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Report Highlights:

The MY 2020/21 wheat import forecast remains unchanged at 4 MMT. 2020/21 corn consumption projections are revised up to 12 MMT, consisting of 9.7 MMT for feed purposes and 2.3 MMT for food, seed, and industrial (FSI) purposes, up 4.3 percent from FAS/Seoul's initial forecast of 11.5 MMT. The 2020/21 corn import forecast is revised up to 12 MMT from FAS/Seoul's initial forecast of 11.5 (a 4.3 percent increase), due to rising animal inventories and limited availability of price competitive feed-grade wheat and domestic rice for feed. Statistics Korea (KOSTAT) estimates 2020 rice production at 3.63 million metric tons (MMT), down three percent from the previous year due to both lower production area and reduced yields.

Commodities:

Wheat

Wheat Production:

At the end of June 2020, Korea published official data showing that wheat production in MY 2019 was 15,024 MT. Yields were 4.02 metric tons (MT) per hectare (ha), up about three percent from the previous year.

The official number for MY 2020 wheat area (released in July 2020) was 5,224 ha, up 40 percent from the previous year as farmers have sharply increased planting area to benefit from government support programs. The Korean government released the Presidential and Ministerial Decree ‘Fostering Act for Korean Wheat Industry, effective February 28, 2020, to support domestic wheat production and consumption. The decree will allow the Korean government to provide packaged support to the domestic wheat industries, including R&D, government purchasing programs, breeding, marketing, etc. The Act will be amended every five years.

Cold damage in the spring of 2020 is expected to reduce yields somewhat, but this yield reduction will be offset by increased acreage, resulting in higher overall production than the previous year. Accordingly, FAS/Seoul revised the production estimate to 16,800 MT, up 12 percent from the previous forecast. The official production data will be available in June 2021.

Table 1

Korea: Wheat Production			
Crop Year	Harvested Area (Hectare)	Yield (MT/ha)	Production (MT)
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	10,440	3.71	38,705
2017	9,283	4.03	37,425
2018	6,600	3.91	25,788
2019	3,736	4.02	15,024
2020a/	5,224	3.22	16,800

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

a/ FAS Seoul production forecast based on 12 percent lower than five-year average yield impacted by cold damage in the spring and official acreage released by KOSTAT

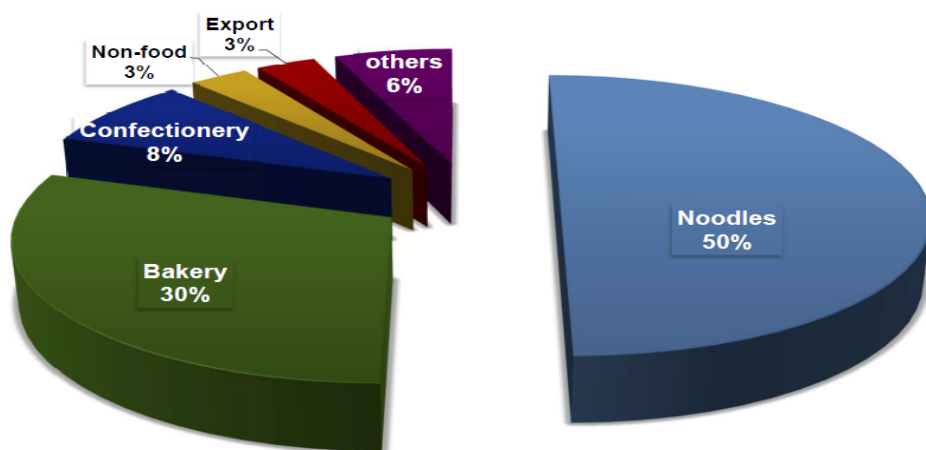
Wheat Consumption:

MY 2020/21 wheat consumption forecast remains unchanged at 3.6 million metric tons (MMT) from the initial forecast. Milling wheat consumption is projected to remain stagnant due to saturated market demand with feed-grade wheat consumption expected to remain close to 1.3 MMT due to relatively lower corn prices (Table 2).

In MY 2019/20, wheat consumption remains unchanged from FAS/Seoul’s previous estimate due mainly to lower demand for imported feed-grade wheat, with wheat prices being higher than corn during the marketing year. Milling wheat consumption remains almost unchanged from the previous estimate.

2019 per capita flour consumption nominally increased to 34.2 kilograms, up 1.2 percent. Nearly 50 percent of flour consumption is used for local noodle manufacturing, followed by 30 percent for baking products and 8 percent for confectionary products. Other flour uses include non-food (3 percent), exports (3 percent), and other (6 percent)., including starch & cereals, brewery, fermented soy products, dumpling, fish meat, and traditional extruded chewy cakes.

Figure 1- Wheat Flour Consumption in 2019



Source: Korean Flour Industry
 Non-Food: Industrial Use, Pet
 Other Foods: Starch & Cereal, Brewery, Fermented Soy Product, Dumpling, Fish Meat, Traditional Extruded Chewy Cake

Table 2

Korea: Post Estimates of Wheat Use (1,000 MT, July/June)				
Marketing Year	2017/18	2018/19	2019/20	2020/21 ^{c/}
Imported Milling Wheat ^{1/}	2,246	2,232	2,314	2,280
Imported Milling Wheat ^{2/}	200	200	200	200
Flour Imports ^{a/}	29	25	18	20
Flour Exports ^{a/}	55	57	62	60
Pasta Imports ^{a/}	155	160	160	170
Pasta Exports ^{a/}	237	235	302	300
Local Wheat	37	26	15	17
FSI Consumption ^{b/}	2,375	2,351	2,343	2,327
Feed Wheat	1,612	1,226	1,205	1,300
Total Consumption ^{b/}	3,987	3,577	3,548	3,627

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

1/ KOFMIA members

2/ Non- KOFMIA member

a/ Wheat basis

b/ Includes local wheat and flour and pasta imports, but subtracts flour and pasta exports

Table 3

Korea: Monthly Wheat Use (1,000 MT)						
Month	Feed Wheat			Milling Wheat a/		
	MY 2017/18	MY 2018/19	MY 2019/20	MY 2017/18	MY 2018/19	MY 2019/20
July	136	122	99	178	181	192
August	136	119	97	188	179	187
September	142	106	95	201	158	166
October	140	120	113	160	189	185
November	151	118	111	184	183	182
December	148	108	107	182	174	188
January	138	103	105	198	203	185
February	110	82	91	167	152	180
March	123	80	94	199	176	183
April	122	84	98	173	176	180
May	135	92	98	180	183	177
June	131	92	98	177	178	178
Total	1,612	1,226	1,205	2,186	2,132	2,184

Source: KFA and KOFMIA

a/ Includes wheat flour exports, but excludes the portion used in soy-sauce production (about 100,000 MT or so)

Table 4

Korea: Wheat Flour Utilization (1,000 MT)						
Calendar Year	2014	2015	2016	2017	2018	2019
Total Consumption ^{1/}	1,660	1,706	1,701	1,739	1,745	1,770
Per Capita (kg/Year) ^{2/}	32.9	33.7	33.2	33.8	33.8	34.2

Source: Korea Flour Mills Industrial Association (KOFMIA)

^{1/} Based on flour millers' sales including exports, imports and animal feed use, on a wheat flour production basis and excluding animal feed and exports.^{2/} Excludes animal feed and exports from total consumption, including imports of wheat flour**Wheat Trade:**

The MY 2020/21 wheat import forecast remains unchanged at 4 MMT. Of the 4 MMT imported, 2.7 MMT will be wheat for milling (including flour and pasta imports on a wheat equivalent basis) and 1.3 MMT will be for animal feed. This import estimate hinges to a large extent on the continued availability of competitively priced feed wheat, with demand for milling wheat remaining steady.

MY 2019/20 wheat imports are revised up to 3.94 MMT, a one percent increase from FAS Seoul's previous estimates, including flour and pasta imports on a wheat equivalent basis. Imports of U.S. wheat in MY 2019/20 are revised up to 1.35 MMT due to greater imports of milling wheat for other purposes (such as sauce ingredients, 78,707 MT), up 42 percent over the previous year.

Korea imported 1.2 MMT of feed-grade wheat in MY 2019/20. Ukraine was the largest supplier at 414,627 MT, followed by Romania (321,169 MT), Bulgaria (288,958 MT), Canada (115,976 MT) and the United States (63,696 MT).

