

Required Report: Required - Public Distribution

Date: October 30,2019

Report Number: KS2019-0046

Report Name: Grain and Feed Update

Country: Korea - Republic of

Post: Seoul

Report Category: Grain and Feed

Prepared By: Sunchul Choi, Tymothy McGuire

Approved By: Ronald Verdonk

Report Highlights:

For Marketing Year (MY) 2019/20, FAS/Seoul has increased the projection for corn imports to 10.8 MMT. Corn imports are expected to rise following the outbreak of African Swine Fever (ASF) in September and the resulting preventative reduction in swine inventory, which is expected to somewhat increase corn demand for poultry and cattle feed. Due to lack of demand for locally produced wheat, FAS/Seoul projects that MY 2019/2020 wheat production will further drop to 13,000 metric tons (MT), while overall wheat consumption is anticipated to grow slightly to 3.85 million MT (MMT). FAS Seoul revised rice production down in MY 2019/20 to 3.78 MMT, decreasing 2.5 percent from the previous forecast of 3.88 MMT because of unfavorable weather and slightly decreased planted area.

Commodities:

Wheat

Production:

At the end of June 2019 the Korean government officially released data showing that wheat production in MY 2018 was 25,788 MT. Yields were 3.91 MT per hectare (ha), down about three percent from the previous year due to frequent rains during the growing season. At the end of July 2019, the Korean government released the official number for wheat area in MY 2019, which was 3,736 ha. Accordingly, FAS/Seoul revised the production estimate to 13,000 MT, down 46 percent from the previous forecast. The projected decrease in production is due to the lack of demand for locally produced wheat, leading farmers to plant less wheat as the double crop in rice paddy areas. Official production data will be available in June 2020.

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
2019a/	3,736	3.51	13,000

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

Consumption:

The MY 2019/20 wheat consumption forecast remains unchanged at 3.85 million metric tons (MMT) with feed grade wheat consumption expected to stay around 1.5 MMT (Table 2).

In MY 2018/19, wheat consumption is revised down to 3.54 MMT, dropping six percent from FAS/Seoul's previous estimate due mainly to lower demand for imported feed-grade wheat with wheat prices being less competitive against corn during the marketing year. Milling wheat consumption remains almost unchanged from the previous estimate.

Table 2

Korea: Post Estimates of Wheat Use (1,000 MT, July/June)				
Marketing Year	2016/17	2017/18	2018/19 ^{c/}	2019/20 ^{c/}
Imported Milling Wheat ^{1/}	2,231	2,246	2,192	2,260
Imported Milling Wheat ^{2/}	200	200	200	200
Flour Imports ^{a/}	33	29	25	25
Flour Exports ^{a/}	37	55	57	60
Pasta Imports ^{a/}	147	155	160	160
Pasta Exports ^{a/}	200	237	235	250
Local Wheat	39	37	26	13
FSI Consumption ^{b/}	2,413	2,375	2,311	2,348
Feed Wheat	2,117	1,612	1,226	1,500
Total Consumption ^{b/}	4,530	3,987	3,537	3,848

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

c/ FAS/Seoul estimate/forecast

Table 3

Korea: Monthly Wheat Use (1,000 MT)						
Month	Feed Wheat			Milling Wheat ^{a/}		
	MY 2016/17	MY 2017/18	MY 2018/19	MY 2016/17	MY 2017/18	MY 2018/19
July	180	136	122	176	178	181
August	174	136	119	180	188	179
September	182	142	106	173	201	158
October	211	140	120	178	160	189
November	191	151	118	179	184	183
December	214	148	108	189	182	174
January	182	138	103	184	198	203
February	159	110	82	172	167	152
March	170	123	80	191	199	176
April	146	122	84	178	173	176
May	157	135	92	179	180	183
June	151	131	92	186	177	178
Total	2,117	1,612	1,226	2,165	2,186	2,132

Source: KFA and KOFMIA

a/ Includes wheat flour exports, but excludes the portion used in soy-sauce production (about 50,000 MT or so)

Trade:

The MY 2019/20 wheat imports forecast remains unchanged at 4.1 MMT. Of the 4.1 MMT imported, 2.6 MMT will be wheat for milling (including flour and pasta imports on a wheat equivalent basis) and 1.5 MMT will be wheat for animal feed.

MY 2018/19 wheat imports are revised to 3.91 MMT, down one percent from FAS/Seoul's previous estimates due to lower imports of feed grade wheat. Imports of U.S. wheat in MY 2018/19 are revised up to 1.32 MMT due to greater imports of milling wheat for soy sauce and red pepper paste and other purposes (55,389 MT), up 260 percent over the previous year.

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
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

Source: Korea Customs Service

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

Table 5

Korea: Monthly Wheat Imports (1,000 MT)						
Month	Feed Wheat			Milling Wheat		
	MY 2016/17	MY 2017/18	MY 2018/19	MY 2016/17	MY 2017/18	MY 2018/19
July	180	113	110	226	269	254
August	130	30	95	161	297	106
September	203	243	79	179	183	215
October	305	109	185	186	163	260
November	208	142	156	211	179	159
December	207	186	102	159	176	148
January	200	114	106	198	256	294
February	152	119	34	149	228	144

March	210	117	65	255	194	228
April	91	135	146	176	171	276
May	88	118	56	248	150	187
June	198	131	91	165	260	229
Total	2,174	1,557	1,225	2,313	2,526	2,500

