

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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Post: Manila

Philippines Breaks Into Top Ten U.S. Agricultural Markets for First Time on Record

Report Categories:

Market Development Reports

Approved By:

Philip A. Shull

Prepared By:

William G. Verzani

Report Highlights:

For the first time since at least 1967 (the earliest U.S. Customs data available), the Philippines has become a top ten market for U.S. agricultural exports. A thriving economy, a booming food processing sector, a strengthening Peso, and dominant market shares in milling wheat (at virtually 100%) and soybean meal (at 60% compared to 43% in 2011) made the Philippines the 9th largest U.S. market in this vibrant sector through October 2012.

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For the first time since at least 1967 (the earliest U.S. Customs data available), the Philippines has become a top ten market for U.S. agricultural exports. A thriving economy, a booming food processing sector, a strengthening Peso, and dominant market shares in milling wheat (at virtually 100%) and soybean meal (at 60% compared to 43% in 2011) made the Philippines the 9th largest U.S. market in this vibrant sector through October 2012. Buoyed by a lack of availability from competitors and the weaker U.S. dollar, soybean meal (SBM) was the driving force behind the 2012 jump with final export volume forecast up 30 percent over the previous year to a record 1.1 million metric tons and anticipated sales up from \$315 million the previous year to a record \$492 million. This huge jump in volume and sales made the Philippines the second largest importer of U.S. SBM in the world. Record food and beverage exports also contributed to the outstanding overall 2012 figures with sales expected up 16 percent over the previous year to \$880 million. Post estimates total U.S. agricultural sales to the Philippines in 2012 will reach \$2.3 billion, achieving nearly 80% of the National Export Initiative goal of doubling exports from the end of 2009 – 2014 (please see the chart below). All indications are for continued strong growth in 2013, currently forecast to reach \$2.5 billion.

