



*For Immediate Release*

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## **USGC: Strong Feed Grains Demand Boost U.S. Ag Exports Outlook**

WASHINGTON, D.C., December 4, 2007 – The U.S. Department of Agriculture’s Foreign Agricultural Service (FAS) raised its forecasts for U.S. fiscal year 2008 exports, predicting sales could eclipse the previous record set in the last fiscal year that ended Sept. 30, 2007. USDA is now projecting the value of U.S. agricultural exports for fiscal year 2008 at \$91 billion. That is \$9.1 billion more than fiscal year 2007’s \$81.9 billion total and \$7.5 billion more than USDA thought as recently as August. Ken Hobbie, U.S. Grains Council president and CEO, said the projections were buoyed in part by U.S. feed grains sales.

“As a result of strong global demand for high-quality U.S. feed grains spurred by tighter supplies from major importers and top competitors, U.S. producers are seeing a dramatic spike in demand for their harvest. Producers of feed grains in the U.S. responded to domestic and international demand and produced an ample, reliable supply to fulfill all demands,” said Hobbie, who is currently in Europe with other USGC representatives and leaders from the National Sorghum Producers accessing market opportunities in that region in light of an ongoing drought stymieing EU’s harvest and depleting intervention stocks.

In fact, USDA reported that revisions for coarse grains drove most of the export increase since August. The report stated “coarse grains exports benefit from ample domestic supply and increased global demand for feed grains.” USDA is now projecting coarse grains exports, which includes barley, corn and sorghum, to reach 68 million metric tons amounting to \$11.7 billion, up from 60 million tons totaling \$10.3 billion predicted in August and an increase of \$1.9 billion and 8.9 million tons compared to 2007 totals. Corn made up the bulk of the estimate with 60 million tons projected, nearly 6 million tons more than 2007 numbers. Dale Artho, USGC chairman and Texas sorghum producer said the Council is working around the clock to further escalate demand for U.S. feed grains by working firsthand with international importers.

“Due in part to the Council’s efforts to educate buyers, U.S. grains and grain products are valued across the globe,” said Artho. “The Council is working around the world to monitor markets in more than 50 countries and build relationships with importers and end-users allowing us to identify opportunities for U.S. barley, corn and sorghum. For example, a strong demand for sorghum in the EU could mean more U.S. corn to Mexico, where the bulk of U.S. sorghum is usually destined.”

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*The U.S. Grains Council is a private, non-profit partnership of farmers and agribusinesses committed to building and expanding international markets for U.S. barley, corn, grain sorghum and their products. The Council is headquartered in Washington, D.C., and has nine international offices that oversee programs in more than 50 countries. Financial support from our private industry members, including state checkoffs, agribusinesses, state entities and others, triggers federal matching funds from the USDA resulting in a combined program value of more than \$26 million.*

*The U.S. Grains Council does not discriminate on the basis of race, color, national origin, sex, religion, age, disability, political beliefs, sexual orientation or marital/family status. Persons with disabilities, who require alternative means for communication of program information, should contact the U.S. Grains Council.*