

WEEKLY NEWS ARTICLE UPDATE



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Export Sales Highlights

This summary is based on reports from exporters for the period January 29-February 4, 2016.

Soybeans: Net sales of 666,800 MT for 2015/2016 were up noticeably from the previous week and 1 percent from the prior 4-week average. Increases were reported for China (686,600 MT, including 184,000 MT switched from unknown destinations and decreases of 65,800 MT), Indonesia (147,900 MT, including 93,000 MT switched from unknown destinations, 2,000 MT switched from India, and decreases of 6,300 MT), Taiwan (74,500 MT, including 60,000 MT switched from unknown destinations and decreases of 1,200 MT), the Netherlands (68,500 MT, including 70,000 MT switched from unknown destinations and decreases of 1,500 MT), Japan (68,300 MT, including 63,200 MT switched from unknown destinations and decreases of 500 MT), and Italy (31,900 MT, including 30,000 MT switched from unknown destinations). Reductions were reported for unknown destinations (467,900 MT), Egypt (2,700 MT), Colombia (2,400 MT), and India (2,000 MT). For 2016/2017 net sales reductions of 65,800 MT were reported for Japan. Exports of 1,322,500 MT were down 16 percent from the previous week, but unchanged from the prior 4-week average. The primary destinations were China (716,900 MT), Indonesia (116,900 MT), Taiwan (91,700 MT), Turkey (71,400 MT), the Netherlands (68,500 MT), Japan (68,300 MT), and Egypt (63,300 MT).

Optional Origin Sales: For 2015/2016, the current outstanding balance totaling 235,000 MT is for China (175,000 MT) and unknown destinations (60,000 MT).

Exports for Own Account: The current outstanding balance is 500 MT, all Canada.

Soybean Cake and Meal: Net sales of 189,400 MT for 2015/2016 were up 2 percent from the previous week and 4 percent from the prior 4-week average. Increases were reported for the Philippines (70,800 MT), Colombia (43,200 MT, including 29,000 MT switched from unknown destinations and decreases of 1,800 MT), Panama (40,300 MT, including 13,100 MT switched from unknown destinations and decreases of 2,800 MT), Mexico (23,700 MT), Canada (21,400 MT), and Guatemala (10,200 MT, including 7,400 MT switched from unknown destinations). Reductions were reported for unknown destinations (52,300 MT). For 2016/2017, net sales were reported as increases for Canada (100 MT) were offset by reductions for the OPAC Islands (100 MT). Exports of 198,900 MT were down 10 percent from the previous week and 8 percent from the prior 4-week average. The primary destinations were Thailand (53,500 MT), Colombia (35,700 MT), Mexico (31,400 MT), Cuba (24,200 MT), and Panama (16,300 MT).

Optional Origin Sales: For 2015/2016, outstanding optional origin sales total 99,000 MT, all unknown destinations.

Soybean Oil: Net sales of 3,800 MT for 2015/2016 were down 71 percent from the previous week and 82 percent from the prior 4-week average. Increases were reported for Mexico (1,300 MT), Guatemala (1,000 MT), the Dominican Republic (1,000 MT), and Canada (300 MT). Exports of 27,400 MT were up 23 percent from the previous week, but down 11 percent from the prior 4-week average. The destinations were primarily Egypt (18,500 MT), Mexico (4,300 MT), Jamaica (4,000 MT), and Canada (600 MT).

Brazil Approves Studies for US\$3bn Grain Railway

world-grain.com |

Brazil's transport ministry has given local infrastructure company Estação da Luz Participações (EDLP) the green light to prepare technical, financial and environmental feasibility studies to build an 11.5bn-real (US\$2.93bn) *graintransport* railway in northern *Brazil*.

The 930km line, called Ferrogrão, will run between the city of Sinop in Mato Grosso state and the twin cities of Miritiba and Itaituba in Pará state, local paper Valor Econômico reported.

It will be able to *transport* up to 30 MMT/y of grain such as soy and corn from Mato Grosso to the northern ports, cutting freight costs by 40%, the report said.

The project, which falls under phase 2 of the country's logistics investment program PIL, is receiving 70% of its funding through a loan from national development bank BNDES, the paper said.

EDLP will be paid 33.8mn reais for the studies, adjusted for inflation. The initiative is also being supported by a consortium made up of Cargill, Bunge, Louis Dreyfus Commodities and Amaggi.