Source: Korea Customs Service

Note: exclude wheat flour and products

Table 6

Korea: MY 2018/19 Feed Wheat Contracts by Estimated Time of Arrival (ETA) (Unit: 1,000 MT, as of June 2019)		
ETA	Quantity	Price (US\$/MT) ^{1/}
Jul. 2019	0	0
Aug.	0	0
Sep.	190	211.81
Oct.	253	211.72
Nov.	250	211.25
Total	693	

Source: Local Grain Traders

1/ CNF on Weighted Average

Flour Trade:

MY 2018/19 flour imports were at 24,681 MT (wheat equivalent), meeting demand from small-sized restaurants and noodle manufacturers who are loyal users of cheaply priced flour. Pasta imports were at 159,561 MT (wheat equivalent). Annual flour exports were at 57,477 MT (wheat equivalent), while pasta exports were at 234,912 MT (wheat equivalent) for the year. The import situation is unlikely to change in MY 2019/20.

Table 7

Korea: Wheat Flour Imports (H.S.: 1101) (Metric Ton, July/June)						
Country	MY2013	MY2014	MY2015	MY2016	MY2017	MY2018
U.S.A.	716	793	567	352	382	362
Canada	973	829	600	797	876	1,011
Australia	658	2,041	1,246	840	815	518
China	60	0	0	3	3	0
Turkey	1,144	996	771	1,493	1,692	2,254
Indonesia	8,011	5,968	6,678	6,050	3,782	1,763
Russia	0	4,189	10,626	57	0	108
Vietnam	1,005	4,198	7,369	6,354	3,545	4,229

France	940	1,458	1,652	1,977	1,679	2,681
Sri Lanka	3,102	3,633	2,981	2,979	3,545	745
Singapore	3,927	4,200	2,730	1,764	2,287	2,079
Italy	480	544	683	717	798	790
Others	783	3,358	913	1,012	1,331	1,502
Total	21,799	32,207	36,816	24,395	20,735	18,042
Wheat Basis^{a/}	29,821	44,059	50,364	33,372	28,365	24,681

Source: Korea Customs Service (KCS)

a/ applied converting factor: 1.368

Table 8

Korea: Pasta Imports (H.S.: 190219, 190230, 190240) (Metric Ton, July/June)				
Country	MY2015	MY2016	MY2017	MY2018
Total	103,707	107,357	113,631	116,638
Wheat Basis^{a/}	141,871	146,864	155,447	159,561

Source: Korea Customs Service (KCS)

a/ applied converting factor: 1.368

Table 9

Korea: Wheat Flour Exports (H.S.: 1101) (Metric Ton, July/June)						
Country	MY2013	MY2014	MY2015	MY2016	MY2017	MY2018
Total	17,437	20,629	21,699	26,958	40,366	42,015
Wheat Basis^{a/}	23,854	28,220	29,684	36,879	55,221	57,477

Source: Korea Customs Service (KCS)

a/ applied converting factor: 1.368

Table 10

Korea: Pasta Exports (H.S.: 190219, 190230, 190240) (Metric Ton, July/June)				
Country	MY2015	MY2016	MY2017	MY2018
Total	107,455	145,858	173,310	171,719
Wheat Basis^{a/}	146,998	199,534	237,088	234,912

Source: Korea Customs Service (KCS)

a/ applied converting factor: 1.368

Production, Supply and Distribution Data Statistics:

Wheat PS&D

Wheat	2017/2018		2018/2019		2019/2020	
	Jul 2017		Jul 2018		Jul 2019	
Market Begin Year						
Korea, Republic of	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested	9	9	7	7	7	4
Beginning Stocks	1447	1447	1474	1472	1363	1579
Production	37	37	24	26	25	13
MY Imports	4269	4267	3908	3910	4100	4100
TY Imports	4269	4267	3908	3910	4100	4100
TY Imp. from U.S.	1445	1436	1420	1318	0	1300
Total Supply	5753	5751	5406	5408	5488	5692
MY Exports	292	292	293	292	300	300
TY Exports	292	292	293	292	300	300
Feed and Residual	1612	1612	1400	1226	1500	1500
FSI Consumption	2375	2375	2350	2311	2350	2350
Total Consumption	3987	3987	3750	3537	3850	3850
Ending Stocks	1474	1472	1363	1579	1338	1542
Total Distribution	5753	5751	5406	5408	5488	5692
Yield	4.1111	4.1111	3.4286	3.7143	3.5714	3.25
(1000 HA) ,(1000 MT) ,(MT/HA)						

Country: Republic of Korea

Commodity: Wheat

Time Period	July/June	Units:	1,000MT
Imports for:	2017		2018
U.S.	1434	U.S.	1316
Others			
Australia	1098	Australia	1062
EU	27	EU	0
Canada	221	Canada	348
Ukraine	939	Ukraine	741
Russia	346	Russia	251
Brazil	16		
Total for Others	2647		2402
Others not Listed	3		7
Grand Total	4084		3725

Note: excludes the import of wheat flour and pasta

Commodity:

Corn

Production:

Corn production in MY 2018 was revised up to 78,012 MT based on the Korean government official numbers released at the end of June 2019. This number is up 1.3 percent from FAS/Seoul's previous forecast and seven percent higher than a year earlier, reflecting a higher yield than the previous year.