Table 5

Korea: Wheat Imports (1,000 MT, Customs Cleared Basis)					
Marketing Year (July/June)	Feed Wheat	Milling Wheat	Flour Imports ^{1/}	Pasta Import ^{1/}	Total
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	1,812	2,416	50	142	4,420
16/17	2,174	2,313	33	147	4,667
17/18	1,557	2,526	29	155	4,267
18/19	1,225	2,500	25	160	3,910
19/20	1,206	2,424	18	160	3,904
20/21 ^{2/}	1,300	2,500	20	170	3,990

Source: Korea Customs Service

^{1/} Wheat basis^{2/} FAS Seoul forecast

Table 6

Korea: Monthly Wheat Imports (1,000 MT)						
Month	Feed Wheat			Milling Wheat		
	MY 2017/18	MY 2018/19	MY 2019/20	MY 2017/18	MY 2018/19	MY 2019/20
July	113	110	94	269	254	213
August	30	95	61	297	106	160
September	243	79	79	183	215	233
October	109	185	217	163	260	144
November	142	156	115	179	159	206
December	186	102	128	176	148	239
January	114	106	88	256	294	209
February	119	34	106	228	144	258
March	117	65	70	194	228	219
April	135	146	63	171	276	205
May	118	56	141	150	187	179
June	131	91	43	260	229	291
Total	1,557	1,225	1,206	2,526	2,500	2,557

Source: Korea Customs Service

Note: exclude wheat flour and products

Table 7

Korea: MY 2020/21 Feed Wheat Contracts

by Estimated Time of Arrival (ETA) (Unit: 1,000 MT, as of September 2020)		
ETA	Quantity	Price (US\$/MT) ^{1/}
Jul. 2020	127	243.60
Aug.	0	0
Sep.	263	208.10
Oct.	67	208.90
Nov.	125	225.37
Dec.	65	245.95
Jan. 2021	0	0
Feb.	65	254.98
Mar.	Na	Na
Apr.	Na	Na
May	Na	Na
Jun	Na	Na
Total	712	

Source: Local Grain Traders
1/ CNF on Weighted Average

Flour Trade:

MY 2019/20 flour imports were 18,465 MT (wheat equivalent), down 25 percent from the previous year, following declining demand from small-sized restaurants and noodle manufacturers who are traditionally the most loyal users of cheaply priced flour. Pasta imports were at 159,819 MT (wheat equivalent), remaining unchanged from the previous year. Annual flour exports were at 62,189 MT (wheat equivalent), up 8 percent from the previous year, while pasta exports at 301,961 MT (wheat equivalent) rose 29 percent from the previous year. Korea exports pasta mostly to China, the United States, and Japan. The flour trade situation is unlikely to change in MY 2020/21.

Table 8

Korea: Wheat Flour Imports (H.S.: 1101) (Metric Ton, July/June)						
Country	MY2014	MY2015	MY2016	MY2017	MY2018	MY2019
U.S.A.	793	567	352	382	362	469
Total	32,207	36,816	24,395	20,735	18,042	13,498
Wheat Basis^{a/}	44,059	50,364	33,372	28,365	24,681	18,465

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

Table 9

Korea: Pasta Imports (H.S.: 190219, 190230, 190240) (Metric Ton, July/June)				
Country	MY2016	MY2017	MY2018	MY2019
USA	450	449	492	480
Total	107,357	113,631	116,638	116,827
Wheat Basis ^{a/}	146,864	155,447	159,561	159,819

Source: Korea Customs Service (KCS)

a/ applied converting factor: 1.368

b/Year-round based on the first seven months (July 2019-January 2020)

Table 10

Korea: Wheat Flour Exports (H.S.: 1101) (Metric Ton, July/June)						
Country	MY2014	MY2015	MY2016	MY2017	MY2018	MY2019
USA	4,849	5,328	5,494	5,806	6,416	8,585
Total	20,629	21,699	26,958	40,366	42,015	45,460
Wheat Basis ^{a/}	28,220	29,684	36,879	55,221	57,477	62,189

Source: Korea Customs Service (KCS)

a/ applied converting factor: 1.368

Table 11

Korea: Pasta Exports (H.S.: 190219, 190230, 190240) (Metric Ton, July/June)				
Country	MY2016	MY2017	MY2018	MY2019
USA	26,162	28,687	30,555	38,609
Total	145,858	173,310	171,719	220,732
Wheat Basis ^{a/}	199,534	237,088	234,912	301,961

Source: Korea Customs Service (KCS)

a/ applied converting factor: 1.368

Production, Supply, and Distribution Data Statistics:

Wheat PS&D

Wheat Market Year Begins Korea, Republic of	2018/2019		2019/2020		2020/2021	
	Jul 2018		Jul 2019		Jul 2020	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	7	7	7	4	7	5
Beginning Stocks (1000 MT)	1474	1474	1365	1541	1417	1584
Production (1000 MT)	26	26	25	15	25	17
MY Imports (1000 MT)	3908	3910	3941	3940	3700	4000
TY Imports (1000 MT)	3908	3910	3941	3940	3700	4000
TY Imp. from U.S. (1000 MT)	1441	1318	1295	1347	0	1300
Total Supply (1000 MT)	5408	5410	5331	5496	5142	5601
MY Exports (1000 MT)	293	292	364	364	300	360
TY Exports (1000 MT)	293	292	364	364	300	360
Feed and Residual (1000 MT)	1400	1226	1200	1205	1000	1300
FSI Consumption (1000 MT)	2350	2351	2350	2343	2350	2300
Total Consumption (1000 MT)	3750	3577	3550	3548	3350	3600

Ending Stocks (1000 MT)	1365	1541	1417	1584	1492	1641
Total Distribution (1000 MT)	5408	5410	5331	5496	5142	5601
Yield (MT/HA)	3.7143	3.7143	3.5714	3.75	3.5714	3.4

(1000 HA) ,(1000 MT) ,(MT/HA)
MY = Marketing Year, begins with the month listed at the top of each column
TY = Trade Year, which for Wheat begins in July for all countries.TY 2020/2021 = July 2020 - June 2021

Country Korea, Republic of
Commodity Wheat

Time Period	July/June	Units:	1,000MT
Imports for:	2018		2019
U.S.	1316	U.S.	1345
Others		Others	
Australia	1062	Australia	1072
Canada	348	Canada	317
Ukraine	741	Ukraine	415
Russia	251	Bulgaria	289
		Romania	321
Total for Others	2402		2414
Others not Listed	7		3
Grand Total	3725		3762

Note: excludes the import of wheat flour and pasta

Commodities:

Corn

Corn Production:

Corn production in MY 2019 was revised up to 76,336 MT based on the Korean government official numbers released at the end of June 2020. This number is up 2.8 percent from FAS/Seoul's previous forecast but remains 2.1 percent lower than a year earlier, reflecting reduced acreage.

Table 12

Korea: Corn Production			
Crop Year	Area (ha)	Yield (MT/ha)	Production (MT)
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	15,183	4.85	73,681
2017	15,074	4.82	72,587
2018	15,472	5.04	78,012
2019	14,840	5.14	76,336
2020a/	15,000	5.00	75,000

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

a/ FAS Seoul production forecast based on five-year average yield and official acreage as released by KOSTAT

b/ FAS Seoul forecast based on five-year average yield and acreage

Corn Consumption:

The 2020/21 corn consumption forecast is revised to 12 MMT (up 4.3 percent), consisting of 9.7 MMT for feed purposes and 2.3 MMT for food, seed, and industrial (FSI) purposes. Feed corn is expected to be the major ingredient used in compound feed, accounting for about 46 percent of total ingredients this year, with feed wheat remaining at six percent (Table 16). Food, seed, and industrial (FSI) corn consumption is expected to stay around 2.3 MMT to meet stable demand for high fructose corn syrup (HFCS) and other corn products used by the Korean food industry.

Corn consumption for 2019/20 is estimated at 11.8 MMT, up 3.5 percent from the previous forecast based on actual consumption for the first ten months of the year. This total consists of 9.5 MMT for feed and 2.3 MMT for food, seed, and industrial (FSI) purposes (Table 14). Feed corn consumption has been increasing to replace the lack of supply of feed grade wheat and domestic rice for feed.

Consumption for processing corn has dropped as the sluggish economy (COVID-19 related) led to reduced demand for HFCS in soft drinks and corn starch for paper sizing.

