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Date: 10/31/2016

GAIN Report Number: KS1638

Korea - Republic of

Grain and Feed Update

October 2016 Update

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Report Highlights:

Korean ending stocks of rice are revised upward to 1.7 MMT and 1.8 MMT in MY 2015/16 and 2016/17, respectively. Stocks continue to grow as a result of continued decline in per capita rice consumption and another year of expected high production due to record yields. Corn imports for MY 2015/16 are revised downward to 10.1 MMT, based on stiff competition from Brazil and Argentina, and competitively-priced feed grade wheat from Argentina and the Black Sea region. Continued increased imports of feed grade wheat in MY2016/17 are expected to boost total wheat imports to 5.0 MMT, about 600 TMT above the previous marketing year.

Post:
Seoul

Commodities:
Wheat

Corn

Rice, Milled

WHEAT

Production:

At the end of June 2016, the Korean government officially released data showing that wheat production in MY 2015 was 26,433 MT. Yield sharply declined to 2.62 MT per Hectare, due to unfavorable weather during both the planting and growing seasons. The official number for wheat area in MY 2016 was 10,702 HA. Official numbers for wheat area were released at the end of July 2016, with official production data becoming available next year.

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:

MY 2015/16 wheat consumption remains unchanged from the previous report, at 4.13 million metric tons (MMT). This number increased by seven percent from a year earlier due to greater consumption of feed grade wheat.

The MY 2016/17 forecast for wheat consumption remains unchanged from the previous report at 4.9 MMT, due to an anticipated availability of feed grade wheat at prices competitive with feed corn (Table 6). Milling wheat consumption will remain stable.

Table 2

Korea: Post Estimates of Domestic Wheat Use (1,000 MT, July/June)
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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	2,500
Total Consumption ^{b/}	4,257	3,849	4,134	4,886

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

a/ Wheat basis

b/ include local wheat, flour imports and pasta imports but exclude flour exports and pasta exports

c/ FAS/Seoul forecast

1/ KOFMIA members

2/ non- KOFMIA member

Table 3

Korea: Monthly Wheat Use (1,000 MT)						
Month	Feed Wheat			Milling Wheat a/		
	MY 2013/14	MY 2014/15	MY 2015/16	MY 2013/14	MY 2014/15	MY 2015/16
July	235	129	124	176	183	181
August	219	121	119	173	175	170
September	226	126	124	156	166	178
October	245	134	151	185	179	182
November	205	130	140	180	172	169
December	159	143	151	180	186	189
January	125	123	135	184	194	191
February	100	103	138	161	152	160
March	101	116	153	176	183	188
April	100	120	142	180	176	178
May	108	119	167	177	172	170
June	114	125	186	175	177	178
Total	1,936	1,490	1,728	2,102	2,115	2,134

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 remains unchanged from the earlier report at 5.06 MMT, which includes 2.56 MMT of wheat for milling purposes (including flour and pasta imports on a wheat equivalent basis) and 2.5 MMT of feed grade wheat. Milling wheat imports for local flour processing are expected to stay around 2.35 MMT, and originate mainly from the United States, Australia, and Canada. Korea is expected to import 2.5 MMT of feed grade wheat mainly from the Black Sea region, Argentina, and France. During the first three months of MY 2016/17, Korean feed millers made optional-origin contracts for 1.4 MMT of feed grade wheat. Under these contracts, suppliers have an option to declare the origin of feed wheat just prior to shipments.

MY 2015/16 wheat imports are revised up to 4.43 MMT, which is 116,000 MT more than previous estimates, due to strong imports for both milling wheat and feed grade wheat. Wheat imports have increased 12 percent from the year earlier, mainly due to a sharp increase in imports of feed grade wheat. Imports of U.S. wheat for locally processed flour in MY 2015/16 stayed at 1.1 MMT, or 47 percent of total milling wheat imported for this purpose.

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 ^{2/}	1,812	2,415	50	149	4,426
16/17 ^{3/}	2,500	2,350	60	150	5,060

Source: Korea Customs Service

1/ Wheat basis

2/ FAS/Seoul forecast based on actual imports of wheat for the first ten months of the marketing year

3/ FAS/Seoul forecast

Table 5

Korea: Monthly Wheat Imports (1,000 MT)						
Month	Feed Wheat			Milling Wheat		
	MY 2013/14	MY 2014/15	MY 2015/16	MY 2013/14	MY 2014/15	MY 2015/16
July	249	87	162	77	178	244
August	163	35	58	259	189	133
September	198	149	212	91	182	224
October	316	230	200	234	237	201
November	161	117	191	129	179	195
December	120	97	110	267	206	217
January	130	143	50	129	212	190
February	187	64	174	182	168	192
March	42	213	143	247	189	192
April	125	48	107	210	227	227
May	74	143	214	165	194	207
June	183	65	191	191	209	193
Total	1,948	1,391	1,812	2,181	2,370	2,415

Source: Korea Customs Service

Table 6

Korea: MY 2016/17 Feed Wheat Contracts by Estimated Time of Arrival (ETA) (Unit: 1,000 MT, as of September 2016)		
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
Total	1,414	