Once the studies are complete, they will be reviewed in public hearings and analyzed by federal audit court TCU, and a tender to concession the railroad will then be launched.

No Major Changes for Soy Sector in USDA WASDE Report

By John Baize

Not many expected major changes for the global soy sectors in today's USDA WASDE export and that is what happened. USDA made a few mostly expected changes in its forecasts, but none that really changed the outlook that much. Among the more significant changes were the following:

- The forecast for the U.S. soybean crush volume in 2015/16 was reduced by 10 million bushels to 1.88 billion bushels (51.17 MMT) based on a reduction in soymeal exports. That still would be the highest crush volume in history, but not by much. The forecast for U.S. soybean exports was left unchanged at 1.69 billion bushels (45.99 MMT).
- The forecast for U.S. soymeal exports was reduced by 450,000 MT to 10.16 MMT. That was expected based on the slow pace of exports and sales thus far in 2015/16.
- The forecast for U.S. soybean ending stocks was raised by 10 million bushels to 450 million bushels (12.25 MMT) based on the equal reduction in the domestic crush.
- The forecast for U.S. soymeal consumption was increased by 180,000MT to 30.39 MMT based on strong demand in the first 4 months of the marketing year.
- U.S. soyoil production was reduced by 40,000 MT to 9.91 MMT based on the smaller crush. There was no change in soyoil domestic use or exports. The forecast for U.S. soyoil ending stocks in 2015/16 was reduced by 20,000 MT to 940,000 MT. That still would be 12.2 percent above stocks at the end of 2014/15.
- The forecast for Argentina's 2016 soybean crop was increased by 1.5 MMT to 58.5 MMT. USDA also raised its forecast for Argentina's soybean crush by 650,000 MT to 43.5 MMT as well as raised its forecast for Argentina's soymeal exports by 500,000 MT to 31.75 MMT. It raised its forecast for Argentina's soyoil exports by 80,000 MT to 4.76 MMT.
- There were no changes made in the forecasts for Brazilian soybeans, soymeal or soyoil.
- The forecast for India's soymeal exports was reduced from 250,000 MT to 150,000 MT and the forecast for its soymeal consumption was increased from 4.98 MMT to 5.08 MMT.
- The forecast for India's soyoil imports in 2015/16 was increased by 100,000 MT to 3.65 MMT.
- There were no changes made to the forecast for China's soy sector.
- The forecast for Canada's soybean crush volume was increased by 200,000 MT to 2.15 MMT. The forecast for Canadian soybean consumption in 2015/16 was increased from 2.19 MMT to 2.35 MMT.
- Global soybean ending stocks were increased from 79.28 MMT to 80.42 MMT.

Central Corn Belt Farmland Values Down 3% in 2015

Feb 11, 2016

[Mike Walsten](#)

The value of "good" agricultural farmland across the central Corn Belt declined 3% in 2015, according to the Federal Reserve Bank of Chicago. The bank's quarterly survey found farmland values slipped 1% lower during the fourth quarter compared to the previous quarter.

Leading the decline is Iowa, which is down 5% on an annual basis and down 3% on a quarterly basis. Illinois and Indiana report an annual decline of 4% with Illinois down 1% on a quarterly basis and Indiana down 2% on a quarterly basis. Michigan is down 2% on an annual basis but up 1% on a quarterly basis while Wisconsin is up 2% on an annual basis and 2% on a quarterly basis.

This year's 3% decrease equals the 3% decline found by the bank survey in 2014. The two consecutive declines mark the first since the mid-1980s.

When adjusted for inflation, the district-wide decrease in farmland values for 2015 was actually smaller than the one for 2014 (because the inflation rate was lower in 2015), the bank notes. "Put in real terms, the

decrease in the district's farmland values from their peak in 2013 to 2015 was 7.5%. However, in 2015 the index of inflation-adjusted farmland values for the district was still 331 percent higher than at its trough in 1986." the bank states.

Argentina's Farmers Plan Return to Wheat

Alastair Stewart South America Correspondent

dtnprogressivefarmer.com |

Thu Feb 11, 2016

BUENOS AIRES, Argentina (DTN) -- Out of all the grains, it is perhaps wheat that has gained most from the introduction of new farm-friendly policies by Argentina's new president, Mauricio Macri.

