

THIS REPORT CONTAINS ASSESSMENTS OF COMMODITY AND TRADE ISSUES MADE BY USDA STAFF AND NOT NECESSARILY STATEMENTS OF OFFICIAL U.S. GOVERNMENT POLICY

Voluntary Public

Date: 1/31/2017

GAIN Report Number: KS1703

Korea - Republic of

Post: Seoul

Grain and Feed Update

Report Categories:

Grain and Feed

Approved By:

Ross G. Kreamer

Prepared By:

Sunchul Choi//Amanda F. Hinkle

Report Highlights:

The government of Korea has approved the use of 470,000 MT (milled basis) of rice stocks for feed use in Calendar Year (CY) 2017, a quantity more than five times larger than in CY 2016. This policy will have the effect of increasing rice prices and depleting old and deteriorating stocks, but it will also lead to a decrease in the overall demand for other feed grains. Due to the relative price competitiveness of feed grade corn over feed grade wheat, Post forecasts lower consumption and imports for feed grade wheat in Marketing Year (MY) 2016/17 relative to previous projections. Meanwhile, the projections for consumption and corn imports in MY2016/17 remain unchanged. Production forecasts are not changed in this report.

General Information:
WHEAT

Production:

The wheat production forecast remains unchanged from the previous report.

Table 1

Korea: Wheat Production			
Crop Year	Harvested Area(Hectare)	Yield(MT/HA)	Production(MT)
2006	1,738	3.34	5,810
2007	1,928	3.81	7,624
2008	2,549	4.06	10,359
2009	5,067	5.15	26,087
2010	12,548	3.12	39,116
2011	13,044	3.35	43,677
2012	9,467	3.91	37,014
2013	7,373	3.68	27,130
2014	7,180	3.26	23,409
2015	10,076	2.62	26,433
2016	10,702	3.36	36,000 ^{a/}

Source: Ministry for Agriculture, Food, and Rural Affairs (MAFRA), Statistics Korea (KOSTAT)

a/ FAS/Seoul forecast based on five-year average yield with acreage surveyed by KOSTAT

Consumption:

The MY 2016/17 forecast for wheat consumption is revised down to 4.4 million metric tons (MMT) from the previous estimate of 5.0 MMT, as feed grade wheat has been less price competitive than feed grade corn since November 2016, leading to fewer new contracts for wheat (Table 7).

Table 2

Korea: Post Estimates of Domestic Wheat Use (1,000 MT, July/June)				
Year	2013/14	2014/15	2015/16 ^{c/}	2016/17 ^{c/}
Imported Milling Wheat ^{1/}	2,132	2,165	2,203	2,150
Imported Milling Wheat ^{2/}	180	180	190	200
Flour Imports ^{a/}	30	44	50	60
Flour Exports ^{a/}	58	61	56	60
Pasta Imports ^{a/}	150	143	149	150
Pasta Exports ^{a/}	140	135	156	150
Local Wheat	27	23	26	36
FSI Consumption^{b/}	2,321	2,359	2,406	2,386
Feed Wheat	1,936	1,490	1,728	2,000
Total Consumption^{b/}	4,257	3,849	4,134	4,386

Source: Korea Feed Association (KFA), Korea Flour Millers Industry Association (KOFMIA) and Korea Customs Service (KCS)

1/ KOFMIA members

2/ Non- KOFMIA member

a/ Wheat basis

b/ Includes local wheat, flour imports and pasta imports but excludes flour exports and pasta exports

c/ FAS/Seoul forecast

Table 3

Korea: Monthly Wheat Use

(1,000 MT)						
Month	Feed Wheat			Milling Wheat a/		
	MY 2014/15	MY 2015/16	MY 2016/17	MY 2014/15	MY 2015/16	MY 2016/17
July	129	124	180	183	181	176
August	121	119	174	175	170	180
September	126	124	183	166	178	173
October	134	151	211	179	182	178
November	130	140	191	172	169	179
Subtotal	640	658	939	875	880	886
December	143	151	na	186	189	Na
January	123	135	na	194	191	Na
February	103	138	na	152	160	Na
March	116	153	na	183	188	Na
April	120	142	na	176	178	Na
May	119	167	na	172	170	Na
June	125	186	na	177	178	Na
Total	1,490	1,728	na	2,115	2,134	Na

Source: KFA and KOFMIA

a/ Includes wheat flour exports, but excludes the portion used in soy-sauce production

Trade:

The MY 2016/17 wheat import forecast is revised down to 4.6 MMT from 5.1 MMT in the previous report. This change reflects the impact of lowered price competitiveness of feed grade wheat relative to feed grade corn (Table 7 & 20). The price disparity between these commodities has widened since November 2016, which is expected to reduce the number of upcoming contracts for feed wheat in the remainder of the marketing year. Meanwhile, the previous forecast of 2.6 MMT of wheat imported for milling purposes (including flour and pasta imports on a wheat equivalent basis) remains unchanged. As of early January 2017, Korean feed millers have completed contracts for delivery of feed grade wheat for the first nine months of MY 2016/2017 (Jul/Jun) of approximately 1.5 MMT.

Wheat imports will also be affected by the recent announcement from the Korean government that they will convert 470,000 MT of old rice into animal feed in CY 2017, thereby reducing the burden on domestic rice prices caused by a high level of rice ending stocks. As a result, feed producers are expected to use a lower quantity of feed grade wheat in MY2016/17, as an additional quantity of rice is added to the blend of feed grains.

Table 4

Korea: Wheat Imports (1,000 MT, Customs Cleared Basis)					
Marketing Year (July/June)	Feed Wheat	Milling Wheat	Flour Imports ^{1/}	Pasta Import ^{1/}	Total
05/06	1,536	2,220	41	101	3,898
06/07	976	2,298	69	108	3,451
07/08	565	2,317	105	117	3,104
08/09	1,151	2,058	69	105	3,383
09/10	2,164	2,071	127	119	4,481
10/11	2,075	2,520	63	123	4,781
11/12	2,868	2,169	42	122	5,201
12/13	2,820	2,461	39	135	5,455
13/14	1,948	2,181	30	150	4,309
14/15	1,391	2,370	44	143	3,948
15/16	1,812	2,415	50	149	4,426
16/17 ^{2/}	2,000	2,350	60	150	4,560

Source: Korea Customs Service

1/ Wheat basis

Table 5

Korea: Monthly Wheat Imports (1,000 MT)						
Month	Feed Wheat			Milling Wheat		
	MY 2014/15	MY 2015/16	MY 2016/17	MY 2014/15	MY 2015/16	MY 2016/17
July	87	162	180	178	244	225
August	35	58	130	189	133	160
September	149	212	203	182	224	179
October	230	200	305	237	201	186
November	117	191	208	179	195	211
December	97	110	207	206	217	159
Sub Total	715	933	1,233	1,171	1,214	1,120
January	143	50	na	212	190	na
February	64	174	na	168	192	na
March	213	143	na	189	192	na
April	48	107	na	227	227	na
May	143	214	na	194	207	na
June	65	191	na	209	193	na
Total	1,391	1,812	na	2,370	2,415	na

