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FOREIGN AGRICULTURAL TRADE



Digest

OF THE UNITED STATES

FEBRUARY 1955

Issued monthly by Foreign Agricultural Service, United States Department of Agriculture, Washington 25, D. C. Free within U. S. on request. Also available is the monthly Foreign Agricultural Trade Statistical Report, listing monthly and annual statistics on quantity and value of U. S. agricultural exports and imports, destinations, comparisons with previous year.

NOTICE

This is the first issue of the Digest. It contains material formerly included in Foreign Agricultural Trade and Foreign Crops and Markets.

EXPORT HIGHLIGHTS

Farm exports now 10 percent ahead of last year. Agricultural exports are estimated at \$1.8 billion for the July-January period this fiscal year, a gain of 10 percent over the like period of 1953-54. Official returns available through November show a 7-percent rise over last year; other sources indicate further increases for December and January.

All major commodity groups except grains are up. Except for grains, all major commodity groups registered increases in the July-January period. Among the grains, shipments of corn and rice were much smaller, but a sizable recovery in wheat helped to offset some of the decline.

Improved U. S. export position reflects better economic conditions abroad. Big factor underlying increased sales of farm products at this time is the growing prosperity of many other countries; purchasing power abroad continues to expand. But with foreign agricultural production up, competition in foreign markets is severe. U. S. agriculture has had to step up its efforts to maintain and expand foreign outlets. Exports of CCC stocks at competitive world prices and shipments under foreign economic assistance, relief, and barter programs have also helped. Exports under Title I of Public Law 480 are now beginning to move.

Poor crops in Europe also a factor in stronger foreign demand. Poor harvesting weather in Europe hurt the quality of some crops and, to some extent, reduced yields. Biggest effect has been on grains, with a greater than usual proportion going into feed rather than human consumption.

Highest export level in 32 months attained in November. Farm exports totaled \$329 million this past November, best month since March 1952; November exports were 17 percent greater this year than last. Largest increases were in cotton, cottonseed oil, soybeans, lard, oranges, barley, potatoes, and dry edible peas and beans. Declines took place notably in milk, beef, corn, and rice.

COTTON

Tight cotton supplies, peak use abroad, stimulate exports. Cotton exports during the July-January period of the current fiscal year ranged between 2.3 and 2.4 million bales, a gain of 40 percent over the like period of 1953-54. This year's favorable trend is the outcome of increased foreign consumption, reduced supplies in other exporting countries, and in some instances additions to stocks abroad to provide greater working inventories.

GRAINS

Reduced European crops result in increased take of U. S. wheat. Poor quality 1954 crops of wheat in Europe resulted in an increased demand for supplies for bread; U. S. exporters have benefited. Inspection data and official trade returns together point to a total export of 145 million bushels for July-January this year, a 20-percent increase over last year. In the last 3 months, November-January, exports have totaled almost double those of the like period a year ago.

Corn exports improve but are still behind last year's total through January. Corn shipments have been slow for some time, partly because of larger feed supplies in Europe and partly because of competition from Argentine corn. Through November, exports this fiscal year were less than half those last year. But December and January corn inspections for exports totaled 17 million bushels, almost equal to the 18 million shipped in the like months a year ago. The gain probably reflects some additional demand in the light of Europe's relatively poor 1954 crop.

Grain sorghums in usual winter decline after first quarter spurt. Exports of grain sorghums shrank to an average of 250,000 bushels a month in November, December, and January, well under the July-October monthly average of about 3 million bushels. However, the drop is not regarded as significant, and the bigger 1954 crop is providing larger exportable supplies. July-January exports aggregated 14 million bushels this year as compared with 4.5 million last year.

Rice shipments sag further with less going to Asia. Commercial exports of milled rice this past November, latest month for which information is available, were about 25 percent of shipments in November a year earlier. For July-November, exports totaled 373 million pounds, 55 percent of the amount shipped in the like period of 1953-54. Big factors in this year's decline are smaller exports to Japan and Korea. Sales to Cuba also have been smaller. Total shipments to areas other than these three countries have exceeded those of a year ago.

TRADE NEWS ROUNDUP

February 14, 1955

FAS overseas reporters continue to cite complaints that poor quality is handicapping exports of some U. S. farm products:

- ...Japan: Food manufacturers are complaining that, to make U. S. soybeans comparable with Manchurian grades, they have to handpick seeds and foreign materials before the beans can be processed. Cause of the difficulty is that U. S. grading standards apply to use of soybeans for crushing: these standards are inadequate when soybeans are used as food.
- ...Venezuela: A leading egg importer states that U. S. eggs have to be priced at less than \$12 a case to be a better buy than Canadian eggs priced at \$13 a case. One important reason: the fiber boxes, especially when old, do not hold up under the numerous handlings from the U. S. farm to the consumer in Venezuela; they rip at the handle slots, causing eggs to fall out and break.
- ...Colombia: A miller says that he could not afford to pay duty, tax, and freight on the dirt and foreign material permitted under the U. S. grade of No. 2 Hard Winter, when he could buy a better product at a lower price elsewhere.

Growing prosperity abroad has increased demand for goods, but the world's agricultural stocks are at a peak. Quality and reputation are becoming increasingly important in determining who will supply the bigger demand.

* * *

Public hearings on agricultural commodities scheduled by U. S. Tariff Commission: March 8 on imports of red fescue seed, March 10 on imports of alsike clover seed.

* * *

Latest country agreement under Title I of Public Law 480, with Chile, was announced on January 31; it calls for sale of 1.2 million bushels of wheat and 18-20 million pounds of cottonseed oil for Chilean pesos. Export market value will be about \$5 million.

Look for a sharp increase in U. S. cottonseed oil exports to Spain. Reason is an olive oil deficiency. CCC is selling 42 million pounds of cottonseed oil under an FOA authorization; sales will be handled through commercial channels.

Traders fearful that Title I sales might endanger normal marketings will find in Secretary Benson's statement on January 19 to the Senate Committee on Agriculture an explanation of how interference is avoided. The Secre-

tary pointed out that participating governments have to agree on amounts of commodities they will buy with dollars before the United States will agree to sell additional amounts for foreign currencies. The dollar purchases represent normal marketings.

* * *

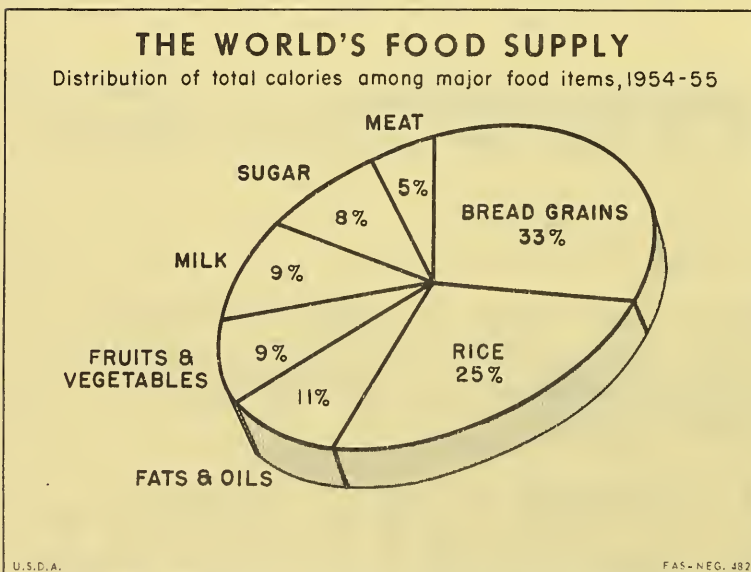
Foreign investment developments of interest to U. S. agriculture:

- ...Japan: World Bank has given green light for land reclamation plans.
- ...Liberia: Export-Import Bank loan of \$15 million will be used for highway construction that will open new areas for the production of palm oil, rubber, lumber, coffee, and cocoa.
- ...Italy: A 10-year investment program looks toward a 25 percent increase in farm production through reclamation and improved farming efficiency and toward a 40 percent gain in net industrial output, hence larger income and purchasing power.
- ...Colombia: World Bank loan of \$5 million will pay for imports of tractors and other equipment for expansion of farm output.

* * *

The competition still confronting agricultural traders is shown by the world's food supply situation: 1954-55 total supplies are at record levels. Although production is off by 2 percent, the decline is more than offset by larger carryovers of wheat, sugar, rice, and dairy products. Details are given in FAS World Agricultural Situation. The accompanying chart shows the components of the world's food this year, based on calorie content. But this is not the whole story. The world's food quality is improving: more of the important protective foods--like milk, fruits, vegetables, meats, and eggs--and less of the carbohydrate foods are being produced.

* * *



USDA on January 28 announced appointment of Wayne C. Anderson as agricultural attaché at Stockholm. Mr. Anderson, who speaks Swedish as well as English, owns and operates a 153-acre livestock and grain farm in Iowa; he has been active in Iowa farm cooperative organizations and other agricultural activities.

Summary prepared by Trade Statistics and Economic Geography Branch
Foreign Agricultural Analysis Division, Foreign Agricultural Service
U. S. Department of Agriculture, Washington 25, D. C.

TOBACCO

Tobacco exports advance as marketing year progresses. Tobacco exports, which ran 19 percent behind a year ago in the first quarter, spurted ahead of the previous year in the second quarter as the marketing year progressed. Through November, latest month for which statistics are available, shipments totaled 257 million pounds, 10 percent ahead of last year. This rate of gain is expected to prevail for the year as a whole. Principal factors are growing prosperity in Europe, which is reflected in increasing consumption, low stocks, and easier import policies. Sales under Public Law 480 are also expected to expand exports in the coming months.

FATS, OILS, AND OILSEEDS

Fat and oil exports 20 percent ahead of last year as foreign demand climbs. Exports of fats, oils, and oilseeds are estimated to have reached a total of \$230 million in the July-January period this year, one-fifth larger than a year ago. Predominant in the gains were lard, tallow, soybeans, flaxseed, and cottonseed oil, while soybean oil fell behind. In general, the United States has ample supplies of fats, oils, and oilseeds and is offering them at world prices. Some exports from the United States are moving out at higher prices, reflecting the improved world market demand; recent sales for export by CCC have been made at prices well above those of earlier sales.

Increased output, lower prices, encourage lard exports. July-November shipments of lard ran 28 percent ahead of the like period of 1953. The increase was due to greater hog slaughter coupled with larger yields. As a result, prices have been declining since last summer; prices of loose lard in January were somewhat below prices for soybean oil. Another factor in larger lard sales is the apparently smaller exportable supplies in other areas.

Strong demand for soap fat maintains exports of tallow at high level. While higher prices caused the July-November value this year to exceed last year's, the quantity shipped was slightly less. Exports are expected to continue large, and the total for the year is expected to be near last year's record level. Strong demand both at home and abroad has caused prices to rise.

Exports of soybeans up, oil down. This year's record crop and lower prices of soybeans, coupled with strong foreign demand, boosted exports for July-January to an estimated 35 million bushels, about one-eighth more than last year, and a new record. Soybean oil exports, however, were only about half those of a year ago. Foreign preference to crush beans abroad is one factor; another is the declining price of lard, which consequently is getting the market.

CCC sales of cottonseed oil boom exports. CCC has sold primarily for export most of the 1.5 billion pounds of cottonseed oil, crude basis, that it acquired from 1951-54 crops. Exports were heavy in 1953-54 and continue so in 1954-55; July-November shipments this year aggregated 230 million pounds as compared with 36 million last year. In addition to the stimulus of CCC sales at competitive prices, exports are expected to be stimulated in coming months by sales for foreign currencies under Public Laws 480 and 665.

FRUITS AND VEGETABLES

Orange exports pick up as new-crop supplies reach market. Strong European demand for U. S. oranges, due to smaller Spanish supplies, are now being reflected in increased U. S. exports. Shipments this November were the best so far this fiscal year and three-fourths more than in November 1953. Exports last summer were handicapped by the short California crop. The July-November total was more than a third under a year before.

Exports of dry peas climb because of poor quality crops in Europe. A striking development is the strong market for dry edible peas; November shipments this year were well ahead of last year. For the July-November period, peas totaled nearly three times those of 1953-54. Stronger demand in Europe stems from the poor quality crops due to unfavorable harvest weather, but Colombia also is now taking more.

Dry bean exports boosted by larger Cuban and Haitian needs. Exports of dry edible beans this past November were more than double those of a year ago; chief reasons were large Cuban purchases resulting from short stocks and relief shipments to Haiti due to hurricane damage to crops. Through November this fiscal year, however, exports were nearly one-third smaller than a year ago. Mexico and the United Kingdom, which took unusually large amounts in 1953-54, have been buying less U. S. beans this year.

I M P O R T H I G H L I G H T S

Decline in agricultural imports continues. The decline in agricultural imports this fiscal year from last year's level continued into November; that month's value of \$287 million was 11 percent under November 1953. The July-November total of \$1,401 million this year was 13 percent below last year. U. S. markets for a number of imported products have proved discouraging to foreign sellers; chief deterrents are plentiful domestic supplies and lower prices. Even for commodities where dependence on foreign sources is strong, inventory trimming continues to keep a damper on imports.

Reduced grain imports contribute most to pulling down supplementary group. Imports of supplementary or competitive agricultural products were under the levels of a year ago throughout 1954. In the current fiscal year, July-November shipments totaling \$596 million were 16 percent smaller than in the previous year. Chief factor is the reduced intake of grains and feed, especially barley and oats; other products affected include apparel wool, pork, hides and skins, and cane sugar.

Smaller coffee imports keep complementary group down. Imports of complementary or noncompetitive agricultural products in November 1954, totaling \$180 million, were under a year earlier for the third consecutive month. July-November imports aggregated \$805 million this year, 10 percent under last year. For November, biggest changes continued to be another drop in coffee and a further gain in cacao beans; July-November coffee imports were down from a year ago by 42 percent while imports of cacao beans are catching up to last year's level. Month-to-month U. S. coffee purchases are now based largely on current domestic demand, with increased supplies in producing areas and lower prices expected.

DOMESTIC EXPORTS: November and July-November 1953 and 1954

Commodity exported	Unit	November		July-November	
		Quantity	Value	Quantity	Value
		1953	1954	1953	1954
		Thousands	dollars	Thousands	dollars
Milk, evaporated	Lb.	14,427	8,307	62,066	54,365
Milk, whole, dried	Lb.	3,004	2,243	20,149	17,252
Nonfat dry milk solids	Lb.	19,093	6,054	50,779	34,716
Eggs, in the shell	Doz.	3,311	6,281	20,702	29,362
Beef and veal, total a/	Lb.	13,497	3,280	24,758	12,552
Pork, total a/	Lb.	4,419	6,692	26,997	23,607
Lard	Lb.	32,857	55,013	144,370	185,234
Tallow, edible and inedible	Lb.	71,001	88,520	465,892	458,186
Cotton, unmd., excl. linters	Bale	254	404	1,016	1,414
Apples, fresh	Lb.	5,920	8,469	20,594	28,407
Oranges and tangerines	Lb.	32,657	59,300	295,745	192,485
Prunes, dried	Lb.	13,213	12,586	35,149	29,916
Raisins and currants	Lb.	8,959	8,871	35,455	46,149
Fruits, canned	Lb.	10,126	18,901	64,438	102,182
Fruit juices	Gal.	2,019	1,856	9,084	8,727
Barley, grain (48 lb.)	Bu.	1,754	2,839	9,840	14,264
Corn, grain (56 lb.)	Bu.	13,096	3,771	54,977	24,281
Grain sorghums (56 lb.)	Bu.	375	247	4,363	13,211
Rice, milled, excludes paddy	Lb.	241,530	55,938	680,657	372,922
Wheat, grain (60 lb.)	Bu.	12,112	17,527	82,694	78,962
Flour, wholly of U.S. wheat					
(100 lb.)	Bag	1,332	1,696	5,622	7,088
Soybeans, except canned (60 lb.) ..	Bu.	10,110	12,465	20,132	21,096
Soybean oil, crude, refined, etc.	Lb.	4,116	4,276	27,403	13,390
Cottonseed oil, crude, refined, etc.	Lb.	13,088	109,973	35,858	229,578
Tobacco, flue-cured	Lb.	48,064	51,127	206,345	224,542
Tobacco, leaf, other	Lb.	4,929	6,991	27,369	32,981
Beans, dried	Lb.	15,760	32,991	135,286	94,288
Peas, dried	Lb.	6,842	33,299	25,138	72,111
Potatoes, white	Lb.	7,414	37,311	153,445	206,433
Vegetables, canned	Lb.	7,184	9,916	37,937	43,262
Food exported for relief, etc.					
Other agricultural commodities					
TOTAL AGRICULTURAL			282,103		1,164,596
TOTAL ALL COMMODITIES			1,237,280		6,252,093

a/ Product weight

Compiled from tables appearing in the "Foreign Agricultural Trade Statistical Report".

IMPORTS (FOR CONSUMPTION): November and July-November 1953 and 1954

Commodity imported	Unit	November			July-November		
		Quantity	Value	Quantity	Value	Quantity	Value
		1953	1954	1953	1954	1953	1954
		Thousands	Thousands	Thousands	Thousands	Thousands	dollars
Cattle, dutiable	No.	3	3	27	15	15	dollars
Cheese	Lb.	7,186	6,664	21,274	21,692	21,692	11,032
Hides and skins	Lb.	8,766	8,962	63,125	46,716	46,716	26,262
Beef and veal, total a/	Lb.	8,075	5,605	62,910	42,517	42,517	20,492
Pork, total a/	Lb.	10,698	14,369	61,165	68,069	68,069	44,838
Wool, unmd., excl. free, etc.	Lb.	12,846	11,950	85,991	63,457	63,457	56,165
Cotton, unmd., excl. lintners (480 lb.)	Bale	9	7	54	39	39	8,704
Jute, and jute butts, unmd. (2,240 lb.)	Ton	5	2	19	17	17	3,159
Olives in brine	Gal.	663	714	3,771	4,330	4,330	7,368
Pineapples, canned, prep. or preserved	Lb.	7,232	1,425	48,177	29,830	29,830	5,783
Barley, grain (48 lb.)	Bu.	6,173	3,427	21,164	13,998	13,998	18,992
Oats, grain (32 lb.)	Bu.	13,920	3,249	45,311	8,796	8,796	7,252
Wheat and flour (grain equiv. 60 lb.)	Bu.	1,300	272	2,892	1,356	1,356	2,676
Feeds and fodders	Bu.	b/	b/	b/	b/	b/	7,961
Nuts and preparations	Lb.	50,741	48,295	275,654	286,724	286,724	24,202
Copra	Lb.	38,657	48,025	174,433	220,538	220,538	19,812
Oils, fats, waxes, veg. expressed	Ton	145	119	1,432	1,281	1,281	32,690
Sugar, cane (2,000 lb.)	Gal.	20,599	17,859	97,965	110,075	110,075	141,119
Molasses, unfit for human consumption	Lb.	6,313	6,395	33,549	34,314	34,314	10,353
Tobacco, cigarette leaf	Lb.	1,471	1,603	6,758	7,106	7,106	23,496
Tobacco, other leaf	Lb.	b/	b/	b/	b/	b/	10,533
Seeds, field and garden	Lb.	1,609	1,023	6,224	5,408	5,408	7,227
Tomatoes, natural state	Lb.	414	590	2,308	3,102	3,102	338
Silk, raw	Lb.	11,584	8,207	76,814	60,748	60,748	13,219
Wool, unmd., free in bond	Bunch	3,938	4,022	20,223	19,159	19,159	33,910
Bananas	Lb.	244,022	163,933	1,060,442	611,284	611,284	25,870
Coffee	Lb.	17,958	38,093	137,796	133,733	133,733	438,579
Cocoa or cacao beans	Lb.	6,851	7,175	42,065	32,440	32,440	88,341
Tea	Lb.	6,090	8,540	27,516	36,874	36,874	17,543
Spices (complementary)	Ton	14	13	59	57	57	16,658
Sisal and henequen (2,240 lb.)	Lb.	111,424	101,861	568,982	544,783	544,783	10,637
Rubber, crude	Lb.						114,949
Other agricultural commodities							164,232
TOTAL AGRICULTURAL							1,401,103
TOTAL ALL COMMODITIES							4,017,304

a/ Product weight.

b/ Reported in value only.

Compiled from tables appearing in the "Foreign Agricultural Trade Statistical Report".

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FOREIGN AGRICULTURAL TRADE



OF THE UNITED STATES

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MARCH 1955

Issued monthly by Foreign Agricultural Service, United States Department of Agriculture, Washington 25, D. C. Free within U. S. on request. Also available is the monthly Foreign Agricultural Trade Statistical Report, listing monthly and annual statistics on quantity and value of U. S. agricultural exports and imports, destinations, comparisons with previous year.

NOTICE

If your name appears on several FAS mailing lists, you may receive more than one Digest. The consolidated mailing list now being set up will eliminate this duplication.

EXPORT HIGHLIGHTS

Farm exports now 15 percent ahead of last year. U. S. agricultural exports through February of the current fiscal year came close to \$2.2 billion in value, or 15 percent above last year's total of \$1.9 billion for the like 8 months. Exports through December, latest month reported by the Census Bureau, registered a gain of 8 percent; further increases in January and February are indicated by information obtained from other sources.

Cotton, fats and oils are main factors in stronger exports. Grains and feeds were the only major commodity group that was behind last year's level; the other major groups--cotton, tobacco, vegetable fats and oils, fruits and vegetables, and livestock and livestock products--were all ahead. Most impressive were the increases for cotton, cottonseed oil, flaxseed, and lard. Among the grains, larger shipments of wheat flour, barley, and grain sorghums offset part of the drop in value of rice and corn exports. An optimistic aspect of the grain situation is that total value this fiscal year has been ahead of last year for each of the past 3 months.

Foreign demand for food and fiber bolsters farm exports. Gains in this country's agricultural exports continue to reflect the higher levels of economic activity evident in nearly all countries overseas. Aggressive efforts by both the trade and Government are also contributing to the stronger position of U. S. farm products in world markets. In addition, unfavorable 1954 harvests in Europe have made it necessary for some countries to increase takings of U. S. products.

Stronger foreign demand also lifts civilian nonfarm exports. Exports are up this year for civilian nonfarm products as well as for farm products; the fast pace of economic activity abroad extends to nearly all business areas. For the July-

December period this fiscal year, latest for which data are available, civilian nonfarm exports amounted to \$4.8 billion, 5 percent larger than in the like period last year.

December farm exports best in 33 months. Farm exports in December, latest month for which official returns are available and best month since March 1952, totaled \$340 million, 12 percent greater than shipments in December 1953. Largest increases occurred in cotton, wheat, barley, cottonseed oil, lard, and dry edible beans. Material declines took place in exports of milk, milled rice, and tobacco.

COTTON

Limited supplies, active mill demand abroad firm cotton shipments. July-February cotton exports (based on July-December official Census reports and January-February FAS estimates) totaled 2.9 million bales this year against 2.1 million last year. Exports have been 30 to 40 percent ahead of the previous year for several months. Chief factors are smaller supplies in other exporting countries at the beginning of the current U. S. season, relatively favorable prices for U. S. cotton, and increased mill consumption in cotton-importing countries. Sales are up especially in Canada, the United Kingdom, France, Western Germany, Italy, India, Korea, and Formosa.

TOBACCO

Tobacco exports slow as foreign output increases. A 30-million-pound drop in tobacco exports this December as compared with last December eliminated gains built up in October and November this year; as a result the total quantity for July-December this year was slightly under a year ago, although value was still slightly ahead. Improvement in prospect for January and February should yield a July-February tally of a little over 360 million pounds. For the year as a whole, exports now are expected to exceed 1953-54's 456 million pounds by at least 5 percent. While high levels of consumption and easier import policies have increased the foreign demand for tobacco, at the same time increased foreign production and the retention of many trade-restricting devices abroad have tended to hinder and limit the entry of U. S. leaf into foreign markets.

GRAINS

U. S. wheat continues to fill greater needs in Europe. Increased demand in Europe, due to poor quality 1954 crops, is helping U. S. wheat exports. Increasing sales this winter have offset an early-season lag; total wheat and wheat flour exported in the July-February period is now estimated at 171 million bushels this year as compared with 137 million bushels a year ago.

Corn exports show further monthly gain but lag behind last year through February. Corn exports--slow for some time due in part to larger feed supplies in Europe and in part to competition from Argentine corn--picked up in the past 3 months, probably because of some additional demand as a result of Europe's relatively poor 1954 crop. July-February exports are estimated at 50 million bushels, still well below the 81 million bushels in the like period a year ago.

TRADE NEWS ROUNDUP

March 21, 1955

Government efforts to help U. S. agriculture move farm commodities into foreign markets are mounting to an impressive total: \$1.7 billion is now available in various programs for fiscal year 1954-55. End-of-year lag will make actual expenditures less than this total; also part of the money will eventually come back to the Government as foreign currency and loan repayments. Central theme of these programs is the expansion of world markets without disruption of world prices and normal trade. Break-down by types of programs is shown in the chart on page 4.

* * *

Highly significant to U. S. agriculture is the initial effort to use abroad the industry-USDA market development approach that has worked so well at home. First project to be undertaken is the expansion of cotton consumption abroad. The National Cotton Council is working directly with the European textile industry on this. In the initial phase, a portion of the project will be financed out of Public Law 480 foreign currency proceeds; thereafter the full cost will be borne by the foreign textile industries.

* * *

Recent steps by industry and Government are helping in the quality problems that have been hurting U. S. farm exports:

- ...A spokesman for U. S. soybean growers now states that the proposed change in grading standards with reference to foreign material allowances, if adopted, would reduce the chief cause of complaints abroad.
- ...The National Agricultural Advisory Commission is going to review grades and classes of wheat as related to both domestic and foreign markets; this study is part of a broad investigation into the wheat surplus situation called for by Secretary Benson.
- ...A survey of milling and baking industries in Europe by USDA consultant John A. Shellenberger throws light on a complaint often cited that foreign millers don't get the kind of wheat they think they're ordering. Dr. Shellenberger's finding: Many foreign millers have the erroneous impression that the U. S. grading system shows milling and baking qualities.

However, serious quality problems still remain:

- ...Foreign grain purchasers complain that U. S. exports frequently contain the top limit of all undesirable factors permitted under the grade.

...Complaints voiced by foreign tobacco importers are directed to U. S. growers who leave excessive amounts of string and other foreign matter in packed leaf. In some instances, tobacco is tied in bundles that are too large for easy re-drying, a process that improves keeping qualities.

* * *

USDA's barter program--the exchange of agricultural commodities for foreign strategic and critical items like chromite, mica, and manganese ore--is getting a bigger role in agricultural exports. Commitments through January this fiscal year totaled \$135 million; this amount contrasts with commitments of \$110 million in the past 5 years. The step-up in barter activity followed expansion of authority under Public Law 480. Principal commodities involved in barter program are wheat, corn, and dairy products.

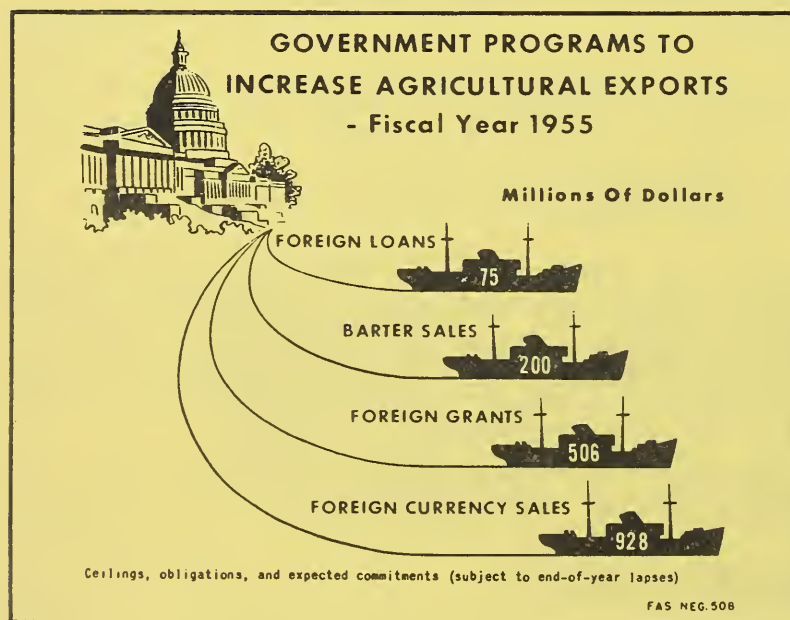
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Shipments under Title I of Public Law 480 began in January; through March 9 they totaled \$40 million (CCC cost). Shipments to Yugoslavia amounted to \$34 million and consisted of wheat and cotton; those to Turkey totaled \$6 million and included wheat, barley, and oats. Latest agreement, announced on March 11, with Pakistan, brings the total to date up to \$143 million (CCC cost).