Source: Local Grain Traders
1/ CNF on Weighted Average

Table 7

Korea: Wheat Flour Imports (H.S.: 1101.00.1000) (Metric Ton, July/June)						
Country	MY2010	MY2011	MY2012	MY2013	MY2014	MY2015
U.S.A.	531	1,025	1,318	716	793	567
Canada	13,540	1,381	1,037	973	829	600
Australia	528	223	395	658	2,041	1,246
China	583	0	121	60	0	0
Turkey	11,130	8,784	3,636	1,144	996	771
Indonesia	9,956	7,708	9,616	8,011	5,968	6,678
Russia	0	0	0	0	4,1890	10,626
Others	9,772	11,250	12,478	10,237	17,391	16,319
Total	46,260	30,371	28,600	21,799	32,207	36,816
Wheat Basis ^{a/}	63,133	41,548	39,125	29,821	44,059	50,364

Source: Korea Customs Service (KCS)
a/ applied converting factor: 1.368

Table 8

Korea: Pasta Imports (H.S.: 1902) (Metric Ton, July/June)						
Country	MY2010	MY2011	MY2012	MY2013	MY2014	MY2015
U.S.A.	424	429	512	451	375	359
China	62,024	61,766	65,716	73,991	70,426	70,476
Italy	16,368	15,169	19,193	20,595	19,481	22,037
Thailand	3,142	3,851	4,359	4,894	4,529	5,089
Indonesia	2,530	1,593	2,007	1,994	2,596	3,029
Turkey	2,507	3,193	3,630	4,094	3,691	4,184
Others	2,960	3,090	3,466	3,717	3,721	3,653
Total	89,955	89,091	98,883	109,736	104,819	108,826
Wheat Basis ^{a/}	123,058	121,876	135,272	150,118	143,392	148,874

Source: Korea Customs Service (KCS)
a/ applied converting factor: 1.368

Table 9

Korea: Wheat Flour Exports (H.S.: 1901.20.9000 & 1901.90.9099) (Metric Ton, July/June)						
Country	MY2010	MY2011	MY2012	MY2013	MY2014	MY2015
Total	48,056	44,909	46,843	43,230	45,585	42,216
Wheat Basis ^{a/}	64,075	59,879	62,457	57,640	60,780	56,288

Source: Korea Customs Service (KCS)
a/ applied converting factor: 1.333

Table 10

Korea: Pasta Exports (H.S.: 1902) (Metric Ton, July/June)						
Country	MY2010	MY2011	MY2012	MY2013	MY2014	MY2015
USA	19,189	20,365	23,694	23,979	22,675	26,004
Japan	13,811	12,773	10,989	9,833	8,175	8,307
China	4,595	5,517	5,597	7,918	8,926	14,051
Russia	2,450	3,417	3,465	3,108	2,099	1,574
Australia	5,304	4,875	4,956	5,439	4,955	5,472
Hong Kong	6,145	7,159	9,035	11,195	10,030	9,854
Others	29,435	33,521	36,954	41,090	41,675	49,094
Total	80,930	87,626	94,689	102,563	98,535	114,356
Wheat Basis ^{a/}	110,712	119,873	129,535	140,306	134,796	156,439

Source: Korean Customs Service (KCS)

^{a/} applied converting factor: 1.368

Table 11

Korea: MY 20016/17 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	179
Total(Jul-Sep) 2016	256	284	23	0	3	566
Total(Jul-Sep) 2015	248	304	47	0	2	601
Feed Wheat						
2016 July	0	0	0	63	117	180
August	0	0	0	26	104	130
September	0	0	0	118	85	203
Total(Jul-Sep) 2016	0	0	0	207	306^{a/}	513
Total(Jul-Sep) 2015	0	0	0	166	265 [/]	431
Total Wheat						
2016 July	53	158	14	63	118	406
August	89	70	0	26	105	290
September	114	53	9	118	86	383
Total(Jul-Sep) 2016	256	284	23	207	309	1,079
Total(Jul-Sep) 2015	248	304	47	166	267	1,032

Source: Korea Customs Service

^{a/} Argentina (165,896 MT); France (65,588 MT); Bulgaria (10,500 MT); Romania (62,751 MT)

Production, Supply and Demand Data Statistics:

Wheat PS&D

Wheat	2014/2015		2015/2016		2016/2017	
Market Begin Year	Jul 2014		Jul 2015		Jul 2016	
Korea, Republic of	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested	7	7	10	10	13	11
Beginning Stocks	1437	1437	1411	1363	1564	1468
Production	23	23	35	26	45	36
MY Imports	3942	3948	4420	4426	5000	5060
TY Imports	3942	3948	4420	4426	5000	5060

TY Imp. from U.S.	1179	1234	1120	1124	0	1300
Total Supply	5402	5408	5866	5815	6609	6564
MY Exports	153	196	177	213	150	210
TY Exports	153	196	177	213	150	210
Feed and Residual	1479	1490	1700	1728	2500	2500
FSI Consumption	2359	2359	2425	2406	2395	2386
Total Consumption	3838	3849	4125	4134	4895	4886
Ending Stocks	1411	1363	1564	1468	1564	1468
Total Distribution	5402	5408	5866	5815	6609	6564
(1000 HA) ,(1000 MT)						

