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Date: 1/30/2013

GAIN Report Number: KS1309J

Korea - Republic of

Grain and Feed Update

January

Approved By:

Stephen L. Wixom

Prepared By:

Sunchul Choi//Mark Myers

Report Highlights:

Wheat imports in MY 2012/13 are expected to increase to 5 million tons, up 600,000 tons from the October forecast as Korean feed millers contracted for more Indian feed grade wheat. In MY 2012/13, corn consumption is revised to 8.7 million MT, up 0.7 million MT as a result of greater demand for feed corn due to higher animal inventories. Under the 2013 Minimum Market Access (MMA) rice purchasing plan, the United States is expected to have more opportunities to sell medium grain, as the Korean government has allocated 37,498 MT of medium grain and 63,000 MT of optional varieties under the MFN quota.

Post:
Seoul

Commodities:
Wheat

Corn

Rice, Milled

Author Defined:
WHEAT

Consumption:

MY 2012/13 wheat consumption is revised to 5 million tons from the previous forecast, up 400,000 MT due to higher feed wheat use for animal compound feed as feed grade wheat contracts increased more than anticipated. Milling wheat consumption is unchanged from the previous year. Pasta exports are reflected in the consumption table for MY2010-MY2012.

Korea: Post Estimates of Domestic Wheat Use (1,000 MT, July/June)				
Year	2009/10	2010/11	2011/12	2012/13[c/]
Imported Milling Wheat	2,136	2,312	2,153	2,200
Flour Imports [a/]	127	63	42	50
Flour Exports [a/]	59	64	60	60
Pasta Imports [a/]	119	123	122	125
Pasta Exports [a/]	96	111	120	126
Local Wheat	26	39	44	32
FSI Consumption [b/]	**2,253**	**2,362**	**2,181**	**2,221**
Feed Wheat	2,172	1,965	2,870	2,800
Total Consumption [b/]	**4,425**	**4,327**	**5,051**	**5,021**

Source: Korea Feed Association (KFA), Korea Flour Millers Industry Association (KOFMIA) and Korea Customs Service (KCS)
a/ Wheat basis
b/ include wheat flour and pasta imports but exclude flour export
c/ FAS/Seoul forecast

Korea: Monthly Wheat Use (1,000 MT)				
Month	Feed Wheat		Milling Wheat a/	
	MY 2011/12	MY 2012/13	MY 2011/12	MY 2012/13
July	189	260	169	178
August	202	256	186	190
September	203	268	171	187
October	218	277	183	198
November	228	268	185	200
December	252	244	189	200
Sub Total	**1,292**	**1,577**	**1,083**	**1,151**
January	246	Na	178	Na
February	240	Na	162	Na
March	266	Na	178	Na

April	270	Na	172	Na
May	285	Na	172	Na
June	272	Na	175	Na
Total	**2,870**	**Na**	**2,121**	**Na**

Source: KFA and KOFMIA

a/ Milling wheat use data includes wheat flour exports, but excludes the portion used in soy-sauce production

Wheat Trade:

MY 2012/13 wheat imports are expected to increase to 5 million tons, up 600,000 tons from the October forecast due to increased contracts of Indian feed grade wheat, of which 2.4 million tons are for milling (including flour and pasta imports on a wheat equivalent basis) and 2.6 million tons for feed.

According to trade and sales contract data of Indian origin and optional origin, more than 2.3 million tons have been contracted with delivery for the first nine months in MY2012/13. International traders expect Korea to make additional contracts of 500,000 MT for the remaining three months in the current marketing year despite prices of feed grade wheat being US $20 per ton higher than feed corn. Imports of U.S. wheat in MY 2012/13 are expected to remain unchanged from the previous forecast.

PSD reflects Korea's exports of pasta on wheat basis since MY 2010/11.

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/	2,800	2,200	50	125	5,175

Source: Korea Customs Service

1/ Wheat basis

2/ FAS/Seoul forecast

Korea: MY 2012/13 Monthly Wheat Imports by Origin (1,000 MT, based on Customs Clearance)						
Country	U. S.	Australia	Canada	India	Other	Total
Milling Wheat						
2012 July	100	97	23	0	0	220
August	77	34	11	0	0	122
September	119	88	8	0	0	215
October	117	94	32	0	0	244
November	95	102	0	0	0	196
December	110	125	28	0	0	263
Total(Jul-Dec) 2012	**618**	**540**	**102**	**0**	**0**	**1,261**
Total(Jul-Dec) 2011	467	446	102	0	0	1,015
Feed Wheat						
2012 July	27	234	10	0	0	271

