

# U.S. Corn Exports Struggle to Meet USDA's Weak Export Forecast

*By James Mintert*

U.S. corn exports provide a smaller slice of total corn usage today than in past decades, but remain important to U.S. corn growers. From 1973-79 corn exports averaged 28% of total usage. Exports declined in relative importance in succeeding decades averaging 26% of usage in the 1980s and 21% in the 1990s, before dipping below 20% of usage in the first decade of this century. Corn exports averaged just 13% of total usage from 2010-2019 but have been more important so far this decade, averaging about 16% of total usage from 2020 through 2022, using USDA's 2022 export forecast. Although corn exports provide a smaller contribution to total U.S. corn usage than in prior decades, exports are still an important source of total corn demand and, importantly, a demand component that can vary substantially from year-to-year.

USDA's most recent forecast of corn exports in the 2022 crop marketing year is just 1.85 billion bushels, down 25% from the 2.47 billion bushels exported during the 2021 crop year. However, that was not the expectation a year ago. USDA provided its first forecast of 2022 crop exports in May 2022 and from May through July USDA was much more optimistic about U.S. corn export prospects. Back in May 2022, USDA forecast that 2.4 billion bushels of the 2022 corn crop would be exported, nearly equal to the prior year's export total. Since last summer, however, USDA has been ratcheting down its corn export forecasts, first dipping below a forecast of 2 billion bushels in the January WASDE before dropping to the current forecast of 1.85 billion bushels in the March and April WASDE reports.