Acreage slid to around 8.9 million acres in 2015, one of the lowest levels in the last 100 years. However, acreage will likely surge in 2016, with preliminary estimates putting area at around 11 million to 12 million acres when planting begins in July. (Map courtesy of NOAA/USDA)

Under the previous regime, wheat farmers were saddled with a system of export quotas and tariffs, which combined with an artificially strong peso, weighed heavily on prices and meant there was no market at all on occasion.

With all that cleared away, farmers have seen prices for high quality wheat jump, by up as much as 50% on last year, and are getting ready to invest in the cereal again.

"Argentine farmers are going to move back into wheat in a big way," said Ignacio Uranga, whose family-controlled operation plants 20,000 acres in Buenos Aires and Cordoba provinces.

The Urangas never abandoned the cereal, planting about 7,500 acres in 2015, but most farmers outside the main wheat belt in southern Buenos Aires cut it down to a minimum.

Acreage slid to around 8.9 million acres in 2015, one of the lowest levels in the last 100 years, amid the prospect of negative yields and wild political uncertainty with the crop planted under one president and harvested under another.

However, acreage will likely surge in 2016, with preliminary estimates putting area at around 11 million to 12 million acres when planting begins in July.

In the long term, wheat planting will probably return to the average of around 15 million acres registered between 2001 and 2006, predicts David Hughes, a former Argentine Wheat Association (Argentrigo) president who manages 15,000 acres of grain land.

The focus of expansion will probably be in the south, which generally boasts the best wheat-growing conditions, at the expense of barley or on land currently single cropped with soybeans.

Those who planted wheat over the last two years were generally scrimping on technology and inputs in order to lower costs. That undoubtedly had an impact on the quality of the 2015 crop, which suffered through a very wet winter.

"But farmers will undoubtedly start investing in wheat once again, using better technology, fertilizing and spraying," said Hughes.

This will boost average yields, resulting in a likely jump of more than 50% in output next year from the 10 million metric tons produced this season, said Gustavo Lopez, a grains analyst at Buenos Aires-based consultancy Agritrend.

That would allow Argentina to export over 9 mmt next year and bid to reclaim its dominance of Brazil, which traditionally has been its captive market, as well as Argentina's position among the world's top 5 exporters.

Russia Bans U.S. Corn, Soy on 'Misleading' Quality Certificates

Supplies to stop on Feb. 15, also due to claimed contamination

Russia to rely more on South America, local output for soybean

By Anatoly Medetsky

(Bloomberg) -- Russia banned U.S. corn and soybean imports, saying shipments are often contaminated with fungus or other infections, and certificates guaranteeing quality are inaccurate.

The grains will be barred from Feb. 15, said Alexei Alekseenko, a spokesman for Russian agricultural agency Rosselkhoznadzor. U.S. export documents are "misleading" on the quality of often-infected shipments, he said. Corn shipments are contaminated with diplodia fungus, the agency said, without specifying the infections affecting soybeans.

Russia will buy more South American soybeans, Alekseenko said by phone from Moscow. "We are forecasting an increase in their supplies, while domestic production will also rise."

Russia imports more than 1 million metric tons of soybeans a year, according to the U.S. Department of Agriculture. Shipments of U.S. corn to Russia are "insignificant," said Dmitry Rylko, director general at Russia's Institute for Agriculture Market Studies.

Worldwide soybean trade may be 129 million tons in the 2015-16 marketing year, the International Grains Council estimated last month.

Asgrow Farmers Push the Limits in Annual Yield Contest

Thirteen Winners Exceed 100-Bushel Yields in 2015

Release date- 08022016 - Utilizing advancements in Asgrow soybean technology along with high-yield management practices, 51 farmers have been named winners in the 2015 Asgrow Yield Contest.

Thirteen of the winners achieved impressive yields exceeding 100 bushels per acre, including the top yield of 134.5 bushels/acre by John Rigdon of Jarrettsville, Maryland, who planted Asgrow AG3832 Brand.

'High yields depend on paying attention to every little detail, from the seed you plant to setting your combine at harvest,' Rigdon said. 'I always consider Asgrow products to be at the forefront of soybean genetics with their high yield potential and disease resistance.'

Among other top performers surpassing the 100-bushel threshold were:

Jed and James Schneckloth, of Eldridge, Iowa, with 121.9 bu./acre with AG2632 Brand.

