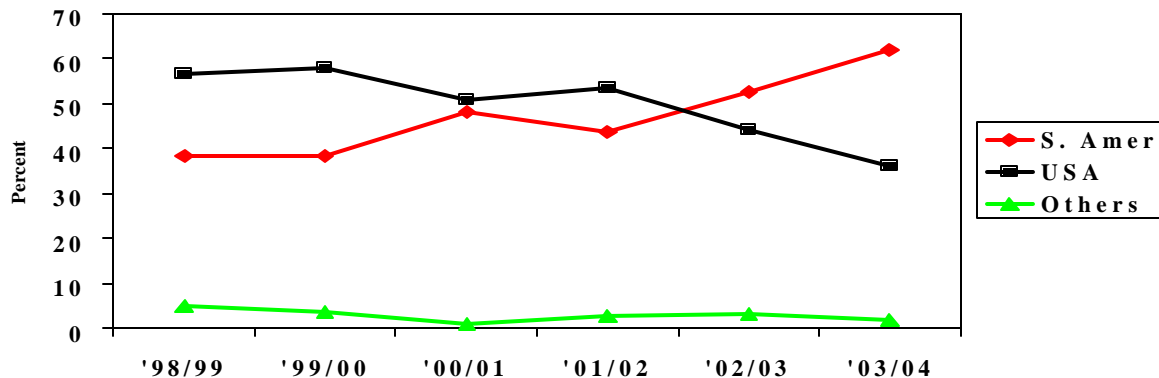




# Oilseeds: World Markets and Trade

## South American Soybeans Continue to Gain World Market Share



South American soybean exports continue to gain world import market share while the United States' share is declining. In 1998/99, the United States held the dominant position in the market capturing 56 percent of global imports while South America's market share was 38 percent. For 2003/04, USDA is forecasting that South America's share will jump to nearly 62 percent of global trade, while the United States' share will slip to 36 percent. While the forecast drop in the size of the U.S. crop in 2003/04, the second consecutive year, contributes to this fall, South American exports have experienced a 74-percent increase, rising from 23.8 million tons in 2001/02 to a projected 41.5 million tons in 2003/04. Much of this growth in trade is due to an impressive increase in South American soybean production, up 31 percent since 2001/02. Brazil accounts for most of this growth with production in 2003/04 forecast to reach 60 million tons, nearly twice the level produced just four years ago. Brazilian exports surged 11.6 million tons during this period to a record 26.6 million tons forecast for 2003/04. Argentina has shown impressive growth in production and trade during this period as well, with production up 72 percent and exports up nearly three-fold. Other exporters in South America include Paraguay, Bolivia, Uruguay and Ecuador. World soybean imports are projected to increase 6.2 percent in 2003/04, with China at 23.0 million tons, and the EU with 18.2 million tons representing the leading import markets.