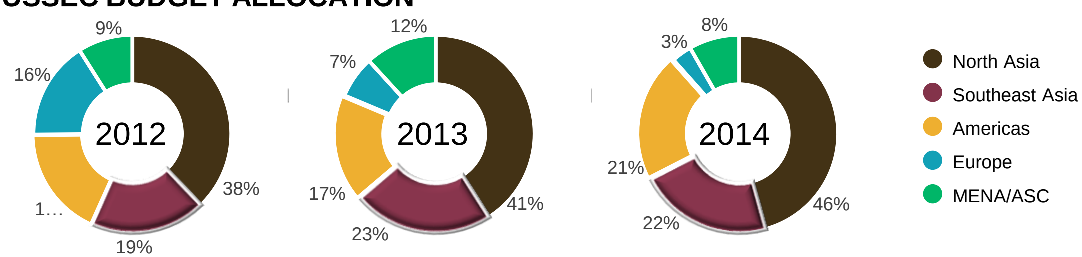


MARKET SNAPSHOT SOUTHEAST ASIA

USSEC U.S. SOYBEAN EXPORT COUNCIL

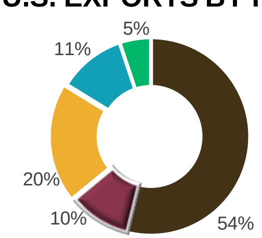
PROJECT TYPE	KEY PROJECTS	BRIEF DESCRIPTION	IMPACT
Trade Servicing	Regional Buyers Conferences	These 'buyers conferences' are an important step in building U.S. soy preference and fortifying USSEC's relationship with the industry. The 2015 Grain Transportation Conference was attended by over 170 participants. This year's Buyers Conference (12th U.S. SE Asia Ag Cooperators Conference) is in planning and will be held in Siem Reap, Cambodia in August 2015.	Based on written feedback, about US$150 million negotiated on and transacted at the 2015 Grain Transport conference. U.S. soybeans and soybean meal trades accounted for around 130,000 and 165,000 metric tons respectively - equivalent to about 12 million bushels of soybeans in total.
	Risk Management Workshops and Soy Supply Workshops	USSEC and the Northern Crops Institute co-organized a regional risk management workshop in April 2015. Another workshop maybe conducted last quarter 2015. U.S. Soy Supply Workshops was conducted in Indonesia, Thailand, and the Philippines in June and July. Promotion of the U.S. SSAP certification was a prime objective and selling point for U.S. soy.	Since bringing a team to the U.S. in 2013 under the SSW program, a large Thai import group has bought 8 vessels of U.S. soybean meal, about 450,000mts. Since we first started conducting activities in Myanmar in 2012, about 2-3,000mts of U.S. meal a month have been going into Myanmar in containers.
	U.S. Trade Teams (Food and Feed)	The 8th S.E. Asia Trade Mission in planning. We are aiming to bring at least 25 select companies from across the region on this mission and to attend the 3rd USSEC Global Soy Trade Exchange in the U.S. and expect to register more sales of U.S. soy on this mission.	In the 2014 mission, about 55,000mts of GM soybeans, 8,000mts of non-GM soybeans, 30,000mts soybean meal, 45,000mts of corn, and 35,000mts of DDGS were negotiated and reportedly transacted by the team members during the mission.
Technical Servicing	SE Asia Feed Technology and Nutrition Workshop	The 2015 workshop, the 21st edition, was held in Vietnam and saw over 90 technical, quality control and feed operations representatives in attendance. The focal point was on swine as last year's was on poultry. Vietnam and Philippines are among the top 10 swine producers in the world.	This activity continues to teach and train our customers on the importance of using high quality feed ingredients. In the process, building a strong preference for U.S. soy. Many companies regard this event as an annual training event for their employees.
	Aquaculture Feeding Demonstrations and technical teams	Feeding demonstrations done so far: Indonesia (1), Myanmar (1), Philippines (3), Vietnam (2). Hatchery demos planned for 4, one each in Cambodia, Indonesia, Singapore and Philippines. A technical team of 6 customers from Vietnam visited China in June, and planning to two more teams from Myanmar to Vietnam, regional to TAMU in September.	As a major region for aquaculture production, these activities have built a growing demand for soy optimized feeds using U.S. soymeal. The soybean meal market for aquaculture is about 2 million mts.
	Leveraging through sponsorships	In 2015, we participated and presented papers at the Pig Feed Quality Conference (Asian Agribusiness) in April (Vietnam) and will again for the Poultry Feed Quality Conference in September (Indonesia). USSEC co- organized the landmark 1st ASEAN Aquaculture Industry Summit in June (Singapore) this year.	Spreading the U.S. quality message via third party technical events has proved to be an effective strategy in promoting U.S. soy. We are able to leverage our resources, time and funding, to reach out to a wider audience to promote our message on U.S. soy.
	Soymeal analytical work with Massey University, NZ and University of New England (UNE), Australia	Differentiating U.S. soybean meal quality parameters basis its amino acid profile from alternative sources of supply. Both the Massey University study and UNE report is complete. We aim to build a marketing and communications strategy around the final results of the Meta Analysis.	The Massey University study has scientific data that explains why U.S. soy provides a higher value in comparison. The UNE study runs the same samples through NIR and have generated some positive correlations.

USSEC BUDGET ALLOCATION*



* Region specific budget allocation does not include Worldwide projects

U.S. EXPORTS BY REGION 2012-2013



September 2015

MARKET SNAPSHOT SOUTHEAST ASIA

VIETNAM

U.S. SOYBEAN EXPORT COUNCIL

SUPPLY / DEMAND BASICS

- Total feed production in Vietnam in 2014 was estimated at 14.10 million metric tons with primary sectors being swine, poultry and aqua. (Alltech)
- Commercial feed production has more than doubled since 2005 and is expected to double again by 2020.
- Vietnam ranks number 17 in global feed production, up two places since 2013, number 4 in global pork production and number 3 in global aquaculture production
- Total imports for U.S. soybeans into Vietnam in MY 2014 is 522TMT and for soybean meal 316TMT, a 37.3% and 10.2% share of the market respectively ~ 33.71 Million BU market for U.S. Soy.
- Vietnam has two soybean crushing companies, one based in the North (1,000mts/day capacity) and another in the South (over 3,000mts/day capacity)

COUNTRY OVERVIEW

- Led by a communist government, Vietnam is relatively open and market driven.
- Population 93M. About 45% of the general population is between 25-54 years old (CIA Factbook 2014)
- The middle and affluent class (MAC) in Vietnam will double in size between 2014 and 2020, from 12 million to 33 million. MAC consumers, whose income is from VND15 million (U.S.$714) or more a month, are also spreading out to other provinces and cities. (BCG Dec 2013)
- Overall, Vietnam is quick to adopt new technologies and management systems and generally have 'open door' policies towards foreign investment.

TRADE / COMMERCIAL OVERVIEW

- In Southeast Asia, Vietnam ranks as the 35th largest economy globally with more than $546 Billion dollars (PPP) est. in 2015.
- Vietnam is a participant in the Trans-Pacific Partnership (TPP) negotiations together with 11 other Asia-Pacific partners. Two-way trade between Vietnam and U.S. has grown since then from about $1 Billion (2001) to $26 Billion last year. (USTR)
- Vietnam is currently the 27th largest goods trading partner with $29.7 billion in total (two ways) goods trade during 2013. Goods exports totalled $5.0 billion; Goods imports totalled $24.6 billion. (USTR)
- U.S. exports of agricultural products to Vietnam totalled $2.1 billion in 2013, the 12th largest U.S. Ag export market. Leading categories include: cotton ($401 million), soybeans ($319 million), dairy products ($240 million), and tree nuts (walnuts, almonds) ($237 million). (USTR)

POLICY AND/OR COMMERCIAL ISSUES

- Vietnam has notified the WTO of its proposed Circular to label GMO foods at the retail level. The circular would require "All package foods containing genetically modified organisms and products of genetically modified organisms at a rate higher than 5% of each component has to be labelled".
- The Plant Protection Division (PPD) has issued a series of decrees and Circulars for the implementation of the new Plant Health Law in 2015. The implication for soy imports is still under review.

MARKET SNAPSHOT SOUTHEAST ASIA

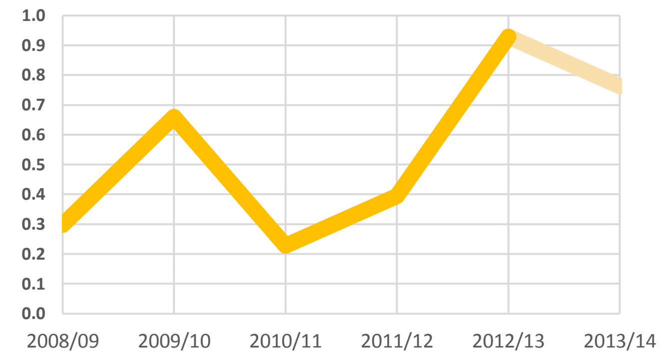
VIETNAM

USSEC
U.S. SOYBEAN EXPORT COUNCIL

U.S. SOY IMPORTS (MMT)

COMMODITY	TOTAL IMPORTS 2012/2013	TOTAL IMPORTS 2013/2014 FORECAST	IMPORTS FROM THE U.S. 2012/2013	IMPORTS FROM THE U.S. 2013/2014	U.S. MARKET SHARE	MARKET ASSESSMENT
Soybeans	1.258	1.4	0.654	0.522	37.28%	Growing
Soymeal	2.98	3.1	0.275	0.316	10.19%	Growing
Soyoil	0.055	0.055	0	0	0.00%	Stable
TOTAL	4.293	4.555	0.929	0.837	18.38%	

IMPORTS FROM U.S. (MMT)



The data for 2008/09 -2012/13 are actual exports as indicated reported by the U.S. Census Bureau. The data for 2013/14 are the amount sold to each country as of April as reported by USDA/FAS. It includes amounts sold and shipped as well as unshipped sales. All data are metric tons.

KEY PROJECTS

PROJECT TYPE	KEY PROJECTS	BRIEF DESCRIPTION	IMPACT
Trade Servicing	Regional buyers conferences	Encompasses both the annual Grain Transportation and U.S. Agricultural Co-operators' Conference Series	Cuts across different soy utilization areas by bringing buyers and sellers together resulting in actual sales of U.S. soy
	Risk Management and U.S. Soy Supply Workshops	Practical workshops designed for specific audiences. To educate buyers on risk management as well as to promote U.S. soy as the product of choice	Importers and end-users appreciates these services as one of the valued added services and benefits of buying U.S. soy
	Southeast Asia Trade teams to the U.S. - Feed and Food groups	Bring over a team of food and feed ingredient importers for a mission to meet with U.S. exporters and to appreciate the intrinsic and extrinsic benefits of buying U.S. soy	Cuts across different soy utilization areas by bringing buyers and sellers together resulting in actual sales of U.S. soy
Technical Servicing	Feed technology and nutrition workshops	An annual conference that discusses/teaches the latest in feed processing technology, measuring quality of raw feed ingredients, quality control, storage etc.	Importers and end-users appreciates these services as one of the valued added services and benefits of buying U.S. soy
	Aquaculture feed demonstrations and technical teams	Provide technical information and practical training on aquaculture production to stakeholders from grass root level upwards.	Importers and end-users appreciates these services as one of the benefits of buying U.S. soy. They also learn that buying quality ingredients reduces cost and increase profit margins
	Leveraging through sponsorships	Working with third party organizers of agricultural events to spread the message on the benefits of buying/using good quality feed ingredients, i.e. US soy	Spreading the U.S. quality message via third party technical events has proved to be an effective strategy in promoting U.S. soy

MARKET SNAPSHOT SOUTHEAST ASIA

INDONESIA

U.S. SOYBEAN EXPORT COUNCIL

SUPPLY / DEMAND BASICS

- Total feed production in Indonesia in 2014 was estimated at 19.98 million metric tons – 12th largest producer globally. (Alltech).
- 80% of this feed is consumed by the poultry sector, a result of the dominant Muslim population.
- Indonesia is the world's 4th largest customer for U.S. soybeans. Most of the whole soybeans are used in the production of the traditional staple soy food Tempeh. Over 95% of the soybeans imported goes towards the production of Tempeh.
- There is no soybean crushing industry in Indonesia due to competition from palm oil. The country imports about 3.5-4 MMT of soybean meal for its livestock industry.
- Indonesia is among the top 10 broiler and top 10 aquaculture producers globally.
- Total imports for U.S. soybeans into Indonesia in MY 2014 is 2.29TMT and for soybean meal 30TMT, a 95% and 1% share of the market respectively ~ 85.6 Million Bu market for U.S. Soy.

COUNTRY OVERVIEW

- Indonesia is the world's 4th largest country by population ~ 253 million, and has the world's largest Islamic population. (CIA Factbook)
- More than 28 million Indonesians currently live below or at the poverty line set at 200,262 rupiahs per month ($22). (World Bank)
- Indonesia's economy is growing rapidly and there are currently about 74 million middle-class and affluent consumers (MAC) in Indonesia. This number is expected to double by 2020. (BCG Mar 2013).