August	10	222	0	0	0	232
September	102	192	10	18	0	322
October	34	48	33	102	93	309
November	17	20	10	192	9	248
December	11	4	5	194	0	213
Total(Jul-Dec) 2012	**200**	**719**	**68**	**505**	**102**	**1,594**
Total(Jul-Dec) 2011	0	755	462	0	6	1,223
Total Wheat						
2012 July	127	331	33	0	0	491
August	87	256	11	0	0	354
September	221	280	18	18	0	537
October	151	142	66	102	93	553
November	111	121	10	192	9	444
December	121	129	33	194	0	477
Total(Jul-Dec) 2012	**818**	**1,259**	**170**	**504**	**102**	**2,855**
Total(Jul-Dec) 2011	467	1,201	564	0	6	2,238

Source: Korea Customs Service

Korea: MY 2012/13 Feed Wheat Contracts by Estimated Time of Arrival (ETA) (Unit: 1,000 MT, as of Dec. 2012)		
ETA	Quantity	Price (US$/MT)[1/]
Jul. 2012	165	286
Aug.	255	279
Sep.	330	275
Oct.	220	283
Nov.	260	312
Dec.	110	330
Jan. 2013	605	327
Feb.	157	334
Mar.	225	330
Total	2,327	

Source: Local Grain Traders

1/ CNF on Weighted Average

Country	MY2007	MY2008	MY2009	MY2010	MY2011	MY2012[a/]
USA	17,855	17,421	18,000	19,189	20,365	21,432
Japan	6,525	8,251	11,106	13,811	12,773	11,304
China	4,030	4,406	4,142	4,595	5,517	4,591
Russia	2,592	1,859	2,265	2,450	3,417	3,834
Australia	3,587	4,118	4,707	5,304	4,875	5,378
Hong Kong	4,916	3,835	4,900	6,145	7,159	9,084
Others	20,654	22,151	24,973	29,435	33,521	36,340
Total	60,159	62,041	70,093	80,930	87,626	91,964
Wheat	**82,298**	**84,872**	**95,887**	**110,712**	**119,873**	**125,806**

Basis						

Source: Korean Customs Service (KCS)
a/ Based on the first five months of the marketing year.

Production, Supply and Demand Data Statistics:

Wheat PS&D

Wheat Korea, Republic of	2010/2011		2011/2012		2012/2013		
	Market Year Begin: Jul 2010		Market Year Begin: Jul 2011		Market Year Begin: Jul 2012		
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post	
Area Harvested	13	13	13	13	13	9	(1000 HA)
Beginning Stocks	1,125	1,125	1,360	1,441	1,290	1,455	(1000 MT)
Production	37	37	44	44	45	32	(1000 MT)
MY Imports	4,761	4,781	5,188	5,201	4,400	5,200	(1000 MT)
TY Imports	4,761	4,781	5,188	5,201	4,400	5,200	(1000 MT)
TY Imp. from U.S.	1,518	1,672	2,134	2,047	0	1,600	(1000 MT)
Total Supply	5,923	5,943	6,592	6,686	5,735	6,687	(1000 MT)
MY Exports	125	175	131	180	125	190	(1000 MT)
TY Exports	125	175	131	180	125	190	(1000 MT)
Feed and Residual	1,965	1,965	2,870	2,870	2,200	2,800	(1000 MT)
FSI Consumption	2,473	2,362	2,301	2,181	2,400	2,200	(1000 MT)
Total Consumption	4,438	4,327	5,171	5,051	4,600	5,000	(1000 MT)
Ending Stocks	1,360	1,441	1,290	1,455	1,010	1,497	(1000 MT)
Total Distribution	5,923	5,943	6,592	6,686	5,735	6,687	(1000 MT)
Yield	3.	2.8462	3.	3.3846	3.	3.5556	(MT/HA)

CORN

Consumption:
MY 2012/13 corn consumption forecast is revised to 8.7 million MT, up 0.7 million MT from the previous USDA official

forecast due to greater demand for feed corn from the swine sector. Food, seed, and industrial (FSI) corn consumption forecast remains around 2.1 million tons unchanged from the previous forecast due to stable demand for processed corn products.

In MY 2012/13, post estimates corn inclusion rate at the range of 35 - 37 percent of total ingredients for compound feed production, 3-5 percent higher from the previous year's rate. This ratio is projected to remain relatively constant for the foreseeable future based on the corn preferences of local animal growers.

Compound feed production is expected to remain at 18 million tons in MY 2012/13, unchanged from the previous year due to bearish trends in domestic meat prices resulting from strong animal inventories following the recovery from the FMD outbreak in 2010. Korean animal growers are trying to reduce their animal inventories amid an uptrend in compound feed prices inflated by raw ingredients.

Major corn processors have continued using non-GM corn imported from Serbia, Hungary and Brazil for food. For industrial purposes, GM corn imported from the United States is primarily used. Many food processing companies have been reluctant to use ingredients sourced from biotech corn.

