



Voluntary Report - public distribution

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GAIN Report #KS9073

# **Korea, Republic of**

## **Grain and Feed**

### **Wheat PS&D Update**

### **1999**

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**Report Highlights:** In MY 1998/99, Korea imported 4.7 million metric tons (MMT) of wheat, composed of 2.2 MMT of milling wheat and 2.5 MMT of feed wheat. While U.S. milling wheat market share declined two percent from the MY 1997/98 level due to greater competition from Australia for the instant noodle market, East European feed wheat suppliers doubled sales volume over that of the previous year.

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

## Situation and Outlook

Total wheat import for MY 1998/99 is 4.7 MMT, composed of 2.24MMT of milling wheat and 2.45MMT of feed wheat.

In MY 1998/99, milling wheat import volume increased slightly over MY1997/98 on stronger demand in the instant noodle sector. U.S. milling wheat market share declined 2 percent, to 60 percent, as noodle producers sourced larger quantities of the more preferred Australian Standard White Wheat. Competition among existing suppliers for market share in a flat market for milling wheat is focusing on wheat quality characteristics more suitable for noodle production.

In MY 1998/99, feed wheat imports totaled 2.45 MMT, an increase of 43 percent over the year-early amount due to greater price competitiveness of feed wheat out of Eastern Europe. Given current market prices, East Europe feed wheat is expected to be less competitive vis-a-vis other feed grains in the current wheat marketing year.

PSD Table						
Country:	Korea, Republic of					
Commodity:	Wheat					
		1997		1998		1999
	Old	New	Old	New	Old	New
Market Year Begin		07/1997		07/1998		07/1999
Area Harvested	2	2	2	1	1	1
Beginning Stocks	591	591	662	662	662	597
Production	7	7	5	5	5	5
TOTAL Mkt. Yr. Imports	3917	3917	4700	4690	4300	3800
Jul-Jun Imports	3917	3917	4700	4690	4300	3800
Jul-Jun Import U.S.	1373	1373	1500	1340	1500	1400
TOTAL SUPPLY	4515	4515	5367	5357	4967	4402
TOTAL Mkt. Yr. Exports	0	0	0	0	0	0
Jul-Jun Exports	0	0	0	0	0	0
Feed Dom. Consumption	1567	1567	2400	2465	2000	1500
TOTAL Dom. Consumption	3853	3853	4705	4760	4305	3800
Ending Stocks	662	662	662	597	662	602
TOTAL DISTRIBUTION	4515	4515	5367	5357	4967	4402

Import Trade Matrix			
Country:		Units:	1,000MT
Commodity:	Wheat		
Time period:	July/June		
Imports for	1997		1998
U.S.	1373	U.S.	1340
Others		Others	
Australia	766	Australia	987
Canada	621	Canada	103
East Europe	870	East Europe	1937
EU	107	EU	270
Argentina	124	Other	58
China	12		
Other	44		
Total for Others	2544		3355
Others not listed			
Grand Total	3917		4695