* * *

Secretary Benson wound up his tour of Puerto Rico, the Virgin Islands, and eight Latin American countries when he visited Mexico March 5-8. Other countries in his itinerary: Cuba, Trinidad, Venezuela, Colombia, Panama, Costa Rica, and Nicaragua. One purpose of the tour was to discuss opportunities for expanded trade in agricultural commodities.

* * *



Last year's drought, which hit the peanut crop hard, was the basis for the President's announcement on March 9 to permit further imports of peanuts until June 30; as much as 51 million pounds of shelled nuts will be allowed on top of the already exhausted quota of 1.7 million pounds. Extra imports will be subject to a fee of 2 cents a pound in addition to the regular 7 cent duty.

Grain sorghums pull out of winter decline in February. Grain sorghum exports (judged from inspections) hit 1,416,000 bushels in February, a striking contrast with the 250,000 monthly average of the 3 previous months. July-February shipments were 15 million bushels this year, only 4.5 million last year. Larger supplies for export are coming from the bigger 1954 crop.

Rice sales weaken as last year's best customers take less. Commercial exports of milled rice in December declined to 38 million pounds, only one-fifth as much as was shipped a year earlier; December is the latest month for which information is available. July-December exports aggregated 411 million pounds this year against 876 million last year. Last year's best customers, Cuba, Japan and Korea, have taken much less rice this year, although shipments to the rest of the world totaled more this year than last. Reduced shipments were the result of a better crop in Cuba, curtailed Army civilian relief in Korea, and delayed procurement in Japan pending price declines and Public Law 480 action.

Barley sales are becoming impressive. Barley exports from the above-average U. S. crop in 1954 are doing better than last year. July-February exports are estimated at 23 million bushels this year in contrast with 10 million last year.

FATS, OILS AND OILSEEDS

Fat and oil exports now estimated to be more than 50 percent above last year. Exports of fats, oils and oilseeds reached a total value of about \$350 million in the July-February period this fiscal year, more than 50 percent larger than shipments last year, according to latest FAS estimates. Chief gainers were cottonseed oil, flaxseed, and lard. Ample supplies of cottonseed oil and lard are available for export at attractive prices.

Greater output, lower prices shoot lard exports well above last year. July-February lard shipments are estimated at about 360 million pounds this year as compared with 256 million last year; estimates are based in part on USDA export certification. Foreign buying has been encouraged by lower prices, due to increased hog slaughter and larger yields this year.

Soybean and soybean oil exports continue to improve. Lower prices in the wake of a record crop have served to strengthen the foreign demand for soybeans; July-February shipments totaled about 36 million bushels this year as compared with 34 million last year. Exports in recent months have been ahead of the like months a year earlier. For soybean oil, information is available only through December, but larger exports in that month further narrowed the gap between this year's and last year's exports.

CCC sales main factor in heavy cottonseed oil exports. Estimates based on sales for export by CCC indicate that through February this fiscal year cottonseed oil exports increased to a total of over 525 million pounds, more than seven times shipments in the like period last year.

VEGETABLES

Mounting pea exports help make up for poor quality European crop. This year's strong foreign market for dry edible peas continued in December,

latest month for which information is available. July-December shipments totaled 93 million pounds, three times those of a year ago. The poor quality crop in Europe has caused several countries--notably the United Kingdom, the Netherlands, Belgium, and Western Germany--to turn to the United States for part of their requirements.

IMPORT HIGHLIGHTS

Agricultural imports continue low because of plentiful supplies and lower prices here. July-December imports of agricultural products, amounting to \$1.8 billion, were 11 percent below U. S. takings in the like period last year. December was the thirteenth successive month in which imports were less than a year earlier. With adequate supplies being produced at home and prices down to lower levels this year, imports have been considerably lighter for items like grains, cane sugar, and beef. Even where foreign supplies are traditionally significant--coffee, cacao beans, long-staple cotton, apparel wool, and hides and skins -- purchases from abroad have been smaller as manufacturers drew on domestic stocks. Aside from molasses and spices, no item showed significant gains in quantity, but even in these two instances lower prices held value down.

Brazilian devaluation in February not yet reflected in increased coffee imports. Brazilian cruzeiro devaluation on February 5 reduced spot prices of Santos 4 from 67 1/2 cents on January 1 to 57 1/2 cents on March 1. However, expectation of further price falls have kept imports of the new crop at a moderate level. Total imports July to February are estimated at 1,215 million pounds compared with 1,940 million in the same period a year ago.

Reduced imports aid domestic grain situation. With a 24 percent greater oat crop and a 52 percent bigger barley crop this year, reduced imports of these grains have been helping to stabilize the domestic situation. July-December imports of oats, totaling 11 million bushels, were only 20 percent of a year ago; imports of barley, amounting to 17 million bushels, were only 66 percent as much.

Reduced mill use hits wool imports. Domestic mills have been using considerably less of both apparel and carpet wool this year than last. They have been able to meet the bulk of their needs by drawing on stocks and by buying more domestic wool, which is in plentiful supply. The increased use of fibers other than wool in both clothing and carpets has contributed to the import decline. July-December imports of apparel wool totaled 75 million pounds, 23 percent under a year ago; imports of carpet wool totaled 70 million pounds, 16 percent smaller.

Cacao bean imports lag although prices now are lower. Although spot prices for cacao bean this year dropped from 48 cents a pound at the beginning of January to 39 cents on March 14, imports have continued to lag behind a year ago. Arrivals at U. S. ports from January 1 to mid-March totaled 109 million pounds this year as compared with 151 million last year. Actual imports July through December were 194 million pounds this year, 206 million last year.

DOMESTIC EXPORTS: December and July-December 1953 and 1954

Commodity exported	Unit	December				July-December			
		1953	1954	1953	1954	1953	1954	1953	1954
		Thousands	Thousands	dollars	dollars	Thousands	Thousands	dollars	dollars
Milk, evaporated	Lb.	6,119	8,227	928	1,204	68,185	62,592	10,025	1,000
Milk, whole, dried	Lb.	4,067	3,130	2,074	1,669	24,215	20,383	12,726	9,251
Nonfat dry milk solids	Lb.	19,237	13,830	3,305	688	70,016	48,546	10,964	5,109
Eggs, in the shell	Doz.	3,018	6,320	1,486	2,060	23,720	35,682	11,243	11,319
Beef and veal, total ^{a/}	Lb.	3,848	6,718	971	1,797	28,606	19,270	8,610	5,190
Pork, total ^{a/}	Lb.	7,708	4,037	2,062	1,396	34,705	27,644	9,844	8,404
Lard	Lb.	38,187	57,324	6,478	9,063	182,556	242,558	28,321	41,923
Tallow, edible and inedible	Lb.	101,988	80,235	6,628	6,281	567,879	538,421	31,697	41,198
Cotton, unmd., excl. linters (480 lb.)	Bale	390	515	67,690	94,019	1,406	1,929	244,673	350,515
Apples, fresh	Lb.	5,792	8,872	639	871	26,386	37,279	2,683	3,294
Oranges and tangerines	Lb.	47,331	54,953	2,374	2,715	343,076	247,438	13,788	14,597
Prunes, dried	Lb.	4,584	4,866	774	926	39,733	34,782	6,105	6,093
Raisins and currants	Lb.	5,147	4,044	688	498	40,602	50,193	4,876	5,177
Fruits, canned	Lb.	7,439	9,413	1,178	1,460	71,877	111,595	11,138	16,920
Fruit juices	Gal.	1,542	1,294	1,156	1,146	9,274	10,021	9,355	8,334
Barley, grain (48 lb.)	Bu.	449	3,869	600	4,938	10,289	18,149	15,071	22,898
Corn, grain (56 lb.)	Bu.	10,763	9,521	18,267	16,249	65,740	33,801	113,898	60,384
Grain sorghums (56 lb.)	Bu.	154	213	231	242	4,517	13,423	7,039	14,302
Rice, milled, excludes paddy	Lb.	195,433	38,101	17,912	2,970	876,090	411,023	84,694	33,244
Wheat, grain (60 lb.)	Bu.	9,679	22,331	20,952	42,451	92,373	101,292	205,113	177,607
Flour, wholly of U.S. wheat (100 lb.) ..	Bag	1,306	1,618	5,945	7,154	6,927	8,706	32,232	38,210
Soybeans, except canned (60 lb.) ..	Bu.	7,697	8,289	22,987	23,898	27,829	29,550	79,452	85,594
Soybean oil, crude, refined, etc. ..	Lb.	2,511	4,384	374	574	29,914	17,774	3,929	2,591
Cottonseed oil, crude, refined, etc. ..	Lb.	9,408	81,425	1,282	9,137	45,266	311,002	6,148	35,960
Tobacco, flue-cured	Lb.	60,763	33,617	42,053	22,416	267,108	258,159	180,045	181,479
Tobacco, leaf, other	Lb.	8,135	5,469	5,184	3,501	35,470	38,451	21,991	22,882
Beans, dried	Lb.	21,858	17,983	1,694	1,486	157,144	112,271	12,446	8,881
Peas, dried	Lb.	5,578	21,224	414	1,554	30,716	93,335	2,171	6,347
Potatoes, white	Lb.	12,483	19,615	224	384	165,928	226,048	3,203	4,971
Vegetables, canned	Lb.	5,157	7,448	760	930	43,094	50,710	6,054	7,142
Food exported for relief, etc.				15,665	20,236			44,658	38,901
Other agricultural commodities				51,115	56,312			234,574	303,280
TOTAL AGRICULTURAL				304,090	340,225			1,468,766	1,582,366
TOTAL ALL COMMODITIES				1,343,240	1,300,209			7,595,334	7,302,774

^{a/} Product weight

Compiled from tables appearing in the "Foreign Agricultural Trade Statistical Report".

IMPORTS (FOR CONSUMPTION): December and July-December 1953 and 1954

Commodity Imported	Unit	December		July-December	
		Quantity	Value	Quantity	Value
		1953	1954	1953	1954
Cattle, dutiable	No.	Thousands	dollars	Thousands	dollars
Cheese	Lb.	5,860	2,941	27,134	12,973
Hides and skins	Lb.	8,474	3,473	71,598	29,736
Beef and veal, total a/	Lb.	7,718	2,052	70,628	25,544
Pork, total a/	Lb.	13,125	9,982	74,290	54,820
Wool, unmd., excl. free, etc.	Lb.	12,499	10,870	98,440	79,130
Cotton, unmd., excl. lintners (480 lb.)	Bale	11	1,879	65	10,583
Jute, and jute butts, unmd. (2,240 lb)	Ton	8	1,826	27	5,575
Olives in brine	Gal.	901	1,515	4,672	7,537
Pineapples, canned, prep. or preserved	Lb.	3,537	393	51,714	6,176
Barley, grain (48 lb.)	Bu.	4,031	5,530	25,195	35,546
Oats, grain (32 lb.)	Bu.	10,634	7,695	55,945	40,435
Wheat and flour (grain equiv. 60 lb.)	Bu.	799	1,594	3,691	7,779
Feeds and fodders		b/	2,286	b/	11,247
Nuts and preparations		b/	4,898	b/	30,750
Copra	Lb.	54,548	4,724	330,202	27,323
Oils, fats, waxes, veg. expressed ..	Lb.	44,582	7,629	219,285	42,007
Sugar, cane (2,000 lb.)	Ton	158	16,917	1,590	180,566
Molasses, unfit for human consumption	Gal.	23,605	2,120	121,570	11,934
Tobacco, cigarette leaf	Lb.	5,891	3,954	39,441	26,290
Tobacco, other leaf	Lb.	988	1,327	7,745	11,728
Seeds, field and garden		b/	2,599	b/	9,868
Tomatoes, natural state	Lb.	17,702	1,514	23,927	1,943
Silk, raw	Lb.	380	1,805	2,688	12,609
Wool, unmd., free in bond	Lb.	6,319	3,583	83,133	42,258
Bananas	Bunch	4,420	5,894	24,643	33,053
Coffee	Lb.	328,521	175,188	1,388,963	748,298
Cocoa or cacao beans	Lb.	67,742	23,929	205,538	66,675
Tea	Lb.	8,745	3,844	50,809	22,923
Spices (complementary)	Lb.	4,924	3,225	32,441	22,698
Sisal and henequen (2,240 lb.)	Ton	17	3,583	76	16,318
Rubber, crude	Lb.	102,922	19,704	671,904	140,302
Other agricultural commodities			33,539		199,345
TOTAL AGRICULTURAL			372,376		1,761,041
TOTAL ALL COMMODITIES			895,780		5,213,462

a/ Product weight.

b/ Reported in value only.

Compiled from tables appearing in the "Foreign Agricultural Trade Statistical Report".

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FOREIGN AGRICULTURAL TRADE



OF THE UNITED STATES

Digest

APRIL 1955

Issued monthly by Foreign Agricultural Service, United States Department of Agriculture, Washington 25, D. C. Free within U. S. on request. Also available is the monthly Foreign Agricultural Trade Statistical Report, listing monthly and annual statistics on quantity and value of U. S. agricultural exports and imports, destinations, comparisons with previous year.

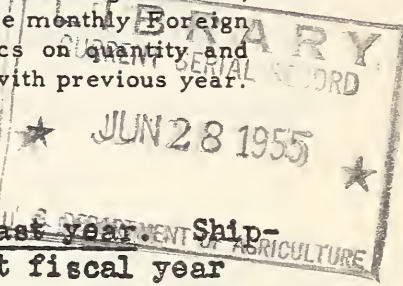
EXPORT HIGHLIGHTS

July-March agricultural exports show 13 percent rise over last year. Shipments of farm products overseas through March of the current fiscal year topped \$2.4 billion, 13 percent greater than in the like period last year. Exports through January were 10 percent ahead, according to Census Bureau data; further improvement for February and March is indicated by information obtained from other sources.

All but a few principal items are doing well. Grains and feeds constitute the only principal commodity group for which exports continued behind last year's level, due mainly to greatly reduced sales of corn and rice. Prospects for these two commodities, however, have now become brighter. The other big commodity groups--cotton, tobacco, vegetable fats and oils, fruits and vegetables, and livestock products--continued to do better this year than last. Through March, striking gains were registered for cotton, cottonseed oil, flaxseed, lard, wheat, barley, and grain sorghums.

Better economic conditions abroad favor exports. Despite greater agricultural production abroad, foreign marketing of farm products is favored by generally good economic conditions abroad, particularly in Western Europe, biggest overseas market for farm products. Sales of some products in Europe this year were favored by poor 1954 crops there. CCC sales of many commodities for export at competitive world prices also helped. Moreover, through April 6, shipments of surplus commodities for foreign currencies under Title I of Public Law 480 totaled \$66 million (CCC cost).

January exports, though seasonally down, ran a third over a year ago. As a rule, January exports drop below the December level, which tends to be relatively high for the year because it includes seasonally large shipments of cotton and tobacco. This year, January exports totaled \$275 million, about 80 percent as great as December shipments; biggest decline was in cotton. However, as compared with a year earlier, January exports were a third larger. Principal gains over January 1954 occurred for wheat, cotton, cottonseed oil and food parcels; main decline was in rice.



COTTON

Favorable prices help cotton exports. July-March cotton exports approached 3.2 million bales this year, one-fourth greater than a year earlier, based on Census Bureau data through January and FAS estimates thereafter. Sales were up to all principal markets, especially the European and Canadian. Japan took less, but value held up well in comparison with last year. Sales were favored by generally competitive prices and by somewhat higher mill consumption in principal importing countries with the major exception of Japan. The magnitude of the decline from the unusually high level of 515 thousand bales in December to 348 thousand in January reflected the fact that December was the final delivery month for FOA shipments authorized late in the 1953-54 season. Nonetheless, it is reported that foreign buyers are currently buying on a replacement basis.

TOBACCO

Quality favors tobacco exports. Tobacco exports for the July-March period this year are estimated to be about 390 million pounds, or about 6 percent greater than a year ago. Based on a recent FAS 11-country survey of European markets, a number of factors favor sales of U. S. leaf abroad: Preference of foreign consumers for the aroma and flavor of U. S. leaf; continued growth in tobacco use; rising prosperity and more readily available dollars in most West European countries.

GRAINS

1954's poor European crop still main factor in improved wheat exports. Increased demand for wheat in Europe reflects the poor quality of 1954 crops in that area. Starting with an early season lag, exports this year were nearly 25 million bushels in January and about 28 million in February and then went on to approach 35 million in March. The total for the July-March period this year is estimated at about 208 million bushels (including grain equivalent of flour), about 35 percent greater than a year ago. Increased sales to Europe more than offset declines for Asia, where Pakistan and Japan both took less this year. Other notable shifts as compared with last year were larger shipments to Brazil, much less to Mexico, and none to Egypt.

Fast export pace for barley grain. Barley grain exports from the large 1954 U. S. crop continued to do much better this March than last year: About 8 million bushels were shipped abroad in the past quarter as compared with only a small quantity a year earlier. The total of about 26 million bushels for the July-March period this year contrasted with only 11 million a year ago.

Sorghum exports gain with help of bigger crop. Grain sorghum exports moved up a little more in March: Total of 1.7 million bushels inspected for overseas shipment compared with 1.5 million in February. July-March total was 17 million bushels, more than three times the amount exported a year ago. This year's better sales reflect the large U. S. crop in 1954.

TRADE NEWS ROUNDUP

April 25, 1955

With the first quarter of the calendar year behind us, the agricultural export outlook for 1955 shapes up this way, according to FAS estimates:

- ...Western Europe: Smaller 1954 food crops and favorable economic conditions resulted in larger first-quarter sales. Economic outlook is favorable for the rest of 1955, but exports in the last half of the year will be influenced by the size of 1955 harvests.
- ...British Commonwealth countries: Probably equal to 1954, which was considerably above previous years.
- ...Asia and Middle East: Equal to, or slightly ahead of, 1954.
- ...Latin America: Somewhat less than in 1954.

Prospects for major commodities:

- ...Grains: Somewhat higher, but competition will be keen.
- ...Cotton: Probably somewhat less than in 1954.
- ...Tobacco: Increases despite greater production abroad.
- ...Fats, oils and oilseeds: Down somewhat from 1954 record.
- ...Livestock products: New merchandising efforts for ghee and recombined milk could increase dairy exports. Little change otherwise.
- ...Fruits and nuts: Citrus and canned fruits are expected to increase; nuts to decline somewhat; dried fruits to show little change.
- ...Vegetables: Principal change is expected in dry edible beans, with white beans up and colored varieties down.

Agricultural Marketing Service's April issue of DEMAND AND PRICE SITUATION evaluates domestic and export outlook for 1955.

* * *

New FAS Administrator, appointed April 15, is Gwynn Garnett, formerly director of foreign trade development in the American Farm Bureau Federation;

Mr. Garnett, who has been in agricultural work all his life, owns a 240-acre corn, hog, and cattle farm in Iowa. He succeeds William G. Lodwick, who completed his two major assignments of integrating the agricultural attache program into USDA and of organizing USDA participation in the Public Law 480 program. Mr. Lodwick will become agricultural attache to Mexico.

* * *

Two USDA price actions should help the export situation. On March 29 Secretary Benson reiterated that there will be no subsidy on cotton exports during the current marketing season. This action should aid in setting at rest market-disturbing rumors. Other action, announced April 7, was to offer butter on a competitive bid basis for making special products such as butter oil and ghee for overseas sale.

* * *

The ghee story is explained in FAS Foreign Agriculture Circular FD-3-55, released last week: marketing specialist Louis H. Burgwald reports on his survey of the market possibilities in the Far East.

* * *

Recombined milk is a relatively new term that has been making the rounds lately; it's associated with endeavors to bring fluid milk to places that aren't able to produce sufficient fresh milk all year long. Take milk apart and you have dry skim milk and anhydrous milk fat, which can be

shipped anywhere without refrigeration. Mix them with pure water and you have recombined milk, a product that is both palatable and nutritious. Recombined milk—A Dependable Supply of Fluid Milk Far From the Cow (FAS Report No. 84) explains the techniques.

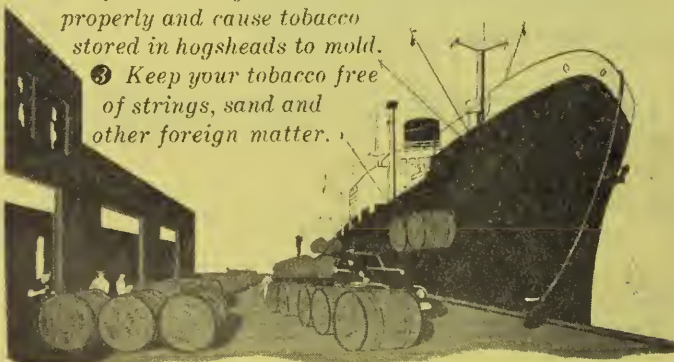
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U. S. agricultural industry is becoming more and more aware of the steps it can take to improve the export market for agricultural products by satisfying the quality preferences of foreign consumers. The accompanying chart shows a simple device used by the tobacco trade: an attractive appeal to growers pointing out things they can do to help overseas sales; the original chart is in color and measures 3 by 4 feet.

ATTENTION TOBACCO GROWERS!

One-third of the tobacco you sell is now exported, but foreign tobacco growers are taking your export market by better grading and handling. You can help hold this market if you will:

- ① Grade carefully. Keep hags, leaf, and tips separate. Pick out green, red, dead and burned leaves.
- ② Tie heads of bundles uniformly—not larger than a half dollar. Big or wet bundles can not be redried properly and cause tobacco stored in hogsheads to mold.
- ③ Keep your tobacco free of strings, sand and other foreign matter.



TOBACCO ASSOCIATES, INC. Cooperating with Educational, Farm and Trade Organizations Interested in Maintaining Tobacco Exports

Corn exports gaining, but total to date still lags behind a year ago. Corn shipments continued to rise seasonally in March, according to USDA inspections for overseas export, but the total of 60 million bushels thus far in the fiscal year was only two-thirds as large as in the like period a year earlier. This year, exports to Mexico and to the dairy countries of Western Europe totaled less than last year, but Europe's relatively poor 1954 crop resulted in increased shipments in the last quarter.

Lagging rice exports due for improvement. Commercial milled rice exports in January, according to Census Bureau data, totaled 32 million pounds this year as compared with 183 million last year; July-January shipments aggregated 443 million pounds this year in contrast with 1,059 million last year. Japan, largest importer of U. S. rice, has taken less through January this year, but purchases for later shipment this fiscal year are now about 75 percent of the previous fiscal year's shipments. Shipments to all other countries totaled more this year than last; volume of sales to Colombia were impressive.

FATS, OILS AND OILSEEDS

Exports of fats and oils to Europe gain. Exports of fats, oils and oilseeds were close to \$380 million in value for the July-March period this year, representing a gain of 50 percent over a year ago. Main reason is the larger shipments to Europe, especially to top customers like the Netherlands, West Germany, the United Kingdom, and Italy. Appreciable gains were made in exports of some products to Cuba, Yugoslavia, and Austria.

Prices and supplies favor U. S. lard exports. For the past 3 months lard exports averaged about 50 million pounds, somewhat above the monthly average for all of 1953-54. July-March shipments of nearly 300 million pounds this year compared with about 280 million last year. Lard supplies were plentiful, prices favorable, and the market active.

Soybean exports ahead, oil behind, last year's levels. Exports of soybeans have been running ahead of last year, while those of soybean oil have been lagging. Estimates for bean exports through March this year total 41 million bushels, about 15 percent more than last year; foreign demand was strengthened by lower prices in the wake of a record crop. On the other hand, oil exports, totaling 21 million pounds through January, were only about 60 percent of a year ago, partly as the result of foreign preference to import beans and crush abroad and partly as the result of price relationships favoring lard and cottonseed oil.

Cottonseed oil exports still maintaining strong lead. Estimates based on CCC sales for export indicate that through March this year cottonseed oil exports totaled over 500 million pounds, three times the level of a year ago. Last month's estimate of 525 million pounds for total shipments through February was based on purchases that were subsequently postponed.

FRUITS AND VEGETABLES

Increased purchasing power abroad assists fruit and vegetable exports.

Exports of fruits and vegetables for the July-March period this year are estimated at \$200 million in value, \$40 million larger than a year ago. Biggest factor was larger takings by Canada, with indications that the European market is running a little ahead of last year. Both Canada and Europe have been enjoying increased purchasing power; however, unfavorable foreign crops also helped to expand U. S. sales.

I M P O R T H I G H L I G H T S

Agricultural imports remain low. January's agricultural imports of \$358 million this year were 96 percent of a year ago, about the same as in December 1954. January was the fourteenth successive month in which imports were below the year before. Principal reductions were in coffee and cacao beans while notable gains occurred for cattle, cane sugar, crude rubber, cotton, and raw silk.

Price-supply relationships evident in import pattern. July-January imports of \$2,120 million were 90 percent as much as a year ago. Imports of individual items shifted substantially, with price-supply relationships being the main governing factor. Plentiful supplies at home reduced the incentive for purchases abroad of barley, oats, feeds and fodders, sugar, hides and skins, and wool. Buyers took less coffee, tea, and cacao beans because of higher prices. Where prices were down somewhat, imports were up, as for molasses, spices, and vegetable fats and oils.

Mexican animals swell January cattle imports. With the opening of the border on January 1 and the attractive domestic price situation, cattle imports increased to 99,000 head during January. The Mexican border had been closed to cattle from May 23, 1953 to the first of this year by reason of reported outbreaks of foot-and-mouth disease in Mexico.

Coffee imports continue on replacement basis. Estimates of coffee imports after January indicate a continuation of the reduced level of purchases as compared with a year ago. Total through March this year was about 1.5 billion pounds, or two-thirds as much as a year ago. In the six weeks since March 1, the coffee market has remained firm and steady, with spot prices for Santos 4 averaging about 58 cents a pound. However, buying in an uncertain market has continued only on a replacement basis.

Favorable prices revive cacao bean imports. Through January of this fiscal year, imports of cacao beans totaling 266 million pounds were about 90 percent as large as a year ago. Imports lagged as a result of smaller supplies and higher prices, but the picture changed in February. Arrivals in February and March totaled about 30 percent in excess of a year ago, with the result that the gap between this year's and last year's imports was narrowed: July-March total for this year is estimated at 365 million pounds (assuming 140 pounds to the bag), or about 94 percent of a year ago.

DOMESTIC EXPORTS: January 1954 and 1955 and July-January 1953-54 and 1954-55

Commodity exported	Unit	January				July-January			
		Quantity		Value		Quantity		Value	
		1954	1955	1954	1955	1953-54	1954-55	1953-54	1954-55
Cheese	Lb.	Thousands : 331	Thousands : 471	1,000 : 145	1,000 : 194	Thousands : 4,599	Thousands : 3,248	1,000 : 1,953	1,000 : 1,314
Milk, evaporated	Lb.	8,215	11,373	1,248	1,702	76,500	73,965	11,273	10,952
Milk, whole, dried	Lb.	1,584	2,982	867	1,513	25,799	23,365	13,593	11,881
Nonfat dry milk solids	Lb.	18,685	25,699	1,863	2,057	88,702	74,245	12,827	7,166
Eggs, in the shell	Doz.	2,016	4,491	1,001	1,552	25,736	40,173	12,244	12,870
Beef and veal, total g/	Lb.	1,067	6,993	322	1,831	29,673	26,262	8,932	7,021
Pork, total g/	Lb.	5,136	4,843	1,491	1,312	39,841	32,487	11,335	9,716
Lard	Lb.	33,607	54,807	5,650	8,139	216,163	297,365	33,971	50,062
Tallow, edible and inedible	Lb.	77,866	84,272	5,261	7,004	645,745	622,803	36,958	48,203
Cotton, unmd., excl. linters (480 lb.)	Bale	308	348	53,526	62,934	1,714	2,277	298,199	413,504
Apples, fresh	Lb.	6,228	12,257	570	1,000	32,614	49,535	3,252	4,294
Oranges and tangerines	Lb.	45,754	46,035	1,991	2,230	388,830	293,472	15,779	16,828
Prunes, dried	Lb.	8,365	5,249	1,414	1,016	48,098	40,031	7,519	7,108
Raisins and currants	Lb.	2,757	6,286	360	682	43,359	56,479	5,236	5,859
Fruits, canned	Lb.	6,085	7,097	954	1,093	77,962	118,692	12,092	18,013
Fruit juices	Gal.	1,752	1,759	1,671	1,410	12,379	11,780	11,026	9,745
Barley, grain (48 lb.)	Bu.	23	974	47	1,248	10,312	19,124	15,118	24,196
Corn, grain (56 lb.)	Bu.	6,814	7,177	11,758	12,864	72,554	40,979	125,656	70,015
Grain sorghums (56 lb.)	Bu.	4	170	7	247	4,521	13,593	7,047	14,548
Rice, milled, excludes paddy	Lb.	182,547	32,183	16,368	2,282	1,058,637	443,206	111,062	35,525
Wheat, grain (60 lb.)	Bu.	9,433	21,036	18,605	43,430	101,806	122,388	223,718	223,501
Flour, wholly of U. S. wheat (100 lb.)	Bag	1,112	1,444	5,137	6,230	8,039	10,150	37,369	44,440
Soybeans, except canned (60 lb.)	Bu.	3,663	5,254	11,419	15,332	31,492	34,805	90,871	100,926
Soybean oil, crude, refined, etc.	Lb.	3,438	2,859	533	425	33,353	20,633	4,461	3,016
Cottonseed oil, crude, refined, etc.	Lb.	6,893	64,239	930	7,190	52,159	375,241	7,079	43,150
Tobacco, flue-cured	Lb.	26,520	24,955	19,431	17,231	293,628	283,125	199,476	198,709
Tobacco, leaf, other	Lb.	3,648	5,797	2,266	3,838	39,118	44,247	24,257	26,690
Beans, dried	Lb.	15,478	9,555	1,117	751	172,622	122,586	13,564	9,656
Peas, dried, ex. cowpeas and chickpeas	Lb.	2,937	13,367	229	1,062	32,377	104,825	2,276	7,193
Potatoes, white	Lb.	9,760	20,116	184	464	175,688	246,164	3,386	5,436
Vegetables, canned	Lb.	5,403	8,798	779	1,150	56,249	69,533	7,942	9,755
Food exported for relief, etc.				543	14,720			45,201	53,621
Other agricultural commodities				38,018	50,775			259,799	351,931
TOTAL AGRICULTURAL				205,705	274,908			1,674,471	1,856,844
TOTAL ALL COMMODITIES				1,080,136	1,154,772			8,675,470	8,468,797

g/ Product weight.