TRADE / COMMERCIAL OVERVIEW

- In Southeast Asia, Indonesia ranks as the 8th largest economy globally with more than $2.840 Trillion (PPP) est. in 2015.
- Indonesia continues to post significant economic growth. The country's gross national income per capita has steadily risen from $2,200 in the year 2000 to $3,580 in 2013 (World Bank).
- Indonesia is currently the 28th largest goods trading partner with the U.S. at $28.0 Billion in total (two ways) goods trade during 2013. Goods exports totalled $9.1 Billion; Goods imports totalled $18.9 Billion. (USTR)
- U.S. exports of agricultural products to Indonesia totaled $2.8 Billion in 2013, the 8th largest U.S. Ag export market. Leading categories include: soybeans ($988 million), feeds and fodders (excluding pet food) ($331 million), dairy products ($316 million), and wheat ($214 million). (USTR)
- Indonesia is the world's largest producer and exporter of palm oil worldwide ~ 32.3MMT (est. 2015).

POLICY AND/OR COMMERCIAL ISSUES

- There continues to be pressure on the government to regulate the importation of soybeans. This is of concern especially with a President that wants the country to be self sufficient in food supply.
- Biotechnology acceptance is not a major issue.
- Sustainability is a major issue for Indonesian palm producers. This has the potential to translate favorably for U.S. soy.

MARKET SNAPSHOT SOUTHEAST ASIA

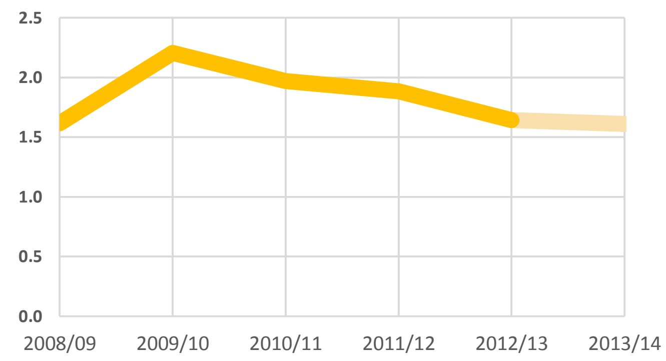
INDONESIA

U.S. SOYBEAN EXPORT COUNCIL

U.S. SOY IMPORTS (MMT)

COMMODITY	TOTAL IMPORTS 2012/2013	TOTAL IMPORTS 2013/2014 FORECAST	IMPORTS FROM THE U.S. 2012/2013	IMPORTS FROM THE U.S. 2013/2014	U.S. MARKET SHARE	MARKET ASSESSMENT
Soybeans	1.795	2.4	1.552	2.29	95.42%	Stable
Soymeal	3.367	3.55	0.091	0.03	0.85%	Stable
Soyoil	0.025	0.025	0	0.0003	0.80%	N.A.
TOTAL	5.187	5.975	1.643	2.3752	39.75%	

IMPORTS FROM U.S. (MMT)



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	Southeast Asia Trade teams to the U.S. - Feed and Food groups	Bring over a team of food and feed ingredient importers for a mission to meet with U.S. exporters and to appreciate the intrinsic and extrinsic benefits of buying U.S. soy	Cuts across different soy utilization areas by bringing buyers and sellers together resulting in actual sales of U.S. soy
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	Leveraging through sponsorships	Working with third party organizers of agricultural events to spread the message on the benefits of buying/using good quality feed ingredients, i.e. US soy	Spreading the U.S. quality message via third party technical events has proved to be an effective strategy in promoting U.S. soy

MARKET SNAPSHOT SOUTHEAST ASIA

THAILAND

USSEC U.S. SOYBEAN EXPORT COUNCIL

SUPPLY / DEMAND BASICS

- Total feed production in Thailand in 2014 was estimated at 16.9 million metric tons, ranked 14th largest globally (Alltech), with primary sectors being swine, poultry and aqua.
- The largest crusher, Thai Vegetable Oil (TVO), accounts for more than 50% of the total capacity and supplies about 40% of the total soybean meal consumed in the country.
- Thailand ranks among the top 10 global broiler producers and is a major exporter of poultry products to EU and North Asia.
- Thailand is the 5th largest aquaculture producer in the world and the largest producer of shrimp in Southeast Asia.
- Thailand has the largest and most sophisticated soy food and beverage industry in Southeast Asia. It is estimated that per capita consumption of soy beverages in Thailand is about 13 liters per year (Tetrapak 2012), ranking it number 2 in the world.
- Total imports for U.S. soybeans into Thailand in MY 2014 is 432TMT and for soybean meal 368TMT, a 22% and 12% share of the market respectively ~ 33 Million Bu market for U.S. Soy.

COUNTRY OVERVIEW

- Thailand's population in 2014 stands at 68M (CIA Factbook).
- The World Bank upgraded Thailand's income categorization from a lower-middle income economy to an upper-middle income economy in 2011. (World Bank)
- Despite facing a number of political challenges, Thailand has made great progress in social and economic issues. Sustained economic growth and impressive poverty reduction. (World Bank)

TRADE / COMMERCIAL OVERVIEW

- In Southeast Asia, Thailand ranks as the 22nd largest economy globally with more than $1.031 Trillion dollars (PPP) est. 2015.
- Thailand is currently the 24th largest goods trading partner with the U.S. at $38.0 billion in total (two ways) goods trade during 2013. Goods exports totalled $11.8 billion; Goods imports totalled $26.2 billion. (USTR)
- U.S. exports of agricultural products to Thailand totalled $1.4 billion in 2013, the 20th largest U.S. Ag export market. Leading categories include: soybeans ($213 million), cotton ($185 million), wheat ($159 million), prepared food ($109 million), and feeds and fodders ($105 million). (USTR)
- Thailand's economic growth rate (GDP) for 2015 is projected at 3.5 percent. The factors attributing to this forecast are declining global oil prices, higher revenues from tourism industry, increased government's spending and gradual increase of exports. (World Bank)
- Thailand has one of the most sophisticated agricultural industry in S.E. Asia.

POLICY AND/OR COMMERCIAL ISSUES

- There is a caretaker government in place at the moment, appointed by the Military who took power in May 2014, with fresh elections marked for 2016.
- Biotechnology acceptance is a moderate issue but primarily as a result of the restrictions placed on the country by their exports markets (e.g. poultry, soy beverage, etc).

MARKET SNAPSHOT SOUTHEAST ASIA

THAILAND

USSEC U.S. SOYBEAN EXPORT COUNCIL

U.S. SOY IMPORTS (MMT)

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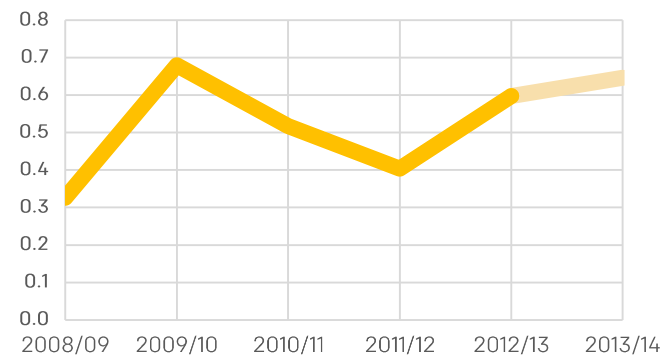
Soymeal	2.874	3.2	0.03	0.368	11.50%	Growing
Soyoil	0	0	0	0	0%	N/A
TOTAL	4.741	5.13	0.598	0.799	15.58%	

IMPORTS FROM U.S. (MMT)



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MARKET SNAPSHOT SOUTHEAST ASIA

PHILIPPINES

USSEC
U.S. SOYBEAN EXPORT COUNCIL

SUPPLY / DEMAND BASICS

- Ranked 20th globally (Alltech), total feed production in the Philippines in 2014 was estimated at 12.38 million metric tons with primary sectors being swine, poultry and aqua.
- The market for soybeans is small compared to other S.E. Asian countries. Only one soybean crushing company is currently operating, and that company is producing meal primarily for its own use from 100% US soybeans.
- The Philippines is the world's largest customer for U.S. soybean meal outside of North America, with ~1.26 MMT in export sales as of FY 2014, roughly 59% share of market.
- Much of the meal is consumed is in swine feeds, which composes just over half of total feed production. This is followed by poultry (~34%) and aqua (~13%).
- Philippines is ranked #6 in global pork production.
- Total imports for U.S. soybeans into the Philippines in MY 2014 is 75TMT and for soybean meal 1.26MMT, a 94% and 59% share of the market respectively ~ 61 Million BU market for U.S. Soy.

COUNTRY OVERVIEW

- Philippines' population in 2014 stands at 100M (CIA Factbook).
- Strong GDP growth is projected for 2015 and 2016 based on buoyant private consumption, a solid outlook for investment and exports, and recovery in government expenditure. GDP is projected to increase by 6.4% in 2015 and 6.3% in 2016. (ADB)
- Factors that powered private consumption in 2014 - growth in employment, modest inflation, and higher inflows of remittances - are projected to continue through the forecast period. (ADB)
- The Philippines and China will be the only two economies, out of 57 included in a Feb 2015 Bloomberg report, that will grow 6 percent or more this year.

TRADE / COMMERCIAL OVERVIEW

- In Southeast Asia, Philippines ranks as the 29th largest economy globally with $745 Billion dollars (PPP) est. 2015.
- The Philippines has an excellent trade relationship with the U.S.
- The Philippines is currently the 37th largest goods trading partner with the U.S. ~ $17.7 Billion in total (two ways) goods trade during 2013. (USTR)
- U.S. exports of agricultural products to the Philippines totaled $2.5 Billion in 2013, the 9th largest U.S. Ag export market. Leading categories include: wheat ($624 million), soybean meal ($606 million), dairy products ($364 million), and pork and pork products ($112 million). (USTR)
- The Philippines is one of the most dynamic emerging markets in the East Asia region, with sound economic fundamentals and a competitive workforce that is globally recognized.

POLICY AND/OR COMMERCIAL ISSUES

- Rumour that Philippine's Bureau of Customs (BOC) is reconsidering implementing the expanded Load Port Survey (LPS) program for containers after having rejected the move earlier due to port congestion.
- Biotechnology acceptance is a moderate issue. The presence of environmental groups (e.g. Greenpeace) is more pronounced in the Philippines compared with the rest of ASEAN.

MARKET SNAPSHOT SOUTHEAST ASIA

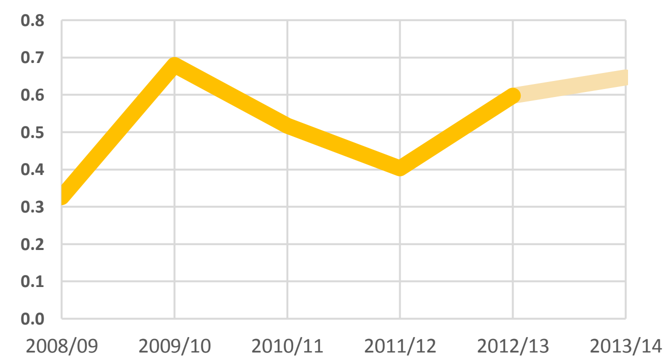
PHILIPPINES

USSEC
U.S. SOYBEAN EXPORT COUNCIL

U.S. SOY IMPORTS (MMT)

COMMODITY	TOTAL IMPORTS 2012/2013	TOTAL IMPORTS 2013/2014 FORECAST	IMPORTS FROM THE U.S. 2012/2013	IMPORTS FROM THE U.S. 2013/2014	U.S. MARKET SHARE	MARKET ASSESSMENT
Soybeans	0.057	0.08	0.043	0.075	93.75%	Stable
Soymeal	1.907	2.15	1.039	1.259	58.55%	Growing
Soyoil	0.037	0.037	0	0.0004	1.08%	N/A
TOTAL	2.001	2.262	1.082	1.2892	56.99%	

IMPORTS FROM U.S. (MMT)



The data for 2008/09 -2012/13 are actual exports as indicated reported by the U.S. Census Bureau. The data for 2013/14 are the amount sold to each country as of April as reported by USDA/FAS. It includes amounts sold and shipped as well as unshipped sales. All data are metric tons.

KEY PROJECTS

PROJECT TYPE	KEY PROJECTS	BRIEF DESCRIPTION	IMPACT
Trade Servicing	Regional buyers conferences	Encompasses both the annual Grain Transportation and U.S. Agricultural Co-operators' Conference Series	Cuts across different soy utilization areas by bringing buyers and sellers together resulting in actual sales of U.S. soy
	Risk Management and U.S. Soy Supply Workshops	Practical workshops designed for specific audiences. To educate buyers on risk management as well as to promote U.S. soy as the product of choice	Importers and end-users appreciates these services as one of the valued added services and benefits of buying U.S. soy
	Southeast Asia Trade teams to the U.S. - Feed and Food groups	Bring over a team of food and feed ingredient importers for a mission to meet with U.S. exporters and to appreciate the intrinsic and extrinsic benefits of buying U.S. soy	Cuts across different soy utilization areas by bringing buyers and sellers together resulting in actual sales of U.S. soy
Technical Servicing	Feed technology and nutrition workshops	An annual conference that discusses/teaches the latest in feed processing technology, measuring quality of raw feed ingredients, quality control, storage etc.	Importers and end-users appreciates these services as one of the valued added services and benefits of buying U.S. soy
	Aquaculture feed demonstrations and technical teams	Provide technical information and practical training on aquaculture production to stakeholders from grass root level upwards.	Importers and end-users appreciates these services as one of the benefits of buying U.S. soy. They also learn that buying quality ingredients reduces cost and increase profit margins
	Leveraging through sponsorships	Working with third party organizers of agricultural events to spread the message on the benefits of buying/using good quality feed ingredients, i.e. US soy	Spreading the U.S. quality message via third party technical events has proved to be an effective strategy in promoting U.S. soy

MARKET SNAPSHOT NORTH ASIA

USSEC U.S. SOYBEAN EXPORT COUNCIL

SUPPLY / DEMAND BASICS

- Accounts for 68% of U.S. soybean exports.
- Growing soybean and meal market in China.
- Crush in Korea & Taiwan stable.
- Soybean crush in Japan shrinking, causing increased SBM imports.
- Soy food consumption increasing in China.
- Soy food consumption in Japan, Korea & Taiwan stable.