Table 11

Korea: Corn Production			
Crop Year	Area (ha)	Yield (MT/ha)	Production (MT)
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	15,183	4.85	73,681
2017	15,074	4.82	72,587
2018	15,472	5.04	78,012

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

Consumption:

The MY 2019/20 corn consumption forecast is revised up to 10.8 MMT, consisting of 8.4 MMT for feed purposes and 2.4 MMT for food, seed, and industrial (FSI) purposes, up two percent from FAS/Seoul's initial forecast of 10.6 MMT. Feed corn is expected to be the major ingredient used in compound feed, accounting for about 42 percent of total ingredients (8.4 MMT) in the marketing year, with feed wheat remaining at six percent (1.4 MMT) (Table 15). Food, seed, and industrial (FSI) corn consumption is expected to stay around 2.4 MMT to meet stable demand for high fructose corn syrup (HFCS) and other corn products from Korean food industries.

Corn consumption for MY 2018/19 is estimated at 10.9 MMT, up five percent from the previous forecast based on actual consumption for the first eleven months. This total consists of 8.5 MMT for feed and 2.4 MMT for food, seed, and industrial (FSI) purposes (Table 13).

Feed

MY 2018/19 compound feed production is estimated to grow four percent from the previous year to reach around 20.4 MMT based on the actual compound feed production for the first eleven months.

This increase reflects a strong rebound of poultry inventories from the Highly Pathogenic Avian Influenza (HPAI) outbreak in late 2016 as well as constant growth of all other animal inventories (Table 21).

Compound feed production is forecast to reach around 20.5 MMT in MY 2019/20. This record volume is based on strong growth in poultry and beef cattle inventories, which will partly offset the anticipated reduction in swine inventories affected by the September 17, 2019 outbreak of African Swine Fever (ASF). Poultry and beef cattle numbers are expected to be strong as they may replace the reduction of pork production and consumption. Feed corn is expected to be the major ingredient used in compound feed, accounting for more than 42 percent of total ingredients, or 8.4 MMT, with feed wheat remaining at 1.4 MMT.

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 have been used for corn starch and corn flour. The perceived public concern about biotech products continues to influence decisions regarding imported processing corn, especially corn that is used to manufacture cooking oil and HFCS. Many food processing companies have been reluctant to use ingredients sourced 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 12

Korea: Monthly Corn Use (1,000 MT)						
Month	Feed Corn			Processing Corn		
	MY 2016/17	MY 2017/18	MY 2018/19	MY 2016/17	MY 2017/18	MY 2018/19
October	611	589	704	200	185	204
November	628	645	687	186	192	192
December	618	672	699	185	192	197
January	571	693	752	190	200	198
February	521	602	627	176	172	172
March	581	645	698	199	201	197
April	541	626	745	194	189	191
May	597	661	772	194	196	197
June	595	623	709	196	197	195
July	555	596	745	204	198	188
August	591	606	707	194	187	186
S. Total	6,409	6,958	7,845	2,118	2,109	2,117
September	622	607	na	197	183	na

Total	7,031	7,564	na	2,315	2,287	na
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Source: Korea Feed Association (KFA), Korea Corn Processing Industry Association (KOCPIA)

Table 13

Korea: Total Corn Utilization (October/September, 1,000 MT)				
Marketing Year	Feed	Processing a/	Food b/	Total
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	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 c/	8,500	2,300	100	10,900
2019/20 d/	8,400	2,300	100	10,800

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

d/ FAS Seoul forecast

Table 14

Korea: Monthly Processing Corn Use (MT)						
Month	MY 2017/18			MY 2018/19		
	Wet Milling	Dry Milling	Total	Wet Milling	Dry Milling	Total
October	180,219	5,199	185,418	197,563	6,543	204,106
November	185,286	6,669	191,955	186,060	6,181	192,241
December	185,719	5,880	191,599	191,439	5,991	197,430
January	193,527	6,645	200,172	191,386	6,541	197,927
February	166,131	5,487	171,618	166,615	5,139	171,754
March	194,147	6,631	200,778	191,695	5,712	197,407

April	182,936	6,290	189,226	185,186	5,976	191,162
May	189,964	6,368	196,332	190,948	6,469	197,417
June	190,176	6,420	196,596	189,698	5,446	195,144
July	193,031	5,390	198,421	182,860	5,451	188,311
August	181,366	5,823	187,189	181,185	5,329	186,514
Subtotal	2,042,502	66,802	2,109,304	2,054,635	64,778	2,119,383
September	178,028	5,416	183,444	na	na	na
Total	2,220,530	5,416	2,292,748	na	na	na

Source: Korea Corn Processing Industry Association (KOCPIA)

Table 15

Korea: Feed Ingredients Use for Compound Feed Production				
(October/September, 1,000 MT)				
Items	MY 2016/17	MY 2017/18	MY 2018/19 ^{a/}	MY 2019/20 ^{a/}
Sub-Total Grains and Grain Substitutes	12,116	12,474	13,200	13,200
- Wheat	2,025	1,546	1,150	1,400
- Corn	7,031	7,564	8,500	8,400
- Rice	365	702	600	400
- Other Grains and Grain Substitute ^{b/}	2,695	2,662	2,900	3,000
Others ^{c/}	6,844	7,117	7,200	7,300
Grand Total	18,960	19,591	20,400	20,500

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 16

Korea: Compound Feed Production by Species Use				
(October/September, 1,000 MT)				
Species	MY 2016/17	MY 2017/18	MY 2018/19a/	MY 2019/20a/
Poultry	5,402	5,906	6,200	6,400
Swine	6,327	6,461	6,700	6,400
Cattle	5,807	5,719	6,000	6,200
Others ^{c/}	1,381	1,456	1,500	1,500
Sub Total	18,917	19,542	20,400	20,500
Aquaculture	148	152	156	150
Milk Substitute	52	52	50	50 55
Grand Total	19,117	19,746	20,606	20,650

