

WEEKLY NEWS ARTICLE UPDATE



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May 9, 2016

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Export Sales Highlights

This summary is based on reports from exporters for the period April 22-28, 2016.

Soybeans: Net sales of 815,800 MT for 2015/2016 were up noticeably from the previous week and from the prior 4-week average. Increases were reported for unknown destinations (483,600 MT), Japan (69,100 MT, including 29,200 MT switched from unknown destinations and decreases of 6,200 MT), Germany (63,300 MT, previously reported as Egypt), France (60,900 MT, previously reported as Egypt), China (60,000 MT), and Venezuela (30,000 MT, switched from unknown destinations). Reductions were reported for Bangladesh (3,000 MT), India (2,800 MT), Sri Lanka (1,700 MT), and Costa Rica (1,300 MT). For 2016/2017, net sales of 430,000 MT were reported for unknown destinations (296,000 MT), Mexico (103,200 MT), Japan (14,800 MT), Taiwan (6,000 MT), Malaysia (5,000 MT), and Indonesia (5,000 MT). Exports of 305,700 MT were up 10 percent from the previous week, but down 4 percent from the prior 4-week average. The primary destinations were Germany (63,300 MT, previously reported as Egypt), France (60,900 MT, previously reported as Egypt), Japan (34,900 MT), Venezuela (30,000 MT), Indonesia (27,100 MT), and Costa Rica (25,700 MT).

Optional Origin Sales: For 2015/2016, the current optional origin outstanding balance totals 480,000 MT, all China.

Exports for Own Account: The current exports for own account outstanding balance totals 500 MT, all Canada.

Export Adjustments: Accumulated exports to Egypt were adjusted down 63,345 MT for week ending February 4th, the correct destination is Germany and is included in this week's

report. Accumulated exports to Egypt were adjusted down 60,937 MT for week ending March 3rd, the correct destination is France and is included in this week's report.

Soybean Cake and Meal: Net sales of 152,700 MT for 2015/2016 were down 27 percent from the previous week, but up 9 percent from the prior 4-week average. Increases were reported for the Philippines (88,500 MT), Venezuela (20,000 MT), Colombia (19,200 MT, including 10,000 MT switched from unknown destinations and decreases of 500 MT), Peru (12,300 MT, including 12,000 MT switched from unknown destinations), Honduras (11,500 MT, including 9,900 MT switched from unknown destinations), and Trinidad (10,600 MT, including 9,800 MT switched from unknown destinations). Reductions were reported for unknown destinations (42,800 MT), Taiwan (12,000 MT), the French West Indies (3,300 MT), and Nicaragua (700 MT). Exports of 202,800 MT were down 18 percent from the previous week and 1 percent from the prior 4-week average. The primary destinations were Mexico (84,200 MT), the Philippines (29,100 MT), Colombia (22,600 MT), Peru (17,900 MT), Trinidad (13,300 MT), Honduras (11,400 MT), and Canada (10,300 MT).

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

Export Adjustments: Accumulated exports to Honduras were adjusted down 287 MT for week ending April 21st. This is an adjustment in the shipment tonnage.

Soybean Oil: Net sales of 10,000 MT for 2015/2016 were up 4 percent from the previous week and up noticeably from the prior 4-week average. Increases were reported for the Dominican Republic (7,900 MT), Haiti (800 MT), Mexico (700 MT), Panama (500 MT), Trinidad (100 MT), and Lebanon (100 MT). Exports of 4,200 MT were down 72 percent from the previous week and 67 percent from the prior 4-week average. The destinations were primarily to Mexico (2,500 MT), Haiti (1,300 MT), the Philippines (200 MT), and Lebanon (100 MT).

FCStone Cuts Estimate for Brazil's Winter Corn Crop by 12 Percent

SAO PAULO, May 4 (Reuters) - Consultancy and brokerage INTL FCStone said on Wednesday it had cut its estimate for Brazil's winter corn crop, which accounts for the largest part of the cereal production in the country, by 12 percent due to lack of rain.

The firm projected Brazil's second corn crop at 49.8 million tonnes from 56.6 million tonnes in April, saying that recent dry conditions had reduced expected yields.

Brazil is facing an unexpected dry spell that left most fields with no rain last month, in a critical period for the corn crop development.

The situation could aggravate corn supply tightness seen in March and April, which led poultry and pork producers to import the cereal from Argentina and Paraguay.