TRADE / COMMERCIAL OVERVIEW

- Growth in soy consumption in China is slowing but still significant growth.
- Taiwan continues to be a strong destination for containerized soybeans.
- Korea is an opportunity for food grade soybeans and high oleic soybean oil after 2015.
- Japan shrinking soy crush adversely impacting U.S. position in the market.

REGION OVERVIEW

- 1.55 billion soy consumers.
- At $1.56 trillion, GDP is equal to that of U.S.
- Regional GDP growing but slowing.
- China is largest soy market but very competitive.
- Japan, Taiwan and Korea's soy consumption is static, but U.S. market share is still strong.

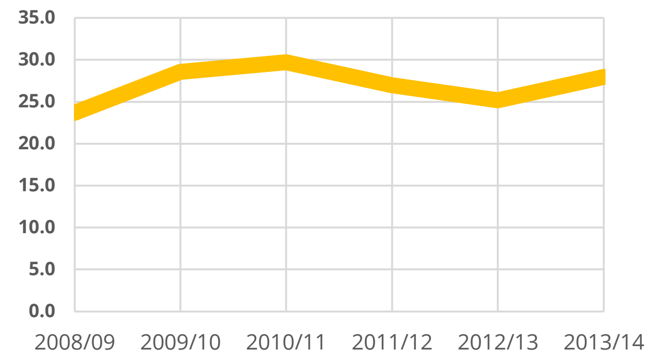
POLICY AND/OR COMMERCIAL ISSUES

- GMOs
  - Current approval process in China is dysfunctional,
  - Taiwan enacting mandatory labeling law & 3% GM threshold.
  - Japanese industry unwilling to test consumer acceptance.
  - Korea could introduce labeling requirements for SBO.
- Chinese government (MOA) still reluctant to collaborate with U.S. soy industry.
- U.S. soy industry needs to be vigilant on MRL and other grading & quality issues.

SOY IMPORT SITUATION (MMT)

COMMODITY	TOTAL IMPORTS 2012/13	TOTAL IMPORTS 2013/14	IMPORTS FROM THE U.S. 2012/13	IMPORTS FROM THE U.S. 2013/14	U.S. MARKET SHARE 2013/14	MARKET ASSESSMENT
Soybeans	66.112	76.881	24.538	31.413	40.9%	Growing
Soymeal	3.509	3.902	0.389	0.442	11.3%	Growing
Soy Oil	1.862	1.776	0.263	0.198	11.1%	Stable
TOTAL	71.483	82.559	25.190	32.053	38.8%	

IMPORTS FROM U.S. (MMT)

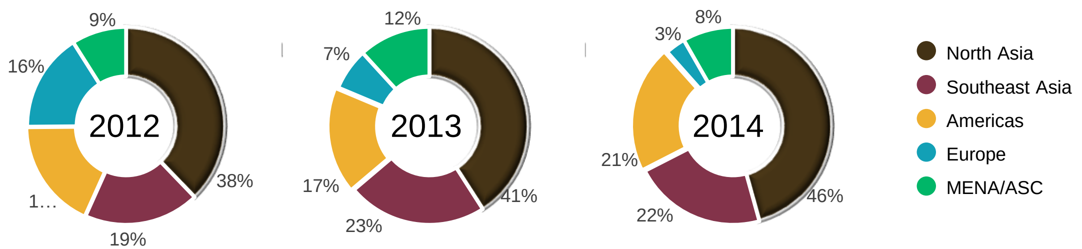


MARKET SNAPSHOT NORTH ASIA

KEY PROJECTS

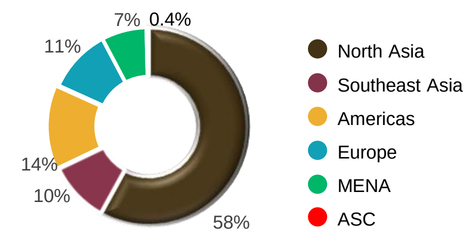
PROJECT TYPE	KEY PROJECTS	BRIEF DESCRIPTION	IMPACT
Trade Servicing	Conferences Outlook Conferences Multi-Cooperator Conferences	Annual in each market place Based around meat/poultry/grain trade	Brings entire soy value chain together. Reinforces U.S. ag commitment to China.
Trade Servicing	Joint Industry Roundtables Risk Management Training	Brings together largest importers of U.S. soybeans with feed processors	Creates environment where largest processors of U.S soy interact with downstream demand.
Technical Servicing	Technical trade teams & conferences targeting feed/animal/aqua industries	Technical trade teams & conferences targeting feed/animal/aqua industries	Sustains and creates demand for SBM from largest processors of U.S. soy.
Technical Servicing	Sampling and reporting on results for Amino Acid Content	Sample competition and U.S. soy and SBM at the start of each marketing year	Differentiates U.S. in the market place.

USSEC BUDGET ALLOCATION*



* Region specific budget allocation does not include W

U.S. EXPORTS BY REGION 2013-2014



MARKET SNAPSHOT NORTH ASIA

CHINA

USSEC U.S. SOYBEAN EXPORT COUNCIL

SUPPLY / DEMAND BASICS

- China is the 4th largest producer of soybeans in the world
  - Production currently > 11 MMT; all non-GMO soybeans
  - +90% goes for soy food production
- China's soybean consumption per annum 82 MMT
  - Projected 2015 imports 73 MMT
  - All imported SBs are crushed to produce SBM for feed industry
  - Increases in SB imports will be driven by increases in demand for SBM from feed industry
- World's second largest importer of crude vegetable oils

COUNTRY OVERVIEW

- 1.349 billion soy consumers.
- GDP $12.26 trillion.
- Per capita Income $9100. Grew 8% per year in last two years.
- 2014 growth rate declared 7%, 2015 will likely not reach that level
- Rapidly urbanization population
  - 52% of population urban. Urbanization increases animal protein consumption.
  - China per capita consumption of meat 59 kg, U.S. per capita 85 kg—room for feed and SBM consumption to grow.

TRADE / COMMERCIAL OVERVIEW

- Huge, modern crush industry
  - 135 MMT capacity.
  - Utilization only 55%.
  - 70% of crush capacity owned by Chinese so not dominated by ABCDs
- Crush margins began weakening in 1st quarter of 2014
  - Poultry feed demand under immense pressure from avian influenza.
  - Pork industry profitability returning after large culling of herd, means reduced feed production in 2015 & 2016
- Feed industry growing and consolidating; expected growth 5% per annum over next 20 years. Animal production rapidly moving to CAFO operations.
- Soy food consumption growing. Increased 100% over last 20 years.

POLICY AND/OR COMMERCIAL ISSUES

- Current GMO approval process in China is dysfunctional and not transparent.. No new U.S. specific events approved only through U.S. government intervention.
- Chinese government endorses biotechnology, but certain segments oppose (seen as U.S. plot to destabilize China).
- Issue rapidly become politicized in China and government is grappling with the issue. Citizens don't trust the government, especially when it comes to food safety.
- GMO issue impacting trade with other grains in soybean FM (corn) being tested for GM.
- Delays in off loading vessels and/or longer term warehousing until tests are concluded.
- Unapproved corn events in FM could be used to throttle trade.
- China quarantine officials continue to report finding seed treated soybeans in shipment. Thus far have not stopped trade due to this presence.

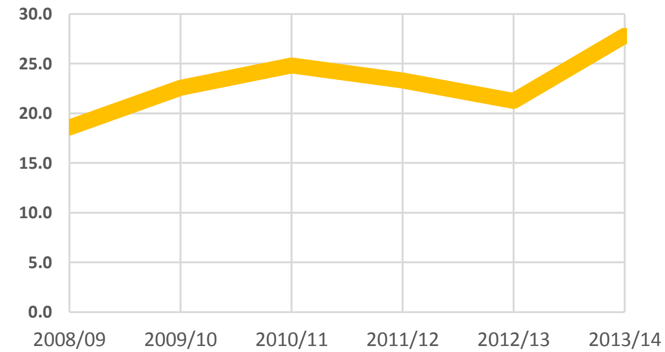
MARKET SNAPSHOT NORTH ASIA

CHINA

SOY IMPORT SITUATION (MMT)

COMMODITY	TOTAL IMPORTS 2012/13	TOTAL IMPORTS 2013/14	IMPORTS FROM THE U.S. 2012/13	IMPORTS FROM THE U.S. 2013/14	U.S. MARKET SHARE 2013/14	MARKET ASSESSMENT
Soybeans	59.865	70.364	21.038	27.574	39.2%	Growing
Soymeal	0.016	0.020	0.002	0.013	65.0%	Growing
Soy Oil	1.409	1.353	0.198	0.186	13.7%	Stable
TOTAL	61.290	71.737	21.238	27.773	38.7%	

IMPORTS FROM U.S. (MMT)



The data for 2008/09 -2012/13 are actual exports as indicated reported by the U.S. Census Bureau. The data for 2013/14 are the amount sold to each country as of April as reported by USDA/FAS. It includes amounts sold and shipped as well as unshipped sales. All data are metric tons.

KEY PROJECTS

PROJECT TYPE	KEY PROJECTS	BRIEF DESCRIPTION	IMPACT
Trade Servicing	Soy Outlook Conferences Joint SBM Roundtables Crop Quality & Buyers Teams Government Relations	Annual conference U.S. harvest outlook Connect SBM processors with largest end users Buyers to USA to see crop conditions on the ground Improve Chinese policy makers views of U.S. soy	Generate downstream demand for the top 10 largest importers of U.S. soy. Address trade issues as they arise and position U.S. soy as a partner in sustainably meeting China's food security and safety goals.
Technical Servicing	Aquaculture Feed Demand Feed, Swine, Poultry Teams, Conferences &Sponsorship	Expand U.S. soy utilization in aqua feeds Expand U.S. soy utilization in feed industry	Increase utilization of SBM produced from U.S. soy. Differentiate U.S. soy.
Management, Reporting & Evaluation	Beijing & Shanghai representation N Asia regional HQ	Maintain point of contact for Chinese customers.	Long term presence, reputation and credibility in market place.

MARKET SNAPSHOT NORTH ASIA

TAIWAN

SUPPLY / DEMAND BASICS

- Imports all of its soybean needs
- 2,340,000 MT Imported (2012) – U.S. share 51%
  - 1,820,000 MT for Crush (76%)
  - 280,000 MT for Full Fat (12%)
  - 240,000 MT for Soy Foods (10%)
- U.S. 85% of total share of food grade soybeans and Canada 15%
- 30,000 MT non-GMO food grade soybeans

COUNTRY OVERVIEW

- 23 million soy consumers
- GDP $489 billion
- Per capita income $18,300
- 2014 Economic growth rate 2.5%
  - Economic growth increasingly tied to trade and tourism with China
- Flat population growth, but it is not shrinking

TRADE / COMMERCIAL OVERVIEW

- Two major crushing groups, one smaller crusher
  - There were two small crushers, one closed because caught labeling cotton seed oil as other vegetable oils
  - Due to tainted oil scandal, daily crush volume in Taiwan down to 9,000 MT per day from 10,000 MT per day
  - No other oilseed crushed in Taiwan
- Feed production and is static
  - Animal production sector is struggling to compete with imported meat products
  - Feed industry's growth is taking place offshore (China & S.E. Asia)
- Soy food consumption is static
  - 90% of soy foods were produced with GM soybeans, with biotech concern this is now 80% GM soybeans.
  - U.S. market share in soy food sector is now 85%
  - Non-GMO soybean demand increasing along with Canadian market share.