Aaron Niebrugge, of Sigel, Illinois, with 112 bu./acre with AG4135 Brand.

Craig Small, of Monroe City, Indiana, with 108.1 bu./acre with AG3832 Brand.

Winning entries represented 19 different states in the top soybean-producing regions of the U.S. The full list of 2015 Asgrow Yield Contest winners can be found at Asgrow.com/YieldContest.

'Congratulations to these farmers for achieving top yields with Asgrow seed and being among the nation's top soybean-producing farmers,' said Dipal Chaudhari, Asgrow Brand Manager. 'As demonstrated this past season, Asgrow soybean products offer consistent, proven performance with strong emergence, excellent plant health and high yield potential, even during challenging growing conditions.'

Chaudhari noted that the introduction of new Asgrow products with strong defensive characteristics and top-end yield potential also contributed to the brand's successful performance in 2015. Yield contest winners will be honored at the 2016 Commodity Classic March 3-5 in New Orleans with an awards banquet and private concert featuring country star Easton Corbin.

Asgrow debuted its first national yield contest in 2012 in an effort to encourage soybean producers to challenge their peers in pushing yield limits. The contest also provides farmers the opportunity to learn more about the latest seed technologies and production practices, which contribute to overall advances for farmers across the country.

Chaudhari said that the Asgrow brand is focused on providing farmers with innovative products that offer exclusive genetics, strong agronomic characteristics and the higher yield potential of Genuity Roundup Ready 2 Yield trait technology to maximize yield and profit potential.

In 2016, farmers are expected to have the opportunity to purchase Asgrow Roundup Ready 2 Xtend soybeans. Built on Roundup Ready 2 Yield technology, farmers can count on the same exceptional yield performance with this new product. The Asgrow brand is expected to offer the largest selection of Roundup Ready 2 Xtend soybean products for planting in 2016, with 25 products spanning all eight maturity groups.

In addition, the products will provide resistance packages against nematodes and phythophthora root rot.

[India Set to Turn Oilmeal Importer](#)
Business Standard Ltd.

08-Feb-2016

It is cheaper to import refined oil because of high minimum support prices (MSP) fixed by the government and sustained low edible oil prices in the international market. India is currently outpriced by \$150 a tonne in the global oilmeal market.

As a consequence, production of oilmeal has remained low. Of around 38.5 million tonnes (mt) of oilseed production in 2014-15 (November to October period), only 26.20 mt oilmeal was procured. Both oilseed and oilmeal production have declined in India, albeit marginally, from 41.7 mt and 27.49 mt, respectively last year.

Crushing mills in India, therefore, have reduced their operating capacity to the lowest in many years, due to falling prices of oil and meal. Going by the trend, it looks like India will soon start importing oilmeals, said Atul Chaturvedi, chief executive officer (CEO) of Adani Wilmar, producer of the Fortune brand of edible oil products.

Lower output of soybean and rapeseed not only led to higher prices in domestic market but a drastic fall in export. Aggressive competition from China and Argentina led to fewer imports from Japan, Iran, Thailand, Indonesia, Taiwan and Vietnam. A ban on oilmeal import by China and Japan's move to import genetically modified (GM) seed meal have also hit India's exports.

From around six per cent share in the world oilmeal market in 2012-13, India's share was reduced to less than two per cent in 2014-15. India's oilmeal exports fell 51 per cent to a mere one mt between April and January of FY 2016, compared with 2.05 mt for the same period a year ago.

Data compiled by the industry body Solvent Extractors' Association (SEA), showed oilmeal exports declined 91 per cent in January 2016 to 17,243 tonnes, the lowest ever. "We might start importing oilmeals, primarily from Argentina and Brazil, soon to supply our domestic poultry and animal husbandry sectors," said B V Mehta, executive director, SEA.

The edible oil industry has asked the government to reduce import duty to 5-10 per cent from the current 30 per cent on high oil content oilseeds like rapeseed/mustard (canola) and sunflower seed.

Science and Progress Must Win This Food Fight

The Hill |

Last month, Agriculture Secretary Tom Vilsack sought a ceasefire in the nation's fiercest food fight: GMO labeling.

