

World GDP to Rebound in 2010, as Recovery Picks Up

The Eurozone and the United States are expected to see Gross Domestic Product (GDP) grow 1.3 and 3.3 percent, respectively, in 2010. But the U.S. and European labor markets are expected to stagnate, with unemployment near 10 percent. Growth in consumer spending will be modest as households trim debt and labor income grows slowly. Canada's economy will rise 2.5-2.8 percent in 2010. The Mexican economy will likely see output up 4.5-4.7 percent for 2010, aided by a modest boost in oil prices. Higher industrial commodity prices will help Mexico and Canada. Japan, boosted by higher industrial output from its trade with the rest of Asia, will see GDP grow 1.2-1.4 percent. China, the major growth center in 2009, will likely see output rise 9-10 percent in 2010. World GDP (at current exchange rates) is slated to rise 3.2 percent in 2010. North American, European, and Asian prospects have improved since 3 months ago. World trade volume is expected to pick up in 2010—growing 7 percent.

Household spending will grow modestly in developed countries in 2010. But, household spending in developing economies will grow above trend. As a result, agriculture and manufacturing will be up in 2010. World-wide trade growth, led by the rapid expansion begun in Asia, should boost foreign direct investment across regions. Tight credit and high borrower interest rates are easing, making short-term financing available for trade growth in 2010. Worldwide loan availability has been improving as the expansion accelerates. Emerging Asia will continue to lead the world economic turnaround as intra-Asia trade picks up. Nevertheless, the world recovery will continue to be far from uniform, either across sectors or nations, adding to economic uncertainty and crimping investment spending in many countries.

Asia is expected to grow 7 percent in 2010. East Asia is expected to grow 7.3 percent, led by China. The second installment of the large Chinese stimulus package will boost domestic demand, thereby supporting intra-Asia trade despite recent efforts to reign in lending. Taiwan and Korea are on tap to grow 5 percent. South Asia grows 6.7 percent as India grows 7.2 percent. Southeast Asia is expected to grow 5 percent in 2010, led by Indonesia's 5.6 percent. The Philippines, Thailand and Malaysia will see growth of 3, 4, and 5 percent, respectively, in 2010.

South America is expected to grow 4.1 percent in 2010. Brazil will lead the way with 5.4 percent growth. Output in Colombia and Argentina are expected to be up 4.5 percent this year.

World Inflation Moves Back on the Radar Screen in 2010

The concerns about deflation appear exaggerated. As financial markets have stabilized, commodity prices are on the rise. Oil, selected industrial commodities, and housing prices have bottomed out and are expected to continue rising in 2010. Crude oil prices are expected to be up 20 percent in 2010, with Brent crude prices averaging \$76 per barrel in 2010.

Consumer prices, which had been flat in 2009, in Canada and the United States are expected to rise 2 and 2.7 percent, respectively, in 2010. Eurozone consumer

prices, which were level in 2009, will see a boost of 1.2-1.4 percent in 2010. Consumer prices in the United Kingdom will move up 2 percent, the same as 2009.

Japan is the only major economy slated to see deflation, as consumer prices are expected to slide 0.3 percent in 2010. Consumer prices in Emerging Asia are forecast to rise by 3-4 percent. India's consumer prices are to be up 7 percent, as commodity prices rise. China's consumer price picture is highly uncertain with forecasts of 2-4 percent inflation for 2010.

Remarkably, Latin America is the only region where consumer price inflation is expected to slow from 4.9 percent last year to 4.5 percent in 2010. Argentina is expecting 7.4 percent inflation in 2010, up from 6 percent in 2009. Chile is expected to see consumer inflation rise from 1.5 percent last year to 2 percent this year. Mexico is expecting inflation at 4.9 percent, down from 5.4 percent in 2009. Brazil is expected to experience the largest declines in inflation, as consumer prices rise just over 4 percent, down from 5 percent in 2009.

World consumer inflation is expected to rise from 2.3 percent last year to 3.4 percent in 2010.

The Dollar Continues Mixed in 2010

The yen, euro, pound, and Argentine peso are all expected to depreciate against the dollar in 2010. The yen, after appreciating 9.5 percent in 2009, is expected to depreciate 3-8 percent in 2010. The euro rose 5.3 percent versus the dollar in 2009, is expected to fall 5-8 percent in 2010. The Argentine peso, which fell 18 percent versus the U.S. dollar in 2009, is expected to slide a further 4-6 percent in 2010. The Canadian dollar, which depreciated 7 percent versus the U.S. dollar in 2009, is expected to appreciate 7-9 percent in 2010. The Mexican peso, estimated to have dropped 21.2 percent relative to the dollar in 2009, is slated to pick up 1-3 percent against the dollar in 2010. The Brazilian real depreciated about 9 percent in 2009, but is expected to appreciate 6-9 percent in 2010. The yuan was virtually unchanged in 2009, but is expected to appreciate 1 percent against the dollar in 2010.