Source: Korea Customs Service

Table 6

Korea: MY 2016/17 Monthly Wheat Imports by Origin (1,000 MT, based on Customs Clearance)						
Country	U. S.	Australia	Canada	Ukraine	Other	Total
Milling Wheat						
2016 July	53	158	14	0	1	226
August	89	70	0	0	1	160
September	114	56	9	0	1	180
October	100	64	22	0	1	187
November	54	147	10	0	1	212
December	125	28	5	0	1	159
Total(Jul-Dec) 2016	535	523	60	0	6	1,124
Total(Jul-Dec) 2015	543	574	92	0	4	1,213
Feed Wheat						
2016 July	0	0	0	63	117	180
August	0	0	0	26	104	130
September	0	0	0	118	85	203
October	0	0	0	267	39	306
November	0	0	0	202	6	208
December	0	0	0	188	19	207
Total(Jul-Dec) 2016	0	0	0	864	370^{a/}	1,234
Total(Jul-Dec) 2015	0	0	0	657	275	932
Total Wheat						
2016 July	53	158	14	63	118	406
August	89	70	0	26	105	290
September	114	56	9	118	86	383
October	100	64	22	267	40	493
November	54	147	10	202	7	420
December	125	28	5	188	20	366

Total(Jul-Dec) 2016	535	523	60	864	376	2,358
Total(Jul-Dec) 2015	543	574	92	657	279	2,145

Source: Korea Customs Service

a/ Argentina (166,554 MT); France (10,500MT); Bulgaria (10,500MT); Russia (59,551 MT) and Romania (63,184MT)

Table 7

Korea: MY 2016/17 Feed Wheat Contracts by Estimated Time of Arrival (ETA) (Unit: 1,000 MT, as of January 2017)		
ETA	Quantity	Price (US\$/MT) ^{1/}
Jul. 2016	65	181
Aug.	70	198
Sep.	129	185
Oct.	529	189
Nov.	307	197
Dec.	185	187
Jan. 2017	129	184
Feb.	65	193
Mar.	65	189
Total	1,544	

Source: Local Grain Traders

1/ CNF on Weighted Average

Production, Supply and Demand Data Statistics:

Wheat PS&D

Wheat	2014/2015		2015/2016		2016/2017	
Market Begin Year	Jul 2014		May 2015		Jul 2016	
Korea, Republic of	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested	7	7	10	10	11	11
Beginning Stocks	1437	1437	1400	1363	1535	1468
Production	23	23	26	26	36	36
MY Imports	3942	3948	4420	4426	5000	4560
TY Imports	3942	3948	4420	4426	5000	4560
TY Imp. from U.S.	1179	1234	1120	1124	0	1300
Total Supply	5402	5408	5846	5815	6571	6064
MY Exports	153	196	177	213	200	210
TY Exports	153	196	177	213	200	210
Feed and Residual	1490	1490	1728	1728	2500	2000
FSI Consumption	2359	2359	2406	2406	2395	2386
Total Consumption	3849	3849	4134	4134	4895	4386
Ending Stocks	1400	1363	1535	1468	1476	1468
Total Distribution	5402	5408	5846	5815	6571	6064

(1000 HA) ,(1000 MT)

CORN

Production:

Post's corn production estimate remains unchanged from the previous report.

Table 9

Korea: Corn Production			
Crop Year	Area (HA)	Yield (MT/HA)	Production (MT)
2006	13,661	4.73	64,623
2007	16,981	4.82	83,513
2008	18,366	5.05	92,830
2009	15,326	5.02	76,975
2010	15,528	4.79	74,339
2011	15,823	4.65	73,612
2012	17,001	4.89	83,210
2013	15,905	5.06	80,465
2014	15,839	5.18	82,008
2015	15,356	5.10	78,243
2016 ^{a/}	15,186	4.94	75,018

Source: Ministry for Agriculture, Food, and Rural Affairs (MAFRA), Statistics Korea (KOSTAT)

a/ FAS/Seoul forecast based on five-year average yield with acreage surveyed by KOSTAT

Consumption:

Corn consumption for MY 2016/17 remains unchanged from the previous forecast of 9.9 MMT, consisting of 7.6 MMT for feed and 2.3 MMT for food, seed and industrial (FSI) purposes. The demand for corn used for compound feed production will remain unchanged at 7.6 MMT.

MY 2016/17 compound feed production is revised down by 400,000MT from the initial forecast to 19 MMT, after a recent recurrence of Highly Pathogenic Avian Influenza (HPAI) sharply cut the total poultry inventory by around 19 percent. Please refer to the [KS1648](#) for more details about the HPAI situation in Korea.

MY 2015/16 corn consumption totaled 10.2 MMT due to a continued high demand for corn used for feed and food processing purposes. Corn consumption was composed of 7.84 MMT for feed and 2.31 MMT for food, seed and industrial (FSI) use. Recorded corn use was down less than one percent from the previous marketing year. Demand for feed corn was smaller than the previous year due to a greater global availability of feed grade wheat at competitive prices. Demand for processing corn grew five percent greater than the year earlier due to higher demand for high fructose corn syrup (HFCS).

Compound feed production for MY 2015/16 was recorded at 19.4 MMT, up about two percent from the year earlier mainly due to continuing growth in poultry, swine and other livestock sectors, partly offsetting reduced demand from both beef and dairy cattle operations. Feed corn was the primary ingredient used in poultry and swine compound feed, accounting for about 40 percent of total ingredients (Table 17). This number is down about two percentage points from the previous year, with an increasing proportion of feed wheat used.

In MY 2015/16, consumption of processing corn increased by five percent, to more than 2.2 MMT from 2.1 MMT in MY 2014/15. Wet millers consumed almost 97 percent of total processing corn, with the remainder going to dry millers (Table 12). Major corn processors have continued using conventional corn imported from Brazil, Russia, Hungary, Australia and France. Meanwhile, they are sourcing non-GM corn from the United States and Argentina for food purposes. Many Korean food processing companies are reluctant to use ingredients sourced from biotech corn.