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 Use			
for			
the First Eleven Months			
(October/August, 1,000 MT)			
Species	MY 2017/18	MY 2018/19	Change
Poultry	5,447	5,684	+4.4
Swine	5,930	6,206	+4.7
Cattle	5,259	5,473	+4.1
Others	1,335	1,389	+4.0
Total	17,971	18,753	+4.4

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

Trade:

The MY 2019/20 corn import forecast is revised up to 10.8 MMT from FAS/Seoul's initial forecast of 10.5, increasing three percent due to a greater demand from poultry and beef cattle. Poultry and beef

inventories have increased while swine inventory is expected to drop following the outbreak of African Swine Fever (ASF) in September. Based on the average U.S. corn market share in Korea over the previous five years, MY 2019/20 imports of U.S. corn are forecast to come in between 5 - 6 MMT, or about 46-55 percent of total Korean corn imports in the marketing year.

Total corn imports in MY 2018/19 reached a record 10.8 MMT, up eight percent from the previous year, to meet a greater demand for feed corn offsetting a limited supply of feed wheat. U.S. market share decreased to 41 percent of total corn imports from the previous year, or 4.4 MMT total corn imports. U.S. feed corn exports to Korea were at 3.5 MMT, accounting for 41 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 0.9 MMT, accounting for 38 percent of total imports of food grade corn, followed by Serbia, Bulgaria and Brazil.

As of early October 2019, importers have contracted for about 3.3 MMT of corn with delivery between October 2019 and February 2020, and they continue to make contracts for ETA in March 2020 onward. Most corn contracts for feed are optional origin at seller's option from South America, Eastern Europe/Black Sea, or the United States with a price range of USD 190-204 per metric ton CNF. Conventional corn for processing is contracted from Eastern Europe with a price range of USD 201-221 per metric ton, CNF (Table 20).

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	%
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	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

Source: Korea Customs Service, Global Trade Atlas

Table 19

Korea: Monthly Corn Imports						
(1,000 MT, Customs Cleared Basis)						
Month	Feed Corn			Processing Corn		
	MY 2016/17	MY 2017/18	MY 2018/19	MY 2016/17	MY 2017/18	MY 2018/19
October	618	627	728	146	125	184
November	659	739	667	171	242	138
December	636	641	724	162	107	190
January	451	714	825	205	292	274
February	627	637	601	147	180	176
March	490	558	635	251	188	218
April	653	667	736	165	154	226
May	655	643	832	211	253	155
June	552	646	585	267	233	209
July	501	702	699	209	235	210
August	417	626	758	166	196	205
September	653	478	730	207	122	141
Total	6,912	7,680	8,519	2,308	2,326	2,326

Source: Korea Customs Service, Global Trade Atlas

Table 20

Korea: MY 2019/20 Corn Contracts ^{1/}

By Estimated Time of Arrival (ETA)				
(Unit: 1,000 MT, as of October 10, 2019)				
ETA	Quantity		Price (USD/MT) ^{2/}	
	Feed	Processing	Feed	Processing
Oct. 2019	805	55	193.13	221.25
Nov.	813	120	190.93	208.50
Dec.	577	60	204.29	201.60
Jan 2020	465	60	201.50	210.47
Feb.	339	na	196.31	na
Sub Total	2,999	295	na	na
Grand Total	3,294		na	na

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	2017/2018		2018/2019		2019/2020	
	Oct 2017		Oct 2018		Oct 2019	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Market Begin Year						
Korea, Republic of						
Area Harvested	15	15	15	1892	15	15
Beginning Stocks	1757	1757	1848	1892	1875	1915
Production	73	73	77	78	75	75
MY Imports	10018	10006	10500	10845	10500	10800
TY Imports	10018	10006	10500	10845	10500	10800
TY Imp. from U.S.	5170	5170	0	4414	0	5500
Total Supply	11848	11836	12425	12815	12450	12790
MY Exports	0	0	0	0	0	0

TY Exports	0	0	0	0	0	0
Feed and Residual	7700	7564	8200	8500	8200	8400
FSI Consumption	2300	2380	2350	2400	2400	2400
Total Consumption	10000	9944	10550	10900	10600	10800
Ending Stocks	1848	1892	1875	1915	1850	1990
Total Distribution	11848	11836	12425	12815	12450	12790
Yield	4.8667	4.8667	5.1333	0.0412	5	5
(1000 HA) ,(1000 MT) ,(MT/HA)						

Corn Import Trade Matrix

Import Trade Matrix			
Country	Korea, Republic of		
Commodity	Corn		
Time Period	Oct/Sept	Units:	1,000MT
Imports for:	2017		2018
U.S.	5170	U.S.	4414
Others		Others	
Brazil	1603	Brazil	2267
Argentina	1479	Argentina	2411
Russia	1065	Ukraine	340
South Africa	271	Bulgaria	331
Paraguay	309	Paraguay	165
Serbia	41	Serbia	662
Australia	57	South Africa	64
		Australia	47
Total for Others	4825		6287

Others not Listed	11		144
Grand Total	10006		10845

Source: Korea Customs Service (KCS), Global Trade Atlas

Note: excludes popcorn

Table 21

Korea: Animal Inventory					
(1,000 Head, 1,000 Birds, as of October 2019)					
Animal	Year	March	June	September	December
Beef Cattle	2014	3,083	3,149	3,103	3,028
	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	3,234	3,159d/
Dairy Cattle	2014	437	436	442	445
	2015	439	433	430	428
	2016	425	420	421	418
	2017	416	414	411	409
	2018	408	405	407	408
	2019	407	401	403	400d/
Swine	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	10,367
	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	11,620d/
Layer a/	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	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	70,300c/
Broiler b/	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	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	

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.