Risks and Caveats

The world recovery in 2010 comes with a modest contribution from the EU and Japan. Asia, North America, and Latin America have sufficient liquidity to finance international trade, supporting the modest world growth expected in 2010. For the United States and Europe, job expansion is expected to be sluggish, adding risk to expected consumer spending growth. This could lead to a downturn in late 2010. Given the severity of the recent recession, U.S. businesses continue to be less likely to add workers until they see a large, and sustained, rise in product demand. If U.S. consumers increase their savings too rapidly or credit tightens, the fragile but improving U.S. recovery expected in 2010 could falter and slow growth in the rest of the world.

If inflation rises faster than forecast, it could cut into real spending power in Europe and North America. However, fast growers like Korea, Brazil, and Argentina will likely tolerate high single-digit inflation with little effect on growth.

Export Products

The fiscal 2010 forecast for grain and feed exports is lowered \$1.3 billion from the November forecast to \$24.9 billion. Both coarse grains, primarily corn, and wheat exports are forecast down. Greater exports of feed and fodder products, including DDGs are forecast up from November. Corn exports are down \$500 million to \$9 billion. Demand for U.S. corn continues to come under pressure from rising foreign supplies, while a record U.S. crop weighs on unit values.

Wheat exports are down \$800 million to \$5 billion as a result of reduced value and volume. The United States continues to lose market share to most other major exporters as huge foreign exportable supplies create intensified competition. Rice exports are up \$100 million to \$1.9 billion as prices have remained high and increased sales to Iraq, Venezuela, and Panama have pushed the volume forecast up 100 million tons to 3.5 million tons.

The fiscal 2010 forecast for oilseeds and products is increased to \$23 billion, up \$2.6 billion from the November forecast. Soybeans account for much of the rise as record early season sales and higher than expected prices persisted into January 2010. Export value grew \$2.2 billion as the average unit price surged 10 percent and volume rose 6 percent. Price strength is attributed to record sales to China and strong demand by U.S. crushers. The soybean meal export forecast is up \$360 million on record volume and higher unit value. The soybean oil export forecast fell 7 percent on reduced unit value. Export volume remains unchanged at a record 1.5 million tons.

The fiscal 2010 cotton export forecast is raised \$700 million since November to \$4 billion. Export volume is up 200,000 tons to 2.5 million tons due to a strengthening world demand as stock building in the textile sector is temporarily boosting demand. Unit export values were also raised due to tighter foreign stocks held by major exporters.

The fiscal 2010 horticultural product export value is unchanged from the record November forecast of \$21.5 billion. For most products, expanding exports are due primarily to higher unit values, a driving force over the last several years. Record almond inventories are forecast to continue pressuring prices. Fiscal 2010 exports of sugar and tropical products, including coffee and cocoa products, are forecast at \$4.3 billion, unchanged from November.

The fiscal 2010 export forecast for livestock, poultry, and dairy products is raised \$200 million to \$20.1 billion as moderate gains in beef, pork, and dairy outweigh reductions in broiler meat. The dairy export forecast is up 7 percent largely due to firm global dairy prices impacting export values. A longstanding drought in Australia and the recent development of drought in northern New Zealand could lend further impetus to world market prices if the drought impact deepens.

Beef is forecast \$167 million higher as global economic recovery bolsters demand, particularly in the key markets of Japan and Korea. Pork exports are raised 7 percent to \$4.2 billion on much higher live hog prices. Despite market access issues in Russia and China, strong demand is expected to continue in major U.S. pork export markets in NAFTA partner countries and Asia.

The forecast for broiler meat is revised downward by \$288 million to \$2.7 billion on lower quantities and values. Exports are forecast to be constrained not only by recently announced quota allocations and implementation of sanitary requirements by Russia, but also by China’s implementation of preliminary anti-dumping duties, as well as trade uncertainties in several other countries.