Table 10

Korea: Total Corn Utilization (October/September, 1,000 MT)				
Marketing Year	Feed	Processing a/	Food b/	Total
2008/09	6,368	1,418	108	7,894
2009/10	6,362	1,928	92	8,382
2010/11	6,074	2,051	89	8,214
2011/12	5,690	2,036	89	7,815

2012/13	6,483	1,900	98	8,481
2013/14	7,762	2,034	95	9,891
2014/15	8,035	2,118	97	10,250
2015/16	7,841	2,220	93	10,154
2016/17 ^{c/}	7,600	2,200	100	9,900

Source: Korea Feed Association (KFA), Korea Corn Processing Industry Association (KOCPIA)

a/ Used for wet and dry milling process based on imported corn.

b/ For on-farm human consumption (on-the-cob) or snack food consumed on-the-cob, as puffed kernels or as corn tea. Imported white corn for popping has been included since MY 2004.

c/ FAS Seoul forecast

Table 11

Korea: Monthly Corn Use (1,000 MT)						
Month	Feed Corn			Processing Corn		
	MY 2014/15	MY 2015/16	MY 2016/17	MY 2014/15	MY 2015/16	MY 2016/17
October	676	699	612	180	189	200
November	620	660	628	178	186	186
S. Total	1,296	1,359	1,240	358	375	386
December	707	732	na	169	172	na
January	675	673	na	170	183	na
February	602	648	na	155	160	na
March	668	688	na	187	191	na
April	679	650	na	178	186	na
May	679	651	na	183	191	na
June	703	634	na	181	191	na
July	701	593	na	183	203	na
August	655	598	na	181	191	na
September	670	615	na	173	176	na
Total	8,035	7,841	na	2,118	2,220	na

Source: Korea Feed Association (KFA), Korea Corn Processing Industry Association (KOCPIA)

Table 12

Korea: Monthly Processing Corn Use (MT)						
Month	MY 2014/15			MY 2015/16		
	Wet Milling	Dry Milling	Total	Wet Milling	Dry Milling	Total
October	172,632	6,921	179,553	182,940	6,243	189,183
November	171,717	6,024	177,741	179,483	6,510	185,993
December	163,126	5,453	168,579	166,320	6,038	172,358
January	162,733	7,711	170,444	176,869	6,359	183,228
February	148,499	6,723	155,222	154,768	5,521	160,289
March	180,058	7,261	187,319	184,879	6,126	191,005
April	170,734	7,618	178,352	180,131	6,141	186,272
May	175,901	6,583	182,484	184,283	6,252	190,535
June	174,576	6,429	181,005	185,398	5,804	191,202
July	175,950	7,052	183,002	197,386	5,903	203,289
August	176,166	5,293	181,459	184,634	6,111	190,745
September	167,050	5,746	172,796	169,743	5,763	175,506
Total	2,039,142	78,814	2,117,956	2,146,834	72,771	2,219,605

Source: Korea Corn Processing Industry Association (KOCPIA)

Table 13

Korea: Feed Ingredient Use for Compound Feed Production (October/September, 1,000 MT)				
Items	MY 2013/14	MY 2014/15	MY 2015/16	MY 2016/17 ^{a/}
Sub. Total Grains and Grain Substitutes	12,080	12,046	12,395	12,200
- Wheat	1,633	1,480	1,910	2,000
- Corn	7,762	8,035	7,841	7,600
- Other Grains and Grain Substitute ^{b/}	2,685	2,531	2,644	2,600
Others ^{c/}	6,758	6,951	7,028	6,800
Grand Total	18,838	18,997	19,423	19,000

Source: Korea Feed Association (KFA)

a/ FAS Seoul forecast

b/ includes Tapioca, bran and gluten feed.

c/ includes vegetable protein meal, animal protein, minerals/additives, tallow, DDGs and molasses.

Table 14

Korea: Compound Feed Production by Species (October/September, 1,000 MT)				
Species	MY 2013/14	MY 2014/15	MY 2015/16	MY 2016/17 ^{a/}
Poultry	5,107	5,551	5,797	5,300
Swine	6,015	6,049	6,247	6,500
Cattle	6,388	5,978	5,820	5,700
Others ^{b/}	1,314	1,388	1,529	1,500
Total	18,824	18,967	19,393	19,000

Source: Ministry for Agriculture, Food, and Rural Affairs (MAFRA)

a/ FAS/Seoul forecast

b/ include ducks, rabbit, horse, sheep, deer, quail etc.

Table 15

Korea: Compound Feed Production Comparison by Species (October/September, 1,000 MT)			
Species	MY 2014/15	MY 2015/16	Change (%)
Poultry	5,551	5,797	+4.4
Swine	6,049	6,247	+3.3
Cattle	5,978	5,820	-2.6
Others	1,388	1,529	+10.2
Total	18,967	19,393	+2.2

Source: Ministry for Agriculture, Food, and Rural Affairs (MAFRA)

Table 16

Korea: Compound Feed Production Comparison by Species For the first two months (October/September, 1,000 MT)			
Species	MY 2015/16	MY 2016/17	Change (%)
Poultry	933	971	+4.1
Swine	1,076	1,101	+2.3
Cattle	985	983	-0.2
Others	252	255	+1.2
Total	3,246	3,310	+2.0

Source: Ministry for Agriculture, Food, and Rural Affairs (MAFRA)

Table 17

Korea: Feed Ingredients Use for MY2014-MY2015 (1,000 MT, October/September)			
INGREDIENT	MY2014/2015	MY2015/2016	

	TOTAL	DOM ^{1/}	%	TOTAL	DOM ^{1/}	%	
GRAINS:							
CORN	8,035	1	42.3	7,842	-	40.4	
SORGHUM	-	-	0.0	-	-	0.0	
WHEAT	1,480	1	7.8	1,910	-	9.8	
BARLEY	28	2	0.1	28	2	0.1	
RYE	0	0	0.0	-	-	0.0	
OATS	3	1	0.0	4	2	0.0	
GSP/BROKEN GRAIN	96	96	0.5	95	94	0.5	
TAPIOCA	257	0	1.4	237	-	1.2	
LUPIN SEED	134	14	0.7	61	9	0.3	
OTHERS	173	168	0.9	238	231	1.2	
SUB TOTAL	10,206	283	53.7	10,415	338	53.6	
GRAIN BY-PRODUCTS:							
WHEAT BRAN	562	391	3.0	515	395	2.7	
RICE BRAN	193	190	1.0	192	191	1.0	
BARLEY BRAN	-	-	0.0	-	-	0.0	
CORN BRAN	1	1	0.0	4	4	0.0	
GLUTEN FEED	766	366	4.0	964	403	5.0	
OTHERS	318	233	1.7	305	234	1.6	
SUB TOTAL	1,840	1,181	9.7	1,980	1,227	10.2	
ANIMAL PROTEIN:							
FISH MEAL	18	12	0.1	15	9	0.1	
MEAT & BONE MEAL	24	23	0.1	30	29	0.2	
OTHERS	147	145	0.8	160	157	0.8	
SUB TOTAL	189	180	1.0	205	195	1.1	
VEGETABLE PROTEIN:							
SOYBEAN MEAL	2,272	560	12.0	2,531	631	13.0	
RAPESEED MEAL	489	1	2.6	200	-	1.0	
SESAMESEED MEAL	33	33	0.2	37	37	0.2	
PERILLA SEED MEAL	1	1	0.0	3	3	0.0	
CORN GLUTEN MEAL	82	74	0.4	75	71	0.4	
DDGS	654	215	3.4	779	253	4.0	
COTTONSEED MEAL	1	0	0.0	-	-	0.0	
PARM KERNEL MEAL	686	9	3.6	721	25	3.7	
COPRA MEAL	403	0	2.1	317	1	1.6	
OTHERS	246	205	1.3	274	209	1.4	
SUB TOTAL	4,867	1,098	25.6	4,937	1,230	25.4	
ADDITIVES/MINERALS:							
CALCIUM PHOSPHATE	72	57	0.4	73	59	0.4	
LIMESTONE	503	503	2.6	528	528	2.7	
SALT	67	66	0.4	67	65	0.3	
OTHER	276	272	1.5	273	269	1.4	
SUB TOTAL	918	898	4.9	941	921	4.8	
OTHER INGREDIENTS:							
TALLOW	329	319	1.7	318	310	1.6	
MOLASSES	426	345	2.2	399	323	2.1	
UREA	2	2	0.0	2	2	0.0	
OTHER	220	190	1.2	226	196	1.2	
SUB TOTAL	977	856	5.1	945	831	4.9	
GRAND TOTAL	18,997	4,496	100.0	19,423	4,742	100.0	