Korea: Total Corn Utilization (Oct./Sept., 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[c/]	6,600	2,000	100	8,700

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

Korea: Monthly Corn Use (1,000 MT)				
Month	Feed Corn		Processing Corn	
	MY 2011/12	MY 2012/13	MY 2011/12	MY 2012/13
October	464	581	171	168
November	461	512	164	162
December	490	559	161	154
S. Total (Oct-Dec)	**1,416**	1,651	**496**	484
January	465	na	156	na
February	448	na	154	na
March	478	na	172	na
April	470	na	168	na
May	493	na	181	na
June	489	na	177	na
July	488	na	188	na
August	472	na	177	na
September	471	na	167	na
Total	**5,690**	na	**2,036**	na

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

Korea: Feed Ingredient Use for Compound Feed Production (October/September, 1,000 MT)				
Items	MY 2009/10	MY 2010/11	MY 2011/12	MY 2012/13[a/]
Sub. Total Grains and Grain Substitutes	10,954	10,935	11,569	11,600
- Wheat	2,149	2,100	3,065	2,200
- Corn	6,362	6,073	5,690	6,600
- Other Grains and Grain Substitute [b/]	2,443	2,762	2,814	2,800
Others [c/]	6,301	6,052	6,431	6,400
Grand Total	17,255	16,987	18,000	18,000

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.

Korea: Compound Feed Production by Species (October/September, 1,000 MT)				
Species	MY 2009/10	MY 2010/11	MY 2011/12[a/]	MY 2012/13[b/]
Poultry	4,564	4,744	4,821	4,800
Swine	5,465	4,738	5,322	5,500
Cattle	5,915	6,116	6,321	6,300
Others[c/]	1,233	1,367	1,477	1,400
Total	17,177	16,965	17,940	18,000

Source: MIFAFF
a/ Preliminary
b/ FAS/Seoul forecast
c/ include ducks, pet food, rabbit, horse, sheep, deer, quail etc.

Korea: Feed Ingredients Use for MY2010-MY2011 (1,000 MT, October/September)						
INGREDIENT	MY2010/2011			MY2011/2012		
	TOTAL	DOM [1/]	%	TOTAL	DOM [1/]	%
GRAINS:						
CORN	6,073	1	35.8	5,690	-	31.6
SORGHUM	0	0	0	-	-	-
WHEAT	2,100	1	12.4	3,065	-	17.0
BARLEY	26	3	0.2	27	2	0.2
RYE	1	1	0	1	1	0.0
OATS	2	0	0.0	3	2	0.0
GSP/BROKEN GRAIN	67	67	0.4	73	73	0.4
TAPIOCA	224	0	1.3	353	-	2.0
LUPIN SEED	121	15	0.7	165	20	0.9
OTHERS	174	167	1.0	184	173	1.0
SUB TOTAL	**8,788**	**255**	**51.7**	**9,561**	**271**	**53.1**
GRAIN BY-PRODUCTS:						
WHEAT BRAN	662	421	3.9	658	412	3.7

RICE BRAN	237	237	1.4	186	186	1.0
BARLEY BRAN	0	0	0	-	-	-
CORN BRAN	0	0	0	-	-	-
GLUTEN FEED	931	493	5.5	825	400	4.6
OTHERS	317	210	1.9	339	296	1.9
SUB TOTAL	**2,147**	**1,361**	**12.6**	**2,008**	**1,294**	**11.2**
ANIMAL PROTEIN:						
FISH MEAL	21	17	0.1	20	15	0.1
MEAT & BONE MEAL	18	18	0.1	17	17	0.1
OTHERS	100	97	0.6	113	111	0.6
SUB TOTAL	**139**	**132**	**0.8**	**150**	**143**	**0.8**
VEGETABLE PROTEIN:						
SOYBEAN MEAL	2,059	545	12.1	2,053	518	11.4
RAPESEED MEAL	285	3	1.7	419	2	2.3
SESAMESEED MEAL	17	17	0.1	22	22	0.1
PERILLA SEED MEAL	4	4	0.0	4	4	0.0
CORN GLUTEN MEAL	86	78	0.5	87	69	0.5
DDGS	535	144	3.1	484	127	2.7
COTTONSEED MEAL	5	0	0.0	6	-	0.0
PARM KERNEL MEAL	636	11	3.7	734	34	4.1
COPRA MEAL	366	18	2.2	427	9	2.4
OTHERS	210	183	1.2	215	192	1.2
SUB TOTAL	**4,203**	**1,003**	**24.7**	**4,451**	**977**	**24.7**
ADDITIVES/MINERALS:						
CALCIUM PHOSPHATE	72	57	0.4	68	50	0.4
LIMESTONE	452	452	2.7	464	464	2.6
SALT	62	61	0.4	66	65	0.4
OTHER	235	232	1.4	260	258	1.4
SUB TOTAL	**821**	**802**	**4.8**	**858**	**837**	**4.8**
OTHER INGREDIENTS:						
TALLOW	320	293	1.9	328	305	1.8
MOLASSES	390	330	2.3	451	380	2.5
UREA	0	0	0.0	0	0	0.0
OTHER	179	166	1.1	193	173	1.1
SUB TOTAL	**889**	**789**	**5.2**	**972**	**858**	**5.4**
GRAND TOTAL	**16,987**	**4,342**	**100.0**	**18,000**	**4,380**	**100.0**