Table 2--U.S. agricultural exports: Value and volume by commodity, 2008-2010

Commodity	October-December		Fiscal year 2009	Forecast fiscal 2010	
	2008	2009		Nov.	Feb.
VALUE	<i>\$ Billion</i>				
Grains and feeds 1/	7.156	6.040	26.323	26.1	24.9
Wheat 2/	1.849	1.227	5.997	5.8	5.0
Rice	0.588	0.514	2.258	1.8	1.9
Coarse grains 3/	2.668	2.104	10.018	10.2	9.7
Corn	2.452	1.915	9.312	9.5	9.0
Feeds and fodders	1.123	1.280	4.512	4.6	4.8
Oilseeds and products 4/	7.135	10.297	20.951	20.4	23.0
Soybeans	5.391	7.942	13.904	13.2	15.4
Soybean meal 5/	0.662	1.215	2.950	2.8	3.2
Soybean oil	0.174	0.368	0.855	1.4	1.3
Livestock, poultry, and dairy	5.295	5.074	18.776	19.9	20.1
Livestock products	3.341	3.210	11.663	12.8	13.1
Beef and veal 6/	0.683	0.697	2.585	2.8	3.0
Pork 6/	1.002	0.954	3.654	4.0	4.2
Beef and pork variety meats 6/	0.353	0.237	1.116	1.3	1.3
Hides, skins, and furs	0.428	0.387	1.510	1.6	1.5
Poultry and products	1.263	1.199	4.850	4.5	4.1
Broiler meat 6/ 7/	0.872	0.803	3.372	3.0	2.7
Dairy products	0.691	0.665	2.264	2.6	2.8
Tobacco, unmanufactured	0.424	0.385	1.199	1.2	1.2
Cotton	0.920	0.723	3.581	3.3	4.0
Seeds	0.464	0.368	1.250	1.3	1.3
Horticultural products 8/	5.692	6.103	20.626	21.5	21.5
Fruits and vegetables, fresh	1.450	1.464	5.412	5.7	5.7
Fruits and vegetables, processed 8/	1.430	1.390	5.380	5.7	5.7
Tree nuts, whole and processed	1.184	1.493	3.495	3.6	3.9
Sugar and tropical products 9/	1.034	1.106	3.878	4.3	4.3
Major bulk products 10/	11.840	12.894	12.894	35.5	37.2
Total	28.127	30.106	96.632	98.0	100.0
VOLUME	<i>---Million metric tons---</i>				
Wheat 2/	6.072	5.447	22.552	24.7	21.9
Rice	0.855	0.893	3.411	3.4	3.5
Coarse grains 3/	11.391	11.317	51.604	56.9	54.0
Corn	10.390	10.217	47.808	53.0	50.0
Feeds and fodders	3.163	4.120	13.819	14.8	15.5
Soybeans	14.247	19.554	35.170	36.1	38.1
Soybean meal 5/	1.889	3.119	7.718	8.7	9.1
Soybean oil	0.163	0.432	0.995	1.5	1.5
Beef and veal 6/	0.150	0.169	0.595	0.6	0.7
Pork 6/	0.365	0.384	1.390	1.5	1.5
Beef and pork variety meats 6/	0.222	0.174	0.749	0.8	0.9
Broiler meat 6/ 7/	0.790	0.775	3.116	2.8	2.7
Tobacco, unmanufactured	0.054	0.059	0.167	0.2	0.2
Cotton	0.635	0.439	2.746	2.3	2.5
Major bulk products 10/	33.252	37.709	115.650	123.6	120.2

Total may not add due to rounding.

1/ Includes corn gluten feed and meal and processed grain products. 2/ Excludes wheat flour. 3/ Includes corn, barley, sorghum, oats, and rye. 4/ Excludes corn gluten feed and meal. 5/ Includes soy flours made from protein meals. 6/ Includes chilled, frozen, and processed meats. 7/ Includes only federally inspected product. 8/ Includes juices. 9/ Includes coffee and cocoa products, tea, and spices. 10/ Includes wheat, rice, coarse grains, soybeans, cotton, and unmanufactured tobacco.

Source: Compiled by USDA using data from Census Bureau, U.S. Department of Commerce.

Regional Exports

Fiscal 2010 agricultural exports are forecast to rise to \$100 billion, up from the November forecast of \$98 billion, and the final fiscal 2009 value of \$96.6 billion. Year-over-year increases in total export value are concentrated in Asia, where exports are forecast to rise by \$1.2 billion over 2009 levels. The largest increases in Asia are forecast for East Asia which is up \$1 billion from 2009. Overall, exports are forecast up by \$300 million for North America. However, Canada and Mexico are still the largest markets and are both forecast to increase some \$600 million. Europe is forecast to increase \$300 million, with the EU rising \$200 million.

The top five export markets are unchanged, and account for 61 percent of all exports at \$61 billion in 2010. Canada and Mexico remain the top markets with exports of \$16.1 and \$14.1 billion. China is forecast to rise above 2009 levels by \$500 million to \$11.7 billion. Japan is forecast to remain at the 2009 level of \$11.2 billion. The export forecast to the EU-27 is \$7.8 billion (up \$200 million from 2009 levels).