Commodities:

Rice

Production:

Based on a nationwide survey of 6,300 rice fields conducted September 15-21, 2019, Statistics Korea (KOSTAT) released the 2019 rice production estimate of 3.78 million metric tons (MMT), down 2.3 percent from the previous year due to both smaller production area and a lower yield.

The survey results show total harvested acreage at 729,820 ha, which is a 1.1 percent decline from the previous year. Yields were also below normal due to unfavorable weather such as several typhoons and reduced sunshine duration in the grain filling stage. 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 rice production down in MY 2019/20 to 3.78 MMT, decreasing 2.5 percent from the previous forecast of 3.88 MMT.

Area

Rice area has continued to decrease annually – with decreases ranging from 5,000 ha to 38,000 ha every year since 2001. In 2019, rice planting area decreased by 7,853 ha, a drop of 1.1% 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. A bullish domestic rice market (Table 38) as well as rice subsidy programs that are attractive compared to those for other crops nullified government programs targeting a reduction in rice area of 55,000 ha to relieve the burden of heavy stocks that have been accumulating since MY 2013/14.

Table 22

Korea: 2019 Rice Production Forecast		
	2018 Rice Production	2019 Rice Production Forecast ^{1/}
Area (1,000 ha)	738	730
Yield (kg/ha)	5,244	5,180
Production (1,000MT)	3,868	3,779

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

Table 23

Korea: Rice Area, Yield and Production			
Crop Year	Area (1,000ha)	Yield (kg/ha)	Production (Milled, 1,000 MT)

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
2016	779	5,389	4,197
2017	755	5,264	3,972
2018	738	5,244	3,868
2019	730	5,180	3,779
2019	730	5,140a/	3,751

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

a/ KREI estimate updated early October 2019

Yield

Unfavorable weather developments in the rice filling stage resulted in a lower rice yield of 5,180 kg per ha, which is down 1.1 percent from 2018. KREI released its estimate of yield further declining to 5,140 Kg per ha due to an expansion in the area affected by consecutive typhoons in September to 30,000 ha.

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

The Korean government purchases rice for price stabilization purposes. Under the Public Food Grain Stockholding Program (PFSP) for Food Security, 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 2019, the Korean government plans to purchase 350,000 MT (milled basis) of paddy rice, representing around nine percent of the estimated 2019 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 24

Korea: Government Rice Purchases			
Under Public Food Grain Stockholding Program (PFSP)			
Crop Year	Production (1,000 MT)	Purchase (1,000 MT)	%
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	4,197	678 ^{c/}	16.1
2017	3,972	711 ^{d/}	17.9
2018	3,875	350 ^{e/}	9.0
2019	3,780	350 ^{f/}	9.3

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/ Plan

Consumption:

FAS Seoul consumption estimates remain unchanged from the previous report.

For the first ten months of MY 2018/19 Korean feed millers consumed 458,234 MT of brown rice for animal feed, down 22 percent over the same period of the previous marketing year, with the total

expected to stay around 600,000 MT (milled) which is similar to FAS Seoul's projection in the initial forecast (Tables 26 & 27).

Feed:

In an attempt to reduce high ending stocks, the Korean Ministry of Agriculture, Food and Rural Affairs (MAFRA) has released rice to be used as feed since MY 2015/16. The released price was 200 Korean Won per kg (USD 0.18/kg), a tenth of the purchasing price in the harvest season under the government purchasing program.

MY 2017/18 rice use for animal feed remained at 671,000 MT (equivalent to about 746,000 MT of brown rice), unchanged from the previous forecast. The government-released price for feed rice is Korean Won 206 per kg (USD 0.18/kg), or 92 percent of feed corn value imported in the previous marketing year (Table 28).

MY 2018/19 rice consumption for feed remains unchanged at 600,000 MMT, a decrease of 70,000 MT from the previous year. The government released price for feed is estimated at Korean Won 215 per kg (USD 0.19/kg), or 93 percent of the value of feed corn imported in the previous marketing year.

Table 25

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	3,100	3,060	3,020
Processing	1,086	1,414	1,420	1,240
(for food)	(492)	(500)	(520)	(540)
(for liquor)	(216)	(243)	(300)	(300)
(for feed)	(378)	(671)	(600)	(400)
Seed	33	32	32	32
Other and Loss	117	200	200	200
Total Demand	4,435	4,746	4,712	4,492
Per Capita Table Rice Consumption (kg)	61.8	60.0	59.2	58.4

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

A/ Revised
 B/ Preliminary
 B/ FAS/Seoul forecast

Table 26

Korea: Rice Consumption Pattern for Processing Purpose				
(1,000 MT, milled)				
Purpose	MY 2015/16	MY 2016/17 ^{a/}	MY 2017/18 ^{b/}	MY 2018/19 ^{c/}
KRFA	222	220	260	270
KALIA	222	216	213	270
Others ^{d/}	215	272	270	280
Feed	86	378	671	600
Total	745	1,086	1,414	1,420