Trade:

Total corn imports forecast for MY 2016/17 remain unchanged from the previous report at 9.8 MMT, down three percent from total corn imports for the previous year. Total corn imports are expected to decrease due to competition from comparatively cheaper feed grade wheat (Table 7). Expectations for U.S. corn exports to Korea remain unchanged from the previous report (Table 18).

As of early January 2017, importers had contracted 5.2 MMT of corn for October 2016 through April 2017 deliveries, and they were continuing to make contracts for arrival in May 2017 and onward (Table 20). Most feed corn contracts are optional origin at seller's option from South American countries, Eastern Europe, or the United States, with a price range of USD 182-217/MT, CNF. Meanwhile, corn processors have contracted for No. 2 GM/non-GM yellow corn from South America or the United States. Conventional corn is contracted from Eastern Europe with a price range of USD 187-226 /MT, CNF. Most recent buying contracts stabilized in the range of USD 182-184 /MT, CNF, for feed corn, and USD 187-192 /MT, CNF, for processing corn.

The MY 2016/17 forecast for U.S. corn exports to Korea remain unchanged from Post's previous forecast at three million tons, expecting a greater supply of competitively priced corn originating from both South America and the Black Sea region.

Table 18

Korea: Corn Imports (October/September, 1,000 MT, Customs Cleared Basis)							
Marketing Year	From World			From the U. S.			U. S. Share
	Feed	Processing	Total	Feed	Processing	Total	%
07/08	7,680	1,629	9,309	7,259	1,077	8,336	90
08/09	5,781	1,431	7,212	4,883	921	5,804	80
09/10	6,457	2,003	8,460	6,097	1,407	7,504	89
10/11	6,060	2,047	8,107	5,183	1,133	6,316	78
11/12	5,600	2,035	7,635	3,450	307	3,757	49
12/13	6,230	1,944	8,174	341	115	456	6
13/14	8,319	2,086	10,405	3,769	842	4,611	44
14/15	8,055	2,112	10,167	3,495	527	4,022	40
15/16	7,833	2,289	10,122	2,387	522	2,909	29
16/17 ^{a/}	7,600	2,200	9,800	2,500	500	3,000	31

Source: Korea Customs Service

a/ FAS/Seoul forecast

Table 19

Korea: Monthly Corn Imports (1,000 MT, Customs Cleared Basis)						
Month	Feed Corn			Processing Corn		
	MY 2014/15	MY 2015/16	MY 2016/17	MY 2014/15	MY 2015/16	MY 2016/17
October	846	651	618	181	171	146
November	465	673	659	183	175	171
December	750	853	636	137	211	162
Sub Total	2,061	2,177	1,913	501	557	479
January	743	563	na	168	245	na
February	558	528	na	138	112	na
March	636	782	na	258	198	na
April	759	702	na	145	206	na
May	689	620	na	163	193	na
June	636	636	na	208	146	na

July	693	654	na	166	252	na
August	671	680	na	177	127	na
September	609	491	na	188	253	na
Total	8,055	7,833	na	2,112	2,289	na

Source: Korea Customs Service

Table 20

Korea: MY 2016/17 Corn Contracts ^{1/} by Estimated Time of Arrival (ETA) (Unit: 1,000 MT, as of January 2017)		
ETA	Quantity	Price (USD/MT) ^{2/}
Oct. 2016	799	211
Nov.	1,012	204
Dec.	564	190
Jan 2017	686	186
Feb.	569	187
Mar.	882	186
Apr.	722	184
Total	5,234	

Source: Local Grain Traders

1/ reflecting 90-95 percent of actual contracts due to the omission of some data on contracts

2/ USD/MT, CNF on Weighted Average

Production, Supply and Demand Data Statistics:

Corn PS&D

Corn	2014/2015		2015/2016		2016/2017	
Market Begin Year	Oct 2014		Oct 2015		Oct 2016	
Korea, Republic of	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested	16	16	15	15	15	15
Beginning Stocks	1860	1860	1860	1860	1936	1905
Production	82	82	78	78	75	75
MY Imports	10168	10168	10121	10121	9800	9800
TY Imports	10168	10168	10121	10121	9800	9800
TY Imp. from U.S.	3647	4022	3882	2908	0	3000
Total Supply	12110	12110	12059	12059	11811	11780
MY Exports	0	0	0	0	0	0
TY Exports	0	0	0	0	0	0
Feed and Residual	8035	8035	7800	7841	7600	7600
FSI Consumption	2215	2215	2323	2313	2300	2300
Total Consumption	10250	10250	10123	10154	9900	9900
Ending Stocks	1860	1860	1936	1905	1911	1880
Total Distribution	12110	12110	12059	12059	11811	11780

(1000 HA) ,(1000 MT)

Appendix

Table 21

Korea: Animal Inventory (1,000 Head, 1,000 Birds, as of January 2017)					
Animal	Year	March	June	September	December

Beef Cattle	2013	2,966	3,064	3,043	2,918
	2014	2,811	2,879	2,820	2,759
	2015	2,659	2,748	2,753	2,676
	2016	2,596	2,742	2,768	2,717
	2017	2,598	na	na	na
Dairy Cattle	2013	420	419	422	424
	2014	428	424	429	431
	2015	425	418	418	411
	2016	409	402	407	404
	2017	409	na	na	na
Swine	2013	10,107	10,181	10,188	9,912
	2014	9,698	9,680	9,966	10,090
	2015	9,971	10,018	10,332	10,187
	2016	10,315	10,355	10,699	10,367
	2017	10,600d/	na	na	na
Layer a/	2011	61,025	60,723	61,212	62,425
	2012	63,200	61,953	61,326	61,344
	2013	62,340	60,610	62,674	64,824
	2014	64,572	62,851	65,263	67,674
	2015	68,878	67,907	72,090	71,877
	2016	70,177	68,281	69,853	71,043
Broiler b/	2011	69,932	110,122	71,038	76,435
	2012	69,387	97,750	68,540	76,130
	2013	71,938	95,898	64,505	76,487
	2014	77,879	103,593	75,846	77,746
	2015	82,749	110,489	81,184	81,851
	2016	86,541	101,014	76,420	87,830

Source: Korea Statistics (KOSTAT) and Korea Rural Economic Institute (KREI)

a/ Excluding breeders.

b/ Excluding multi-use broilers

c/ KREI forecast

d/ FAS/Seoul forecast

RICE

Production

Higher than normal average yield for the past few years has led the Korean government to seek a balance between rice supply and demand by 2018. The government plans to achieve this goal by seeking a gradual reduction in harvested area and by using promotional activities to expand rice consumption.