Table 3--U.S. agricultural exports: Value by region, 2008-2010

Country and region 1/	October-December		Fiscal year 2009	Forecast fiscal 2010		Share of 2009 total
	2008	2009		Nov.	Feb.	
	<i>\$ Billion</i>			<i>Percent</i>		
Asia	11.227	14.167	37.821	38.0	39.0	37.5
East Asia	9.461	11.791	30.914	31.1	31.9	30.3
Japan	2.885	2.781	11.221	11.3	11.2	11.3
China	4.189	6.181	11.157	11.2	11.7	9.7
Hong Kong	0.514	0.776	1.789	1.8	1.9	1.4
Taiwan	0.815	0.914	2.892	2.9	3.0	3.0
South Korea	1.039	1.136	3.826	3.9	4.1	4.8
Southeast Asia	1.499	2.029	5.692	5.7	5.9	6.2
Indonesia	0.447	0.577	1.667	1.7	1.7	1.9
Philippines	0.383	0.429	1.247	1.3	1.3	1.5
Malaysia	0.118	0.252	0.562	0.6	0.6	0.5
Thailand	0.229	0.366	0.910	0.9	0.9	1.0
South Asia	0.267	0.347	1.215	1.2	1.2	1.0
Western Hemisphere	10.465	9.886	38.326	39.3	40.0	38.0
North America	7.803	7.472	28.978	29.7	30.2	27.6
Canada	3.905	4.088	15.518	15.7	16.1	14.1
Mexico	3.897	3.384	13.460	14.0	14.1	13.5
Caribbean	0.872	0.799	3.160	3.3	3.3	3.0
Central America	0.777	0.672	2.660	2.7	2.8	2.7
South America	1.014	0.942	3.529	3.6	3.7	4.7
Brazil	0.107	0.111	0.382	0.4	0.4	0.6
Colombia	0.294	0.247	0.954	1.0	1.0	1.5
Venezuela	0.328	0.232	1.051	1.2	1.1	1.3
Europe/Eurasia	3.227	3.094	9.934	10.0	10.2	11.1
European Union-27 2/	2.697	2.537	7.620	7.7	7.8	9.2
Other Europe 3/	0.181	0.096	0.550	0.6	0.6	0.4
FSU-12 4/	0.498	0.472	1.764	1.7	1.8	2.0
Russia	0.385	0.397	1.429	1.4	1.5	1.6
Middle East	1.485	1.367	4.865	4.9	5.0	6.0
Turkey	0.362	0.474	1.388	1.4	1.4	1.5
Saudi Arabia	0.185	0.193	0.686	0.7	0.7	0.8
Africa	0.729	0.500	4.286	4.4	4.5	2.2
North Africa	0.406	0.523	2.127	2.0	2.3	3.3
Egypt	0.277	0.210	1.421	1.4	1.5	1.9
Sub-Saharan Africa	0.729	0.500	2.160	2.2	2.3	2.2
Oceania	0.332	0.375	1.239	1.2	1.2	1.0
Trans-shipments via Canada 5/	0.108	0.182	0.160	0.2	0.2	0.3
Total	28.127	30.106	96.632	98.0	100.0	100.0

Total may not add due to rounding.

1/ Projections are based primarily on trend or recent average growth analysis.

2/ The former EU-25 plus Romania and Bulgaria who acceded in January 2007.

3/ Major countries include Switzerland, Norway, Iceland, and former Yugoslav states.

4/ The former 15 Republics of the Soviet Union minus the three Baltic Republics.

5/ Trans-shipments through Canada have not been allocated to final destination, but are included in the total.

Source: Compiled by USDA using data from Census Bureau, U.S. Department of Commerce.

Table 4--U.S. agricultural imports: Value and volume by commodity, fiscal years 2008-2010

Commodity	October -- December		Fiscal year 2009	Forecast Fiscal year 2010	
	2009	2010		Nov	Feb
	VALUE	--- Billion dollars ---			
Livestock, dairy, & poultry	3.174	2.576	10.688	11.3	11.3
Livestock and meats	2.173	1.809	7.615	8.0	8.0
Cattle and calves	0.441	0.380	1.386	1.5	1.5
Swine	0.105	0.068	0.332	0.3	0.3
Beef and veal	0.799	0.593	2.934	3.0	3.0
Pork	0.278	0.267	1.016	1.0	1.0
Dairy products	0.892	0.663	2.678	2.9	2.9
Cheese	0.349	0.308	1.045	1.1	1.1
Grains and feed	1.983	1.874	7.374	7.6	7.6
Grain products	1.246	1.274	4.522	4.6	4.6
Oilseeds and products	1.654	1.214	5.352	6.0	6.0
Vegetable oils	1.191	0.880	3.748	4.2	4.2
Horticulture products	8.455	8.254	33.013	34.4	34.4
Fruits, fresh	1.309	1.393	6.069	6.6	6.6
Fruits, processed	0.885	0.753	3.376	3.6	3.6
Fruit juices	0.393	0.305	1.415	1.5	1.5
Nuts, whole and processed	0.324	0.387	1.151	1.2	1.2
Vegetables, fresh	1.038	1.103	4.234	4.3	4.3
Vegetables, processed	0.912	0.887	3.483	3.6	3.6
Wine	1.253	1.207	4.085	4.2	4.2
Malt beer	0.829	0.726	3.428	3.5	3.5
Essential oils	0.667	0.567	2.408	2.5	2.5
Cut flowers & nursery stock	0.333	0.323	1.357	1.4	1.4
Sugar & tropical products	4.325	3.924	15.349	16.5	16.5
Sweeteners & products	0.866	0.844	3.293	3.5	3.5
Confections 1/	0.298	0.308	1.172	1.2	1.2
Cocoa and chocolate	0.929	1.063	3.300	3.6	3.6
Coffee beans & products	0.989	0.907	4.148	4.3	4.3
Rubber, natural	0.677	0.381	1.569	2.0	2.0
Other imports 2/	0.286	0.317	1.642	1.7	1.7
Total agricultural imports	19.878	18.159	73.418	77.5	77.5
VOLUME	--- Million metric tons ---				
Wine 3/	0.255	0.274	0.934	1.0	1.0
Malt beer 3/	0.757	0.650	3.121	3.2	3.2
Fruit juices 3/	1.000	1.024	4.399	4.5	4.5
Cattle and calves 4/	0.642	0.630	2.040	2.1	2.1
Swine 4/	2.083	1.472	6.976	5.7	5.7
Beef and veal	0.214	0.181	0.897	0.9	0.9
Pork	0.095	0.097	0.358	0.4	0.4
Fruits, fresh	1.937	1.992	8.454	8.8	8.8
Fruits, processed 5/	0.337	0.318	1.365	1.4	1.4
Vegetables, fresh	1.107	1.236	4.545	4.6	4.6
Vegetables, processed 5/	0.754	0.721	2.937	3.0	3.0
Vegetable oils	0.900	0.815	3.339	3.4	3.4
Cocoa and chocolate	0.300	0.320	1.134	1.2	1.2
Coffee beans	0.315	0.276	1.346	1.4	1.4
Rubber, natural	0.236	0.201	0.739	0.9	0.9