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 27

Korea: Rice Consumption for Animal Feed									
(Marketing Year, Brown rice basis, MT)									
Month	MY 2016/17			MY 2017/18			MY 2018/19		
	Domestic Rice	Imported Rice	Total	Domestic Rice	Imported Rice	Total	Domestic Rice	Imported Rice	Total
November	7,530	86	7,616	53,806	0	53,806	66,286	1,009	67,295

December	4,853	12	4,865	48,340	0	48,340	53,349	2,021	55,370
January	4,652	0	4,652	43,163	0	43,163	42,868	116	42,984
February	24,796	0	24,796	54,117	0	54,117	43,781	8	43,789
March	36,128	0	36,128	62,448	0	62,448	51,147	26	51,173
April	36,820	0	36,820	64,516	0	64,516	42,124	6	42,130
May	40,923	0	40,923	64,816	850	65,666	35,510	1,112	36,622
June	44,980	0	44,980	64,187	1,655	65,842	37,845	17	37,862
July	45,140	0	45,140	58,654	2,235	60,889	42,311	1,808	44,119
August	52,046	0	52,046	65,027	913	65,940	33,284	3,606	36,890
Sub Total	297,868	98	297,966	579,074	5,653	584,727	448,505	9,729	458,234
September	55,944	0	55,944	67,160	1,003	68,163	na	na	na
October	48,695	0	48,695	72,529	1,428	73,957	na	na	na
Total	402,505	98	402,603	718,763	8,084	726,847	na	na	na
Total (milled)	362,255	88	362,343	646,887	7,276	654,162	na	na	na

Source: Korea Feed Association (KFA)

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

Trade:

Korea continues to import the mandatory import 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.

Imports:

MY 2019/20, rice imports are forecast at about 410,000 MT (milled basis). Korea is expected to continue purchasing 408,700 tons (milled basis) of rice under the 2019 TRQ.

The MY 2018/19 rice import forecast remains at about 410,000 MT (milled basis), unchanged from Post's initial forecast, as Korea is expected to purchase 408,700 tons (milled basis) of rice under the CY 2019 TRQ by the end of 2019.

2019 TRQ Tendering Process:

Under the 2019 **Tariff Rate Quota (TRQ)** purchasing plan, Korea will purchase 408,700 MT of rice (milled basis) under rice tariffication (in effect since 2015). Under the 2019 TRQ thus far, Korea has bought 285,500MT (milled basis) or 69.9 percent of the total TRQ, which is composed of 295,000 MT of brown rice (equivalent to 265,000 MT, milled) for processing purpose and 20,000 MT of milled rice

to be used for table purposes. The open quota for further bidding is 123,200 MT (milled) or 30.1 percent of total TRQ (Table 28).

The total quantity of 285,500MT (milled basis) that Korea has purchased under the 2019 TRQ so far consists of:

- 165,000 MT (148,500 milled basis) of medium-grain brown rice - 11,000 MT from the United States and 154,000 MT from China
- 20,000 MT of medium-grain milled rice from the United States
- 86,000 MT (77,400 milled basis) of short-grain brown rice - 42,000 MT from China and 44,000 MT from Vietnam, and
- 44,000 MT (39,600 milled basis) of long-grain brown rice - 44,000 MT from Vietnam. (Table 31).

Table 28

Korea: Rice Contracts by Country under 2019 MFN TRQ^{1/}			
(Unit: MT, Milled Basis, as of October 04, 2019)			
Country	MFN TRQ		Total (%)
	Processing Use	Table Use	
USA	9,900	20,000	29,900 (7.3)
China	176,400	0	176,400(43.2)
Vietnam	79,200	0	79,200(19.4)
S. Total	265,500	20,800	285,500(69.9)
Open Quota	123,200		123,200 (30.1)
G. Total	408,700		408,700 (100.0)

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

^{1/} under ongoing process of buying tenders since June 2019

Table 29

Korea: Rice Varieties of Contracts by Country under 2019 MFN TRQ ^{1/}				
(Metric Ton, milled, as of October 04, 2019)				
Rice Variety	Medium Grain	Short Grain	Long Grain	Total
USA	29,900	0	0	29,900
China	138,600	37,800	0	176,400

Vietnam	0	39,600	39,600	79,200
Total	168,500	77,400	39,600	285,500
Ratio (%)	59.02%	27.11%	13.87%	100.00%

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

1/ under ongoing process of buying tenders since June2019

Table 30

Korea: 2019 TRQ Rice Tender Results									
(as of October 04, 2019)									
Bid Date (mm-dd-yy)	Rice Type	Volume (Contract Basis)	Volume (Milled Rice Basis)	Origin	Price (US\$/MT)	Terms and Conditions	Delivery Date	Agent	Supplier
2019-06-17	SG #3 Brown	20,000	18,000	China	759.68	CIP	1/	POSCO Int'l	COFCO
2019-09-09	SG #3 Brown	22,000	19,800	China	768.88	CIP	2/	POSCO Int'l	COFCO
2019-09-09	SG #3 Brown	22,000	19,800	Vietnam	482.5	CIP	Dec. 31, 2019	Jupiter Korea	Vina Food2
2019-09-09	MG #3 Brown	22,000	19,800	China	847.5	CIP	3/	Singsong	Jilin Grain
2019-09-09	MG #3 Brown	22,000	19,800	China	843.88	CIP	Dec. 31, 2019	POSCO Int'l	COFCO
2019-09-09	MG #3 Brown	22,000	19,800	China	837.5	CIP	Jan 31, 2020	Singsong	Jilin Grain
2019-09-09	MG #1 Milled	20,000	20,000	USA	974.92	CIF	4/	Singsong	ACC
2019-10-02	SG #3 Brown	22,000	19,800	Vietnam	453.6	CIP	Dec. 31, 2019	Jupiter Korea	Vina Food2
2019-10-02	LG #3 Brown	22,000	19,800	Vietnam	437.4	CIP	Dec. 31, 2019	Enforce	Thuan Minh Import Corp.
2019-10-02	LG #3 Brown	22,000	19,800	Vietnam	439	CIP	Dec. 31, 2019	Miu Global	Gia Int'l Corp.
2019-10-02	MG #3 Brown	11,000	9,900	USA	809.37	CIP	Mar. 31, 2020	Philasun	ADM
2019-10-02	MG #3 Brown	22,000	19,800	China	835.88	CIP	Apr. 30, 2020	POSCO Int'l	COFCO
2019-10-02	MG #3 Brown	22,000	19,800	China	837.68	CIP	Apr. 30, 2020	POSCO Int'l	COFCO
2019-10-02	MG #3 Brown	22,000	19,800	China	843.66	CIP	May 31, 2020	POSCO Int'l	COFCO

