

WEEKLY NEWS ARTICLE UPDATE



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March 2, 2015

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Export Sales Highlights

This summary is based on reports from exporters for the period February 13-19, 2015.

Soybeans: Net sales of 459,200 MT for 2014/2015 were down 9 percent from the previous week and 26 percent from the prior 4-week average. Increases were reported for China (272,900 MT, including 5,000 MT switched from unknown destinations and decreases of 65,900 MT), the Netherlands (156,800 MT, including 140,000 MT switched from unknown destinations), Japan (40,100 MT, including 37,800 MT switched from unknown destinations and decreases of 300 MT), Indonesia (34,800 MT, including 25,000 MT switched from unknown destinations and 400 MT switched from Vietnam), Mexico (31,700 MT), Guatemala (26,000 MT), Colombia (20,800 MT), and Peru (6,000 MT). Decreases were reported for unknown destinations (146,800 MT). Net sales of 36,200 MT for 2015/2016 were for Japan. Exports of 1,103,300 MT were down 19 percent from the previous week and 33 percent from the prior 4-week average. The primary destinations were China (568,300 MT), the Netherlands (146,800 MT), Mexico (111,400 MT), Turkey (78,900 MT), Japan (74,500 MT), Indonesia (43,300 MT), Morocco (27,500 MT), and Guatemala (26,000 MT).

Optional Origin Sales: For 2014/2015, outstanding optional origin sales total 703,000 MT, all China.

Exports for Own Account: The current exports for own account balance is 1,900 MT, all Canada.

Export Adjustments: Accumulated exports to the Netherlands were adjusted down 26,000 MT for week ending January 29th. The correct destination is Germany and is included in this week's report.

Soybean Cake and Meal: Net sales reductions of 6,400 MT for 2014/2015 were down noticeably from the previous week and from the prior 4-week average. Increases were reported for Ecuador (27,000 MT), Colombia 22,100 MT, including 7,000 MT switched from unknown destinations), Mexico (19,100 MT), Peru (15,100 MT), Honduras (9,500 MT), and Israel (8,800 MT, including 8,000 MT switched from unknown destinations). Decreases were reported for unknown destinations (90,400 MT), Thailand (40,000 MT), and Indonesia (300 MT). Net sales of 91,400 MT for 2015/2016 were reported for unknown destinations. Exports of 216,600 MT were down 44 percent from the previous week and 20 percent from the prior 4-week average. The primary destinations were Mexico (57,100 MT), the Philippines (46,500 MT), Vietnam (45,500 MT), Israel (16,800 MT), Spain (15,400 MT), Colombia (11,500 MT), and Morocco (10,500 MT).

Soybean Oil: Net sales of 14,200 MT for 2014/2015 were up 30 percent from the previous week and 8 percent from the prior 4-week average. Increases were reported for the Dominican Republic (4,800 MT), Colombia (4,500 MT), Mexico (2,400 MT), and El Salvador (1,100 MT). Exports of 19,000 MT were up 95 percent from the previous week and 28 percent from the prior 4-week average. The primary destinations were the Dominican Republic (14,500 MT), Mexico (4,100 MT), and Canada (200 MT).

But What Do We Know?

MAR 2, 2015, VOL. 20, NO. 24 • by Blake Hurst

The Weekly Standard

I'm a dodo bird. Or maybe a passenger pigeon. As a corn and soybean farmer, a chemical spraying, fertilizer spreading, genetically modified-seed planter, I'm as passé as a phone booth. I may be walking around, but I'm actually dead. I'm a zombie farmer.

I came to this conclusion after spending a couple of days at the Food for Tomorrow conference last November, held at the Stone Barns Center for Food and Agriculture, a farm,

restaurant, and conference center a few miles north of New York City. Stone Barns is surrounded by a “working” farm, a self-described showplace for the “sustainable agriculture” that more than one speaker at the gathering referred to in reverential tones. The farm was built by the Rockefeller family and is now a sort of Potemkin village with geese. The first and most important rule of sustainable farming is to be sustained by one of the world’s largest charitable foundations.

The *New York Times* was the lead sponsor of Food for Tomorrow. If the speakers—*Times* food writer Mark Bittman, food theorist and journalism professor Michael Pollan, professor of nutrition, food studies, and public health Marion Nestle, organic farmer and food philosopher Fred Kirschenmann, et al.—are correct, the kind of high-yield farming that I do can’t possibly last. Although the speakers and those in attendance devoutly believe that Genus Farmer, Species Industrial has had its day, they presumably weren’t calling for farmericide. They’re confident I’m already obsolete. I’m a Kodak Instamatic in a GoPro age.