Totals may not add due to rounding. 1/ Confections are consumer-ready products that contain sugar.

2/ Largely tobacco and planting seeds. 3/ Liquid volume is in billion liters. 4/ Million head. 5/ Excludes juices.

Sources: U.S. Department of Agriculture and Bureau of Census, U.S. Department of Commerce.

Table 5--U.S. agricultural imports: Value by region, fiscal years 2008-2010

Region and country	October -- December		Fiscal year 2009	Share of total 2009	Forecast	
	2009	2010			Fiscal year 2010	
					Nov	Feb
VALUE	--- Billion dollars ---			<i>Percent</i>	--- Billion dollars ---	
Western Hemisphere	10.159	9.453	40.087	54.6	42.2	42.2
Canada	4.250	3.608	15.351	20.9	16.0	16.0
Mexico	2.569	2.694	11.255	15.3	12.0	12.0
Central America	0.730	0.722	3.354	4.6	3.6	3.6
Costa Rica	0.257	0.228	1.121	1.5	1.2	1.2
Guatemala	0.275	0.282	1.292	1.8	1.4	1.4
Other Central America	0.198	0.211	0.942	1.3	1.0	1.0
Caribbean	0.103	0.098	0.525	0.7	0.6	0.6
South America	2.507	2.332	9.601	13.1	10.1	10.1
Argentina	0.375	0.279	1.187	1.6	1.3	1.3
Brazil	0.748	0.633	2.551	3.5	2.6	2.6
Chile	0.346	0.356	2.135	2.9	2.2	2.2
Colombia	0.448	0.447	1.771	2.4	1.9	1.9
Other South America	0.590	0.617	1.958	2.7	2.1	2.1
Europe and Eurasia	4.281	4.003	14.520	19.8	15.1	15.1
European Union-27 1/	4.018	3.760	13.646	18.6	14.0	14.0
Other Europe	0.233	0.224	0.793	1.1	1.0	1.0
Asia	3.575	3.039	12.039	16.4	13.2	13.2
East Asia	1.057	1.030	3.948	5.4	4.1	4.1
China	0.779	0.739	2.915	4.0	3.0	3.0
Other East Asia	0.278	0.291	1.034	1.4	1.1	1.1
Southeast Asia	2.078	1.663	6.626	9.0	7.4	7.4
Indonesia	0.730	0.517	1.999	2.7	2.2	2.2
Malaysia	0.481	0.297	1.480	2.0	1.7	1.7
Thailand	0.439	0.412	1.594	2.2	1.8	1.8
Other Southeast Asia	0.429	0.437	1.554	2.1	1.7	1.7
South Asia	0.440	0.347	1.464	2.0	1.7	1.7
India	0.397	0.315	1.319	1.8	1.5	1.5
Oceania	1.236	0.949	4.321	5.9	4.5	4.5
Australia	0.725	0.599	2.445	3.3	2.5	2.5
New Zealand	0.479	0.308	1.784	2.4	1.9	1.9
Africa	0.420	0.500	1.659	2.3	1.7	1.7
Sub-Sahara	0.353	0.441	1.360	1.9	1.4	1.4
Ivory Coast	0.159	0.219	0.603	0.8	0.6	0.6
Middle East	0.207	0.216	0.792	1.1	0.8	0.8
Turkey	0.129	0.139	0.484	0.7	0.5	0.5
World total	19.878	18.159	73.418	100.0	77.5	77.5

Totals may not add due to rounding.

1/ The former EU-25 plus Romania and Bulgaria who acceded in January 2007. February forecasts are for EU-25 with Romania and Bulgaria included in Other Europe. The May forecasts are for EU-27.

Sources: U.S. Department of Agriculture and Bureau of Census, U.S. Department of Commerce.