Import Trade Matrix

Country Korea, Republic of

Commodity Wheat

Time Period	July/June	Units:	1,000MT
Imports for:	2014		2015
U.S.	1232	U.S.	1124
Others		Others	

Australia	1006	Australia	1104
EU	560	EU	367
Canada	306	Canada	180
Ukraine	525	Ukraine	1091
India	10	Argentina	289
Brazil	116	Russia	64

Total for Others	2523	3095
Others not Listed	6	8
Grand Total	3761	4227

Note: exclude the import of wheat flour and pasta

CORN

Production:

Corn production in MY 2015 was revised upward to 78,243 MT based on official ROK government numbers released at the end of June 2016. This number is up four percent from Post's previous report, but down five percent from a year earlier.

Table 12

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 of the previous forecast of 9.9 MMT. Increased imports of feed grade wheat are expected to replace some portion of corn demand for compound feed production.

MY 2015/16 corn consumption is estimated at 10.1 MMT, consisting of 7.8 MMT for feed purposes and 2.3 million tons for food, seed and industrial (FSI) purposes. Based on records for the first eleven months, this consumption estimate is down 1.2 percent from a year earlier. Demand for feed corn is expected to be smaller than the previous year due to a greater global availability of feed grade wheat at competitive prices. Demand for processing corn is estimated to be five percent greater than the year earlier period due to higher demand for greater consumption of high fructose corn syrup (HFCS).

Comparing compound feed production for the first eleven months of MY 2014 and MY 2015 (Table 17), production for MY 2015/16 remains unchanged from the previous report, at 19.4 MMT, a 2.1 percent increase in production from the year earlier. This is mainly due to continuing growth in poultry, swine and other livestock sectors, which is partly offsetting reduced demand from both beef and dairy cattle operations. Feed corn is expected to be the primary ingredient used in poultry and swine compound feed, accounting for about 40 percent of total ingredients for the current marketing year (Table 15).

Major corn processors have continued using conventional corn imported from Brazil, Russia, Hungary, Australia and France, and non-GM corn imported from the United States and Argentina for food purposes. Many Korean food processing companies are reluctant to use ingredients sourced from biotech corn.

Table 13

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 ^{c/}	7,800	2,230	93	10,123
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 14

Korea: Monthly Corn Use (1,000 MT)						
Month	Feed Corn			Processing Corn		
	MY 2013/14	MY 2014/15	MY 2015/16	MY 2013/14	MY 2014/15	MY 2015/16
October	588	676	699	175	180	189
November	596	620	660	165	178	186
December	687	707	732	163	169	172
January	703	675	673	161	170	183
February	632	602	648	148	155	160
March	653	668	688	180	187	191
April	664	679	630	171	178	186
May	669	679	651	177	183	191
June	646	703	634	176	181	191
July	659	701	593	184	183	203
August	626	655	598	175	181	191
S. Total	7,123	7,365	7,206	1,875	1,945	2,043
September	639	670	na	159	173	na
Total	7,762	8,035	na	2,034	2,118	na

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

Table 15

Korea: Feed Ingredient Use for Compound Feed Production (October/September, 1,000 MT)				
Items	MY 2013/14	MY 2014/15	MY 2015/16 ^{a/}	MY 2016/17 ^{a/}
Sub. Total Grains and Grain Substitutes	12,080	12,046	12,400	12,600
- Wheat	1,633	1,480	1,900	2,500
- Corn	7,762	8,035	7,800	7,600
- Other Grains and Grain Substitute ^{b/}	2,685	2,531	2,700	2,500
Others ^{c/}	6,758	6,951	7,000	6,800
Grand Total	18,838	18,997	19,400	19,400

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 16

Korea: Compound Feed Production by Species (October/September, 1,000 MT)				
Species	MY 2013/14	MY 2014/15	MY 2015/16 ^{a/}	MY 2016/17 ^{a/}
Poultry	5,107	5,551	5,800	5,700
Swine	6,015	6,049	6,300	6,500
Cattle	6,388	5,978	5,800	5,700
Others ^{b/}	1,314	1,388	1,500	1,500
Total	18,824	18,967	19,400	19,400

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

a/ FAS/Seoul forecast

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

Table 17

Korea: Compound Feed Production Comparison by Species for the First Eleven Months (October/August, 1,000 MT)			
Species	MY 2014/15	MY 2015/16	Change (%)

Poultry	5,096	5,344	+4.9
Swine	5,534	5,712	+3.2
Cattle	5,488	5,321	-3.0
Others	1,268	1,408	+11.1
Total	17,386	17,784	+2.3

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

Trade:

MY 2016/17 imports remain unchanged from the previous forecast at 9.8 MMT, down three percent from the level imported in the previous year. Imports have decreased due to competition from comparatively cheaper feed grade wheat (Table 15). U.S. corn exports to Korea are expected to remain unchanged from the previous report (Table 18).