2019-10-02	MG #3 Brown	22,000	19,800	China	834.97	CIP	May 31, 2020	Singsong	Jilin Grain
Total		315,000	285,500						

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

1/ July 21, 2019 for 5,000 MT and August 31, 2019 for 15,000

2/ Nov. 30 2019 for 11,000 MT and Dec 31, 2019 for 11,000MT

3/ Nov. 30 2019 for 11,000 MT and Dec 31, 2019 for 11,000MT

4/ Feb 29, 2020 for 5,000 MT; Mar 31, 2020 for 5,000 MT; Apr 30, 2020 for 5,000 MT and May 31, 2020 for 5,000 MT

Auctions for Imported Table Rice:

Under the 2016 TRQ regime, the Korean government suspended auctions for medium and short grain rice as of September 24, 2018 to prop up domestic rice prices during the harvest period. Unsold U.S. medium grain rice levels equaled 23,084 MT (milled) or 58 percent of total medium grain imports, while unsold Vietnamese short grain was at 546 MT (milled) or 18 percent of total short grain imports. The unsold portion of Vietnamese short grain was immediately converted to alcohol processing. Unsold U.S. medium grain was also converted to alcohol processing, which to date consumed 50 percent of unsold medium grain. (Table 33).

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. Korea started auctioning this rice on January 23, 2019 and sold 22,181 MT, 60 percent of total imports, as of October 21, 2019. By comparison, 100 percent of total imported Vietnamese long grain, or 2,997 MT of milled table rice, has been auctioned off (Table 34).

Under the 2018 TRQ regime, Korea imported 37,000 MT of CY 2018 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. This rice is currently stored in warehouse pending auctioning, but only after sales are complete for table rice imported under the 2017 TRQ (Table 35).

Table 31

Korea: Status of Table Rice Imports and Distribution

(MT, Milled rice)

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	25,175	na
2018	408,700	39,800 ^{h/}	9.7	na	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 under the ongoing selling auctions

h/ consisting of 2,800 MT of Vietnamese long grain delivered in December 2018 and 37,000 MT of U.S. medium grain to be delivered during April - May 2019 based on contracts

Table 32

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)	8,754	107,294	1,500	5,395	122,943
Quantity for auctions (A-B)	280,794	363,670	26,527	5,851	676,842
Distribution to Markets	280,285	362,708	25,662	5,851	674,506
Loss	509	962	865	-	2,336

Source: FAS/Seoul

Table 33

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 34

Korea: Status of Rice Auction for Table Rice under 2017 TRQ (Unit: metric tons, milled basis, as of October 21, 2019)						
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~)	#1	37,000	22,181	14,819	60	1,813

Vietnamese Long Grain (Jan. 9 – Oct 21, 2019)	#1	3,000	2,997	3	100	983
Total		40,000	25,178	14,822	63	

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

Table 35

Korea: Status of Rice Auction for Table Rice under 2018 TRQ						
(Unit: metric tons, milled basis)						
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	none	37,000	0	na
Vietnamese Long Grain3/	#1	2,800	none	2,800	0	na
Total		39,800	none	39,800	0	

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, sitting in the warehouse for selling auctions later

3/ imported in December 2018, sitting in the warehouse for selling auctions later

Exports:

Korea's rice exports are expected to decrease to 54,000 MT in 2018/19 as a planned donation of 50,000 MT from the Korean government to the DPRK through the World Food Program (WFP) was cancelled over political sensitivity. Rice exports consist of the following:

- A 50,000 MT rice donation under the Food Assistance Convention (FAC) to three countries in Africa and one country in the Middle East in May 2019 through the WFP
- A 1,000 MT donation to Myanmar and Laos under the ASEAN Plus Three Emergency Rice Reserve (APTERR) in March 2019
- Approximately 3,000 MT of commercial trade.

Table 36

Korea: Rice Exports

(Milled)				
Calendar Year	To the World		To the United States	
	Quantity (MT)	Value (USD1,000)	Quantity (MT)	Value (USD1,000)
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	2,313	4,847	477	1,175
2017	2,767	5,641	540	1,390
2018	64,164a/	43,823	425	1,171
2019	54,000b/	na	na	na

Source: Korea Customs Service (KCS), Trade Data Monitor LLC, Global Trade Atlas (GTA) (prior to October 2019)

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

b/ forecast including 51,000 MT of food assistance in 2019

Stocks:

MY 2019/20 ending stock forecast (at the end of October 2020) is revised to 0.72 MMT, down six percent from the previous forecast as the 2019 rice production estimate is revised down by 2.3 percent from the previous year.