Feed

The 2020/21 compound feed production forecast remains unchanged at around 21.2 MMT. This record volume is driven by solid growth in all animal inventories. High animal inventory levels are of course contingent on the absence of any major pandemic diseases (such as Avian Influenza and African Swine Fever (ASF)) this year. Feed corn is expected to be the major ingredient used in compound feed, accounting for more than 46 percent of total ingredients, or 9.7 MMT, with feed wheat remaining at 1.3 MMT.

MY 2019/20 compound feed production is estimated to have expanded 2.6 percent over the previous year to reach a record of about 21 MMT based on actual compound feed production for the first eleven months last year. This increase reflects a constant growth of inventories across all animal sectors from the previous year, as poultry numbers grew 1.5 percent, cattle numbers rose 2.8 percent, and swine numbers were up 2.3 percent. Swine numbers rose despite an outbreak of ASF during October 2020 in domestic swine, because the outbreak has so far been effectively contained in the DMZ (border) region (Table 18).

Food

Corn processors use Genetically Engineered (GE) corn, non-biotech Identity Preserved (IP) corn, and conventional corn to produce corn starch, HFCS, and corn flour. GE corn imported from the United States and South American countries is used for starch production for industrial purposes such as paper sizing and glue. Non-biotech IP corn imported from the United States and Brazil, and traditional corn imported from Russia, South Africa, Serbia, Bulgaria, and Australia IS used for corn starch and corn

flour. The perceived public concern over biotech products continues to influence imported processing corn decisions, especially for corn that is used to manufacture cooking oil and HFCS. Many food processing companies remain reluctant to use ingredients derived from biotech corn. Some food processing companies utilizing corn starch products are sourcing ingredients imported from China, since these items are reportedly derived from non-biotech corn.

Table 13

Korea: Monthly Corn Use (1,000 MT)						
Month	Feed Corn			Processing Corn		
	MY 2017/18	MY 2018/19	MY 2019/20	MY 2017/18	MY 2018/19	MY 2019/20
October	589	704	785	185	204	190
November	645	687	745	192	192	190
December	672	699	790	192	197	194
January	693	752	798	200	198	180
February	602	627	746	172	172	182
March	645	698	814	201	197	185
April	626	745	819	189	191	168
May	661	772	814	196	197	188
June	623	709	793	197	195	186
July	596	745	837	198	188	192
August	606	707	730	187	187	164
Sub Total	6,958	7,845	8,671	2,109	2,118	2,019
September	607	711	832	183	178	na
Total	7,564	8,556	9,502	2,292	2,298	2,200a/

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

a/ FAS/Seoul estimate on the actual imports for the first eleven months

Table 14

Korea: Total Corn Utilization (October/September, 1,000 MT)				
Marketing Year	Feed	Processing a/	Food b/	Total
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	7,841	2,220	93	10,154
2016/17	7,031	2,315	89	9,435
2017/18	7,564	2,292	88	9,944
2018/19	8,556	2,298	93	10,947
2019/20 c/	9,502	2,200	89	11,791
2020/21 d/	9,700	2,200	90	11,990

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 estimate based on actual consumption for the first eleven months for processing corn

d/ FAS Seoul forecast

Table 15

Korea: Monthly Processing Corn Use						
(MT)						
Month	MY 2018/19			MY 2019/20		
	Wet Milling	Dry Milling	Total	Wet Milling	Dry Milling	Total
October	197,563	6,543	204,106	183,973	5,905	189,878
November	186,060	6,181	192,211	184,181	5,804	189,985
December	191,439	5,991	197,430	187,664	6,131	193,795
January	191,386	6,541	197,927	174,400	5,833	180,233
February	166,615	5,139	171,754	176,207	5,711	181,918
March	191,695	5,712	197,407	179,613	5,784	185,397
April	185,186	5,976	191,162	162,282	5,864	168,146
May	190,948	6,469	197,417	182,286	6,056	188,342
June	189,698	5,446	195,144	180,468	5,609	186,077
July	182,860	5,451	188,311	186,713	5,453	192,166
August	181,185	5,329	186,514	159,599	4,722	164,321
Subtotal	2,054,635	64,778	2,119,383	1,957,386	62,872	2,020,258
September	172,767	5,477	178,244	na	na	na
Total	2,227,372	70,255	2,297,627	na	na	na

Source: Korea Corn Processing Industry Association (KOCPIA)

Table 16

Korea: Feed Ingredients Use for Compound Feed Production				
(October/September, 1,000 MT)				
Items	MY 2017/18	MY 2018/19	MY 2019/20	MY 2020/21 ^{a/}
Sub-Total Grains and Grain Substitutes	12,474	12,976	13,481	13,700
- Wheat	1,546	1,168	1,209	1,300
- Corn	7,564	8,557	9,502	9,700
- Rice (brown)	702	568	113	0
- Other Grains and Grain Substitute ^{b/}	2,662	2,683	2,657	2,700
Others ^{c/}	7,117	7,496	7,523	7,500
Grand Total	19,591	20,472	21,004	21,200

Source: Korea Feed Association (KFA)

a/ FAS Seoul forecast

b/ includes Tapioca, brans and gluten feed.

c/ includes vegetable protein meal, animal protein, minerals/additives, tallow, DDGs and molasses.

Table 17

Korea: Compound Feed Production by Species Use (October/September, 1,000 MT)				
Species	MY 2017/18	MY 2018/19	MY 2019/20a/	MY 2020/21a/
Poultry	5,906	6,159	6,300	6,400
Swine	6,461	6,784	6,950	7,000
Cattle	5,719	5,961	6,200	6,300
Others ^{c/}	1,456	1,511	1,550	1,500
Sub Total	19,542	20,415	21,000	21,200
Aquaculture	152	161	150	150
Milk Substitute	52	49	50	50
Grand Total	19,746	20,625	21,200	21,400

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

a/ FAS/Seoul forecast

b/ Include ducks, rabbit, horse, sheep, deer, quail etc.

Table 18

Korea: Compound Feed Production Comparison by Species Use for the first eleven months (October/August, 1,000 MT)			
Species	MY 2018/19	MY 2019/20	Change
Poultry	5,684	5,767	+1.5
Swine	6,206	6,350	+2.3
Cattle	5,473	5,624	+2.8
Others	1,389	1,408	+1.4
Total	18,753	19,149	+2.1

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

Corn Trade:

The 2020/21 corn import forecast is revised up to 12 MMT from FAS/Seoul's initial forecast of 11.5 MMT, consisting of 9.7 MMT of feed corn for compound feed, and 2.3 MMT of processing corn for food processing, due to rising animal inventories and limited availability of competing feed grade wheat and domestic rice for feed.

Total corn imports in 2019/20 are revised to 11.9 MMT, up 4.2 percent from the previous forecast (and up 10 percent from the previous year), to meet greater demand for feed corn to offset a limited supply of competitively priced feed wheat and a dwindling rice supply. U.S. market share is estimated to decrease to 22 percent of total corn imports from 41 percent in the previous year. U.S. feed corn exports to Korea were 2.2 MMT, accounting for 24 percent of total imports of feed-grade corn followed by Argentina, Brazil, and Ukraine. Meanwhile, U.S. food-grade corn exports to Korea are expected to be 0.4 MMT, accounting for 16 percent of total imports of food-grade corn, after Serbia and Brazil.

As of early October 2020, importers have contracted for about 3.8 MMT of corn with delivery dates between October 2020 and February 2021, and they continue to make contracts for delivery in January 2021 onward. Most corn contracts for feed are optional origin at the seller's discretion with options including South America, Eastern Europe/Black Sea, or the United States. Conventional corn for processing is contracted from Brazil and Eastern Europe (Table 21).