"At the moment all eyes are on the weather in May, since possible rains could favor some recovery in the corn fields," said FCStone analyst Ana Luiza Lodi.

The consultancy also reduced its projection for the soybean crop by 1 million tonnes, to 96.5 million tonnes.

[Brazil Farmers Sell 16 to 17 Percent of 2016/17 Soy Crop](#)

SAO PAULO, May 6 (Reuters) - Sixteen to 17 percent of Brazil's 2016/17 soybean crop that will be planted starting in September has already been sold, compared to just 4.7 percent of the previous crop sold at this time last year, analysts at Informa Economics FNP told Reuters on Friday.

The percentage is not exact as the forecast for the upcoming soy crop is still being worked out.

[Russian Ministry of Agriculture Considers Wheat and Soybeans Supplies to Japan - Minister](#)

SHANGHAI, May 5. /TASS/. The Russian Ministry of Agriculture is examining deliveries of Russian wheat and soybeans to Japan, Minister Alexander Tkachev said on Thursday on the sidelines of Sial China food fair.

"We are supplying corn to Japan so far. I think there will be interest in soybeans and certainly in wheat. We are exploring this issue," Tkachev said.

[Conditions Improve, but Farmers Not Optimistic](#)

USA Today

05-May-2016

WASHINGTON

Farmers and ranchers are enjoying better conditions these days, but many aren't optimistic the changes will significantly help them soon, according to a survey released Tuesday by Purdue University and futures market operator CME Group.

The Ag Economy Barometer, a nationwide measure of the health of U.S. agriculture, rose 21 points in April to 106 as higher prices for corn, soybeans and wheat and good weather for crop plantings boosted producer sentiment. Still, 76% of the 400 respondents said they expect the next 12 months to be challenging financially.

A prolonged slump in commodity prices has squeezed farm income, forcing some producers to cut back on spending or turn to banks for help. Makers of seed and farm equipment have announced job cuts and falling profits.

"From a crop farmer's perspective, things do look significantly better than they did in late winter, and I think that's being reflected in our survey," said Jim Mintert, director of Purdue's Center for Commercial Agriculture and lead investigator for the Ag Economy Barometer. "The real question is, is that going to be a longer-term scenario, or is that a short-term phenomenon?"

The barometer was developed by CME and researchers at Purdue as a comprehensive, monthly index examining the confidence of farmers and ranchers. The index will be calculated monthly at Purdue by interviewing 400 corn, soybean, livestock, dairy and other producers by phone. Each time, they will be asked the same five questions, including whether their operation is in better or worse shape than a year ago.

[Impeachment Committee Recommends Senate Trial of Brazil President](#)

Brasilia, May 6 (EFE).- A special Senate impeachment committee voted 15-5 Friday to approve a report recommending that Brazilian President Dilma Rousseff be tried in the upper house for alleged violation of budget laws.

The full chamber will decide next week - possibly Wednesday - whether to put Rousseff on trial, when the vote of a simple majority will be sufficient to approve that step and force Rousseff to step down for up to 180 days.

In the event of a trial, she would be replaced by her vice president, a former political ally turned foe, Michel Temer, who in recent weeks has been mulling possible Cabinet selections.

If the Senate ultimately decides to oust Rousseff, Temer is supposed to serve out her term, which ends Jan. 1, 2019.

The impeachment committee voted on a report prepared by its rapporteur, Antonio Anastasia, who found that there were sufficient grounds for putting Rousseff on trial.

The panel comprised senators representing 15 different Brazilian political groupings, with lawmakers from Rousseff's Workers Party and two parties that still are part of a much-reduced ruling coalition, the Communist Party of Brazil and the Democratic Labor Party, the only ones rejecting the report.

The lower house of Congress voted to impeach Rousseff on April 17 on charges she used loans from state-owned banks and other fiscal maneuvers in 2014 and 2015 to disguise the size of the budget deficit.

The rapporteur's report found that those alleged maneuvers violated numerous articles of the constitution and Brazil's Fiscal Responsibility Law, which sets a general framework for budgetary planning, execution and reporting and is applicable to all levels of government.

Rousseff, however, has denied any wrongdoing.

The president's fight for her political life comes as her administration is struggling to deal with a recession and high inflation, as well as the fallout from a massive corruption scandal centered on Brazilian state-controlled oil company Petrobras.