Source: Korea Feed Association (KFA)
1/ Domestic Products

Trade:
MY 2012/13 corn import forecast is revised to 8.6 million MT, up 600,000 tons from the previous USDA forecast due to increased feed corn imports to meet a greater demand for compound feed in the swine sector, while feed grade wheat imports are expected to slow in the second half of the year.

As of the end of December 2012, importers contracted 5.6 million tons of corn from October 2012 to June 2013 deliveries. Most of the contracted purchases for feed corn to date are optional origin at seller's option from South American countries with a price range of $257-340 per metric ton CNF, while corn processors have contracted for No. 2 GM/non-GM yellow corn from South America and conventional corn from Eastern Europe with a price range of $260-400 per metric ton CNF. Most recent buying contracts have been stabilized in a range of $310-320 per ton CNF for feed corn and $ 330-340 for processing corn.

Korea: Corn Imports (1,000MT, 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[a/]	6,600	2,000	8,600	1,300	200	1,500	17

Source: Korea Customs Service
a/ FAS/Seoul forecast based on ongoing buying contracts.

Korea: Monthly Corn Import (1,000 MT, Customs Cleared Basis)				
Month	Feed Corn		Processing Corn	
	MY 2011/12	MY 2012/13	MY 2011/12	MY 2012/13
October	344	460	163	103
November	497	470	126	235
December	354	706	155	242
S. Total (Oct-Dec)	**1,195**	**1,636**	**444**	**580**
January	586	na	214	na
February	503	na	112	na
March	376	na	180	na
April	550	na	198	na
May	476	na	185	na
June	452	na	154	na
July	559	na	145	na
August	386	na	165	na
September	516	na	237	na
Total	**5,600**	na	**2,035**	na

Source: Korea Customs Service

Korea: MY 2012/13 Corn Contracts by Estimated Time of Arrival (ETA) (Unit: 1,000 MT, as of December 2012)					
ETA	U.S.	Europe	SOAM	Others 1/	Total
Oct. 2012	171	110	433	0	714
Nov.	184	55	320	55	614
Dec.	0	110	321	130	561
Jan. 2013	0	25	425	0	450
Feb.	0	0	1,138	0	1,138
Mar.	0	155	466	0	621
Apr.	0	55	422	0	477
May	0	0	629	0	629

Jun.	0	0	395	0	395
Total	355	510	4,549	185	5,599

Source: Local Grain Traders
1/ optional origins at seller's option out of USA, SOAM, Europe or South Africa

Production, Supply and Demand Data Statistics:

Corn PS&D

Corn Korea, Republic of	**2010/2011**		**2011/2012**		**2012/2013**		
	Market Year Begin: Oct 2010		**Market Year Begin: Oct 2011**		**Market Year Begin: Oct 2012**		
	USDA Official	**New Post**	**USDA Official**	**New Post**	**USDA Official**	**New Post**	
Area Harvested	16	16	16	16	16	17	(1000 HA)
Beginning Stocks	1,622	1,622	1,589	1,589	1,484	1,483	(1000 MT)
Production	74	74	74	74	78	84	(1000 MT)
MY Imports	8,107	8,107	7,636	7,635	8,000	8,600	(1000 MT)
TY Imports	8,107	8,107	7,636	7,635	8,000	8,600	(1000 MT)
TY Imp. from U.S.	6,060	6,316	3,227	3,757	0	1,500	(1000 MT)
Total Supply	9,803	9,803	9,299	9,298	9,562	10,167	(1000 MT)
MY Exports	0	0	0	0	0	0	(1000 MT)
TY Exports	0	0	0	0	0	0	(1000 MT)
Feed and Residual	6,074	6,074	5,690	5,690	6,000	6,600	(1000 MT)
FSI Consumption	2,140	2,140	2,125	2,125	2,100	2,100	(1000 MT)
Total Consumption	8,214	8,214	7,815	7,815	8,100	8,700	(1000 MT)
Ending Stocks	1,589	1,589	1,484	1,483	1,462	1,467	(1000 MT)
Total Distribution	9,803	9,803	9,299	9,298	9,562	10,167	(1000 MT)
Yield	5.	4.625	5.	4.625	5.	4.9412	(MT/HA)

Korea: Animal Inventory (1,000 Head, 1,000 Birds)					
Animal	Year	March	June	September	December
Beef Cattle	2009	2,481	2,599	2,645	2,635
	2010	2,706	2,889	2,949	2,915
	2011	2,881	3,053	3,044	2,950
	2012	2,940	3,109	3,143	2,989d/
	2013	2,940-2,980d/	na	na	na

