AGRICULTURAL TRADE

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IMPORTANCE OF AG TRADE

- U.S. is the world’s largest ag. exporter
- In 2017, $138 billion export and $121 billion imports
- Exports are responsible for 20% of U.S. farm income
- Supports more than 1 million American jobs, both on and off the farm
U.S. AGRICULTURAL TRADE

Data from USDA GATS.

Billion Dollars

<table>
<thead>
<tr>
<th>Year</th>
<th>Exports</th>
<th>Imports</th>
<th>Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>144</td>
<td>104</td>
<td>40</td>
</tr>
<tr>
<td>2014</td>
<td>150</td>
<td>112</td>
<td>38</td>
</tr>
<tr>
<td>2015</td>
<td>133</td>
<td>114</td>
<td>19</td>
</tr>
<tr>
<td>2016</td>
<td>135</td>
<td>114</td>
<td>20</td>
</tr>
<tr>
<td>2017</td>
<td>138</td>
<td>121</td>
<td>17</td>
</tr>
</tbody>
</table>

Department of Agricultural and Applied Economics
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IMPORTANCE OF U.S. AND CHINA AG TRADE

CHINA

$19.6 billion
U.S. Agricultural Exports, 2017

#2
Among U.S. Agricultural Export Markets, 2017

Top 5 U.S. Exports
1. Soybeans ($14.2 billion)
2. Course Grains* ($1.0 billion)
3. Hides & Skins ($949 million)
4. Pork ($578 million)
5. Cotton ($550 million)
*Excluding Corn

Export
2007-2017

$8.3 billion
$19.6 billion
136% Increase

Source: FAS Global Agricultural Trade System (GATS) BICO HS-10
U.S.-China Agricultural Trade Balance
Billion Dollars

## 2017 U.S. Row Crops Overview

<table>
<thead>
<tr>
<th>Commodity</th>
<th>Production (Billion Dollars)</th>
<th>Export (Billion Dollars)</th>
<th>Export to China (Billion Dollars)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corn</td>
<td>48.5</td>
<td>9.1</td>
<td>0.14</td>
</tr>
<tr>
<td>Cotton</td>
<td>7.2</td>
<td>5.8</td>
<td>0.98</td>
</tr>
<tr>
<td>Sorghum</td>
<td>1.2</td>
<td>1.0</td>
<td>0.84</td>
</tr>
<tr>
<td>Soybeans</td>
<td>41.0</td>
<td>21.6</td>
<td>12.4</td>
</tr>
<tr>
<td>Peanut</td>
<td>1.6</td>
<td>0.54</td>
<td>0.06</td>
</tr>
<tr>
<td>Tobacco</td>
<td>1.5</td>
<td>1.0</td>
<td>0.16</td>
</tr>
<tr>
<td>Wheat</td>
<td>8.1</td>
<td>6.1</td>
<td>0.35</td>
</tr>
</tbody>
</table>

Data from USDA FAS and USDA NASS.
In 2017, $375 billion trade deficit with China.
- U.S. imported approximately $506 billion from China.
- U.S. exported over $130 billion to China.

The Trump administration proposed and implemented a series of tariffs on products from China, which led to retaliatory actions by the Chinese government.

U.S. – CHINA TRADE CHALLENGES
March 23, 2018, U.S. impose 25% tariffs on steel and 10% tariffs on aluminum.

April 2, 2018, China suspended tariff reduction obligations on U.S. products.

- Fruit and nut products, wine, ginseng, pork, and ethanol.
- **Impact on Georgia Ag:** Pecan is included with 15% increase in tariff rate.

**U.S.-CHINA TRADE DISPUTES TIMELINE**
June 15, 2018, U.S. announced 25% tariff on goods imported from China valued at about $50 billion.
  - $34 billion of goods are subject to tariffs on July 6, 2018.

June 16, 2018, China announced a list of U.S. products subject to additional 25 percent tariff.
  - $34 billion will be subject to additional tariffs on July 6, 2018.
  - Impact on Georgia AG: Corn, Cotton, Sorghum, Soybean, wheat, and Poultry
August 8, 2018, China announced an updated list of $16 billion in U.S. products that will be subject to an additional 25 percent tariff beginning on August 23, 2018.

- Waste cotton yam and other cotton waste are on the list
The Impacts of China and United States Trade and Tariff Actions on Georgia Agriculture

$12 billion trade aid package for farmers

• Market Facilitation Program
• Food Purchase and Distribution Program
• Agricultural Trade Promotion Program
DO YOU HAVE ANY QUESTIONS?

Feel free to contact me:

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