The last time I was in New York City, I was on a panel where I was accused of raping the soil. In an op-ed in advance of Food for Tomorrow, Bittman and his coauthors accused the American “food system” of causing hundreds of thousands of annual deaths. Bittman kicked off the conference with a “declaration of war”—his term, not mine. Rape, murder, war: All in a day’s work if you’re an industrial farmer. I’d thought the digestive elite in attendance (at \$1,400 a head) might find it interesting to visit with an actual farmer, but I was sorely mistaken. After three conversations ended when fellow attendees told me to shut up, I just listened.

I listened to one very nice man who runs a large farm in Europe. He practices biodynamic farming, popularized by German mystic Rudolf Steiner, which among other practices buries zinc in a cow horn to gather cosmic forces and improve crop yields. This practice, strangely enough, never came up in any of my plant science classes at the University of Missouri.

I listened to Bittman explain that industrial farming “pollutes, sickens, exploits, and robs.” He’s also got a problem with the term “conventional farming.” The only truly conventional farmers are “peasant farmers,” who, according to him, produce 70 percent of the world’s food with just 30 percent of the resources used in agriculture. Bittman is only considering off-farm inputs here, not the land and labor of those conventional farmers. His peasant farmers are certainly altruistic, working their fingers to the bone for dollars a day. That’s not a bargain U.S. farmers are likely to appreciate, but what do the opinions, labor, and

lives of actual American farmers matter, since we are merely tools of Monsanto and other corporate interests?

The hell with it. I'm an industrial farmer, proud to be one, and have no desire to return to my family's peasant roots, subsistence farming being wildly overrated by people who've never actually spent a day swinging a hoe or pulling weeds by hand.

One presenter, a young man of about 30, was there to plug his new investment fund. He's raised \$50 million to start new farms that will raise food sustainably. He's recruited a stable of experts in all things agricultural to be on call to help the farmers doing the actual work. He promises to triple their returns over those of industrial agriculture and already has plans for more investment funds, spreading the wealth around the country.

Economic history is full of disruptive actors, entrepreneurs who totally change an industry from the outside, overthrowing entrenched regimes seemingly overnight. So anything is possible.

On the other hand, the Agricultural Extension Service was established by Congress almost exactly 100 years ago, and for a century it has collected the latest research from leading agricultural experts and disseminated it to farmers, courtesy of the American taxpayer. There are few secrets involved in the raising of food and very little proprietary knowledge, outside the laboratories of companies inventing the technologies that our hedge fund promoter will avoid like the plague in his quest for sustainability. So, unless current farmers are antiprofit, one must ponder why they aren't already farming sustainably and reaping triple their returns.

It's pretty strange, when you think about it. Bittman comes by his fame from trading recipes. Pollan teaches journalism. Most of the other speakers had little background in actually growing food. As I tried to engage the attendees in conversation, I was reminded again and again of the contempt the self-proclaimed leaders of the food movement have for industrial farmers. This disdain is counterproductive and shortsighted. The average farmer is 58. He's been farming for decades. He has knowledge both deep and wide of the land he farms, the animals he raises, and the climate in his small part of the world. Not only that, but he and his kind own or control most of our farmland, and they're making the decisions about what happens to that land. If your goal is to change agriculture from the ground up, it might be good to include the people who own the ground. Does our

experience, the knowledge hard won through drought, flood, and pestilence, count for nothing?

Recently, the *New York Times* announced another 100 layoffs. The *New Republic* has essentially committed public suicide. *Rolling Stone* is enduring a rough patch. Subscription and advertising revenues are crashing all across journalism.

Perhaps those of us in agriculture could help out. Maybe convene a conference on the future of journalism? We could ask a few nutrition professors, a biochemist or two, maybe a plant breeder, some cattle feeders, a pig farmer, and, as our token journalist, the guy who gives the cattle markets four times a day on the radio. Our conference could call journalists names, damn everything they've done for the past 50 years as corrosive of the health of our culture, and recommend that the *New York Times* go back to using typewriters in a recreated newsroom from *The Front Page*.

It might be hard to sell tickets for \$1,400 apiece to that event. I imagine the sponsors would be ridiculed. I sincerely doubt that any leading newspapers would send reporters out to Omaha or Des Moines or Kansas City to cover it. A confab like that, composed of people profoundly uninformed about the topic at hand, would not be seen as having anything constructive to contribute.

Well, to this industrial farmer, it was clear that the goal of the Food for Tomorrow conference was not so much improving agriculture as it was replacing revenues that have evaporated from conventional journalism with ticket and sponsor revenue from a two-day ritual sacrifice of today's agriculture.

Blake Hurst is a farmer in Missouri and President of the Missouri Farm Bureau

[Brazil Detains Alleged Deforestation King of Amazon](#)

RIO DE JANEIRO (AP) - Brazil has detained a land-grabber thought to be the Amazon's single biggest deforester, the country's environmental protection agency said.