POLICY AND/OR COMMERCIAL ISSUES

- Taiwan legislature approved GMO food labeling law in January '14
- Sets tolerance levels for GM content at 3%
- Taiwan FDA is currently drafting implementing regulations for the new law
- Impacts all soy products except SBO
- Issues is leading leading to increased non-GMO SB imports from all supplying countries (China, Canada & USA)
- Issues could diminish demand for bulk soybeans delivered in containers from USA
- USA now 85% market share in Taiwan soy foods market

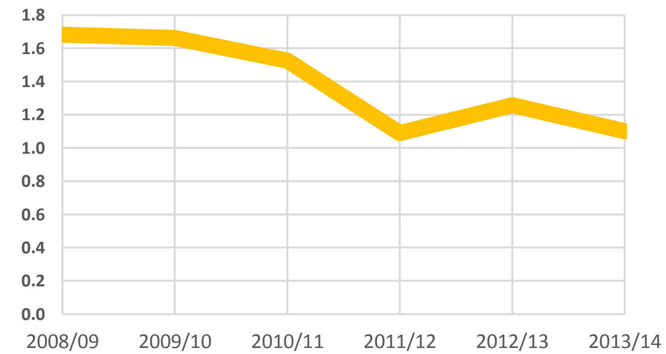
MARKET SNAPSHOT NORTH ASIA

TAIWAN

SOY IMPORT SITUATION (MMT)

COMMODITY	TOTAL IMPORTS 2012/13	TOTAL IMPORTS 2013/14	IMPORTS FROM THE U.S. 2012/13	IMPORTS FROM THE U.S. 2013/14	U.S. MARKET SHARE 2013/14	MARKET ASSESSMENT
Soybeans	2.286	2.350	1.216	1.221	52.0%	Stable
Soymeal	0.043	0.025	0.041	0.020	80.0%	Stable
Soy Oil	0.000	0.003	0.000	0.000	3.3%	Stable
TOTAL	2.329	2.378	1.257	1.241	52.2%	

IMPORTS FROM U.S. (MMT)



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KEY PROJECTS

PROJECT TYPE	KEY PROJECTS	BRIEF DESCRIPTION	IMPACT
Trade Servicing	Soy Outlook Conferences Partnership Team Soy Foods Programing	Annual conference U.S. harvest outlook Exchange views and information with executive management of Japan crush sector Promote and position U.S. food grade soybeans	Maintain high market share for U.S. soy by creating preference for U.S. soy and continued purchases of U.S. soy
Technical Servicing	High Impact SBM Programing for Feed, Poultry & Swine Industries	Conduct conferences, teams and workshops on SBM quality	Increase utilization of SBM produced from U.S. soy
Management, Reporting & Evaluation	Japan representation	Maintain point of contact for Japan customers	Long term presence, reputation and credibility in market place

MARKET SNAPSHOT NORTH ASIA

JAPAN

USSEC U.S. SOYBEAN EXPORT COUNCIL

SUPPLY / DEMAND BASICS

- 2014 Total Soybean Consumption
  - 236 TMT domestic production
  - 2,761,813 MT imported; 1,660,020 MT imported from U.S. (60.6% market share)
- 2014 crush volume
  - 1,910,404 MT
  - 65% U.S. soy crushed; 35% from other origins
- Soy foods utilization (*2014 estimates)
  - 350 TMT* U.S. origin food grade soybeans
  - 236 TMT domestic soybeans
  - 367 TMT* other origin food grade soybeans (Canada, China)

TRADE / COMMERCIAL OVERVIEW

- Consolidated crushing industry
  - Three major crushing companies; 1.9 MMT crushed in 2014
  - Soy crush shrinking due to better crush margins for canola
  - Soy crush could expanded by 10% in 2014
- Feed industry growth is flat
  - Due to reduced SB crush, SBM imports increasing
  - U.S. is not gaining market share due to Chinese meal
  - Swine and poultry farms increasing in size, total production of animals is flat
- Soy food consumption is flat
  - Japan is largest market for U.S. IP food grade soybeans
  - Canada is top competitor
  - U.S. share has increased 5% reaching 48% in 2014
  - Trade is indicating Canadian supply is shrinking, offering supply opportunity for U.S. food grade soybeans

COUNTRY OVERVIEW

- 127 million soy consumers; GDP $4.57 trillion; per capita income $45,000
- 2014 economic growth rate 1.8%,
  - Two decades of flat or negative economic growth
- Rapidly aging population; birth rate stable but death rate growing faster
  - Impacts potential growth of consumption of animal protein and vegetable oil

POLICY AND/OR COMMERCIAL ISSUES

- Japanese agri-industry opposes Japan's entry into Trans Pacific Partnership (TPP), want to maintain protectionist policies, but it seems that Japan will join TPP and will have to open agriculture markets which would:
  - Eliminate tariffs on vegetable oils which might reduce imports
  - Eliminate tariffs on meat/poultry which might lower SBM demand for feed industry
  - Present new opportunities for high oleic soybean oil and U.S. meat and poultry exports
- U.S. industry has experienced trade disruptions due to detections of chemical residues that exceed Japan's tolerances
- As producers use new herbicide mixes to address glysophate tolerant weeds, need to monitor those chemicals and the maximum residue level (MRL) policies in export markets

MARKET SNAPSHOT NORTH ASIA

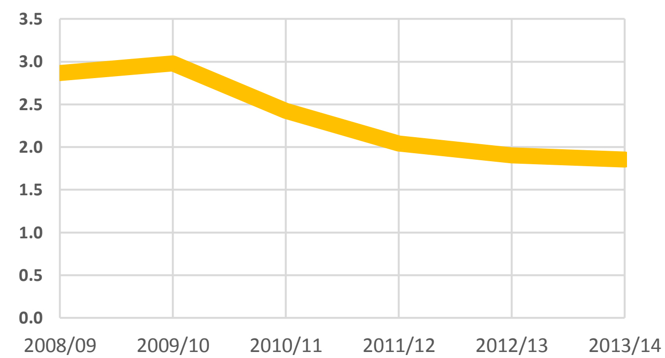
JAPAN

U.S. SOYBEAN EXPORT COUNCIL

SOY IMPORT SITUATION (MMT)

COMMODITY	TOTAL IMPORTS 2012/13	TOTAL IMPORTS 2013/14	IMPORTS FROM THE U.S. 2012/13	IMPORTS FROM THE U.S. 2013/14	U.S. MARKET SHARE 2013/14	MARKET ASSESSMENT
Soybeans	2.830	2.894	1.725	2.021	69.8%	Declining
Soymeal	1.765	1.976	0.172	0.209	10.6%	Growing
Soy Oil	0.038	0.016	0.004	0.000	0.0%	Stable
TOTAL	4.633	4.886	1.901	2.230	45.6%	

IMPORTS FROM U.S. (MMT)



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KEY PROJECTS

PROJECT TYPE	KEY PROJECTS	BRIEF DESCRIPTION	IMPACT
Trade Servicing	Soy Outlook Conferences Key Customer Team SBO Marketing Training Soy Foods Programing	Annual conference U.S. harvest outlook Demonstrate superiority of U.S. supply chain Promote and position U.S. soybeans in soy foods	Maintain high market share for U.S. soy by creating preference for U.S. soy and continued purchases of U.S. soy
Technical Servicing	Comparative analysis of SBM	Conduct tests to compare amino acids of SBM produced from Brazil and U.S. soybeans.	Increase utilization of SBM produced from U.S. soy Differentiate U.S. soy
Management, Reporting & Evaluation	Taiwan representation	Maintain point of contact for Taiwan customers.	Long term presence, reputation and credibility in market place

MARKET SNAPSHOT NORTH ASIA

SOUTH KOREA

SUPPLY / DEMAND BASICS

- 2014 Soy Consumption:
- Soybean
  - A total of 1,117 TMT imported - U.S. 50% share, including 830 TMT imported for crushing -U.S. 41% share and 287 TMT non-GM food-beans imported - U.S. 74% share
  - 154 TMT domestically produced
- Soybean Meal
  - 1,692 TMT imported - U.S. 9% share
  - 814 TMT domestically produced from imported soybeans
- Soybean Oil
  - 287 TMT imported – U.S. 16% share
  - 158 TMT domestically produced from imported soybeans

COUNTRY OVERVIEW

- South Korea has 50 million soy consumers
  - GDP $1.3 trillion; per capita income $23,838
  - 2013 economic growth rate 3.0%
- North Korea has 25 million soy consumers
  - GDP $30 billion; per capita income $1,220

TRADE / COMMERCIAL OVERVIEW

- Crushing Sector - 100% depends on imports for soybeans
  - Domestic crushing covers 26% of the country's SBM demand and 35% of SBO demand
  - Annual domestic soybean crushing in the range from 800 to 950 TMT for the last 5 years
  - U.S. market share in the range from 37 to 53% for the same period
  - Growing competition from South American soybeans
- Feed and Livestock Sector - 19 MMT of compound feed production in 2014
  - Swine is the largest segment, followed by beef cattle, poultry and dairy cattle
  - 2.3 MMT of SBM consumed in 2013, 76% of which was met by imports
  - Market share of U.S. was 9.1% of the Korean SBM imports in 2014
- Food-Soybean Sector - 450 TMT in the annual demand for food-soybeans
  - 64% of the demand met by imports, all being non-GM soybeans
  - Market share of U.S. was 74% of the imported food-soybeans in 2014
  - Korea - U.S. FTA brought an end to the government's monopoly in food-soybean imports

POLICY AND/OR COMMERCIAL ISSUES

- Korea – U.S. FTA
  - 5% duty on RBD SBO is set to phase out by 2016; and crude SBO by 2021
  - Opened market for variety-specific identity preserved soybeans for soy-food processing
  - 2015 TRQ allocation is 25,000 MT for U.S. variety-specific IP soybeans, out of which 78% has been implemented so far
- Mandatory GMO labeling in place with a 3% threshold
  - Growing voice from consumer groups calling for the expansion of GMO labeling into SBO
- Korea –Canada FTA - Will open market for Canadian variety-specific identity preserved soybeans for soy-food processing
- Differential Export Tax - Argentine DET is functioning like the export subsidy for the country's SBO in the Korean imported SBO market

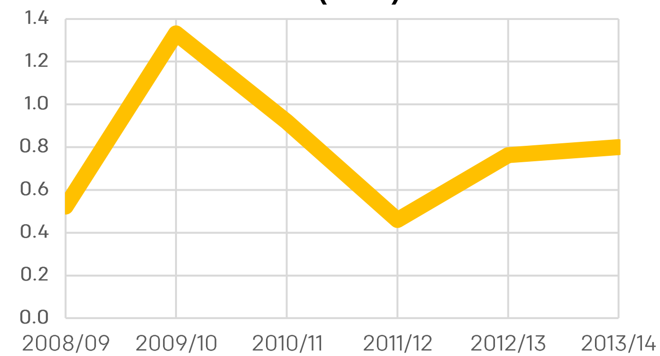
MARKET SNAPSHOT NORTH ASIA

SOUTH KOREA

SOY IMPORT SITUATION (MMT)

COMMODITY	TOTAL IMPORTS 2012/13	TOTAL IMPORTS 2013/14	IMPORTS FROM THE U.S. 2012/13	IMPORTS FROM THE U.S. 2013/14	U.S. MARKET SHARE 2013/14	MARKET ASSESSMENT
Soybeans	1.115	1.271	1.216	0.596	46.9%	
Soymeal	1.654	1.826	0.041	0.191	10.5%	
Soy Oil	0.300	0.278	0.000	0.001	0.4%	
TOTAL	3.069	3.375	1.257	0.788	23.3%	

IMPORTS FROM U.S. (MMT)



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KEY PROJECTS

PROJECT TYPE	KEY PROJECTS	BRIEF DESCRIPTION	IMPACT
Trade Servicing	Soy Outlook Conferences Buyers Teams	Host annual conference U.S. harvest outlook Demonstrate superiority of U.S. supply chain Promote and position U.S. soybeans in soy foods.	Maintain high market share for U.S. soy by creating preference for U.S. soy and continued purchases of U.S. soy
Technical Servicing	U.S. SBM and Food Beans Conferences U.S. Soy in Aqua Feed	Expand U.S. soy utilization in animal feed, human food and aqua industries	Increase utilization of SBM and preference for U.S. soy Differentiate U.S. soy
Management, Reporting & Evaluation	Korea representation	Maintain point of contact for Korean customers.	Long term presence, reputation and credibility in market place

MARKET SNAPSHOT GREATER EUROPE

USSEC
U.S. SOYBEAN EXPORT COUNCIL

SUPPLY / DEMAND BASICS

- Growing U.S. Soymeal Market
- Non-GM sourcing for feed use declining due to unfavorable price spreads and supply – approximately 10% of commercial feed is non-GMO
- Russia agriculture ban impacting poultry/livestock production
- EU polices on biotech and other ag production issues making Europe more reliant on ag imports for
- Increasing preference for U.S. meal (even over U.S. beans) with appreciation of feed value and delivery confidence

REGION OVERVIEW

- 580 million people
- 27% of the World GDP (U.S. is 23%)
- Flat GDP Growth
- Euro weakened vs. US dollar

TRADE / COMMERCIAL OVERVIEW

- 6.5 million metric tons of U.S. soy exports
- Germany-Spain-France-Netherlands-Italy-UK--Denmark-Portugal-Turkey-Russia (10 countries) import over 150,000 MT of U.S. soy
- Strong East Coast exports to EU
- Submitting SSAP as “verified” sustainable system through FEFAC (Europe feed associations)
- Europe feed industry focusing more on “verified” sustainable systems instead of “certified” to reduce cost and complexity
- EU Commission reviewing SSAP for RED approval

POLICY AND/OR COMMERCIAL ISSUES

- SSAP approved by Dutch Feed Association
- Certified U.S. sustainable soy exported to Europe
- EU 2nd largest biotech ag importer after China
- EU food/feed industry much more vocal on biotech issue due to opt-out
- Sustainability – U.S. competitive advantage
- RTRS adoption struggling but still preferred “brand” – reaching out to US
- TTIP – FTA in discussion to simplify regulatory structure
- USSEC joined Consumer Goods Forum (retail/food mfg. leaders)

SOY IMPORT SITUATION (MMT)

