China Grain & Oilseed Outlook

MACA

September 2013

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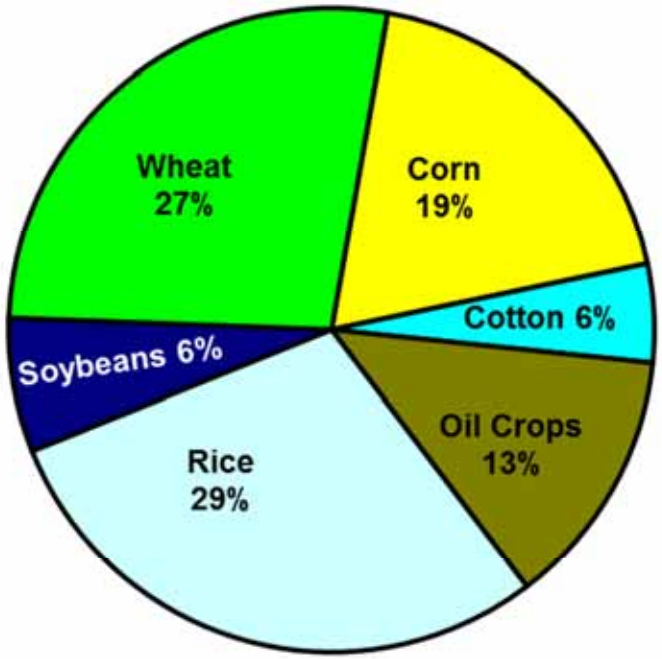
China Harvested Area

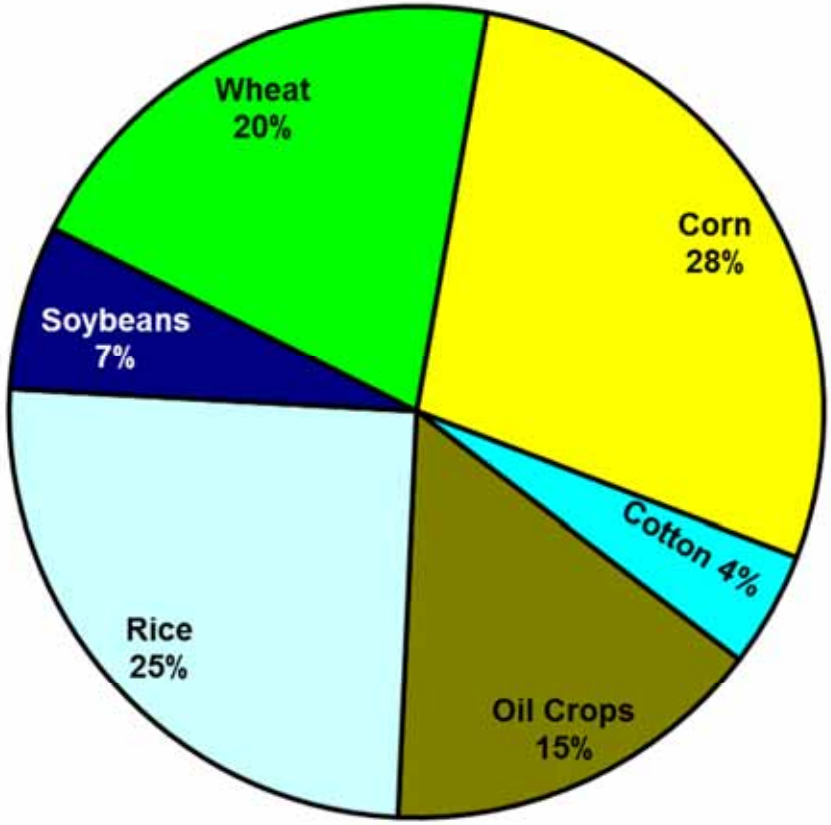
(million hectares)

1990



Total = 113.1 million hectares

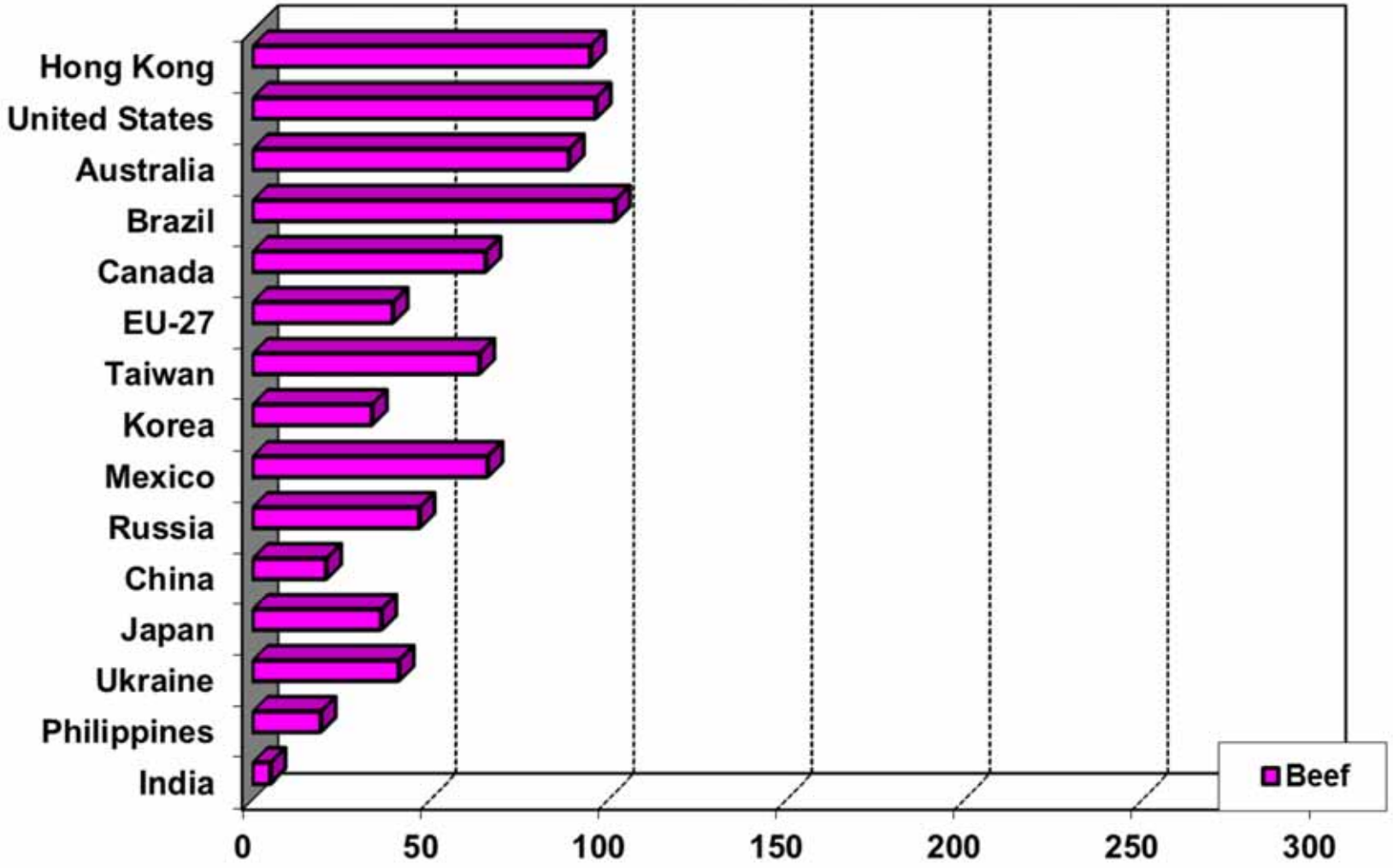
2013p



Total = 120.3 million hectares

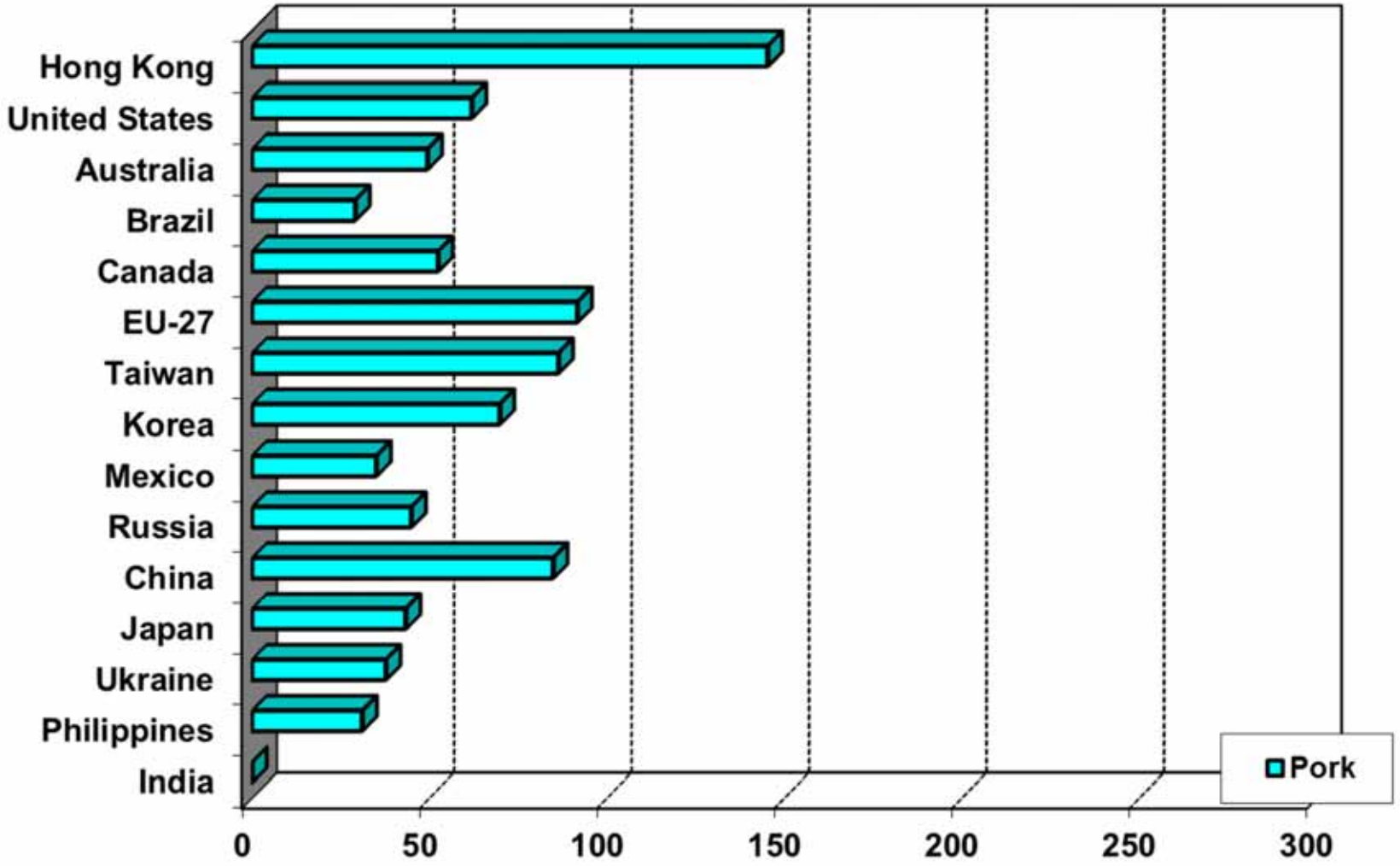
Yearly Per Capita Protein Consumption

(lbs per capita)



Yearly Per Capita Protein Consumption

(lbs per capita)



