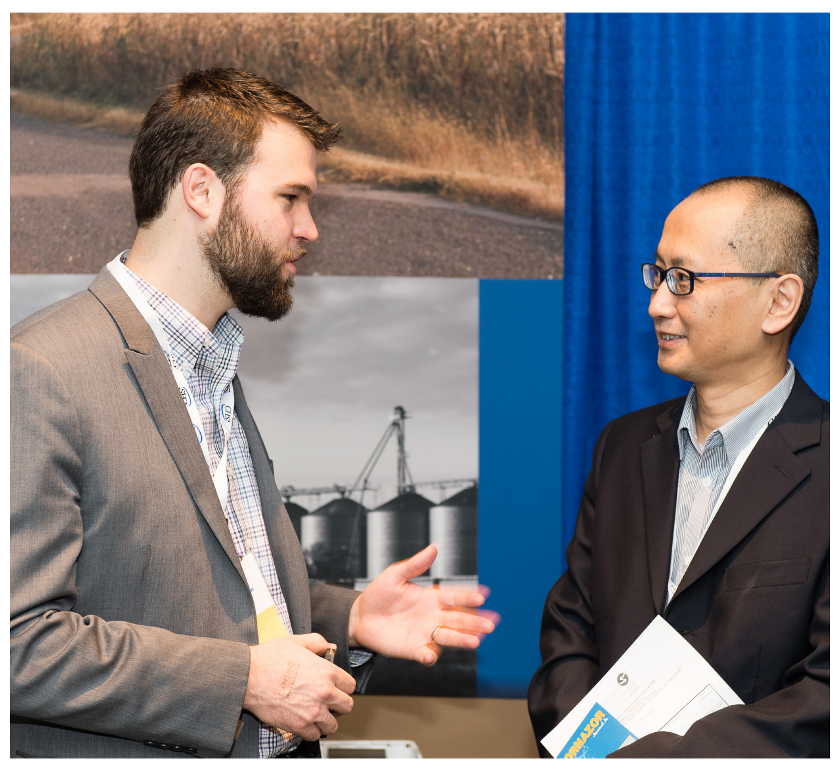
BUILDING

GLOBAL EXPORT

MARKETS



U.S. GRAINS COUNCIL

CORN | SORGHUM | BARLEY | DDGS | ETHANOL | VALUE-ADDED CO-PRODUCTS

KEY PRIORITIES & INITIATIVES

STRONG TRADE POLICIES REMAIN VITAL TO U.S. PRODUCERS

MAIZALL, the international maize alliance, continued to work on projects that benefit corn growers in the United States, Argentina and Brazil, honing their strategy and finding new opportunities to work globally in a changing policy environment. The Council also worked closely with its sister grower organizations to make the case for expanded market access through the Trans-Pacific Partnership (TPP) and Trans-Atlantic Trade and Investment Partnership (T-TIP) negotiations.

EXPORT EXCHANGE 2016: A HIT

With more than 200 international buyers of coarse grains from more than 35 countries, Export Exchange 2016 facilitated the sales of 2.6 million metric tons (102.4 million bushels) of coarse grains and co-products valued at $460 million.

IDENTIFYING AND OVERCOMING BARRIERS

The Council played a key role in the U.S. ethanol and DDGS industry's defense against anti-dumping and countervailing duties investigations by China. This coordination was essential to the industry being represented well throughout the proceedings in China and keeping the U.S. industry informed.

U.S. CORN & SORGHUM IN SOUTH AFRICA

South Africa experienced a severe drought in 2016 and needed to import corn, but taxed port facilities and lagging biotech trait approvals hindered the country's ability to import its needs. To help overcome these issues, the Council hosted a team of South African grain buyers to the United States, sent experts to South Africa and facilitated communication among the relevant parties in the public and private sector. Ultimately, South Africa allowed the import of U.S. corn and purchased U.S. sorghum.

ETHANOL EXPORT PROMOTION PROGRAM SWINGS INTO ACTION

The Council is building the foundation for future ethanol exports. From workshops in Japan and South Korea to hosting a trade team from Southeast Asia and participating in USDA missions to Mexico, the Council is engaging in developing markets for this renewable fuel source with partners in the U.S. ethanol industry.

CAPTURING & BUILDING DEMAND

FINDING NEW GRAIN DEMAND

From working in markets like Cuba and Tanzania that will take years to develop and open to U.S. trade to recapturing market share in re-emerging markets like Algeria and Malaysia, the Council's presence supports demand growth in new and emerging markets.

ALGERIA EXPERIENCED A

178%

increase in **U.S. corn imports** during the 2015/2016 marketing year.

BANGLADESH BOUGHT

100,000

metric tons of U.S. corn (3.9 million bushels) **for the first time in recent history**.

DEVELOPING MARKET SHARE

The Council's Colombia 2030 report shows a bullish potential for expanding U.S. feed grain exports, with corn exports projected to reach 5.5 million metric tons (216.5 million bushels) in 2020 and 7.8 million tons (307 million bushels) in 2030. Based on this research, the Council pivoted to a more engaged stance in this market, hosting trade teams, organizing trade schools and providing individual consultations for key buyers.