Dairy Cattle	2009	448	439	438	445
	2010	449	432	429	430
	2011	396	403	404	404
	2012	404	410	417	419-421d/
	2013	420-422d/	na	na	na
Swine a/	2009	9,177	9,044	9,381	9,585
	2010	9,768	9,728	9,901	9,881
	2011	7,036	7,330	7,783	8,171
	2012	8,852	9,432	9,937	9,800-9,900d/
	2013	9,500-9,600d/	9,400-9,600d/	na	na
Layer b/	2008	57,850	59,720	58,200	59,170
	2009	60,240	61,140	61,998	62,967
	2010	62,524	61,586	60,095	61,700
	2011	61,025	60,723	61,212	62,425
	2012	63,200	64,380	66,270	63,330d/
Broiler c/	2008	67,010	77,850	55,560	54,480
	2009	68,690	99,983	68,123	67,194
	2010	72,692	101,690	71,271	74,050
	2011	69,932	110,122	71,038	76,435
	2012	70,970	97,750	68,540	79,100d/

Source: Korea Rural Economic Institute, MIFAFF
a/ includes 864,000 heads of statistical difference between FAS/Seoul and Korean government.
b/ Excluding breeders.
c/ Excluding multi-use broilers.
d/ KREI forecast

RICE

PRODUCTION

No change from the previous report.

CONSUMPTION

Korea's rice consumption pattern remains unchanged from the previous forecast.

TRADE

In MY 2012/13, rice imports remain unchanged from the previous forecast at 600,000 metric tons as the Korean government is trying to deliver the 2013 MMA commitment within the corresponding calendar year. U.S. rice exports are revised to 200,000 MT, up 20,000 MT from the previous forecast because of an increased MFN quota allocation for medium grain variety for table purpose.

2013 MMA Purchasing plan:

Under the 2013 Minimum Market Access (MMA) purchasing plan, Korea will purchase 388,353 MT of rice, comprised of 183,125 MT under the global quota (GQ) and several country specific quotas (CSQ) totaling 205,228 MT. 84 percent of the US CSQ quota has been allocated to table rice this year, compared to 80 percent in 2012.
The United States is expected to receive from 120,000 to 150,000 MT, or roughly 31- 39 percent of the total MMA volume. The anticipated U.S. share is calculated by adding the 37,498 MT of medium grain and 63,000 MT of optional varieties allocations between short grain and medium grain under GQ to the 50,076 MT of U.S. CSQ. Please refer to GAIN report KS1305 for more details.

The 2013 U.S. CSQ, totaling 50,076 MT, is made up of 42,291 MT of table rice and 7,785 MT for processing. The U.S. table rice allocation of 42,291 MT compares to 40,056 MT in 2012, a 6 percent increase in response to a greater demand for U.S. medium grain in the Korean consumer market. Under the 2013 MMA CSQ quota, Korea has already purchased 20,000 MT of U.S. #1 MG for table purpose, delivering from March through May 2013.

Korea: Quota Allocation for 2013 MMA (Unit : M/T, milled rice basis)						
Item		Type	Allocation by Grade			
			Non Table rice	Table rice		
				US.No.1	US.No.3	**Total**
CSQ (205,228)	China (116,159)	Short	70,217	27,565	18,377	45,942
	US (50,076)	Medium	7,785	38,062	4,229	42,291
	Thailand (29,963)	Long	26,817	3,146	0	3,146
	Australia (9,030)	Medium	3,904	2,563	2,563	5,126
	Total		108,723	71,336	25,169	96,505
MFN (183,125)	(Short)46,627; (Medium)37,498; (Long)36,000; (Short/Medium)60,000[a/]; (Glutinous) 3,000 a/ include 20,000 MT for table purpose					

Source: Korea Agro-Fishery Trade Corporation (aT)

In MY 2011/12, rice imports revised to 380,000 metric tons, up 20,000 metric tons from the previous estimate.

2012 MMA Tendering Results:

Korea's contracts for rice imports under the 2012 WTO Minimum Market Access (MMA) system expanded market access opportunity for U.S. rice suppliers. In addition to the U.S Country Specific Quota of 50,076 MT, the United States successfully contracted 50,825 MT or 31 percent of the total Global Quota of 162,778 MT. With a total 100,901 MT, the U.S. share of the 2012 MMA was 27 percent with contracts valued at US$78 million. Please refer to GAIN report KS1308 for more details.