Yearly Per Capita Protein Consumption

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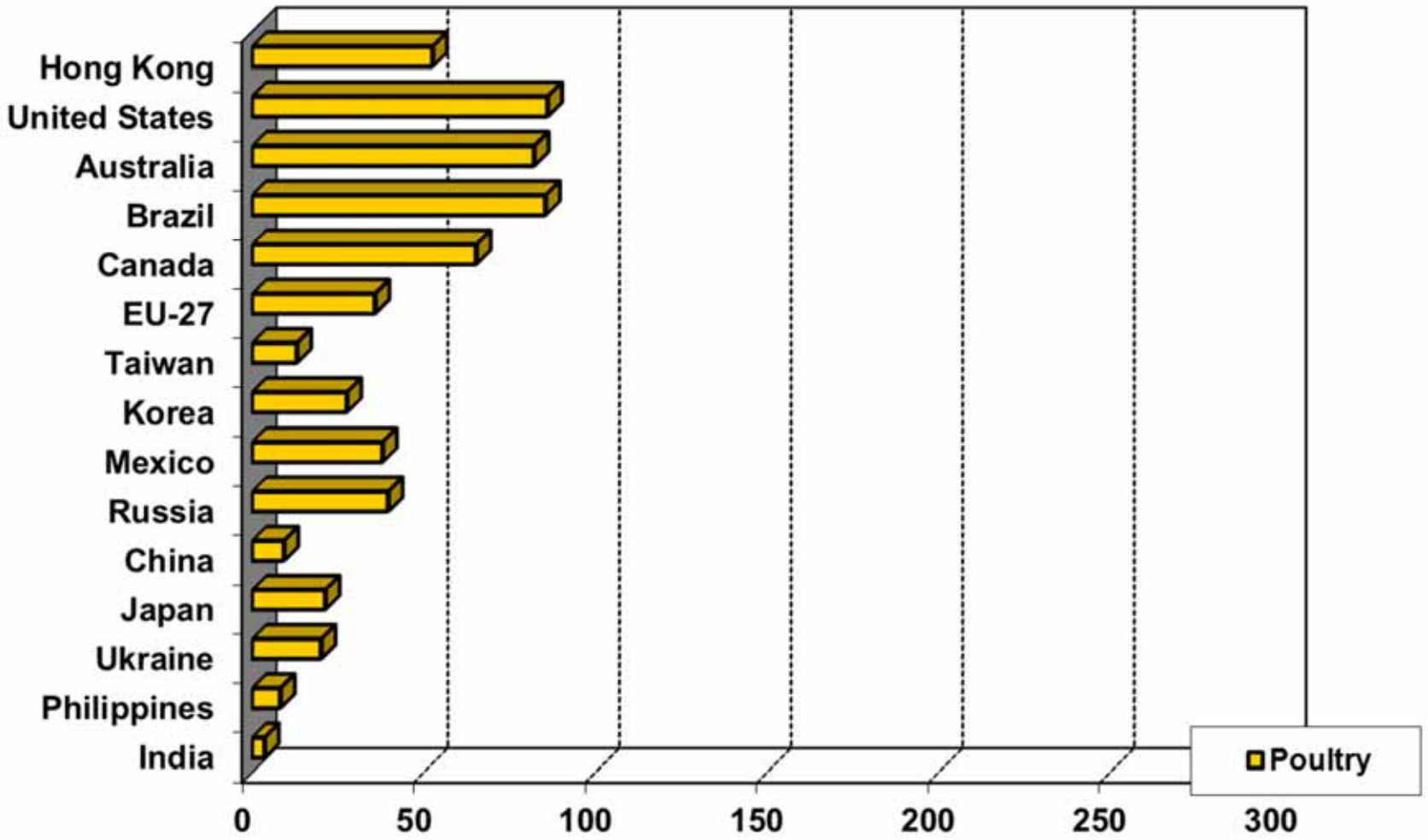
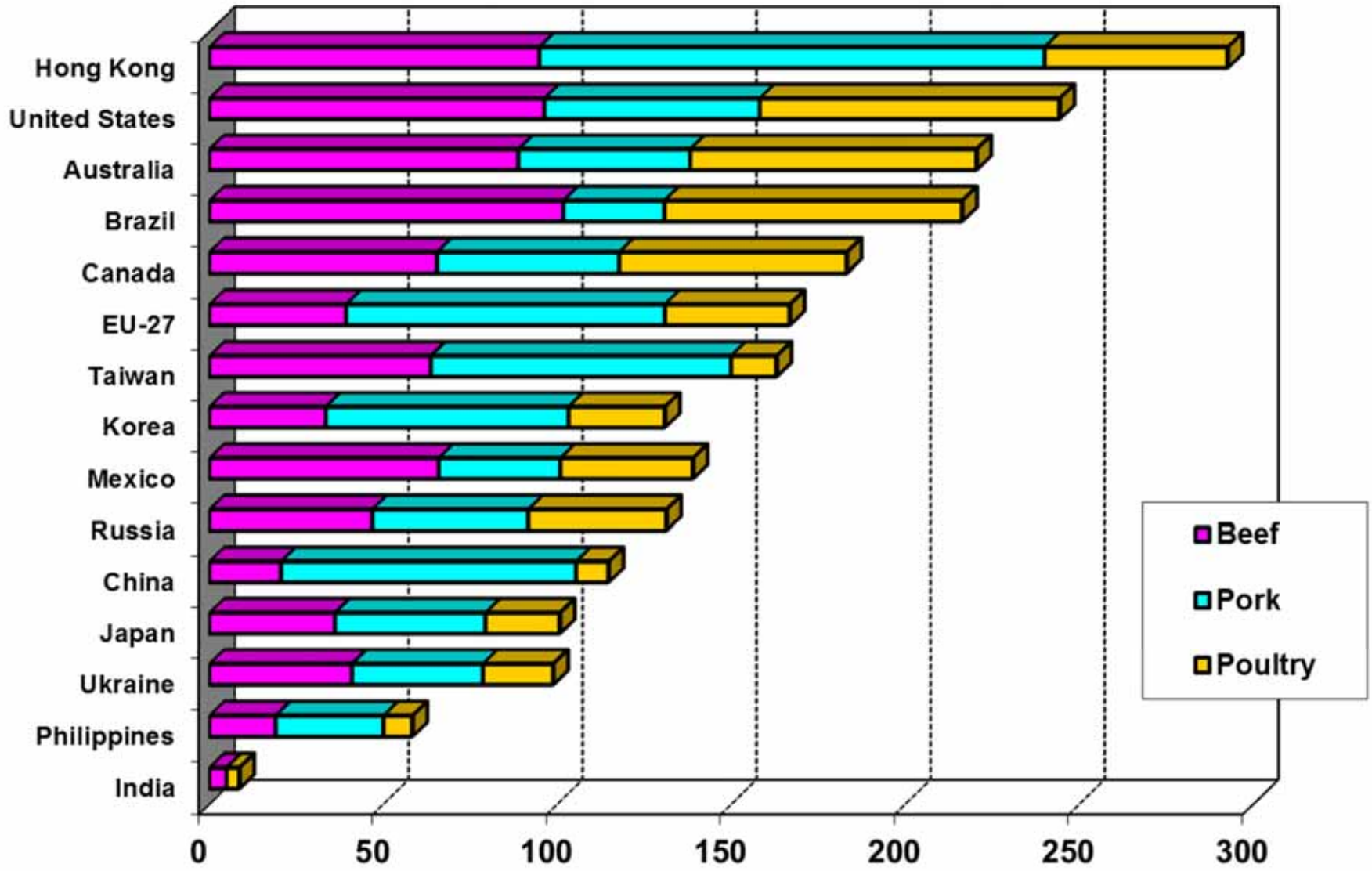


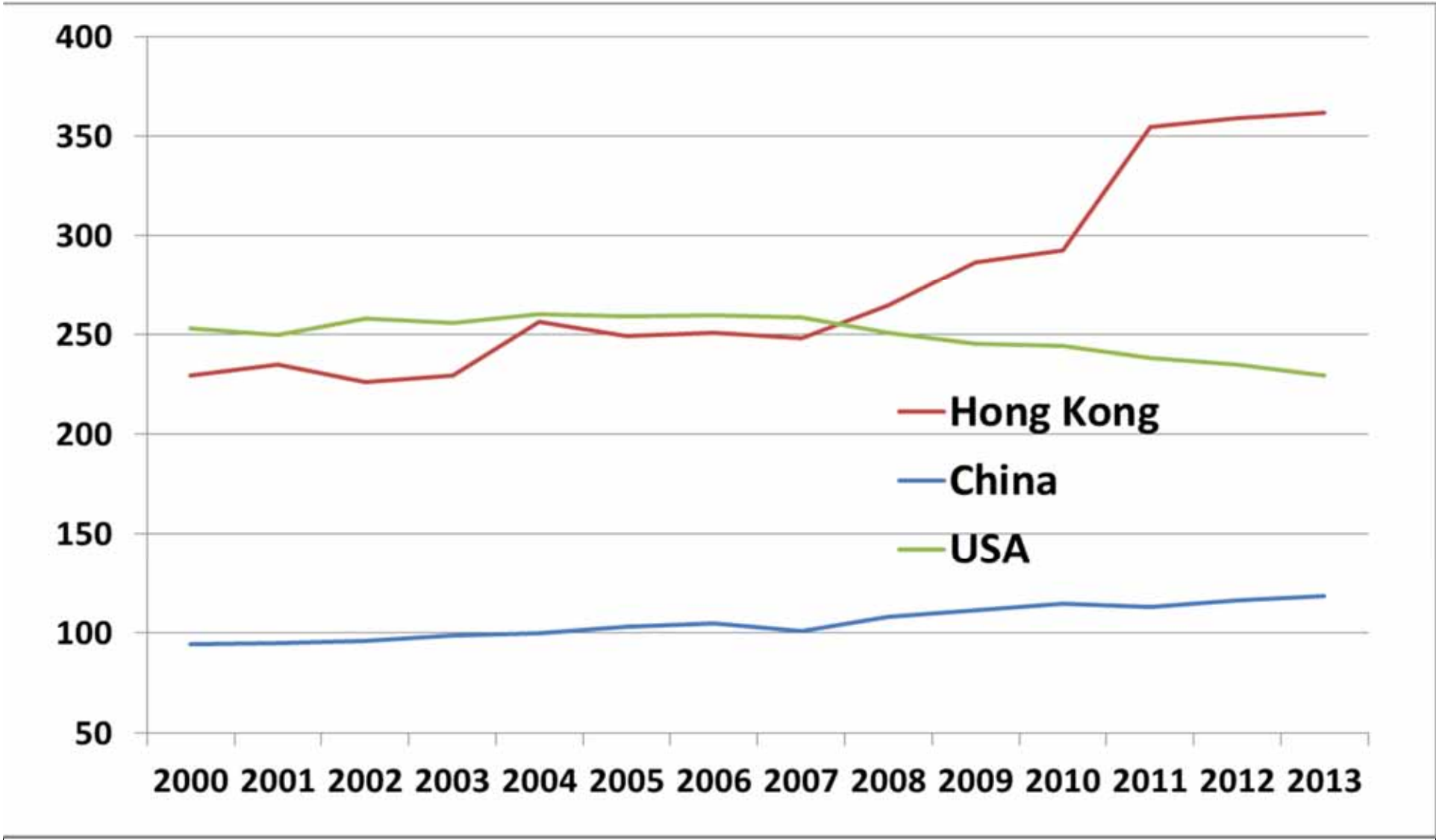
Per Capita Protein Consumption

(lbs per year, USDA, IAG)

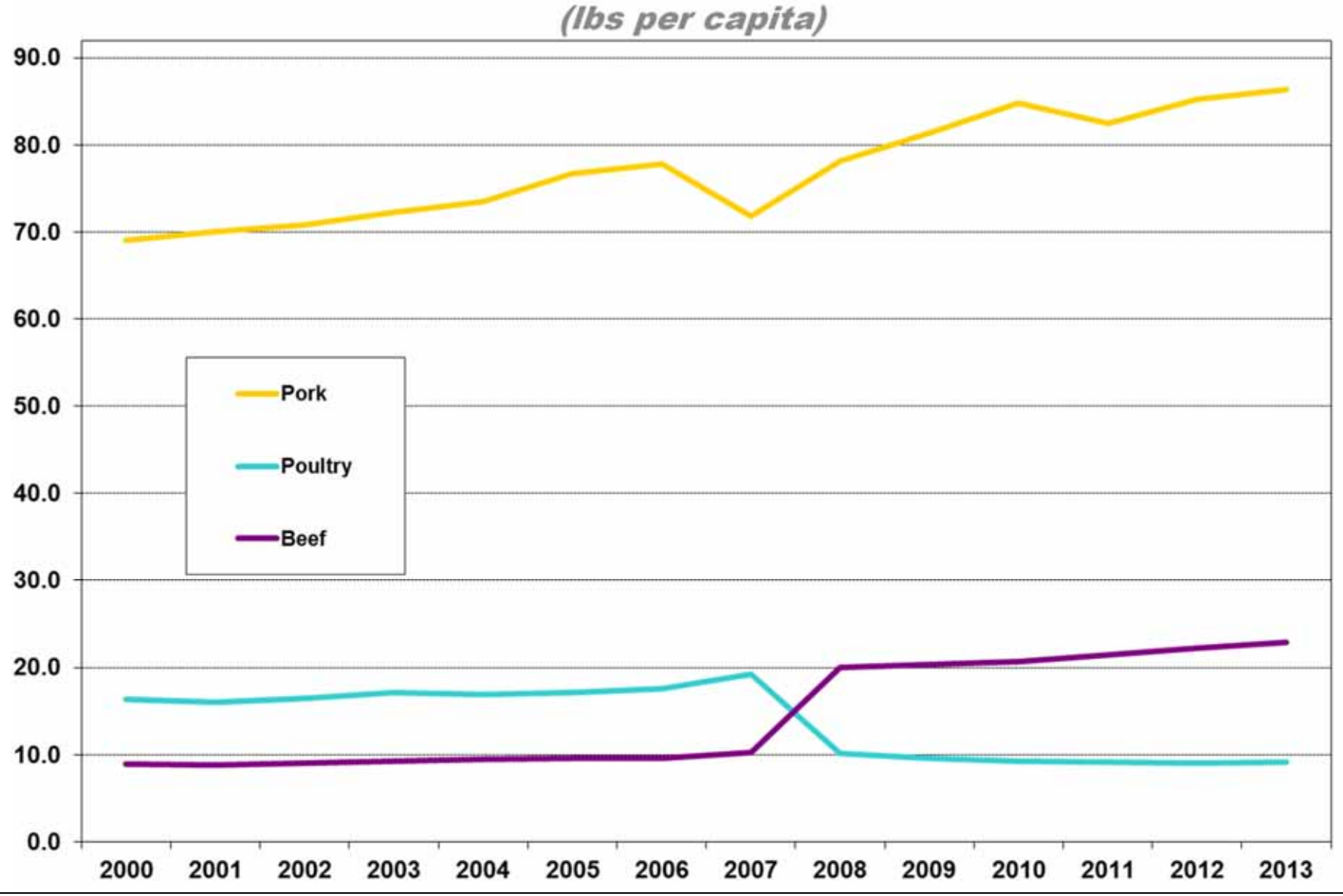


Per Capita Protein Consumption

(lbs per capita)