Reliability Tables

Table 6--Reliability of quarterly U.S. export projections, by commodity and quarter

Commodity	Average forecast errors fiscal 2007-09					Forecast accuracy fiscal 2007-09					Forecast accuracy
	Aug ¹	Nov	Feb	May	Aug ²	Aug ¹	Nov	Feb	May	Aug ²	
Export value	<i>Percent</i>					<i>"X" if error < 5%</i>					<i>Percent</i>
Grains and feeds	27	15	7	6	3	-	-	-	-	X	20
Wheat	39	31	22	13	7	-	-	-	-	-	0
Rice	10	11	15	9	3	-	-	-	-	X	20
Coarse grains	32	12	7	4	2	-	-	-	X	X	40
Corn	32	12	7	4	2	-	-	-	X	X	40
Feeds and fodders	15	11	8	6	4	-	-	-	-	X	20
Oilseeds and products	23	17	12	7	2	-	-	-	-	X	20
Soybeans	22	17	13	8	2	-	-	-	-	X	20
Soybean meal	25	18	8	7	2	-	-	-	-	X	20
Soybean oil	57	33	31	11	8	-	-	-	-	-	0
Livestock, poultry, and dairy	22	15	10	7	3	-	-	-	-	X	20
Livestock products	20	12	7	5	3	-	-	-	X	X	40
Beef and veal	11	5	6	10	7	-	X	-	-	-	20
Pork	24	14	10	7	3	-	-	-	-	X	20
Beef and pork variety meats	16	16	11	8	9	-	-	-	-	-	0
Hides, skins, and furs	23	17	12	4	4	-	-	-	X	X	40
Poultry and products	17	18	15	8	5	-	-	-	-	X	20
Broiler meat	19	21	17	12	7	-	-	-	-	-	0
Dairy products	44	33	25	11	3	-	-	-	-	X	20
Tobacco, unmanufactured	11	11	3	9	3	-	-	X	-	X	40
Cotton	32	16	7	7	1	-	-	-	-	X	20
Seeds	11	8	8	3	0	-	-	-	X	X	40
Horticultural products	8	6	3	2	1	-	-	X	X	X	60
Fruits and vegetables, fresh	9	8	6	4	1	-	-	-	X	X	40
Fruits & veget., processed	12	9	7	5	3	-	-	-	X	X	40
Tree nuts, whole/processed	13	9	3	1	2	-	-	X	X	X	60
Sugar and tropical products	9	6	5	3	1	-	-	X	X	X	60
Major bulk products	25	11	7	5	2	-	-	-	X	X	40
Total agricultural exports	19	10	6	4	2	-	-	-	X	X	40
Average error and accuracy	22	15	10	7	3	0%	3%	14%	41%	83%	28
Export volume											
Wheat	16	14	13	9	6	-	-	-	-	-	0
Rice	11	10	6	2	4	-	-	-	X	X	40
Coarse grains	6	1	3	4	2	-	X	X	X	X	80
Corn	5	1	4	4	2	X	X	X	X	X	100
Feeds and fodders	9	7	7	7	7	-	-	-	-	-	0
Soybeans	11	13	8	4	2	-	-	-	X	X	40
Soybean meal	9	5	3	3	3	-	X	X	X	X	80
Soybean oil	39	26	28	11	10	-	-	-	-	-	0
Beef and veal	24	11	12	6	4	-	-	-	-	X	20
Pork	16	10	5	5	10	-	-	X	X	-	40
Beef and pork variety meats	11	11	9	8	5	-	-	-	-	X	20
Broiler meat	0	0	0	0	0	X	X	X	X	X	100
Tobacco, unmanufactured	18	12	9	2	2	-	-	-	X	X	40
Cotton	5	3	2	2	1	X	X	X	X	X	100
Major bulk products	12	9	8	5	4	-	-	-	X	X	40
Average error and accuracy	13	9	8	5	4	20%	33%	40%	67%	73%	47

¹ Forecast made for following fiscal year, with 15 months out. ² Forecast made for current fiscal year, with 3 months remaining in current fiscal year. - = Error exceeds 5 percent.

Table 7--Reliability of quarterly U.S. export projections, by country and quarter