Korea: Rice Contracts by Country under 2012 MMA (Unit: MT, Milled Basis)					
	Global Quota		CSQ		
Country	Processing	Table	Processing	Table	Total (%)
USA	50,825	0	10,020	40,056	**100,901(27)**
China	49,911	0	53,672 [a/]	62,487	**166,070(45)**
Thailand	0	0	26,963	3,000	**29,963 (8)**
Australia	0	0	4,172	4,858	**9,030 (2)**
Vietnam	45,400	0	0	0	**45,400(12)**
Myanmar	5,000	0	0	0	**5,000 (1)**
India	11,642	0	0	0	**11,642 (3)**
S.Total	162,778	0	94,827	110,401	**368,006**
G. Total	**162,778**		**205,228**		**368,006**

Source: Korea Agro-Fishery Trade Corporation (aT)
a/ converted to global quota from CSQ that got through three times of unsuccessful trials in biddings.

Korea: U.S. Rice Sales to Korea under 2012 MMA				
Contracts	Milled rice(MT)	Brown rice(MT)	Arrival unit price	Amount
			($/MT)	($)
1	16,000		719.00	11,504,000
2	4,006		693.99	2,780,124
3		11,133	608.62	6,775,766
4		11,111[a/]	713.88	7,931,921

5		6,000[a/]	713.17	4,279,020
6		6,000[a/]	713.91	4,283,460
7	12,000		809.00	9,708,000
8	8,050		814.49	6,556,645
9		6,000[a/]	705.42	4,232,520
10		6,000[a/]	705.42	4,232,520
11		5,000[a/]	696.88	3,484,400
12		16,361[a/]	756.62	12,379,060
total	**40,056**	**67,605**		**78,147,435**

Source: Korea Agro-Fishery Trade Corporation (aT), totaling 100,901MT in milled basis or 27 percent of total MMA.
a/ under the Global Quota

Korea: U.S. Table Rice Delivery Schedule Based on Contracts under 2012 MMA (Non-Glutinous Milled Rice Medium Grain, Metric Ton)				
Supplier	Contractual Quantity	Grade	Shipment	ETA Busan Port
ADM	16,000	U.S. No. 1	4,000	April 2012
			8,000	May 2012
			4,000	June 2012
	12,000		4,000	December 2012
			4,000	January 2013
			4,000	February 2013
FRC	8,050		4,000	January 2013
			4,050	February 2013
American Commodity Company	4,006	U.S. No. 3	4,006	June 2012
Total	40,056			

Source: Korea Agro-Fishery Trade Corporation (aT)

Auctions for Imported Table Rice:
aT has sold table rice shipments to Korean wholesale and retail rice markets through its public auction system since 2006. On the other hand, the Ministry of Food, Agriculture, Forestry, and Fisheries (MIFAFF) has distributed processing rice to end-users such as food processors and alcoholic beverage producers at a set price throughout the year since 1996.

The 2011 MMA shipments of 104,297 MT of table rice was delivered from late 2011 until June 2012. aT began table rice auctions for U.S. rice in December 2011 and sold out by the middle of August 2012, while Chinese table rice was auctioned from March 2012 through early January 2013, and Thai table rice still auctioning since February 2012. Average auctioned prices for both U.S. #1 and Chinese #1 were lower than #3 which belatedly started their auctions when the domestic rice market trended upward in 2012.

In response to much more favorable consumer confidence in U.S. medium milled rice, aT has continued selling U.S. medium rice for both #1 and #3 under the 2012 MMA quota of which the first batch of 20,000 metric tons was delivered to Korea in the first half of 2012 soon after completing the auctions of U.S. table rice under the 2011 MMA quota in the middle of August 2012. Remaining portions of U.S. table rice under the 2012 MMA quota are scheduled to deliver by the end of February 2013.

Korea: Status of Rice Auction for Table Rice under 2011 CSQ

(Unit: metric tons, milled basis, as of Jan. 17, 2013)					
Commodity	USDA Grade	Total Table Rice CSQ	Auctioned Off	Balance	Percentage Auctioned Off (%)
U.S. Medium Grain	#1	29,315	29,315	0	100 (as of Aug. 13, 2012)
	#3	2,747	2,745	2	100 (as of Aug. 3, 2012)
Chinese Short Grain	#1	40,281	40,281	0	100 (as of Jan 9, 2013)
	#3	26,854	26,854	0	100 (as of Jan 9, 2013)
Thai Long Grain	#1	2,100	1,832	268	87
	#3	3,000	1,568	1,432	52
Total		**104,297**	**102,595**	**1,702**	**98**

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

Korea: Status of Rice Auction for Table Rice under 2012 CSQ (Unit: metric tons, milled basis, as of Jan. 17, 2013)					
Commodity	USDA Grade	Total Table Rice CSQ	Auctioned Off	Balance	Percentage Auctioned Off (%)
U.S. Medium Grain	#1	36,050	17,809	18,241	49
	#3	4,006	3,997	9	100 (as of Jan 9, 2013)
Chinese Short Grain	#1	37,492	None	Na	Na
	#3	24,995	None	Na	Na
Thai Long Grain	#1	3,000	None	Na	Na
Aussie Medium Grain	#1	2,429	None	Na	Na
	#3	2,429	None	Na	Na
Total		**110,401**	**21,806**	**Na**	**Na**