China: Per Capita Protein Consumption



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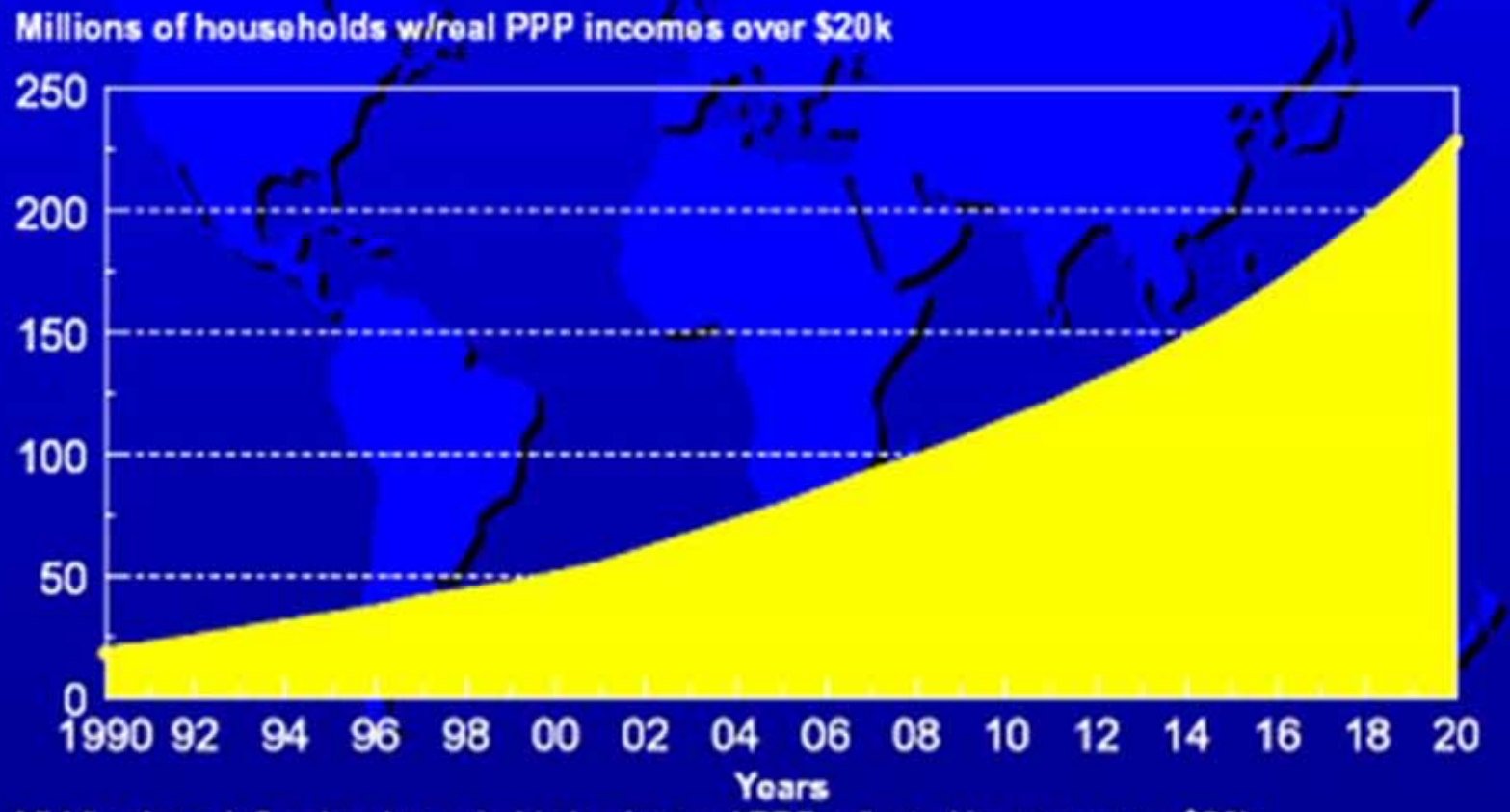
Rapid Expansion of China's Middle Class

By 2020, there could be 229 million middle class households, up from 49 million in 2000, transforming China's food market and boosting imports.

By 2020, China will have 500 million households. 45% will have incomes sufficient to buy most food products exported by the U.S., up from just 14% in 2000.



Middle class defined as households having real PPP adjusted incomes over $20k

Source: Global Insight's Global Consumer Markets Service

China/India 2020

1 billion middle class consumers,
320 million households

Will spend $10 trillion per year

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China Billionaires

2001

- 1 -

2010

- 115 -

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Chinese Corporations

Ranked by market value

3 top ten companies

- *Petro China*
- *China ICBC Bank*
- *China Mobile*

College Graduates

Over the next 10 years

US --- 30 million

India --- 54 million

China --- 83 million

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China Economy

2007 passed Germany as the world's 3rd largest economy

2010 passed Japan as the worlds 2nd largest economy

2029 projected to pass the US as the World's largest economy

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China Income Distribution
(millions)

2010

	Households	*%*
Upper	24	6
Middle	109	28
Lower	260	66

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China Income Distribution
(millions)

2020

	Households	*%*
Upper	91	21
Middle	202	47
Lower	138	32

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China Spending

Born in 1960

$16,443

Born in 2009

$632,024

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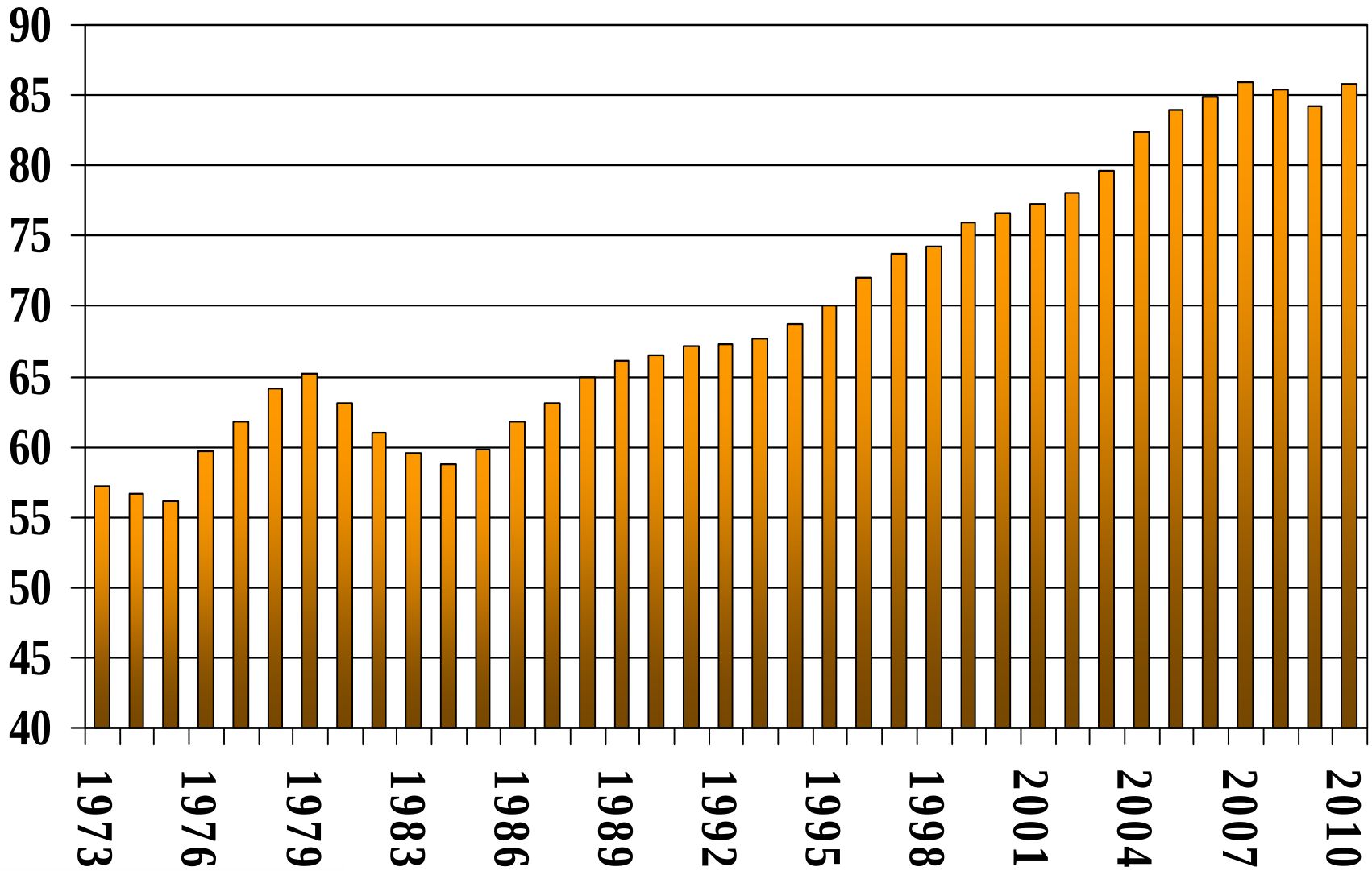
World Crude Oil Demand

1000 Brl/Day



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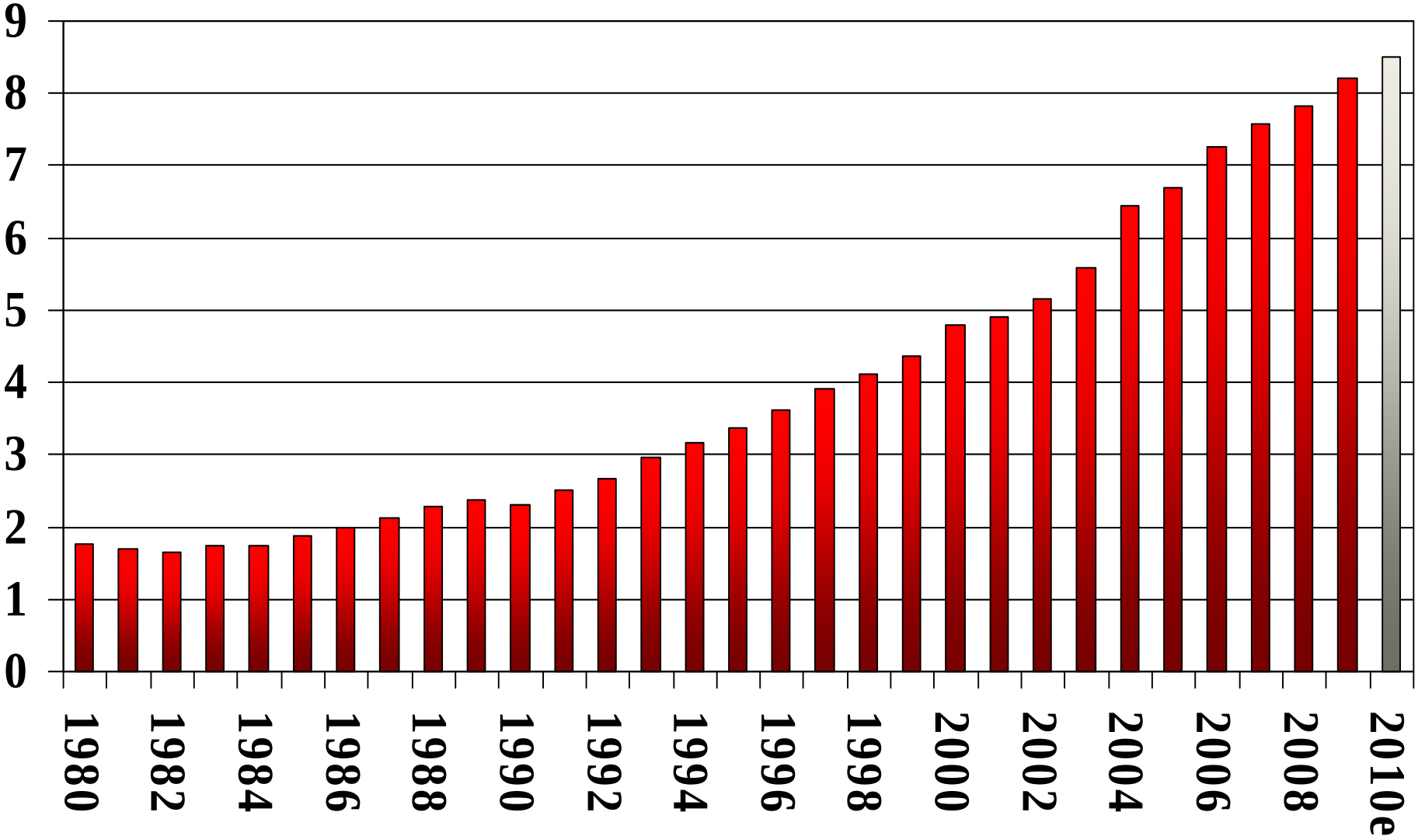
Chinese Petroleum Demand