COMMODITY	TOTAL IMPORTS 2012/13	TOTAL IMPORTS 2013/14	IMPORTS FROM THE U.S. 2012/13	IMPORTS FROM THE U.S. 2013/14	U.S. MARKET SHARE 2013/14	MARKET ASSESSMENT
Soybeans	13.755	15.375	3.324	4.400	28.6%	Declining
Soymeal	18.439	19.674	1.662	1.630	8.3%	Growing
Soy Oil	0.386	0.349	0.040	0.000	0.0%	Stable
TOTAL	32.580	35.398	5.026	6.030	17.0%	

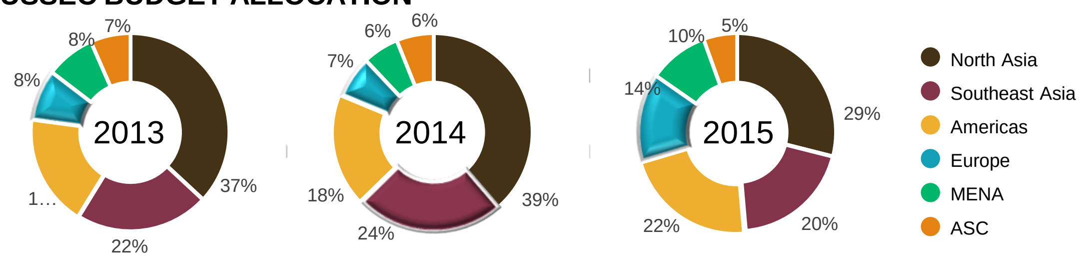
MARKET SNAPSHOT GREATER EUROPE

USSEC U.S. SOYBEAN EXPORT COUNCIL

KEY PROJECTS

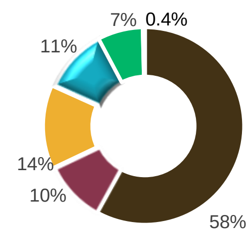
PROJECT TYPE	KEY PROJECTS	BRIEF DESCRIPTION	IMPACT
Trade Servicing	Buyers Conferences	One large conference per year	Export commitments and valuable trade partnerships reestablished
	Country Level Buyers Conferences	10 conferences with key buyers	Exposure of U.S. soy to the market place, forum to discuss future needs
Trade Servicing	Feed/Poultry Industry meeting support and participation	Participate in local feed and poultry association meetings with technical and market information	Strengthen connection to local country level associations and industry
Technical Servicing	Sampling and reporting on results for Amino Acid Content	Sample competition and U.S. soy and SBM at the start of each marketing year	Determine/underscore and communicate the fundamental differences in AA content and the overall value of that to the buyer
Market Access	Biotech approval and Sustainability	Support import approvals on new biotech events and promote US soy sustainability	US soy seen as sustainable production with organization approvals

USSEC BUDGET ALLOCATION*



* Region specific budget allocation does not include Worldwide projects or Attachment C

U.S. EXPORTS BY REGION 2013-2014



MARKET SNAPSHOT MENA

USSEC U.S. SOYBEAN EXPORT COUNCIL

SUPPLY / DEMAND BASICS

- Price Sensitivity
- Crush increasing, especially in Egypt
- Animal ag and infrastructure investments are on-going
- Egypt-Tunisia-Morocco-Saudi Arabia-Israel import over 150,000 MT of U.S. soy

REGION OVERVIEW

- 6% of Global Population - 380 Million
- 4.5% Regional GDP -Wide Geographic Swings
- Challenging Economic Environment(s): Inflationary, lack of Foreign Direct Investment, and Currency Devaluation
- Infrastructure hurdles but investment continues
- Growing security concerns in region

TRADE / COMMERCIAL OVERVIEW

- 1.82 million metric tons of U.S. soy exports
- Regional Crush Investments – Egypt + consideration for Algeria
- Egypt Aquaculture growth (1 MMT)
- Soy extrusion increasing - FFSBM growth
- Regional SBO refining growth
- Strong Saudi poultry and dairy industry (by-pass meal exports)
- Soy trade with several countries such as Syria is very complicated but continues with some both direct and indirect imports
- Interest from importers in containerized shipments but logistics difficult

POLICY AND/OR COMMERCIAL ISSUES

- Ongoing armed conflicts in several countries
- Poultry disease issues – wet markets common
- Sustainability or biotech issues not prevalent

SOY IMPORT SITUATION (MMT)

COMMODITY	TOTAL IMPORTS 2012/13	TOTAL IMPORTS 2013/14	IMPORTS FROM THE U.S. 2012/13	IMPORTS FROM THE U.S. 2013/14	U.S. MARKET SHARE 2013/14	MARKET ASSESSMENT
Soybeans	2.310	2.477	1.198	1.217	49.1%	Growing
Soymeal	6.870	7.796	0.847	0.547	7.0%	Growing
Soy Oil	2.033	2.036	0.083	0.045	2.2%	Growing
TOTAL	11.213	12.309	2.128	1.809	14.7%	

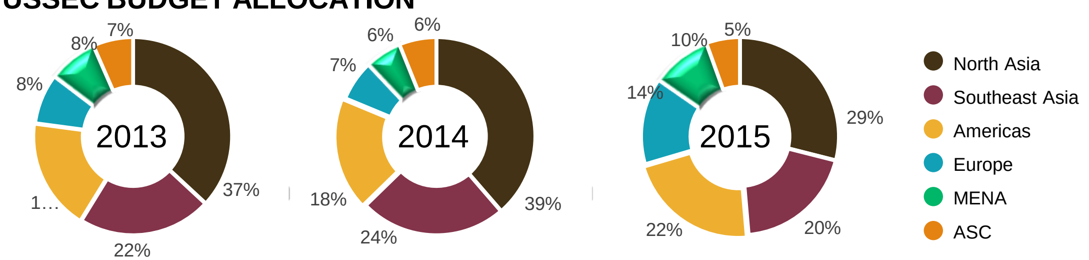
MARKET SNAPSHOT MENA

USSEC
U.S. SOYBEAN EXPORT COUNCIL

KEY PROJECTS

PROJECT TYPE	KEY PROJECTS	BRIEF DESCRIPTION	IMPACT
Trade Servicing	Poultry industry	Support growth in primary soy market of poultry industry with focus on US performance advantage and delivery confidence	Increase US soymeal usage with improved feed production and management practices
Trade Servicing	Aquaculture	Increase focus on aquaculture industry	Increase US soymeal usage with improved feed production and management practices
Trade Servicing	Animal feed growth and logistics development	Commercial growth applications for the region	Intra-regional increase of soy consumption in feed applications/channels
Trade Servicing	Capacity building	Support production increases in soy crush and FFSBM processors	Intra-regional increase of soy consumption in feed applications/channels

USSEC BUDGET ALLOCATION*



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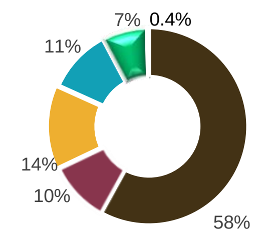
U.S. EXPORTS BY REGION 2013-2014



MARKET SNAPSHOT AMERICAS

U.S. SOYBEAN EXPORT COUNCIL

SUPPLY / DEMAND BASICS

- Largest U.S. market for SBM (YTD -51% of total U.S. Exports), SBO (82.7% of total U.S. SBO exports), soy ingredients and 2nd largest for SB (9% of total U.S. SB exports).
- Growing meal and oil markets
- Poultry, Swine and aquaculture new expansion efforts
- Increased meat, poultry meat and egg demand, given economic growth – Production growth
- Increased competition form SAM SB and SBM
- Increased competition from SAM SBO and from other oils
- Region will continue to be dependent on imports of grains and oil seeds
- Growth opportunities on the soy ingredient and soy food market

REGION OVERVIEW

- 303 million people
- 6% of the World GDP (U.S. is 23%)
- Average GDP Growth 3.3
- Mexico and Canada – key stable markets
- Andean community & Central America - Key growth markets for U.S.
- The rest, stable markets with increasing threats from SAM

TRADE / COMMERCIAL OVERVIEW

- Soybean exports to AM up 18% YTD FY15 vs FY14.
- SBM exports to AM Region up YTD 11% vs. FY14
- SBO exports to AM Region up 43% YTD vs FY14, ***already higher that the record year (2010), with 4 months to go.***
- SB exports to Mexico up 1% and SBM up 12% in YTD FY15 vs. FY14. SBO exports t Mexico have grown 18% FY15 vs FY14.
- SB exports to Central America (CAM) are up 123%, SBM are up 7% FY15 vs. FY14
- SB exports to ANCOM 222%, SBM exports to ANCOM are up 24%% vs. FY4, growth in Peru, Colombia and Ecuador.

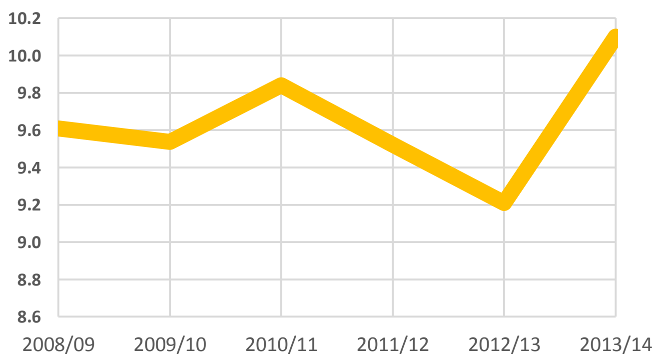
POLICY AND/OR COMMERCIAL ISSUES

- GM has become more of an issue in Mexico and the region
- Increased negative comments about soy in social media
- Sustainability and important differentiation message from the U.S.
- "zero tolerance" on soil presence on shipment to Mexico
- Ecuador: extended the exception on VAT for SBM to 2016 – great news!.

SOY IMPORT SITUATION (MMT)

COMMODITY	TOTAL IMPORTS 2012/13	TOTAL IMPORTS 2013/14	IMPORTS FROM THE U.S. 2012/13	IMPORTS FROM THE U.S. 2013/14	U.S. MARKET SHARE 2013/14	MARKET ASSESSMENT
Soybeans	5.285	6.155	3.467	4.153	67.5%	Declining
Soymeal	8.627	8.919	5.287	5.406	60.6%	Growing
Soy Oil	1.882	1.976	0.431	0.543	27.5%	Stable
TOTAL	15.794	17.050	9.185	10.102	59.2%	

IMPORTS FROM U.S. (MMT)



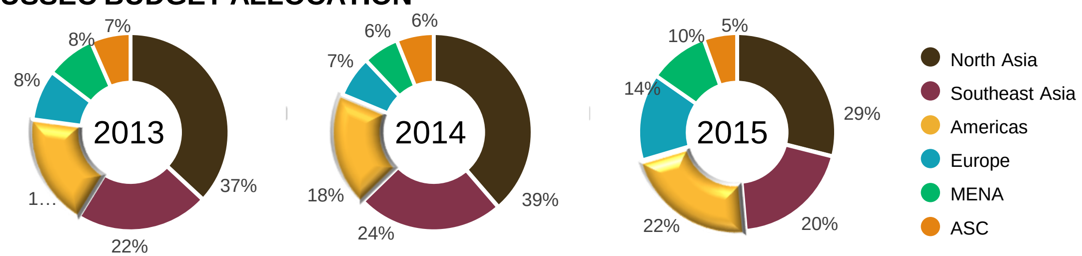
MARKET SNAPSHOT AMERICAS

USSEC
U.S. SOYBEAN EXPORT COUNCIL

KEY PROJECTS

PROJECT TYPE	KEY PROJECTS	BRIEF DESCRIPTION	IMPACT
Trade Servicing	Buyers Conferences PR and Promotions	One large conference per year Working with industry and government on PR and promotion More social media communication, consumer, government and industry education programs	Valuable trade partnerships established Will be proactive on educating consumers, government, will also increase promotions thus impacting sales
Trade Servicing	Industry Conferences	Conferences, seminars, workshops or one-on-one advise with key buyers Aqua investment Workshop	Exposure of U.S. soy industry leadership and U.S. soy products to the market place Forum to discuss future needs
Technical Servicing	Training to feed manufacturers and integrated operations, poultry, aqua and livestock leading producers	Nutrition, feed manufacturing, risk management conferences and one-on-one training, certification programs	Bust their economic viability Increase awareness and demand for U.S. soy products Communicate the differences in AA

USSEC BUDGET ALLOCATION*



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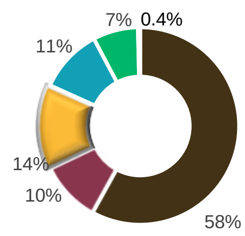
U.S. EXPORTS BY REGION 2013-2014



MARKET SNAPSHOT AMERICAS

MEXICO

U.S. SOYBEAN EXPORT COUNCIL

SUPPLY / DEMAND BASICS

- Growing meal and oil market
- Swine and aquaculture (shrimp) health issues continue
- Increased meat, poultry meat and egg demand due to population and economic growth
- Increased competition from SAM SBM and SB
- Increased competition from other oils (palm and canola)
- Mexico will continue to be dependent on imports of grains and oil seeds
- Growing demand for soy foods

TRADE / COMMERCIAL OVERVIEW

- SB exports to Mexico up 24% FY14 vs same period FY13,and 2% additional growth over 2012
- SBM exports to Mexico up 11% FY14 vs. FY13
- SBO exports to Mexico up 16% in FY14 vs. FY13
- Increased competition for U.S. SBO from other oils and SBO from other origins