As of September 2016, most of the contracted purchases in MY 2016/17 were from suppliers including South America, Eastern Europe and the United States at the seller's option. In view of global corn prices, grain traders predict that most of the contracts will be shipped from the United States, South America, Eastern Europe or the Black Sea (Table 20).

Corn imports in MY 2015/16 were revised down to 10.1 MMT, slightly lower than the previous year. In MY 2015/16, U.S. corn exports to Korea remain unchanged from the previous report at 2.9 million tons. Imports from the United States are down more than 1.1 MMT from the previous year due to strong competition with South American countries and Russia (Table 18).

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 ^{a/}	7,833	2,289	10,122	2,387	522	2,909	29
16/17 ^{b/}	7,600	2,200	9,800	2,500	500	3,000	31

Source: Korea Customs Service

a/ FAS/Seoul forecast

b/ FAS/Seoul Projection

Table 19

Korea: Monthly Corn Imports (1,000 MT, Customs Cleared Basis)						
Month	Feed Corn			Processing Corn		
	MY 2013/14	MY 2014/15	MY 2015/16	MY 2013/14	MY 2014/15	MY 2015/16
October	620	846	651	131	181	171
November	631	465	673	178	183	175
December	975	750	853	222	137	211
January	885	743	563	118	168	245
February	829	558	528	170	138	112
March	488	636	782	158	258	198
April	664	759	702	234	145	206

May	698	689	620	166	163	193
June	540	636	636	300	208	146
July	591	693	654	85	166	252
August	658	671	680	112	177	127
September	740	609	491	212	188	253
Total	8,319	8,055	7,833	2,086	2,112	2,289

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 September 2016)		
ETA	Quantity	Price (USD/MT) ^{2/}
Oct. 2016	799	211
Nov.	947	206
Dec.	564	190
Jan 2017	444	185
Feb	124	185
Total	2,943	

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 Market Begin Year Korea, Republic of	2014/2015		2015/2016		2016/2017	
	Oct 2014		Oct 2015		Oct 2016	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested	16	16	15	15	16	15
Beginning Stocks	1860	1860	1860	1860	1885	1936
Production	82	82	75	78	79	75
MY Imports	10168	10168	10300	10121	10000	9800
TY Imports	10168	10168	10300	10121	10000	9800
TY Imp. from U.S.	3656	4022	0	2908	0	3000
Total Supply	12110	12110	12235	12059	11964	11811
MY Exports	0	0	0	0	0	0
TY Exports	0	0	0	0	0	0
Feed and Residual	8035	8035	8100	7800	7800	7600
FSI Consumption	2215	2215	2250	2323	2300	2300
Total Consumption	10250	10250	10350	10123	10100	9900
Ending Stocks	1860	1860	1885	1936	1864	1911
Total Distribution	12110	12110	12235	12059	11964	11811

(1000 HA) ,(1000 MT)

Corn Import Trade Matrix

Import Trade Matrix			
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Country	Korea, Republic of		
Commodity	Corn		
Time Period	Oct/Sept	Units:	1,000MT
Imports for:	2014		2015
U.S.	4022	U.S.	2908
Others		Others	
Brazil	2079	Brazil	3947
Argentina	435	Argentina	1756
Russia	623	Russia	942
Romania	198	Paraguay	219
Serbia	492	Serbia	116
Ukraine	1750	Ukraine	68
Hungary	312	Hungary	66
Australia	47	Australia	48
South Africa	147		
Total for Others	6083		7162
Others not Listed	63		51
Grand Total	10168		10121

Source: Korea Customs Service (KCS)

Table 21

Korea: Animal Inventory					
(1,000 Head, 1,000 Birds, as of September 2016)					
Animal	Year	March	June	September	December
Beef Cattle	2012	2,940	3,109	3,143	3,059
	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	2,638d/
Dairy Cattle	2012	404	410	417	420
	2013	420	419	422	424
	2014	428	424	429	431
	2015	425	418	418	411
	2016	409	402	407	400d/
Swine	2012	8,852	9,432	9,937	9,916
	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	10,500d/
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	na
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	na

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

Statistics Korea (KOSTAT) released their 2016 rice production estimate of 4.2 million metric tons (MMT) based on a nationwide survey of 6,500 rice fields conducted September 15 - 22, 2016.

The survey results show total harvested area at 778,734 HA, which is a 2.6 percent decline from the previous year. However, favorable weather at the critical filling stage resulted in higher yields and an outturn approaching last year's record crop. KOSTAT is expected to release its final production estimate shortly after the rice harvest is completed in mid-November.

Therefore, Post's forecast for rice production in MY 2016/17 is revised up to 4.2 million metric tons (MMT), an increase of five percent from the initial forecast of Korea's rice production.

Harvested Area

Rice area has continued to decrease annually – ranging from 5,000 HA to 38,000 HA every year since 2001. In 2016, area decreased 20,610 HA, down 2.6 percent from last year, in response to expanding demand from housing and building complexes and conversion of rice paddy land to more profitable cash crops.