Source: Korea Agro-Fisheries and Food Trade Corporation (aT)
a/ to be purchased through ongoing tendering process

Korea: Auctioned-Off Prices of Imported Table Rice Comparing with Local Rice (Unit: Korean Won per Kg on Average)							
Auctioning-off Period	U.S. Medium Grain		Chinese Short Grain (Medium Grain)		Thai Long Grain	Korean Short Grain Wholesale	
	#1	#3	#1	#3	#1	High Quality	Medium Quality
April-September 2006 (2005 MMA)	1,138	991	1,274	1,133	555	1,861	1,812
March-August 2007 (2006 MMA)	1,363	1,211	1,357	1,303	953	1,961	1,916
February-August 2008 (2007 MMA)	1,542	1,510	1,487	1,558	1,132	2,034	1,983
February2009 -May 2010 (2008 MMA)	1,160	994	1,125 (1,100)	none	1,329	1,913	1,845
February 2010-March 2011 (2009 MMA)	970	881	914 (850)	893	672	1,692	1,635
April 2011-January 2012 (2010 MMA)	913	1,074 a/	707	612	518	1,959	1,886
December 2011- January 17, 2013 (2011MMA)	1,258	1,452	1,297	1,501	(802 c/) 950 b/	2,119	2,061
August 2012-January 17,2013 (2012 MMA)	1,632 b/	1,634	na	na	na	2,149	2,096

Source: Korea Agro-Fisheries and Food Trade Corporation (aT)
a/ Auctioned-off during October-December 2011

b/ ongoing
c/ #3

Production, Supply and Demand Data Statistics:

Rice PS&D

Rice, Milled Korea, Republic of	2010/2011		2011/2012		2012/2013		
	Market Year Begin: Nov 2010		Market Year Begin: Nov 2011		Market Year Begin: Nov 2012		
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post	
Area Harvested	892	892	854	854	849	849	(1000 HA)
Beginning Stocks	1,513	1,513	1,034	1,034	638	658	(1000 MT)
Milled Production	4,295	4,295	4,224	4,224	4,006	4,006	(1000 MT)
Rough Production	5,810	5,810	5,616	5,616	5,405	5,405	(1000 MT)
Milling Rate (.9999)	7,392	7,392	7,522	7,522	7,412	7,412	(1000 MT)
MY Imports	405	405	360	380	600	600	(1000 MT)
TY Imports	532	532	240	238	640	640	(1000 MT)
TY Imp. from U.S.	143	143	0	63	0	200	(1000 MT)
Total Supply	6,213	6,213	5,618	5,638	5,244	5,264	(1000 MT)
MY Exports	4	4	3	3	3	3	(1000 MT)
TY Exports	4	4	5	2	5	3	(1000 MT)
Consumption and Residual	5,175	5,175	4,977	4,977	4,800	4,800	(1000 MT)
Ending Stocks	1,034	1,034	638	658	441	461	(1000 MT)
Total Distribution	6,213	6,213	5,618	5,638	5,244	5,264	(1000 MT)
Yield (Rough)	7.	6.5135	7.	6.5761	6.	6.3663	(MT/HA)

Appendix

Korea: Allocation of the MMA for 2005-2014 (MT, Milled rice)							
Calendar Year	Total	Global Quota	Country Specific Quota (CSQs)				
			Total	USA	China	Thailand	Australia
2005	225,575	20,347[a/]	205,228	50,076	116,159	29,963	9,030
2006	245,922	49,724[b/]	196,198	50,076	116,159	29,963	[c/]
2007	266,270	70,072[d/]	196,198	50,076	116,159	29,963	[c/]

2008	286,617	90,419[e/]	196,198	50,076	116,159	29,963	[c/]
2009	306,964	110,766[f/]	196,198	50,076	116,159	29,963	[c/]
2010	327,311	131,113[g/]	196,198	50,076	116,159	29,963	[c/]
2011	347,658	151,460[h/]	196,198	50,076	116,159	29,963	[c/]
2012	368,006	162,778i/	205,228	50,076	116,159j/	29,963	9,030
2013	388,353	183,125	205,228	50,076	116,159	29,963	9,030
2014	408,700	203,472	205,228	50,076	116,159	29,963	9,030