Country/region	Average forecast errors fiscal 2007-09					Forecast accuracy fiscal 2007-09					Forecast accuracy
	Aug ¹	Nov	Feb	May	Aug ²	Aug ¹	Nov	Feb	May	Aug ²	
Export value	<i>Percent</i>					<i>"X" if error ≤ 5%</i>					<i>Percent</i>
Asia	17	10	10	7	1	-	-	-	-	X	20
East Asia	17	9	10	5	2	-	-	-	X	X	40
Japan	18	10	9	8	4	-	-	-	-	X	20
China	14	19	19	7	7	-	-	-	-	-	0
Hong Kong	17	15	11	7	5	-	-	-	-	X	20
Taiwan	20	7	3	6	6	-	-	X	-	-	20
South Korea	33	21	15	9	1	-	-	-	-	X	20
Southeast Asia	20	26	19	18	7	-	-	-	-	-	0
Indonesia	30	22	15	9	6	-	-	-	-	-	0
Philippines	32	24	10	6	8	-	-	-	-	-	0
Malaysia	6	0	17	17	6	-	X	-	-	-	20
Thailand	22	23	8	11	0	-	-	-	-	X	20
South Asia	24	16	13	13	12	-	-	-	-	-	0
Western Hemisphere	16	7	5	4	2	-	-	X	X	X	60
North America	14	6	4	3	2	-	-	X	X	X	60
Canada	13	5	3	2	1	-	X	X	X	X	80
Mexico	17	6	6	6	3	-	-	-	-	X	20
Caribbean	14	13	9	8	4	-	-	-	-	X	20
Central America	14	12	8	7	4	-	-	-	-	X	20
South America	31	19	15	11	11	-	-	-	-	-	0
Brazil	44	23	26	26	13	-	-	-	-	-	0
Colombia	32	17	6	9	10	-	-	-	-	-	0
Venezuela	37	30	16	9	10	-	-	-	-	-	0
Europe and Eurasia	23	12	10	9	4	-	-	-	-	X	20
European Union-27	25	12	13	11	3	-	-	-	-	X	20
Other Europe	40	40	33	23	17	-	-	-	-	-	0
FSU-12	25	18	10	9	16	-	-	-	-	-	0
Russia	19	19	13	13	11	-	-	-	-	-	0
Middle East	27	18	12	9	4	-	-	-	-	X	20
Turkey	27	16	14	13	11	-	-	-	-	-	0
Saudi Arabia	23	25	5	11	3	-	-	X	-	X	40
Africa	36	23	8	10	5	-	-	-	-	X	20
North Africa	57	36	12	14	11	-	-	-	-	-	0
Egypt	40	28	22	22	3	-	-	-	-	X	20
Sub-Saharan	14	17	8	8	8	-	-	-	-	-	0
Oceania	16	12	10	7	4	-	-	-	-	X	20
Transshipments via Canada	50	39	39	39	33	-	-	-	-	-	0
Average error and accuracy	25	18	13	11	7	0%	5%	14%	11%	51%	16

¹ Forecast made for following fiscal year, with 15 months out. ² Forecast made for current fiscal year, with 3 months remaining in current fiscal year. - = Error exceeds 5 percent.

Table 8--Reliability of quarterly U.S. import projections, by commodity and quarter

Commodity	Average forecast errors fiscal 2007-09					Forecast accuracy fiscal 2007-09					Forecast accuracy
	Aug ¹	Nov	Feb	May	Aug ²	Aug ¹	Nov	Feb	May	Aug ²	
Import value	<i>Percent</i>					<i>"X" if error ≤ 5%</i>					<i>Percent</i>
Livestock, dairy, and poultry	8	4	3	4	2	-	X	X	X	X	80
Livestock and meats	6	6	4	4	2	-	-	X	X	X	60
Cattle and calves	28	8	9	6	2	-	-	-	-	X	20
Swine	34	34	24	18	11	-	-	-	-	-	0
Beef and veal	9	10	6	3	3	-	-	-	X	X	40
Pork	9	9	3	6	0	-	-	X	-	X	40
Dairy products	9	8	4	7	6	-	-	X	-	-	20
Cheese	12	9	3	3	3	-	-	X	X	X	60
Grains and feed	14	13	11	6	1	-	-	-	-	X	20
Grain products	8	6	6	3	1	-	-	-	X	X	40
Oilseeds and products	26	15	21	10	4	-	-	-	-	X	20
Vegetable oils	25	13	20	14	4	-	-	-	-	X	20
Horticulture products	5	5	3	2	1	X	X	X	X	X	100
Fruits, fresh	8	8	3	1	0	-	-	X	X	X	60
Fruits, preserved	28	16	8	4	1	-	-	-	X	X	40
Fruit juices	31	26	17	8	2	-	-	-	-	X	20
Nuts and preparations	11	8	3	5	3	-	-	X	X	X	60
Vegetables, fresh	4	3	4	2	0	X	X	X	X	X	100
Vegetables, processed	5	5	3	4	1	X	X	X	X	X	100
Wine	8	6	2	3	1	-	-	X	X	X	60
Malt beer	8	6	4	4	4	-	-	X	X	X	60
Essence oils	14	9	8	4	0	-	-	-	X	X	40
Cut flowers & nursery stock	7	5	2	2	2	-	X	X	X	X	80
Sugar and tropical products	9	10	10	8	4	-	-	-	-	X	20
Cane and beet sugar	47	47	31	19	13	-	-	-	-	-	0
Confections	11	8	0	6	3	-	-	X	-	X	40
Cocoa and chocolate	4	6	7	5	3	X	-	-	X	X	60
Coffee beans and products	13	12	7	2	2	-	-	-	X	X	40
Natural rubber	29	32	34	32	11	-	-	-	-	-	0
Total agricultural imports	7	6	5	4	1	-	-	X	X	X	60
Average error and accuracy	14	12	9	7	3	13%	16%	48%	58%	84%	45
Import volume											
Wine (HL)	8	12	4	4	4	-	-	X	X	X	60
Malt beer (HL)	14	7	3	5	4	-	-	X	X	X	60
Fruit juices (HL)	2	11	3	13	6	X	-	X	-	-	40
Cattle and calves	2	11	3	13	6	X	-	X	-	-	40
Swine	18	1	1	1	1	-	X	X	X	X	80
Beef and veal	8	5	7	4	1	-	X	-	X	X	60
Pork	16	20	12	8	0	-	-	-	-	X	20
Fruits, fresh	8	8	17	17	8	-	-	-	-	-	0
Fruits, processed	6	5	4	5	1	-	X	X	X	X	80
Vegetables, fresh	10	5	2	2	2	-	X	X	X	X	80
Vegetables, processed	1	2	3	4	1	X	X	X	X	X	100
Vegetable oils	8	6	1	2	0	-	-	X	X	X	60
Cocoa and chocolate	18	15	12	6	6	-	-	-	-	-	0
Coffee beans	8	7	3	3	3	-	-	X	X	X	60
Natural rubber	24	21	18	17	13	-	-	-	-	-	0
Average error and accuracy	9	8	5	6	3	20%	33%	67%	60%	67%	53