SERVING LOYAL MARKETS

The Council hosted trade teams from Taiwan, Japan and South Korea to help familiarize grain end-users and buyers with production, quality standards and nutritional value of U.S. coarse grains and co-products. These face-to-face interactions are key to building and maintaining trust in the United States as the long-term supplier of high-quality grain.

COMMODITY SPOTLIGHTS

SPOTLIGHT ON SORGHUM

While most U.S. sorghum was destined for China in recent years, the Council and the United Sorghum Checkoff Program (USCP) continue to look for new and developing markets for this coarse grain. For example, the Council and USCP hosted a team of commercial grain traders and end-users from the European Union to the United States to showcase the U.S. sorghum harvest.

In addition, the Council visited Peru in July to engage end-users, processors, merchandisers, traders and government officials in conversations about the benefits of U.S. sorghum.

CORN AND SORGHUM QUALITY REPORTS BUILD TRUST

In 2016, the Council released two corn and two sorghum quality reports, filled with unique and valuable information about that year's crop. By hosting roll-out events with the reports' release in markets around the globe, the Council answered buyers' and end-users' questions, boosting confidence in both quality and supply.

SPOTLIGHT ON BARLEY

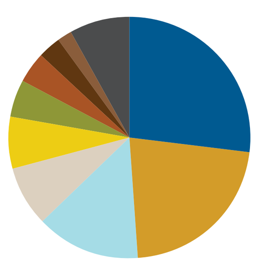
The Council pinpointed niche markets for food barley, malt and malting barley as key focal points for barley promotion. For example, a USGC-sponsored team of food barley end-users from Japan, South Korea and Taiwan visited North Dakota, Washington and Idaho in September 2016 to learn about U.S. barley production and procurement. The Council also assessed new food barley opportunities in Asia.

BIG YEAR FOR EXPORTS

The 2015/2016 marketing year experienced large exports as commodity prices remained low, with 100 million metric tons of U.S. feed grains in all forms exported across the world.

That boom is continuing into the 2016/2017 marketing year, which started September 1, 2016. In the first quarter alone, almost 28 million metric tons of feed grains in some form were exported.

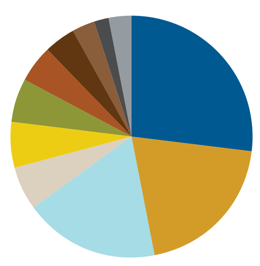
TOP U.S. ETHANOL CUSTOMERS



Canada	2,131.3	27%
China	1,728.3	22%
Brazil	1,108.6	14%
India	607.1	8%
Philippines	572.6	7%
South Korea	367.0	5%
Peru	314.5	4%
Mexico	259.2	3%
Jamaica	141.4	2%
Other	647.5	8%
TOTAL	7,877.6	TMT

Note: Volumes in corn equivalent
Source: USDA FAS GATS
Sept. 2015 to Aug. 2016

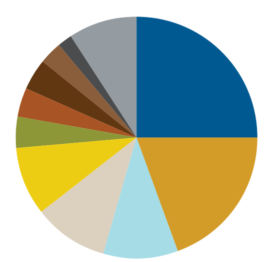
TOP U.S. CORN GLUTEN FEED CUSTOMERS



Ireland	295.6	27%
Turkey	219.7	20%
Israel	196.2	18%
Morocco	70.4	6%
Colombia	65.6	6%
Germany	63.2	6%
Portugal	57.9	5%
UK	40.1	4%
Canada	29.8	3%
Netherlands	19.1	2%
Other	34.9	3%
TOTAL	1,092.5	TMT

Source: USDA FAS GATS
Sept. 2015 to Aug. 2016

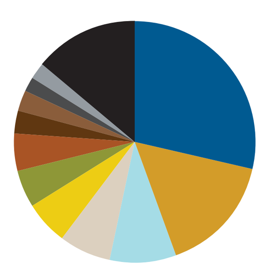
TOP U.S. CORN GLUTEN MEAL CUSTOMERS



Indonesia	185.6	25%
Egypt	144.1	19%
Chile	78.6	10%
Colombia	75.1	10%
Canada	71.2	9%
Mexico	31.5	4%
Taiwan	29.3	4%
Thailand	28.1	4%
Malaysia	20.9	3%
Vietnam	17.2	2%
Other	68.1	9%
TOTAL	749.8	TMT

Source: USDA FAS GATS
Sept. 2015 to Aug. 2016

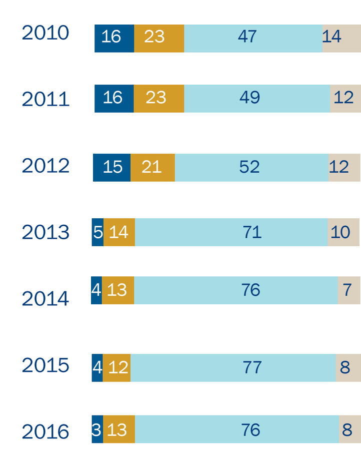
TOP U.S. DDGS CUSTOMERS



China	3,371.6	29%
Mexico	1,901.0	16%
Vietnam	1,006.0	9%
South Korea	844.6	7%
Turkey	695.5	6%
Thailand	587.0	5%
Canada	547.8	5%
Indonesia	335.9	3%
Japan	295.5	3%
Ireland	269.9	2%
Taiwan	217.1	2%
Others	1,653.4	14%
TOTAL	11,725.5	TMT