Source: MIFAFF and Korea Agro-Fishery Trade Corporation (aT)
a/ Global quota allocations: United States 6,104 MT; China 11,191 MT; and Thailand 3,052 MT.
b/ Global quota allocations: United States 13,025 MT; China 23,080 MT; and Thailand 13,619 MT.
c/ Australia CSQ allocation converted to MFN due inability to fulfill quota.
d/ Global quota allocations: United States 21,643MT; China 32,352MT; and Thailand 16,077 MT.
e/ Global quota allocations: United States 19,534MT; China 35,126MT; and Thailand 35,759 MT.
f/ Global quota allocations: United States 31,270MT; China 43,629MT; Thailand 30,347 MT; and Pakistan 5,520MT
g/ Global quota allocations: United States 43,643MT; China 42,411MT; Thailand 40,347 MT; and Pakistan 4,712MT
h/ Global quota allocations: United States 51,414MT; China 44,911MT; Thailand 20,694MT; Vietnam 19,441MT; and Myanmar 15,000MT
i/ Global quota allocations: United States 50,825MT; China 49,911MT; Vietnam 45,400 MT; India 11,642 MT and Myanmar 5,000MT
j/ of them, 53,672 MT were converted to global quota from CSQ that got through three times of unsuccessful trials in biddings.

Korea: Import Schedule of Table Rice
(MT, Milled Rice)

Calendar Year	Total	Table Purpose	Rate of Table Rice (%)
2005	225,575	22,557	10
2006	245,922	34,429	14
2007	266,270	47,928	18
2008	286,617	63,055[a/]	22
2009	306,964	79,810[b/]	26
2010	327,311	98,193[c/]	30
2011	347,658	104,297	30
2012	368,006	110,401	30
2013	388,353	116,505	30
2014	408,700	122,610	30

Source: Ministry of Food, Agriculture, Forestry & Fisheries (MIFAFF)
a/ Of them, 24,934MT of Chinese rice was diverted to alcohol processing purpose in CY2010
b/ Of them, 33,303 MT of Chinese rice and 1,500 MT of Thai rice were diverted to alcohol processing purpose in CY2011
c/ Of them, 5,671MT of Chinese rice were diverted to alcohol processing purpose in CY2012.

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

Month\Year	CY 2011		CY 2012		CY 2013	
	Won/Kg	US$/Kg	Won/Kg	US$/Kg	Won/Kg	US$/Kg
January	1,764	1.58	2,090	1.83	2,200a/	2.08a/
February	1,794	1.60	2,099	1.87	Na	Na
March	1,873	1.67	2,100	1.87	Na	Na
April	1,938	1.79	2,100	1.85	Na	Na
May	1,950	1.80	2,100	1.82	Na	Na
June	1,950	1.81	2,100	1.80	Na	Na
July	1,950	1.84	2,100	1.84	Na	Na
August	1,950	1.82	2,098	1.85	Na	Na
September	1,950	1.74	2,090	1.86	Na	Na
October	2,022	1.74	2,113	1.91	Na	Na
November	2,051	1.76	2,195	2.02	Na	Na
December	2,076	1.81	2,200	2.04	Na	Na
Average	**1,939**	**1.75**	**2,115**	**1.88**	**Na**	**Na**

Source: Korea Agricultural Marketing Information Service (KAMIS)
Note: Monthly Average Exchange Rate is applied.
a/ Weighted average for Jan. 1-18, 2013

Korea: Monthly Retail Price of Milled Rice (High Quality)						
Month\Year	CY 2011		CY 2012		CY 2013	
	Won/Kg	US$/Kg	Won/Kg	US$/Kg	Won/Kg	US$/Kg
January	2,064	1.84	2,194	1.92	2,314a/	2.18a/
February	2,098	1.87	2,202	1.96	Na	Na
March	2,138	1.91	2,195	1.95	Na	Na
April	2,217	2.04	2,200	1.94	Na	Na
May	2,235	2.06	2,203	1.91	Na	Na
June	2,254	2.09	2,188	1.88	Na	Na
July	2,234	2.11	2,172	1.90	Na	Na
August	2,203	2.05	2,173	1.92	Na	Na
September	2,201	1.97	2,179	1.94	Na	Na
October	2,234	1.94	2,242	2.03	Na	Na
November	2,214	1.96	2,316	2.13	Na	Na
December	2,190	1.91	2,311	2.15	Na	Na
Average	**2,190**	**1.98**	**2,214**	**1.96**	**Na**	**Na**

Source: Korea Agricultural Marketing Information Service (KAMIS)
Note: Monthly Average Exchange Rate is applied.
a/ Weighted average for Jan. 1-18, 2013

Korea: Foreign Exchange Rate (Korean Won against US$)			
Month	CY 2011	CY 2012	CY 2013
January	1,119	1,144	1,060[a/]
February	1,119	1,123	na
March	1,120	1,126	na
April	1,085	1,135	na
May	1,083	1,154	na
June	1,080	1,164	na
July	1,058	1,143	na
August	1,073	1,131	na
September	1,120	1,124	na
October	1,152	1,106	na
November	1,131	1,087	na
December	1,147	1,076	na
Average	**1,107**	**1,127**	**na**

Source: Global Financial Service
a/ an average for January 1-18, 2013