COUNTRY OVERVIEW

- 110 million people
- 1.5% of the World GDP (U.S. is 23%)
- Average GDP Growth 3.0%
- Mexico is a key stable market, with SAM challenging U.S

POLICY AND/OR COMMERCIAL ISSUES

- GM has become more of an issue (political) in Mexico
- Social media increased negative comments about soy
- Sustainability of U.S. soy becoming a competitive advantage to U.S.
- "Zero tolerance" on soil presence on shipment to Mexico still creating some challenges, but mostly have a procedure in place

MARKET SNAPSHOT AMERICAS

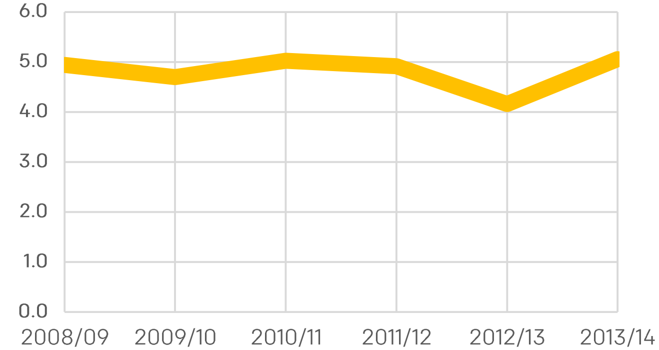
MEXICO

USSEC U.S. SOYBEAN EXPORT COUNCIL

SOY IMPORT SITUATION (MMT)

COMMODITY	TOTAL IMPORTS 2012/13	TOTAL IMPORTS 2013/14	IMPORTS FROM THE U.S. 2012/13	IMPORTS FROM THE U.S. 2013/14	U.S. MARKET SHARE 2013/14	MARKET ASSESSMENT
Soybeans	3.409	3.842	2.680	3.402	88.5%	Stable
Soymeal	1.295	1.510	1.294	1.466	97.1%	Growing
Soy Oil	0.194	0.201	0.187	0.190	94.5%	Growing
TOTAL	4.898	5.553	4.161	5.058	91.1%	

IMPORTS FROM U.S. (MMT)



The data for 2008/09 -2012/13 are actual exports as indicated reported by the U.S. Census Bureau. The data for 2013/14 are the amount sold to each country as of April as reported by USDA/FAS. It includes amounts sold and shipped as well as unshipped sales. All data are metric tons.

KEY PROJECTS

PROJECT TYPE	KEY PROJECTS	BRIEF DESCRIPTION	IMPACT
Trade Servicing	Buyers Conferences	One large conference per year	Valuable trade partnerships established
Trade Servicing	Industry Conferences	Conferences, seminars, workshops or one-on-one advise with key buyers Aqua investment Workshop More social media communication, focused on consumer, government and industry education on benefits and healthiness of U.S. soy	Exposure of U.S. soy industry leadership and U.S. soy products to the market place Forum to discuss future needs PR and promotions in conjunction with SBO marketers/crushers. Great results on SBO demand
Technical Servicing	Training to feed manufacturers and integrated operations, poultry, aqua and livestock leading producers	Nutrition, feed manufacturing, risk management conferences and one-on-one training, certification programs	Bust their economic viability Increase awareness and demand for U.S. soy products Communicate the differences in AA

September 2015

MARKET SNAPSHOT AMERICAS

CUBA

SUPPLY / DEMAND BASICS

- New government policies gradually provide incentives for expansion of swine and poultry production
- Increased pork, poultry and egg demand
- Shrimp aquaculture growing – targeting tourism industry
- U.S. lost market share since 2007 to SAM SBO - 99% of food oil used in Cuba is soy
- Cuba continues to be dependent on imports of grains and oil seeds
- With the right policies, Cuba may become less dependent on grain imports, not so for soy

TRADE / COMMERCIAL OVERVIEW

- Cuba's top trade partners: China 27.5%, Canada 26.9%, Netherlands 11.1%, Spain 4.7%, Brazil and the EU are growing to surpass current partners.
- Cuba's top industry is tourism, energy & mining, cigars and rum...
- Cuba's total national debt is estimated at 13-Billion
- Cuba now imports up to 80% of food used for rations
- Exports of 2.4 billion dollars and imports of 6.9 billion
- U.S. Soy exports to Cuba YTD FY15 vs. FY14:
  - SB: FY15 = 24,000 MT vs 47,000 MT in FY14
  - SBM: FY15 = 113,500 MT vs 142,600 MT in FY14
  - SBO: FY15 = 0 - lost the market to Brazil since 2009

COUNTRY OVERVIEW

- 11.5 million people
- GDP US$68.72 billion (Source U.N.)
- Cuba has a dual economy, with two distinct systems operating side by side.
- The socialist peso economy applies to most Cubans
- The free-market dollarized economy operates in the tourist, international and export sectors, and substantially sustains the socialist economy.
- Cuba announced on 08 July 2013 its readiness to reform state-owned enterprises in 2014 by granting them more autonomy

POLICY AND/OR COMMERCIAL ISSUES

- Imports controlled/dominated by the State
- Gradual transition to a more free enterprise as it relates to agriculture and livestock production/marketing
- U.S. export potential limited mainly by:
  - 1- availability of credit
  - 2- resentment because Cuba cannot export any products to the U.S.
  - U.S. opening to imports of 3 Cuban products, would change the whole dynamics of the relationship: cigars, rum and sugar.. The U.S. would then be in a better position to export. The credit issue is more complicated and would take longer to figure out. This would show good will.

MARKET SNAPSHOT AMERICAS

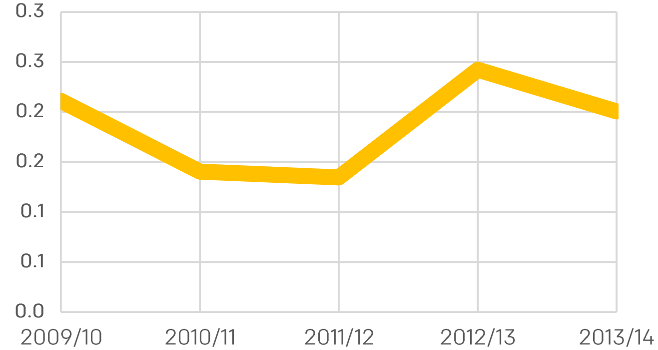
CUBA

U.S. SOYBEAN EXPORT COUNCIL

SOY IMPORT SITUATION (MMT)

COMMODITY	TOTAL IMPORTS 2012/13	TOTAL IMPORTS 2013/14	IMPORTS FROM THE U.S. 2012/13	IMPORTS FROM THE U.S. 2013/14	U.S. MARKET SHARE 2013/14	MARKET ASSESSMENT
Soybeans	125,000	150,000	86,900	57,978	38.7%	Down for U.S.
Soymeal	215,000	250,000	155,400	142,624	57.0%	Down for U.S.
Soy Oil	76,000	85,000	0	0	0.0%	
TOTAL	416,000	485,000	242,300	200,602	41.4%	

IMPORTS FROM U.S. (MMT)



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KEY PROJECTS

PROJECT TYPE	KEY PROJECTS	BRIEF DESCRIPTION	IMPACT
Trade Servicing	Differentiate U.S. Soy	Total Quality Experience	Building preference for U.S. soy
Trade Servicing	Industry Conferences	Conferences, seminars, workshops or one-on-one advise with key buyers	Exposure of U.S. soy to the market place, forum to dis Exposure of U.S. soy industry leadership and U.S. soy products to the market place, forum to discuss future needs
Trade Servicing	Soy in social programs		
Trade Servicing	Continue work with FAS in WDC in coordination with QSSBs		
Technical Servicing	Risk management training	Nutrition, feed manufacturing, risk management conferences and one-on-one training, certification programs	Bust their economic viability. Increase awareness and demand for U.S. soy products Communicate the differences in AA

MARKET SNAPSHOT ASC

USSEC
U.S. SOYBEAN EXPORT COUNCIL

SUPPLY / DEMAND BASICS

- Soymeal consumption estimated at 5.87 MMT in 2014 (India - 4.0 MMT, Pakistan -0.910 MMT, Bangladesh – 0.704 MMT, Sri Lanka – 0.159 MMT, Nepal – 0.100 MMT)
- Soy usage in human food exceeded 1.00 MMT in 2013
- Animal and aquaculture industries will require an additional 2 million tons of soy meal by the end of FY17
- Increasing Crushing Capacity in Bangladesh
- Pakistan just begins importing meal and beans
- Nepal - poultry feed production 600,000 tons, 10% growth
- Nepal -Two soy crush plants with a capacity of 2 MMT/year
- Meal Utilization in Compound Annual Growth Rate:
  - Poultry - Broiler - 12% -Layer 7%, Farmed Freshwater Fish – 8%
  - Farmed Shrimp – 20% , Human Consumption of Soy – 10%

TRADE / COMMERCIAL OVERVIEW

- Regular containerized and bulk imports of U.S. Soybean and soybean meal in Bangladesh (478,000 MT thus far in 2014/15 Market Year)
- Bulk and container shipments to Pakistan mostly for beans (236,000 MT in thus far in 2014/15 Market Year)
- Concentrates and isolates exceeded 1,500 MT in India.
- Containerized soymeal and isolates imports to Sri Lanka (64,000 MT thus far in 2014/15 Market Year)
- U.S. imports to the region represent 850,000 MT or 31.2 million bushels of U.S. soybeans
- Recent interest in sourcing U.S beans in Nepal prior to earthquake
- Open market in Nepal and soy meal is imported from India

REGION OVERVIEW

- Focus on Demand/Growth of domestic soy consumption and Market Development for U.S. Soy
- Population: 1.65 billion; 23% of Global Population
- Region GDP average growth: 5.15% and increasing
- New, growth-oriented majority government in India, relatively stable governments in Bangladesh and Sri Lanka, but political instability in Pakistan
- Infrastructure Hurdles – Infrastructure Rebuilding

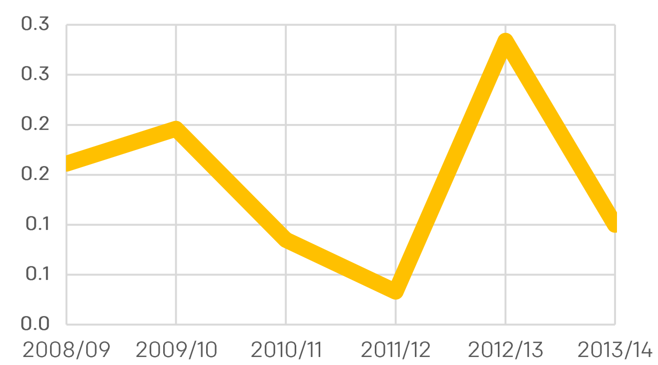
POLICY AND/OR COMMERCIAL ISSUES

- Sanitary and Phytosanitary non-tariff barriers in India
- GMO Concerns in India, Bangladesh and Sri Lanka
- Zero or low duty for defatted soy flour, SBM and other soy foods can increase domestic consumption considerably
- Agricultural price supports carried over from previous Indian government and may extend to oilseeds and lentils

SOY IMPORT SITUATION (MMT)

COMMODITY	TOTAL IMPORTS 2012/13	TOTAL IMPORTS 2013/14	IMPORTS FROM THE U.S. 2012/13	IMPORTS FROM THE U.S. 2013/14	U.S. MARKET SHARE 2013/14	MARKET ASSESSMENT
Soybeans	0.398	0.522	0.057	0.109	20.9%	Growing
Soymeal	1.206	1.337	0.109	0.093	7.0%	Growing
Soy Oil	1.532	2.349	0.115	0.001	0.1%	Growing
TOTAL	3.136	4.208	0.281	0.203	4.8%	

IMPORTS FROM U.S. (MMT)

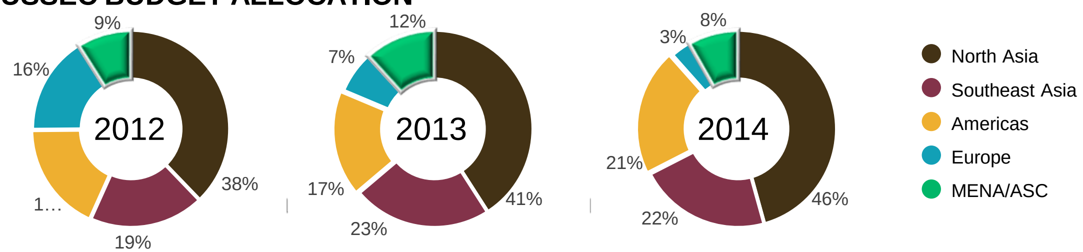


MARKET SNAPSHOT ASC

KEY PROJECTS

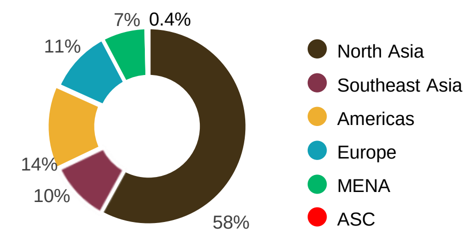
PROJECT TYPE	KEY PROJECTS	BRIEF DESCRIPTION	IMPACT
Trade Servicing	Crush for Meal Program	A series of education/training projects to convince soy crushers to improve their margins by adding value to meal for feed and food uses	Retain soy meal in India and make less available for export. Improve quality of meal to increase demand for high quality meal, eventually leading to imports of meal.
Trade Servicing	Demand Building	A series of education/training projects to convince poultry, aqua and food producers of the benefits of higher quality meal and protein products to improve their profitability	Increased demand for soy meal products eventually leading to imports of U.S. soy.
Technical Servicing	Soy Fortification	Demonstrate suitability of soy products in nutritious products for upwardly mobile middle class customers as well as government-sponsored nutrition programs	Increased soy consumption in food applications. Increased demand for U.S. soy protein flour, concentrate and isolated soy protein.