Mil Brl/Day



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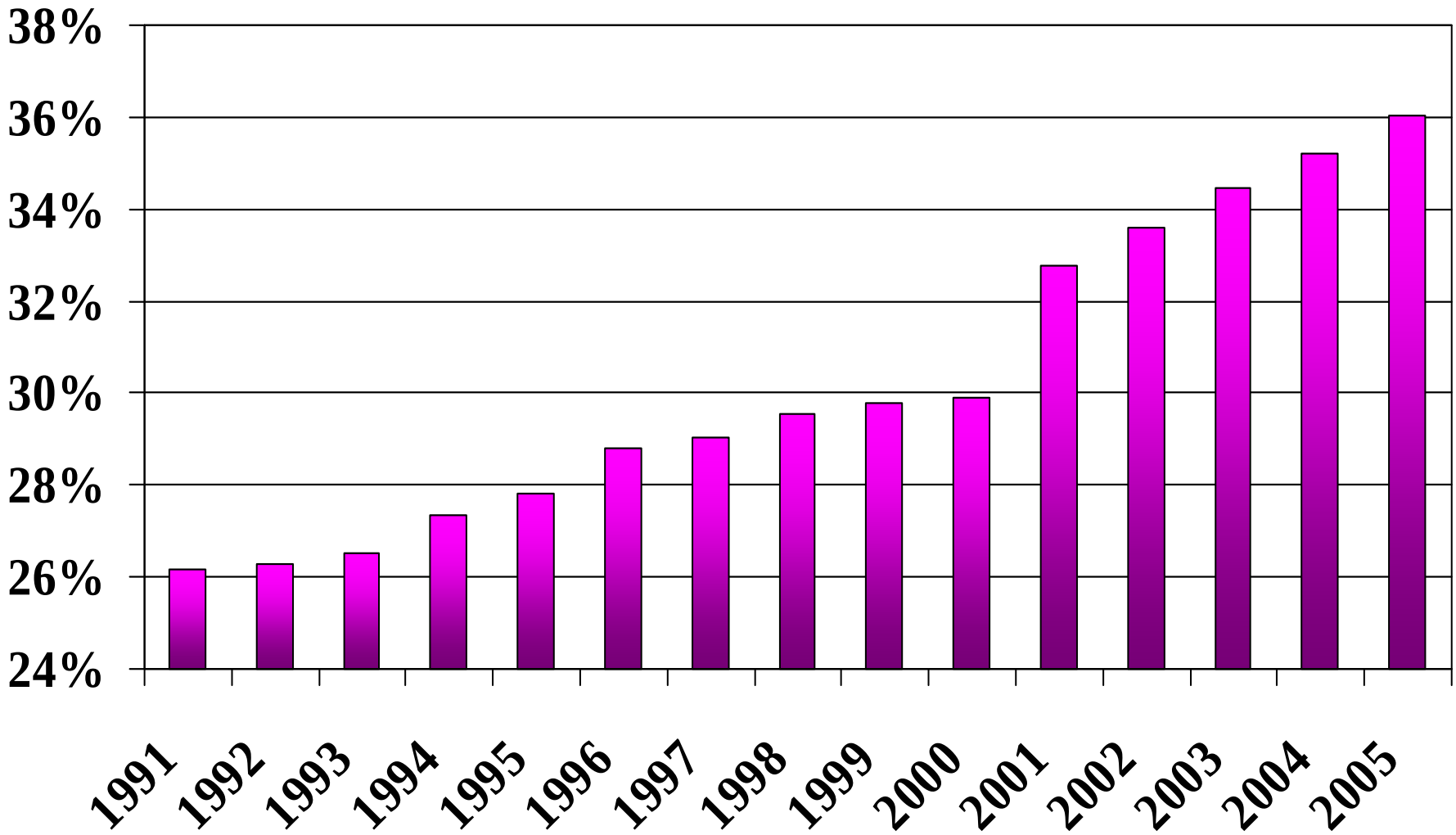
% of Chinese Jobs in Urban Areas



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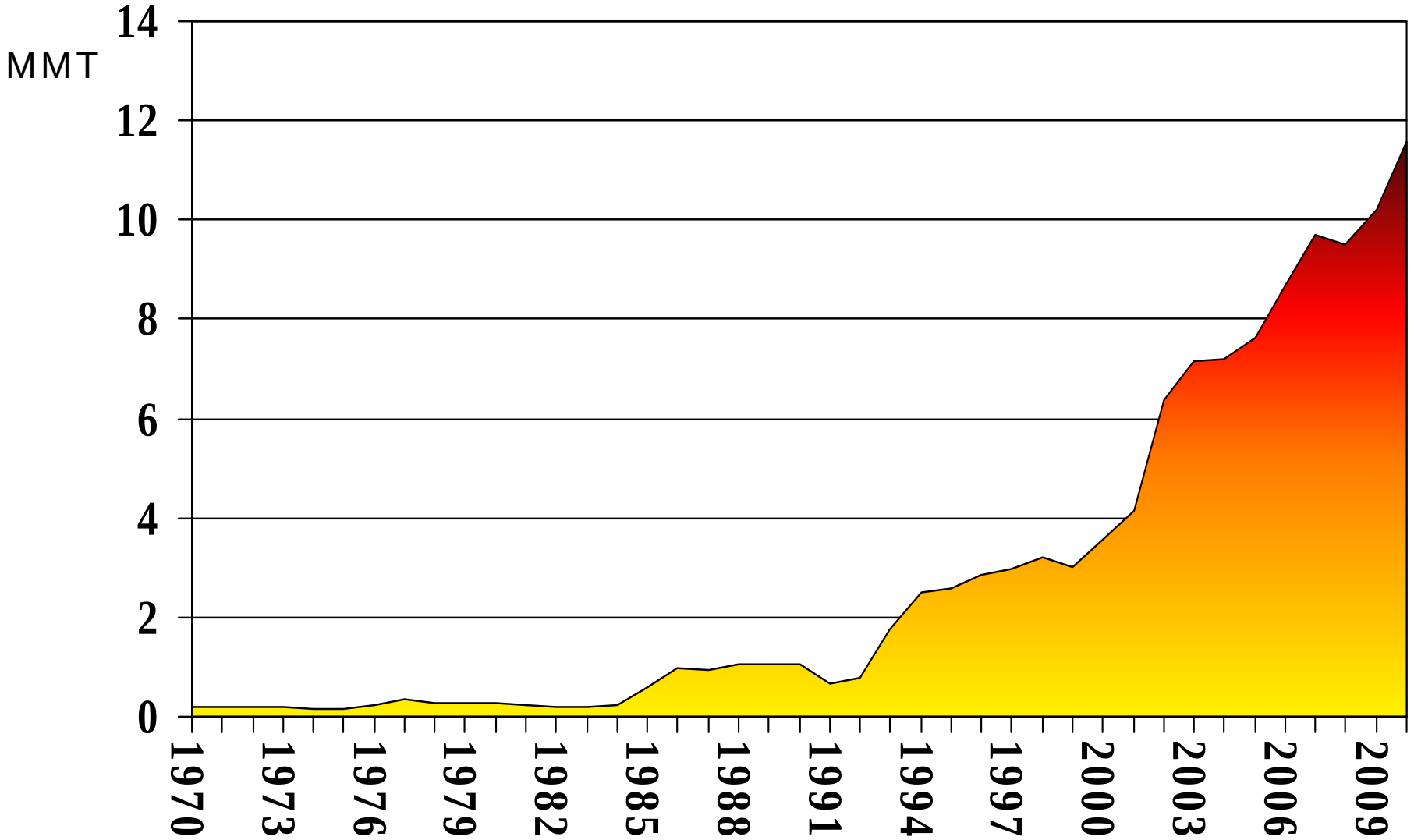
China's Growing Caloric Intake

(Soybean Oil Food Use Consumption)



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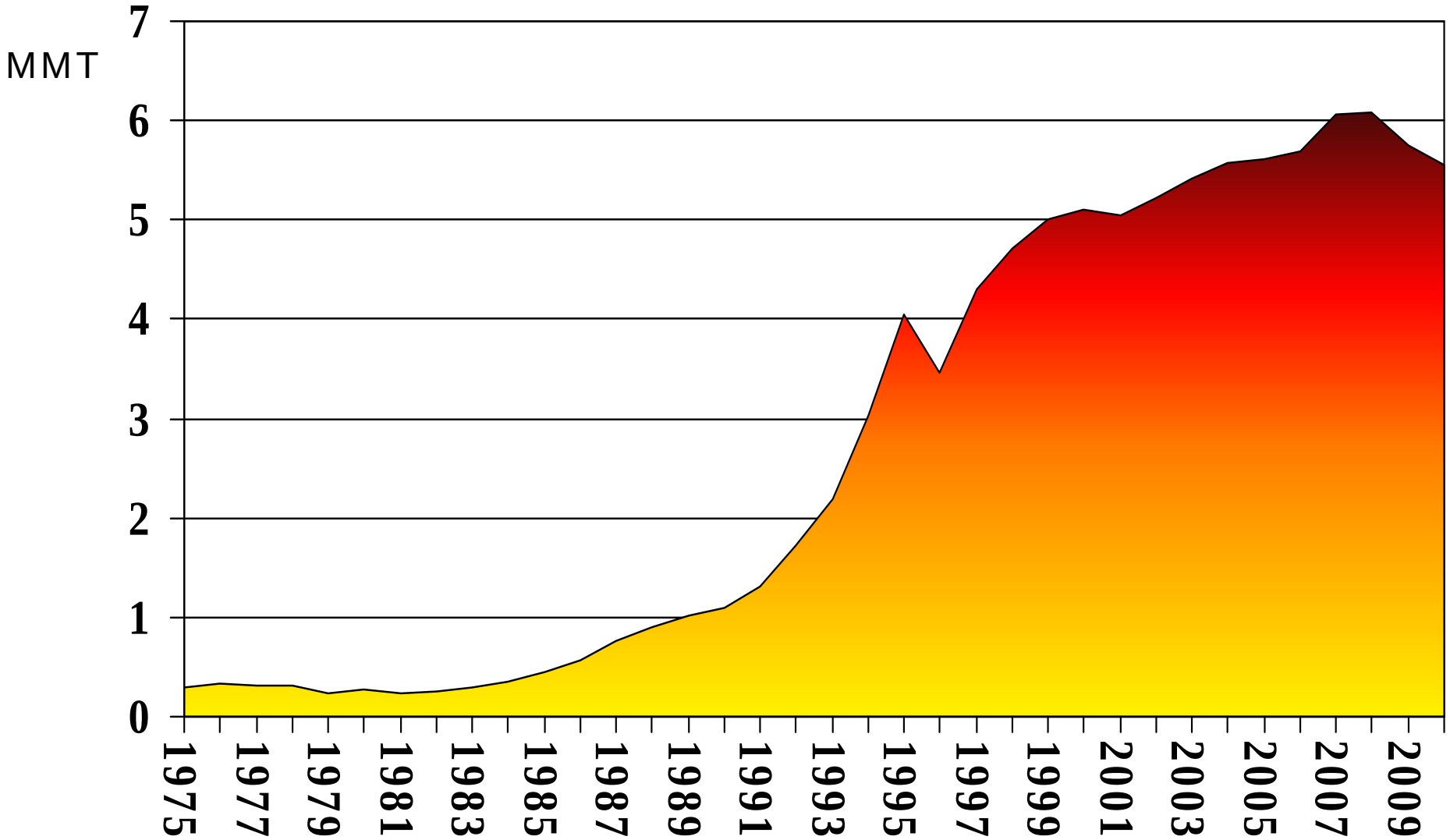
China's Growing Caloric Intake

(Beef & Veal Consumption)