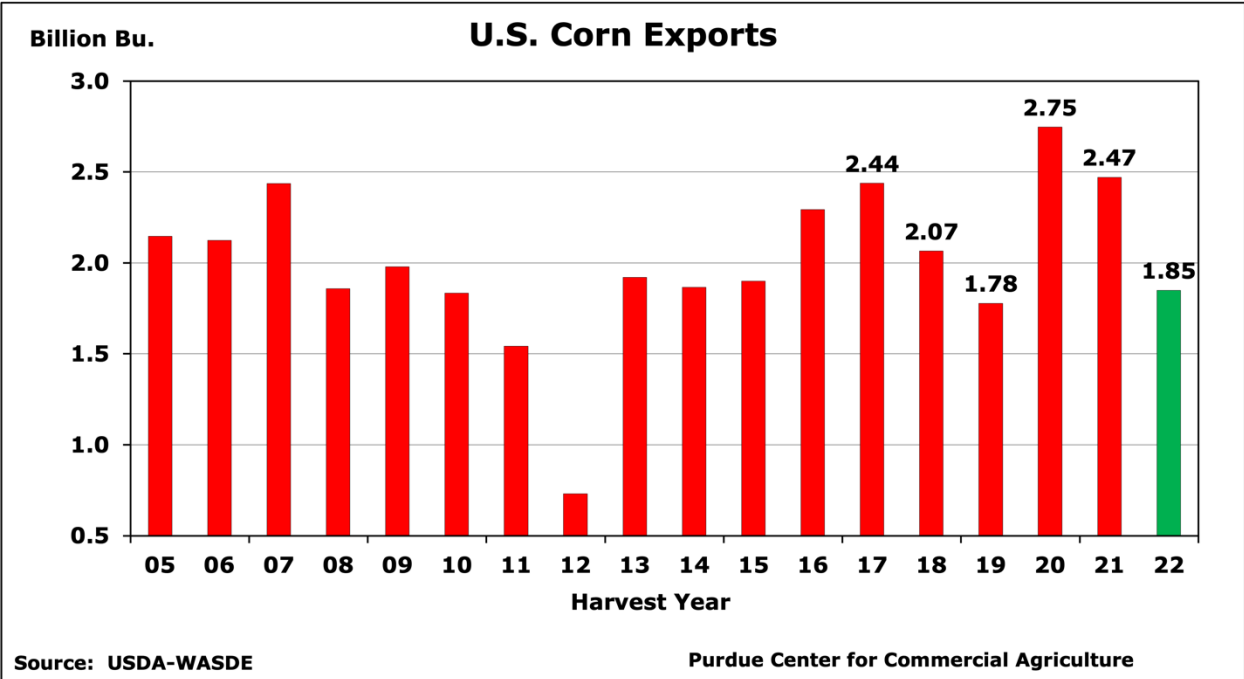
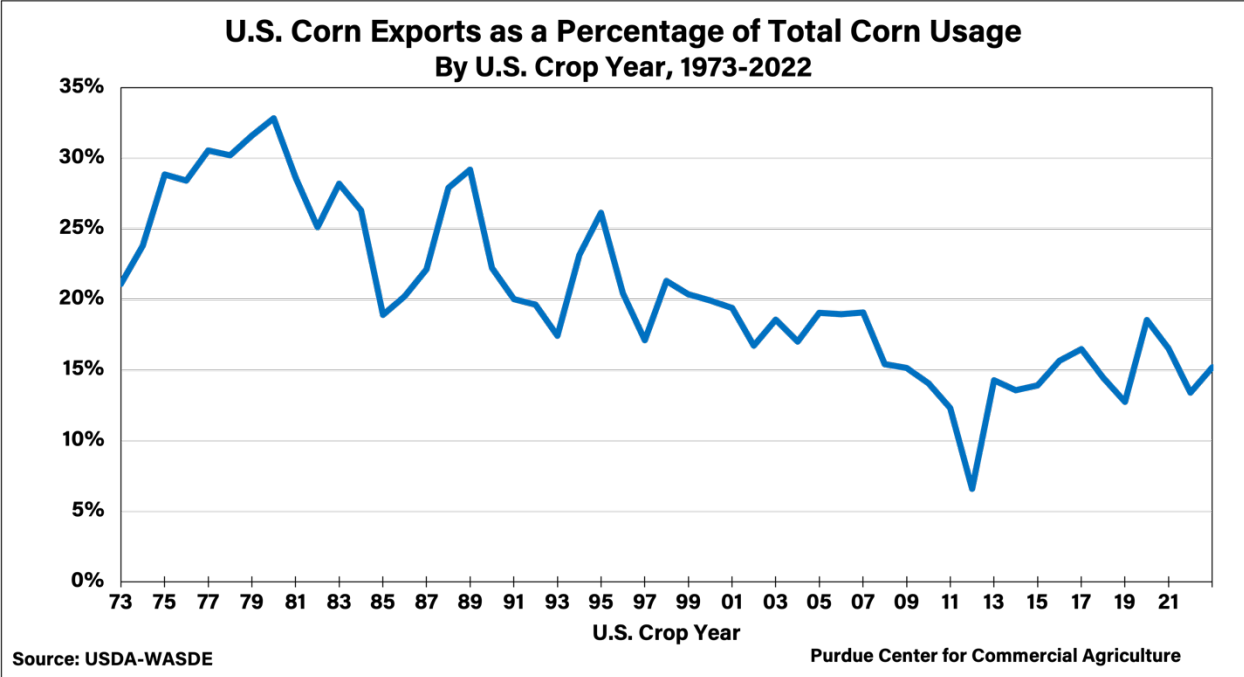
USDA's 2022 corn crop export forecast is the 2nd weakest of the last 10 years with only 2019's total of 1.78 billion bushels falling below this year's forecast. Corn exports during the 2020 crop year were record large at 2.75 billion bushels with the 2021 crop year total of 2.47 billion bushels providing the second largest export total on record. Unfortunately, year-to-date actual corn exports have been below even USDA's weak export forecast.