Table 19

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	%
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	7,833	2,289	10,122	2,387	522	2,909	29
16/17	6,912	2,308	9,220	4,988	973	5,961	65
17/18	7,680	2,326	10,006	4,453	717	5,170	52
18/19	8,519	2,326	10,845	3,519	895	4,414	41
19/20	9,695	2,187	11,882	2,243	361	2,603	22
20/21 ^{a/}	9,700	2,300	12,000	3,500	500	4,000	30

Source: Korea Customs Service, Trade Data Monitor LLC

a/ FAS/Seoul forecast

Table 20

Korea: Monthly Corn Imports (1,000 MT, Customs Cleared Basis)						
Month	Feed Corn			Processing Corn		
	MY 2017/18	MY 2018/19	MY 2019/20	MY 2017/18	MY 2018/19	MY 2019/20
October	627	728	871	125	184	175
November	739	667	768	242	138	127
December	641	724	934	107	190	265
January	714	825	759	292	274	282
February	637	601	847	180	176	149
March	558	635	744	188	218	111
April	667	736	783	154	226	149
May	643	832	810	253	155	224
June	646	585	754	233	209	197
July	702	699	863	235	210	188
August	626	758	733	196	205	139
September	478	730	826	122	141	180
Total	7,680	8,519	9,695	2,326	2,326	2,187

Source: Korea Customs Service, Trade Data Monitor LLC

Table 21

Korea: MY 2020/21 Corn Contracts ^{1/}				
By Estimated Time of Arrival (ETA)				
(Unit: 1,000 MT, as of October 10, 2020)				
ETA	Quantity		Price (USD/MT) ^{2/}	
	Feed	Processing	Feed	Processing
Oct. 2020	1,311	280	177.81	197.68
Nov.	666	118	185.22	198.91
Dec.	534	175	211.71	229.18
Jan 2021	331	0	232.87	Na
Feb.	404	0	240.59	na
Sub Total	3,246	573		
Grand Total	3,819			

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 Distribution Data Statistics:****Corn PS&D**

Corn Market Year Begins Korea, Republic of	2018/2019		2019/2020		2020/2021	
	Oct 2018		Oct 2019		Oct 2020	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	15	15	15	15	15	15
Beginning Stocks (1000 MT)	1848	1848	1835	1824	1909	1980
Production (1000 MT)	78	78	74	76	75	75
MY Imports (1000 MT)	10856	10845	11600	11882	11800	12000
TY Imports (1000 MT)	10856	10845	11600	11882	11800	12000
TY Imp. from U.S. (1000 MT)	3299	4414	0	2604	0	4000
Total Supply (1000 MT)	12782	12771	13509	13782	13784	14055
MY Exports (1000 MT)	0	0	0	0	0	0
TY Exports (1000 MT)	0	0	0	0	0	0
Feed and Residual (1000 MT)	8556	8556	9200	9502	9400	9700
FSI Consumption (1000 MT)	2391	2391	2400	2300	2450	2300
Total Consumption (1000 MT)	10947	10947	11600	11802	11850	12000
Ending Stocks (1000 MT)	1835	1824	1909	1980	1934	2055
Total Distribution (1000 MT)	12782	12771	13509	13782	13784	14055
Yield (MT/HA)	5.2	5.2	4.9333	5.0667	5	5

(1000 HA), (1000 MT), (MT/HA)

MY = Marketing Year, begins with the month listed at the top of each column

TY = Trade Year, which for Corn begins in October for all countries. TY 2020/2021 = October 2020 - September 2021

Corn Import Trade Matrix

Import Trade Matrix			
Country	Korea, Republic of		
Commodity	Corn		
Time Period	Oct/Sept	Units:	1,000MT
Imports for:	2018		2019
U.S.	4414	U.S.	2603
Others		Others	
Brazil	2267	Brazil	2534
Argentina	2411	Argentina	2482
Ukraine	340	Ukraine	1962
Bulgaria	331	Bulgaria	234
Paraguay	165	Paraguay	567
Serbia	662	Serbia	670
South Africa	64	South Africa	247
Russia	43	Russia	223
Romania	2	Romania	230
Australia	47	Australia	43
Total for Others	6332		9192
Others not Listed	99		87
Grand Total	10845		11882

Source: Korea Customs Service (KCS), Trade Data Monitor LLC

Note: exclude pop corn

Table 22

Korea: Animal Inventory (1,000 Head, 1,000 Birds, as of June 1, 2020)					
Animal	Year	March	June	September	December
Beef Cattle	2015	2,896	2,984	2,996	2,909
	2016	2,821	2,996	3,016	2,963
	2017	2,885	3,034	3,120	3,020
	2018	2,947	3,117	3,168	3,113
	2019	3,059	3,242	3,269	3,237
	2020	3,197	3,330	3,437c/	3,358c/
Dairy Cattle	2015	439	433	430	428
	2016	425	420	421	418
	2017	416	414	411	409
	2018	408	405	407	408
	2019	407	401	404	408
	2020	409	406	402-404c/	404-406c/

Swine	2015	9,971	10,018	10,332	10,187
	2016	10,315	10,355	10,699	10,367
	2017	11,005	11,187	11,493	11,273
	2018	11,156	11,304	11,641	11,333
	2019	11,200	11,317	11,713	11,280
	2020	11,208	11,088	11,791c/	11,255c/
Layer a/	2015	68,878	67,907	72,090	71,877
	2016	70,177	68,281	69,853	71,043
	2017	51,608	57,383	67,833	72,710
	2018	71,324	67,043	71,227	74,741
	2019	70,103	71,405	70,895	72,701
	2020	72,811	74,921	na	na
Broiler b/	2015	82,749	110,489	81,184	81,851
	2016	86,541	101,014	76,420	87,830
	2017	79,332	104,205	80,546	85,436
	2018	91,053	112,681	83,278	85,915
	2019	93,599	121,588	88,530	88,738
	2020	96,350	110,842	na	na

Source: Korea Statistics (KOSTAT)

a/ Excluding breeders

b/ Excluding multi-use broilers

c/ KREI forecast

d/ FAS Seoul forecast

Note: The Korean government changed the basis for estimating cattle inventory as of September 2017. The Korea Statistics Service switched from a sample survey-based cattle inventory estimate to the actual number of cattle registered under the traceability system. As it is mandatory to register cattle under the traceability system, this change will allow for more accurate inventory numbers. However, this change increased cattle inventory statistics by an average of 240,000 heads ([KS1810](#)). Swine inventory numbers also followed the registration of the traceability system since 2017.

Table 23

Korea: Feed Ingredients Use for MY2018-MY2019						
(1,000 MT, October/September)						
INGREDIENT	MY2018/19			MY2019/20		
	TOTAL	DOM ^{1/}	%	TOTAL	DOM ^{1/}	%
GRAINS:						
CORN	8,557	-	41.8	9,502	-	45.2
SORGHUM	22	-	0.1	-	1	-
WHEAT	1,168	-	5.7	1,209	-	5.8
BARLEY	18	1	0.1	21	2	0.1
RYE	-	-	-	-	-	-
OATS	4	3	0.0	4	4	0.0
GSP/BROKEN GRAIN	99	99	0.5	107	107	0.5
TAPIOCA	101	-	0.5	99	-	0.5
LUPIN SEED	130	18	0.6	86	14	0.4
RICE	568	552	2.8	113	106	0.5

OTHERS	218	199	1.1	225	213	1.1
SUB TOTAL	10,885	872	53.2	11,366	447	54.1
GRAIN BY-PRODUCTS:						
WHEAT BRAN	494	421	2.4	513	442	2.4
RICE BRAN	215	215	1.1	199	198	0.9
BARLEY BRAN	1	1	0.0	-	-	-
CORN BRAN	5	2	0.0	13	11	0.1
GLUTEN FEED	1,141	457	5.6	1,136	422	5.4
OTHERS	235	190	1.1	254	218	1.2
SUB TOTAL	2,091	1,286	10.2	2,115	1,291	10.1
ANIMAL PROTEIN:						
FISH MEAL	11	7	0.1	10	5	0.0
MEAT & BONE MEAL	24	23	0.1	27	25	0.1
OTHERS	171	169	0.8	184	181	0.9
SUB TOTAL	206	199	1.0	221	211	1.1
VEGETABLE PROTEIN:						
SOYBEAN MEAL	2,316	618	11.3	2,465	657	11.7
RAPESEED MEAL	393	4	1.9	338	2	1.6
SESAMESEED MEAL	38	38	0.2	41	39	0.2
PERILLA SEED MEAL	2	2	0.0	1	1	0.0
CORN GLUTEN MEAL	76	74	0.4	68	67	0.3
DDGS 2/	1,086	414	5.3	1,085	455	5.2
COTTONSEED MEAL	-	-	-	-	-	-
PALM KERNEL MEAL	815	74	4.0	876	46	4.2
COPRA MEAL	258	1	1.3	135	-	.6
OTHERS	278	228	1.4	263	229	1.3
SUB TOTAL	5,262	1,453	25.7	5,272	1,496	25.1
ADDITIVES/MINERALS:						
CALCIUM PHOSPHATE	66	56	0.3	70	62	0.3
LIMESTONE	576	576	2.8	599	599	2.9
SALT	71	67	0.3	72	69	0.3
OTHER	323	321	1.6	330	325	1.6
SUB TOTAL	1,036	1,020	5.1	1,071	1,055	5.1
OTHER INGREDIENTS:						
TALLOW	346	343	1.7	337	337	1.6
MOLASSES	368	307	1.8	332	282	1.6

UREA	3	3	0.0	2	2	0.0
OTHER	275	250	1.3	288	265	1.4
SUB TOTAL	992	903	4.8	959	886	4.6
GRAND TOTAL	20,472	5,733	100.0	21,004	5,386	100.0

Source: Korea Feed Association (KFA)

1/ Domestic Products

2/ refer to [KS1748](#) for more details

Commodities:

Rice, Milled

Rice Production:

Based on a nationwide survey of 6,300 rice fields conducted September 15-21, 2020, Statistics Korea (KOSTAT) released the 2020 rice production estimate at 3.63 million metric tons (MMT), down three percent from the previous year due to both lower production area reduced yields.