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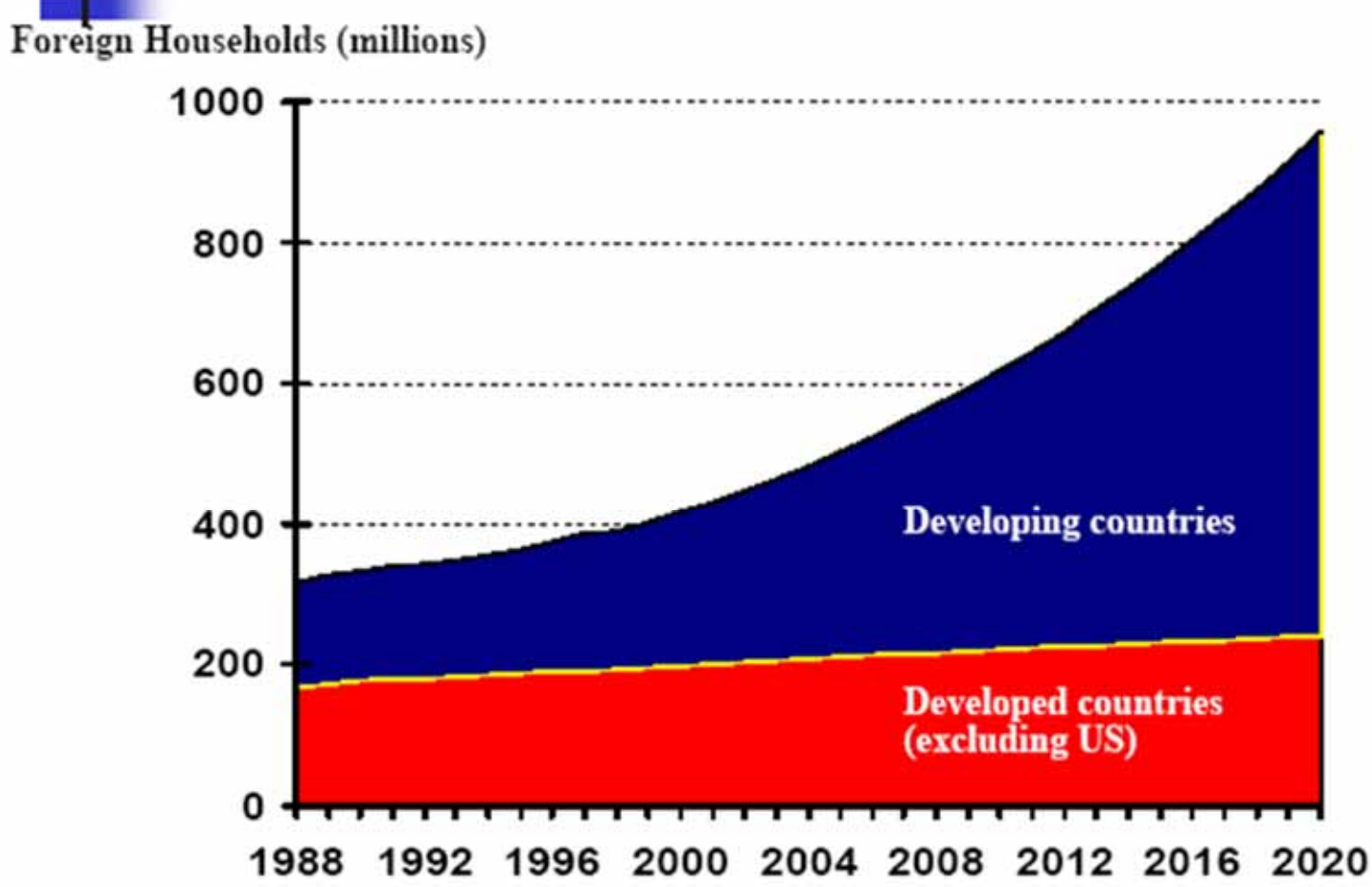
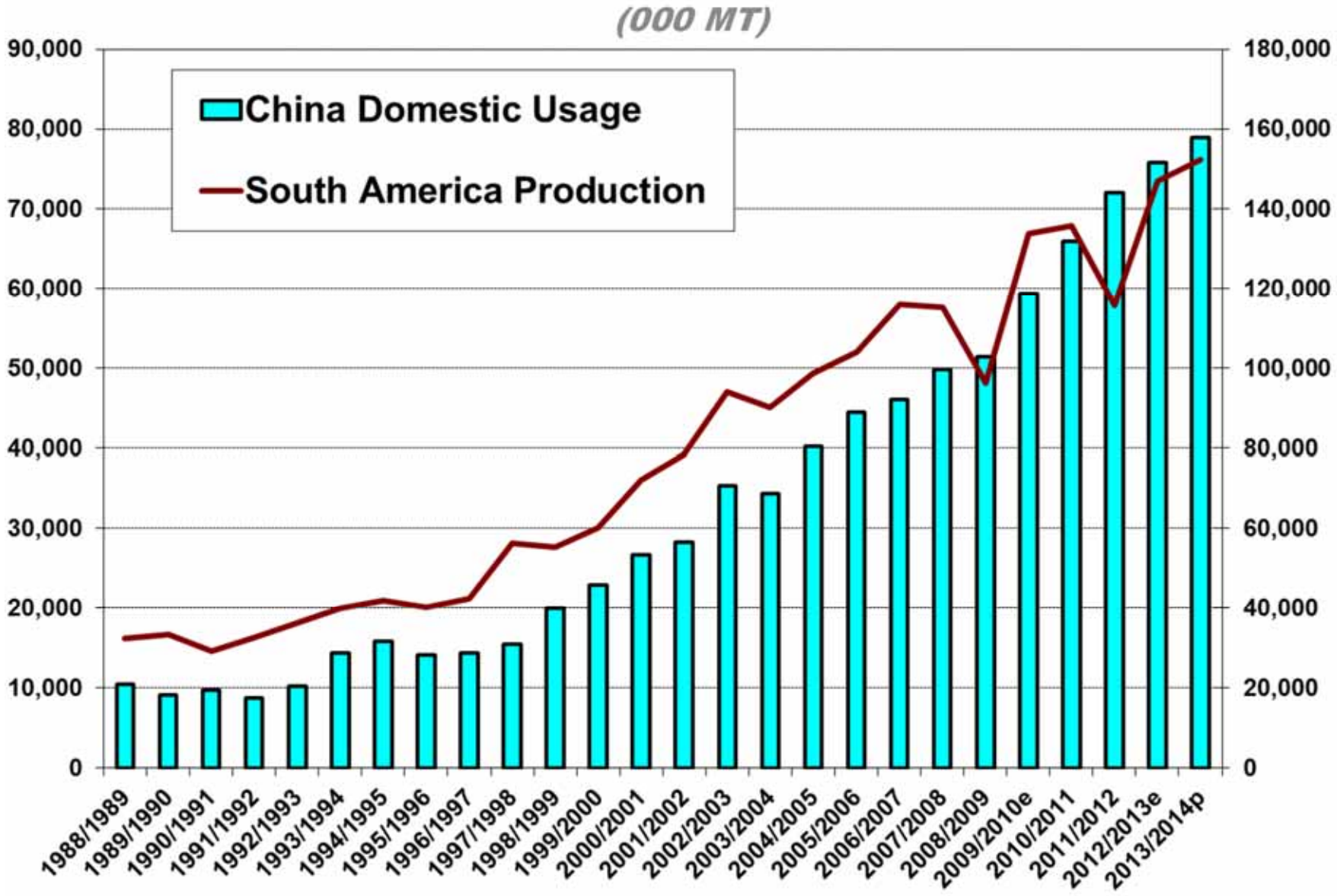
Middle Class Outside the U.S. Expected to Double By 2020

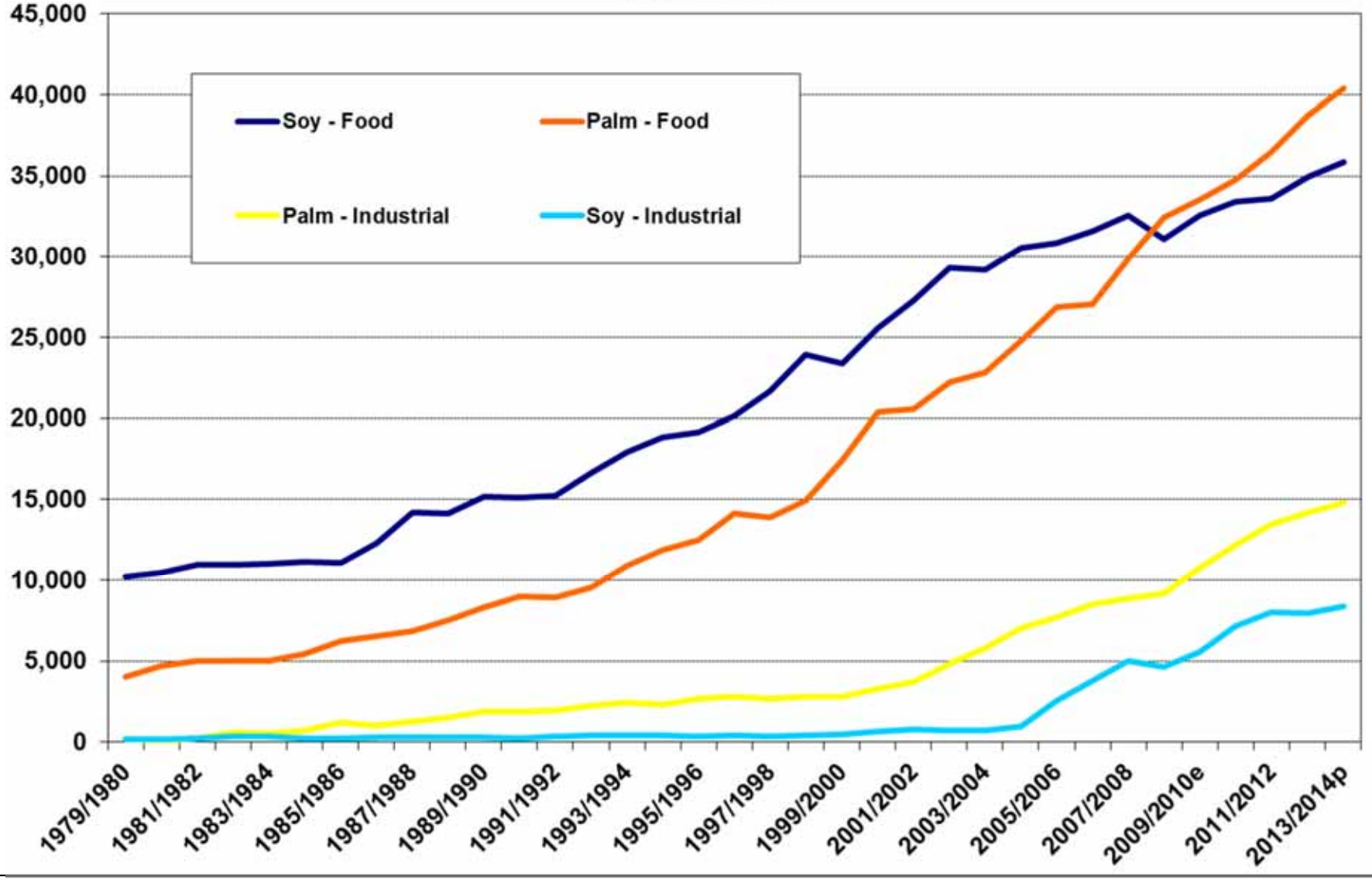


Soybeans South America Production and China Usage



World Vegetable Oil Usage

(000 MT)



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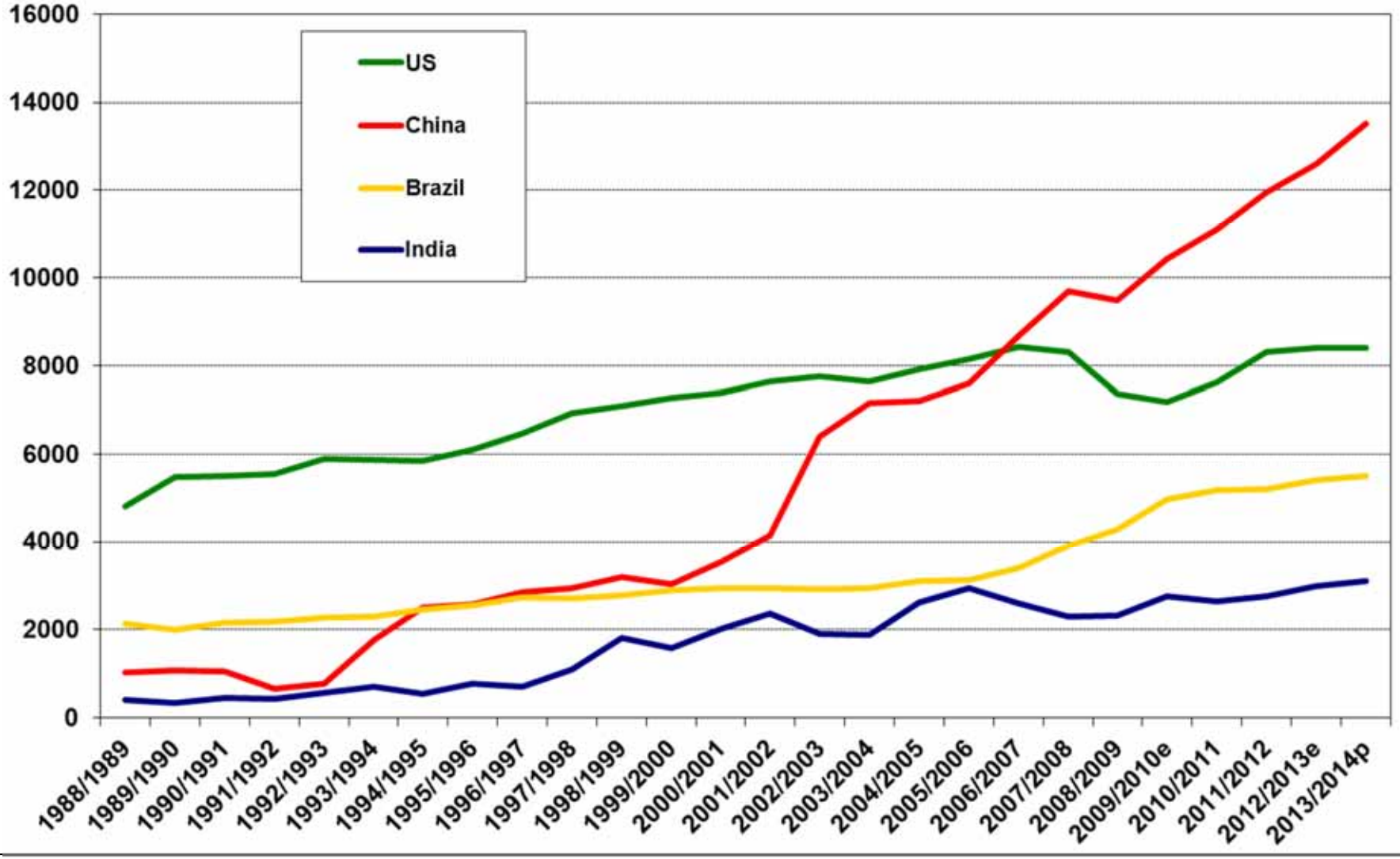
Soybean Oil Consumption

(000 MT)



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China Corn S&D

(million metric tons) August Report	10/11	11/12	Estimate 12/13	USDA 13/14 Estimates	
				July	August
Beginning Stocks	51.30	49.42	59.34	60.89	60.89
Production	177.25	192.78	205.60	211.00	211.00
Imports	0.98	5.23	3.00	7.00	7.00
Total Supply	229.53	247.43	267.94	278.89	278.89
Feed	128.00	131.00	144.00	156.00	156.00
Total Domestic	180.00	188.00	207.00	224.00	224.00
Exports	0.11	0.09	0.05	0.05	0.05
Total Demand	180.11	188.09	207.05	224.05	224.05
Ending Stocks	49.42	59.34	60.89	54.84	54.84
Stocks to Usage	27.44%	31.55%	29.41%	24.48%	24.48%

USDA Estimates

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China Soybean S&D

(million metric tons)				13/14 USDA Projection	
August Report	10/11	11/12	12/13e	July	August
Beginning Stocks	13.26	14.56	15.92	11.59	11.59
Production	15.10	14.48	12.80	12.50	12.50
Imports	52.34	59.23	59.00	69.00	69.00
Total Supply	80.70	88.27	87.72	93.09	93.09
Crushings	55.00	60.97	64.65	67.65	67.65
Total Domestic Usage	65.95	72.07	75.83	78.93	78.93
Exports	0.19	0.28	0.30	0.30	0.30
Total Demand	66.14	72.35	76.13	79.23	79.23
Ending Stocks	14.56	15.92	11.59	13.86	13.86
Stocks to Usage	22.01%	22.00%	15.22%	17.49%	17.49%