MY 2018/19 ending stocks estimates (at the end of October 2019) are revised up to 1.07 MMT, an increase of five percent from the previous report because of the cancellation of a rice donation to DPRK.

Korea: Status of Rice Stocks

(Milled rice, 1,000 MT, as of end October)

Rice Year (Nov.-Oct.)	2014/15a/	2015/16a/	2016/17b/	2017/18c/	2018/19d/	2019/20d/
Total Stock	1,406	1,831	2,000	1,560	1,072	717
Government Stock	1,406	1,831	2,000	1,560	1,072	717
Total Domestic Consumption	4,197	4,212	4,435	4,746	4,712	4,492
Stock to Use Ratio (%)	33.5	43.5	45.1	32.9	22.8	16.0

Source: FAS/Seoul Estimate based on MAFRA data

a/ MAFRA Revised

b/ MAFRA Preliminary

c/ MAFRA forecast

d/ FAS/Seoul forecast

Production, Supply, and Distribution Data Statistics:

Rice PS&D

Rice, Milled	2017/2018		2018/2019		2019/2020	
	Nov 2017		Nov 2018		Nov 2019	
Market Begin Year	Nov 2017		Nov 2018		Nov 2019	
Korea, Republic of	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested	755	755	738	738	732	730
Beginning Stocks	2000	2000	1560	1560	1022	1072
Milled Production	3972	3972	3868	3868	3880	3780
Rough Production	5296	5286	5157	5195	5173	5040
Milling Rate (.9999)	7500	7514	7500	7446	7500	7500
MY Imports	398	398	410	410	410	410
TY Imports	386	398	410	410	410	410
TY Imp. from U.S.	91	91	0	160	0	160
Total Supply	6370	6370	5838	5838	5312	5262
MY Exports	64	64	104	54	55	53
TY Exports	64	64	104	54	55	53
Consumption and Residual	4746	4746	4712	4712	4480	4492
Ending Stocks	1560	1560	1022	1072	777	717

Total Distribution	6370	6370	5838	5838	5312	5262
Yield (Rough)	7.0146	7.0013	6.9878	7.0393	7.0669	6.9041
(1000 HA) ,(1000 MT) ,(MT/HA)						

Table 38

Korea: Monthly Wholesale Price of Milled Rice						
(High Quality)						
Month\Year	CY 2017		CY 2018		CY 2019	
	Won/kg	USD/kg	Won/kg	USD/kg	Won/kg	USD/kg
January	1,602	1.35	1,994	1.87	2,469	2.20
February	1,590	1.39	2,094	1.94	2,469	2.20
March	1,590	1.40	2,174	2.03	2,470	2.18
April	1,590	1.40	2,234	2.09	2,464	2.16
May	1,590	1.41	2,227	2.07	2,459	2.08
June	1,590	1.41	2,236	2.05	2,452	2.09
July	1,598	1.41	2,286	2.04	2,449	2.08
August	1,626	1.44	2,299	2.05	2,450	2.03
September	1,677	1.48	2,330	2.08	2,447	2.06
October	1,814	1.61	2,428	2.15	2,339a/	1.95
November	1,917	1.74	2,478	2.20	na	na
December	1,952	1.80	2,469	2.20	na	na
Average	1,678	1.49	2,271	2.07	na	na

Source: Korea Agricultural Marketing Information Service (KAMIS)

a/ Oct 1-10, 2019

Note: Monthly Average Exchange Rate is applied.

Table 39

Korea: Monthly Retail Price of Milled Rice						
(High Quality)						
Month\Year	CY 2017		CY 2018		CY 2019	
	Won/kg	USD/kg	Won/kg	USD/kg	Won/kg	USD/kg
January	1,805	1.53	2,167	2.03	2,665	2.38
February	1,806	1.58	2,215	2.06	2,662	2.37
March	1,803	1.59	2,286	2.14	2,658	2.35
April	1,804	1.59	2,368	2.22	2,653	2.33
May	1,768	1.57	2,367	2.20	2,645	2.24
June	1,745	1.54	2,380	2.18	2,634	2.24
July	1,728	1.53	2,403	2.14	2,607	2.22
August	1,742	1.54	2,443	2.18	2,598	2.15
September	1,931	1.71	2,473	2.20	2,580	2.17
October	2,023	1.79	2,664	2.36	2,570a	2.15
November	2,118	1.92	2,678	2.38	na	na
December	2,136	1.97	2,676	2.39	na	na
Average	1,867	1.65	2,427	2.21	na	na

Source: Korea Agricultural Marketing Information Service (KAMIS)

a/ Oct 1-10, 2019

Note: Monthly Average Exchange Rate is applied.

Korea: Foreign Exchange Rate

(Korean Won against USD)

Month	CY 2017	CY 2018	CY 2019
January	1,183	1,065	1,121
February	1,143	1,077	1,121
March	1,133	1,070	1,131
April	1,132	1,067	1,140
May	1,126	1,075	1,182
June	1,130	1,092	1,174
July	1,133	1,122	1,175
August	1,129	1,120	1,208
September	1,130	1,122	1,190
October	1,128	1,130	1,198a/
November	1,101	1,126	na
December	1,083	1,122	na
Average	1,129	1,099	na

Source: Global Financial Service

a/ Oct. 1-10, 2019

Attachments:

No Attachments