The survey results show total harvested acreage at 726,432 ha, which is a 0.5 percent decline from the previous year. Yields are also below normal due to unfavorable weather such as consecutive typhoons and the longer monsoon season reducing sunshine during the grain filling stage in July and August. KOSTAT is expected to release its final survey showing production estimates shortly after the rice harvest is complete in mid-November. In the meantime, FAS Seoul revised 2020/21 rice production down to 3.63 MMT, decreasing six percent from the previous forecast of 3.86 MMT.

Area

Rice planted area has continued to fall since 2001, with annual decreases ranging from 5,000 ha to 38,000 ha. In 2020, rice planting area decreased by 3,382 ha, a drop of only 0.5 percent from the previous year, in response to constant demand for land for residential and commercial construction and the conversion of rice paddy land to other crops under the government rice reduction program. The bullish domestic rice market (Table 42 & 42) as well as relatively attractive rice subsidy programs (compared to other crops) nullified government programs targeting a much larger (55,000 ha) reduction in rice area to relieve the burden of heavy stocks accumulating since MY 2013/14.

Table 24

Korea: 2020 Rice Production Forecast		
	2019 Rice Production	2020 Rice Production Forecast ^{1/}
Area (1,000 ha)	730	726
Yield (kg/ha)	5,131	5,000
Production (1,000MT)	3,744	3,631

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

1/ KOSTAT survey for September 15-21, 2020

Table 25

Korea: Rice Area, Yield and Production			
Crop Year	Area (1,00ha)	Yield (kg/ha)	Production (Milled, 1,000 MT)
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
2016	779	5,389	4,197
2017	755	5,264	3,972
2018	738	5,244	3,868
2019	730	5,131	3,744
2020a/	726	5,000	3,631

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

a/-KOSTAT survey for September 15-21, 2020

Yield

Unfavorable weather developments in the rice filling stage resulted in a lower rice yield of 5,000 kg per ha, which is down 2.5 percent from 2019.

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

The Korean government directly purchases rice for price stabilization and food security purposes.

Under the PFSP, the government will purchase domestic paddy rice during the harvest season (October-December) at the average market price and sell it during non-harvest periods at the prevailing domestic market price.

Between October and December 2020, the Korean government plans to purchase 350,000 MT (milled basis) of paddy rice, representing around ten percent of the estimated 2020 rice crop production, which includes an additional purchase of 10,000 MT for the APTERR (ASEAN Plus Three Emergency Rice Reserve). The APTERR 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.

Table 26

Korea: Government Rice Purchases			
Under Public Food Grain Stockholding Program (PFSP)			
Crop Year	Production (1,000 MT)	Purchase (1,000 MT)	%
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	4,197	678 ^{c/}	16.1
2017	3,972	711 ^{d/}	17.9
2018	3,875	350 ^{e/}	9.0
2019	3,744	346 ^{f/}	9.3

2020	3,631	350 ^{g/}	9.6
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Source: Ministry of Agriculture, Food and Rural Affairs (MAFRA)

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

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

c/ Includes 299,000 MT to stabilize rice markets in addition to 349,000 MT under PFSP, but exclude 30,000 MT for APTERR (ASEAN Plus Three Emergency Rice Reserve)

d/ Includes 370,000 MT to stabilize rice markets in addition to 331,000 MT under PFSP and 10,000 MT for APTERR (ASEAN Plus Three Emergency Rice Reserve)

e/ Includes 340,000 MT under PFSP and 10,000 MT for APTERR (ASEAN Plus Three Emergency Rice Reserve)

f/ Includes 336,000 MT under PFSP and 10,000 MT for APTERR (ASEAN Plus Three Emergency Rice Reserve)

g/ plan

Rice Consumption:

FAS Seoul estimates for consumption remain unchanged from the previous report as the trend of rice consumption for table purposes and processing has been stable despite changes in feed use.

The Korean government stopped distributing old rice for animal feed use effective January 2020, and, as a result, for the first ten months in MY 2019/20 Korean feed millers consumed only 76,776 MT of brown rice for animal feed (69,098 MT, milled), down 83 percent from the same period of the previous marketing year. Total feed consumption is expected to reach about 70,000 MT (milled) as FAS Seoul projected in the initial forecast (Tables 27 & 29).

Feed:

In an attempt to reduce high ending stocks, the Korean Ministry of Agriculture, Food and Rural Affairs (MAFRA) had released rice to be used as feed since MY 2015/16. The released price was a tenth of the purchasing price in the harvest season under the government purchasing program, which was annually set at 92-93 percent of the value of feed corn imported in the previous marketing year. For the past five years (MY2015-MY2019), cumulative brown rice consumption for animal feed reached 1.82 MMT, consisting of 1.79 MMT of domestic rice and 30,662 MT of imported rice.

Table 27

Korea: Rice Utilization Pattern				
(1,000 MT, milled)				
Rice Year (November – October)	MY 2016/17^{a/}	MY 2017/18^{b/}	MY 2018/19^{c/}	MY 2019/20^{c/}
Table Rice	3,199	3,161	3,120	3,080
Processing	1,086	1,427	1,270	840
(for food)	(492)	(568)	(570)	(570)
(for liquor)	(216)	(188)	(200)	(200)
(for feed)	(378)	(671)	(500)	(70)
Seed	33	32	32	32
Other and Loss	117	132	150	150
Total Demand	4,435	4,752	4,572	4,102
Per Capita Table Rice Consumption (kg)	61.8	61.0	59.8	59.1

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

a/ MAFRA Revised

b/ MAFRA Preliminary

c/ FAS/Seoul forecast

Table 28

Korea: Rice Consumption Pattern for Processing Purpose (1,000 MT, milled)				
Purpose	MY 2016/17 ^{a/}	MY 2017/18 ^{b/}	MY 2018/19 ^{c/}	MY 2019/20 ^{c/}
KRFA	220	260	299	270
KALIA	216	188	200	200
Others ^{d/}	272	308	271	300
Feed	378	671	500	70
Total	1,086	1,427	1,270	840

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

a/ Revised

b/ Preliminary

c/ FAS/Seoul forecast

d/ Traditional foods or beverage made of local rice.