USDA Estimates

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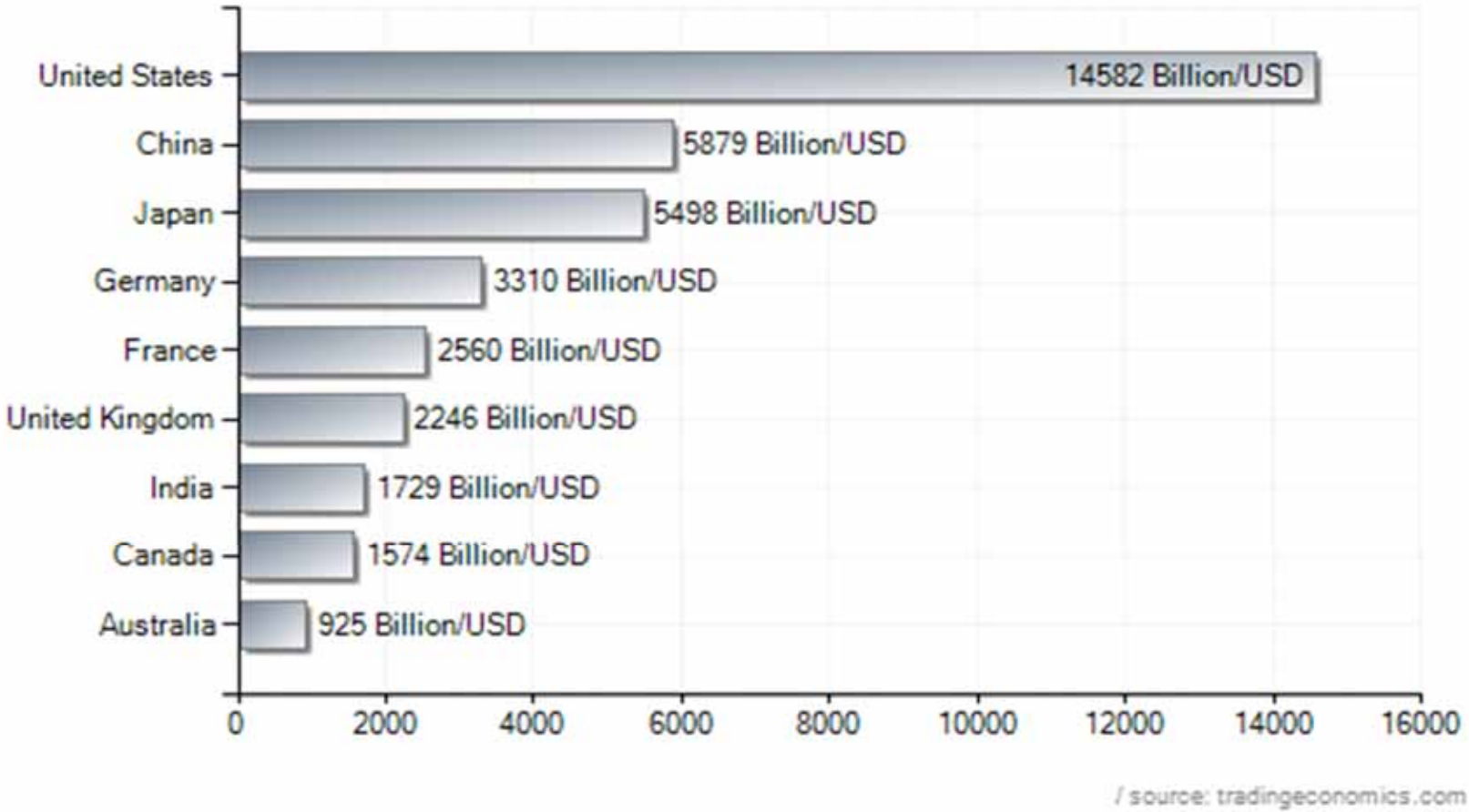
World GDP



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US GDP

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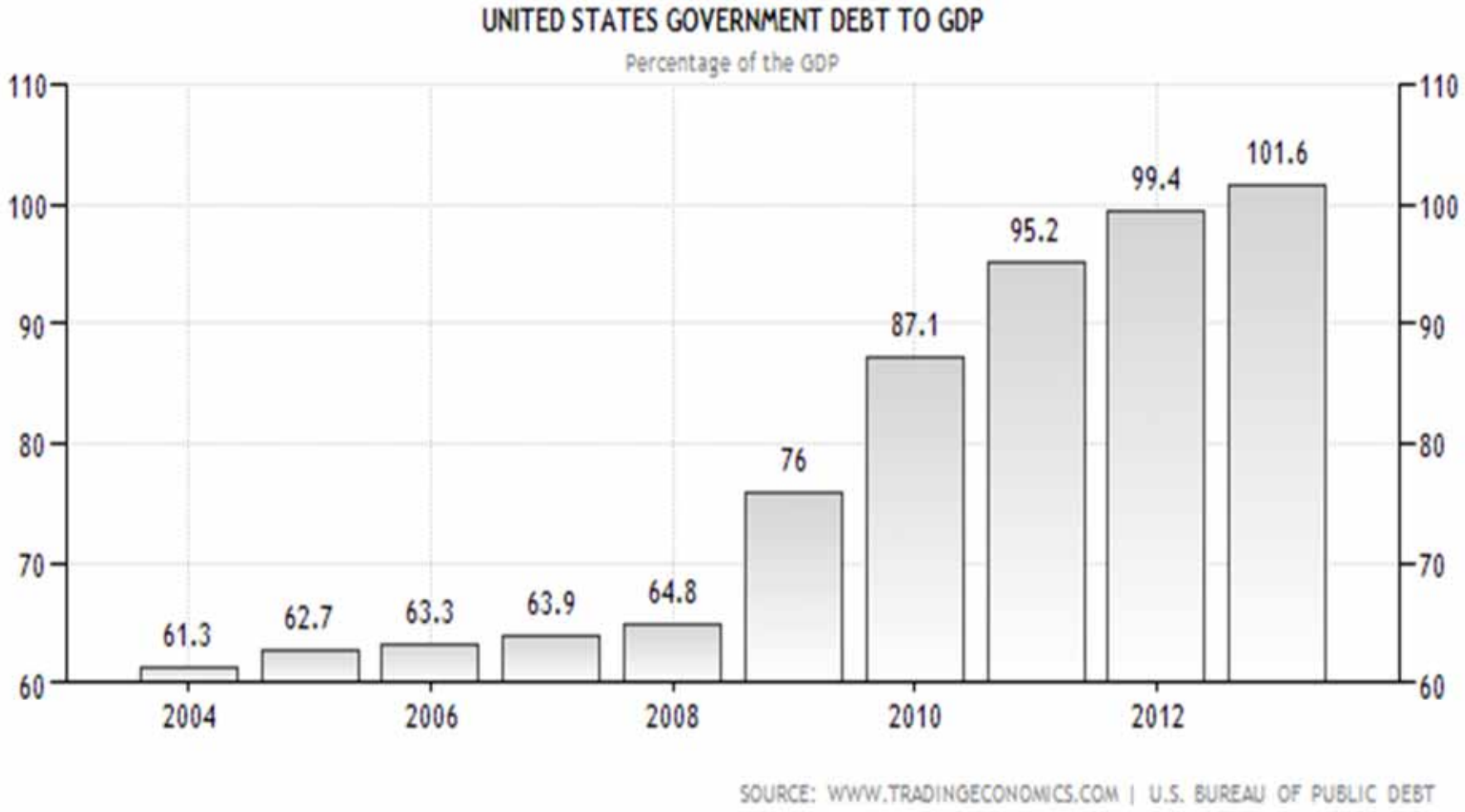
US Debt to GDP



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China GDP

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China Debt to GDP

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China CPI

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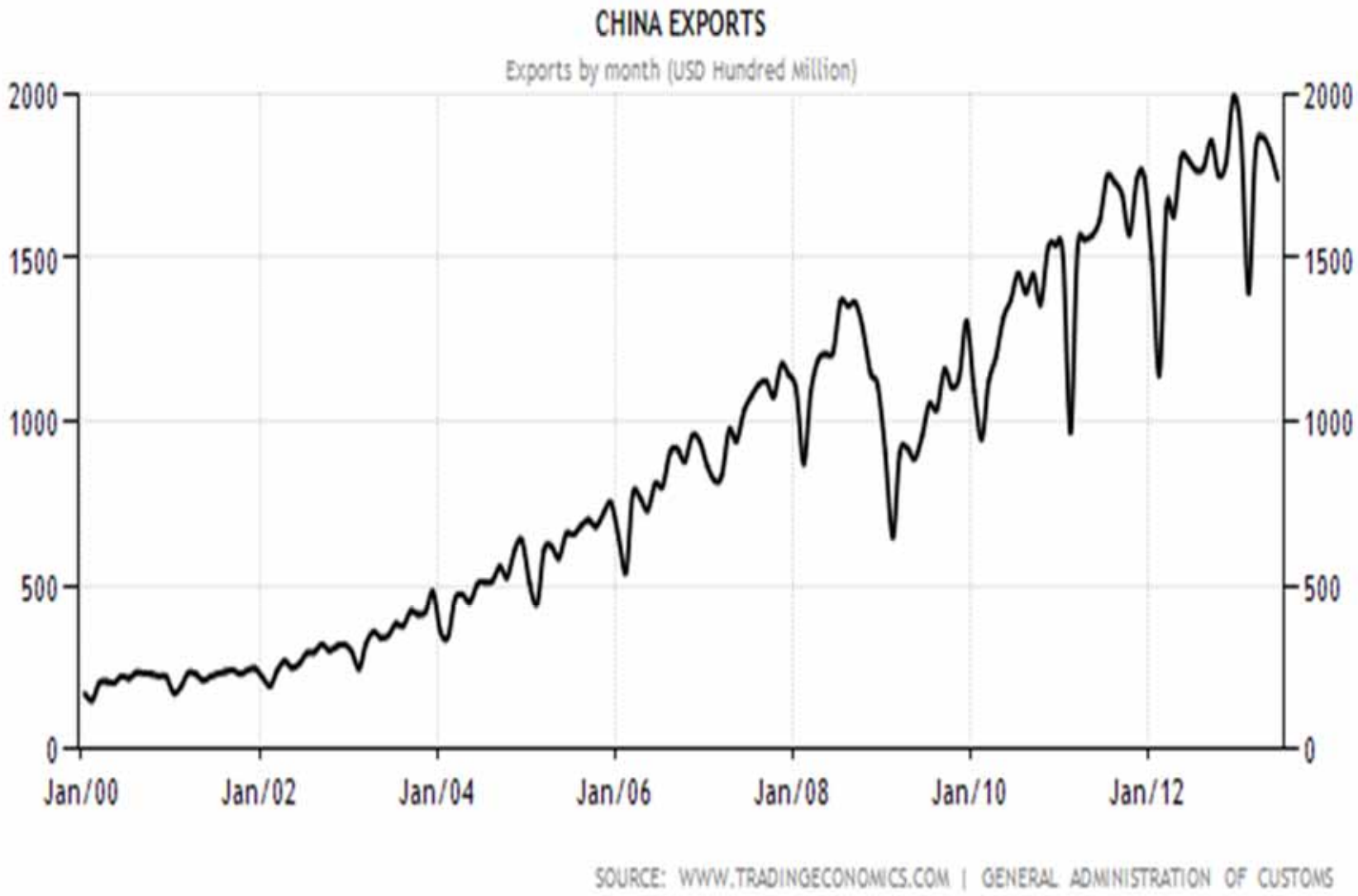
China Exports



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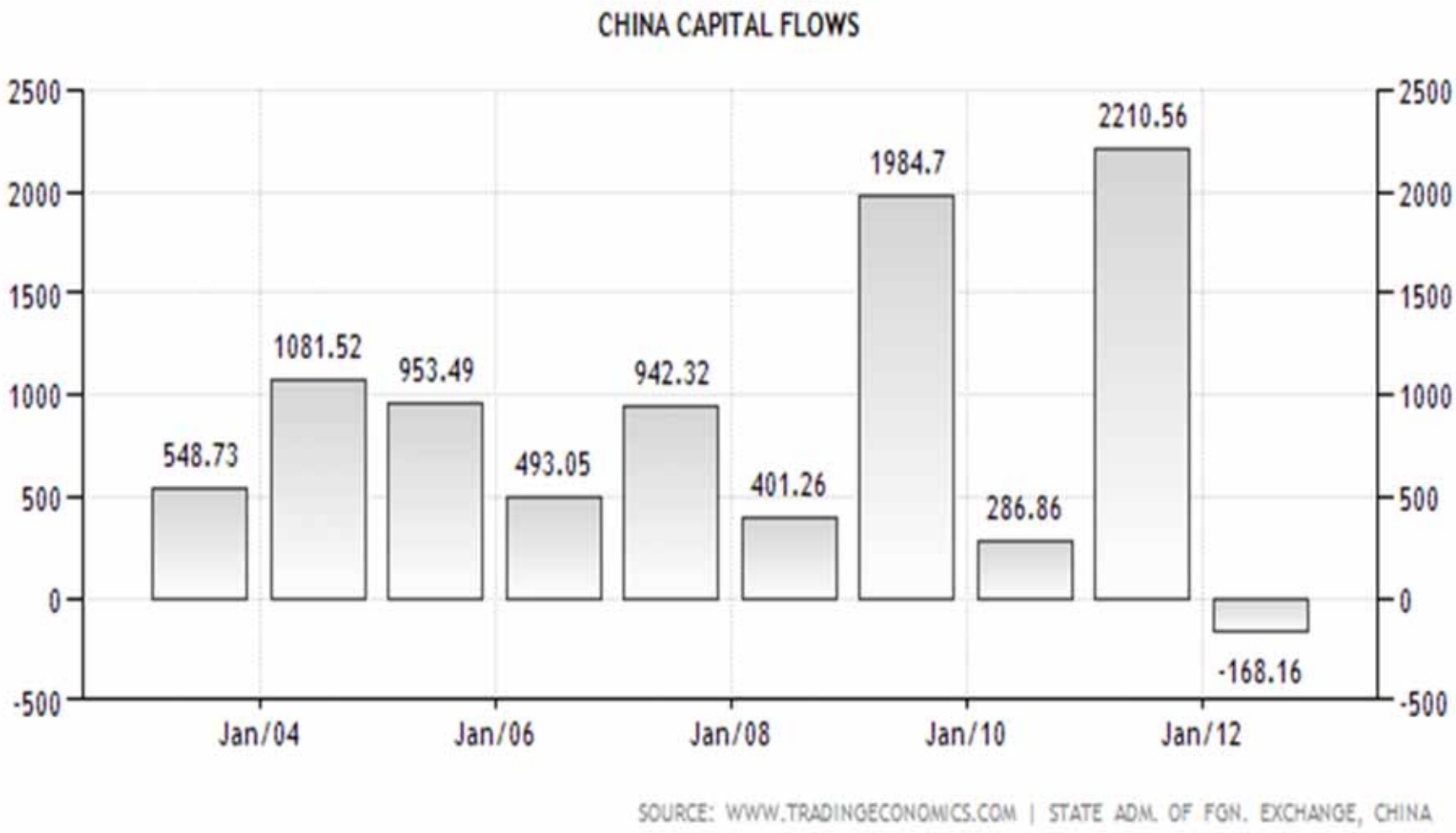
China Capital Flows