Table 22

Korea: 2016 Rice Production Forecast			
Unit	2015	2016	Change (%)
Area (1,000 HA)	799	779	-21 (-2.6)
Yield (Kg/10a)	542	539	-3 (-0.5)
Production (1,000MT)	4,327	4,199	-128 (-3.0)

Source: Korea Rural Economic Institute (KREI)

Table 23

Korea: Rice Area and Production Estimate per Province (September 15 Crop Survey Basis)						
	Area (Hectare)			Production (Metric ton)		
Crop Year	2015	2016	Change (%)	2015	2016	Change (%)
National Total	799,344	778,734	-2.6	4,326,915	4,201,956	-2.9
Kyonggi	82,071	80,750	-1.6	420,680	408,642	-2.9
Kangwon	32,300	30,714	-4.9	173,676	166,154	-4.3
Chungbuk	39,786	37,114	-6.7	215,115	203,651	-5.3
Chungnam ^{2/}	146,319	137,354	-6.1	827,886	779,447	-5.9
Chonbuk	121,765	121,026	-0.6	700,591	686,131	-2.1
Chonnam	170,185	166,444	-2.2	866,202	847,878	-2.1
Kyounbuk	104,712	102,941	-1.7	589,466	574,237	-2.6
Kyongnam	73,934	70,626	-4.5	389,866	373,753	-4.1
Cheju	128	127	-1.0	444	397	-10.7

Cities ^{1/2/}	28,144	31,638	12.4	142,989	161,666	13.3
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Source: Statistics Korea (KOSTAT)

1/ paddy land located in seven big cities such as Seoul, Pusan etc.

2/ Sejong city was included, subtracting the city from Chungnam Province.

Yield

Favorable weather developments maintained estimated higher rice yields at 539 kg per 10 acres, slightly lower than the previous year, which was a record year.

Table 24

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
2016f	779	5,390 ^{c/}	4,200

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

Government Rice Purchase Program under the Public Food Grain Stockholding Program (PFSP)

The government also purchases rice for price stabilization purposes. Under the Public Food Grain Stockholding Program for Food Security, the Korean government will purchase domestic paddy rice during the harvest season (October-December) at the average market price and sell it during the rest of the year at the prevailing domestic market price.

Between October and December 2016, the Korean government plans to purchase 370,000 MT (milled basis) of paddy rice, representing around 9 percent of the estimated 2016 rice crop production. Additionally, the government plans to purchase 30,000 tons for the APTERR (ASEAN Plus Three Emergency Rice Reserve), which was established to provide member countries with rice in the event of natural disasters. The total amount of rice agreed upon in July 2013 by the 13 member countries and stored in reserve was targeted at 787,000 metric tons, including 150,000 metric tons promised by Korea.

In addition to government rice purchased under PFSP, the Korean government announced that it would buy more rice from farmers to stabilize rice markets. Markets have been depressed by overproduction estimated to be within the range of about 250,000 MT - 400,000 MT above the 3.8 MMT estimated as actual human consumption in MY 2016/17. The Korean government is expected to make a decision of the scale of additional purchases when the final estimate of rice production, based on the upcoming November 15 survey, is announced.

Table 25

Korea: Government Rice Purchases under Public Food Grain Stockholding Program (PFSP)			
Crop Year	Production(1,000 MT)	Purchase(1,000 MT)	%

2005	4,768	719	15.1
2006	4,680	504	10.8
2007	4,408	417	9.5
2008	4,843	400	8.3
2009	4,916	370	7.5
2010	4,295	340	7.9
2011	4,224	261	6.2
2012	4,006	363	9.1
2013	4,230	367	8.7
2014	4,241	610 ^{a/}	14.4
2015	4,327	717 ^{b/}	16.5
2016 plan	4,200	360	8.6

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

a/ include 240,000 MT to stabilize rice market in addition to 370,000 MT under PFSP, but exclude 30,000 MT for APTERR (ASEAN Plus Three Emergency Rice Reserve)

b/ include 357,000 MT to stabilize rice markets in addition to 360,000 MT under PFSP, but exclude 30,000 MT for APTERR (ASEAN Plus Three Emergency Rice Reserve)

Government and NACF's Loan Programs

The Korean government is expected to provide loans for rice millers worth more than 1.4 trillion Korean Won (US\$1.3 billion) with a special loan rate between 0 and 2 percent per annum this year. The National Agricultural Cooperative Federation (NACF), the national farmers group, also continues to provide about 1.6 trillion Korean Won (US\$1.5 billion) worth of loans to rice farmers/millers at zero interest rate. The main goal of the loan programs is to encourage rice millers to purchase more rice from farmers, minimizing the downward pressure of harvest on prices. Another bumper crop has caused concerns among rice farmers over the collapsing farm gate price and anxiety over rice market liberalization that has taken effect since 2015.

Most rice purchased under the loan programs provided by the Korean government and the NACF will be released to the retail market through NACF's Rice Processing Complexes (RPCs) and independent RPCs throughout the 2016/17 (Nov/Oct) marketing year. Korean rice farmers expect these measures will help prop up prices during the rice harvest season.