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

Table 29

Korea: Rice Consumption for Animal Feed (Marketing Year, Brown rice basis, MT)									
Month	MY 2017/18			MY 2018/19			MY 2019/20		
	Domestic Rice	Imported Rice	Total	Domestic Rice	Imported Rice	Total	Domestic Rice	Imported Rice	Total
November	53,806	0	53,806	66,286	1,009	67,295	29,500	2,518	32,018
December	48,340	0	48,340	53,349	2,021	55,370	25,168	1,338	26,506
January	43,163	0	43,163	42,868	116	42,984	9,927	63	9,990
February	54,117	0	54,117	43,781	8	43,789	3,822	0	3,822
March	62,448	0	62,448	51,147	26	51,173	1,897	0	1,897
April	64,516	0	64,516	42,124	6	42,130	1,042	0	1,042
May	64,816	850	65,666	35,510	1,112	36,622	672	0	672
June	64,187	1,655	65,842	37,845	17	37,862	284	0	284
July	58,654	2,235	60,889	42,311	1,808	44,119	318	0	318
August	65,027	913	65,940	33,284	3,606	36,890	227	0	227
September	67,160	1,003	68,163	31,142	5,210	36,352	152	0	152
October	72,529	1,428	73,957	33,156	3,535	36,691	na	na	na
Total (brown)	718,763	8,084	726,847	512,804	18,474	531,278	73,009	3,919	76,928
Total (milled)	646,887	7,276	654,162	461,523	16,627	478,150	65,708	3,527	69,235

Source: Korea Feed Association (KFA)

Note: actual rice consumption for feed is slightly different from government's estimate of feed use

Rice Trade:

Korea continues to import the mandatory volume of 408,700 metric tons from Most Favored Nation (MFN) countries at the current duty level of five percent under the Tariff Rate Quota (TRQ) regime implemented in 2015. In late 2014 as Korea prepared to implement rice tariffication through the WTO, Korea deleted provisions about usage purposes, such as the ratio of table rice (30 percent) and guaranteed access to the domestic market. Accordingly, 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, and subsequently auctions off imported table rice.

By the end of 2019, the Korean government agreed to a compromise with the five countries who had raised concerns with the tariff schedule concerning rice market access. As part of this compromise, Korea agreed to allocate among the five countries 408,700 MT of the WTO TRQ for rice as below.

Within the rice TRQ, Korea established a country-specific quota (CSQ) for each of the other parties and allocated the following volumes on a milled rice basis:

United States: 132,304 MT

China: 157,195 MT

Vietnam: 55,112 MT

Thailand: 28,494 MT

Australia: 15,595

Through the plurilateral agreement which took effect in January 2020, Korea has made 20,000 MT (milled) of the rice TRQ available on a Most-Favored Nation (MFN) basis to all WTO members including the parties.

Imports:

MY 2020/21 rice imports remain unchanged from the previous forecast at 500,000 MT (milled basis) as COVID-19 related exporter logistical issues are expected to increase the portion of 2020 TRQ delivered in the first half of 2021.

In MY 2019/20, rice imports are expected to have shown a decrease to 450,000 MT (milled basis) from the previous forecast due to actual delivery of a major portion of the 2020 TRQ rolling over into the following year. Likewise, actual U.S. rice exports in 2020 are expected to decrease to 135,000 MT (milled basis).

2020 TRQ Tendering Process:

Under the 2020 TRQ thus far, Korea has purchased 366,489 MT (milled), 90 percent of the total TRQ, as shown in the Table 30. The remaining 10 percent of TRQ will be purchased by the end of the year. However, actual delivery for 60 percent of the total TRQ is expected to take place in the first half of 2021 due to the slower pace of the bidding process caused by COVID-19.

The total quantity of 366,489 MT (milled basis) that Korea has purchased under the 2020 TRQ so far consists of:

- 99,221 MT (89,299 milled basis) of medium-grain brown rice - 81,893 MT from the United States and 17,328 MT from China (converted from the unfilled Australian CSQ)
- 37,000 MT of medium grain milled rice for table purpose from the United States
- 174,661 MT (157,195 milled basis) of short-grain brown rice - all from China, and

- 90,550 MT (81,495 milled basis) of long-grain brown rice - 29,993 MT from Thailand, 38,334 MT from and 22,222MT from India.
- 1,500 MT of long grain milled rice for table purpose from Thailand, including 90 MT of Hom Mali (Table 31).

Table 30

Korea: Updated Rice Contracts Status by Country under 2020 CSQ/MFN TRQ (Metric Ton, milled, as of September 27, 2020)				
Country	Allocated TRQ	Contracts	Open	Contractual Rate (%)
USA	132,304	110,704	21,600	84
China	157,195	172,790 ^{a/}	0	110
Vietnam	55,112	34,501	20,611	63
Thailand	28,494	28,494	0	100
Australia	15,595	0	0	0
MFN	20,000	20,000 ^{b/}	0	100
Total	408,700	366,489	42,211	90

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

a/ include 15,595 MT of MFN TRQ converted from Australian CSQ

b/ India sold

Table 31

Korea: Rice Varieties of Contracts by Country under 2020 MFN TRQ ^{1/} (Metric Ton, milled, as of October 2020)				
Rice Variety	Medium Grain	Short Grain	Long Grain	Total
USA	110,704	0	0	110,704
China	15,595	157,195	0	172,790
Thailand	0	0	28,494	28,494
Vietnam	0	0	34,501	34,501
India	0	0	20,000	20,000
Total	126,299	157,195	82,995	366,489
Ratio (%)	34.46%	42.89%	22.65%	100.00%
Open				42,211

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

^{1/} under ongoing process of buying tenders since January 2020

Table 32

Korea: 2020 TRQ Rice Tender Results (as of September 27, 2020)									
Bid Date (mm-dd-yy)	Rice Type	Quota Volume (Contract Basis)	Quota Volume (Milled Rice Basis)	Origin	Awarded Price US\$/MT	Terms and Conditions	Delivery Date	Local Agent	Supplier
1/31/2020	MG #3 Brown	22,222	20,000	USA	868.64	CIP	May 31, 2020	POSCO Int'l	FRC
3/26/2020	LG #3 Brown	15,000	13,500	Thailand	493.50	CIP	Sep 30, 2020	POSCO Int'l	Asia Golden/Capita l Rice Co., Ltd
3/26/2020	LG #3 Brown	14,993	13,494	Thailand	498.75	CIP	Oct 31, 2020	DongHan g	Chaipayorn
3/25/2020	SG #3 Brown	20,000	18,000	China	818.88	CIP	5/1-7/30, 2020	POSCO Int'l	COFCO
4/16/2020	SG #3 Brown	20,000	18,000	China	848.89	CIP	Aug 31,2020	Singsong	Jilin Grain
4/16/2020	SG #3 Brown	15,556	14,000	China	847.00	CIP	Aug 31,2020	POSCO Int'l	COFCO
5/14/2020	SG #3 Brown	20,000	18,000	China	845.26	CIP	Dec 31, 2020	POSCO Int'l	COFCO
5/14/2020	SG #3 Brown	20,000	18,000	China	845.47	CIP	Dec 31, 2020	Singsong	Jilin Grain
6/23/2020	SG #3 Brown	20,000	18,000	China	857.00	CIP	Jan. 31, 2021	POSCO Int'l	COFCO
6/23/2020	SG #3 Brown	20,000	18,000	China	859.00	CIP	Jan. 31, 2021	POSCO Int'l	COFCO
6/23/2020	SG #3 Brown	20,000	18,000	China	858.00	CIP	Jan. 31, 2021	POSCO Int'l	COFCO
6/23/2020	SG #3 Brown	19,105	17,195	China	857.70	CIP	Jan. 31, 2021	Singsong	Jilin Grain
6/23/2020	LG #3 Milled	1,410	1,410	Thailand	575.00	CIF	Oct 31, 2020	LG Trading	Chaipayorn
6/23/2020	LG #1 Milled, Hom Mali	90	90	Thailand	1,255.06	CIF	Oct 31, 2020	Hyolim	Chiameng
8/20/2020	LG #3 Brown	18,334	16,501	Vietnam	573.00	CIP	Dec 31, 2020	POSCO Int'l	Vinafood1
8/20/2020	LG #3 Brown	20,000	18,000	Vietnam	574.00	CIP	Feb. 28, 2021	POSCO Int'l	Vinafood1
8/20/2020	LG #3 Brown	11,111	10,000	India	517.00	CIP	Dec 31, 2020	Bakela	Amirchand
8/20/2020	LG #3 Brown	11,111	10,000	India	522.00	CIP	Jan. 31, 2021	Bakela	Amirchand
9/17/2020	MG #3 Brown	16,000	14,400	USA	907.84	CIP	Jan. 31, 2021	Philasun	ADM
9/17/2020	MG #3 Brown	22,222	20,000	USA	898.00	CIP	Mar. 31, 2021	POSCO Int'l	FRC
9/17/2020	MG #3 Brown	21,449	19,304	USA	893.20	CIP	Mar. 31, 2021	POSCO Int'l	FRC
9/17/2020	MG #1 Milled	20,000	20,000	USA	987.24	CIF	Jan.- Mar. 2021	Philasun	ADM
9/17/2020	MG #1 Milled	17,000	17,000	USA	981.19	CIF	Apr. - Jun2021	Singsong	ACC
9/17/2020	MG #3 Brown	17,328	15,595	China	883.00	CIP	Apr. 30, 2021	POSCO Int'l	COFCO
		402,931	366,488						

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

Auctions for Imported Table Rice:

The Korea Agro-Fisheries & Food Trade Corporation (aT) sells imported table rice shipments to consumer distribution channels through a public auction system. MAFRA distributes processing rice to end-users, such as food processors and alcoholic beverage producers, at a set price throughout the year.

