



Foreign Agricultural Service

GAIN Report

Global Agriculture Information Network

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Korea, Republic of

Grain and Feed

Corn PSD Update

1998

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Report Highlights:

MY 1997/98 closed with corn import volume and higher stocks that exceeded industry expectations. The cattle market crash in July-August left many producers unable to purchase inputs causing corn stocks to start accumulating at feed mills. Further, low international feed wheat prices are now enticing Korean feed millers to utilize more feed wheat and less corn in compound feed formulations. Feed millers do not see this situation changing significantly until later in 1999.

Includes PSD changes: Yes
Includes Trade Matrix: Yes
Unscheduled Report
Seoul [KS1], KS

Post is revising the corn PSD table to reflect MY 1997/98 Korea Custom Service trade data. Domestic disappearance for MY1997/98 is also lowered slightly based upon new marketing year compound feed production data. Feed stock rebuilding was brought about by financial problems at the end-user level. Coupled with the expected continued contraction of the cattle sector, feed millers project less compound feed will be required in MY 1998/99 with a larger percentage of that produced consisting of feed wheat in leu of corn and other grain ingredients. As the economy slowly recovers, demand for processed corn products is expected to increase drawing with it higher imports to meet processor requirements.

PSD Table						
Country:	Korea, Republic of					
Commodity:	Corn					
		1996		1997		1998
	Old	New	Old	New	Old	New
Market Year Begin		10/1996		10/1997		10/1998
Area Harvested	18	18	21	21	21	21
Beginning Stocks	966	966	1090	1090	790	1032
Production	72	72	87	87	87	87
TOTAL Mkt. Yr. Imports	8336	8336	7400	7528	8000	6750
Oct-Sep Imports	8336	8336	7400	7528	8000	6750
Oct-Sep Import U.S.	5498	5498	3500	3309	4500	4500
TOTAL SUPPLY	9374	9374	8577	8705	8877	7869
TOTAL Mkt. Yr. Exports	0	0	0	0	0	0
Oct-Sep Exports	0	0	0	0	0	0
Feed Dom. Consumption	6296	6296	5900	5875	6200	5000
TOTAL Dom. Consumption	8284	8284	7787	7673	8087	6837
Ending Stocks	1090	1090	790	1032	790	1032
TOTAL DISTRIBUTION	9374	9374	8577	8705	8877	7869

Import Trade Matrix			
Country:		Units:	1,000MT
Commodity:			
Time period:	OCT/SEP		
Imports for	1996		1997
U.S.	5498	U.S.	3309
Others		Others	
China	1967	China	3903
Argentina	822	Argentina	103
South Africa	41	EU	58
Other	8	East Europe	134
		South Africa	12
		Other	9
Total for Others	2838		4219
Others not listed			
Grand Total	8336		7528

Source: Korea Customs Service