The Ministry of Agriculture, Food and Rural Affairs (MAFRA) recently released its plan to reduce arable land used for rice cultivation to 711,000 hectares by 2018. This area is significantly smaller than the baseline of 746,000 hectares of rice paddies planted.

In line with the rice reduction scheme, the government plans to introduce the Production Adjustment Program which will encourage rice farmers to cultivate other crops in their paddy lands, up to 18,000 hectares across the nation in CY 2017. A recent survey by the Korea Rural Economic Institute (KREI) shows that rice farmers intend to plant 762,000 hectares in CY 2017, a decrease of 2.1 percent from the previous year.

Table 22

Korea: Rice Area, Yield and Production			
Crop Year	Area (1,00HA)	Yield (KG/HA)	Production (Milled, 1,000 MT)
2002 a/	1,053	4,679	4,927

2003 b/	1,016	4,381	4,451
2004	1,001	4,995	5,000
2005	980	4,865	4,768
2006	955	4,901	4,680
2007	950	4,640	4,408
2008	936	5,174	4,843
2009	924	5,318	4,916
2010	892	4,815	4,295
2011	854	4,946	4,224
2012	849	4,718	4,006
2013	833	5,081	4,230
2014	816	5,200	4,241
2015	799	5,416	4,327
2016	779	5,389	4,197

Source: Ministry of Agriculture, Food and Rural Affairs (MAFRA)

a/ Heavy rains during the summer and the effects of typhoon Rusa (Aug 31 – Sep 1)

b/ Cool and rainy days during the growing season and the effects of typhoon Maemi (Sep 9 - 12)

c/ Based on September 15 crop survey conducted by KOSTAT

Consumption

Rice consumption for MY 2016/17 is forecast at 4.74 MMT, a sharp increase of 532,000 MT from the previous year. This increase is expected because the Korean government announced that they would reduce the heavy burden of ending stocks by expanding rice availability for use in animal feed to 522,000 MT of brown rice (equivalent to 470,000 MT on milled rice basis) in CY 2017.

MY 2015/16 total rice consumption was revised up to 4.21 MMT, up 15,000 MT from the previous marketing year, as the Korean government allowed 101,000 MT of domestic brown rice (equivalent to 91,000 MT on milled rice basis) to be used for animal feed in CY 2016 (Table 23).

The old rice that is used for animal feed is sold at price that is so low that it is comparable to 88 percent of corn value imported January – October 2016. In MY 2016/17, the price of rice for feed was 208 KRW per KG, whereas the year before it was 200 KRW per KG.

Table 23

Korea: Rice Utilization Pattern (1,000 MT, milled)				
Rice Year (November - October)	MY 2013/14	MY 2014/15 ^{a/}	MY 2015/16 ^{b/}	MY 2016/17 ^{c/}
Table Rice	3,340	3,239	3,110	3,074
Processing	535	575	711	1,203
(for food)	(457)	(426)	(451)	(560)
(for liquor)	(78)	(149)	(169)	(173)
(for feed)	0	0	(91)	(470)
Seed	35	35	35	33
Other and Loss	524	348	356	434
Total Demand	4,434	4,197	4,212	4,744
Per Capita Table Rice Consumption (Kg)	65.1	62.9	61.4	60.1

Source: Ministry of Agriculture, Food and Rural Affairs (MAFRA)

a/ Revised

b/ Preliminary

c/ forecast

Table 24

Korea: Rice Consumption Pattern for Processing Purpose (1,000 MT, milled)				
Purpose	MY 2012/13	MY 2013/14	MY 2014/15 ^{a/}	MY 2015/16 ^{b/}
KRFA	246	227	197	222

KALIA	56	78	155	169
Others ^{c/}	224	238	223	229
Feed	0	0	0	91
Total	526	535	575	711

Source: Ministry of Agriculture, Food and Rural Affairs (MAFRA)

a/ Revised

b/ Preliminary

c/ Forecast

d/ Traditional foods or beverage made of local rice.

Note: Korea Rice Foodstuffs Association (KRFA), Korea Alcohol & Liquor Industry Association (KALIA)

TRADE

As agreed to for the period for special treatment for the Minimum Market Access agreement, Korea continued to import the mandatory import volume of 408,700 MT from Most Favored Nation (MFN) countries at the current duty level of five percent under the tariff rate quota (TRQ) regime in 2015 and beyond.

In MY 2016/17, rice imports are expected to remain unchanged at 410,000 MT, while actual delivery of some portion of the TRQ will roll over into the following year. U.S. rice exports to Korea are expected to stay around 140,000 MT (milled). The 2017 TRQ purchasing plan is expected to be released by the Korean government in the near future.

In MY 2015/16, Korea's rice imports were 312,280 MT, consisting of 161,663 MT imported under the 2015 TRQ quota, and 150,617 MT imported under the 2016 TRQ. In CY 2016, U.S. exports to Korea amounted to 111,698 MT, which was composed of 48,425 MT imported under the 2015 TRQ quota and 63,273 MT imported under the 2016 TRQ.

2016 TRQ Tendering Results:

The Korea Agro-Fisheries and Food Trade Corporation (aT) completed the tendering process for the 2016 TRQ commitments for rice on December 29, 2016. Korea purchased a total of 408,700 MT of rice (milled basis) from the United States, China, Thailand, Australia, India, and Vietnam. The U.S. share was a record 40.6 percent, up about 2.2 percentage points from the previous year, due to more competitive pricing than other countries in tandem with greater demand for medium grain variety. Contracts totaled 165,865 MT (milled), worth USD 112.7 million. U.S. contracts of 139,849 MT were for brown rice (equivalent to 125,865 MT on a milled basis) for food processing purpose, while the remaining 40,000 MT was milled rice for table use (Table 25).

The Korean government purchased 50,000 MT of USDA No. 1 Grade milled rice for table use, 10,000 MT less than the previous year. This total consisted of 40,000 MT of medium grain from the United States, 7,000 MT of long grain from Thailand, and 3,000 MT of short grain from Vietnam. Korean domestic political circles continued pressing the Korean government to reduce the scale of table rice imports under the TRQ regime.

The average contracted price for U.S. #1 medium grain table rice was USD 688.92/MT, down 25 percent from the previous year. Meanwhile, the contracted price for Vietnamese #1 short grain table rice was at USD 888.9/MT and Thai #1 long grain table rice at USD 498.06/MT, respectively.