Rice farmers are expected to sell approximately 2.2 MMT during the harvest season, including 390,000 MT of government direct purchases under the Public Food Grain Stockholding Program and APTERR (ASEAN Plus Three Emergency Rice Reserve), and 1.8 MMT of rice under loan programs.

Table 26

Korea: NACF Rice Purchases ^{a/}			
Crop Year	Production(1,000 MT)	Purchase(1,000 MT)	%
2005	4,768	1,071	22
2006	4,680	1,306	28
2007	4,408	1,227	28
2008	4,843	1,617	33
2009	4,916	1,950	40
2010	4,295	1,380	32
2011	4,224	1,327	31
2012	4,006	1,331	33
2013	4,230	1,465	35
2014	4,241	1,649	39
2015	4,327	1,770	41
2016 plan	4,200	1,800	43

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

a/ exclude independent RPC purchases

CONSUMPTION

Rice consumption for MY 2016/17 is forecast at 4.48 MMT, increasing 150,000 MT from the previous report as Korean government plans to expand rice consumption for animal feed up to 250,000 MT. In MY 2015/16, total domestic rice consumption is estimated at 4.37 MMT (Table 27).

Table 27

Korea: Rice Utilization Pattern (1,000 MT, milled)				
Rice Year (November - October)	MY 2013/14 ^{a/}	MY 2014/15 ^{a/}	MY 2015/16 ^{b/}	MY 2016/17 ^{c/}
Table Rice	3,340	3,239	3,140	3,100
Processing	535	575	700	815
(for food)	(457)	(420)	(450)	(450)
(for liquor)	(78)	(156)	(150)	(150)
(for feed)	0	0	(100)	(250)
Seed	35	35	34	34
Other and Loss	524	348	500	500
Total Demand	4,434	4,197	4,374	4,484
Per Capita Table Rice Consumption (Kg)	65.1	62.9	61.0	59.0

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

a/ Revised

b/ FAS/Seoul estimate

c/ FAS/Seoul forecast

Table 28

Korea: Rice Consumption Pattern for Food Processing (1,000 MT, milled)				
Purpose	MY 2011/12	MY 2012/13	MY 2013/14 ^{a/}	MY 2014/15 ^{b/}
KRFA	248	246	227	197
KALIA	148	56	78	155
Others c/	170	224	238	223
Total	566	526	535	575

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

a/ MAFRA Revised

b/ MAFRA Preliminary

c/ traditional foods or beverage made of local rice.

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

TRADE

In 2015, during the period of special treatment agreed upon under the Minimum Market Access agreement (MMA) ending in December 31, 2014, Korea continued to import the mandatory volume of 408,700 metric tons from Most Favored Nation (MFN) countries at the duty level of 5 percent under the tariff rate quota (TRQ) regime. The aT (Korea Agro-Fisheries and Food Trade Corporation), the government's state trading arm, manages the purchase of all imported rice through a tendering

process. Imported table rice is then auctioned off, while processing rice is distributed to the rice processing industry by the government at a set price.

2016 TRQ Tendering Process:

Under the 2016 Tariff Rate Quota (TRQ) purchasing plan, Korea will purchase 408,700 MT of rice (milled basis) under rice tariffication (effective since 2015). Under the 2016 TRQ thus far, Korea has bought 292,665 MT (milled basis) or 71.6 percent of total TRQ, which consists of 297,405 MT of brown rice (equivalent to 267,665 MT in milled) for processing purposes, and 25,000 MT of milled rice for table use. The remainder of 116,035 MT will be purchased by the end of the year.

The United States has sold 145,865 MT of medium grain rice (USD 99 million), or 36 percent of the total TRQ. China, Australia, Vietnam, Thailand and India have also sold rice to Korea under the TRQ this year (Table 29). Korea purchased 25,000 MT of USDA No. 1 grade milled rice for table purposes, consisting of 20,000 MT of U.S. medium grain milled rice, 3,000 MT of Vietnamese short grain milled rice and 2,000 MT of Thai long grain milled rice, respectively (Table 29-31). Korea is expected to hold rice tenders for the remaining 116,035 MT or 28 percent of 2016 TRQ in November and December 2016.

Table 29

Korea: Rice Contracts by Country under 2016 MFN TRQ^{1/} (Unit: MT, Milled Basis, as of September 23, 2016)			
Country	MFN TRQ		Total
	Processing Use	Table Use	
USA	125,865	20,000	145,865(35.7%)
China	106,300	0	106,300(26.0%)
Thailand	7,000	2000	9,000(2.2%)
Australia	14,500	0	14,500(3.5%)
Vietnam	9,000	3000	12,000(2.9%)
India	5,000	0	5,000(1.2%)
S. Total	267,665	25,000	292,665(71.6%)
Open Quota	116,035		116,035(28.4%)
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 30