Compiled from tables appearing in the "Foreign Agricultural Trade Statistical Report".

IMPORTS (FOR CONSUMPTION): January 1954 and 1955 and July-January 1953-54 and 1954-55

Commodity imported	Unit	January				July-January			
		Quantity		Value		Quantity		Value	
		1954	1955	1954	1955	1953-54	1954-55	1953-54	1954-55
		Thousands	Thousands	dollars	dollars	Thousands	Thousands	dollars	dollars
Cattle, dutiable	No.	4	99	583	1,000	33	119	6,330	10,105
Cheese	Lb.	2,233	3,445	1,138	1,732	29,367	30,248	15,112	15,531
Hides and skins	Lb.	7,806	8,432	3,331	3,752	79,405	61,947	33,079	26,537
Beef and veal, total a/	Lb.	11,356	6,511	3,262	1,992	81,984	54,823	25,805	16,514
Pork, total a/	Lb.	12,758	15,292	9,476	10,488	87,048	99,512	64,297	67,815
Wool, unmd., excl. free, etc.	Lb.	14,801	12,081	13,359	15,865	113,278	87,481	92,646	82,044
Cotton, unmd., excl. lintners (480 lb.)	Bale	7	16	834	3,028	72	65	11,416	13,241
Jute and jute butts, unmd. (2,240 lb.)	Ton	7	7	1,735	1,695	34	31	7,310	6,199
Olives in brine	Gal.	1,280	1,180	2,171	1,967	5,953	5,409	9,708	11,041
Pineapples, canned, prep. or preserved	Lb.	3,887	1,564	417	170	55,601	33,634	6,593	3,961
Barley, grain (48 lb.)	Bu.	322	533	313	702	25,517	17,226	35,858	23,796
Oats, grain (32 lb.)	Bu.	2,232	1,779	1,707	1,640	58,177	12,705	42,143	10,782
Wheat, grain (60 lb.)	Bu.	677	381	1,277	647	4,291	1,966	8,958	3,727
Feeds and fodders		b/	b/	2,542	812	b/	b/	13,789	9,829
Nuts and preparations		b/	b/	4,279	3,348	b/	b/	35,029	32,072
Copra	Lb.	68,255	50,897	6,385	3,719	398,457	387,617	33,708	27,086
Oils, fats, waxes, veg. expressed ...	Lb.	31,302	41,504	6,309	6,345	250,587	297,031	48,316	45,157
Sugar, cane (2,000 lb.)	Ton	296	353	31,999	36,502	1,886	1,740	212,492	188,255
Molasses, unfit for human consumption	Gal.	22,761	25,964	2,883	2,063	144,331	159,184	14,817	14,783
Seeds, field and garden		b/	b/	2,323	1,622	b/	b/	12,190	10,388
Tobacco, cigarette leaf	Lb.	6,083	6,406	3,932	4,733	45,524	46,734	30,222	32,318
Tomatoes, natural state	Lb.	28,167	20,009	2,048	1,134	52,093	33,776	3,991	2,017
Silk, raw	Lb.	465	1,066	2,256	4,752	3,152	4,637	14,865	20,039
Wool, unmd., free in bond	Lb.	11,009	7,601	6,074	5,723	94,142	77,499	48,332	44,743
Bananas	Bunch	3,532	3,289	4,790	4,480	28,175	25,830	37,843	35,166
Coffee (including into Puerto Rico) .	Lb.	300,447	223,604	162,288	140,179	1,689,410	1,109,927	910,586	753,677
Cocoa or cacao beans	Lb.	96,689	41,435	35,651	19,047	302,227	266,297	102,325	138,209
Tea	Lb.	10,004	10,198	4,551	7,338	60,813	51,131	27,474	30,440
Spices (complementary)	Lb.	5,187	5,754	3,166	2,500	37,628	50,604	25,865	21,748
Sisal and henequen (2,240 lb.)	Ton	11	16	2,183	2,740	87	82	18,501	14,799
Rubber, crude	Lb.	105,594	111,867	18,678	27,719	777,498	754,311	158,980	167,148
Other agricultural commodities				28,757	32,231			241,940	240,569
TOTAL AGRICULTURAL COMMODITIES ...				370,697	357,652			2,350,520	2,119,736
TOTAL ALL COMMODITIES				843,001	861,971			6,056,463	5,810,111

a/ Product weight.

b/ Reported in value only.

Compiled from tables appearing in the "Foreign Agricultural Trade Statistical Report".

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FOREIGN AGRICULTURAL TRADE



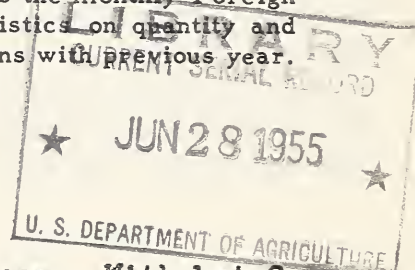
OF THE UNITED STATES

Digest

MAY 1955

Issued monthly by Foreign Agricultural Service, United States Department of Agriculture, Washington 25, D. C. Free within U. S. on request. Also available is the monthly Foreign Agricultural Trade Statistical Report, listing monthly and annual statistics on quantity and value of U. S. agricultural exports and imports, destinations, comparisons with previous year.

EXPORT HIGHLIGHTS



July-April agricultural exports 9 percent ahead of last year. With but 2 months left in the current fiscal year, shipments of agricultural commodities overseas total \$2.6 billion, 9 percent more than a year ago. At this rate, the fiscal year total will be close to \$3.2 billion compared with \$2.93 billion last year. Through March, exports ran 12 percent ahead, according to Census Bureau data; information from other sources indicates a drop in April when shipments of cotton, wheat, and tobacco were reduced.

European prosperity underlies higher export level. U. S. agriculture owes its improved export status this year largely to better economic conditions abroad, particularly in Western Europe where prosperous conditions verge on a boom. In fact, President Eisenhower has requested no economic aid funds in 1955-56 for the original Marshall Plan countries in Western Europe. Larger sales in Western Europe this year also reflect 1954's poor quality crops. Moreover, increases in gold and dollar holdings in a number of countries have been accompanied by moves toward freer trade and payments.

Foreign-currency sales help boost exports. In fiscal year 1953-54, sales of agricultural commodities for foreign currencies under Section 550 of the Mutual Security Act of 1953 resulted in paid shipments totaling \$116 million. Authorizations carried over into the current year have resulted in paid shipments amounting to \$97 million through March. Under Section 402 of the Mutual Security Act of 1954, which authorizes the FOA to spend \$350 million for surplus farm commodities, paid shipments through March added up to \$90 million. In addition, Public Law 480 Title I foreign-currency sales by U. S. exporters as of May 13 totaled \$60 million at export market value.

Other Government programs are also active. Other Government programs which are moving agricultural commodities include export sales of CCC commodities at competitive world prices, Section 416 donations to private welfare organizations, emergency relief under Title II of Public Law 480, international barter under Section 303 of Public Law 480, and Export-Import Bank loans.

Most major classes show improvement. Most commodity classes--cotton, tobacco, vegetable fats and oils, fruits and vegetables, and livestock products--continued in a more favorable position so far this year than last. Total for grains and feeds, however, was still short of a year ago due to less corn and rice exported. Among individual products, substantial gains occurred in cotton, cottonseed oil, flaxseed, lard, wheat, barley, grain sorghums, oats, and rye.

COTTON

Price uncertainty slows cotton exports. July-April cotton shipments totaled about 3.2 million bales this year, 8 percent more than a year ago. There has been a downturn since January that has been more than seasonal; practically all foreign spinning mills that use imported cotton are reported to be buying only to meet minimum requirements. Uncertainty in regard to price for cotton entering international trade in the coming months is said to be the principal factor in the lack of buying interest abroad.

TOBACCO

Tobacco exports favorable in prosperous Western Europe. July-April tobacco exports are estimated at about 410 million pounds this year as compared with about 400 million last year. All of this gain has occurred in the last several months. February and March shipments totaled 64 million pounds compared with 41 million for the like months a year ago. April shipments are estimated from trade sources to be under a year ago. The favorable export position reflects mainly high levels of economic activity in Western Europe; even so, U. S. exporters are meeting strong competition there from leaf grown elsewhere.

GRAINS

Wheat exports still ahead despite April decline. Exports of wheat and flour, having attained a high of 33 million bushels in March, dropped to 16 million in April as compared with 21 million a year ago. Combined exports in March and April were in line with the January-February shipments. Despite the April drop, the July-April total of about 225 million bushels this year was 30 percent ahead of last year; major destinations were the United Kingdom, West Germany, Yugoslavia, Japan, Brazil, and Greece. Principal factor in this year's gain has been the poor quality of 1954's European harvest. About 18 million bushels sold to Turkey and Yugoslavia for their currencies under Title I of Public Law 480 are included in the year's total.

Barley exports much above last season. April's barley exports, although much smaller than March's, were still several times shipments a year ago. The 30 million bushels exported since July were more than double the shipments in the like period last year; U. S. supplies for export are more plentiful this year. Principal destinations were Turkey, the Netherlands, Belgium, and Japan. Shipments to Turkey this year included 3.4 million bushels under Title I of Public Law 480.

TRADE NEWS ROUNDUP

May 23, 1955

Status of Public Law 480 Title I activities (sales for foreign currency) as of May 13:

...Eleven agreements signed, 6 of them since April 20; value of all programs (CCC cost) amounts to \$218 million. Programs in various stages of negotiation total \$280 million, making a grand total of about \$500 million at CCC cost, which is equivalent to approximately \$400 million at export market value.

...Purchase authorizations total \$95.6 million at export market value:

Wheat	43.8	Oats	3.4
Cottonseed oil	12.5	Grain sorghums	2.0
Cotton	10.8	Butter	1.0
Barley	9.0	Transportation	13.1

...Sales by U. S. exporters under these authorizations amount to about \$60 million at export market value.

Expansion of USDA barter program continues: May 4 announcement gives CCC authority to exchange oats, grain sorghums, barley, and rye. Authority had previously been given for wheat, corn, and dairy products. The authorized list has been expanded to include all friendly countries.

Export-Import Bank loan of \$6 million has been extended to Austria to finance purchase of U. S. cotton; last time Austria borrowed U. S. funds to buy cotton was in 1952. U. S. cotton exports to Austria through February of the current marketing year totaled 12 thousand bales, less than half the 28 thousand shipped during the like period last year.

New FAS approach to market development is a food exhibit at the International Food Fair to be held at Cologne, Germany, October 1-9. Trade groups are joining in sponsorship, and private firms are invited to participate. Inquiries should be directed to International Trade Fair Staff, FAS.

* * *

A USDA-State Department team is on the way to Asia to consult with rice-producing countries on means of increasing consumption. Another mission is in Cuba, principal market for U. S. rice. These are efforts to find a constructive solution to the complex rice problem.

* * *

U. S. agriculture continues to strengthen its competitive position abroad with more steps to meet foreign quality demands. Latest move is new soy-

bean standards that reduce foreign materials, restrict splits, and put off-color beans in grade No. 3 or less. New standards are effective September 1.

* * *

While foreign agricultural leaders visit this country primarily to observe production methods, visits also give firsthand acquaintance with U. S. agricultural products and selling approaches. Two groups now winding up visits here are led by Austrian and Spanish Ministers of Agriculture, respectively.

Lists of foreign firms handling specified commodities are obtainable from the Commercial Intelligence Division, Bureau of Foreign Commerce, Department of Commerce, Washington 25, D. C.

Japan's April-September foreign exchange budget indicates the dollars expected to be allocated for imports: Compared with the like period last year, increases are shown for U. S. cotton, wheat, rice, tallow, and soybeans.

Expect more difficulty in selling U. S. lard in Europe, and more West European competition in the Caribbean pork and lard markets because almost every country in Europe will have a considerable increase in pork production this year, according to Melville A. Drisko, just returned from an FAS marketing survey.

Brazil announced May 4 that cotton exporters would get 43.06 cruzeiros per dollar as compared with 37.06 previously. Shortly afterward, it appeared that about three-fourths of the 16 percent increase was reflected in higher prices

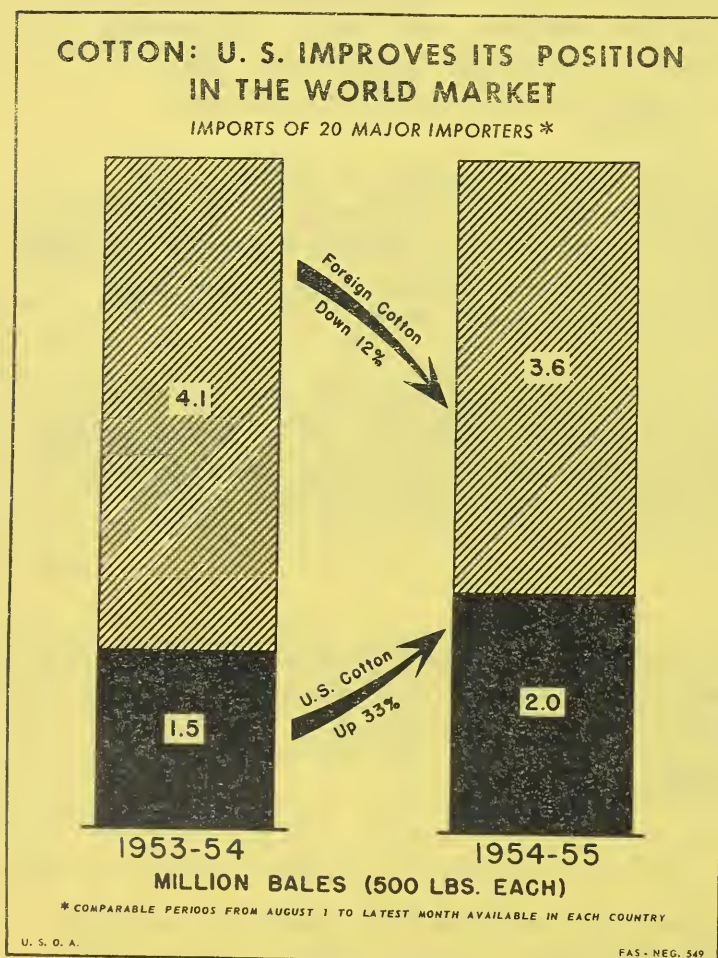
to farmers and one-fourth in lower prices to foreign customers. Background: Brazil is a major cotton exporter, ranking third in 1953-54 when it shipped about a third as much as the United States.

* * *

The United Nations' Food and Agriculture Organization continues to consider trade and surplus disposal problems. Its Committee on Commodity Problems meets in Rome May 23-June 3; the Council, June 6-17. USDA will be represented.

* * *

Look for world cotton exports to pick up again once present price uncertainties are resolved; foreign mill use is steady, and importers' stocks are down to minimum operating levels. The United States has fared well so far this year in total world cotton trade.



West European takings of U. S. grain sorghums larger this year. Grain sorghum exports held their own in April: Total of 1.5 million bushels inspected for export was but slightly less than in the previous month and compared with negligible shipments a year ago. July-April total of 18 million bushels this year compared with less than 5 million last year; bulk of increase reflects larger sales to Western Europe, notably the United Kingdom, the Netherlands, and Belgium.

Corn exports again turn downward. After gaining over a year ago in February and March, corn exports declined in April: April inspections for export totaled somewhat more than 4 million bushels this year as compared with actual exports of 8 million a year ago. July-April total of 66 million bushels this year compares with 96 million last year; big share of decline reflects less demand in Mexico, but shipments to dairy countries of Western Europe also totaled less this year.

Public Law 480 produces marked improvement in oat shipments. Exports of oats, which totaled only 342 thousand bushels during the first 10 months last fiscal year, totaled 8 million bushels thus far this year; 3.4 million bushels went to Turkey under Title I of Public Law 480. Oat exports, usually comprising a small part of a year's grain trade, have earned about \$7.5 million so far this year: Availabilities have been larger this year.

Rye sales this year still up despite April fall. Another grain normally ranking low among exports is rye, but sales through April this year were nearly 3 million bushels as compared with 11 thousand a year ago. April shipments were only 21 thousand bushels this year, but earlier exports considerably improved the total for the year to date.

Lagging sales to Japan hurt rice exports; improvement due. February's rice exports through commercial channels amounted to only 23 million pounds this year as compared with 191 million last year. July-February total was 467 million pounds this year and 1,250 million last year. Big factor has been the lagging sales to Japan, but they are due for improvement when shipments of recent purchases get underway.

FATS, OILS AND OILSEEDS

Both prices and supplies enhance position of U. S. fats and oils abroad. Exports of fats, oils and oilseeds totaled over \$400 million during July-April this year, a gain of 37 percent over a year ago. Improvement is due largely to plentiful supplies and favorable prices here.

...Lard: Exports, averaging 50 million pounds in recent months, amounted to 46 million pounds in March. Total through April is estimated at 435 million pounds this year as compared with 320 million last year.

...Soybeans: Despite a rather sharp drop in exports in April (to less than 2 million bushels), total through April this year is estimated at 44 million bushels, an eighth more than in the like period last year. In addition to lower prices,

foreign preference to import beans for crushing instead of oil has assisted in moving the crop.

- ...Soybean oil: Through February this year, oil exports of 23 million pounds were less than half the shipments a year ago.
- ...Cottonseed oil: Although exports in March and April are estimated to be well under a year ago, total thus far this year of about 570 million pounds compares with 193 million a year ago. Nearly all exports in the past 2 years have come from CCC stocks.

FRUITS AND VEGETABLES

Prosperity abroad helps market fruits and vegetables. Exports of fruits and vegetables for the July-April period this year are estimated at close to \$220 million as compared with about \$200 million last year. Demand has been stronger both in Europe and in Canada, reflecting not only increased foreign purchasing power but also some unfavorable harvests.

I M P O R T H I G H L I G H T S

Declining import trend continues in February. Agricultural imports in February were valued at \$318 million this year as compared with \$339 million last year; they were down from a year ago for the fifteenth successive month. Main reduction occurred in coffee; but also less meat, copra, molasses, fresh tomatoes, cacao beans, grains and feeds, and sisal and henequen were imported. Items that recorded sizable gains were cattle, wool, cotton, jute, silk, rubber, and fats and oils.

Import drop amounts to 10 percent this year. July-February agricultural imports totaled \$2,438 million this year as against \$2,689 million a year ago, or a decline of \$251 million. Principal commodity to decline was coffee; drop amounted to \$190 million. Total of all other reductions was \$147 million, mainly in hides and skins, beef and veal, wool, canned pineapples, feed grains, feeds and fodders, copra, sugar, and fresh tomatoes. July-February increases this year totaled \$86 million. There were gains for cattle and silk. While import values were up also for cacao beans, tea, rubber, and cotton due to higher prices, quantities imported were smaller.

Coffee imports still small. Coffee imports in April continued at a level much reduced from a year ago; an uncertain market has encouraged only purchases to meet minimum replacement needs. Imports of coffee through April this year are estimated at about 1.6 billion pounds as compared with 2.4 billion a year ago.

Mexican cattle imports continue heavy. Imports of 99 thousand head of cattle in January were followed by an additional 68 thousand in February. Increase this year over last year reflects opening of Mexican border on January 1 and attractive prices here.

DOMESTIC EXPORTS: February 1954 and 1955 and July-February 1953-54 and 1954-55

Commodity exported	Unit	February		July-February	
		Quantity	Value	Quantity	Value
		1954	1955	1953-54	1954-55
Cheese	Lb.	393	1,000	4,992	1,000
Milk, evaporated	Lb.	13,228	2,050	89,728	2,133
Milk, whole, dried	Lb.	2,671	1,396	28,471	13,323
Nonfat, dry milk solids	Lb.	15,802	2,715	104,503	14,989
Eggs, in the shell	Doz.	1,533	863	27,269	15,541
Beef and veal, total $\frac{a}{a}$	Lb.	5,848	1,372	35,521	13,307
Pork, total $\frac{a}{a}$	Lb.	4,407	1,310	44,248	10,304
Lard	Lb.	39,558	6,976	255,721	12,645
Tallow, edible and inedible	Lb.	83,612	6,197	729,357	40,947
Cotton, unmd., excl. lintners (480 lb.)	Bale	401	319	2,114	43,155
Apples, fresh	Lb.	5,980	537	38,594	368,702
Oranges and tangerines	Lb.	59,292	2,662	448,121	3,789
Prunes, dried	Lb.	21,219	3,633	69,317	18,441
Raisins and currants	Lb.	3,155	5,097	46,515	11,152
Fruits, canned	Lb.	7,688	9,196	85,650	5,615
Fruit juices	Gal.	1,882	2,749	14,261	13,307
Barley, grain (48 lb.)	Bu.	59	3,475	10,371	12,996
Corn, grain (56 lb.)	Bu.	8,002	9,811	80,555	15,233
Grain sorghums (56 lb.)	Bu.	3	1,417	4,524	139,427
Rice, milled, excludes paddy	Lb.	191,258	23,499	1,249,895	7,053
Wheat, grain (60 lb.)	Bu.	13,824	23,846	115,630	118,038
Flour, wholly of U.S. wheat (100 lb.)	Bag	1,011	4,693	9,051	249,875
Soybeans, except canned (60 lb.)	Bu.	2,501	3,838	33,993	42,063
Soybean oil, crude, refined, etc.	Lb.	19,018	2,435	52,371	98,980
Cottonseed oil, crude, refined, etc. .	Lb.	20,923	138,007	73,082	7,055
Tobacco, flue-cured	Lb.	14,830	21,372	308,458	9,726
Tobacco, leaf, other	Lb.	3,913	6,119	43,031	208,848
Beans, dried	Lb.	21,837	9,203	194,459	26,704
Peas, dried, except cowpeas and chickpeas	Lb.	5,025	6,766	37,402	15,118
Potatoes, white	Lb.	7,172	19,920	182,860	2,653
Vegetables, canned	Lb.	6,524	11,496	62,773	3,528
Food exported for relief, etc.			884		8,826
Other agricultural commodities			4,565		49,766
TOTAL AGRICULTURAL			37,503		307,105
TOTAL ALL COMMODITIES			235,873		1,910,344
			1,170,731		9,846,201
			1,219,172		9,687,969

$\frac{a}{a}$ Product weight

Compiled from tables appearing in the "Foreign Agricultural Trade Statistical Report".

IMPORTS (FOR CONSUMPTION): February 1954 and 1955 and July-February 1953-54 and 1954-55

Commodity imported	Unit	February		July-February	
		Quantity	Value	Quantity	Value
		1954	1954	1953-54	1954-55
		Thousands	dollars	Thousands	dollars
Cattle, dutiable	No.	5	750	37	187
Cheese	Lb.	3,162	1,670	32,529	33,650
Hides and skins	Lb.	6,694	2,925	86,099	70,026
Beef and veal, total g/	Lb.	10,823	3,269	92,807	60,549
Pork, total g/	Lb.	13,125	10,408	100,173	111,085
Wool, unmd., excl. free, etc.	Lb.	10,903	9,403	124,181	101,725
Cotton, unmd., excl. lintners (480 lb.)	Bale	13	2,347	84	82
Jute and jute butts, unmd. (2,240 lb.)	Ton	3	868	38	38
Olives in brine	Gal.	1,003	1,604	6,956	6,431
Pineapples, canned or prep.	Lb.	1,177	140	56,778	34,634
Pineapple juice	Gal.	131	52	441	2,635
Barley, grain (48 lb.)	Bu.	756	874	26,273	17,772
Oats, grain (32 lb.)	Bu.	3,859	2,631	62,036	14,751
Wheat, grain (60 lb.)	Bu.	302	584	4,593	2,196
Feeds and fodders		b/	2,502	b/	b/
Nuts and preparations		b/	2,836	b/	b/
Copra	Lb.	52,951	4,997	451,408	427,137
Oils, fats, waxes, veg. expressed	Lb.	22,360	4,555	272,947	343,650
Seeds, field and garden		b/	2,516	b/	b/
Sugar, cane (2,000 lb.)	Ton	341	36,853	2,227	2,086
Molasses, unfit for human consumption	Gal.	19,955	1,951	164,286	174,843
Tobacco, cigarette leaf	Lb.	5,633	3,674	51,157	53,103
Tobacco, other leaf	Lb.	1,307	2,012	10,248	10,186
Tomatoes, natural state	Lb.	36,851	2,622	88,944	54,265
Silk, raw	Lb.	295	1,395	3,447	5,172
Wool, unmd., free in bond	Lb.	10,442	5,237	104,584	89,390
Bananas	Bunch	3,913	5,275	32,087	29,374
Coffee (incl. into Puerto Rico)	Lb.	253,112	141,182	1,942,522	1,286,576
Cocoa or cacao beans	Lb.	60,605	25,101	362,832	316,055
Tea	Lb.	11,580	5,680	72,393	61,356
Spices (complementary)	Lb.	6,741	4,195	44,369	57,604
Sisal and henequen (2,240 lb.)	Ton	17	3,456	104	95
Rubber, crude	Lb.	95,524	17,080	873,022	868,282
Other agricultural commodities			28,161		256,320
TOTAL AGRICULTURAL COMMODITIES ...			338,805		2,689,325
TOTAL ALL COMMODITIES			816,458		6,872,922

g/ Product weight.

b/ Reported in value only.

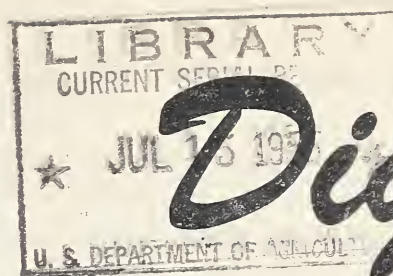
Compiled from tables appearing in the "Foreign Agricultural Trade Statistical Report".

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FOREIGN AGRICULTURAL TRADE



OF THE UNITED STATES



Digest

JUNE 1955

Issued monthly by Foreign Agricultural Service, United States Department of Agriculture, Washington 25, D. C. Free within U. S. on request. Also available is the monthly Foreign Agricultural Trade Statistical Report, listing monthly and annual statistics on quantity and value of U. S. agricultural exports and imports, destinations, comparisons with previous year.

EXPORT HIGHLIGHTS

This year 8 percent ahead of last in July-May period. With April's lull in farm exports continuing into May, shipments for the July-May period this year totaled close to \$2.9 billion, or 8 percent more than a year ago. Through April, exports ran 9 percent ahead, according to Census Bureau data; information from other sources indicates that May's exports, like April's, were well under a year ago.

International outlook makes buyers cautious. During the past year, vastly improved economic conditions abroad have been a bolstering factor for exports. Moreover, a clouded world outlook encouraged foreign buying ahead of current needs. With the change in outlook since March, however, buying has largely shifted to immediate requirements. This change was undoubtedly a factor in the sharp decline in April and May exports.