Table 25

Korea: Rice Contracts by Country under 2016 MFN TRQ^{1/} (Unit: MT, Milled Basis, as of December 29, 2016)			
Country	MFN TRQ		Total
	Processing Use	Table Use	
USA	125,865	40,000	165,865(40.6%)
China	187,335	0	187,335(45.8%)
Thailand	7,000	7000	14,000(3.4%)
Australia	14,500	0	14,500(3.5%)
Vietnam	19,000	3000	22,000(5.4%)
India	5,000	0	5,000(1.2%)
S. Total	358,700	50,000	408,700(100.0%)
G. Total	408,700		408,700(100%)

Source: Korea Agro-Fisheries and Food Trade Corporation (aT)

1/ under ongoing process of buying tenders since February 2016

Table 26

Korea: U.S. Rice Sales to Korea under 2016 TRQ (buying tenders as of December 29, 2016)					
Contracts	Milled rice(MT) for Table	Brown rice(MT) for Processing	Unit Price(USD/MT) CIP	Amount (1,000 USD)	ETA
1	0	10,000	734.42	7,344	05/31/2016
2	0	10,000	698.61	6,986	06/30/2016
3	0	16,667	679.27	11,321	09/30/2016
4	0	5,555	651.17	3,617	09/30/2016
5	0	10,000	568.39	5,684	11/30/2016
6	0	5,000	568.98	2,845	11/30/2016
7	10,000	0	704.87 CIF	7,049	5,000 by 12/31/2016 & 5,000 by 01/31/2017
8	10,000	0	715.98 CIF	7,160	5,000 by 01/31/2017 & 5,000 by 02/28/2017
9		22,222	588.24	13,071	01/31/2017
10		22,000	592.00	13,024	02/28/2017
11		10,000	551.87	5,518	01/31/2017
12		5,000	551.87	2,759	02/28/2017
13		10,000	551.87	5,518	03/31/2017
14		8,378	554.00	4,641	03/31/2017
15		5,027	551.87	2,774	04/30/2017
16	10,000		670.74 CIF	6,707	5,000 by 04/30/2017 & 5,000 by 05/31/2017
17	10,000		664.10 CIF	6,641	5,000 by 04/30/2017 & 5,000 by 05/31/2017
Total	40,000	139,849a/		112,663	

Source: Korea Agro-Fisheries and Food Trade Corporation (aT)

a/ equivalent to **125,864** MT, milled basis

Table 27

Korea: U.S. Table Rice Delivery Schedule Based on Contracts under 2016 TRQ (Non-Glutinous Milled Rice Medium Grain, Metric Ton)				
Supplier	Contractual Quantity	Grade	Shipment	ETA Busan Port (mm/dd/yyyy)
ACC	10,000	U.S. No. 1	5,000	12/31/2016
			5,000	01/31/2017
	10,000		5,000	01/31/2017
			5,000	02/28/2017
FRC	10,000		5,000	04/30/2017
			5,000	05/31/2017
ADM	10,000		5,000	04/30/2017
			5,000	05/31/2017
Total	40,000			

Source: Korea Agro-Fisheries and Food Trade Corporation (aT)

Table 29

Korea: 2016 TRQ Rice Tender Results									
(as of December 29, 2016)									
Bid Date (mm-dd-yy)	Rice Type	Volume (Contract Basis)	Volume (Milled Rice Basis)	Origin	Price (USD/MT)	Terms and Conditions	Delivery Date (mm-dd-yy)	Agent	Supplier
2/29/2016	MG #3 Brown	10,000	9,000	USA	734.42	CIP	5/31/2016	Philasun	ADM
2/29/2016	MG #3 Brown	10,000	9,000	USA	698.61	CIP	6/30/2016	Philasun	ADM
2/29/2016	#4 Brewer's Milled	5,000	5,000	India	383.46	CIP	5/31/2016	Singsoong	KRBL Limited
3/29/2016	SG #3 Brown	22,222	20,000	China	869	CIP	9/30/2016	Daewoo	COFCO
3/29/2016	MG #3 Brown	16,667	15,000	USA	679.27	CIP	9/30/2016	Philasun	ADM
3/29/2016	MG #3 Brown	5,555	5,000	USA	651.17	CIP	9/30/2016	Philasun	ADM
3/29/2016	LG #3 Brown	7,778	7,000	Thailand	427.8	CIP	9/30/2016	Daewoo	Capital Rice Co., Ltd
5/4/2016	SG #3 Brown	12,000	10,800	China	867	CIP	10/31/2016	Daewoo	COFCO
5/4/2016	SG #3 Brown	10,000	9,000	China	867.97	CIP	11/30/2016	Singsoong	Jilin Grain
5/4/2016	MG #3 Brown	10,000	9,000	USA	568.39	CIP	11/30/2016	Singsoong	ACC
5/4/2016	MG #3 Brown	5,000	4,500	USA	568.98	CIP	11/30/2016	Singsoong	ACC
5/4/2016	LG #3 Brown	10,000	9,000	Vietnam	441.18	CIP	10/31/2016	Daewoo	Vinafood1
6/7/2016	SG #3 Brown	15,000	13,500	China	866.7	CIP	11/30/2016	Daewoo	COFCO
6/7/2016	SG #3 Brown	14,445	13,000	China	866.3	CIP	11/30/2016	Daewoo	COFCO
6/7/2016	SG #3 Brown	16,111	14,500	Australia	861.2	CIP	12/31/2016	D&B	Sun Rice
6/7/2016	SG #1 Milled	3,000	3,000	Vietnam	888.9	CIF	12/31/2016	The Ground Korea	Green Mountain
6/7/2016	MG	10,000	10,000	USA	704.87	CIF	5,000	Singsoong	ACC

6	#1 Milled						by 12/31/2016 & 5,000 by 01/31/2017	ng		
6/7/2016	MG #1 Milled	10,000	10,000	USA	715.98	CIF	5,000 by 01/31/2017 & 5,000 by 02/28/2017	Singso ng	ACC	
6/7/2016	LG #1 Milled	2,000	2,000	Thailand	511.21	CIF	9/30/2016	Singso ng	Toumi	
7/27/2016	SG #3 Brown	22,222	20,000	China	865.60	CIP	10/31/2016	Daewoo	COFCO	
7/27/2016	SG #3 Brown	22,222	20,000	China	865.97	CIP	10/31/2016	Singso ng	Jilin Grain	
7/27/2016	MG #3 Brown	22,222	20,000	USA	588.24	CIP	01/31/2017	Philasun	ADM	
9/20/2016	MG #3 Brown	22,000	19,800	USA	592.00	CIP	02/28/2017	Philasun	ADM	
9/20/2016	MG #3 Brown	10,000	9,000	USA	551.87	CIP	01/31/2017	Philasun	ADM	
9/20/2016	MG #3 Brown	5,000	4,500	USA	551.87	CIP	02/28/2017	Philasun	ADM	
9/20/2016	MG #3 Brown	10,000	9,000	USA	551.87	CIP	03/31/2017	Philasun	ADM	
9/20/2016	MG #3 Brown	8,378	7,540	USA	554.00	CIP	03/31/2017	Philasun	ADM	
9/20/2016	MG #3 Brown	5,027	4,524	USA	551.87	CIP	04/30/2017	Philasun	ADM	
12/29/2016	SG #3 Brown	15,000	13,500	China	852.00	CIP	02/28/2017	Daewoo	COFCO	
12/29/2016	SG #3 Brown	19,111	17,200	China	852.00	CIP	02/28/2017	Daewoo	COFCO	
12/29/2016	SG #3 Brown	18,774	16,897	China	839.99	CIP	04/30/2017	Singso ng	Jilin Grain	
12/29/2016	SG #3 Brown	16,377	14,739	China	852.00	CIP	02/28/2017	Daewoo	COFCO	
12/29/2016	SG #3 Brown	5,778	5,200	China	839.97	CIP	03/31/2017	Singso ng	Jilin Grain	
12/29/2016	SG #3	15,000	13,500	China	839.98	CIP	03/31/2017	Singso	Jilin	