USSEC BUDGET ALLOCATION*



* Region specific budget allocation does not include W

U.S. EXPORTS BY REGION 2013-2014



MARKET SNAPSHOT ASC

INDIA

U.S. SOYBEAN EXPORT COUNCIL

SUPPLY / DEMAND BASICS

- Rather stagnant soybean production for last three years
- Domestic consumption of soymeal exceeded exports in 2014
- USDA estimates consumption will be nearly twice that of exports in 2015.
- Domestic soymeal consumption: 4.3 MMT in 2014
- Domestic soy consumption in human food: 1.00 MMT in 2014
- Compound Annual Growth Rate
  - Poultry - Broiler – 8-9% -Layer 7%, Farmed Freshwater Fish – 8%
  - Farmed Shrimp – 20%, Human Consumption of Soy – 10%
- India is the largest soy oil importer in the world, mostly from South America
- India's animal feed industry is expected to double in size in 5 years

TRADE / COMMERCIAL OVERVIEW

- Concentrates and isolates exceeded 1,500 MT in India.
- Commodity soybean imports uncertain, however, growing interest in food grade soybeans ,soy flour, soy nuts and non-GM meal
- U.S. Food soybeans under test at soy food companies
- Processors/traders increasingly looking to import market
- Shrinking export market and volume of Indian soymeal
- Poultry Industry called for importation of 1 million MT of soymeal to increase competitiveness

COUNTRY OVERVIEW

- Economy ranks 10th largest and purchasing power parity is 3rd largest in the world, Foreign Direct Investments soar 112% in April to $3.6 billion;
- Population: 1.27 billion, over 300 million middle class with disposable income
- GDP average growth: 5% and increasing, 7.5 % in 2015 1st Qtr.
- New, development-oriented majority government at the center
- Infrastructure Hurdles – Infrastructure Rebuilding

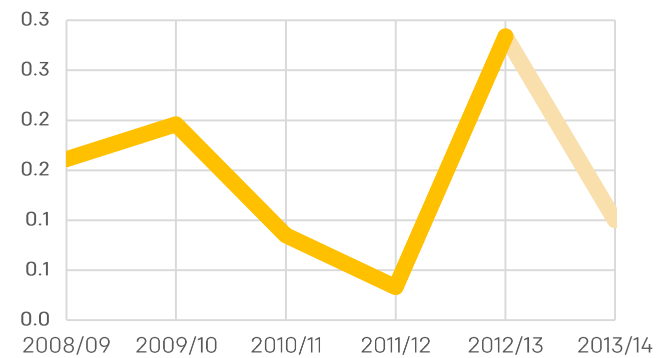
POLICY AND/OR COMMERCIAL ISSUES

- Market Access issues like sanitary and phyto-sanitary non-tariff barriers to be addressed
- Government of India (GOI) is keen to address protein malnutrition problems
- "Make in India" may drive soybean imports to employ underutilized crush capacity
- GM soy is not allowed, but allowed in cottonseed production; GOI is working to draft a policy on GM crops
- Zero or low duty for defatted soy flour, SBM and other soy foods can help increase soy utilization considerably
- Agricultural price supports carried over from previous Indian government and may extend to oilseeds and pulses

SOY IMPORT SITUATION (MMT)

COMMODITY	TOTAL IMPORTS 2012/13	TOTAL IMPORTS 2013/14	IMPORTS FROM THE U.S. 2012/13	IMPORTS FROM THE U.S. 2013/14	U.S. MARKET SHARE 2013/14	MARKET ASSESSMENT
Soybeans	0.000	0.002	0.000	0.002	100.0%	Growing
Soymeal	0.007	0.007	0.000	0.000	0.0%	Growing
Soy Oil	1.086	1.830	0.113	0.000	0.0%	Growing
TOTAL	1.093	1.839	0.113	0.002	0.1%	

IMPORTS FROM U.S. (MMT)



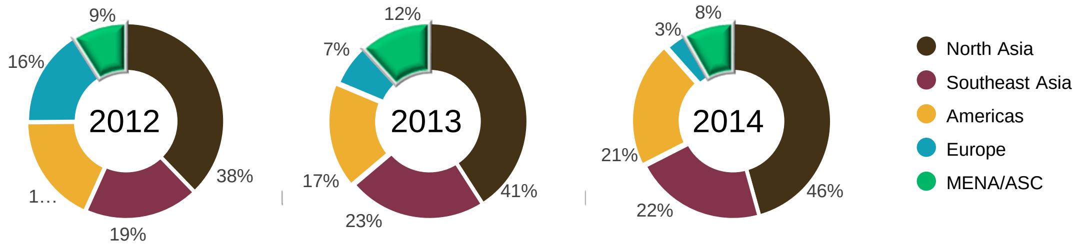
MARKET SNAPSHOT ASC

INDIA

KEY PROJECTS

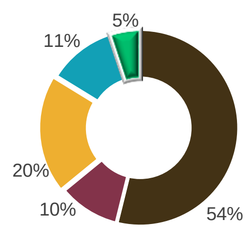
PROJECT TYPE	KEY PROJECTS	BRIEF DESCRIPTION	IMPACT
Trade Servicing	Crush for Meal Program	A series of education/training projects to convince soy crushers to improve their margins by adding value to meal for feed and food uses	Retain soymeal in India and make less available for export. Improve quality of meal to increase demand for high quality meal, eventually leading to imports of soymeal.
Trade Servicing	Demand Building	A series of education/training projects to convince poultry, aqua and food producers of the benefits of higher quality meal and protein products to improve their profitability	Increased demand for soy meal products in India eventually leading to imports of U.S. soy.
Technical Servicing	Soy Fortification	Demonstrate suitability of soy products in nutritious products for upwardly mobile middle class customers as well as government-sponsored nutrition programs	Increased soy consumption in food applications. Increased demand for U.S. soy protein flour, concentrate and isolated soy protein.

USSEC BUDGET ALLOCATION*



* Region specific budget allocation does not include W

U.S. EXPORTS BY REGION 2013-2014



MARKET SNAPSHOT ASC

BANGLADESH

U.S. SOYBEAN EXPORT COUNCIL

SUPPLY / DEMAND BASICS

- Increasing crushing capacity
- Fifth largest fresh water fish producer in the world
- Aquaculture, poultry, dairy and horticulture are most important agriculture subsectors
- Livestock and poultry contribute 3.3% to GDP
- Feed production is 3.5 MMT/year
- Poultry meat production is 210,000 MT/year and fish production is 1.52 MMT/year
- Poultry and fish contribute significantly to the protein-poor population
- Malnutrition and food security concerns
- Soy oil is preferred over other oils, consumption is growing among urban population
- Utilization of soy in human food growing
- Prevalent of government and private funded feeding and welfare programs

COUNTRY OVERVIEW

- Population: 160 million population
- GDP average growth: 6.5%
- Infrastructure Hurdles – Infrastructure Rebuilding
- Large and growing middle class; hopes to achieve middle income status by 2012

TRADE / COMMERCIAL OVERVIEW

- Government policies are trade friendly
- Country has support of international donors; poverty alleviation
- Regular containerized and bulk imports of U.S. soybeans and meal, exceeding the $10M threshold required for handoff from WISSH to USSEC
- U.S. imports totaled 478,000 MT so far in market year 2014/15.
- U.S. Market share ~ 35%
- Meal and oil imports are being substituted by bean imports (thus less dependency from India)
- New shipments of soy flour
- No duty on import of crude or refined edible oil

POLICY AND/OR COMMERCIAL ISSUES

- GMO officially restricted, but large imports of GM cotton

MARKET SNAPSHOT ASC

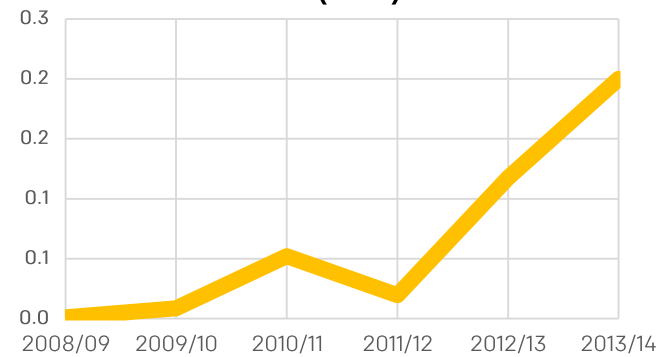
BANGLADESH

U.S. SOYBEAN EXPORT COUNCIL

SOY IMPORT SITUATION (MMT)

COMMODITY	TOTAL IMPORTS 2012/13	TOTAL IMPORTS 2013/14	IMPORTS FROM THE U.S. 2012/13	IMPORTS FROM THE U.S. 2013/14	U.S. MARKET SHARE 2013/14	MARKET ASSESSMENT
Soybeans	0.398	0.520	0.055	0.109	21.0%	Growing
Soymeal	0.364	0.258	0.060	0.040	15.5%	Growing
Soy Oil	0.397	0.441	0.020	0.001	0.2%	Growing
TOTAL	1.159	1.219	0.135	0.150	12.3%	

IMPORTS FROM U.S. (MMT)



The data for 2008/09 -2012/13 are actual exports as indicated reported by the U.S. Census Bureau. The data for 2013/14 are the amount sold to each country as of April as reported by USDA/FAS. It includes amounts sold and shipped as well as unshipped sales. All data are metric tons.

KEY PROJECTS

PROJECT TYPE	KEY PROJECTS	BRIEF DESCRIPTION	IMPACT
Trade Servicing	Supply	A series of education/training projects for crushers to continue their preference for U.S. Soy.	Grow market share of U.S. Soy
Trade Servicing	Demand Building	A series of education/training projects to convince poultry, aqua and food producers of the benefits of higher quality meal and protein products to improve their profitability	Increased demand for soy mea derived from U.S. Soy
Technical Servicing	Soy Fortification	Demonstrate suitability of soy products in nutritious products for upwardly mobile middle class customers, as well as government-sponsored nutrition programs	Increased soy consumption in food applications. Increased demand for U.S. soy protein flour, concentrate and isolated soy protein.

MARKET SNAPSHOT ASC

SRI LANKA

SUPPLY / DEMAND BASICS

- Demand driven by poultry industry
- A small pork producer with zero inclusion of soy
- Despite abundant fresh and salt water, no significant aquaculture
- Growth opportunity in the domestic consumption of commodity soy and value-added soy products.
- Meal Utilization in Compound Annual Growth Rate:
  - Poultry - Broiler - 8% -Layer 7%
  - Human Consumption of Soy – 10%
- Highest per capita GDP in ASC
- Highest GDP growth rate in ASC

TRADE / COMMERCIAL OVERVIEW

- Direct Market for U.S. soy Products
- Regular container shipment of soybean meal with 64,,000 MT of U.S. meal imported in 2014/15 market year
- Growing interest in food grade soybeans and non-GM meal
- Potential market for U.S. food-grade soybeans, soy concentrates, soy isolates and soy flour used in processed foods, such as bakery products, nutraceuticals and texturized soy protein (TSP)
- Requirements are stable; highly quality conscious due flourishing processed chicken market
- Considerable opportunities to promote soybean products in animal feed

COUNTRY OVERVIEW

- Focus on Demand/Growth of domestic soy consumption and Market Development for U.S. Soy
- Population: 20.27 million
- GDP average growth: 6.3%
- Growth-oriented, stable government but new elections scheduled
- Infrastructure improving good roads and modern ports

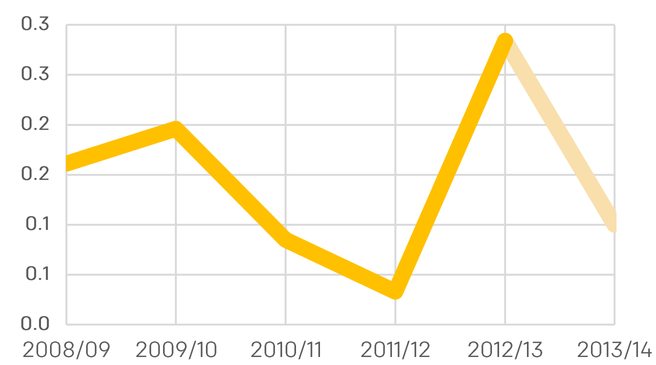
POLICY AND/OR COMMERCIAL ISSUES

- GMO Concerns but GM meal is approved for import
- Government sets the price of some foods

SOY IMPORT SITUATION (MMT)

COMMODITY	TOTAL IMPORTS 2012/13	TOTAL IMPORTS 2013/14	IMPORTS FROM THE U.S. 2012/13	IMPORTS FROM THE U.S. 2013/14	U.S. MARKET SHARE 2013/14	MARKET ASSESSMENT
Soybeans	0.000	0.000	0.000	0.000	0.0%	Growing
Soymeal	0.153	0.162	0.048	0.052	32.1%	Growing
Soy Oil	0.000	0.000	0.000	0.000	0.0%	Growing
TOTAL	0.153	0.162	0.048	0.052	32.1%	