Lull in Title I authorizations slows recent exports. After issuance of \$88 million in Title I, Public Law 480, purchase authorizations through mid-February, total from that date through mid-April was only \$14 million. The lull in exports during April and May is in part attributable to this slackening. However, in the past 2 months, over \$100 million has been authorized. Shipments against recent authorizations were expected to start in June. Combined authorizations under Title II of Public Law 480 and Section 402 of Public Law 665 have been running rather steadily at about \$50 million a month since last fall; in May, however, total jumped to \$120 million.

Most major classes show improvement this year. With the exception of grains and feeds, values of most commodity classes--cotton, tobacco, vegetable fats and oils, fruits and vegetables, and livestock products--continued more favorable through May this year as compared with last year. Total grains and feeds continued under a year ago due to smaller exports of corn and rice; wheat, barley, and grain sorghums did better this year. Earlier gains for cotton, wheat, and tobacco were reduced in April and May; however, July-May shipments of cottonseed oil, flaxseed, lard, barley, grain sorghums, oats, and rye continued ahead of a year ago.

COTTON

Price uncertainty still main factor in slow cotton exports. With the lag in cotton exports that began in February continuing into May, July-May total is estimated at nearly 3.5 million bales this year, only 4 percent ahead of last year. Foreign buyers have been using stocks heavily because of uncertainty in regard to price trends in coming months. Stocks in most European countries are at their lowest levels since the end of World War II. Title I, Public Law 480, agreements concluded in recent months will stimulate sales; however, bulk of shipments is not likely to move out until next fiscal year.

TOBACCO

Tobacco exports strong despite recent declines. Through March this year, tobacco leaf exports were 8 percent ahead of a year ago; however, April and May shipments fell sharply. As a result, total for July-May period this year is estimated at 435 million pounds, export weight, only 2 percent over a year ago. Despite declines, exports remain strong; prosperity in Europe is the principal reason. Increased exports to the United Kingdom approximately offset decline to West Germany.

GRAINS

April and May declines in wheat exports narrow lead over a year ago. Exports of wheat and flour dropped from a high of 33 million bushels in March to 19 million in April. May's exports were about the same as April's according to USDA inspections. Both months were smaller than a year ago. Through March, exports were 37 percent ahead of a year ago. As a result of the April and May declines, however, July-May shipments totaled 245 million bushels, or about 25 percent ahead of last year. Gains earlier this year reflected the poor quality of Europe's 1954 harvest. This period of urgency is over, and another season of extraordinary purchases is not in prospect except in the United Kingdom. About 21 million bushels sold under Title I of Public Law 480 are included in this year's total.

Barley exports chalk up further gains. April and May barley exports of 7 million bushels raised total through May this fiscal year to nearly 35 million bushels as compared with 12 million a year ago. Plentiful domestic supplies have encouraged sales abroad. April 1 stocks were the largest on record. This year's figures include 3.4 million bushels for Turkey under Title I of Public Law 480.

Plentiful supplies, lower prices, stimulate grain sorghum exports. May sorghum inspections were over four times actual exports in May last year. Total through May this fiscal year is nearly 24 million bushels, or four times a year ago. This year's trade includes 750 thousand bushels shipped to Israel under Title I of Public Law 480. Plentiful supplies available at favorable prices have encouraged foreign takings. Stocks in off-farm positions on April 1 were the largest on record.

Public Law 480 aids oat shipments this year. Last year, oat shipments through May aggregated 343 thousand bushels; this year, shipments in the like period totaled over 9 million. Sale of 3.4 million bushels to Turkey

TRADE NEWS ROUNDUP

June 30, 1955

June 5 was the 25th anniversary of FAS. From 1930 to 1939 the organization bore the same name as now, but between 1939 and 1953 it was called the Office of Foreign Agricultural Relations. Upon reestablishment under the original name, primary emphasis was shifted to trade promotion.

Latest step in FAS reorganization is expansion of agricultural attache service--overseas "eyes and ears" of U. S. agriculture. USDA's 1955-56 appropriation, signed by President Eisenhower on May 23, provides for 86 positions, an increase of 36 over number occupied on November 1, 1954.

Another change is separation of FAS Livestock and Livestock Products Division into a division for livestock and meat and another for dairy products and poultry. This move intensifies efforts to market U. S. dairy products, still in surplus position, and meat products, which are encountering stiff competition abroad.

* * *

Since the previous issue of TNR (May 23), seven new country agreements have been signed under Title I of Public Law 480: United Kingdom, \$15 million; Japan, \$85 million; Korea, \$15 million; Austria, \$6 million; Thailand, \$2 million; Greece, \$14 million; and Colombia, \$5 million. Amounts are export market values; CCC cost totals about \$180 million. Total for all 17 countries on June 27 was \$461 million, CCC cost; \$357 million, export market value.

Agreement with Japan should now enable her to reexpand imports and maintain consumption at a higher level. Because of decreased U. S. expenditures there, Japan curtailed imports in order to protect her international payments position. Reduction in purchases of U. S. farm products through March this fiscal year is 25 percent compared with last year.

See FAS circular FATP 15-55, "Agricultural Tariff Concessions Exchanged at Conference To Admit Japan to the General Agreement on Tariffs and Trade," June 15, for list of agricultural commodities on which Japan is granting tariff concessions. U. S. exports of these items in 1953 totaled \$207 million.

The United Kingdom is almost certain this year to return to its traditional position as best customer for U. S. farm products. The fruit picture, however, still is not good. What the U. S. fruit industry is up against in getting back to first place in the British market is described in Fred A. Motz's circular FDAP 3-55, May 18, "Summary of U. S. Apple Exports to the United Kingdom."

U. S. agriculture's new attache in Canada after July 15 will be Fred J. Rossiter, Assistant Administrator of FAS. The post is an important one; Canada is U. S. agriculture's third best foreign customer.

Look for considerable shipping activity in the next several months under barter arrangements. Through May 31 this fiscal year, contracts call for \$255 million worth of agricultural commodities (\$43 million in May alone) of which \$100 million worth has been exported, about 90 percent wheat. How future shipments will divide up among commodities cannot be foretold inasmuch as contractors are not required to designate in advance just which agricultural commodities on the CCC list will be taken.

Another good prospect is for large shipments of food fats, particularly lard, soybeans, and cottonseed oil. Total food fat exports for the marketing year ending in September may be as much as 50 percent above last year's record 1.6 billion pounds. Plentiful supplies and favorable prices have been the principal stimulants.

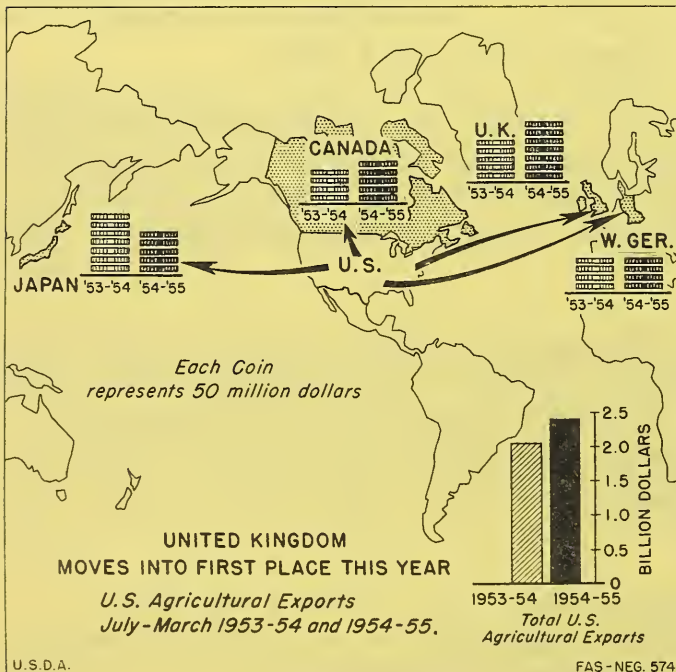
Egg and poultry exports--90 percent of which go to the Caribbean area--should be helped by removal of a 5-cent duty on baby chicks imported into Cuba. This action followed two Venezuelan steps: Monthly instead of quarterly issuance of import certificates for baby chicks, and removal of duty on eggs imported through Maracaibo.

* * *

Judging from trade interest, full participation is expected at the Cologne International Food Fair, October 1-9. USDA has reserved 6,500 square feet, with individual units approximating 20 by 5 feet. Significance of the fair is enhanced by West Germany's gradual liberalization of dollar imports.

* * *

Latest information on wheat sales under the International Wheat Agreement: through June 14 this marketing year, the United States and Canada have sold about 70 percent of their respective guarantees (U. S. guarantee is 196 million bushels, Canada's 152 million). Sales by Australia, the other principal IWA exporter, were 90 percent of a 45 million bushel guarantee.



Secretary Benson's cotton export advisory committee is now functioning. Eight industry representatives are serving on it. The committee is advising on a program to facilitate disposal of CCC cotton.

* * *

U. S. Tariff Commission public hearings: June 14 on imports of rye, rye flour, and rye meal; June 21 on imports of shelled filberts.

under Title I of Public Law 480 was a major factor in the gain; however, plentiful domestic supplies have encouraged sales abroad generally. April 1 stocks were practically equal to the record on that date in 1946.

Rice exports gain in March and April but are still below last year. Rice shipments in March and April were up as compared with earlier months but still under a year ago. July-April total of 648 million pounds this year ran 43 percent as large as a year ago. Sales to Japan and Cuba have picked up in the past 2 months but not sufficiently to narrow the gap between this year's and last year's exports.

FATS, OILS AND OILSEEDS

Lower prices, increased supplies, stimulate lard exports. Lard exports increased from 46 million pounds in March to 56 million in April; May exports were close to 60 million pounds according to USDA inspections. July-May export estimate of over 500 million pounds this year was about 35 percent ahead of last year. Favorable prices in relation to those for vegetable oils this year have encouraged exports from large domestic supplies.

Tallow sales boom. Tallow exports gained from a total of 91 million pounds in March to 96 million in April; both months were improved over a year ago. July-May estimate of nearly 1 billion pounds this year compares with 950 million last year. High rates of animal slaughter combined with increased foreign demand for soap fats have been chiefly responsible for the record export rate.

Gain in soybean exports continues. Combined March and April exports of soybeans were 6 million bushels this year as compared with 5 million last year. July-May total is estimated at 48 million bushels or about 20 percent over a year ago. Foreign interest in beans for crushing has aided export sales.

Price relationships discourage soybean oil exports. Soybean oil exports through April this year, latest period for which data are available, totaled 29 million pounds. This compares with 85 million in the like period last year and 115 million in 1952-53. Main reason for this year's lower export level: More favorable prices for lard and cottonseed oil.

CCC cottonseed oil still big factor in exports. Despite declines in cottonseed oil exports this spring from a year earlier, the July-May total is estimated at 575 million pounds this year as compared with 252 million last year. Heavier sales for export were made by CCC earlier in the year. CCC's program to dispose of its surplus holdings in the past 2 years has been successful.

VEGETABLES

Potato exports continue strong over last year. Exports of white potatoes have been running ahead of a year ago since last fall. Total through April this fiscal year is 334 million pounds, or 63 percent more than last year. Chief reason for the strong lead has been the short supply situation in Canada arising from a poor harvest.

DAIRY PRODUCTS

Milk exports to Asia boost March and April total. Large gains were made in March and April exports of evaporated milk and nonfat dry milk solids over last year. Gains for evaporated milk reflected largely increases for the Philippine Republic; those for nonfat dry milk solids, increases for India in March and Japan in April. July-April total for two products this year exceeded that of last year.

I M P O R T H I G H L I G H T S

Agricultural imports increase in March, decline in April. After running under a year earlier for 15 consecutive months, agricultural imports in March this year showed a gain over last year but in April they again fell behind. March's \$371 million this year compared with \$361 million last year; April's \$318 million this year contrasted with \$426 million last year. While coffee continued low in March, gains in a large number of other items accounted for the larger total. Drop in April from a year earlier reflected reduced coffee imports.

Year through April 10 percent behind. Imports through April totaled \$3,127 million, or 10 percent less than last year. Major declines in quantity and value were in coffee, hides and skins, beef and veal, apparel wool, feed grains, cane sugar, and fresh tomatoes. Although imports were larger for pork, copra, vegetable oils, and spices, lower prices caused values to fall. Increases occurred in quantity and value of imports of crude rubber, cattle, cotton, and raw silk. Higher prices caused values for cacao beans, tea, and carpet wool to rise although quantities were down.

Mexican cattle shipments in seasonal lull. Mexican cattle shipments to this country--permitted since January 1--were heavy for 2 months. Heavy influx resulted from herds accumulated during the Mexican marketing season which runs from fall to winter. With passage of the season, shipments dwindled during March and April. Moreover, the Mexican Government maintains controls on exports. Total July-April imports aggregated 250 thousand head this year as compared with 55 thousand last year.

Upsurge in May coffee arrivals signifies strong spot market. After falling well under a year earlier for several months due to an uncertain market, coffee imports are estimated to have shown a sizable gain this May over a year ago. May arrivals totaled about 225 million pounds (assuming 1 bag is equal to 132.276 pounds) as compared with actual imports of 145 million a year ago. Upsurge in May reflected firm prices due to spot-market pressure created by heavy demand from buyers not wishing to buy future or even shipment coffee. Strong spot market reflected low domestic stocks and proposals by producing countries to stabilize prices.

Lower cacao prices underlie current inventory rebuilding. This spring's gain in imports of cacao beans continued into May. May arrivals of 33 million pounds (assuming one bag is equal to 140 pounds) compared with actual imports of 27 million a year earlier. July-May total is estimated to be about the same this year as last year. Principal factor in recent gains has been the replenishment of inventories in a period of declining prices.

DOMESTIC EXPORTS: April 1954 and 1955 and July-April 1953-54 and 1954-55

Commodity exported	Unit	April		July - April	
		Quantity	Value	Quantity	Value
		1954	1954	1953-54	1954-55
		Thousands	dollars	Thousands	dollars
Cheese	Lb.	678	317	6,089	1,000
Milk, evaporated	Lb.	8,901	1,284	110,025	2,627
Milk, whole, dried	Lb.	4,906	2,527	36,203	18,105
Nonfat dry milk solids	Lb.	4,655	806	129,265	17,992
Eggs, in the shell	Doz.	1,886	1,014	30,940	13,121
Beef and veal, total ^{a/}	Lb.	4,464	1,435	40,825	15,450
Pork, total ^{a/}	Lb.	4,200	1,398	52,280	10,155
Lard	Lb.	42,041	8,441	321,121	15,352
Tallow, edible and inedible	Lb.	69,564	5,684	877,173	53,624
Cotton, unmd., excl. lintners (480 lb.) ..	Bale	438	79,069	2,998	54,976
Apples, fresh	Lb.	7,631	656	56,439	527,082
Oranges and tangerines	Lb.	93,541	4,487	641,354	5,269
Prunes, dried	Lb.	2,760	532	81,701	27,374
Raisins and currants	Lb.	8,395	770	64,347	13,522
Fruits, canned	Lb.	13,506	2,112	111,648	7,448
Fruit juices	Gal.	3,111	2,209	19,795	17,340
Barley, grain (48 lb.)	Bu.	469	609	10,954	17,323
Corn, grain (56 lb.)	Bu.	8,163	13,901	96,387	16,056
Grain sorghums (56 lb.)	Bu.	b/	1	4,609	166,682
Rice, milled, excludes paddy	Lb.	85,657	7,419	1,493,645	7,216
Wheat, grain (60 lb.)	Bu.	17,249	32,526	144,556	139,307
Flour, wholly of U.S. wheat (100 lb.) ...	Bag	1,457	7,118	11,818	304,609
Soybeans, except canned (60 lb.)	Bu.	3,181	11,296	38,877	55,371
Soybean oil, crude, refined, etc.	Lb.	1,758	267	84,882	116,036
Cottonseed oil, crude, refined, etc.	Lb.	43,643	5,276	195,825	11,334
Tobacco, flue-cured	Lb.	18,729	11,645	344,142	24,648
Tobacco, leaf, other	Lb.	8,450	4,874	56,059	230,792
Beans, dried	Lb.	12,926	1,178	217,403	34,138
Peas, dried, except cowpeas & chickpeas .	Lb.	6,599	465	49,299	17,132
Potatoes, white	Lb.	14,103	328	204,418	3,647
Vegetables, canned	Lb.	7,553	1,016	78,194	4,040
Food exported for relief, etc.			6,286		10,901
Other agricultural commodities			42,439		62,222
TOTAL AGRICULTURAL			259,385		386,797
TOTAL ALL COMMODITIES			1,413,068		2,414,893
^{a/} Product weight.					
^{b/} Less than 500.					

Compiled from tables appearing in the "Foreign Trade Statistical Report".

IMPORTS (For consumption): April 1954 and 1955 and July-April 1953-54 and 1954-55

Commodity imported	Unit	April			July-April		
		Quantity	Value	Quantity	Value	Quantity	Value
		1954	1955	1954	1955	1953-54	1954-55
		Thousands	Thousands	Thousands	Thousands	Thousands	Thousands
Cattle, dutiable	No.	11	31	11	31	11	31
Cheese	Lb.	4,851	4,195	4,851	4,195	4,851	4,195
Hides and skins	Lb.	12,183	8,001	12,183	8,001	12,183	8,001
Beef and veal, total a/	Lb.	17,672	8,361	17,672	8,361	17,672	8,361
Pork, total a/	Lb.	17,077	11,352	17,077	11,352	17,077	11,352
Wool, unmd., excl. free, etc.	Lb.	16,953	17,551	16,953	17,551	16,953	17,551
Cotton, unmd., excl. lintners (480 lb.)	Bale	24	37	24	37	24	37
Jute and jute butts, unmd. (2,240 lb.)	Ton	7	5	7	5	7	5
Olive in brine	Gal.	2,044	1,165	2,044	1,165	2,044	1,165
Pineapples, canned, prep. or preserved	Lb.	3,780	11,142	3,780	11,142	3,780	11,142
Pineapple juice	Gal.	477	152	477	152	477	152
Barley, grain (48 lb.)	Bu.	2,945	924	2,945	924	2,945	924
Oats, grain (32 lb.)	Bu.	3,642	1,149	3,642	1,149	3,642	1,149
Wheat, grain (60 lb.)	Bu.	797	321	797	321	797	321
Feeds and fodders	Bu.	b/	b/	b/	b/	b/	b/
Nuts and preparations	Lb.	38,402	50,467	38,402	50,467	38,402	50,467
Copra	Lb.	43,980	39,301	43,980	39,301	43,980	39,301
Oils, fats, waxes, veg. expressed	Lb.	b/	b/	b/	b/	b/	b/
Seeds, field and garden	Lb.	b/	b/	b/	b/	b/	b/
Sugar, cane (2,000 lb.)	Ton	480	347	480	347	480	347
Molasses, unfit for human consumption	Gal.	44,829	46,417	44,829	46,417	44,829	46,417
Tobacco, cigarette leaf	Lb.	6,687	6,822	6,687	6,822	6,687	6,822
Tobacco, other leaf	Lb.	1,228	1,182	1,228	1,182	1,228	1,182
Tomatoes, natural state	Lb.	20,100	13,431	20,100	13,431	20,100	13,431
Silk, raw	Lb.	945	425	945	425	945	425
Wool, unmd., free in bond	Lb.	16,665	17,072	16,665	17,072	16,665	17,072
Bananas	Bunch	4,839	4,492	4,839	4,492	4,839	4,492
Coffee (incl. into Puerto Rico)	Lb.	253,807	178,581	253,807	178,581	253,807	178,581
Cocoa or cacao beans	Lb.	31,507	43,028	31,507	43,028	31,507	43,028
Tea	Lb.	17,589	7,842	17,589	7,842	17,589	7,842
Spices (complementary)	Lb.	7,554	4,940	7,554	4,940	7,554	4,940
Sisal and henequen (2,240 lb.)	Ton	14	12	14	12	14	12
Rubber, crude	Lb.	111,676	136,893	111,676	136,893	111,676	136,893
Other agricultural commodities							
TOTAL AGRICULTURAL COMMODITIES							
TOTAL ALL COMMODITIES							
a/ Product weight							
b/ Reported in value only							

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EXPORT HIGHLIGHTS

Agricultural exports gained 7 percent in 1954-55. Agricultural exports are estimated at \$3,130 million for fiscal year 1954-55, about 7 percent ahead of 1953-54's \$2,936 million and 11 percent more than 1952-53's \$2,819 million. Actual exports through May of 1954-55 were 7 percent larger; June shipments are estimated about the same as last year.

Stronger foreign economies bolstered exports. The vast improvement in economic conditions abroad accompanied by the strong international financial position of some of our best customers exerted a stabilizing influence on agricultural exports in 1954-55. A manifestation of this greater strength was the increased liberalization of dollar imports. A prosperous European economy was the main factor in the overall performance although a large share of the improvement in the grain trade stemmed from Europe's poor quality harvests in 1954.

But foreign demand did not fully assert itself. Satisfactory levels of gold and dollar accumulations attained during the year made it possible for some countries to expand dollar purchases. However, some European countries maintained comprehensive and in part discriminatory restrictions against imports of U. S. farm products. U. S. exports would have registered larger increases last year if foreign demand had been able to fully assert itself.

Government programs facilitated exports. With large supplies on hand, Government programs facilitated the flow of farm products abroad. Main ones were CCC sales for export at competitive prices, sales for foreign currencies, barter arrangements, grants to foreign countries for emergency famine relief, and donations to welfare organizations for overseas distribution to needy persons.

Weaknesses in exports explained by cautious buying. Signs of caution on the part of buyers became apparent, especially as the year drew to a close. Demand weakened as foreign buyers became uncertain about U. S. surplus disposal policies. Buying was kept to minimum needs; and, because international tensions eased somewhat during the year, these minimum needs reflected a willingness to carry relatively small inventories.

All major groups did as well or better in 1954-55. During the course of the year it became customary to cite improvements for all major classes but grains. With the upsurge in grain shipments in June—an estimated \$93 million worth this year as compared with \$59 million last year—the grain total estimated for 1954-55 was slightly ahead of the year before. For the year as a whole, all commodity groups but grains were ahead by 1 percent or more; grains were less than 1 percent ahead. Chief gainers were fats and oils; a large gain in the miscellaneous group was due to food parcels containing food donated by USDA under the more liberal Section 416 provisions contained in Public Law 480.

COTTON

Cotton market was overshadowed by uncertainties. Cotton exports in the 1954-55 fiscal year are estimated at 3.7 million bales, about the same as in 1953-54. Since February the cotton market has been overshadowed by uncertainties in regard to U. S. cotton policy in the season that opens on August 1, 1955. In anticipation of an announcement of U. S. export policy, foreign buyers have been drawing heavily on stocks and purchasing largely for immediate needs.

TOBACCO

Tobacco exports totaled about the same as in the previous year. With tobacco leaf exports in June this year estimated about the same as a year ago, total for the 1954-55 year could reach 460 million pounds, about the same as in 1953-54. A strong lead established by March petered out with sharply reduced shipments thereafter. Level of exports was held up largely by strong consumption in Europe, where larger shipments to the United Kingdom were about offset by smaller shipments to West Germany. West Germany's

consumption of U. S. tobacco, however, was up slightly.

GRAINS

Wheat exports gained 25 percent for the year. After a 2-month lull in which wheat and flour exports averaged 19 million bushels, shipments in June moved up to an estimated 25 million bushels. As a result, total for 1954-55 is estimated around 270 million bushels, one-fourth larger than a year earlier when shipments amounted to 220 million bushels. Demand during most of the year was strengthened by Europe's poor quality harvest in 1954 and by shipments under Public Law 480.

U. S. Agricultural Exports Fiscal Years 1953-54 and 1954-55

Commodity	1953-54	1954-55 ^{1/}	Change Percent
	\$ mill.		
Grain & feeds	884	886	0
Cotton	674	680	+ 1
Livestock prods.	405	446	+10
Tobacco	300	306	+ 2
Veg. fats & oils	238	300	+26
Fruits & vogs.	256	275	+ 7
Others ^{2/}	179	237	+32
Total	2,936	3,130	+ 7

^{1/} Actual through May, June estimated.

^{2/} Increase due largely to food parcels.

Recent slackening has reflected better crop prospects this year than last.

TRADE NEWS ROUNDUP

July 29, 1955

Next round of foreign-currency-sales negotiations under Title I of Public Law 480 is about to start. Congress is considering expansion of sales authority over the next 2 years of the law.

President Eisenhower reported to Congress on first year's operations July 12. Sales, distributions, and commitments under all three titles as of June 30 were (million dollars):

...Sales for foreign currencies (Title I)	469	CCC cost
...Emergency foreign relief grants (Title II)	109	CCC cost
...Barter (Title III)(excludes IWA wheat)	281	exp. mkt. val.
...Donations to welfare organizations for overseas use (Title III)	224	CCC cost

Title I summary by commodity:

<u>Commodity</u>	<u>Market value</u>	<u>CCC cost</u>
	<u>- Million dollars -</u>	
Wheat	93	168
Feed grains	28	41
Rice	15	21
Cotton	124	124
Tobacco	40	40
Dairy products	7	10
Vegetable oils	<u>22</u>	<u>32</u>
Total commodities	328	436
Ocean transportation	<u>32</u>	<u>32</u>
Total	361	469

Over 2 percent--\$8.2 million--of the foreign currencies obtained under Title I is earmarked for market development.

Pakistan is receiving needed cotton yarns and fabrics under the provisions of Public Law 480. Several textile exporting countries are shipping cotton textiles to Pakistan and are receiving as payment an equivalent value of American cotton under Title I of Public Law 480.

Overseas users received more than half of the 1.1 billion pounds of surplus foods donated by USDA to schools, charitable institutions and needy persons in fiscal year 1954-55; about one-third went overseas in 1953-54. Public

Law 480 permitted greater latitude in 1954-55 in the use of U. S. food stocks to aid needy persons in friendly countries overseas. Commodities donated were butter, butter oil, cheese, dry milk, and shortening.

FOA's (now ICA's) program of foreign currency sales has exceeded by about \$100 million the requirement that at least \$350 million of foreign aid funds be used to finance exports of surplus commodities.

* * *

A sign of still better atmosphere for U. S. exports next year: Recent reduction in rate of accumulation of gold and dollar holdings abroad. As foreign reserves in countries with large accumulations approached a satisfactory level this year, need for further additions declined and larger shares of current earnings could be used for imports.

The once large gap between high level of exports and lower level of imports has been reduced since 1947. Present day higher level of imports gives customers abroad a necessary source of dollars with which to purchase our farm and nonfarm products. Steady expansion of imports puts more dollars into hands of our customers and lessens need for gifts and grants.

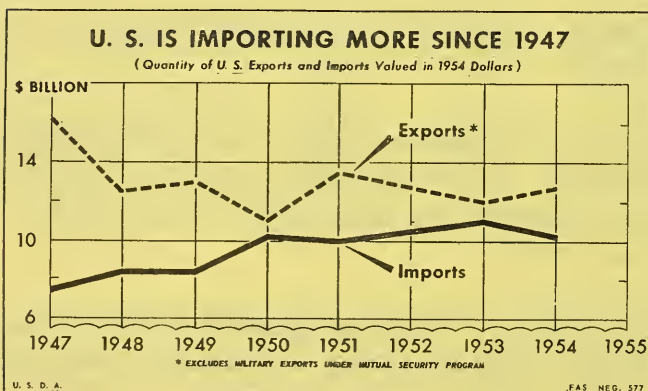
* * *

American-made ghee will be on display at the International Industries Fair at Karachi, Pakistan, September 2-October 2. Samples of the product, labeled "Pure American Cow-Ghee," will be distributed to visitors.

U. S. exporters are free to seek additional soybean business in Japan. That country decided on June 29 to shift purchases of soybeans through September from Communist China to a "global" basis; change was made after China insisted on cash payment instead of barter program.

Look for increased sales of quality meat products, especially beef, in Cuba. Establishment of two new grades, approximating U. S. Choice and Good, and their exemption from price control have stimulated demand for quality beef; drought is also a factor in demand for imported beef.

The United States regained her earlier status as world's largest wheat supplier in 1954-55; wheat exports rose to 270 million bushels, largest amount since 1952-53. CCC sold large quantities outside the IWA at IWA prices.



From July 15 to September 30, 1.5 million pounds more of shelled filberts may enter the country free of the special 10-cent-a-pound import fee, according to President's July 15 proclamation. Larger imports are necessitated by small domestic output.

Plentiful supply situation helped treble year's barley exports. With an estimated 5 million bushels of barley shipped in June, total for the fiscal year approximated 40 million bushels, three times those for 1953-54. Large U. S. supplies have encouraged sales to foreign countries.