After the U.S. House passed the Safe and Accurate Food Labeling Act last July - which would prevent GMO labeling laws at the state level - the Senate failed to move the bill and will reconsider it in the next few months. In an attempt to find a compromise that lawmakers could pass, Vilsack sat down twice with both sides including the Grocers Manufacturers Association and American Soybean Association (against mandatory labels) and representatives from the organic industry and environmental groups (for mandatory labels).

No détente was reached and participants are mostly hush-hush about the negotiations. “Secretary Vilsack has provided excellent leadership on biotech use in agriculture. We’re very thankful he took the time to address this issue,” said Patrick Delaney, spokesman for Soybean Association (about 90 percent of U.S. soybeans are genetically modified). Lawmakers are now under a time crunch to settle the issue before the nation’s first GMO labeling law takes effect on July 1 in Vermont, home of anti-GMO presidential candidate Bernie Sanders.

Whether food companies should be forced to label GMO ingredients continues to be a heated policy debate with far-reaching consequences. Special interests on both sides have spent tens of millions to protect their turf; most of the money to push mandatory labels is from organic companies that want a GMO warning label to scare consumers away from genetically modified foods so they choose non-GMO organic options instead.

They insist consumer sentiment is on their side and won’t settle for anything less than a required label enforced by the federal government: “I remain hopeful that Congress can craft a national, mandatory on-package solution that works for industry and works for consumers,” said Scott Faber, executive director of Just Label It, an organic industry-funded activist group. His group also rejects the concept of QR smart labels, which would allow consumers to scan a code and upload information directly to a smart phone “A digital solution by itself won’t work for consumers, but could complement an on-package disclosure that provides factual information in a way that does not stigmatize the technology,” Faber said, even though the Just Label It website is filled with anti-GMO propaganda.

The Vermont law could be a cautionary tale for how challenging – and ultimately useless – a GMO label might be. In preparing to comply with the state’s law, Campbell’s announced last month it would label all of its products that contain GMOs. But in Vermont, the label is only required on food regulated by the FDA so it will exclude anything with meat. So Spaghetti-Os without meatballs will need a GMO label but Spaghetti-Os with meatballs won’t, even though they have the very same ingredients.

That’s one reason why Campbell’s now supports a national, mandatory standard for labeling GMOs. “We put the consumer at the center of everything we do,” said CEO Denise Morrison. “That’s how we’ve built trust for nearly 150 years. We have always believed that consumers have the right to know what’s in their food.”

How does a GMO label tell a consumer what’s in their food? It doesn’t. If Campbell’s puts a GMO label on its Goldfish crackers, the average consumer will have no idea which of the more than two dozen ingredients is from a genetically modified source. It could be anything from the soybean oil to the cheese to the B vitamin. And it’s meaningless because any trace of genetic material will have been pulverized during the processing stage; a Goldfish cracker isn’t a living thing. The same can be said of other Campbell’s products from Milano cookies to Cream of Mushroom soup.

The FDA actually cautions that the term GMO could lead to more consumer confusion: “The “O” in the acronym “GMO” refers to the word “organism.” Most foods do not contain entire organisms. In light of potential confusion regarding the meaning of the acronym “GMO,” FDA encourages manufacturers to consider the use of other types of statements.”

The bottom line is labels have little to do with consumer rights. Most organic executives and environmental groups want to completely abolish GMOs from our food supply, period. The label is intended to stand in the way of progress and, to that end, it’s already notching victories. On February 1, the FDA announced it will

block the import of a genetically-engineered salmon breed it just approved in November until voluntary GMO labeling guidelines are established by the agency (the directive was included in the omnibus bill last year).

Some major food companies are pandering to activists by eliminating GMO ingredients from their products, but consumers might not like the results. When Grape-Nuts went non-GMO, it eliminated four vitamins that are genetically engineered: vitamins A, D, B12 and B2 (riboflavin). Non-GMO Cheerios also dropped riboflavin. Hershey's will no longer use sugar from genetically-engineered sugarbeets, a U.S. crop that produces about half of our sugar supply, after an anti-GMO group petitioned the company for two years. American sugar will now be replaced with imported sugar from Latin America. And we all know what happened to Chipotle after it went non-GMO and focused more on avoiding genetically engineered ingredients instead of food safety protocol.

This a food fight that science and progress need to win. Appeasing activists with ulterior motives for short-term publicity gain isn't in the best interest of consumers and could have long-lasting consequences we might regret.

Kelly is a contributing writer to the Genetic Literacy Project.