[Brazil Supreme Court Judge Suspends Lower House Speaker Cunha](#)

By Lisandra Paraguassu and Silvio Cascione

BRASILIA, May 5 (Reuters) - A Supreme Court justice suspended the speaker of Brazil's lower house of Congress on Thursday for obstructing a corruption investigation, eliminating him from the line of succession to the president, who is also expected to be temporarily removed from office.

A court spokeswoman said that Eduardo Cunha - a bitter rival of President Dilma Rousseff - had been removed temporarily as speaker pending confirmation by the full court, acting on a request from Brazil's top prosecutor.

As speaker, Cunha was the third in line to the presidency and would have become the next in line if Rousseff is suspended from office next week, as expected, and replaced by Vice President Michel Temer.

Supreme Court Justice Teori Zavascki accepted an injunction requested by the prosecutor general seeking Cunha's removal for allegedly intimidating congressmen and obstructing investigations into charges that he held secret bank accounts in Switzerland.

Cunha is the only sitting lawmaker officially charged by the Supreme Court with corruption in a sweeping kickbacks scandal focused on state oil company Petroleo Brasileiro SA, commonly known as Petrobras

An evangelical Christian who draws on strong support from the religious right in Congress, Cunha has for months been fending off ethics committee hearings in the lower house about whether he lied about his undeclared Swiss bank accounts.

Deputy speaker Waldir Maranhao, of the Progressive Party, became acting head of the lower chamber with Cunha's suspension. If his removal becomes definitive, the house has five sessions to elect a new speaker.

The Supreme Court spokeswoman said Cunha had been served notice at his residence early on Thursday morning.

Cunha, a crafty manager of congressional procedure, has been dubbed the Frank Underwood of Brazilian politics by Brazilian media, in reference to the ruthless politician in "The House of Cards" television series.

Another request for his removal, arguing that a defendant cannot be next in line for the presidency, will be judged later on Thursday by the Supreme Court.

Cunha launched impeachment proceeding against Rousseff in December on charges of breaking budget laws. As an implacable foe of the president, his suspension could have helped Rousseff if it had come earlier. Now it could work against her by weakening her argument that she is being impeached by corrupt politicians like Cunha.

Cunha is under investigation for allegedly receiving \$5 million in bribes in the massive corruption scheme that engulfed Petrobras two years ago. The scandal, the worst in Brazil's modern democratic history, has raised pressure for Rousseff's ouster amid the worst recession since the 1930s.

The leftist president is fighting for her political survival since the lower house commanded by Cunha voted on April 17 to charge her with manipulating government accounts, which her opponents say allowed her to boost public spending before her 2014 re-election.

A Senate committee will decide on Friday whether to recommend the plenary of the upper house vote to put her on trial.

Dumping Rousseff May Spur Profit Boost for Farms Outside Brazil

By Gerson Freitas Jr. and Marvin G. Perez

(Bloomberg) -- Lawmakers preparing to oust Brazil's embattled President Dilma Rousseff may end up helping to revive the fortunes of farmers as far away as Iowa and India.

An impeachment process in Congress has revived the Brazilian currency from a record low as investors bet that replacing Rousseff will help to end the worst recession in decades and a paralyzing corruption scandal. But a stronger real also would halt a surge in food exports that had been compounding global surpluses and keeping prices low, commodity adviser INTL FCStone predicts.

Producers in Brazil, the world's top exporter of sugar, coffee, soybeans, beef, chicken and oranges, had been boosting shipments to generate more income as the real tumbled 33 percent last year. Since the end of January, as Rousseff's hold on power waned, the currency has risen 13 percent, and the gains probably will continue, according to analysts at Banco Santander SA and Rabobank.

The Free-Trade Consensus Is Dead

By David Dayen

[New Republic](#) |

Speaking on Monday at the Milken Institute Global Conference in Los Angeles, U.S. Trade Representative Michael Froman made a familiar argument. The Obama administration has used trade agreements to reshape globalization in the best way, he said. We've put labor and environmental standards at the core of the deals, he claimed, and we've created a level playing field for U.S. workers.

Froman's timing was unfortunate. The same day, documents [leaked by Greenpeace Netherlands](#) revealed that U.S. negotiators working on a trade deal with the European Union have actually been pressuring their trading partners to lower those same standards.