Favorable sorghum prices resulted in fourfold export increase. June exports of grain sorghums are estimated at 11 million bushels, more than four times shipments in June 1954. In fact, June's exports this year were larger than exports in all of fiscal year 1953-54 and almost as large as those of 1952-53. Big improvement is due to lower prices arising out of plentiful supplies,

Corn exports down for the year but second half total equaled a year ago. Corn exports in 1954-55 are estimated at more than 75 million bushels as compared with actual shipments of 108 million in 1953-54. Decline occurred in the first half of the year when feed supplies in Europe were larger and when larger supplies of Argentine corn were available. Exports in the second half were unchanged at about 43 million bushels in each year.

Sales to Japan improved rice export situation in May. After running well behind a year earlier for several months, rice exports in May surpassed those of a year earlier by 23 percent. Improvement was the result of larger sales to Japan. July-May shipments of 769 million pounds were less than half those in the like period a year earlier when exports reached a record high.

FATS, OILS AND OILSEEDS

Half of total export value gain in 1954-55 due to fats and oils. Value of exports of vegetable fats, oils and oilseeds in fiscal year 1954-55 approximated \$300 million, 26 percent larger than in 1953-54. Principal gains were in cottonseed oil, soybeans, and flaxseed. Moreover, lard and tallow exports totaling about \$170 million were 23 percent ahead in value. Offerings of these products at favorable prices did much to swell 1954-55's exports; half the increase in the year's exports was the result of larger sales of both animal and vegetable fats and oils.

CCC sales of cottonseed oil were striking. Most striking development in the year's trade in fats and oils was the gain in exports of cottonseed oil--due to CCC sales for export at competitive prices. Cottonseed oil exports estimated at 600 million pounds were double those of the year before. They helped whittle down CCC holdings and aided in the solution of a serious surplus situation.

Soybean exports growing to meet heavy crusher demand abroad. June's soybean exports this year of 3 million bushels according to USDA inspections were about three times exports last year. Total for the fiscal year is estimated at 51 million bushels, 10 million more than in the previous year. Foreign interest in beans for crushing has been a continuing stimulant to exports.

Attractive pricing helped keep year's lard exports ahead but recent shipments are slower. Lard exports in May totaled over 36 million pounds instead of

the earlier estimate of 60 million pounds for the month. June's shipments are estimated at close to 35 million pounds this year as against actual shipments of 33 million pounds a year ago. May and June exports were substantially under recent monthly showings but above a year earlier. Despite the relatively poor showing in May and June, estimated total for the fiscal year is over 515 million pounds, 28 percent above a year earlier. Improvement for the year as a whole reflected large supplies offered at favorable prices.

Tallow exports continued high in May. Tallow exports in May were somewhat under those in March and April but still relatively high. Encouraged by high rates of animal slaughter and strong foreign demand for soap fats, exports through May this fiscal year totaled 990 million pounds, 40 million larger than a year earlier.

FRUITS AND VEGETABLES

Fruit and vegetable exports improved in 1954-55; major shifts occurred. Estimated total of \$275 million for 1954-55's exports of fruit and vegetables compares with actual value of \$256 million last year. The year was one of major shifts. There were large gains in exports of apples, canned fruits, dried peas, white potatoes, and canned vegetables. On the other hand, large declines took place for oranges, dried prunes, raisins, and dried beans.

I M P O R T H I G H L I G H T S

Agricultural imports in May registered gain over a year ago. May's agricultural imports of \$348 million this year were \$20 million larger than last year. Gain was the result of larger imports of coffee, rubber, wool, and nuts partly offset by declines in grains, tea, and cane sugar.

Imports through May this year 9 percent behind. Imports through May totaled \$3,474 million, 9 percent less than a year earlier. Biggest drop occurred in coffee imports, and much less beef, grains, cane sugar, and tomatoes were imported. Partly offsetting the declines were large value increases for cacao beans and rubber, but they reflected mostly higher prices rather than increased quantities. Many items remained close to levels attained a year earlier.

Coffee imports gain as spot market picks up. May coffee imports of 234 million pounds this year were 61 percent ahead of a year ago. June arrivals totaled about 181 million pounds (assuming 1 bag is equal to 132.276 pounds) as compared with actual imports of 166 million pounds in June 1954. Spot-market demand has been created by the unwillingness of buyers to purchase future or even shipment coffee. This demand stems from desire to replenish stocks and from recent proposals by coffee-producing countries to stabilize prices. However, spot prices rose in June with the result that imports weakened as compared with May.

DOMESTIC EXPORTS: May 1954 and 1955 and July-May 1953-54 and 1954-55

Commodity exported	Unit	May		July-May	
		Quantity	Value	Quantity	Value
		1954	1955	1953-54	1954-55
		Thousands	Thousands	Thousands	Thousands
			dollars		dollars
Cheese	Lb.	347	144	6,437	5,368
Milk, evaporated	Lb.	12,312	1,789	122,337	132,582
Milk, whole, dried	Lb.	5,729	2,973	41,932	38,634
Nonfat dry milk solids	Lb.	17,231	1,688	146,496	136,993
Eggs, in the shell	Doz.	2,158	933	33,098	48,759
Beef and veal, total a/	Lb.	1,248	337	42,072	40,555
Pork, total a/	Lb.	3,658	1,301	55,938	57,520
Lard	Lb.	50,908	10,182	372,030	483,757
Tallow, edible and inedible	Lb.	73,001	5,905	950,174	990,323
Cotton, unmd., excl. linters (480 lb.)	Bale	347	63,753	3,345	3,467
Apples, fresh	Lb.	7,058	542	63,497	91,582
Oranges and tangerines	Lb.	112,764	6,011	754,118	573,460
Prunes, dried	Lb.	1,903	361	83,604	73,501
Raisins and currants	Lb.	26,524	1,894	90,870	79,394
Fruits, canned	Lb.	24,877	3,481	136,525	167,404
Fruit juices	Gal.	2,564	2,231	22,358	22,150
Barley, grain (48 lb.)	Bu.	564	709	11,518	34,965
Corn, grain (56 lb.)	Bu.	7,058	11,848	103,445	71,255
Grain sorghums (56 lb.)	Bu.	1,023	1,142	5,632	23,507
Rice, milled, excludes paddy	Lb.	98,187	8,575	1,591,831	769,042
Wheat, grain (60 lb.)	Bu.	21,524	39,163	166,080	203,851
Flour, wholly of U.S. wheat (100 lb.)	Bag	1,192	5,471	13,010	17,974
Soybeans, except canned (60 lb.)	Bu.	1,628	6,313	40,505	47,839
Soybean oil, crude, refined, etc.	Lb.	2,781	441	87,663	33,125
Cottonseed oil, crude, refined, etc.	Lb.	58,653	7,283	254,478	561,390
Tobacco, flue-cured	Lb.	20,639	13,515	364,781	360,770
Tobacco, leaf, other	Lb.	7,935	4,044	63,994	72,357
Beans, dried	Lb.	16,622	1,345	234,025	151,197
Peas, dried, ex. cowpeas and chickpeas	Lb.	2,634	217	51,932	125,328
Potatoes, white	Lb.	28,750	754	233,168	374,075
Vegetables, canned	Lb.	7,468	945	85,663	115,821
Food exported for relief, etc.			7,749		
Other agricultural commodities			41,402		
TOTAL AGRICULTURAL			227,919		
TOTAL ALL COMMODITIES			1,298,445		

a/ Product Weight
Compiled from tables appearing in "Foreign Agricultural Trade Statistical Report".

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b/	Reported in value only

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FOREIGN AGRICULTURAL TRADE



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Digest

AUGUST 1955

Issued monthly by Foreign Agricultural Service, United States Department of Agriculture, Washington 25, D. C. Free within U. S. on request. Also available is the monthly Foreign Agricultural Trade Statistical Report, listing monthly and annual statistics on quantity and value of U. S. agricultural exports and imports, destinations, comparisons with previous year.

EXPORT HIGHLIGHTS

July exports 25 percent ahead of a year ago. Agricultural exports in July 1955 are estimated to have amounted to about \$265 million in contrast with \$213 million for the like month a year earlier, a gain of 25 percent. July's gain was due mainly to Government program activity which boosted shipments of principal grains, tobacco, and some fats and oils. Cotton shipments were estimated well under half those a year earlier.

Fiscal year 1954-55 exports 7 percent ahead. Fiscal year exports totaled \$3,143 million in 1954-55 as compared with \$2,936 million in 1953-54. With large supplies on hand, Government programs facilitated exports and prevented declines in some of the major commodity groups. Barter operations increased by \$90 million. USDA donations under Section 416 rose by \$60 million. Famine relief exports were up an estimated \$35 million. Shipments for foreign currencies under Title I of Public Law 480 and Section 402 of Public Law 665 are estimated to have increased by about \$200 million. On the other hand, shipments under dollar loan and other grant-aid programs decreased by a net of about \$175 million.

Last year's Government program activity will continue to bolster exports for several months. With substantial amounts of foreign currency sales authorized but not yet shipped by the close of fiscal year 1954-55, indications point to a high level of export activity through December, the shipping deadline for most commodities. An estimated half of the \$450 million authorized by the International Cooperation Administration (ICA) for foreign currency sales remained to be shipped after June 30. For USDA's foreign currency program, the amount unshipped on June 30 was in excess of two-thirds of the authorized amount of \$330 million (export market value). Moreover, USDA barter and foreign donation commitments on June 30 were well ahead of shipments.

New authority will strengthen 1955-56 exports. Newly enacted legislation continues and enlarges authority for foreign currency sales. USDA now has authority to negotiate initially up to \$1.5 billion in foreign currency sales for the 3-year Public Law 480 Title I program ending June 30, 1957. About \$1.1 billion is available during the next 2 years after allowing for the \$470 million authorized in 1954-55. ICA has new authority to negotiate \$300 million in foreign currency sales this year. It also has about \$200

million available for famine relief shipments under Title II of Public Law 480. The Export-Import Bank has made Japan a loan of \$60 million to buy U. S. cotton this season.

Agriculture now accounts for 21 percent of all U. S. exports. After running at 19 percent of total U. S. exports for 2 years, agricultural exports in fiscal year 1954-55 accounted for 21 percent of the total. This increase in the proportion of farm exports was due not only to the rise in the value of the agricultural group but also to the decline in the military components of the nonagricultural group.

COTTON

Depressing effects of cotton export policy uncertainties continued in July. Cotton exports in July continued to be hit by uncertainties in regard to U. S. cotton policy in the 1955-56 season. Foreign stocks and purchases for short run needs have been the source of much U. S. cotton used abroad for several months. Thus, fiscal year exports (excluding linters) totaled 3,760 thousand bales, 480 pounds net, in 1954-55 as compared with 3,798 thousand bales in 1953-54. This trend continued in July when estimated exports were less than half those of July 1954. USDA's recent clarification of its cotton export policy is described in Trade News Roundup, page 3.

TOBACCO

Tobacco sales are being helped by P. L. 480. Fiscal year 1954-55 tobacco leaf exports held their own; total of 458 million pounds compared with 455 million in 1953-54. July exports, including considerable Title I shipments,

are estimated to have run close to 50 million pounds, well over exports a year ago. Sales for foreign currencies under Title I of Public Law 480 will help push 1955-56 exports.

GRAINS

Special programs improved wheat export situation. Fiscal year wheat exports of 273 million bushels in 1954-55 exceeded shipments in 1953-54 by 25 percent. U. S. exports topped Canada's and once more gained

this country first place among the world's exporters. July's exports totaled about 26 million bushels (estimated from USDA inspections) as compared with 20 million a year earlier. Larger U. S. exports of wheat in the past year reflected Government sales at competitive prices, sales for foreign currencies, emergency famine relief shipments together with greater European demand resulting from the poor 1954 crop.

U. S. Agricultural Exports
Fiscal Years 1953-54 and 1954-55

Commodity	1953-54 \$ mil.	1954-55	Change Percent
Grain & feeds	884	883	0
Cotton	674	684	+ 1
Livestock prods.	405	459	+13
Tobacco	300	305	+ 2
Veg. fats & oils	238	300	+26
Fruits & vogs.	256	274	+ 7
Others	179	238	+27
Total	2,936	3,143	+ 7

TRADE NEWS ROUNDUP

August 30, 1955

Big story of the month is Secretary Benson's announcement on August 12 to continue present cotton export policy at least through January 1956. Thereafter, up to a million bales of CCC's lower quality short staple stocks may be offered on open competitive bid. Present policy is to offer on competitive bid but at not less than the higher of the domestic market price or 105 percent of the current price support level plus carrying charges.

Cotton announcement further implements export policy for surplus commodities. Policy was recently reaffirmed by Assistant Secretary of Agriculture Butz at June meeting of FAO Council in Rome:

" . . . we are trying to practice some restraint in the disposal of our surpluses, and are trying to exercise every reasonable caution to ensure that the programs we follow do not unduly disrupt world markets and the normal trading patterns of other nations. . . On the other hand, we have a policy that, so far as possible, we will not be a residual supplier in the world markets as we have sometimes been . . ."

At this meeting some foreign delegates expressed appreciation for way in which the United States has managed its stocks of agricultural commodities.

* * *

Despite increased exports in the last 2 fiscal years, the overall surplus disposal problem is likely to become worse before it gets better. Total domestic agricultural production in 1955 is expected to be larger than in 1954, possibly reaching the 1948 peak. Record harvests of oats, grain sorghums, and soybeans are expected. Corn and barley crops are second largest. These and other increases offset reduced output of cotton, wheat, and rice--crops restricted by acreage allotments.

Congress has already taken steps to meet this prospective situation with further disposal programs--both domestic and export. On August 12, President Eisenhower signed into law an increase in export sales authority under Title I of Public Law 480. USDA now can use \$1.5 billion for foreign currency sales of surplus commodities as compared with \$700 million previously. Sales in 1954-55 used up about \$470 million.

* * *

Recent actions by CCC under export programs:

...Three more commodities are now offered for export sale: Soybeans and butter for industrial use on a bid basis; rice, at specified prices. Within 2 days after the soybean announcement, about 700 thousand bushels were sold.

...Donations of cottonseed oil to private relief agencies for overseas use have been discontinued due to CCC's success in reducing heavy inventories held last year.

* * *

Some international developments of interest to agricultural exporters:

...Further currency liberalizations have been recently announced. Finland has liberalized about 40 percent of its total imports, but removal of controls was not extended to dollar goods. Nicaragua has abandoned its multiple exchange system for imports in favor of a single rate of 7 cordobas to the dollar.

...Consultations are now under way on holding multilateral tariff negotiations next year. Notice of intention to negotiate and of commodities under consideration will be issued by the Government.

...Farm leaders of the world will meet in Rome in September for the eighth general meeting of the International Federation of Agricultural Producers. Agricultural policies, what they are and what they should be, constitute the key item on the agenda. Secretary Benson will address the meeting on September 9.

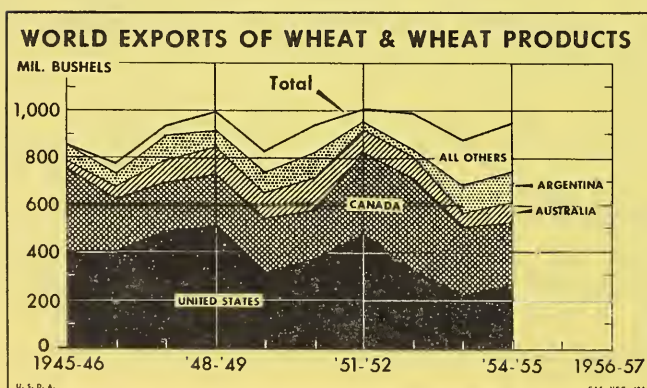
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As one step toward improving this country's competitive position, USDA officials and representatives of farm and trade groups will meet in Washington September 28-October 1 to determine what improvements, if any, are needed in the official wheat standards. Suggestions concern sanitation, foreign material tolerances, and milling and baking qualities. U. S. proportion of world wheat trade has been declining in recent years.

* * *

At least sixteen U. S. trade associations and private firms are participating in the International Food Fair in Cologne, Germany, October 1-9. This is the first effort to organize U. S. agriculture's participation in trade fairs abroad.

* * *



Export-Import Bank of Washington on August 3 announced a \$60 million loan to help finance Japan's purchase of U. S. cotton in 1955-56. Since 1951, the Bank has made five cotton loans to Japan; earlier ones were repaid on schedule. This year's credit will finance approximately 330 thousand bales, or about 40 percent of Japan's average yearly takings of U.S. cotton in the past 5 years.

July corn exports showed marked improvement. July's exports of corn, according to USDA inspections, were close to 10 million bushels, considerably larger than in June 1955 and July 1954. Fiscal year 1954-55 total of 77 million bushels contrasted with 108 million in the year before. The decline took place in the first half of 1954-55; shipments in the last half were almost the same as in the corresponding period of the year before.

Exports of grain sorghums are increasing. July exports of grain sorghums totaled almost 8 million bushels as compared with less than 5 million in July a year earlier. Fiscal year shipments were 18 million bushels in 1954-55, more than three times those of 1953-54.

FATS, OILS AND OILSEEDS

CCC sales of cottonseed oil still strong. A striking development in 1954-55's trade was the gain in exports of cottonseed oil; exports totaled 624 million pounds as compared with 308 million in 1953-54. July exports are estimated to have been well above those of a year earlier. CCC sales for export have helped greatly to reduce inventories and thereby to avoid a serious problem.

Soybean exports continued larger. USDA inspections indicate that July soybean exports were about 3.5 million bushels, well above June shipments and more than three times exports a year earlier. Fiscal year 1954-55 total of 51 million bushels was 9 million bushels above the year before. Strong foreign demand for beans for crushing has been responsible for last year's increase in exports.

FOOD FOR RELIEF OR CHARITY

Increase in food shipments for relief and charity was due to Section 416 donations. Shipments of food for relief and charity by private agencies or individuals increased from \$77 million in 1953-54 to \$143 million in 1954-55.

Share of U. S. Production Exported Marketing Year 1954-55			
Commodity	Exports Million units	Output	Share Percent
Cotton (bale)	3.5	13.7	26
Wheat (bu.)	1/ 273	970	28
Tobacco (lb.)2/	458	1,979	23
Rice (bag)	8.9	38.3	23
Sorghums (bu.)	35	204	17
Soybeans (bu.)	3/ 59	343	17
Lard (lb.)	465	2,348	20

1/	Includes wheat equivalent of flour.		
2/	Export weight.		
3/	Includes bean equivalent of oil.		

Practically all of the gain was due to USDA donations (under Section 416 of the Agricultural Act of 1949 as amended) to private welfare agencies for shipment to needy persons overseas. Shipments under this program are estimated to have risen in value from \$67 million to \$130 million. The bulk of the donations in both years consisted of dairy products (butter, butter oil, cheese, and dry milk).

* * *

IMPORT HIGHLIGHTS

Fiscal year import decline is fourth in 4 years. Fiscal year agricultural imports totaled \$3,786 million in 1954-55, 9 percent less than in 1953-54. Imports in 1954-55 continued a downward trend that started in 1951-52 when the total of \$4,699 million fell 9 percent under 1950-51 record.

Principal changes were in few items. Through 1953-54 principal commodities in the decline were rubber and wool. In 1954-55, reduced coffee imports made the largest contribution to the drop; but several other important items also were markedly down. Prominent ones were beef and veal, barley, cats, and cane sugar, which declined both in quantity and value. Imports of expressed vegetable fats, oils and waxes were much larger in quantity but slightly smaller in value due to lower prices. Partial offsets to the overall declines occurred in larger imports of nuts and rubber. Tea imports, although considerably smaller in quantity, increased slightly in value due to higher prices. Price increases raised the value of rubber out of proportion to the quantity increase. Higher prices also raised the value for cacao beans whereas quantity imported was slightly reduced.

June imports well under a year ago. Agricultural imports in June totaled \$312 million, 16 percent below June 1954. Big factor in the decline was coffee, which fell from \$128 million to \$90 million. Other large declines in value were in cane sugar and cacao beans.

Market uncertainty limits coffee imports to spot needs. As the result of consumer resistance to higher prices, coffee imports in fiscal year 1954-55 declined to 2,074 million pounds, one-fourth under imports in 1953-54. With larger production encouraging lower prices this spring and summer, imports in May and June increased above a year earlier according to Census Bureau data. Moreover, July arrivals of approximately 200 million pounds exceeded actual imports of 129 million a year earlier. Heavy demand from spot stocks reflects the continuing unwillingness of importers to carry large inventories while the market outlook is affected by rumors of another coffee cruzeiro devaluation in Brazil. Despite large imports for May-July, the January-July total is well below the last 3 years, and July arrivals are only slightly higher than those of 1952 and 1953. As of now, it does not appear that former consumption levels will be recaptured this year.

DOMESTIC EXPORTS: June 1954 and 1955 and year beginning July 1, 1953-54 and 1954-55

Commodity exported	Unit	June		Value		Quantity		Year beginning July 1	
		1954	1955	1954	1955	1954	1955	1953-54	1954-55
Cheese	Lb.	Thousands : 432	Thousands : 3,745	1,000 : dollars : 180	1,000 : dollars : 1,654	Thousands : 6,868	Thousands : 9,113	1,000 : dollars : 2,950	1,000 : dollars : 3,821
Milk, evaporated	Lb.	14,773	10,205	2,137	1,532	137,110	142,787	20,205	21,102
Milk, whole, dried	Lb.	4,322	3,111	2,184	1,566	46,254	41,744	24,129	21,217
Nonfat dry milk solids	Lb.	31,787	32,575	3,431	3,850	178,284	169,568	24,914	17,309
Eggs, in the shell	Doz.	2,892	3,271	1,105	1,307	35,990	52,030	17,161	18,211
Beef and veal, total a/	Lb.	1,088	2,188	301	555	43,160	42,742	12,652	11,449
Pork, total a/	Lb.	4,016	5,491	1,298	1,318	59,954	63,011	17,951	17,069
Lard	Lb.	33,365	32,365	6,469	4,484	405,395	516,123	70,275	80,663
Tallow, edible and inedible	Lb.	90,426	101,197	7,186	8,031	1,040,600	1,091,520	68,067	87,346
Cotton, unmd., excl. linters (480 lb.)	Bale	452	293	83,114	55,758	3,798	3,760	673,948	684,288
Apples, fresh	Lb.	5,232	2,882	452	268	68,729	94,463	6,263	7,794
Oranges and tangerines	Lb.	68,337	66,845	4,046	3,502	822,455	640,305	37,430	34,560
Prunes, dried	Lb.	1,071	3,097	217	529	84,675	76,598	13,946	13,316
Raisins and currents	Lb.	27,910	4,051	1,984	453	118,780	83,445	11,326	8,744
Fruits, canned	Lb.	25,245	16,313	3,452	2,608	161,770	183,717	24,273	28,519
Fruit juices	Gal.	1,952	2,678	1,884	2,344	24,311	24,828	21,437	21,461
Barley, grain (48 lb.)	Bu.	2,145	5,140	2,637	5,453	13,663	40,105	19,402	49,965
Corn, grain (56 lb.)	Bu.	5,043	5,532	8,580	8,940	108,487	76,787	187,110	130,167
Grain sorghums (56 lb.)	Bu.	2,712	11,537	2,791	11,657	8,344	35,044	11,148	38,554
Rice, milled, excludes paddy	Bu.	44,988	75,211	4,016	5,310	1,636,819	844,253	151,899	64,092
Wheat, grain (60 lb.)	Bu.	17,089	22,383	31,189	40,402	183,169	226,224	374,962	404,478
Flour, wholly of U.S. wheat (100 lb.)	Bag	1,244	1,892	5,500	8,017	14,254	19,866	66,342	86,819
Soybeans, except canned (60 lb.)	Bu.	993	2,703	3,829	7,453	41,498	50,542	126,178	145,244
Soybean oil, crude, refined, etc.	Lb.	1,167	3,063	184	454	88,830	36,188	11,959	5,277
Cottonseed oil, crude, refined, etc.	Lb.	53,739	62,550	6,610	8,763	308,217	623,940	38,541	75,243
Tobacco, flue-cured	Lb.	17,911	19,590	11,852	13,675	382,692	380,360	256,159	260,354
Tobacco, leaf, other	Lb.	8,757	5,350	5,992	3,053	72,750	77,707	44,174	44,787
Beans, dried	Lb.	13,638	11,419	905	969	247,663	162,616	19,383	13,116
Peas, dried, except cowpeas & chickpeas	Lb.	3,541	1,265	253	105	55,474	126,592	4,116	9,212
Potatoes, white	Lb.	42,994	53,285	1,172	1,410	276,161	427,360	5,966	10,684
Vegetables, canned	Lb.	17,128	18,884	2,469	3,076	102,791	134,705	14,315	18,802
Food exported for relief, etc.				7,522	23,415			77,493	142,872
Other agricultural commodities				51,500	47,081			479,831	566,024
TOTAL AGRICULTURAL				266,441	278,992			2,935,905	3,142,559
TOTAL ALL COMMODITIES				1,462,172	1,306,283			15,234,858	14,870,277

a/ Product weight
Compiled from tables appearing in the "Foreign Agricultural Trade Statistical Report".

IMPORTS FOR CONSUMPTION: June 1954 & 1955 and year beginning July 1, 1953-54 & 1954-55

Commodity imported	Unit	Year beginning July 1				Value				Quantity				Value			
		1954	1955	1954	1955	1954	1955	1954	1955	1954	1955	1954	1955	1954	1955	1954	1955
Cattle, dutiable	No.	11	9	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Cheese	Lb.	4,510	4,453	2,012	1,028	2,012	1,028	2,012	1,028	80	80	271	271	22,606	22,606	22,606	22,606
Hides and skins	Lb.	10,984	12,879	2,239	2,160	2,239	2,160	2,239	2,160	50,290	50,290	51,371	51,371	24,994	24,994	24,994	24,994
Beef and veal, total &	Lb.	12,140	13,197	3,732	3,968	3,732	3,968	3,732	3,968	132,121	132,121	121,725	121,725	57,025	57,025	57,025	57,025
Pork, total &	Lb.	14,466	14,319	11,105	8,801	11,105	8,801	11,105	8,801	148,008	148,008	99,948	99,948	46,295	46,295	46,295	46,295
Wool, unmd., excl. free, etc.	Lb.	18,777	15,077	15,013	12,180	15,013	12,180	15,013	12,180	160,396	160,396	167,380	167,380	111,473	111,473	111,473	111,473
Cotton, unmd., excl. lintless (480 lb.) ..	Bale	8	9	1,823	1,910	1,823	1,910	1,823	1,910	192,648	192,648	177,951	177,951	149,423	149,423	149,423	149,423
Jute and jute butts, unmd. (2,240 lb.) ..	Ton	2	5	447	1,462	447	1,462	447	1,462	145	145	169	169	30,641	30,641	30,641	30,641
Olives in brine	Gal.	1,110	1,512	1,911	2,323	1,911	2,323	1,911	2,323	12,183	12,183	59	59	13,385	13,385	13,385	13,385
Pineapples, prep. or preserved	Lb.	7,874	8,923	931	1,071	931	1,071	931	1,071	77,855	77,855	69,454	69,454	20,192	20,192	20,192	20,192
Pineapple juice	Gal.	468	742	194	281	194	281	194	281	1,890	1,890	3,771	3,771	8,048	8,048	8,048	8,048
Barley, grain (48 lb.)	Bu.	2,965	1,110	3,643	1,595	3,643	1,595	3,643	1,595	36,493	36,493	22,227	22,227	31,047	31,047	31,047	31,047
Oats, grain (32 lb.)	Bu.	4,747	668	3,360	604	3,360	604	3,360	604	78,758	78,758	19,584	19,584	17,075	17,075	17,075	17,075
Wheat, grain (60 lb.)	Bu.	1,275	1,710	2,694	2,855	2,694	2,855	2,694	2,855	8,388	8,388	5,206	5,206	9,631	9,631	9,631	9,631
Feeds and fodders	Bu.	b/	b/	2,761	1,165	2,761	1,165	2,761	1,165	b/	b/	b/	b/	15,783	15,783	15,783	15,783
Nuts and preparations	Lb.	b/	b/	3,863	9,021	3,863	9,021	3,863	9,021	b/	b/	b/	b/	63,364	63,364	63,364	63,364
Copra	Lb.	68,416	61,048	5,178	4,191	5,178	4,191	5,178	4,191	666,141	666,141	671,876	671,876	47,470	47,470	47,470	47,470
Oils, fats, waxes, veg. expressed	Lb.	41,907	44,342	7,509	5,654	7,509	5,654	7,509	5,654	413,678	413,678	512,681	512,681	77,099	77,099	77,099	77,099
Seeds, field and garden	Ton	430	342	47,699	37,399	47,699	37,399	47,699	37,399	3,944	3,944	3,552	3,552	15,309	15,309	15,309	15,309
Sugar, cane (2,000 lb.)	Gal.	45,135	64,788	4,568	6,308	4,568	6,308	4,568	6,308	328,775	328,775	362,735	362,735	382,191	382,191	382,191	382,191
Molasses, unfit for human consumption ..	Lb.	6,877	8,696	4,664	5,757	4,664	5,757	4,664	5,757	78,445	78,445	82,335	82,335	56,434	56,434	56,434	56,434
Tobacco, cigarette leaf	Lb.	1,224	1,294	1,979	1,859	1,979	1,859	1,979	1,859	14,942	14,942	15,699	15,699	22,861	22,861	22,861	22,861
Tobacco, other leaf	Lb.	64	82	5	12	5	12	5	12	160,495	160,495	86,894	86,894	5,525	5,525	5,525	5,525
Tomatoes, natural state	Lb.	727	366	3,174	1,532	3,174	1,532	3,174	1,532	5,934	5,934	7,117	7,117	30,597	30,597	30,597	30,597
Silk, raw	Lb.	13,133	17,365	6,947	10,572	6,947	10,572	6,947	10,572	158,003	158,003	162,375	162,375	91,314	91,314	91,314	91,314
Wool, unmd., free in bond	Lb.	4,485	4,354	5,862	5,955	5,862	5,955	5,862	5,955	50,063	50,063	47,265	47,265	64,400	64,400	64,400	64,400
Bananas	Bunch	164,940	180,111	127,506	90,136	127,506	90,136	127,506	90,136	2,763,360	2,763,360	2,074,478	2,074,478	1,268,167	1,268,167	1,268,167	1,268,167
Coffee (incl. into Puerto Rico)	Lb.	49,038	44,149	28,817	15,579	28,817	15,579	28,817	15,579	496,848	496,848	492,670	492,670	231,780	231,780	231,780	231,780
Cocoa or cacao beans	Lb.	9,828	4,366	5,489	2,448	5,489	2,448	5,489	2,448	124,576	124,576	96,638	96,638	63,618	63,618	63,618	63,618
Tea	Lb.	6,215	7,191	3,078	2,748	3,078	2,748	3,078	2,748	70,032	70,032	84,417	84,417	34,838	34,838	34,838	34,838
Spices (complementary)	Ton	13	11	2,459	1,820	2,459	1,820	2,459	1,820	155	155	146	146	25,180	25,180	25,180	25,180
Sisal and henequen (2,240 lb.)	Lb.	149,403	118,187	26,948	33,974	26,948	33,974	26,948	33,974	1,366,398	1,366,398	1,397,094	1,397,094	351,202	351,202	351,202	351,202
Rubber, crude	Lb.	b/	b/	28,636	29,111	28,636	29,111	28,636	29,111	b/	b/	b/	b/	384,247	384,247	384,247	384,247
Other agricultural commodities																	
TOTAL AGRICULTURAL COMMODITIES				371,840	311,427	371,840	311,427	371,840	311,427					14,175,892	14,175,892	14,175,892	14,175,892
TOTAL ALL COMMODITIES				973,038	942,523	973,038	942,523	973,038	942,523					10,497,763	10,497,763	10,497,763	10,497,763

a/ Product weight

b/ Reported in value only.