Korea: U.S. Rice Sales to Korea under 2016 TRQ^{1/} (ongoing process of buying tenders as of September 23, 2016)					
Contracts	Milled rice(MT) for Table	Brown rice(MT) for Processing	Unit Price(USD/MT) CIP	Amount (1000 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	7,049	12/31/2016-01/31/2017
8	10,000	0	715.98	7,160	01/30/2017-02/28/2017
9		22,222	588.24	13,071	20170131
10		22,000	592.00	13,024	20170228

11		10,000	551.87	5,518	20170131
12		5,000	551.87	2,759	20170228
13		10,000	551.87	5,518	20170331
14		8,378	554.00	4,641	20170331
15		5,027	551.87	2,774	20170430
Total	20,000	139,849a/		99,314	

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

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

1/ under ongoing process of buying tenders since February 2016

Table 31

Korea: 2016 TRQ Rice Tender Results (as of September 23, 2016)									
Bid Date (mm-dd-yy)	Rice Type	Volume (Contract Basis)	Volume (Milled Rice Basis)	Origin	Price (US\$/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	Singsong	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	Singsong	Jilin Grain
5/4/2016	MG #3 Brown	10,000	9,000	USA	568.39	CIP	11/30/2016	Singsong	ACC
5/4/2016	MG #3 Brown	5,000	4,500	USA	568.98	CIP	11/30/2016	Singsong	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
6/7/2	MG #1	10,000	10,000	USA	704.8	CIF	5,000 for 12/31/2016 &	Singsong	ACC

016	Milled	0	00		7		5,000 for 01/31/2017		
6/7/2 016	MG #1 Milled	10,00 0	10,0 00	USA	715.9 8	CIF	5,000 for 01/31/2017 & 5,000 for 02/28/2017	Singsong	ACC
6/7/2 016	LG #1 Milled	2,000	2,00 0	Thailand	511.2 1	CIF	9/30/2016	Singsong	Toumi
7/27/ 2016	SG #3 Brown	22,22 2	20,0 00	China	865.6 0	CIP	10/31/2016	Daewoo	COFCO
7/27/ 2016	SG #3 Brown	22,22 2	20,0 00	China	865.9 7	CIP	10/31/2016	Singsong	Jilin Grain
7/27/ 2016	MG #3 Brown	22,22 2	20,0 00	USA	588.2 4	CIP	01/31/2017	Philasun	ADM
9/20/ 2016	MG #3 Brown	22,00 0	19,8 00	USA	592.0 0	CIP	02/28/2017	Philasun	ADM
9/20/ 2016	MG #3 Brown	10,00 0	9,00 0	USA	551.8 7	CIP	01/31/2017	Philasun	ADM
9/20/ 2016	MG #3 Brown	5,000	4,50 0	USA	551.8 7	CIP	02/28/2017	Philasun	ADM
9/20/ 2016	MG #3 Brown	10,00 0	9,00 0	USA	551.8 7	CIP	03/31/2017	Philasun	ADM
9/20/ 2016	MG #3 Brown	8,378	7,54 0	USA	554.0 0	CIP	03/31/2017	Philasun	ADM
9/20/ 2016	MG #3 Brown	5,027	4,52 4	USA	551.8 7	CIP	04/30/2017	Philasun	ADM
Total		321,8 49	292, 664						

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

Selling Auctions of Imported Rice:

aT sells imported 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.

As of October 10, 2016, the Korean government has begun auctioning table rice imported under 2015 TRQ.

Korea imported 799,785 MT of milled rice for table purposes under the 2004-2014 MMA regime (Table 34). Korea diverted 65,408 MT of imported table rice to be used for alcohol processing purposes during CY 2010-2012, when Korea suffered from higher rice ending stocks (Table 40), which were mainly composed of Chinese and Thai origins (Table 33). The United States sold 289,548 MT of milled rice for table use, or 36 percent of total MMA quota, during the ten years between 2005 and 2014. Since MY 2005, the Korea has distributed 280,285 MT of U.S. medium grain rice to Korean rice market, which was 42 percent of total imported rice market in Korea (Table 35).

Table 32

Korea: Status of Rice Auction for Table Rice under 2014 CSQ (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 33

Korea: Status of Table Rice Distribution per Country under MMA Regime (2005-2014) (MT, Milled rice, Calendar Year Basis, as of Oct. 7, 2016)					
Year	USA	China	Thailand	Australia	Total
Total Imports (A)	289,548	470,964	28,027	11,246	799,785
Conversion to Processing (B)	-	63,908	1,500	-	65,408
Quantity for auctions (A-B)	289,548	407,056	26,527	11,246	734,377
Distribution to Markets	280,285	362,708	25,662	5,851	674,506
Unsold Quantity (as of October 7, 2016)	8,754	43,386	2	5,395	57,538
Loss	509	962	863	-	2,334