IMPORTS FROM U.S. (MMT)



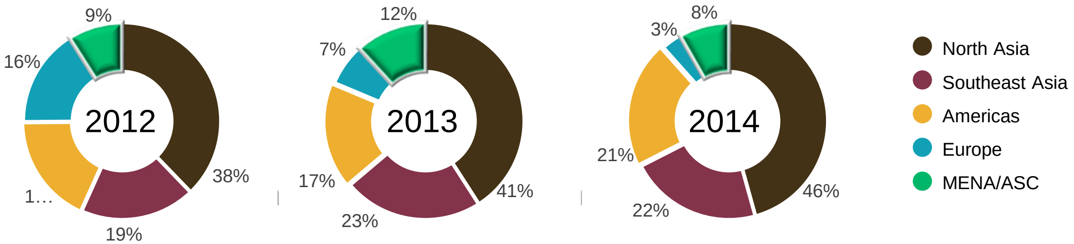
MARKET SNAPSHOT ASC

SRI LANKA

KEY PROJECTS

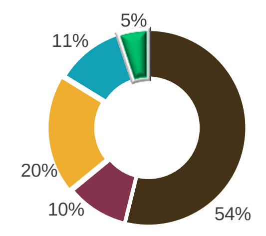
PROJECT TYPE	KEY PROJECTS	BRIEF DESCRIPTION	IMPACT
Trade Servicing		A series of education/training projects to convince poultry producers to improve their margins by adding value to meal for feed and food uses	Grow market share for U.S. soy

USSEC BUDGET ALLOCATION*



* Region specific budget allocation does not include W

U.S. EXPORTS BY REGION 2013-2014



MARKET SNAPSHOT ASC

PAKISTAN

SUPPLY / DEMAND BASICS

- Growing poultry and aquaculture sectors, starting to use modern production methods
- Broiler production is approximately 1.5 million metric tons (MMT)
- Dairy sector is slowly starting to become more modern (high yielding animal stock are being imported). Few modern dairy farms have been established. Limited SBM inclusion in dairy feed rations
- 910,000 MT for all livestock sectors for soybean meal (SBM)
- No significant imports of Indian SBM in 2015; decline started in 2014

TRADE / COMMERCIAL OVERVIEW

- 236,000 MT of U.S. soybeans, meal and oil imported thus far in 2014/15 market year.
- Soybeans are growing due to the increased tariffs on SBM
- There is always interest in SBO but freight charges are a disadvantage (9000 MT imported this market year
- Palm oil is the major oil because the largely refineries are configured for palm oil processing.

COUNTRY OVERVIEW

- Currently a ASA/WISHH market, will transition to USSEC in 2017
- Population of 196 million
- GDP is $884 billion and growing at 4% per year
- Political instability and U.S. Department of State Travel Advisory make it difficult to send U.S.-based technical consultants to travel to Pakistan
- Adequate infrastructure

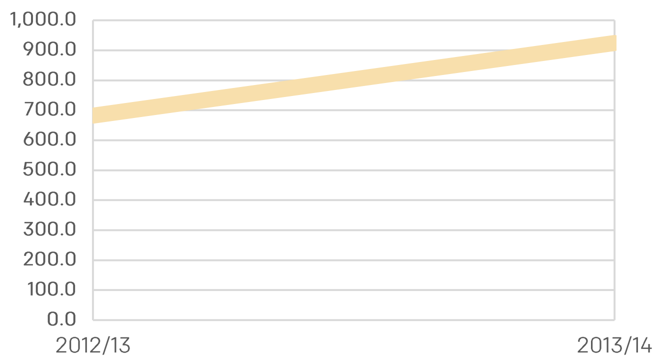
POLICY AND/OR COMMERCIAL ISSUES

- High tariffs on SBM and value-added soy products (soy flour, concentrates, isolates, etc.); companies have been reluctant to work with the government to have them reduced
- No issues with GMO products

SOY IMPORT SITUATION (MMT)

COMMODITY	TOTAL IMPORTS 2012/13	TOTAL IMPORTS 2013/14	IMPORTS FROM THE U.S. 2012/13	IMPORTS FROM THE U.S. 2013/14	U.S. MARKET SHARE 2013/14	MARKET ASSESSMENT
Soybeans	0.000	0.011	0.000	0.000	0.0%	Growing
Soymeal	0.682	0.924	0.001	0.000	0.0%	Growing
Soy Oil	0.051	0.112	0.000	0.000	0.0%	Growing
TOTAL	0.733	1.047	0.001	0.000	0.0%	

IMPORTS FROM U.S. (1000MT)



MARKET SNAPSHOT ASC

PAKISTAN

KEY PROJECTS

PROJECT TYPE	KEY PROJECTS	BRIEF DESCRIPTION	IMPACT
Technical Servicing	FEEDing Pakistan	Four-year program do build demand in the aquaculture industry	FEEDing Pakistan has provided technical assistance to hundreds of fish farmers throughout Pakistan and was the catalyst for the development of the first private sector tilapia hatchery in the country. Project activities included partnership with a local feed mill, which now produces the only soy-based, extruded aquaculture feed in the country.
Technical Servicing	In-country Crushing Assistance	A technical consultant was sent to assist crushers on how to process whole soybeans	Crushers have additional knowledge on soybean processing and how to produce high-quality SBM
Technical Servicing	Processing course at Texas A&M	Trade team will attend a customized short-course on solvent crushing at Texas A&M in September 2015	Improved knowledge of modern processing and assistance to drive preference for U.S. Soy
Trade Servicing	Trade team to Global Soy Trade Exchange	Trade team will attend the Global Soy Trade Exchange in September 2015	Additional contacts with suppliers and exporters to drive a preference for U.S. Soy

ASA/WISHH BUDGET ALLOCATION*

ASA/WISHH is currently implementing a four-year, $2 million project in Pakistan centered around building demand for soy in the aquaculture industry. Funding is non-traditional (non-MAP or FMD).

* Region specific budget allocation does not include Worldwide projects

MARKET SNAPSHOT WORLDWIDE

USSEC U.S. SOYBEAN EXPORT COUNCIL

WORLDWIDE BASICS

- Mix of trade and technical servicing programs to enlarge the international footprint of U.S. soy and address various market forces
- Provide grower leaders and marketing teams with resources to support critical programs in:
  - Meal – (Animal, Aqua & Human)
  - Oil
  - Freedom to Operate; and
  - Customer Focus

PROJECTS TO PROVIDE

- Expert Contractor Support
- Risk Management Training
- Trade Show Experiences
- Industry Meetings
- Applied Research
- Technology Transfer
- Marketing and Technical Support
- Strategy Development Sessions
- Enhance buyer’s understanding of how to best add value to their operations by using U.S. soy
- Outbound Grower Leader Marketing Opportunities
- Support of Inbound Trade Teams

GLOBAL UTILIZATION PLANS

- Plans are underway to develop, coordinate, and communicate global utilization plans for animal nutrition, aquaculture, human consumption, and market access “utilization” areas

GOALS

- Consistent trade and technical servicing programs and messaging in our marketing areas
- Universally accepted and utilized talking points and briefing papers
- Improve effectiveness across all regions
- Programs and projects in alignment with the soy industry
- Help ensure best practices used in one of the marketing regions are shared and knowledge transferred
- Ensure a worldwide data base of reports, best practices, and highly effective consultants

SCOPE

- Managing 29 projects valued at ~$14.3 million dollars (excluding Attachment-C)
- 4 marketing directors, 4 project managers, 1 /stakeholder relations manager, 1 stakeholder relations coordinator, 1 project implementation manager, & 2 logistics specialists
- Grower leader and consultant travel
- Governance
- Membership & Industry Relations
- International Program Leadership
- QSSB Relationship Management

MARKET SNAPSHOT WORLDWIDE

USSEC U.S. SOYBEAN EXPORT COUNCIL

KEY PROJECTS

PROJECT TYPE	KEY PROJECTS	BRIEF DESCRIPTION	IMPACT
Trade Servicing	Global Animal Feed Management	This project coordinates international efforts to differentiate U.S. soybeans and soybean meal from soy of different origins and creates a customer preference for U.S. soy. This project will create interactions with grower leaders, scientists, customers, industry leaders, staff and contractors around the world. It will also allow participation in international trade shows, seminars and symposia with an emphasis on animal feed and nutrition.	Since the time of the project's approval, it has supported 8 outgoing trade missions through presentation and traveling with grower leaders, extending the messages on the superior value of U.S. soy based on its amino acid profile to Japan, South Korea, the Philippines, Spain, Morocco, India and Peru. It has supported the 2014 Annual American Association of Avian Pathologists meeting held July 26-29 in Denver, Colorado through sponsorship and received prominent recognition through signage and in conference materials and publications, in addition to it allowing for USSEC to exhibit at the 2015 International Production & Processing Expo.
	Global Aquaculture Management Project	This project oversees the management of the International Aquaculture Program. This involves stakeholder involvement, public relations efforts, trade show and conference involvement, etc. All increases in seafood production will come from aquaculture growth because of declining capture fishery landings, with product demand projected to double in the next decade. Focus of this project is to ensure soy has a key role in this aquaculture growth and the full sustainable, economical and healthful benefits of soy in aquaculture are understood.	Aquaculture production of freshwater fish in 2012 was 23.34 MMT with grass carp (4.78 MMT, common carp (2.90 MMT, crucian carp (2.45 MMT) and tilapia (1.55 MMT) being the top five fed production species. All five species can utilize feeds with a SBM inclusion rate of up to 50%. Soy use in Global Aqua feed in 2014 was over 50MMT. Over 500 million bushels of soybean equivalents.
	Soy Protein Inclusion	In Mexico, efforts are underway to introduce and get soy-fortified flour (a value-added soybean meal product) widely accepted in the making of tortillas and utilized in government feeding programs.	First phase: Nearly finished…developed formulations and working with industry and government institutions as well as public affairs firm to convince key people of value of U.S. soy inclusion Second phase: Implementation of demos Third phase: Promotion at country level in Mexico (industry funded) Target in 3 years: 6% inclusion to 30% of flour = 262,000 MT of soy flour.
	Global Market Access and Sustainability Promotion	This project monitors and addresses a wide range of global market access issues that can limit soy exports. There is constant pressure in the marketplace as it relates to biotechnology acceptance, sustainability, regulatory delays, and other tariff and non-tariff trade barriers.	Through this project we not only keep the pulse of the world related to market access issues, we address those challenges through innovative and impactful programming such as MAGIC (Mothers Advocating for GMO Innovation in China), the International Soy Growers Alliance (ISGA) support and activities, US Soy Sustainability Assurance Protocol (SSAP) acceptance and promotion around the world as well as many other engagement activities in coordination with the regional offices.
Technical Servicing	Ileal Digestibility of Amino Acids in Soybean Meal by Swine	This study is designed to determine and compare the ileal digestibility of amino acids in soybean meal from various origins when fed to swine. We are currently gathering soybean meal samples from various countries in order to begin a study to compare the digestibility of soy. The soybean meal is being collected in the countries to which it has been shipped in order to ensure that the samples are representative of the exports of other countries.	At the conclusion of the experiment, the final report will be written in a format that is required for publication in a scientific journal. Data will also be presented at national and regional nutritional conferences and published in a peer-reviewed scientific journal.
	Worldwide Aquaculture Feeding Demonstrations Project	As new soy diets are developed for varying species of aquaculture, life stages and production systems, applied research and on-farm feeding demonstrations are required to prove the value of soy-based aquafeeds to the aquafeed industry and aquaculture farmers in regions around the world. A critical component of the aquaculture utilization program is conducting feeding demonstrations on commercial aquaculture farms and applied research studies with research groups in target countries to develop and demonstrate the economic, environmental, sustainability and food safety benefits of soy-based feeds and technologies.	For aquaculture, water conservation and recycling are among the most critical issues for industry sustainability. The Intensive Pond Aquaculture (IPA) technology introduced by USSEC in 2013 allows for at least the tripling of aquaculture production while using soy-based feed in existing ponds; while simultaneously reducing aquaculture's environmental impact by conserving and recycling water, providing waste output for crop fertilization, and optimizing food safety through improved system management. It has attracted widespread attention and interest throughout China and will be spread to other target regions in FY16. *** This is fully funded by QSSBs and the IPA in the last couple years has been funded by Iowa.
	Worldwide - Reinvigorating Soy Oil Markets	The objective of this international activity is to secure consistent purchasers of U.S. soy by helping the targets reinvigorate their soy oil product offerings and to strengthen their positions in the wholesale and retail markets. A key focus area for this effort will be to drive customer preference for U.S. soy by educating the targets on successful soy oil product repositioning techniques, such as advanced marketing training programs, product promotions, labeling enhancements, and new packaging research, which have been effectively utilized in different regions of the world. USB International Opportunities will also support U.S. soy's efforts to raise awareness of new U.S. soy oil products such as high oleic soybean oil.	Increase awareness of the many attributes of soybean oil (health benefits, reliability of supply, neutral taste profile, etc.,) as well as improving consumer awareness that generic vegetable oil is usually soy oil, leading to more usage.