Compiled from tables appearing in "Foreign Agricultural Trade Statistical Report"

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U. S. DEPARTMENT OF AGRICULTURE

FOREIGN AGRICULTURAL TRADE



OF THE UNITED STATES

Digest

SEPTEMBER 1955

Issued monthly by Foreign Agricultural Service, United States Department of Agriculture, Washington 25, D. C. Free within U. S. on request. Also available is the monthly Foreign Agricultural Trade Statistical Report, listing monthly and annual statistics on quantity and value of U. S. agricultural exports and imports, destinations, comparisons with previous year.

EXPORT HIGHLIGHTS

August exports 30 percent ahead of a year ago. Exports of U. S. agricultural products in August this year were well above the level of a year ago; estimate for the month is close to \$250 million, or 30 percent greater than in August 1954 when shipments totaled only \$190 million. Exports of grains, tobacco, and vegetable oils and oilseeds were larger, but there was a big decline in cotton shipments.

Exports one-fourth larger so far this fiscal year. Exports in July and August together amounted to about \$500 million, or about \$100 million in excess of the like 2 months in 1954. All major categories except cotton did better this year than last. July exports alone totaled \$255 million, 20 percent more than a year earlier.

High-level exports to continue through December. Under normal conditions of agricultural trade and commerce, U. S. agricultural exports are low in July and August. This year's increased export total is largely due to the bolstering effect of Government programs. Substantial authorizations late in fiscal year 1954-55 are being shipped in the current year. For the most part, these shipments are to be completed by December.

COTTON

Cotton exports drop to seasonal low in July and August. Large cotton stocks in the United States, a decline in foreign mill consumption, and uncertainty regarding world prices have been contributing factors in the export lag. Shipments drop to relatively low levels at the turn of every season; thus July's 61 thousand bales (480 lbs. net) and August's estimate of 90 thousand bales are not especially significant. The seasonal upturn is not expected to equal that of a year ago. The moderate change in U. S. export policy will not become effective until 1956. Substantial Government financing available is not being accepted as readily as expected although stocks in most of the major importing countries are at minimum levels and are in need of replenishment.

TOBACCO

Public Law 480 aids tobacco exports. Tobacco leaf exports totaled 49 million pounds in July and are estimated to have been nearly as large in August. Probability is that some 40 million pounds more were exported this July and August than a year ago. Sales in 1954-55 for foreign currencies under Title I of Public Law 480 are helping to swell this year's exports.

GRAINS

Wheat exports make good start with help of Public Law 480. Wheat and wheat flour exports in fiscal year 1954-55 surpassed those in 1953-54 by 25 percent, and this year's exports also are piling up gains. The good start in the current fiscal year largely reflects shipments authorized last year under Public Law 480 (foreign currency sales). July's exports of 27 million bushels were about 30 percent ahead of a year ago; USDA inspections indicate that August exports totaled nearly 24 million bushels, or 32 percent larger than in the like month a year ago.

Feed grain export situation now favorable. All feed grain exports during July and August this year were well ahead of a year ago. U. S. stocks of corn, grain sorghums, barley, and oats are plentiful; efforts to move these products into export channels have been intensified; and feeding requirements abroad are larger. Even corn shipments are doing better than last year; one of the reasons is the little competition from Argentina where the harvest last spring was small.

<u>U. S. exports of.....</u>	<u>July-August 1954</u>	<u>July-August 1955 (est.)</u>
	<u>1,000 bushels</u>	
Corn	12,010	20,213
Grain sorghums	8,118	16,832
Barley	6,214	19,654
Oats	5	3,435

Purchases by Japan boosting rice shipments. After trailing for several months, milled rice exports surpassed year-ago levels in May by 21 million pounds, in June by 30 million, and in July by 95 million. July's gain was mainly the result of larger sales to Japan; exports to most other destinations, including Cuba, fell off. Japan is now in the process of obtaining 224 million pounds of U. S. rice under Title I of Public Law 480 (foreign currency sales).

FATS, OILS AND OILSEEDS

Soybean movement improving further this year. Soybean exports in July this year totaled 4.4 million bushels; USDA inspections indicate exports of 3.8 million in August. Combined total of 8.2 million bushels is almost four times shipments in July and August last year. The strong foreign demand that developed last year continued to aid in the disposal of supplies from the then record crop of 1954.

TRADE NEWS ROUNDUP

September 30, 1955

With northern hemisphere harvests about in, we can now form a picture of what U. S. agriculture will have to face in the way of competition in marketing its own 1955 production. For basic export crops, a clear pattern emerges: Other exporting countries have increased production insofar as they were able and importing countries did the same.

These are the production trends compared with 1954 for top three crops:

<u>Cotton</u>	Foreign importing countries....UP 400 thousand bales
	Foreign exporting countries....UP 1,700 thousand bales
<u>Wheat</u>	Foreign importing countries....UP 250 million bushels
	Foreign exporting countries....UP 190 million bushels
<u>Tobacco</u>	Foreign importing countries....DOWN 5 million pounds
	Foreign exporting countries....UP 30 million pounds

Situation adds up to continuing tough problem for U. S. agricultural exports. A few years ago other countries could not produce the food and fiber they needed and much U. S. farm production moved as foreign aid. But those conditions are long since gone. The United States today faces new realities.

Encouraging aspects of the foreign market situation are that foreign purchasing power is continuing to climb and that peoples abroad are consuming more agricultural commodities. U. S. agriculture does not maintain its place in this market when it offers its products at higher prices than these products can be obtained by foreign buyers from other sources. Ultimate effect is to stimulate larger competitive production abroad and reduce U. S. share of world trade.

Economic principles underlying this situation are the traditional ones. Despite the many complications of international trade, such as discrimination against farm products from dollar areas, fact still remains that competitive advantage of price operates in international economics basically as it does in domestic trade.

A case in point is the export of edible fats, oils and oilseeds. With U. S. prices favorable, this export should be 50 percent higher this year than last; U. S. share is expected to be 40 percent of the world total compared with 32 percent last year.

* * *

Current U. S. cotton pricing policy has now become clearer. Secretary Benson stated USDA attitude to International Federation of Agricultural Producers in Rome on September 9 when he said, "While the United States has sought to bring world cotton supplies into better balance with demand

by reducing its own production, cotton acreage continues to expand in some areas and the markets once supplied by our own growers have been surrendered to other countries." On September 21, USDA announced that up to 1 million bales of CCC cotton of all grades having 15/16 inch or less staple length will be made available after January 1 for sale at competitive prices.

* * *

Further use of foreign currencies, acquired from Public Law 480 export sales of surplus commodities, to expand markets for U. S. agricultural products was announced by USDA on September 21. USDA is joining with Oregon Wheat Growers League in a project to expand exports of wheat and wheat products through nutritional demonstrations, displays, and education.

* * *

Public hearings by U. S. Tariff Commission begin October 31 on commodities to be considered in proposed negotiations under the General Agreement on Tariffs and Trade. State Department issued list of products on September 21.

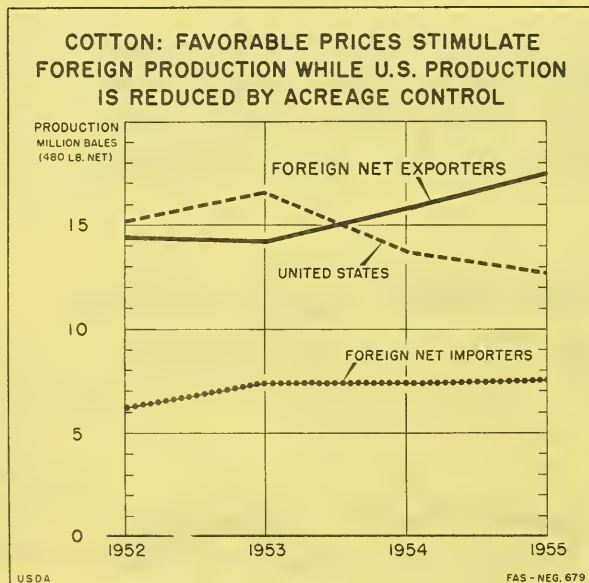
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Look for further efforts to stimulate U. S. lard and offal exports in 1956. With hog slaughter up, lard production is expected to increase sharply. Secretary Benson announced on September 16 that a coordinated program between USDA and the trade had been started to promote the sale and consumption of pork and pork products.

* * *

Further foreign exchange difficulties are expected in the United Kingdom. Sterling area's gold and dollar reserves are continuing to decline. Situation bears watching in light of possible restrictions harmful to U. S. agricultural exports. Other financial news of interest is general trend abroad toward raising bank discount rates; effect is to tighten supply of money.

* * *



Traders can now obtain both domestic and foreign sales information in one release, CCC Monthly Sales List, issued by Price Division, CSS, USDA.

* * *

Interesting trade facts...World's No. 1 agricultural export: Coffee and cotton running neck and neck at \$2.5 billion a year. U. S.'s No. 1 agricultural export: Cotton in value, wheat in quantity.

* * *

Exports are big factor in reduced CCC cottonseed oil stocks. Cottonseed oil exports this July of 75 million pounds surpassed exports a year ago by 31 million. Based on CCC sales for export, shipments in August are estimated to approximate the July figure. This would make July-August total this year more than double that of a year ago. Since CCC stocks have dwindled, future sales will be negligible.

Soybean oil exports expand sharply in July. With CCC stocks of cottonseed oil largely committed, foreign buyers have recently increased their takings of soybean oil. Last fiscal year's exports of soybean oil were less than half those of the year before; but, beginning with April, exports showed some improvement over a year ago. In July of the current fiscal year, shipments totaled 6.3 million pounds, 10 times a year ago.

After brief setback, lard exports come back strong in August. Lard exports slowed down somewhat toward the close of fiscal year 1954-55, although the 516 million pounds shipped in the year as a whole was 27 percent more than in 1953-54. The temporary drop seems to have been overcome in August; on the basis of USDA export certificates issued, August shipments probably reached 40 million pounds, surpassing year-ago level by more than 10 million. Relatively low prices encouraged sales.

Tallow exports continue high. Tallow exports continued strong in July although slightly below the level of a year earlier. July's shipments totaled 98 million pounds compared with a monthly average of 91 million in fiscal year 1954-55 and 87 million in 1953-54. The high rate of domestic cattle slaughter has expanded tallow output; much of it is going abroad as the use of synthetic detergents at home has decreased domestic demand for tallow and prosperity overseas has increased foreign demand.

FRUITS AND VEGETABLES

Better marketing opportunities for U. S. oranges. Exports of oranges in July totaled 91 million pounds (1.1 million boxes), about twice shipments a year earlier. The increase reflected improved marketing opportunities abroad together with larger supplies of summer oranges this season than last.

I M P O R T H I G H L I G H T S

Agricultural imports in July were firm. Agricultural imports of \$299 million in July 1955 were but \$1 million smaller than in July a year ago. A \$14 million decline in cacao bean imports was offset by increased imports of crude rubber and carpet wool. Other changes were relatively unimportant. Coffee--responsible for most of the fluctuation in monthly imports for quite some time--totaled \$102 million, the same as a year earlier.

Poor 1954 U. S. crop increased half-year need for imported peanuts. Larger imports of peanuts in the second half of fiscal year 1954-55 caused the value for the total of nuts and preparations to increase by \$12 million over

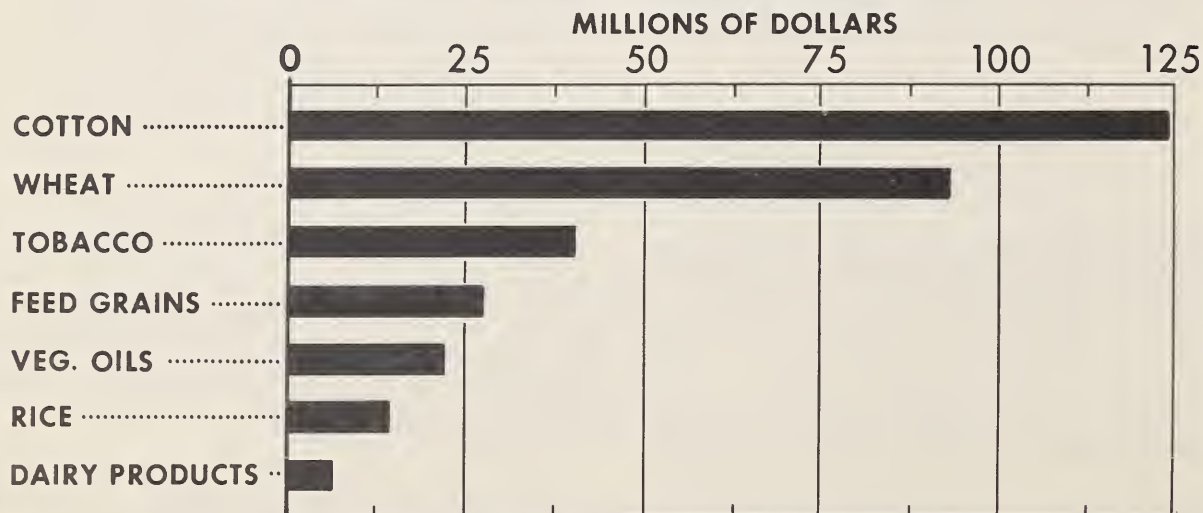
1953-54. July imports this year were well above a year earlier. The U. S. peanut harvest was poor in 1954 when output of 1 billion pounds was almost one-half under the 1944-53 average. Import quotas were enlarged to satisfy domestic requirements. Situation in 1954-55 is expected to be much improved as September 1 indicated output for U. S. peanuts is 1.7 billion pounds.

Larger coffee imports move into consumption while inventories lag. Coffee imports in July totaled 204 million pounds, 58 percent more than a year earlier. August arrivals were 180 million pounds, 55 percent more than actual imports in August 1954. August is the fourth month in which imports have gained over a year ago following the decline associated with higher prices at that time. Despite the lower prices now, roasters have been unwilling to hold large inventories until they are certain of more stable prices than have characterized the market in the past year and a half. As a result, current imports have been moving into consumption channels and stocks are at a minimum.

Price stability stimulating cacao imports. Imports of cacao beans in July amounted to 26 million pounds, 13 million under a year ago. August arrivals of 45 million pounds this year exceeded August imports last year by 17 million pounds. Imports during each of the past 2 fiscal years amounted to close to 500 million pounds; 1954-55 imports were held down by higher prices. There are indications that the recent decline and firming of spot prices at 31 cents to 35 cents associated with larger world supplies is having a stimulating effect on imports.

SALES OF AGRICULTURAL COMMODITIES FOR FOREIGN CURRENCY

Commodity Agreements Concluded by June 30, 1955, Title I, P.L. 480 *



*EXPORT MARKET VALUE EXCLUDING OCEAN TRANSPORTATION

DOMESTIC EXPORTS, July 1954 and 1955

Commodity exported	Unit	July			
		Quantity		Value	
		1954	1955	1954	1955
				1,000	1,000
		Thousands	Thousands	dollars	dollars
Cheese	Lb.:	370	611	153	262
Milk, evaporated	Lb.:	13,120	12,419	1,929	1,900
Milk, whole, dried	Lb.:	4,286	3,901	2,161	1,736
Nonfat dry milk solids	Lb.:	8,080	17,066	1,038	2,097
Eggs, in the shell	Doz.:	4,637	4,374	1,673	1,729
Beef and veal, total a/	Lb.:	2,198	2,852	621	795
Pork, total a/	Lb.:	5,422	4,231	1,531	1,183
Lard	Lb.:	29,808	29,886	5,531	4,000
Tallow, edible and inedible	Lb.:	102,648	98,412	8,586	7,554
Cotton, unmd., excl. linters (480 lb.):	Bale:	237	61	42,706	11,263
Apples, fresh	Lb.:	6,352	4,733	519	431
Oranges and tangerines	Lb.:	44,807	90,593	2,823	4,582
Prunes, dried	Lb.:	1,911	3,201	350	508
Raisins and currants	Lb.:	11,691	5,784	911	657
Fruits, canned	Lb.:	17,418	11,666	2,681	1,883
Fruit juices	Gal.:	2,620	2,449	1,960	2,237
Barley, grain (48 lb.)	Bu.:	4,616	8,654	5,516	9,124
Corn, grain (56 lb.)	Bu.:	5,145	11,688	8,376	19,255
Grain sorghums (56 lb.)	Bu.:	4,806	8,322	4,776	8,388
Rice, milled, excludes paddy	Lb.:	40,971	135,800	3,559	9,052
Wheat, grain (60 lb.)	Bu.:	17,379	23,376	29,477	40,130
Flour, wholly of U.S. wheat (100 lb.)	Bag:	1,413	1,565	6,374	6,849
Soybeans, except canned (60 lb.)	Bu.:	976	4,435	3,850	11,738
Soybean oil, crude, refined, etc. ..	Lb.:	620	6,257	95	1,031
Cottonseed oil, crude, refined, etc. :	Lb.:	44,225	75,109	5,548	11,429
Tobacco, flue-cured	Lb.:	20,215	42,374	13,262	29,364
Tobacco, leaf, other	Lb.:	8,628	6,215	4,439	4,246
Beans, dried	Lb.:	12,733	17,983	1,115	1,481
Peas, dried, ex. chickpeas and cowpeas:	Lb.:	4,958	1,624	378	140
Potatoes, white	Lb.:	20,299	24,282	598	480
Vegetables, canned	Lb.:	12,683	14,924	1,898	2,118
Food exported for relief, etc.	:	:	:	2,192	9,994
Other agricultural commodities	:	:	:	46,589	47,744
TOTAL AGRICULTURAL	:	:	:	213,215	255,380
TOTAL ALL COMMODITIES	:	:	:	1,281,304	1,256,068

a/ Product weight

Compiled from tables appearing in the "Foreign Agricultural Trade Statistical Report".

IMPORTS FOR CONSUMPTION: July 1954 and 1955

Commodity imported	Unit	July			
		Quantity		Value	
		1954	1955	1954	1955
				1,000	1,000
		Thousands	Thousands	dollars	dollars
Cattle, dutiable	No.	5	5	999	802
Cheese	Lb.	2,562	2,530	1,391	1,426
Hides and skins	Lb.	10,141	12,214	4,551	4,807
Beef and veal, total <u>a/</u>	Lb.	10,625	12,070	3,203	3,611
Pork, total <u>a/</u>	Lb.	13,688	15,557	9,119	10,219
Wool, unmd., excl. free, etc.	Lb.	13,680	13,984	11,417	11,255
Cotton, unmd., excl. linters (480 lb.)	Bales	9	10	1,849	2,185
Jute and jute butts, unmd. (2,240 lb.)	Ton	3	3	768	766
Olives in brine	Gal.	1,132	833	1,891	1,409
Pineapples, canned, prep. or preserved	Lb.	6,135	12,580	704	1,398
Pineapple juice	Gal.	484	676	200	251
Barley, grain (48 lb.)	Bu.	2,657	497	3,353	696
Oats, grain (32 lb.)	Bu.	2,812	589	2,049	509
Wheat, grain (60 lb.)	Bu.	93	358	237	548
Feeds and fodders	b/		b/	2,225	829
Nuts and preparations	b/		b/	3,551	9,621
Copra	Lb.	62,212	56,231	4,527	3,577
Oils, fats, waxes, veg. expressed	Lb.	35,132	38,077	5,663	5,154
Seeds, field and garden	b/		b/	526	650
Sugar, cane (2,000 lb.)	Ton	349	375	39,445	40,306
Molasses, unfit for human consumption	Gal.	30,649	30,194	3,256	2,794
Tobacco, cigarette leaf	Lb.	6,515	6,113	4,352	4,132
Tobacco, other leaf	Lb.	1,011	1,379	1,627	1,728
Tomatoes, natural state	Lb.	1,836	675	121	41
Silk, raw	Lb.	454	255	1,953	1,088
Wool, unmd., free in bond	Lb.	14,351	17,998	7,604	10,836
Bananas	Bunch	3,963	3,870	5,092	5,295
Coffee (incl. into Puerto Rico)	Lb.	129,408	204,226	101,749	102,375
Cocoa or cacao beans	Lb.	39,150	26,060	23,267	8,592
Tea	Lb.	5,786	7,490	3,055	3,369
Spices (complementary)	Lb.	4,279	8,125	1,956	2,907
Sisal and henequen (2,240 lb.)	Ton	10	11	1,872	1,814
Rubber, crude	Lb.	90,947	97,722	17,610	28,539
Other agricultural commodities				29,243	25,800
TOTAL AGRICULTURAL COMMODITIES				300,425	299,329
TOTAL ALL COMMODITIES				820,260	878,886

a/ Product weight

b/ Reported in value only

Compiled from tables appearing in the "Foreign Agricultural Trade Statistical Report".

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FOREIGN AGRICULTURAL TRADE



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Issued monthly by Foreign Agricultural Service, United States Department of Agriculture, Washington 25, D. C. Free within U. S. on request. Also available is the monthly Foreign Agricultural Trade Statistical Report, listing monthly and annual statistics on quantity and value of U. S. agricultural exports and imports, destinations, comparisons with previous year.

EXPORT HIGHLIGHTS

September exports this year more than one-fourth ahead of last year. U. S. agricultural exports this September are estimated at \$245 million, 27 percent more than in September a year ago when shipments totaled \$193 million. All major groups except cotton made gains; cotton continued considerably smaller.

Total for first 3 months this year 20 percent ahead of last year. Exports in the July-September period were more than \$720 million this year as compared with \$598 million last year, a gain of 20 percent. All major categories except cotton did better this year than last; value of cotton was only 35 percent as large as a year ago. For August alone, farm exports were \$222 million, 17 percent above August 1954.

Foreign prosperity stands out as favorable influence. Favorable factors in the foreign marketing picture are the expanded purchasing power available abroad and increased foreign consumption levels for agricultural commodities--particularly in Western Europe. However, U. S. exports are having to compete against larger foreign agricultural output and, in the case of a few commodities, against lower prices.

United States not sharing in larger world agricultural trade. World trade in the kinds of agricultural commodities commercially produced in the United States has been rather steadily increasing since World War II. U. S. agriculture, however, has not been participating in the increase. After World War II, U. S. exports increased during the Korean War but declined thereafter. On the other hand, foreign exporters have increased their sales. With U. S. cotton exports off during the past 3 months, this trend appears to be continuing into the current year.

Government sales and donations strengthen exports. The bolstering effect of agricultural sales and donations under Government programs has been considerable in the past year. Substantial authorizations made late in fiscal year 1954-55 have been resulting in large export shipments this year; effect on tobacco has been considerable. For the most part, these shipments are to be completed by December.

COTTON

Cotton lag darkens this year's export situation. Main retarding development in this year's exports is the slowdown in cotton shipments. July-September exports are estimated at more than 210 thousand bales this year in contrast with 644 thousand in the like months last year. For several months, large stocks at home and minimum mill inventories abroad have signaled a fairly good export level; but lagging foreign mill consumption and price uncertainties have deterred foreign buyers from making their usual purchases. Foreign buyers have been slow to accept the substantial Government financing available to them. Complicating the picture further in coming months will be the large incoming crops in other exporting countries. On January 1, CCC plans to start selling at competitive prices up to 1 million bales of its shorter staple lengths.

TOBACCO

Tobacco exports make remarkable gain. Indications are that valuwisw tobacco shipments were the largest item in the month of September. July-September estimated total of 175 million pounds was three-fourths larger than a year earlier. Sales in 1954-55 for foreign currencies under Title I of Public Law 480 have been responsible for most of this year's tobacco export gain.

GRAINS

Wheat exports remain well ahead of last year. Although the September increase for wheat exports was smaller than gains in the 2 previous months of this fiscal year, July-September total quantity (wheat and wheat flour) was 30 percent larger this year than last: 70 million bushels as compared with 54 million. This year's gain is a reflection of shipments under last year's authorizations under Government sales and barter programs.

Feed grains continue to be shipped in volume. Exports of feed grains in September, estimated from USDA inspections, continued well above a year earlier. July-September showing was impressive: Corn, up 13 million bushels; barley, up 20 million; grain sorghums, up 12 million; oats, up 5 million; and rye, up about three-quarters million. Plentiful supplies here, larger animal numbers abroad, and export promotion programs have been main factors in the gains; smaller Argentine competition contributed to the rise in corn.

High level rice exports to continue. July-August rice exports of 178 million pounds this year compared with 115 million last year, reflecting chiefly increased shipments to Japan. However, August shipments of 42 million pounds were only about 60 percent of those of a year ago. Exports from the 1955 crop will be reflected in September exports; and, with Japan's purchases for September-November delivery amounting to more than 225 million pounds under Public Law 480 and other sales, it is likely that exports for the fall months will continue at a relatively high level.

TRADE NEWS ROUNDUP

October 31, 1955

Even greater push for exports appears needed if American agriculture is to regain its former position in the world market.

Farm exports today are running 16 percent behind the comparable 1920-29 period. The quantity index for U. S. agricultural exports then stood at 103; for 1954, by comparison, it was 87.

The period of 1920-29 must be used in making this comparison in that it represents years when U. S. and world trade conditions were similar to today's. Then, as now, U. S. and foreign production was up and foreign consumers were prosperous.

(The more commonly used prewar years 1934-38 do not apply since they represent a period of widespread drought when the United States had little to export. In fact, to find a 5-year period in which exports were equally low, one has to go back to 1883-87!)

Despite the modest gains made in U. S. agricultural exports during the past 2 years (18 percent in volume), the U. S. rate is not keeping pace with the rest of the world. (See chart on page 4.) In meeting this problem, the United States faces such factors as: Expanding foreign production, price competition, and discrimination.