Due to heavy stocks of domestic rice caused by overproduction since 2013, the pace of auctions for imported rice for table use has been very slow, effectively reducing the annual volume of auctioned rice. As high rice stocks have dampened domestic prices, farmers' groups have petitioned the government to further slow auctions for imported table rice. During the harvest season farmers' groups have further requested a complete halt to auctions for imported medium grain rice, which directly compete with domestic short grain rice.

With the rice harvest season starting October 5, 2020, aT announced that the auction frequency for table rice would be reduced from twice per week to once a week with the auctioning volume dropping to only 200 MT from 1,080 MT per week during the rest of the year.

Under the 2017 TRQ regime, Korea imported 37,000 MT of 2017 crop U.S. #1 medium grain milled rice for table use in the first half of 2018 and started auctions of this rice on Jan. 23, 2019. The Korean government suspended auctions on January 6, 2020 due to deteriorating quality after auctioning off 23,454 MT (63 percent) of U.S. medium grain milled table rice. The unsold portion of U.S. medium grain is still sitting in the warehouse for eventual conversion to alcohol processing as the quality has deteriorated so it can no longer be sold for consumer table use (Table 35)

Under the 2018 TRQ regime, Korea imported 37,000 MT of 2018 crop U.S. #1 medium grain milled rice in the first half of 2019 and 2,800 MT of Vietnamese #1 long grain milled rice in December 2018. As of October 5, 2020, 17,061 MT of U.S. medium grain had been auctioned off (46 percent of total imported milled rice) while auctions for Vietnamese long grain milled rice was completed June 1, 2020 (Table 36).

Under the 2019 TRQ, Korea imported 37,000 MT of 2019 crop U.S. #1 medium grain milled rice in the first half of 2020 and 3,000 MT of Vietnamese #1 long grain milled rice in April 2020, respectively. As of October 5, 2020, aT has auctioned off 1,290 MT of Vietnamese long grain milled rice while U.S. medium grain rice is still sitting in storage until the completion of the 2018 TRQ auctions. (Table 37).

Table 33

Korea: Status of Table Rice Imports and Distribution (MT, Milled rice)					
TRQ (Calendar Year)	Total Rice Imports	Table Purpose	Rate of Table Rice of Total Imports (%)	Distribution to Consumers Market	Conversion to Processing
MMA Quota Regime (2005-2014)					
2005	225,575	22,557	10	22,557	0
2006	245,922	34,429	14	34,429	0
2007	266,270	47,928	18	47,928	0
2008	286,617	63,055 ^{a/}	22	38,121	24,934
2009	306,964	79,810 ^{b/}	26	45,007	34,803
2010	327,311	98,193 ^{c/}	30	92,576	5,617
2011	347,658	104,297	30	104,297	0
2012	368,006	110,401	30	110,401	0
2013	388,353	116,505	30	116,505	0
2014	408,700	122,610 ^{d/}	30	65,072	57,538
Total	3,171,376	799,785	25	676,893	122,892
TRQ Regime (Since 2015)					
2015	408,700	60,000 ^{e/}	15	7,041	52,959
2016	408,700	50,000 ^{f/}	12	26,310	23,690
2017	408,700	40,000 ^{g/}	10	25,914	14,086
2018	408,700	39,800 ^{h/}	9.7	17,061	na
2019	408,700	40,000 ^{i/}	10	1,290	na

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

a/ of which, 24,934MT of Chinese rice was diverted to alcohol processing purpose in CY 2010

b/ of which, 33,303 MT of Chinese rice and 1,500 MT of Thai rice were diverted to alcohol processing purpose in CY 2011

c/ of which, 5,671MT of Chinese rice were diverted to alcohol processing purpose in CY 2012.

d/ of which, 8,754 MT of U.S. rice, 43,386 of Chinese rice and 5,395 MT of Australian rice were converted to alcohol processing purpose in CY 2016

e/ of which, 34,035 MT of U.S. rice and 18,924 MT of Chinese rice have been converted to alcohol processing purpose in CY 2018

f/ suspended auctions for 23,084 MT of U.S. medium grain and 546 MT of Vietnamese short grain as of September 24, 2018 but completed auctioning-off for 7,000 MT of Thai long grain as of January 2, 2019. 546 MT of Vietnamese short grain has already converted to alcohol processing immediately. The unsold U.S. medium grain has been converted to alcohol processing since January 2019.

g/ consisting of 37,000MT of U.S. medium grain and 3,000MT of Vietnamese long grain, of which, 13,546 MT of U.S. rice will be converted to alcohol processing after suspending selling auction on Jan. 6, 2020 and 540 MT of Vietnamese long grain was converted to animal feed due to a damage over transportation.

h/ consisting of 2,800 MT of Vietnamese long grain delivered in December 2018 and 37,000 MT of U.S. medium grain delivered during April - May 2019 based on contracts. Ongoing selling auctions for U.S. medium grain since Jan. 13, 2020 with Vietnamese long grain auctions completed on June 1, 2020

i/ consisting of 3,000 MT of Vietnamese long grain delivered in April 2020 and 37,000 MT of U.S. medium grain delivered during February - June 2020 based on contracts. Ongoing selling auctions for Vietnamese long grain since June 10, 2020.

Table 34

Korea: Status of Rice Auction for Table Rice under 2016 TRQ ^{2/} (Unit: metric tons, milled basis, as of January 2, 2019)						
Commodity (Period of Auctions)	USDA Grade	Total Table Rice TRQ	Auctioned Off	Balance	Auctioned Off (%)	Auctioned Price 1/
U.S. Medium Grain (Apr. 2018 ~Sep. 21, 2018)	#1	40,000	16,916	23,084	42	1,585
Vietnamese Short Grain (Apr. 2018 ~Sep. 21, 2018)	#1	3,000	2,454	546	82	1,332
Thai Long Grain (Oct. 2016 ~Jan. 2, 2019)	#1	7,000	6,940	60	99.1	966
Total		50,000	26,310	23,690	52.6	

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

1/ Weighted average in Korean Won per Kg

2/ Suspended auctions for U.S. medium grain and Vietnamese short grain since September 21, 2018 but completed auctioning-off for 7,000 MT of Thai long grain as of January 2, 2019. The unsold portion has been converted to alcohol processing purpose.

Table 35

Korea: Status of Rice Auction for Table Rice under 2017 TRQ (Unit: metric tons, milled basis, as of Jan. 6, 2020)						
Commodity (Period of Auctions)	USDA Grade	Total Table Rice TRQ	Auctioned Off	Balance	Auctioned Off (%)	Auctioned Price 1/
U.S. Medium Grain ^{2/} (Jan. 23, 2019~Jan 6, 2020)	#1	37,000	23,454	13,546	63	1,828
Vietnamese Long Grain ^{3/} (Jan. 9 – Oct 19, 2019)	#1	3,000	2,460	540	82	960
Total		40,000	25,914	14,086	65	

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

1/ Weighted average in Korean Won per Kg

2/ imported in the first half of 2018 with 2017 crop. Suspended auctions for U.S. medium grain since January 6, 2020 due to deteriorating quality, the remainder will be converted to alcohol processing.

3/ completed selling auction on October 19, 2019, the remainder was converted to animal feed due to a damage in transportation.

Table 36

Korea: Status of Rice Auction for Table Rice under 2018 TRQ (Unit: metric tons, milled basis, as of October 5, 2020)						
Commodity (Period of Auctions)	USDA Grade	Total Table Rice TRQ	Auctioned Off	Balance	Auctioned Off (%)	Auctioned Price 1/
U.S. Medium Grain 2/ (Jan 13, 2020~)	#1	37,000	17,061	19,939	46	1,781
Vietnamese Long Grain ^{3/} (Aug 26, 2019~June 1, 2020)	#1	2,800	2,790	10	100	1,308
Total		39,800	19,851	19,949	50	

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

1/ Weighted average in Korean Won per Kg

2/ imported in the first half of 2019 with 2018 crop, ongoing selling auctions since January 13, 2020.