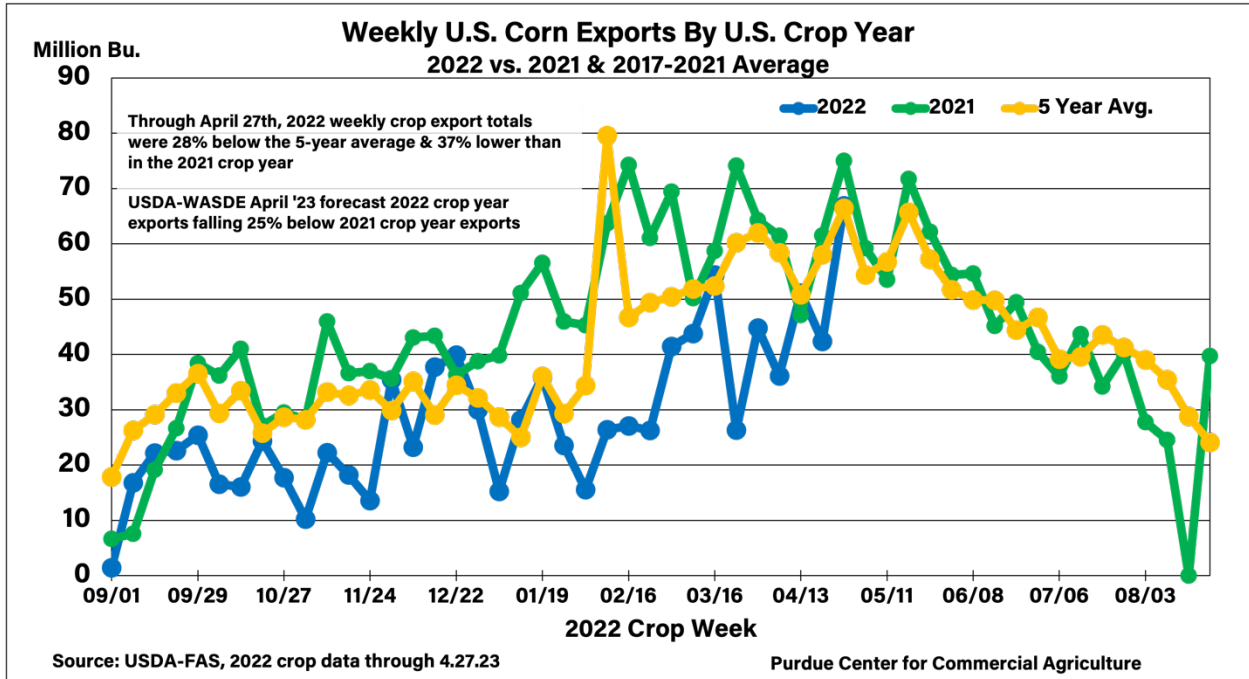
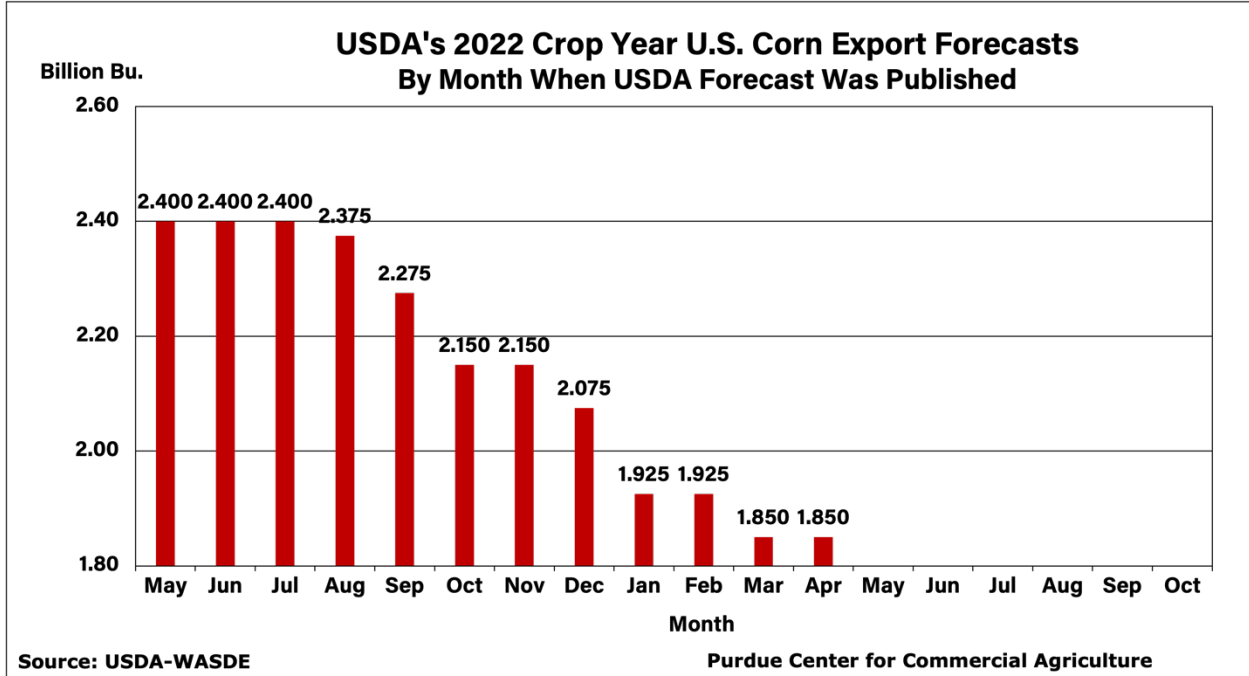
Weekly export shipments data provided by USDA's Foreign Agricultural Service during the 2022 crop marketing year through April 27th totaled 999 billion bushels, down from 1.576 billion bushels a year earlier. The year-to-year 37% export decline to date is even larger than USDA's forecast of a 25% decline in corn exports and is 28% lower than the 5-year corn export average.