These few facts should lay at rest any statements by foreign competitors that U. S. agricultural exports today are in a favorable position compared either with previous levels or with the world's exports of like commodities.

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Prominent attention continues to be given to foreign government policies that affect trade:

- ...Member countries of the Ministerial Committee for Agriculture and Food of the Organization for European Economic Cooperation plus the United States and Canada are now participating in "confrontation" sessions in Paris. Purpose is to allow participants to question one another on agricultural policies. United States was "confronted" October 28: Most questions were on domestic programs; the few specifically on trade concerned principally expansion of foreign currency sales and exports of surpluses.
- ...House Agricultural Subcommittee left October 23 for a 10-country survey of Latin America to look into agriculture in the area, appraise U. S. foreign representation, and explore increased trade.

...Top-rank U. S. farm organization and trade leaders met with USDA and Government officials at the Regional Agricultural Attaché Conference in Paris several weeks ago. Meeting was on-the-ground effort to foster climate wherein U. S. private trade can compete fairly and freely.

...U. S.-Canadian competition for world wheat markets was discussed by top representatives of both Governments October 20 after Canada's representations that U. S. wheat export policies were disrupting Canadian markets. (Note: In 1954-55, U. S. wheat exports moved ahead of Canada's.)

Report on Cologne International Food Fair October 1-9: 300,000 visitors... 16 commercial exhibits in U. S. section...\$428,000 in sales contracts by U. S. exporters (full quota allowed by German Government)...14 U. S. food "movies," some with German commentary.

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A Japanese agricultural trade group, after a week of conferences with U. S. and trade officials, left Washington October 30 for Tennessee, Louisiana, California, Oregon, Washington, and Illinois before departing for Japan December 12. (Japan is this country's No. 2 agricultural export outlet; the United States is Japan's chief agricultural supplier.)

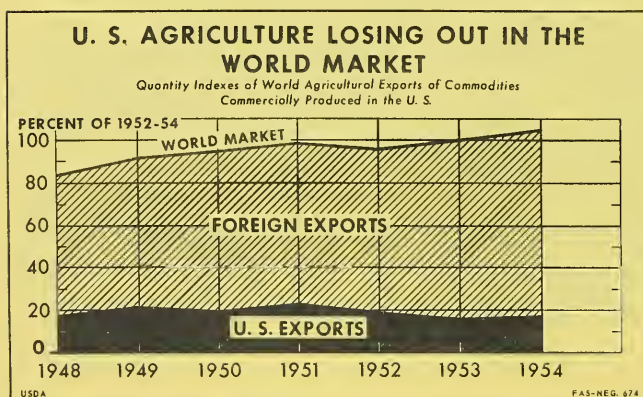
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Foreign agricultural visits--like those of the Japanese--are generally handled cooperatively by the International Cooperation Administration, the USDA, and land-grant colleges. Work of these agencies is reviewed at an annual conference in Washington. The sixth, held October 17-19, was attended by representatives of over 60 land-grant institutions and other colleges and universities.

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Public Law 480 news. Foreign currency sales programs signed with four countries this fiscal year through October 14 totaled \$47 million. Last year's programs totaled \$468 million. Shipments reported by October 26 totaled \$229 million. Figures are program costs.

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The Export-Import Bank announced on October 19 that the loan of \$60 million to finance cotton exports to Japan in 1955-56 is now fully arranged. Orders by the Japanese textile mills are to be placed with U. S. shippers.

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FATS, OILS AND OILSEEDS

Foreign demand for soybeans holds up. With the exception of one month, soybean exports since January this year have been moving out in substantially larger amounts than a year earlier. September USDA inspections indicate a total of 11 million bushels for the July-September period this year, over five times the figure of a year ago. Stimulated export activity during the past several months has reflected the relatively low prices for last year's then-record U. S. crop. A part of the expanded exports has resulted from the sale by CCC of over 4 million bushels of beans from the 1954 crop.

Cottonseed oil exports running nearly 40 percent ahead of last year. August cottonseed oil exports of 25 million pounds this year were not much larger than a year ago. Liftings are lagging abnormally behind CCC sales for export. With September exports estimated slightly larger than a year ago, the July-September total was close to 130 million pounds, or 38 percent more than a year ago.

Soybean oil shipments gain as CCC has less cottonseed oil to offer. Soybean oil exports last fiscal year were less than half those of 1953-54; but the export situation has improved since April. August exports of 9.7 million pounds this year compared with 2.2 million last year; July-August total of 16.0 million pounds this year was almost six times that of a year ago. Gain for linseed oil has been due mainly to smaller availabilities of cottonseed oil from CCC inventories.

Lower prices stimulate lard exports. Lard exports, which came back fairly strong in August after a brief setback, are estimated to have held firm in September. July-September shipments estimated at 95 million pounds this year were some 10 million greater than a year ago. High hog slaughter rates have increased lard output; relatively low prices have encouraged export sales.

Tallow exports still averaging over 100 million pounds a month. August tallow exports of 109 million pounds this year surpassed those of a year ago by 12 million. With indications of another 100-million-pound month in September, July-September total this year appears to have been over 300 million pounds as compared with actual shipments of 282 million pounds a year ago. Factors in the favorable export situation: The high rate of domestic cattle slaughter; increased use of synthetic detergents at home; low export prices; prosperity overseas.

FRUITS AND VEGETABLES

Orange exports did well again in August. August was the second month this year in which exports of oranges were well above a year ago; exports of 47 million pounds compared with 27 million last year. August exports, however, were substantially under July's shipments of 91 million pounds. Supplies of summer oranges have been larger this season than last, and increased purchasing power abroad has expanded marketing opportunities.

CCC sales for export help bean market. Last fiscal year's dry edible bean exports totaled 163 million pounds as against 248 million in the year before. June exports were almost the same as a year ago; July exports surpassed year-ago level by 5 million pounds; and August exports were up 6 million pounds. This year's improved export situation stems from CCC sales at competitive prices.

After excellent year, potato exports in August sink below a year ago. Fiscal year 1954-55 white potato exports were 427 million pounds, 55 percent greater than in 1953-54. Increase was due principally to larger sales to Canada where the 1954 crop was poor. July shipments were better than a year ago by about 4 million pounds. But August exports dropped below a year ago by 12 million pounds. More local potatoes have been available in Canada.

I M P O R T H I G H L I G H T S

July-August imports \$10 million ahead this year. July-August agricultural imports totaled \$614 million this year, \$10 million more than a year ago. For this period, value declines for feed grains and cacao beans were more than offset by gains for peanuts, coffee, and crude rubber. August's agricultural imports this year registered \$315 million, \$11 million more than last year.

One-third of total imports are agricultural. With only a small import gain registered for agricultural products and a large one for industrial items, the agricultural share of total imports for consumption was 33 percent during the first 2 months of the current fiscal year as compared with 37 percent for the like period last year. Plentiful supplies and relatively low prices of agricultural commodities in the United States have made this market less and less attractive for foreign sellers. At the same time, the very high level of U. S. economic activity has stimulated demand for foreign industrial raw materials.

Higher rubber prices reflect tighter supply situation. The world today is using more natural rubber; use is especially greater in the United States--a reflection of the increased volume of automobile production. World output has not kept pace with consumption; hence, prices have been rising. July-August imports this year were 4 percent above a year ago, but average import price was up nearly 50 percent.

Larger imports, low inventories mark coffee situation. Coffee, most important foreign product in the U. S. market, has been brought into the country in larger amounts, but has been going directly into consumption. Although prices are lower, roasters have had little interest in increasing their low inventories in view of substantial supplies. August imports for consumption of 186 million pounds compared with August arrivals of 180 million pounds, indicating that all arrivals went into consumption channels. September arrivals this year were 197 million pounds, 126 percent more than actual imports in September 1954. September is the fifth month of gain over a year ago, when high prices were a deterrent to imports.

DOMESTIC EXPORTS: August and July-August 1954 and 1955

Commodity exported	Unit	August				July-August			
		Quantity		Value		Quantity		Value	
		1954	1955	1954	1955	1954	1955	1954	1955
Cheese	Lb.	Thousands : 372	Thousands : 2,614	dollars : 1,000	dollars : 1,047	Thousands : 741	Thousands : 3,225	dollars : 1,000	dollars : 1,000
Milk, evaporated	Lb.	10,488	9,750	1,563	1,454	23,609	22,169	3,491	3,355
Milk, whole, dried	Lb.	4,178	4,588	2,128	2,405	8,465	8,489	4,289	4,141
Nonfat dry milk solids	Lb.	4,782	17,371	1,654	1,745	12,862	34,437	1,692	3,842
Eggs, in the shell	Doz.	4,265	5,248	1,465	1,955	8,902	9,622	3,138	3,684
Beef and veal, total a/	Lb.	1,650	2,721	461	695	3,847	5,573	1,083	1,491
Pork, total a/	Lb.	3,779	3,642	1,251	1,043	9,201	7,874	2,783	2,226
Lard	Lb.	29,047	35,672	5,504	4,544	58,855	65,557	11,035	8,543
Tallow, edible and inedible	Lb.	96,637	108,915	6,864	8,778	199,286	207,328	15,449	16,331
Cotton, unmd., excl. lintners (480 lb.)	Bale	198	63	34,988	11,399	435	124	77,694	22,662
Apples, fresh	Lb.	2,081	2,897	194	260	8,433	7,630	713	691
Oranges and tangerines	Lb.	27,279	46,693	2,116	2,444	72,086	137,286	4,939	7,026
Prunes, dried	Lb.	846	2,141	169	357	2,757	5,342	519	865
Raisins and currants	Lb.	12,461	6,783	1,014	659	24,152	12,567	1,925	1,315
Fruits, canned	Lb.	22,109	34,971	3,235	5,510	39,527	46,637	5,916	7,393
Fruit juices	Gal.	1,709	2,277	1,446	2,067	4,330	4,726	3,406	4,303
Barley, grain (48 lb.)	Bu.	1,563	11,854	1,912	12,385	5,771	20,507	6,787	21,510
Corn, grain (56 lb.)	Bu.	6,872	7,990	11,553	12,851	12,017	19,678	19,929	32,106
Grain sorghums (56 lb.)	Bu.	3,311	7,665	3,370	7,884	8,118	15,987	8,146	16,272
Rice, milled, excludes paddy	Lb.	73,583	41,890	6,621	3,299	114,555	177,690	10,180	12,352
Wheat, grain (60 lb.)	Bu.	14,960	20,762	25,416	35,146	32,699	44,138	55,546	75,276
Flour, wholly of U.S. wheat (100 lb.)	Bag	1,227	1,597	5,160	7,123	2,641	3,162	11,534	13,972
Soybeans, except canned (60 lb.)	Bu.	738	3,498	2,889	9,110	1,714	7,934	6,739	20,848
Soybean oil, crude, refined, etc.	Lb.	2,165	9,747	337	1,525	2,786	16,004	432	2,556
Cottonseed oil, crude, refined, etc.	Lb.	22,369	25,169	2,780	4,450	66,594	100,278	8,329	15,879
Tobacco, flue-cured	Lb.	20,808	39,193	14,461	26,039	41,023	81,567	27,723	55,403
Tobacco, leaf, other	Lb.	6,282	5,625	3,560	3,861	14,910	11,839	7,999	8,107
Beans, dried	Lb.	8,960	14,979	717	1,240	21,692	32,962	1,832	2,721
Peas, dried except cowpeas and chickpeas	Lb.	4,419	1,801	271	153	9,377	3,424	649	293
Potatoes, white	Lb.	31,676	20,406	787	447	51,975	44,688	1,385	927
Vegetables, canned	Lb.	9,419	7,481	1,358	1,115	22,102	22,405	3,256	3,233
Food exported for relief, etc.				1,448	4,512			3,640	14,506
Other agricultural commodities				44,599	44,560			91,187	92,305
TOTAL AGRICULTURAL				190,438	222,062			403,665	477,442
TOTAL ALL COMMODITIES				1,145,754	1,218,520			2,427,058	2,474,588

a/ Product weight.

Compiled from tables appearing in "Foreign Agricultural Trade Statistical Report".

IMPORTS (FOR CONSUMPTION): August 1954 and 1955 and July-August 1954 and 1955

Commodity imported	Unit:	August			July-August		
		Quantity	Value	Quantity	Value	Quantity	Value
		1954	1955	1954	1955	1954	1955
		Thousands	Thousands	Thousands	Thousands	Thousands	Thousands
			dollars		dollars		dollars
Cattle, dutiable	No.	3	458	8	507	1,000	1,000
Cheese	Lb.	2,934	1,562	5,496	1,834	1,457	1,310
Hides and skins	Lb.	10,631	4,743	20,773	4,478	2,953	3,260
Beef and veal, total a/	Lb.	10,726	3,265	21,351	4,428	9,295	9,285
Pork, total a/	Lb.	14,269	9,478	27,957	9,082	6,467	8,039
Wool, unmd., excl. free, etc.	Lb.	14,057	11,986	27,737	12,146	18,597	19,300
Cotton, unmd., excl. lintars (480 lb.)	Bale:	10	2,172	19	1,523	23,403	23,401
Jute and jute butts, unmd. (2,240 lb.)	Ton	4	1,065	8	755	4,021	3,708
Olives in brine	Gal.	1,081	1,146	2,213	1,860	1,833	1,520
Pineapples, canned, prep. or preserved	Lb.	13,431	11,942	19,565	1,356	3,812	3,269
Pineapple juice	Gal.	817	362	1,301	138	2,232	2,754
Barley, grain (48 lb.)	Bu.	2,374	127	5,031	177	546	388
Oats, grain (32 lb.)	Bu.	382	117	3,194	117	6,297	872
Wheat, grain (60 lb.)	Bu.	406	282	499	473	2,380	626
Feeds and fodders	b/	b/	1,722	b/	725	1,144	1,021
Nuts and preparations	b/	b/	4,455	b/	4,610	3,947	1,555
Copra	Lb.	49,116	50,198	111,328	3,280	8,006	14,231
Oils, fats, waxes, veg. expressed	Lb.	44,488	6,506	79,620	5,223	7,912	6,857
Seeds, field and garden	b/	b/	1,615	b/	1,394	12,169	10,376
Sugar, cane (2,000 lb.)	Ton	374	41,740	723	42,086	2,141	2,044
Molasses, unfit for human consumption	Gal.	27,828	2,771	58,477	1,672	81,185	82,393
Tobacco, cigarette leaf	Lb.	7,780	5,278	14,296	5,125	6,027	4,467
Tobacco, other leaf	Lb.	1,613	2,410	2,623	1,876	9,630	9,257
Tomatoes, natural state	Lb.	2,495	163	4,331	94	4,037	3,604
Silk, raw	Lb.	856	3,676	1,310	2,914	283	136
Wool, unmd., free in bond	Lb.	12,645	7,060	26,996	11,525	5,629	4,002
Bananas	Bunch:	3,852	5,184	7,815	5,663	14,665	22,361
Coffee (incl. into Puerto Rico)	Lb.	115,886	90,417	245,295	94,141	10,275	10,959
Cocoa or cacao beans	Lb.	28,036	16,163	67,186	15,758	192,165	196,516
Tea	Lb.	5,765	2,853	11,552	3,787	39,430	24,350
Spices (complementary)	Lb.	6,817	3,395	11,096	3,248	5,908	7,156
Sisal and henequen (2,240 lb.)	Ton	11	2,149	21	1,544	5,351	6,155
Rubber, crude	Lb.	132,437	27,214	223,384	39,854	4,021	3,358
Other agricultural commodities			33,023		31,490	44,824	68,393
TOTAL AGRICULTURAL COMMODITIES						62,266	57,291
TOTAL ALL COMMODITIES			303,883		314,883	604,308	614,214
a/ Product weight.			826,626		959,163	1,646,886	1,838,049

b/ Reported in value only.

Compiled from tables appearing in the "Foreign Agricultural Trade Statistical Report".

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FOREIGN AGRICULTURAL TRADE



OF THE UNITED STATES

Digest

NOVEMBER 1955

Issued monthly by Foreign Agricultural Service, United States Department of Agriculture, Washington 25, D. C. Free within U. S. on request. Also available is the monthly Foreign Agricultural Trade Statistical Report, listing monthly and annual statistics on quantity and value of U. S. agricultural exports and imports, destinations, comparisons with previous year.

EXPORT HIGHLIGHTS

Agricultural exports 9 percent ahead through October this fiscal year.

Exports in the July-October period are estimated at \$990 million this year as compared with \$910 million last year, a gain of 9 percent. Values of all major commodity groups except cotton were up for the first 4 months this year over last: Grains and feeds, +39 percent; tobacco, +27 percent; vegetable fats, oils and oilseeds, +18 percent; fruits and vegetables, +7 percent; and livestock and products, +8 percent. Cotton exports were down 67 percent.

Shipments continued steady in October, but did not match heavy shipments a year ago. U. S. agricultural exports this October are estimated at \$255 million, somewhat better than the average of the first quarter but 18 percent less than a year ago when October shipments surged upward to \$312 million. Exports were lower this October than last for cotton, tobacco, and vegetable oils and oilseeds. On the other hand, grains, fruits and vegetables, and livestock products were about the same or slightly better.

Early-year gains not indicative for year as a whole. The impressive gains during the first third of this year are not reliable indicators of the comparative level for the year as a whole. Last year exports were relatively low in the first quarter; they reached unusually high levels during the October-December period, due especially to heavy cotton movement.

Early-year gains reflected Government programs. Of considerable importance in the improvement in the early months of the year were the Government export programs. Authorizations under Government programs made in 1954-55 have helped greatly to stimulate export sales of tobacco, grains, and vegetable fats, oils and oilseeds. Most of the shipments authorized last year were to have been completed by December, but extensions of delivery dates indicate that some authorizations will be carried over into the second half of this fiscal year. Most affected by these extensions is cotton.

COTTON

Cotton exports lagging. With October exports of cotton (excluding linters) indicated to be well under a year ago, total for the first 4 months of this fiscal year is estimated at 380 thousand bales (500 lbs. gross), far below

the 1 million bales shipped in July-October 1954. During most of 1955, foreign importers and mill operators have been buying only for minimum current needs in anticipation of lower prices. The record 1955 foreign crop is now moving into export markets at prices below those for comparable U. S. qualities. Sharply reduced foreign prices reflect in part efforts of other exporters to hasten liquidation of their holdings in expectation of possibly lower U. S. prices.

TOBACCO

Tobacco shipments still well ahead of last year. The impact of foreign currency sales under Title I of Public Law 480 has been particularly strong on tobacco exports so far this year. July-October shipments of about 260 million pounds are estimated at 30 percent ahead of last year.

GRAINS

Large foreign supplies caused lull in October wheat exports. Wheat and wheat flour exports in October this year are estimated from USDA grain inspections at 10.5 million bushels, about half as much as the shipments made a year ago and considerably under shipments in September. Lull was a reflection of a letdown in demand in anticipation of lower prices. Foreign supplies continue at high levels this year. For the July-October period, shipments estimated at close to 80 million bushels this year were about 10 percent ahead of a year earlier. This year's exports have been aided substantially by foreign currency sales and barter.

Barter was principal aid in feed grain shipments. Exports of feed grains in October, estimated from USDA inspections, continued moderately to well above a year earlier. For the first 4 months of this fiscal year, all items continued much improved over a year ago: Corn, up 20 million bushels; barley, up 16 million; grain sorghums, up 13 million; and oats, up 7 million. Barter exports during this period made a sizable contribution to the impressive gains in these four grains, accounting for nearly half the value of the shipments made; principal movements under barter were in corn and barley.

First quarter milled rice exports were 44 percent ahead this year. Milled rice shipments this September, latest month for which data are available, totaled 150 million pounds, one-third larger than a year earlier. First-quarter total was 328 million pounds this year as compared with 227 million last year, a gain of 44 percent. The first exports from the 1955 crop went out in September; first-quarter increase was mainly due to larger sales to Japan for yen.

VEGETABLE OILS AND OILSEEDS

Attractive prices helped to sell soybeans. October soybean inspections indicate exports of 6 million bushels, about the same as a year earlier. July-October shipments totaled 18 million bushels, double the quantity moved out a year ago. Relatively low prices for last year's then-record crop have been a prime factor in the expanded exports this year; CCC sales have helped exports.

TRADE NEWS ROUNDUP

November 28, 1955

This, in brief, is what is being reported to state extension specialists who today open their 33rd Annual Outlook Conference in Washington, D. C.:

Outlook for U. S. agricultural exports in fiscal year 1955-56 points to maintenance of the improved level reached last year.

- ...While the rest of the world is consuming more agricultural products than ever before, world supplies of most products remain plentiful. This, and lack of critical international tensions, make importers unwilling to carry large stocks; some expect price declines.
 - ...Other factors that work against further expansion in U. S. exports are continued discrimination against dollar products and scattered weaknesses in balance of payments positions (main example is the United Kingdom, our top customer last year).
 - ...On the other hand, many of our important customers have a higher level of dollar reserves or have access to U. S. Government export programs. But their actual takings from the United States will depend largely on price and other competitive factors.
- Export outlook by commodity for this fiscal year against last is:
- ...Wheat: About the same, despite increased supplies abroad. Government programs are helping to hold the line.
 - ...Rice: Some recovery from last year's severe setback. U. S. prices are more competitive now. Foreign exportable supplies are smaller.
 - ...Coarse grains: Moderate increases. Foreign livestock population is expanding. This year's European wheat crop is better quality; less will be fed. Europe should therefore import more corn, grain sorghums, barley and oats; and the United States has large supplies available at competitive prices.
 - ...Cotton: Down sharply, despite large commitments under Government export programs. Foreign production is up. Prices of foreign growths and, to a lesser extent, foreign mill demand are down.
 - ...Tobacco: Substantially better. Economic activity abroad is at a high level. Foreign production is about the same this year as last. Foreign stocks are low in relation to consumption. U. S. supplies are large. Foreign currency sales are increasing.
 - ...Fats and oils: Continued high level. U. S. supplies are large, and prices attractive. Foreign currency sales are gaining. But CCC stocks of cottonseed and linseed oils are now nearly liquidated, and heavy exports of these items will not be repeated this year.

...Dairy and poultry products: Some expansion, both in sales for dollars and for foreign currencies, with strong possibilities in sight for Western Europe.

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Recent progress in stimulating exports of hog products:

...Approximately 11 million pounds of lard (\$1.7 million) are included in Public Law 480 Title I agreement with Brazil announced November 16. This is the first Title I agreement to specify lard.

...S. T. Warrington, well-known livestock marketing specialist, left November 19 for Latin America. An important purpose is to promote the sale of top-quality U. S. lard in all countries he will visit.

...France has allocated \$400,000 for importation of hog livers. Effect should be to make U. S. hog livers less expensive to French makers of paté, who previously had to use "premium dollars."

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Some facts about U. S. agricultural exports:

...Major foreign markets in the past 2 years (\$ million):

	<u>1953-54</u>	<u>1954-55</u>		<u>1953-54</u>	<u>1954-55</u>
United Kingdom	281	436	Yugoslavia	50	122
Japan	473	341	Cuba	144	121
Canada	259	301	France	107	104
Netherlands	203	248	Italy	82	95
West Germany	249	244	Belgium	75	90

...Exports in 1954-55 represented the production of 30 million acres.

...Agriculture accounted for 21 percent of all U. S. exports in 1954-55.

...Exports as percent of the total quantity of U. S. products utilized in 1954-55:

	<u>Percent</u>		<u>Percent</u>
Wheat	32	Inedible tallow and grease	45
Cotton	28	Lard	23
Tobacco	30	Grain sorghums	31
Rice	48		

* * *

Soybean oil shipments still gaining. Soybean oil exports have improved since April. Although less was shipped in September than in August, September shipments of 2 million pounds were more than 800 thousand pounds larger than a year ago. July-September exports were 18 million pounds this year as against 4 million last year. Tighter cottonseed oil supplies have caused buyers to turn to alternative fats and oils, including soybean oil.

Cottonseed oil exports were 40 percent ahead so far this year. September cottonseed oil shipments totaling 50 million pounds were 21 million ahead of a year ago. With the virtual cessation of CCC sales for export, estimates for October point to a much lower export. July-October export estimates is 170 million pounds this year, 40 percent greater than last year.

ANIMAL FATS

Lard export advance continued. Lard exports in October continued to hold close to the monthly levels of a year ago; shipments are estimated at nearly 50 million pounds, well above the September total last year. July-October exports are estimated at over 140 million pounds, about one-tenth greater than for the like period a year ago. Lower prices resulting from heavy hog slaughter have been the main stimulating factor in recent export gains.

Tallow export volume still heavy. July-September tallow shipments this year averaged 100 million pounds a month, 6 million more than the average for the same period last year. This trend has most likely continued into October. Main factors in the heavy export volume are a favorable supply situation in the United States (heavy cattle slaughter, greater use of synthetic detergents, and attractive prices) and increased purchasing power abroad.

FRUITS AND VEGETABLES

First-quarter orange exports 75 percent ahead this year. July-September exports of oranges totaled 173 million pounds this year as compared with 99 million last year, a gain of 75 percent. Marketing of oranges this year was favored by larger domestic supplies of summer fruit and increased purchasing power abroad.

CCC sales for export helped bean market. After some recovery in dry edible bean exports through August this year, shipments in September declined below year-ago levels; total of 11 million pounds in September this year compared with 14 million last year. Exports in the July-September period totaled 44 million pounds, 8 million more than a year ago. The increase was due mainly to CCC sales for export at competitive prices.

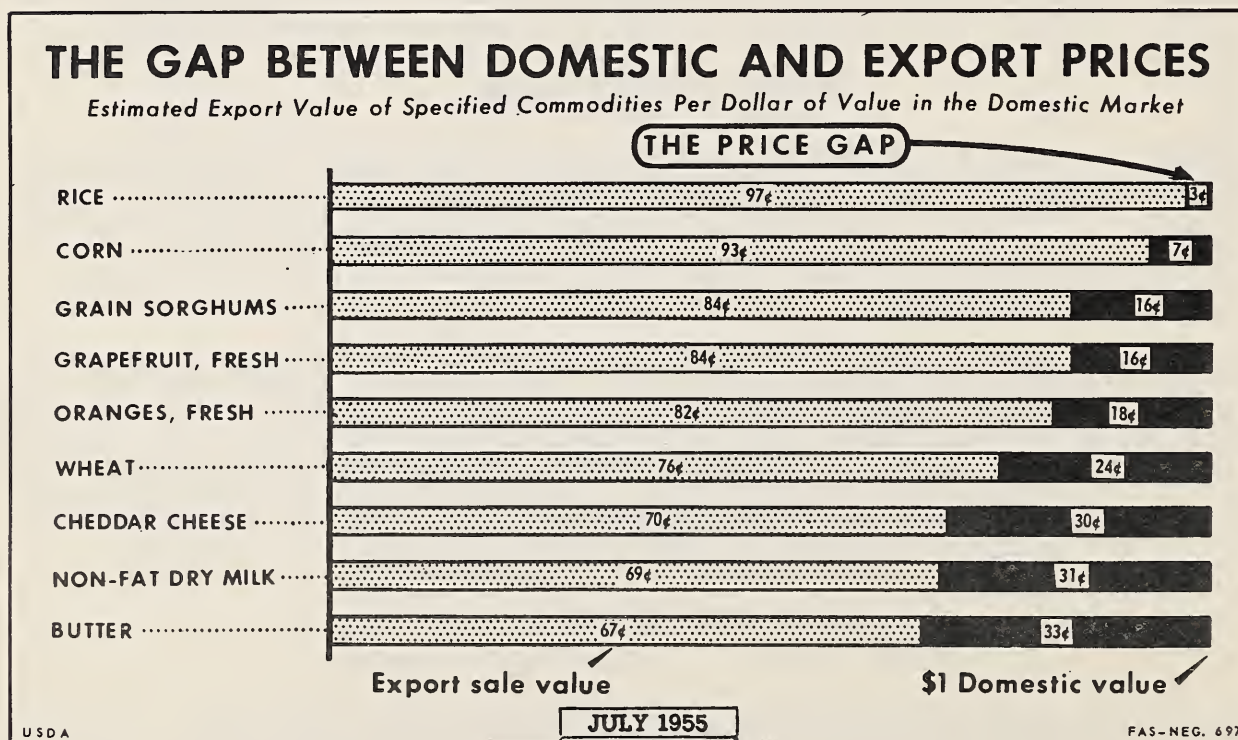
I M P O R T H I G H L I G H T S

September agricultural import value gained 18 percent this year. Agricultural imports this September, latest month for which data are available, were \$305 million, 18 percent more than in September 1954. Principal gain was in coffee, but rubber imports were moderately larger. Major value let-downs were in cacao beans where lower prices more than offset an increase in quantity, and in feed grains where plentiful supplies in the domestic market discouraged imports.