Source: FAS/Seoul

Table 34

Korea: Table Rice Allocation per Country under MMA Quota (MT, Milled rice)					
Year	USA	China	Thailand	Australia	Total
2005	5,504	12,767	3,293	993	22,557
2006	10,414	23,015	1,000		34,429
2007	16,302	29,626	2,000		47,928
2008	18,989	42,066	2,000		63,055
2009	23,760	52,972	3,078		79,810
2010	30,537	65,556	2,100		98,193
2011	32,062	67,135	5,100		104,297
2012	40,056	62,487	3,000	4,858	110,401
2013	67,417	45,942	3,146		116,505
2014	44,507	69,398	3,310	5,395	122,610
Total (A)	289,548	470,964	28,027	11,246	799,785
%	36.2	58.9	3.5	1.4	100

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

Table 35

Korea: Distribution of Milled Table Rice per Country under MMA Quota (MT, Milled rice)					
Marketing Year (Nov/Oct)	USA	China	Thailand	Australia	Total
2005/6	5,504	12,767	3,293	993	22,557
2006/7	10,414	23,015	1,000	0	34,429
2007/8	16,302	29,626	2,000	0	47,928
2008/9	10,366	11,413	2,000	0	23,779
2009/10	14,270	10,714	452	0	25,436

2010/11	45,852	37,022	3,225	0	86,099
2011/12	42,577	91,589	2,985	0	137,151
2012/13	51,149	72,319	1,624	1,325	126,417
2013/14	44,913	36,064	3,130	3,533	87,640
2014/15	26,637	28,093	3,383	0	58,113
2015/16	12,303	10,087	2,571	0	24,961
Total	280,285	362,709	25,663	5,851	674,506
%	41.6	53.8	3.8	0.9	100.0

Source: FAS/Seoul estimate based on aT's auctions data

Table 36

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 37

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 (2011MMA)	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- (2015TRQ)	1,382 ^{d/}	none	1,304 ^{d/}	na	none	none	none
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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.

Exports:

Korea's rice exports were 1,446 metric tons for the first eight months in CY 2016, with an expectation of slightly less than 2,000 MT for the year. U.S. CY 2016 imports of Korean rice are expected to be higher than the previous year.

Table 38

Korea: Rice Export (Milled)				
Calendar Year	To the World		To the United States	
	Quantity (MT)	Value (US\$1,000)	Quantity (MT)	Value (US\$1,000)
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(Jan.-Aug.)	1,446	3,078	317	802

Source: Korea Customs Service (KCS)

Stocks:

MY 2016/17 ending stocks (through the end of October 2017) are forecast to increase to about 1.8 MMT, or 41 percent of total anticipated consumption, as rice production in the past four years has been greater than actual demand. The continued decline in per capita consumption will only increase pressure on measures to address low producer prices. MY 2015/16 stocks (at the end of October 2016) are estimated at about 1.7 million tons, or 39 percent of total domestic consumption.

Table 39

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	1,697	1,821
Government Stock	730	755	887	1,406	1,697	1,821
-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

Table 40

Korea: Status of Rice Stocks (Milled rice, 1,000 MT, as of end October)						
Rice Year (Nov.-Oct.)	2005/06	2006/07	2007/08	2008/09	2009/110	2010/11
Total	815	702	683	1001	1513	1034
Government Stock	705	596	608	805	821	984
-Domestic Rice	493	456	510	698	639	696
-Imported Rice	212	140	98	107	182	288
Civil Stock	110	106	75	196	692	50

Source: FAS/Seoul Estimate based on MAFRA data

Production, Supply and Demand Data Statistics:

Rice PS&D

Rice, Milled Market Begin Year Korea, Republic of	2014/2015		2015/2016		2016/2017	
	Nov 2014		Nov 2015		Nov 2016	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested	816	816	799	799	782	779
Beginning Stocks	899	899	1406	1406	1827	1697
Milled Production	4241	4241	4327	4327	4000	4200
Rough Production	5638	5638	5771	5771	5333	5601
Milling Rate (.9999)	7522	7522	7498	7498	7500	7498
MY Imports	465	465	350	340	410	410
TY Imports	372	372	380	350	410	410
TY Imp. from U.S.	143	143	0	120	0	140
Total Supply	5605	5605	6083	6073	6237	6307
MY Exports	2	2	2	2	2	2
TY Exports	2	2	2	2	2	2
Consumption and Residual	4197	4197	4254	4374	4334	4484
Ending Stocks	1406	1406	1827	1697	1901	1821
Total Distribution	5605	5605	6083	6073	6237	6307
(1000 HA) ,(1000 MT)						

Appendix

Table 41

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	1,545	1.40
November	2,088	1.91	1,852	1.61	na	na
December	2,073	1.88	1,826	1.56	na	na
Average	2,133	2.03	1,986	1.76	na	na

Source: Korea Agricultural Marketing Information Service (KAMIS)

Note: Monthly Average Exchange Rate is applied.

Table 42

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	1,914	1.73
November	2,301	2.10	2,184	1.90	na	na
December	2,283	2.07	2,181	1.86	na	na
Average	2,288	2.17	2,230	1.97	na	na

Source: Korea Agricultural Marketing Information Service (KAMIS)

Note: Monthly Average Exchange Rate is applied.

Table 43

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	1,106
November	1,095	1,151	na
December	1,102	1,172	na
Average	1,052	1,130	na

Source: Global Financial Service