The Brazilian Institute of Environment and Renewable Natural Resources said Ezequiel Antonio Castanha, who was detained Saturday in the state of Para, operated a network that illegally seized federal lands, clear-cut them and sold them to cattle grazers.

The agency blames the network for 20 percent of the deforestation in Brazil's Amazon in recent years, though the statement issued Monday did not provide the estimated scale of the devastation.

It quoted the agency's head of environmental protection, Luciano Evaristo, as saying he hopes Castanha's arrest will "contribute significantly to controlling deforestation in the region."

Castanha will face charges including illegal deforestation and money laundering, and could be sentenced to up to 46 years in prison, the statement said.

Officials said late last year that 1,870 square miles (4,848 square kilometers) of rain forest were destroyed between August 2013 and July 2014. That's a bit larger than the U.S. state of Rhode Island.

In addition to holding around one-third of the planet's biodiversity, the Amazon is considered one of the world's most important natural defenses against global warming because of its capacity to absorb huge amounts of carbon dioxide. Rain forest clearing is responsible for about 75 percent of Brazil's emissions as vegetation is burned and felled trees rot.

The Amazon extends over 3.8 million square miles (6.1 million square kilometers), with more than 60 percent of the forest within Brazil.

[Brazil's Main Port of Santos Reopened on Truck Strike's 8th Day](#)

SAO PAULO, Feb 25 (Reuters) - Brazilian police on Wednesday dispersed striking truckers to reopen access to the country's main port of Santos but the protesters' stoppage still gripped a broad swathe of the nation where most farming and industry are concentrated.

As the strike entered its second week restricting fuel supplies in some areas of the country, the government prepared to meet protesters at the negotiating table though it rejected a key trucker demand to reduce the price of diesel fuel.

Highway operator Ecovias said via Twitter that the protest on the main Anchieta highway leading to Santos, also Latin America's largest port, had ended and all lanes were clear.

Santos police forced truckers to clear the highway but said they were maintaining a strong presence on the road for fear that protesters planned to return Wednesday afternoon.

Brazilian truck drivers have been blocking roads for eight days, in protest over high fuel and toll prices, poor road quality and changes to rules governing drivers. The protests have interrupted supplies of diesel and raw materials across the country and threatened to hold up grains exports at ports during a record harvest.

Rota do Oeste, the company that runs the main highway in Brazil's leading soybean state of Mato Grosso where the trucker protest started on Feb. 18, said trucks continue parked along the shoulders in several cities of the state on Wednesday.

Brazil's attorney general said on Monday it would begin issuing fines of 100,000 reais (\$35,000) to truckers or logistics companies that block vehicles in protest areas.

The threat has had little effect however, as the protest spread into more than 10 of Brazil's 26 states, though some roads that were totally blocked by more aggressive strikers have been opened to the flow of traffic.

It is concentrated in the south-central part of the country.

Trucks breaking the strike and driving through protest points are still potential targets of vandals in the grain belt.

"If a trucker decides to run a road block to deliver his load, guys run alongside his trailer and pull the drop gates so soybeans run out" onto the ground, said Kory Melby, an American agricultural consultant living in Brazil, in a report.

Representatives of the protest are due to meet with government officials at the Transport Ministry at 2 p.m. (1700 GMT) Wednesday.

Presidential Spokesman Miguel Rosseto announced on Tuesday afternoon that the government is open to discussing loan extensions, alterations in regulations governing the sector and norms for setting freight rates.

But he added that the government "is not planning to reduce the price of diesel."

[Protesting Truckers and Brazilian Government Reach Agreement](#)

26-Feb-2015

SAO PAULO (AP) - The government and truck drivers unions have reached an agreement meant to end the weeklong protests by Brazilian truckers, but many drivers continued to block roads on Thursday, causing shortages of gasoline and other products.

The Transportation Ministry said the government agreed Wednesday night to avoid fuel price increases for at least six months, lower highway tolls and suspend for one year the repayment of truck-purchase loans made by the National Development Banks.

Freight cost calculations also will be revised. Truckers have been demanding they be based on the distances traveled to deliver goods and not on tonnage.

Despite the agreement many truckers continued protesting on Thursday blocking roads and highways in at least six states and causing shortages of gasoline and other products.

Transportation Minister Antonio Carlos Rodrigues told reporters that the agreement would only be implemented as soon as truckers unblock all highways.

Dilmar Bueno, president of the National Confederation of Autonomous Truck Drivers told reporters that despite the agreement "I cannot guarantee the protest will end."

"The drivers must evaluate what they have achieved and determine if they should stop or continue the protests."

The National Transportation Command, a truck drivers movement, said on its Facebook page that that it would continue blocking highways.