July-September imports 6 percent ahead. With the considerable increase in coffee imports in September, July-September imports totaled \$919 million this year as compared with \$863 million last year, a gain of 6 percent. For the quarter, most important value increases were in coffee and rubber; chief value decline was in cacao beans, due entirely to lower prices.

Agriculture accounted for a smaller share of imports so far this year. With industrial imports this year gaining at a more rapid rate than agricultural imports, agriculture's share of total imports for consumption was 33 percent in the first quarter of this fiscal year as against 36 percent a year ago. Agricultural imports are being held in check by plentiful supplies and unattractive prices in the domestic market. Industrial imports have been increasing to meet the demands of an advancing U. S. industrial economy.

All coffee imports continued to go into roasting channels. September imports for consumption totaled 195 million pounds this year as contrasted with 87 million last year, a gain of 124 percent. As was true also in August, all September arrivals went directly into roasting channels. October arrivals were 248 million pounds (at the rate of 132.276 pounds to the bag) this year as compared with imports of 115 million pounds a year ago; October arrivals this year were 116 percent larger than imports last year and 50 percent above imports in October 1953.



DOMESTIC EXPORTS: September 1954 and 1955 and July-September 1954 and 1955

Commodity exported	Unit:	September			July-September		
		Quantity	Value	Quantity	Value	Quantity	Value
		1954	1955	1954	1955	1954	1955
Cheese	Lb.	337	3,633	1,000	1,000	1,000	1,000
Milk, evaporated	Lb.	11,923	12,346	137	1,671	437	2,979
Milk, whole, dried	Lb.	3,724	2,871	1,762	1,819	5,253	5,174
Nonfat dry milk solids	Lb.	10,445	17,859	1,826	1,445	6,115	5,586
Eggs, in the shell	Doz.	6,288	5,601	1,310	1,585	3,002	5,427
Beef and veal, total ^{a/}	Lb.	3,079	2,426	1,893	2,044	5,031	5,728
Pork, total ^{a/}	Lb.	2,719	4,461	734	602	1,817	2,092
Lard	Lb.	25,344	30,545	939	1,281	3,722	3,507
Tallow, edible and inedible	Lb.	82,558	94,789	4,727	3,829	15,762	12,372
Cotton, unmd., excl. lintners (480 lb.)	Bale	209	123	5,919	7,675	21,368	24,007
Apples, fresh	Lb.	3,742	5,499	334	21,536	115,485	44,198
Oranges and tangerines	Lb.	26,936	35,938	2,068	2,023	13,130	1,209
Prunes, dried	Lb.	3,763	4,019	601	682	173,225	9,049
Raisins and currants	Lb.	6,582	26,342	809	2,468	9,361	1,547
Fruits, canned	Lb.	26,651	22,518	3,960	3,489	38,909	3,783
Fruit juices	Gal.	1,295	1,354	1,218	1,586	69,154	10,882
Barley, grain (48 lb.)	Bu.	2,417	7,790	3,166	7,828	4,624	5,889
Corn, grain (56 lb.)	Bu.	3,586	11,214	6,159	15,915	28,298	29,338
Grain sorghums (56 lb.)	Bu.	1,828	6,648	2,126	6,658	30,892	48,021
Rice, milled, excludes paddy	Lb.	112,636	150,401	8,287	10,758	22,634	22,929
Wheat, grain (60 lb.)	Bu.	12,074	14,242	20,209	23,896	328,091	23,110
Flour, wholly of U.S. wheat (100 lb.)	Bag	1,220	1,305	5,385	5,668	75,755	99,172
Soybeans, except canned (60 lb.)	Bu.	664	3,977	2,011	9,718	16,919	19,640
Soybean oil, crude, refined, etc.	Lb.	1,216	2,075	197	312	8,751	30,566
Cottonseed oil, crude, refined, etc.	Lb.	28,841	50,192	3,511	8,573	629	2,868
Tobacco, flue-cured	Lb.	41,138	79,073	29,725	54,406	11,840	23,452
Tobacco, leaf, other	Lb.	4,230	6,072	3,044	3,641	57,447	109,809
Beans, dried	Lb.	14,204	11,195	1,167	885	11,044	11,748
Peas, dried, except cowpeas & chickpeas	Lb.	5,052	2,163	328	198	2,999	3,606
Potatoes, white	Lb.	42,256	45,068	1,003	941	977	491
Vegetables, canned	Lb.	7,338	8,507	1,142	1,234	2,388	1,868
Food exported for relief, etc.				781	9,633	4,398	4,467
Other agricultural commodities				39,856	43,362	4,421	24,139
TOTAL AGRICULTURAL				194,125	257,879	131,041	136,668
TOTAL ALL COMMODITIES				1,100,836	1,239,063	597,791	735,321
^{a/} Product weight.							3,527,894
Compiled from tables appearing in the "Foreign Agricultural Trade Statistical Report".							3,713,651

IMPORTS (for consumption): September 1954 and 1955 and July-September 1954 and 1955

Commodity imported	Unit	September		Value		Quantity		July-September	
		1954	1955	dollars	1954	1955	1954	dollars	1955
Cattle, dutiable	No.	2	2	293	1,000	1,000	10	1,750	1,000
Cheese	Lb.	4,972	3,174	2,541	1,667	1,667	10,468	5,494	4,928
Hides and skins	Lb.	8,678	7,075	3,554	3,012	3,012	29,451	12,849	12,680
Beef and veal, total a/	Lb.	7,557	12,244	2,295	3,866	3,866	28,907	8,762	11,905
Pork, total a/	Lb.	13,013	11,681	9,214	7,900	7,900	40,970	27,811	27,200
Wool, unmd., excl. free, etc.	Lb.	11,638	11,319	10,655	11,457	11,457	39,376	34,058	34,857
Cotton, unmd., excl. lintners (480 lb.)	Bale	7	24	1,380	3,831	3,831	25	5,401	7,539
Jute and jute butts, unmd. (2,240 lb.)	Ton	4	2	612	417	417	12	2,445	1,937
Olives in brine	Gal.	745	1,223	1,242	2,047	2,047	2,958	5,054	5,316
Pineapples, canned, prep. or preserved	Gal.	4,912	2,935	603	367	367	24,477	2,836	3,121
Pineapple juice	Gal.	557	49	231	20	20	1,857	776	408
Barley, grain (48 lb.)	Bu.	2,791	346	3,815	494	494	7,822	10,111	1,367
Oats, grain (32 lb.)	Bu.	696	86	616	87	87	3,890	2,996	713
Wheat, grain (60 lb.)	Bu.	224	464	434	717	717	723	1,578	1,738
Feeds and fodders	b/	b/	b/	1,303	879	b/	b/	5,250	2,433
Nuts and preparations	b/	b/	b/	4,771	5,670	b/	b/	12,776	19,901
Copra	Lb.	68,033	84,027	4,771	5,423	5,423	179,361	12,683	12,279
Oils, fats, waxes, veg. expressed	Lb.	38,282	33,561	5,469	5,466	5,466	117,902	17,639	15,842
Seeds, field and garden	b/	b/	b/	1,504	1,516	b/	b/	3,645	3,560
Sugar, cane (2,000 lb.)	Ton	285	304	30,611	32,656	32,656	1,008	111,796	115,050
Molasses, unfit for human consumption	Gal.	14,420	20,979	1,355	1,893	1,893	72,897	7,382	6,359
Tobacco, cigarette leaf	Lb.	6,879	7,296	4,733	5,018	5,018	21,174	14,363	14,275
Tobacco, other leaf	Lb.	1,655	1,192	2,477	1,888	1,888	4,279	6,514	5,493
Tomatoes, natural state	Lb.	22	271	1	16	16	4,353	284	152
Silk, raw	Lb.	524	876	2,157	3,822	3,822	1,833	7,786	7,824
Wool, unmd., free in bond	Lb.	13,180	15,942	7,656	9,502	9,502	40,176	22,320	31,862
Bananas	Bunch	3,572	3,769	4,829	5,554	5,554	11,387	15,104	16,512
Coffee (incl. into Puerto Rico)	Lb.	87,123	195,301	64,804	96,678	96,678	332,418	256,969	293,195
Cocoa or cacao beans	Lb.	32,345	36,515	17,287	11,341	11,341	99,531	56,717	35,691
Tea	Lb.	7,114	8,695	3,826	4,429	4,429	18,666	9,734	11,585
Spices (complementary)	Lb.	9,160	6,627	4,569	2,535	2,535	20,256	9,920	8,690
Sisal and henequen (2,240 lb.)	Ton	10	10	1,712	1,561	1,561	31	5,734	4,919
Rubber, crude	Lb.	108,903	113,028	22,564	37,757	37,757	332,287	67,388	106,120
Other agricultural commodities				35,223	34,931	34,931		97,490	91,871
TOTAL AGRICULTURAL COMMODITIES				259,107	304,812	304,812		863,415	919,026
TOTAL ALL COMMODITIES				776,993	950,981	950,981		2,423,879	2,789,031

a/ Product weight.

b/ Reported in value only.

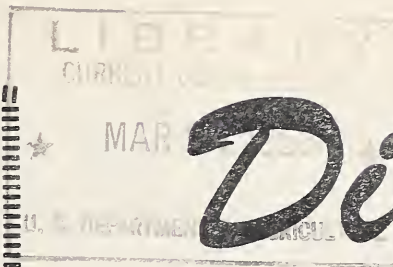
Compiled from tables appearing in the "Foreign Agricultural Trade Statistical Report".

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FOREIGN AGRICULTURAL TRADE



OF THE UNITED STATES



Digest

DECEMBER 1955

Issued monthly by Foreign Agricultural Service, United States Department of Agriculture, Washington 25, D. C. Free within U. S. on request. Also available is the monthly Foreign Agricultural Trade Statistical Report, listing monthly and annual statistics on quantity and value of U. S. agricultural exports and imports, destinations, comparisons with previous year.

Starting with this number, the DIGEST is being issued about 10 days earlier in the month. Due to differences in dates of availability, information on exports will normally be reported more currently than on imports.

EXPORT HIGHLIGHTS

Agricultural exports 4 percent ahead through November this year. Exports of U. S. agricultural commodities during the July-November period this year are estimated at \$1,300 million, 4 percent more than the \$1,243 million in the like months last year. Except for cotton, export values of principal commodity groups were ahead this year: Grains and feeds 35 percent, tobacco 25 percent, livestock products 10 percent, fruits and vegetables 9 percent, and vegetable oils and oilseeds 3 percent. Export value of cotton was less than half that of a year ago.

November shipments well above first-quarter rate but below a year ago. Agricultural exports in November this year are estimated close to \$275 million, 11 percent greater than the average of the first quarter (July-September) this year but 18 percent smaller than in the month of November 1954, when exports totaled \$332 million. Chief differences between November this year and the like month last year: Smaller exports of cotton and of vegetable oils and oilseeds, increases in grains and feeds. Changes in livestock products, tobacco, and fruits and vegetables were not significant.

COTTON

Cotton exports--although aided by sales for foreign currencies--still less than half of a year ago. Cotton exports (excluding linters) in November this year are estimated from trade sources at 58 percent less than a year earlier when shipments totaled 404 thousand bales. From July through October officially reported shipments of 449 thousand bales (500 lbs. gross weight) this year compared with 1,010 thousand last year, 56 percent less. About half of the shipments made thus far this season have gone out as the result of sales for foreign currencies under Title I of Public Law 480; exports for foreign currencies under the International Cooperation Administration program (Section 402, Public Law 665) accounted for another sizable share of the total; these shipments were made mostly against last year's authorizations. Foreign countries have been buying only for minimum current

needs in expectation of lower prices for U. S. cotton: CCC will offer up to 1 million bales of 15/16 inch and shorter cotton on a competitive bid basis beginning January 3, 1956, under a special export program. Meanwhile, foreign exporting countries, possessed of record crops this year, have sharply reduced their prices to hasten liquidation of their holdings.

TOBACCO

Tobacco exports continuing to reflect last year's Title I sales. Tobacco exports are estimated at 330 million pounds for the July-November period this year, 28 percent more than a year ago when shipments amounted to 258 million pounds. More tobacco was exported this fiscal year than last year in July, August, September, and November; the 85 million pounds shipped in October fell 13 million short of the record attained in October 1954. Main stimulating factor in recent exports has been sales made for foreign currencies under Title I of Public Law 480; however, prosperous economic conditions in Europe have also been responsible for a high level of tobacco consumption there. Exports for the year as a whole are expected to be about 15 percent ahead of last year, or about half of the gain achieved during the first 5 months.

GRAINS

Lull in wheat shipments again attributed to large foreign supplies. November exports of wheat and wheat flour are estimated from USDA grain inspections at 17 million bushels this year, 4 million less than the total shipped a year ago. July-November shipments were 98 million bushels this year, slightly above the 96 million bushels shipped in the like period last year. Export gains made during the first quarter (July-September) were nearly wiped out by a lull in exports during October and November. More than half of the increase during the first quarter was the result of barter shipments against commitments outstanding last year; barter exports in that quarter amounted to 21 million bushels. A year earlier, July-September barter shipments were negligible. Exports of wheat for the year as a whole (including shipments outside of as well as under programs) are expected to be about the same as the 274 million bushels moved out last year. Foreign supplies continue at high levels this year.

Feed grain exports continued to advance. Exports of feed grains were still very strong in November, according to USDA inspections. Barter shipments of corn, grain sorghums and barley have been impressive and have helped swell this season's total export of feed grains. July-November totals this year compare with last year as follows: Corn, 53 million bushels, up 119 percent; barley, 41 million bushels, up 191 percent; grain sorghums, 33 million bushels, up 148 percent; and oats, 10 million bushels, up 1,600 percent. Foreign takings of feed grains are larger this year due to increased feeding requirements and reduced supplies of feed wheat in Europe. Much of Europe's poor quality wheat last year had to be fed; this year's wheat crop is of better quality and is going largely into human consumption.

TRADE NEWS ROUNDUP

December 23, 1955

Representatives of trade groups and farm organizations met with USDA officials in Washington on December 6 to consider plans for use of foreign currencies in promoting exports of agricultural products. USDA sales for foreign currencies are expected to make about \$18 million available for export promotion projects in the next 2 years. Intention is to have trade cooperate and share in expense of projects. Trade promotion measures now used or being considered include:

- ...individual commodity projects
- ...exchange visits by buyers and specialists
- ...international trade fairs
- ...trade centers for display and promotion of products
- ...market analyses
- ...nutritional education projects

Stepped-up USDA participation in trade fairs as a promotional technique can be expected. U. S. agriculture's exhibits at the Bogota, Colombia, Fair, November 25-December 11, were widely acclaimed. Novel attractions included a fashion show by the U. S. Maid of Cotton, appearances by the U. S. Dairy Princess, samples of milk and ice cream from a recombining plant, small loaves of bread made from U. S. wheat flour, and cakes made from U. S. prepared mixes. A million persons attended the Fair. Future agricultural participation is being considered for fairs in April at Osaka, Japan; Milan, Italy; and in September at London, England. The latter would be cooperative with the Department of Commerce.

* * *

Progress toward the relaxation of foreign import restrictions that the United States considers unduly severe was made at the 10th Session of the Contracting Parties to the General Agreement on Tariffs and Trade (GATT) that closed December 3. U. S. representatives talked with delegates of Brazil, Finland, France, Italy, West Germany, Norway, Sweden, and the United Kingdom on such commodities as cotton, wheat, fruits, vegetable oils and oilseeds, vegetable and pasture seeds, and offals.

The GATT Session also showed that foreign countries are still concerned with the impact of U. S. surplus disposal programs on their markets. They are watching U. S. actions closely and urging continued consultation to achieve orderly liquidation of surpluses and to avoid prejudice to the interest of other countries. Fortunately, there is growing realization abroad that U. S. programs are being conducted in a way that does not disrupt world markets or seriously impinge on other producing countries normal trade.

Next GATT activity: 4th round of tariff negotiations at Geneva, Switzerland, beginning January 18, 1956. As in the past, the United States will negotiate for tariff concessions under authority of the Trade Agreements Act, product by product, on a reciprocal basis.

USDA sales for commercial export continue to move substantial quantities of agricultural commodities:

- ...Cheddar cheese sales through December 12 totaled 2.4 million pounds under new competitive-price program announced on November 15. This quantity compares with 880 thousand pounds sold in 20 months previous under announced-price procedure.
- ...USDA butter sales totaled 14 million pounds from June 1954 through December 14, 1955. France is now in the market for more than 2 million pounds under ICA's foreign-currency program.
- ...USDA nonfat dry milk sales from May 1954 through December 6 totaled over 15 million pounds.
- ...Starting December 1, CCC has been offering rough rice, for nonfood use, on a bid basis from its inventory of 1.8 million bags of 1954 crop rice.

* * *

On December 15, Secretary Benson announced an enlarged program of donations to private welfare agencies for overseas distribution: Wheat, corn, rice, and dry beans were added to the list of eligible commodities. Last year's donations totaled \$246 million, mostly dairy products. In the 2½-year period up to December 5, over 1 billion pounds of USDA-owned dairy products had been disposed of this way. On that date, CCC requested offers to process 111 million pounds more.

* * *

Recombined milk is increasing in popularity in the milk-deficient Far East. India has just opened an \$800,000 plant in Bombay, partly financed by the United Nations and New Zealand under the Colombo Plan. Australia is reported to have promised Singapore a plant under the Colombo Plan.

George M. Strayer, just returned from a study of soybean markets in Japan for USDA, reports: U. S. market for soybeans in Japan can be maintained and expanded despite Manchurian competition; but still more effort to improve quality is needed. In Japan, all of the oil and 90 per cent of the cake are used for food; that is why foreign material must be kept down. Practical measures to improve quality are the next step.

* * *

Notice to exporters: Be careful not to ship before import licenses, if required, are issued. Several exporters have recently caused themselves difficulty by shipping before fully authorized.

* * *

FAS' European tobacco marketing specialists are reporting difficulty in foreign purchasing of U. S. flue-cured leaf because so much of the 1955

Yen sales to Japan boosting rice exports. July-September milled rice shipments this year totaled 328 million pounds, 44 percent more than a year ago; October shipments of 149 million pounds were ahead of the year before by 65 percent. November shipments are expected to total about 100 million pounds this year, some 45 million less than in November 1954. July-November total of over 575 million pounds compares with 373 million in the like period of 1954 and 681 million in the July-November period of 1953. Large shipments to Japan against yen sales under the 1954-55 Title I, Public Law 480, program have helped materially to improve this year's rice export situation. In addition, Title II export programs are in operation for Bolivia, French West Africa, British Honduras, India, Cambodia, and Laos; this rice is being used for emergency relief in areas hit by flood and hurricane.

VEGETABLE OILS AND OILSEEDS

Soybean exports now more favorable. With November soybean exports estimated from USDA inspections at 10 million bushels, total for the July-November period of 31 million bushels this year was 46 percent larger than last year. Exports have become a major outlet for U. S. soybeans: Last year 17 percent of the crop; 1953, 14 percent; 1952, 11 percent; 1951, 6 percent. Biggest current advantage of U. S. soybeans in foreign markets is the lower price: 20 percent under a year ago and competitive with Manchurian beans. Requirements are larger in Western Europe and Canada as well as in Japan, our top market; high oil content of U. S. beans makes them especially favored by foreign crushers.

Smaller world supplies of alternative oils increasing interest in U. S. soybean oil. Improvement in soybean oil exports since last April continued into October: 12 million pounds this year as against 5 million last year. July-October total of 30 million pounds this year was over three times exports a year ago. Foreign buyers have had to turn more toward soybean oil in the absence of adequate offerings of alternative fats and oils. World supplies of sunflower and olive oils are short and oil inventories abroad reduced.

Cottonseed oil exports now under a year ago. Shipments of cottonseed oil this year largely reflect the tail end of CCC sales for export. These shipments were heavy in the first quarter: July-September total was 150 million pounds this year as compared with 95 million last year. October shipments were 22 million pounds, slightly less than a year ago. November shipments are estimated at about the same amount as in October which is one-fourth of the 110 million pounds shipped in November a year ago. While shipments under this program are tapering off, substantial sales remain to be lifted. Despite this season's larger cottonseed crop, exports in this fiscal year will fall short of the 624 million pounds exported last year, when huge quantities moved from CCC inventories. With the strong foreign demand for fats and oils, smaller availabilities of U. S. cottonseed oil are increasing foreign interest in to other types.

ANIMAL FATS

Favorable prices encouraging growth in lard exports. Lard exports are estimated from certifications at 70 million pounds in November this year

as compared with 56 million in October this year and 55 million in November a year ago. July-November export total of more than 220 million pounds was about 20 percent greater than a year ago. Main advantage of U. S. lard is the lower price due to heavy hog slaughter; however, lard is sharing in the general gain for fats and oils due to the high rate of foreign consumption in a more prosperous world.

Exports drain surplus tallow output. Continuation of this year's higher rate of tallow exports into November is likely, with a new high for the year as a whole in prospect. October shipments totaled 101 million pounds this year, 13 million more than a year ago. Average of the first 4 months (July-October) this year is 100 million pounds, 8 million above last year. Main factor in the heavier volume of exports is the improved purchasing power abroad; in addition, U. S. supplies are larger as heavy cattle slaughter continues. Domestic consumption has been relatively stable in the past 4 years.

FRUITS AND VEGETABLES

Season looks good for fruit. Prospects for exports of fresh and processed fruit point to greater market opportunities in Western Europe during the 1955-56 season than in 1954-55. Better business conditions and improved standards of living have increased the demand for fruit there. Other favorable factors include liberalized foreign import restrictions and shorter foreign supplies of deciduous fruit. Mediterranean winter citrus fruit supplies, though larger, will be mostly out of the way by spring when U. S. fresh citrus exports reach their peak.

July-October exports to all markets this year as compared with last year were as follows:

...Fresh apples	20 million pounds, no change
...Fresh oranges	202 " " , up 69 million
...Dried prunes	23 " " , up 6 million
...Raisins	55 " " , up 18 million
...Canned fruits	94 " " , up 11 million
...Fruit juices	7.3 " gallons, up 0.4 million

Dried bean exports through October about equal to a year ago. Exports of dried beans for the July-October period this year totaled 63 million pounds, 1 million more than a year ago. Export demand is expected to drop substantially as the result of a better crop in Europe. Last year European supplies were extremely tight because of a virtual crop failure.

I M P O R T H I G H L I G H T S

Latest available statistics.....September 1955.
See DIGEST for November 1955.

DOMESTIC EXPORTS: October 1954 and 1955 and July-October 1954 and 1955

Commodity exported	Unit	October				July-October			
		Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
		1954	1955	1954	1955	1954	1955	1954	1955
		Thousands	Thousands	dollars	dollars	Thousands	Thousands	dollars	dollars
Cheese	Lb.	508	3,939	208	1,382	1,586	10,797	644	4,362
Milk, evaporated	Lb.	10,526	10,407	1,566	1,538	46,058	44,922	6,819	6,712
Milk, whole, dried	Lb.	2,821	3,988	1,419	2,012	15,009	15,348	7,534	7,598
Nonfat dry milk solids	Lb.	5,354	17,712	685	2,189	28,662	70,008	3,687	7,616
Eggs, in the shell	Doz.	7,892	6,392	2,275	2,372	23,081	21,616	7,306	8,100
Beef and veal, total	Lb.	2,346	3,100	620	713	9,272	11,099	2,436	2,806
Pork, total	Lb.	4,995	6,441	1,449	1,485	16,915	18,775	5,171	4,992
Lard	Lb.	46,022	56,426	8,008	7,519	130,221	152,528	23,770	19,891
Tallow, edible and inedible	Lb.	87,932	100,625	6,607	8,393	369,776	402,742	27,975	32,400
Cotton, unmd., excl. lintners (480 lb.)	Bale	366	202	67,410	35,412	1,010	449	182,895	79,610
Apples, fresh	Lb.	7,762	6,553	641	613	19,937	19,683	1,689	1,822
Oranges and tangerines	Lb.	34,163	29,082	2,115	1,620	133,185	202,306	9,122	10,670
Prunes, dried	Lb.	10,810	13,709	1,825	2,637	17,330	23,070	2,945	4,183
Raisins and currants	Lb.	6,545	16,031	969	1,795	37,278	54,939	3,704	5,578
Fruits, canned	Lb.	17,103	24,597	2,664	3,920	83,281	93,732	12,540	14,802
Fruit juices	Gal.	1,246	1,221	1,182	1,571	6,871	7,301	5,807	7,391
Barley, grain (48 lb.)	Bu.	2,810	9,142	3,703	10,725	10,998	37,440	13,655	40,063
Corn, grain (56 lb.)	Bu.	4,907	11,239	8,371	15,828	20,510	42,131	34,459	63,849
Grain sorghums (56 lb.)	Bu.	3,019	3,357	3,498	3,699	12,964	25,991	13,770	26,629
Rice, milled, excludes paddy	Lb.	89,793	148,938	7,191	9,570	316,984	477,029	25,658	32,679
Wheat, grain (60 lb.)	Bu.	17,082	7,153	27,920	11,394	61,855	65,533	103,675	110,566
Flour, wholly of U.S. wheat (100 lb.)	Bag	1,531	1,805	6,773	7,785	5,392	6,273	23,692	27,425
Soybeans, except canned (60 lb.)	Bu.	6,418	8,827	17,939	21,485	8,796	20,738	26,689	52,051
Soybean oil, crude, refined, etc.	Lb.	4,944	12,060	803	1,760	8,946	30,139	1,432	4,628
Cottonseed oil, crude, refined, etc.	Lb.	25,486	22,210	3,215	3,486	120,921	172,680	15,055	26,938
Tobacco, flue-cured	Lb.	91,466	78,260	66,100	53,763	173,627	238,900	123,548	163,571
Tobacco, leaf, other	Lb.	6,967	6,756	3,917	4,411	26,108	24,668	14,960	16,160
Beans, dried	Lb.	26,162	18,872	1,778	1,414	62,058	63,029	4,777	5,020
Peas, dried (ex. cowpeas and chickpeas)	Lb.	23,413	6,943	1,438	601	37,842	12,531	2,415	1,092
Potatoes, white	Lb.	74,891	69,169	1,506	1,639	169,122	158,925	3,895	3,507
Vegetables, canned	Lb.	10,004	12,581	1,362	1,840	39,445	43,493	5,760	6,307
Food exported for relief, etc.				1,640	8,621			6,061	32,760
Other agricultural commodities				55,206	56,980			186,249	193,645
TOTAL AGRICULTURAL				312,003	290,102			909,794	1,025,423
TOTAL ALL COMMODITIES				1,251,817	1,384,895			4,779,712	5,098,546

a/ Product weight.
Compiled from tables appearing in the "Foreign Agricultural Trade Statistical Report".

crop consisted of the undesired "pale and slick" variety. U. S. tobacco has enjoyed a favored market overseas because of its quality. Any compromise with quality will hurt sales and tend to stimulate further growth of overseas production. In order to forewarn growers, USDA announced on December 2 that it will discount "pale and slick" tobaccos in its 1956 price-support program.

Look for smaller winter citrus exports to Europe; reason is the larger Mediterranean crop. Other fruit export prospects are bright this season.

* * *

A school lunch program in Italy in which ICA is cooperating (P.L. 480, Title II) is moving considerable quantities of U. S. agricultural commodities. Recent announcements involve repackaging 1 million pounds of CCC-owned butter, processing and packaging 4.7 million pounds of cheddar cheese, exchanging CCC-owned wheat for 15.2 million pounds of trade-owned flour, processing and packaging 1.6 million pounds of cottonseed cooking oil, and purchasing 2.6 million pounds of nonfat dry milk.

* * *

USDA's current fiscal year's program of export sales for foreign currencies (P.L. 480, Title I) shaped up as follows at the end of November:

...Seven agreements: Brazil, Ecuador, France, Israel, Peru, Spain, and Yugoslavia.

...Dollar value: CCC cost, \$161 million.

...Major commodities:

Wheat	33,280,000 bushels
Feed grains	136,000 metric tons
Cotton	13,000 bales
Tobacco	1,567,000 pounds
Fats and oils	122,895,000 pounds
Dairy products	5,500,000 pounds

...Shipments reported at CCC cost July 1-November 23 this year total \$185,224,000 (total in last fiscal year was \$106,617,000).

* * *

Spain has quickly completed purchases under authorizations issued several weeks ago through Title I of P.L. 480 for \$10 million of soybean oil and is in the process of purchasing \$5 million of meat and \$1 million of eggs under Section 402 of P.L. 665.

U. S. wheat sales under the International Wheat Agreement this season are running behind those of other major suppliers. U. S. sales through December 13 were 18 percent of its guarantee. Other countries (through December 9): Canada, 23 percent; Australia, 38 percent; France, 106 percent.