3/ imported in December 2018, completed selling auctions as of June 1, 2020

Table 37

Korea: Status of Rice Auction for Table Rice under 2019 TRQ (Unit: metric tons, milled basis, as of October 5, 2020)						
Commodity (Period of Auctions)	USDA Grade	Total Table Rice TRQ	Auctioned Off	Balance	Auctioned Off (%)	Auctioned Price 1/
U.S. Medium Grain ^{2/}	#1	37,000	na	na	na	na
Vietnamese Long Grain ^{3/} (June 10, 2020~)	#1	3,000	1,290	1,710	43	1,166
Total		40,000	1,290	38,710	3.2	

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

1/ Weighted average in Korean Won per Kg

2/ delivered in the first half of 2020, sitting in the storage for next selling auction soon after completing selling auctions for medium grains imported under 2018 TRQ.

3/ delivered in April 2020. Ongoing selling auctions since June 10, 2020

Exports:

Korea's 2019/20 rice exports are estimated at 55,000 MT of domestic ally produced rice, including both food aid and commercial exports. In 2020 Korea donated 2,952 MT of rice (milled) to the Philippines (2,352MT) and Myanmar (600MT) under the ASEAN Plus Three Emergency Rice Reserve (APTERR) after natural disasters struck those countries. Under the Food Assistance Convention (FAC), Korea shipped 50,000 MT of 2018 crop domestic rice (milled) to four countries in Africa and the Middle East in May 2020: 19,000 MT to Yemen, 16,000 MT to Ethiopia, 10,000 MT to Kenya, and 5,000 MT to Uganda. Approximately 2,000 MT was commercial trade.

Table 38

Korea: Rice Exports (Milled)				
Calendar Year	To the World		To the United States	
	Quantity (MT)	Value (USD1,000)	Quantity (MT)	Value (USD1,000)
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	2,313	4,847	477	1,175
2017	2,767	5,641	540	1,390
2018	64,164a/	43,823	425	1,171
2019	52,663b/	26,234	425	1,156
2020 (1-9)	54,689c/	25,770	517	1,249

Source: Korea Customs Service (KCS) and Trade Data Monitor LLC

a/ includes 60,000 MT of food assistance in 2018

b/ includes 51,000 MT of food assistance in 2019

c/ FAS estimates which includes 53,000 MT of food assistance in 2020

Rice Stocks:

In 2020, as the Korean government decided to stop distributing old rice for animal feed, the stock to use ratio rebounded. The Korean government eliminated the rice animal feed policy to secure sufficient rice stocks to prepare for possible food aid including a planned donation to the DPRK.

2020/21 ending stocks (by the end of October 2021) are revised down to 1.2 MMT, or 30.5 percent of total consumption, decreasing 6 percent from the previous forecast due to lower than projected 2020 rice crop production.

The 2019/20 ending stock forecast (by the end of October 2020) is revised down to 1.13 MMT, a one percent decrease from the previous forecast due to slightly lower than expected rice imports.

Table 39

Korea: Status of Rice Stocks (Milled rice, 1,000 MT, as of end October)						
Rice Year (Nov.-Oct.)	2015/16	2016/17	2017/18a/	2018/19b/	2019/20c/	2020/21c/
Total Stock	1,831	2,000	1,560	1,093	1,130	1,216
Government Stock	1,831	2,000	1,560	1,093	1,130	1,216
Total Domestic Consumption	4,212	4,435	4,746	4,572	4,102	3,992
Stock to Use Ratio (%)	43.5	45.1	32.9	23.9	27.5	30.5

Source: FAS/Seoul Estimate based on MAFRA data

a/ MAFRA Revised

b/ MAFRA Preliminary

c/ FAS/Seoul forecast

Production, Supply, and Distribution Data Statistics:

Rice PS&D

Rice, Milled Market Year Begins Korea, Republic of	2018/2019		2019/2020		2020/2021	
	Nov 2018		Nov 2019		Nov 2020	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	738	738	730	730	728	726
Beginning Stocks (1000 MT)	1560	1560	1093	1093	1157	1130
Milled Production (1000 MT)	3868	3868	3744	3744	3857	3631
Rough Production (1000 MT)	5157	5195	4992	5016	5143	4874
Milling Rate (.9999) (1000 MT)	7500	7446	7500	7464	7500	7450
MY Imports (1000 MT)	290	290	475	450	450	500
TY Imports (1000 MT)	297	297	475	460	450	500
TY Imp. from U.S. (1000 MT)	151	151	0	135	0	160
Total Supply (1000 MT)	5718	5718	5312	5287	5464	5261
MY Exports (1000 MT)	53	53	55	55	55	55
TY Exports (1000 MT)	53	53	55	55	55	55
Consumption and Residual (1000 MT)	4572	4572	4100	4102	4000	3992
Ending Stocks (1000 MT)	1093	1093	1157	1130	1409	1214
Total Distribution (1000 MT)	5718	5718	5312	5287	5464	5261
Yield (Rough) (MT/HA)	6.9878	7.0393	6.8384	6.8712	7.0646	6.7135

(1000 HA) ,(1000 MT) ,(MT/HA)
 MY = Marketing Year, begins with the month listed at the top of each column
 TY = Trade Year, which for Rice, Milled begins in January for all countries.TY 2020/2021 = January 2021 - December 2021

Table 40

Korea: Monthly Wholesale Price of Milled Rice (High Quality)						
Month\Year	CY 2018		CY 2019		CY 2020	
	Won/kg	USD/kg	Won/kg	USD/kg	Won/kg	USD/kg
January	1,994	1.87	2,469	2.20	2,355	2.02
February	2,094	1.94	2,469	2.20	2,353	1.97
March	2,174	2.03	2,470	2.18	2,355	1.93
April	2,234	2.09	2,464	2.16	2,350	1.92
May	2,227	2.07	2,459	2.08	2,349	1.92
June	2,236	2.05	2,452	2.09	2,420	2.00
July	2,286	2.04	2,449	2.08	2,436	2.03
August	2,299	2.05	2,450	2.03	2,470	2.08
September	2,330	2.08	2,447	2.06	2,558	2.17
October	2,428	2.15	2,307	1.95	2,645	2.30
November	2,478	2.20	2,362	2.03	na	na
December	2,469	2.20	2,352	2.00	na	na
Average	2,271	2.07	2,429	2.09	na	na

Source: Korea Agricultural Marketing Information Service (KAMIS)

Note: Monthly Average Exchange Rate is applied

Table 41

Korea: Monthly Retail Price of Milled Rice (High Quality)						
Month\Year	CY 2018		CY 2019		CY 2020	
	Won/kg	USD/kg	Won/kg	USD/kg	Won/kg	USD/kg
January	2,167	2.03	2,665	2.38	2,586	2.22
February	2,215	2.06	2,662	2.37	2,586	2.17
March	2,286	2.14	2,658	2.35	2,578	2.12
April	2,368	2.22	2,653	2.33	2,575	2.11
May	2,367	2.20	2,645	2.24	2,581	2.11
June	2,380	2.18	2,634	2.24	2,585	2.14
July	2,403	2.14	2,607	2.22	2,588	2.16
August	2,443	2.18	2,598	2.15	2,618	2.21
September	2,473	2.20	2,580	2.17	2,637	2.24
October	2,664	2.36	2,554	2.16	2,862	2.49
November	2,678	2.38	2,585	2.22	na	na
December	2,676	2.39	2,618	2.23	na	na
Average	2,427	2.21	2,622	2.25	na	na

Source: Korea Agricultural Marketing Information Service (KAMIS)

Note: Monthly Average Exchange Rate is applied.

Table 42

Korea: Foreign Exchange Rate (Korean Won against USD)			
Month	CY 2018	CY 2019	CY 2020
January	1,065	1,121	1,165
February	1,077	1,121	1,194
March	1,070	1,131	1,218
April	1,067	1,140	1,223
May	1,075	1,182	1,226
June	1,092	1,174	1,208
July	1,122	1,175	1 199
August	1,120	1,208	1 186
September	1,122	1,190	1 177
October	1,130	1,183	1 150a/
November	1,126	1,166	na
December	1,122	1,175	na
Average	1,099	1,164	na

Source: Global Financial Service

a/ October 1-20

Attachments:

No Attachments