This distance between Froman's words and the contradictory reality is at the heart of the disintegration of the global trade consensus. The 2016 presidential election has focused heavily on trade agreements, and the leading basher of them is now the Republican nominee for president. We're seeing something similar on the Democratic side: You can argue that Hillary Clinton has not moved on any major issue as much as she has [moved on trade agreements](#), publicly opposing a Trans-Pacific Partnership (TPP) agreement she enthusiastically promoted as secretary of state.

In short, the center of gravity holding together a policy framework that prioritizes corporate dominance over democratic governance has collapsed. And this week's leak is another nail in the free-trade coffin.

The leaked documents show current negotiating positions for the Transatlantic Trade and Investment Partnership (TTIP), a deal between the U.S. and the EU, the world's largest common market. The two sides have been locked in negotiations since 2013; the thirteenth round of talks ended last week in New York.

Like most modern trade deals, TTIP has less to do with tariffs than with so-called “non-tariff trade barriers,” a euphemism for ordinary health, safety, environmental, and financial regulations that corporations want to weaken both at home and abroad. In democratic societies, the people usually decide the balance between protecting the public and satisfying commerce. But TTIP’s goal is to eliminate trade barriers, even if the public prefers them, to facilitate the smooth movement of corporate capital. This prevents future governments from operating in the public interest if it harms business in any fashion.

When defenders claim that trade agreements will increase prosperity for all instead of a few well-connected corporate interests, people no longer believe them.

The EU routinely makes its TTIP negotiating positions public; until this leak, the U.S. positions were a secret. That this leak is so up-to-date suggests someone on the inside, unhappy with the state of the talks, decided to go public. And it’s easy to understand why: In virtually every instance in the negotiations, the U.S. has preferred less-stringent constraints on corporations to the EU’s tougher stances.

The U.S. negotiators complained about the European ban on animal testing in cosmetics, calling it an “irreconcilable” difference that would cripple market access. They proposed pre-empting restrictions Europe maintains on genetically modified organisms, euphemistically referring to them as “products of modern agricultural technology.” They sought a dispute-mechanism process for food safety and pesticides that would outsource decision-making to a UN organization, where corporate executives often sit on the national delegations and where rulings have typically been more lax than those from the EU.

The documents also show that the U.S. wants to change the entire EU rulemaking process. In a chapter entitled “Regulatory Cooperation,” U.S. negotiators proposed that the EU inform American companies of planned regulations in advance, giving them an opportunity to influence the rules. They want the EU to limit regulations to those least burdensome to business, and seek out “alternatives to achieve the appropriate level of protection” without a new rule. They would require the EU to take into account the trade effects of regulations; that means that if regulations banning a hazardous chemical would stop a corporation from selling a product containing it in the EU, the European Parliament would have to give those market considerations as much weight as safeguarding public health before approving the rule.

The regulatory proposal would also add layers of bureaucracy and detailed “impact assessments”—the kinds of cost-benefit analysis Washington habitually uses to stop regulations cold. In fact, just a few weeks ago the Obama administration argued against including a cost-benefit analysis in determining whether financial institutions posed a systemic risk to the economy—because it’s too subjective, burdensome, and biased in favor of corporations. Now its trade negotiators want to mandate the same analysis for Europe.

A “science and risk” provision is even more explicit: No prohibitions on products should be implemented, the U.S. demands, without scientific proof that the products are harmful, rather than as a precautionary measure. This is a higher regulatory burden than current EU practice, and would result in overturning several of its laws.

Finally, in this agreement to remove barriers to trade, the U.S. is also threatening protectionist measures to achieve its goals. In one section, negotiators commit to authorizing exports of liquefied natural gas to the EU, a major user of that energy source. However, the Sierra Club points out that, in a separate note, the U.S. holds back on that promise unless it can obtain further concessions. Washington is running the same gambit on permitting imports of European cars, seeking higher quotas for its agricultural exports.

The TTIP leak provides more fuel for a growing movement against global trade agreements, particularly in Europe, where public sentiment was already running heavily against the deal. Just yesterday, even after the EU’s trade minister Cecilia Malmström called the leak insignificant, France’s trade minister determined that the talks were now “likely to stop” altogether.

Froman chose not to address the leak in Los Angeles on Monday. But Assistant Trade Representative Matthew McAlvanah did some damage control, telling *The New York Times* that TTIP would “preserve, not undermine, our strong consumer, health, and environmental standards.” It’s hard to square that with the leaked texts, which expose how officials seek to bully the EU into capitulation with a corporate-friendly agenda.