016	Brown						017	ng	Grain	
12/29/2016	LG #3 Brown	11,111	10,000	Vietnam	402.75	CIP	03/31/2017	Daewoo	Vinafood1	
12/29/2016	LG #1 Milled	5,000	5,000	Thailand	492.80	CIF	04/30/2017	Daewoo	Capital Rice Co., Ltd	
12/29/2016	MG #1 Milled	10,000	10,000	USA	670.74	CIF	5,000 by 04/30/2017 & 5,000 by 05/31/2017	Daewoo	FRC	
12/29/2016	MG #1 Milled	10,000	10,000	USA	664.10	CIF	5,000 by 04/30/2017 & 5,000 by 05/31/2017	Philasun	ADM	
Total		448,000	408,700							

Source: Korea Agro-Fisheries and Food Trade Corporation (aT)

Auctions for Imported Table Rice:

aT sells table rice shipments to consumers through a public auction system, while the Ministry of Agriculture, Food and Rural Affairs (MAFRA) distributes processing rice to end-users, such as food processors and alcoholic beverage producers, at a set price throughout the year.

Compared to CY 2015, the current pace of auctions for imported rice for table use have been very slow, effectively reducing the volume of rice being auctioned. In CY 2016, large rice stocks led to low domestic prices. However, farmers' groups blamed imported rice for worsening domestic rice prices, leading farmers' groups to strongly request the government slow down auctions for imported rice for table use.

As of October 7, 2016, the Korean government decided to stop auctioning off table rice imported under the 2014 Minimum Market Access agreement (MMA) because the quality of imported rice had deteriorated due to the delay between the time of import and the time of the auctions. As a result, the total unsold portion of table rice imported under the 2014 MMA is 57,538 MT. This quantity consists of 8,754 MT of U.S. #1 medium grain, 43,386 MT of Chinese #1 and #3 short grain, and 5,395 MT of Australian #1 and #3 medium grain (Table 30).

Instead of continuing sales of the now aged rice imported under the 2014 MMA, aT recently began auctions for table rice imported under 2015 TRQ. However, aT temporarily stopped even these auctions on October 19, 2016, to prop up domestic rice market prices (Table 31). Current auctions for imported rice are selling long grain table rice imported under the 2016 TRQ (Table 32), because long grain rice does not impact the domestic (short grain) rice market.

Table 30

Korea: Status of Rice Auction for Table Rice under 2014 MMA (Unit: metric tons, milled basis, as of October 7, 2016)					
Commodity	USDA Grade	Total Table Rice CSQ	Auctioned Off	Balance	Auctioned Off (%)
U.S. Medium Grain	#1	40,056	31,302	8,754	78
	#3	4,451	4,450	1	100 (as of June 3, 2015)
Chinese Short Grain	#1	47,965	25,785	22,180	54
	#3	21,433	227	21,206	1
Australian Medium Grain	#1	2,697	0	2,697	0
	#3	2,698	0	2,698	0

Thai Long Grain	#1	3,220	3,218	2	100 (as of Oct. 7, 2016)
Thai Jasmine Rice	#1	90	90	0	100 (as of Aug. 26, 2015)
Total		122,610	65,072	57,538	47

Source: Korea Agro-Fisheries and Food Trade Corporation (aT)

Table 31

Korea: Status of Rice Auction for Table Rice under 2015 TRQ (Unit: metric tons, milled basis, as of October 19, 2016)					
Commodity	USDA Grade	Total Table Rice TRQ	Auctioned Off	Balance	Auctioned Off (%)
U.S. Medium Grain	#1	40,000	2,633	37,367	6.6
Chinese Short Grain	#1	20,000	181	19,819	1
Total		60,000	2,814	57,186	4.7

Source: Korea Agro-Fisheries and Food Trade Corporation (aT)

Table 32

Korea: Status of Rice Auction for Table Rice under 2016 TRQ (Unit: metric tons, milled basis, as of January 20, 2017)					
Commodity	USDA Grade	Total Table Rice TRQ	Auctioned Off	Balance	Auctioned Off (%)
U.S. Medium Grain	#1	40,000	0	40,000	0
Vietnamese Short Grain	#1	3,000	0	3,000	0
Thai Long Grain	#1	7,000	1,135	5,865	16
Total		50,000	1,135	48,865	2.3

Source: Korea Agro-Fisheries and Food Trade Corporation (aT)

Table 33

Korea: Auctioned-Off Prices of Imported Table Rice (Unit: Korean Won per Kg on Average)							
Auctioning-off Period	U.S. Medium Grain		Chinese Short Grain (Medium Grain)		Thai Long Grain	Australian Medium Grain	
	#1	#3	#1	#3	#1	#1	#3
April-September 2006 (2005 MMA)	1,138	991	1,274	1,133	555	none	none
March-August 2007 (2006 MMA)	1,363	1,211	1,357	1,303	953	none	none
February-August 2008 (2007 MMA)	1,542	1,510	1,487	1,558	1,132	none	none
February 2009 -May 2010 (2008 MMA)	1,160	994	1,125 (1,100)	none	1,329	none	none
February 2010-March 2011 (2009 MMA)	970	881	914 (850)	893	672	none	none
April 2011-January 2012 (2010 MMA)	913	1,074 ^{a/}	707	612	518	none	none
December 2011- June 2013 (2011 MMA)	1,258	1,452	1,297	1,501	(802 ^{c/}) 944	none	none
August 2012-September 2014 (2012 MMA)	1,677	1,634	1,378	1,374	903	1,299	1,128
July 2013- July 2015 (2013 MMA)	1,594	1,573	1,284	1,318	844	none	none
December 2014- October 7, 2016 (2014 MMA)	1,400 ^{b/}	1,472	957 ^{b/}	1,238 ^{b/}	943	na	na
October 2016 -	1,382 ^{d/}	none	1,304 ^{d/}	na	none	none	none

(2015TRQ)							
October 24, 2016 - (2016 TRQ)	na	none	None	none	1,015	none	none

Source: Korea Agro-Fisheries and Food Trade Corporation (aT)

a/ Auctioned-off during October-December 2011

b/ ongoing but government decided to quit selling auctions for imported table rice under 2014 MMA as of October 7, 2016.

c/ #3

d/ started off selling auctions from October 10, 2016 but stopped on October 19, 2016.

