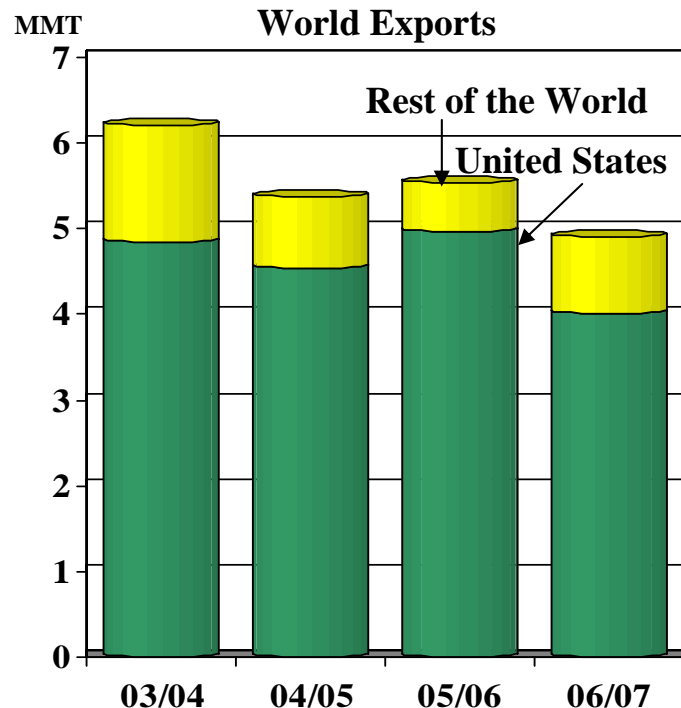
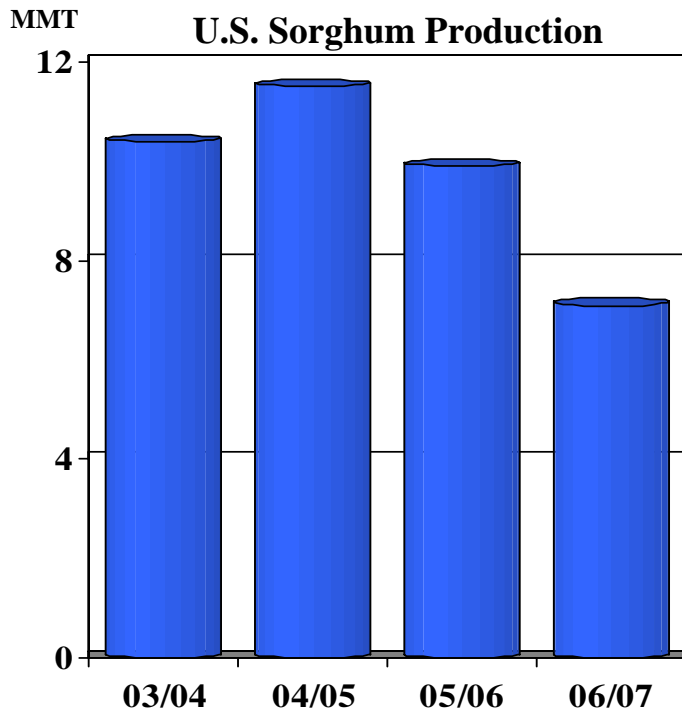




# Grain: World Markets and Trade

## World Sorghum Trade Drops to a Near 40-year Low



World sorghum trade is forecast to fall to a near 40-year low this year, largely on reduced U.S. exports (which typically account for 90 percent of global trade). Severe drought in the Southern Plains decimated U.S. production, causing it to fall to the lowest level since 1960. This has severely curtailed exports, with sales down nearly 20 percent year to year. In addition, Australian production was also hurt by drought and exports are forecast to fall by half. Argentine sorghum sales, however, have been very strong as large, lower-priced exportable supplies are creating stronger competition for the United States.

For importers, Mexico is forecast to drop to a 10-year low of 2.3 million as a result of the tight U.S. supplies and a consequent shift to corn for feeding; current purchases are only half of last year. However, EU-25 imports, have jumped as evidenced by import licenses of 500,000 tons (compared to just 5,000 tons this time last year). Sorghum can be imported by the EU with a zero duty because of its relatively high price.











































































































