But the greater importance of the leak is the way it exposes this mismatch between America’s public and private stances—not just on TTIP, but on all trade deals. In public, for instance, officials claim the Trans-Pacific Partnership (TPP) raises labor standards; in private, the agreement does not force Mexico to commit to such improvements. In public, Froman said Monday that we cannot allow China to write the rules for global trade; in private, the U.S. is actively negotiating a bilateral investment treaty with the Chinese, collaborating with them in writing those rules. And in public, Froman warns about the cost of delay and the geopolitical risk of inaction—but he quietly acknowledged on Monday that “trade plays a relatively small role in our economy.” The meager benefits come at the expense of disallowing countries to operate in the interests of their citizens.

I’ll acknowledge a certain amount of demagoguery about trade, particularly from the Republican nominee, who wants to supplant bullying other countries on behalf of business with bullying them on behalf of Donald Trump. But there’s no question that economic anxieties across the political spectrum have been channeled into trade policy, and even once-supportive economists like Paul Krugman have grown more skeptical that you can compensate the workers who lose out to global competition. Ham-handed defenses of the trade agenda from those who conceal their true aims don’t help the case.

While some free traders don’t believe in the sincerity of Hillary Clinton’s public stance against TPP (perhaps because she’s said nothing about TTIP), and hope her election would signal a return to the

status quo, I tend to think the bipartisan shift on trade reflects the popular will. What's changed is that when defenders claim that trade agreements will increase prosperity for all instead of a few well-connected corporate interests, people no longer believe them. And they have nobody to blame but themselves.

[U.S. Consumers Hooked on Health Benefits of Fish, Cargill Survey Finds](#)

MINNEAPOLIS, May 4, 2016 /PRNewswire/ -- According to a recent Cargill Animal Nutrition survey, U.S. consumers recognize there are more health benefits associated with eating fish and seafood compared to taking fish oil supplements. Consumers understand that the health benefits of fish, the world's fastest growing protein source, outweigh that of fish oil supplements, despite their popularity.

While one-third (33 percent) of U.S. households take fish oil supplements, more consumers (90 percent) across all generations associate health benefits with fish/seafood over fish oil supplements (82 percent). According to the study, the top three benefits consumers associate with seafood consumption are heart health (60 percent), low fat (49 percent) and brain health (41 percent).

Recent research shows consumer perception to be correct: eating whole fish is more nutritious than consuming a fish oil supplement. Studies show that adding fish oil alone to the diet does not necessarily improve cardiovascular disease risk or cognitive health, two of the health benefits most cited by consumers in the survey.¹ Fish provides healthy oils that are absorbed around nine times more than oils from a fish oil supplement.² Researchers recommend consumers follow the American Heart Association guidelines and incorporate a variety of oily fish into their diet at least twice a week to get the recommended amount of Omega-3 fatty acids and vitamin D.

"It's clear that making fish and seafood a regular part of your meal plan has tremendous health benefits," said Dr. Felicia D. Stoler, DCN, MS, RDN, FACSM, and FAND Nutritionist & Exercise Physiologist. A proper diet that includes fish protein, in addition to other healthy lifestyle behaviors, will go a long way in promoting overall health."

Results of the survey are also in line with industry data that suggests the demand for fish is growing, driven by an increasing and more affluent global population that understands the health benefits of eating seafood.³ Seafood demand is expected to increase by 70 percent by 2050, and it's a demand Cargill and the industry are working to satisfy.

"Fish is clearly an important source of healthy protein and it's encouraging that consumers know the real benefits of eating seafood," said Einar Wathne, president of Cargill Aqua Nutrition, "We are anticipating that further advances in aquaculture nutrition will ensure that fish and seafood are going to play a significant role in satisfying the world's protein needs and in providing health and nutrition benefits to a growing population in the years ahead."

About Cargill Animal Nutrition's Feed for Thought Survey The online survey for Cargill Animal Nutrition was conducted by ORC International April 7-10, 2016, and polled a demographically representative sample of 1,029 U.S. adults. This is the inaugural survey in Cargill Animal Nutrition's new Feed for Thought research initiative. Feed for Thought will periodically explore key perceptions and opinions of the animal protein supply chain.