Exports:

Korea's rice exports were 2,313 MT in CY 2016, up 16 percent from the previous year. Korean rice exports to China increased due to new SPS requirements agreed upon in early 2016.

Table 34

Korea: Rice Export (Milled)				
Calendar Year	To the World		To the United States	
	Quantity (MT)	Value (USD1,000)	Quantity (MT)	Value (USD1,000)
2005	18	89	5	5
2006	9	40	0.2	1
2007	507	1,322	333	876
2008	356	829	115	285
2009	4,183	7,300	443	777
2010	3,765	6,394	272	587
2011	3,782	6,277	161	244
2012	2,223	4,424	90	185
2013	1,517	3,363	86	180
2014	1,684	3,894	123	303
2015	1,987	4,472	365	1,148
2016	2,313	4,847	477	1,175

Source: Korea Customs Service (KCS)

Stocks:

MY 2015/16 ending stocks (through the end of October 2016) are estimated at 1.8 MMT, or 43 percent of total domestic consumption. Rice production in the past four consecutive years has been greater than actual demand, as the decline of per capita table rice consumption continues. MY 2016/17 stocks (at the end of October 2017) are forecast to decline to 1.7 million tons, or 36 percent of total domestic consumption, due to a government policy to increase rice consumption for animal feed in CY 2017. The Korean government is expected to continue reducing the level of ending stocks by enacting policies that will stimulate rice consumption and reduce rice production.

Table 35

Korea: Status of Rice Stocks (Milled rice, 1,000 MT, as of end October)						
Rice Year (Nov.-Oct.)	2011/12	2012/13	2013/14a/	2014/15b/	2015/16c/	2016/17c/
Total	730	755	887	1,406	1,831	1,692
Government Stock	730	755	887	1,406	1,831	1,692
-Domestic Rice	487	na	na	60%	na	na
-Imported Rice	243	na	na	40%	na	na
Civil Stock	0	0	0	0	0	0

Source: FAS/Seoul Estimate based on MAFRA data

a/ MAFRA Preliminary

b/ FAS/Seoul Preliminary

c/ FAS/Seoul forecast

Production, Supply and Demand Data Statistics:

Rice PS&D

Rice, Milled	2014/2015		2015/2016		2016/2017	
Market Begin Year	Nov 2014		Nov 2015		Nov 2016	
Korea, Republic of	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested	816	816	799	799	779	779
Beginning Stocks	899	899	1406	1406	1697	1831
Milled Production	4241	4241	4327	4327	4200	4197
Rough Production	5638	5638	5771	5771	5629	5625
Milling Rate (.9999)	7522	7522	7498	7498	7461	7461
MY Imports	465	465	340	312	410	410
TY Imports	372	372	350	313	410	410
TY Imp. from U.S.	143	143	0	111	0	140
Total Supply	5605	5605	6073	6045	6307	6438
MY Exports	2	2	2	2	2	2
TY Exports	2	2	2	2	2	2
Consumption and Residual	4197	4197	4374	4212	4484	4744
Ending Stocks	1406	1406	1697	1831	1821	1692
Total Distribution	5605	5605	6073	6045	6307	6438
(1000 HA) ,(1000 MT)						

Korea: Import Trade Matrix of Rice			
Country	Korea, Republic of		
Commodity	Rice, Milled		
Time Period	Jan/Dec	Units:	1,000MT
Imports for:	2015		2016
U.S.	143	U.S.	111
Others		Others	
China	168	China	163
Thailand	9	Thailand	9
Australia	14	Australia	15
Vietnam	38	Vietnam	10
		India	5
Total for Others	229		202
Others not Listed	0		0
Grand Total	372		313

Appendix

Table 36

Korea: Monthly Wholesale Price of Milled Rice (High Quality)

Month\Year	CY 2014		CY 2015		CY 2016	
	Won/Kg	USD/Kg	Won/Kg	USD/Kg	Won/Kg	USD/Kg
January	2,180	2.05	2,070	1.90	1,810	1.51
February	2,180	2.03	2,069	1.88	1,810	1.49
March	2,180	2.04	2,046	1.84	1,810	1.53
April	2,169	2.08	2,040	1.88	1,810	1.58
May	2,137	2.09	2,019	1.85	1,810	1.54
June	2,130	2.09	1,990	1.79	1,810	1.55
July	2,130	2.09	1,990	1.74	1,810	1.58
August	2,130	2.08	1,990	1.69	1,802	1.62
September	2,215	2.06	2,004	1.70	1,705	1.54
October	2,076	1.96	2,951	1.70	1,546	1.37
November	2,088	1.91	1,852	1.61	1,620	1.40
December	2,073	1.88	1,826	1.56	1,620	1.37
Average	2,133	2.03	1,986	1.76	1,747	1.51

Source: Korea Agricultural Marketing Information Service (KAMIS)

Note: Monthly Average Exchange Rate is applied.

Table 37

Korea: Monthly Retail Price of Milled Rice (High Quality)						
Month\Year	CY 2014		CY 2015		CY 2016	
	Won/Kg	USD/Kg	Won/Kg	USD/Kg	Won/Kg	USD/Kg
January	2,321	2.18	2,277	2.09	2,132	1.78
February	2,323	2.17	2,263	2.06	2,112	1.74
March	2,307	2.16	2,252	2.03	2,085	1.76
April	2,293	2.20	2,211	2.04	2,027	1.77
May	2,289	2.24	2,239	2.05	1,998	1.70
June	2,275	2.23	2,243	2.02	1,990	1.71
July	2,245	2.20	2,225	1.95	1,992	1.74
August	2,236	2.18	2,218	1.88	1,983	1.79
September	2,262	2.19	2,241	1.90	1,970	1.78
October	2,320	2.19	2,233	1.95	1,895	1.68
November	2,301	2.10	2,184	1.90	1,850	1.59
December	2,283	2.07	2,181	1.86	1,809	1.53
Average	2,288	2.17	2,230	1.97	1,985	1.71

Source: Korea Agricultural Marketing Information Service (KAMIS)

Note: Monthly Average Exchange Rate is applied.

Table 38

Korea: Foreign Exchange Rate (Korean Won against USD)			
Month	CY 2014	CY 2015	CY 2016
January	1,065	1,087	1,196
February	1,072	1,099	1,216
March	1,070	1,112	1,184
April	1,044	1,086	1,146
May	1,024	1,091	1,172
June	1,019	1,112	1,167
July	1,020	1,143	1,142
August	1,025	1,177	1,110

September	1,034	1,182	1,107
October	1,059	1,146	1,125
November	1,095	1,151	1,160
December	1,102	1,172	1,182
Average	1,052	1,130	1,158

Source: Global Financial Service