Truckers began their protest on Feb.18 by blocking a highway in the soybean-producing state of Mato Grosso. The movement quickly spread and by Wednesday they were blocking highways, mostly in the agriculturally rich south, southeast and central-western parts of Brazil.

The protest has caused delivery delays and shortages of diesel and gasoline as well as products such as soybeans, milk and meat.

Brazil is the world's leading supplier of sugar, coffee and orange juice and the second biggest producer of beef and soybeans. So far the protest movement has not affected the shipment of those products since ports have sufficient stocks to load incoming ships.

[EU Lawmakers Back 6% Cap on Food-Based Biofuels](#)

25-Feb-2015

The European Parliament's environment committee on Tuesday (24 February) backed a new limit on traditional biofuels made from food crops that critics say stoke inflation and do more harm than good to the environment.

Those seeking to promote a new generation of advanced biofuels made from seaweed and waste welcomed Tuesday's vote.

But those who have invested in biofuels made from crops such as maize or rapeseed say it puts jobs at risk.

Current legislation requires EU member states to ensure that renewable sources account for at least 10% of energy in transport by 2020.

The European Parliament's environment committee on Tuesday agreed that biofuel from food crops should not exceed 6% of final energy use in transport - a tougher limit than the 7% backed by member states last year.

It also agreed that negotiations between member states, the European Commission and the Parliament should start now on a legislative text, rather than waiting for a plenary parliamentary vote.

Thomas Nagy, executive vice-president at Novozymes, the world's leading supplier of enzymes for the production of conventional and advanced ethanol, said Tuesday's decision was long overdue and should help to spur necessary investment in the right kind of biofuels.

"A stable and effective framework is the only way forward to secure commercial deployment," he said.

But ePURE, the European Renewable Ethanol Association, called on member states "to remain firm on a minimum 7% cap for conventional biofuels".

Apart from the impact on food prices, using farmland to produce biofuels adds to pressure to free up land through deforestation, which can result in increased greenhouse gas emissions.

Green members of the European Parliament said Tuesday's compromise deal meant changes in land use and the resulting emissions would be accounted for, although it said the proposals did not go far enough.

British liberal lawmaker Catherine Bearder also said the deal fell short, but would help to "combat deforestation, hunger and climate change".

The European People's Party, the main centre-right grouping in the European Parliament, regretted the outcome.

It said it could mean the failure of negotiations that still have to take place on a final legal text, protracting regulatory uncertainty that has already dragged on for years.

[ADM Cuts Biodiesel Output as Industry Hit by Weak Margins](#)

By Rod Nickel and Chris Prentice

WINNIPEG/NEW YORK, Feb 25 (Reuters) - Archer Daniels Midland, one of the world's top biofuels producers, has slowed North American biodiesel output, the latest sign the industry is battling uncertainty over U.S. renewable fuel policy while the oil rout curbs demand.

The Chicago-based agri business has "temporarily" shifted production at its Velva, North Dakota, oilseeds processing facility from biodiesel to other products and cut production at its other North American facilities, ADM spokeswoman Jackie Anderson said in an emailed statement.

"We will continue to evaluate the market, and look forward to resuming production when conditions improve," she said.

With 140 million gallons of annual capacity at its wholly-owned Velva site and two joint ventures in Missouri, ADM is a sizeable player in the 2-billion gallon U.S. industry.

It also runs a plant with 70 million gallons of capacity in Lloydminster, Canada.

The ADM spokeswoman declined to give the timing and size of the cutbacks. The Northern Canola Growers Association said the switch in North Dakota took place a few months ago.

The move is a sign of the "strain" being felt across the industry after a year-long drop in biodiesel prices and oil's second-worst rout in history, said Steve Nicholson, an analyst with Rabobank AgriFinance in St. Louis, Mo.

"There's no question we'll see idling of plants and we may see consolidation or people getting out altogether," he said.

Late last year, diesel's discount to B99/B100 biodiesel was at its widest since 2011, according to the latest data from the U.S. Department of Energy.

Other major U.S. producers include Renewable Energy Group Inc. and Cargill Inc., but the industry also has many small, independent players.

Uncertainty over decade-old federal policy aimed at energy independence and cutting carbon emissions has added to the industry's woes.

The U.S. Environmental Protection Agency, which implements the Renewable Fuels Standard program has not yet set biofuel blending requirements for last year, 2015, and 2016.

A \$1-per-gallon tax credit expired in December.

Biodiesel producers represent a sliver of the 17 billion-gallon U.S. renewable fuels market, but they are not alone: ethanol makers, which produce a corn-based fuel, are also feeling the crunch. A Reuters analysis showed average ethanol margins are at their lowest levels since 2005.