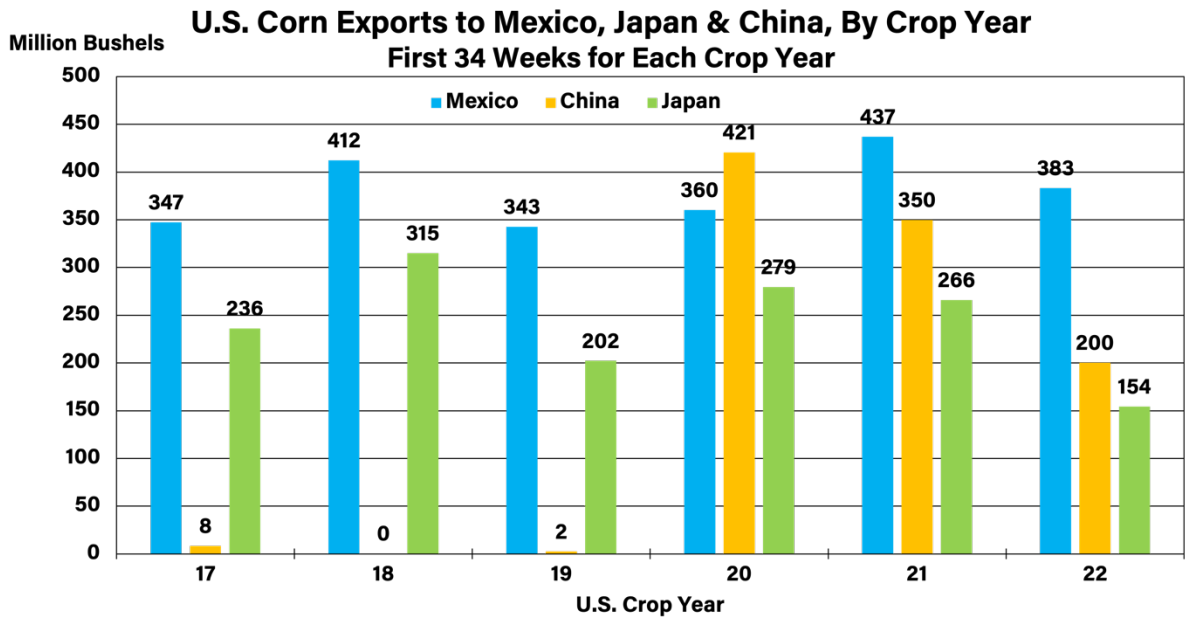
Corn export declines have been evident across principal U.S. corn export customers. Year-to-date exports to Mexico, the largest customer for U.S. corn, were down 54 million bushels, a 12% decline compared to last year. Exports to China, the second largest customer for U.S. corn during the last couple of years, were down 150 million bushels, a 43% decline. Finally, exports to Japan, the third largest U.S. corn importer, were down 112 million bushels, a 42% decline.

Seasonally, U.S. corn exports tend to peak in the spring and weaken into the summer months. Although weekly corn export shipments have improved since late winter, they have not increased enough to offset weak exports last fall and especially during much of the winter.

Looking ahead toward summer, it will be a challenge for U.S. corn exports to even meet USDA’s weak export forecast in the 2022 crop marketing year.







Source: USDA-FAS, 2022 crop data through 4.27.23

Purdue Center for Commercial Agriculture