¹ Forecast made for following fiscal year, with 15 months out. ² Forecast made for current fiscal year, with 3 months remaining in current fiscal year. - = Error exceeds 5 percent.

Table 9--Reliability of quarterly U.S. import projections, by country and quarter

Country/region	Average forecast errors fiscal 2007-09					Forecast accuracy fiscal 2007-09					Forecast accuracy
	Aug ¹	Nov	Feb	May	Aug ²	Aug ¹	Nov	Feb	May	Aug ²	
Import value	<i>Percent</i>					<i>"X" if error ≤ 5%</i>					<i>Percent</i>
Western Hemisphere	6	5	5	3	1	-	X	X	X	X	80
Canada	14	11	11	6	2	-	-	-	-	X	20
Mexico	4	4	2	1	1	X	X	X	X	X	80
Central America	4	4	6	5	1	X	X	-	X	X	60
Costa Rica	14	11	11	9	6	-	-	-	-	-	0
Guatemala	5	5	10	8	5	X	X	-	-	X	40
Other Central America	21	14	14	11	4	-	-	-	-	X	20
Caribbean	30	15	8	0	0	-	-	-	X	X	40
South America	3	3	5	3	1	X	X	X	X	X	80
Argentina	- - -	0	17	17	17	- - -	X	-	-	-	20
Brazil	4	3	5	4	3	X	X	X	X	X	80
Chile	7	7	12	8	5	-	-	-	-	X	20
Colombia	2	4	6	4	2	X	X	-	X	X	60
Other South America	19	7	5	0	0	-	-	X	X	X	60
Europe and Eurasia	8	7	4	3	2	-	-	X	X	X	60
European Union-27	9	7	2	2	1	-	-	X	X	X	60
Other Europe	16	11	21	17	8	-	-	-	-	-	0
Asia	14	13	13	12	5	-	-	-	-	X	20
East Asia	10	12	8	5	3	-	-	-	X	X	40
China	14	15	10	5	2	-	-	-	X	X	40
Other East Asia	3	3	3	6	6	X	X	X	-	-	40
Southeast Asia	15	13	18	15	6	-	-	-	-	-	0
Indonesia	25	24	26	21	11	-	-	-	-	-	0
Malaysia	- - -	7	53	40	13	- - -	-	-	-	-	0
Thailand	14	14	14	14	4	-	-	-	-	X	20
Other Southeast Asia	16	14	10	5	0	-	-	-	X	X	40
South Asia	13	10	18	14	7	-	-	-	-	-	0
India	14	12	20	12	5	-	-	-	-	X	20
Oceania	4	4	5	6	3	X	X	X	-	X	60
Australia	7	7	4	4	3	-	-	X	X	X	60
New Zealand	6	4	4	11	6	-	X	X	-	-	40
Africa	2	6	7	9	9	X	-	-	-	-	0
Sub-Saharan	2	0	3	8	8	X	X	X	-	-	40
Ivory Coast	6	0	6	7	7	-	X	-	-	-	20
Middle East	8	4	4	0	0	-	X	X	X	X	80
Turkey	13	7	7	0	0	-	-	-	X	X	40
Average error and accuracy	10	8	10	8	4	28%	39%	36%	44%	67%	37

¹ Forecast made for following fiscal year, with 15 months out. ² Forecast made for current fiscal year, with 3 months remaining in current fiscal year. - = Error exceeds 5 percent. - - - = No previous forecast.

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Foreign Agricultural Service homepage: <http://www.fas.usda.gov/>

Economic Research Service homepage: <http://www.ers.usda.gov/>

Related Websites

U.S. Trade Data: <http://www.fas.usda.gov/gats>

FAQ & Summary Data: <http://www.ers.usda.gov/data/fatus>

Articles on U.S. Trade: <http://www.ers.usda.gov/briefing/agtrade>

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