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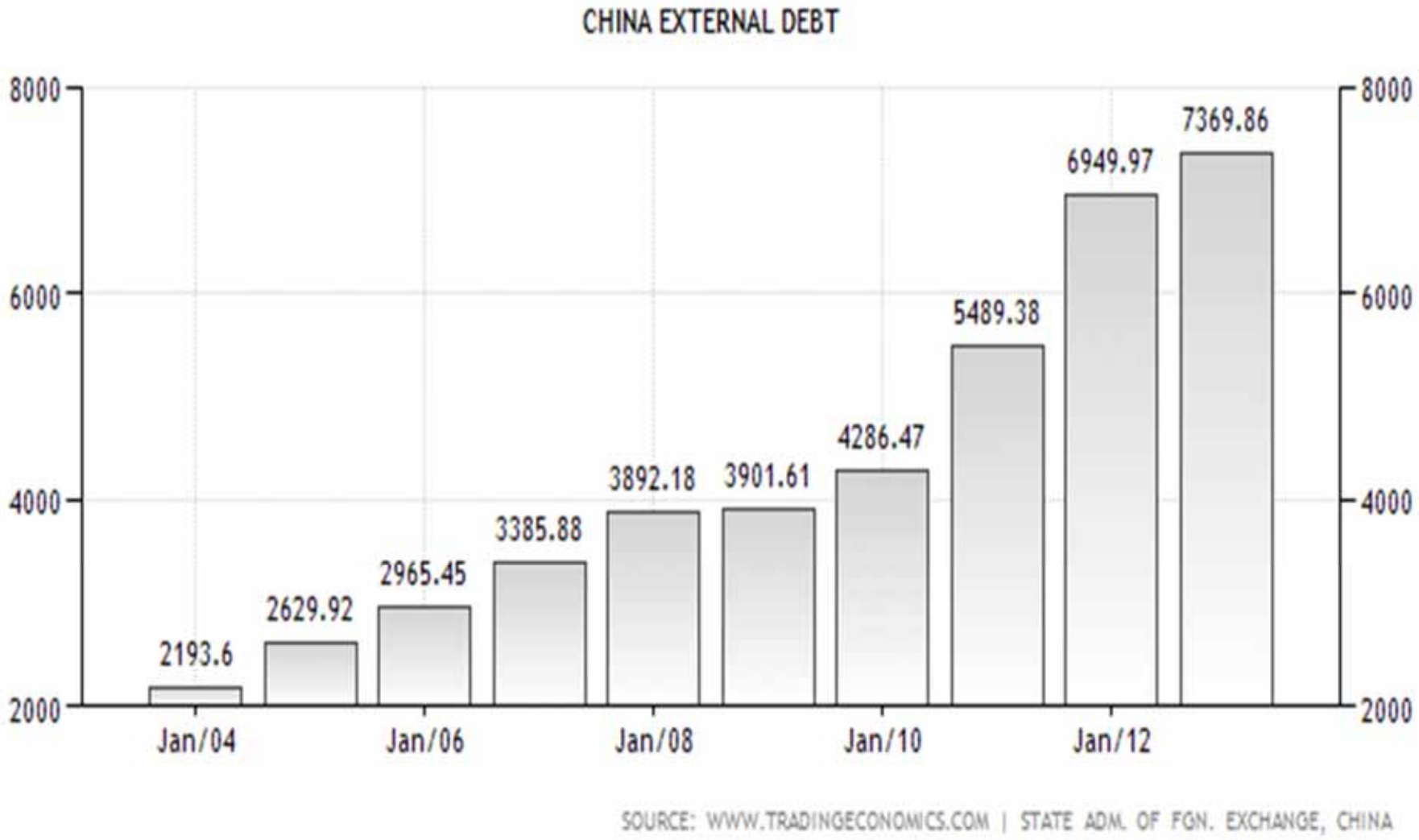
China External Debt



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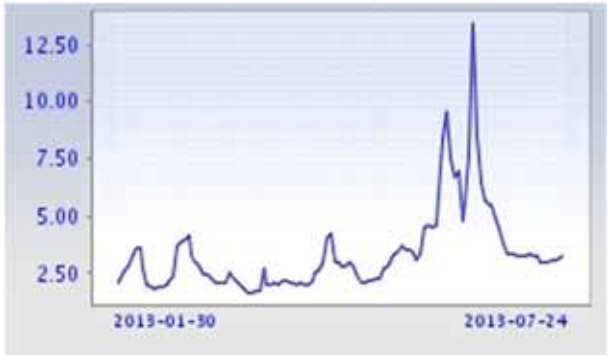
Shibor

Shanghai Interbank Offered Rate

O/N



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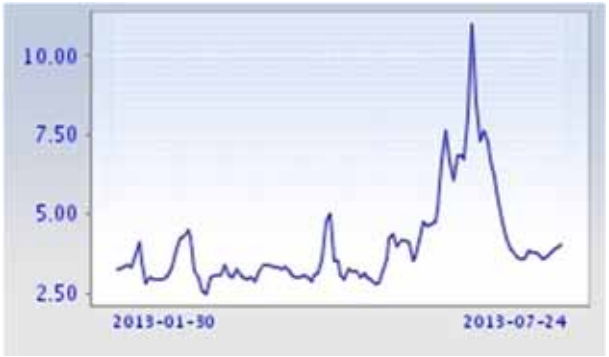

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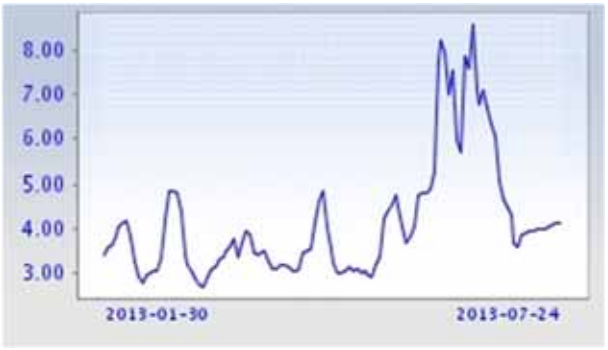

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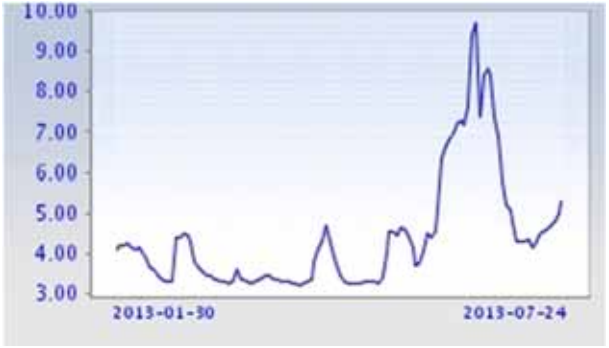

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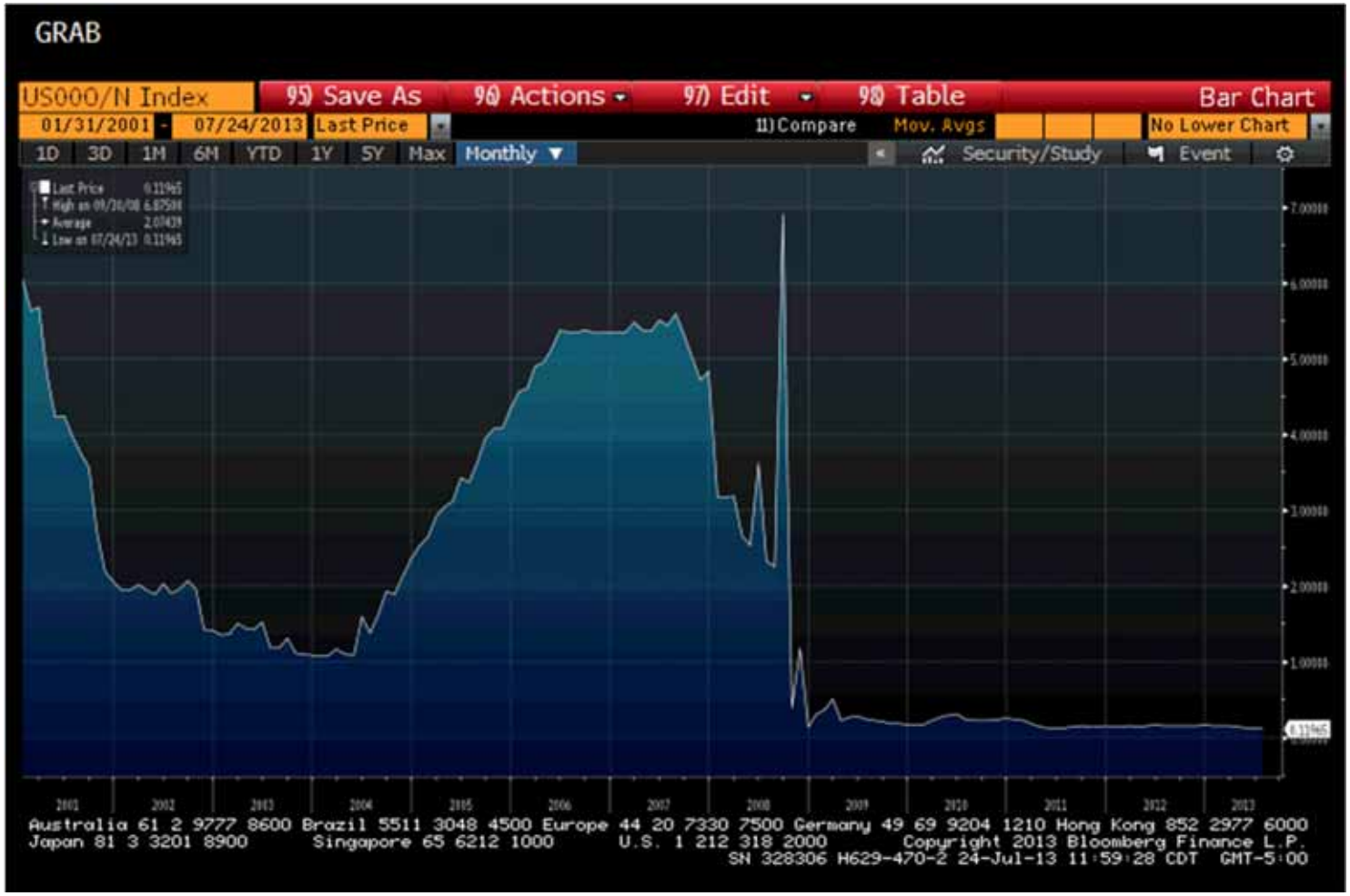
LIBOR



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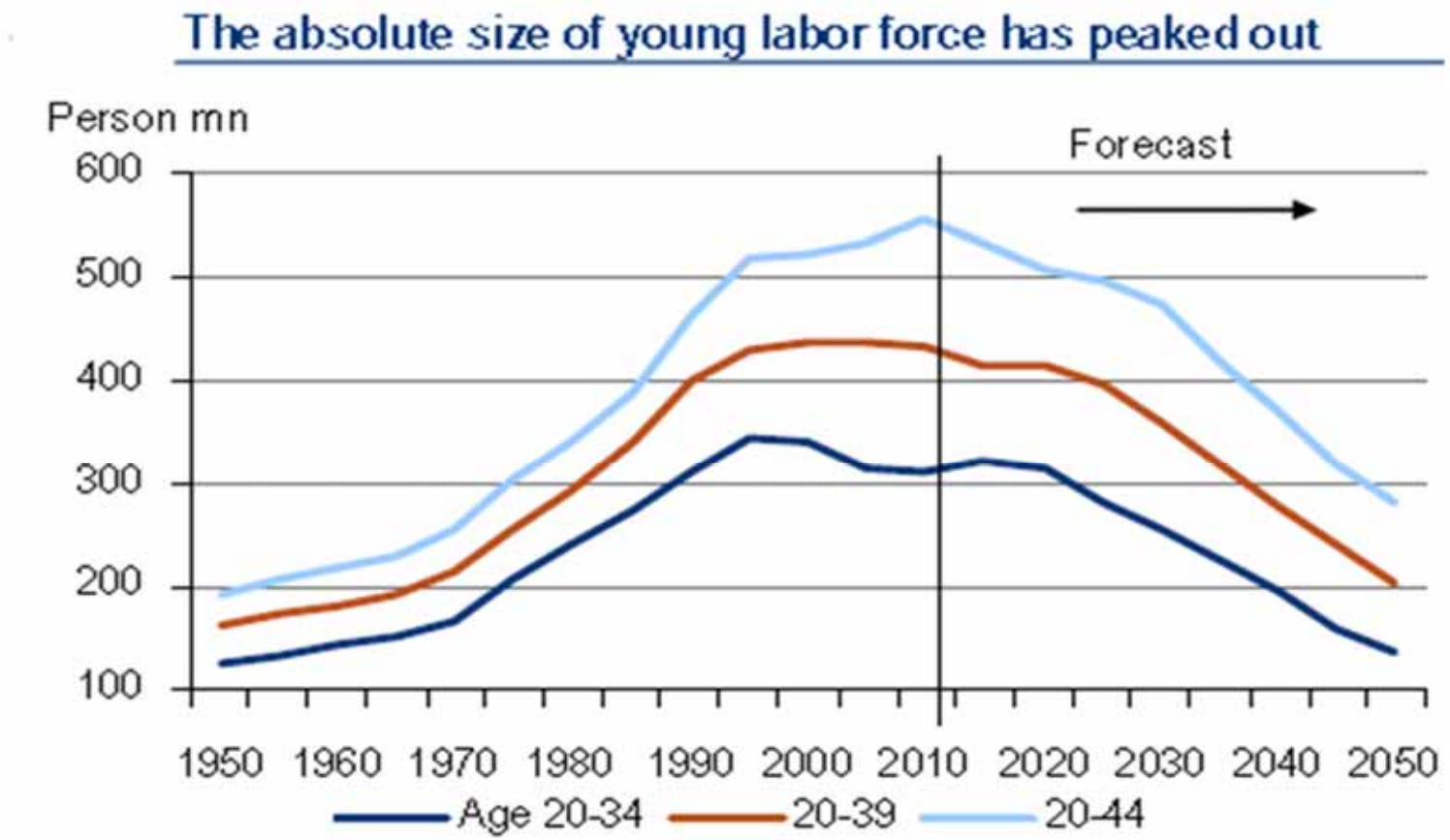
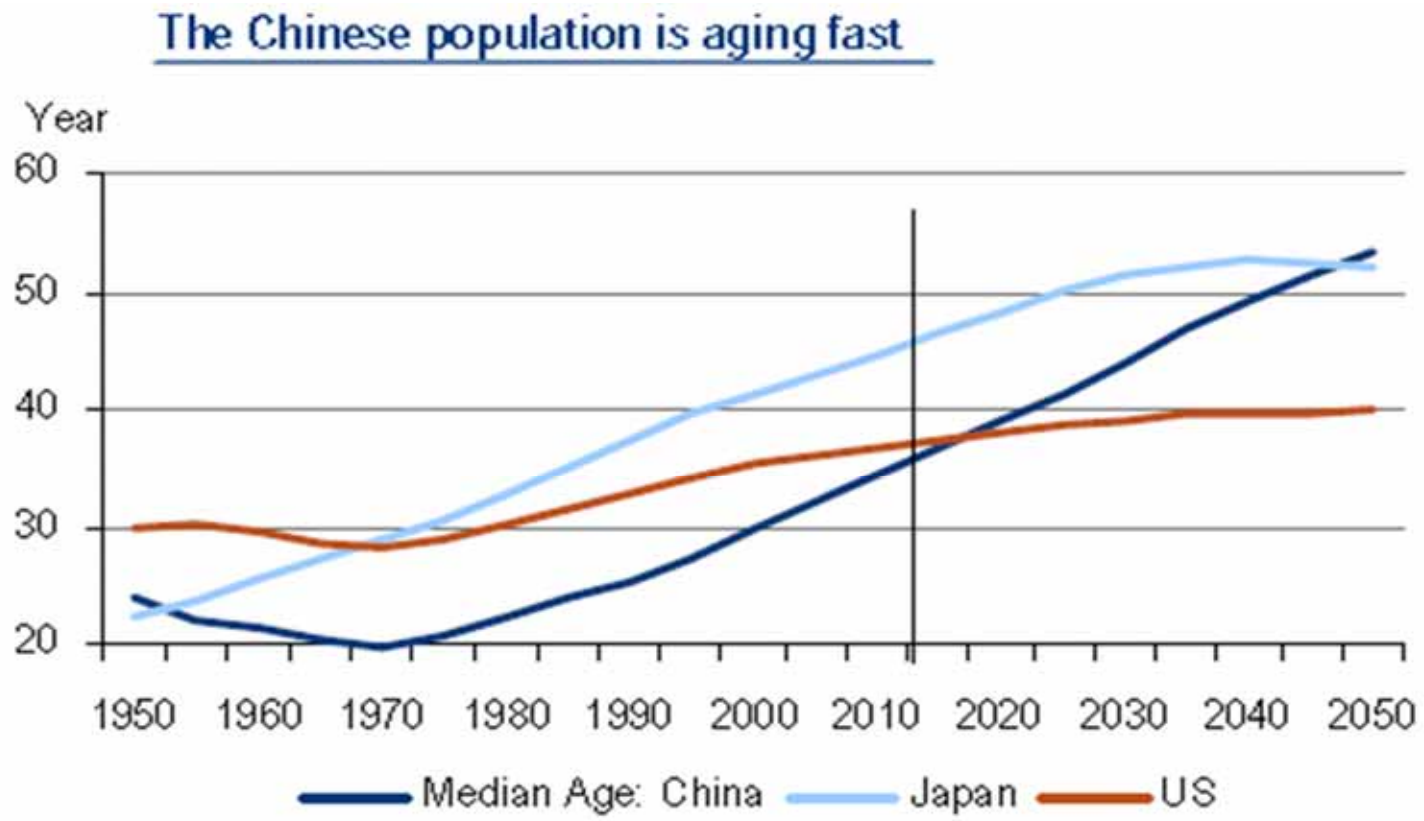
Chinese Population



Source: BofA Merrill Lynch and UN World Population Prospects 2010 Revision (Low variant used for China).

Chinese Population



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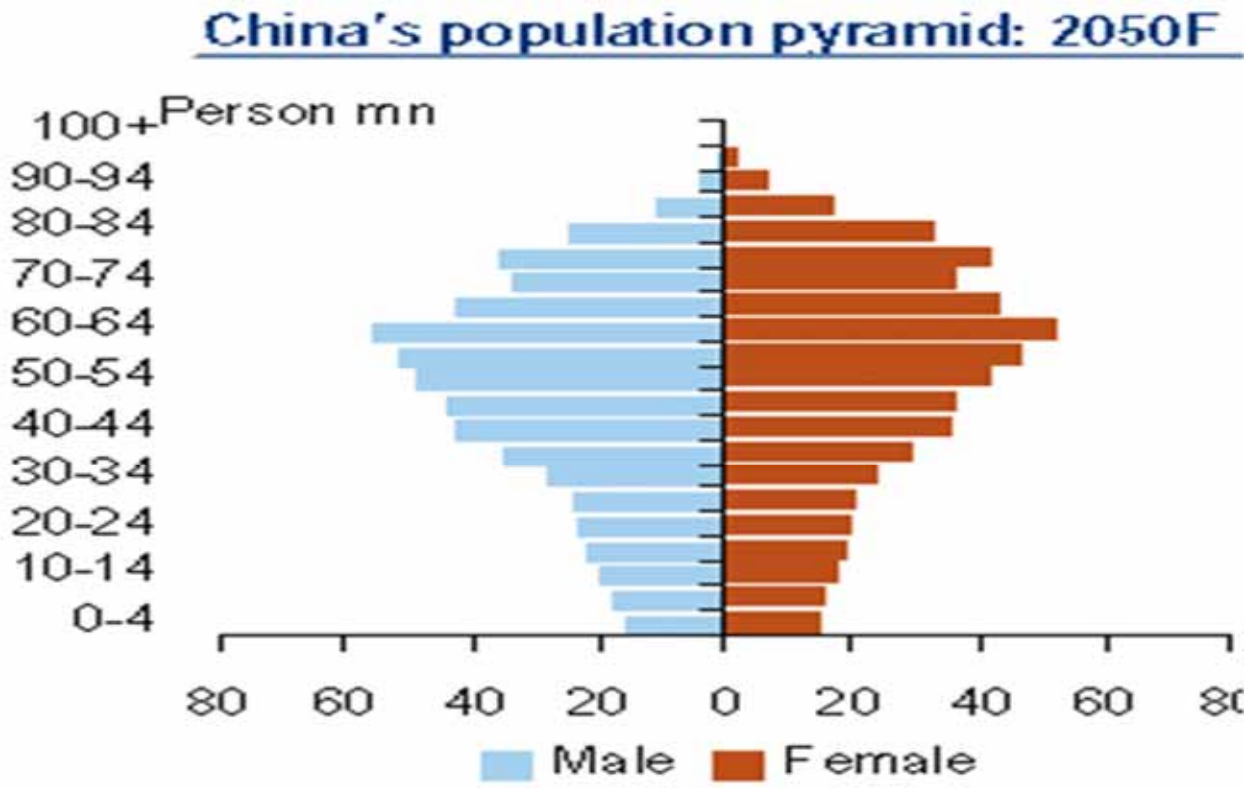
Chinese Population



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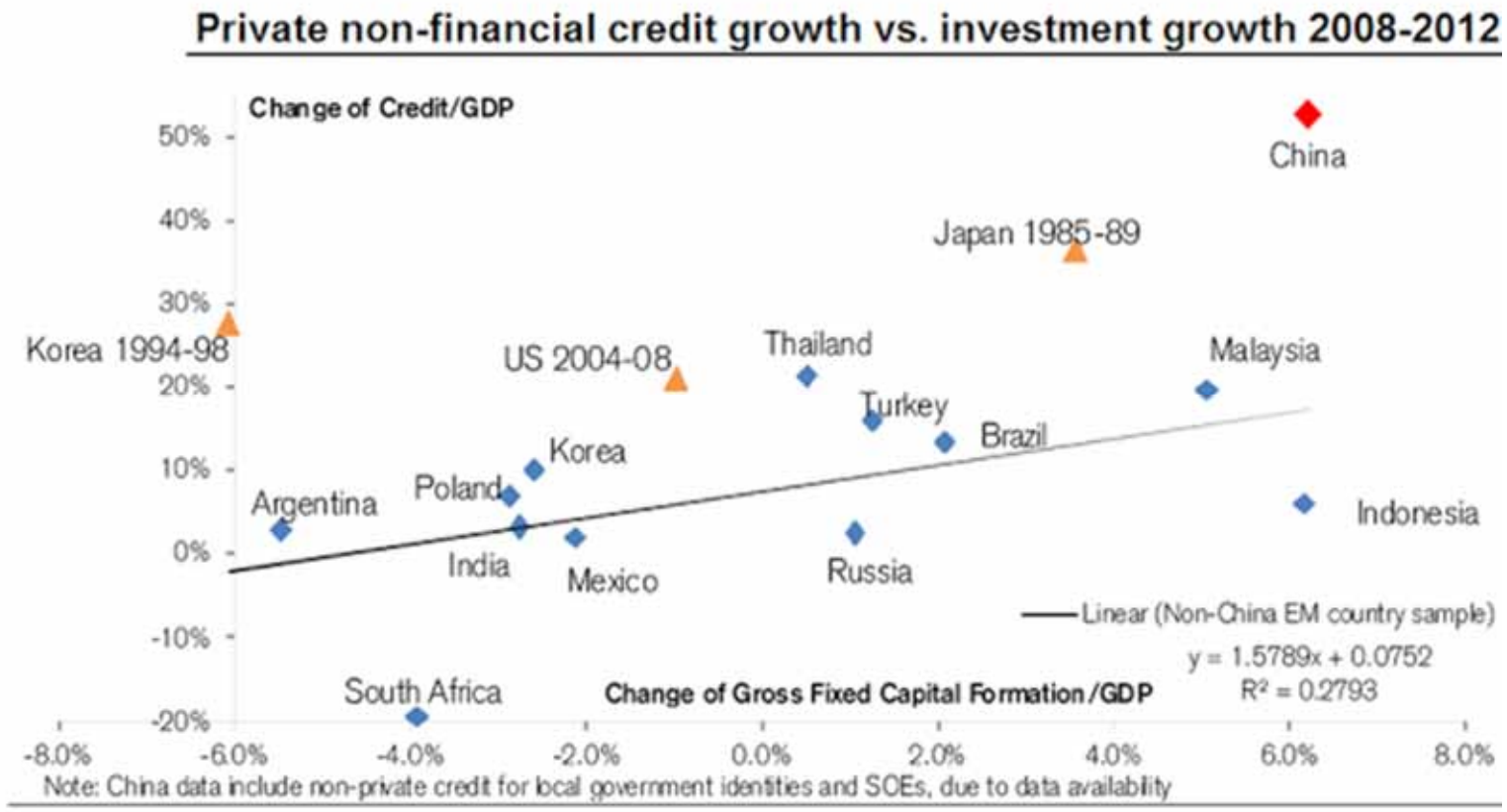
Credit vs Investment Growth



Source: Credit Suisse, BIS, World Bank

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