Source: USDA FAS GATS
Sept. 2015 to Aug. 2016

U.S. BIOTECH CORN



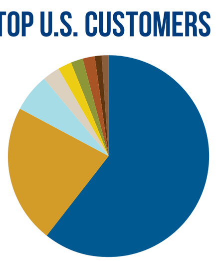
Year	Insect Resistance	Herbicide Restistance	Stacked	Non-Biotech
2010	16	23	47	14
2011	16	23	49	12
2012	15	21	52	12
2013	5	14	71	10
2014	4	13	76	7
2015	4	12	77	8
2016	3	13	76	8

By Percentages

Source: USDA/NASS
Acreage Report
June 2015 to May 2016

BARLEY

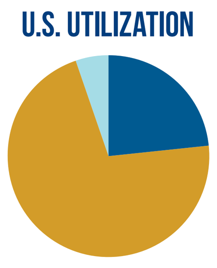
TOP U.S. CUSTOMERS



Mexico	140.7	60%
Canada	51.7	22%
Morocco	13.8	6%
Taiwan	6.4	3%
Pakistan	5.8	2%
Japan	5.3	2%
South Korea	3.6	2%
Oman	2.9	1%
Other	3.4	1%
TOTAL	233.6	TMT

Source: USDA FAS GATS
June 2015 to May 2016

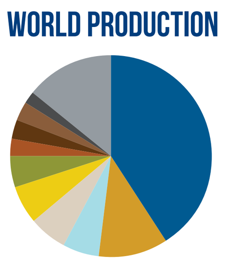
U.S. UTILIZATION



Feed & Residual	1.09	23%
Food, Seed & Industrial	3.33	71%
Exports	0.24	5%
TOTAL	4.659	MMT

Source: USDA WASDE
June 2015 to May 2016

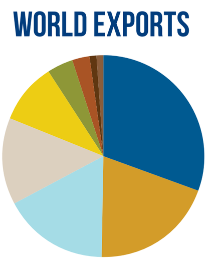
WORLD PRODUCTION



EU	61,517	41%
Russia	17,083	11%
Ukraine	8,751	6%
Australia	8,593	6%
Canada	8,226	6%
Turkey	7,400	5%
U.S.	4,750	3%
Iran	3,800	3%
Argentina	4,940	3%
Kazakhstan	2,675	2%
Others	20,987	14%
TOTAL	148,722	TMT

Source: USDA World
Markets & Trade
Local Marketing Years
2015/2016

WORLD EXPORTS

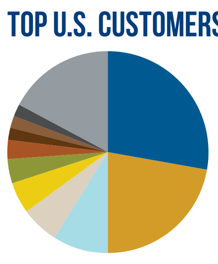


EU	8,603	31%
Australia	5,400	20%
Ukraine	4,673	17%
Russia	3,735	14%
Argentina	2,836	10%
Canada	1,146	4%
Kazakhstan	776	3%
U.S.	161	1%
Others	146	1%
TOTAL	27,476	TMT

Source: USDA World
Markets & Trade
Oct. 2015 to Sept. 2016

CORN

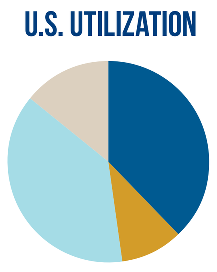
TOP U.S. CUSTOMERS



Mexico	13,321.4	28%
Japan	10,391.4	22%
Colombia	4,547.7	9%
South Korea	2,964.0	6%
Peru	2,382.7	5%
Taiwan	2,047.0	4%
Saudia Arabia	1,388.6	3%
Venezuela	1,154.2	2%
Canada	980.7	2%
Guatemala	882.6	2%
Others	8,078.1	17%
TOTAL	48,138.5	TMT

Source: USDA FAS GATS
Sept. 2015 to Aug. 2016

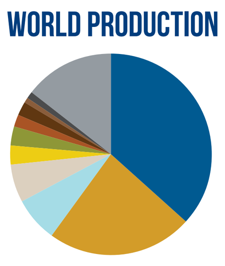
U.S. UTILIZATION



Feed & Residual	130.33	38%
Food, Seed & Industrial	36.30	10%
Ethanol & By-products	132.24	38%
Exports	48.21	14%
TOTAL	347.084	MMT

Source: WASDE
Sept. 2015 to Aug. 2016

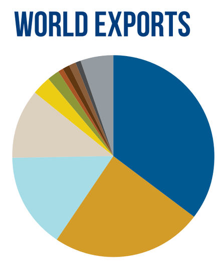
WORLD PRODUCTION



U.S.	345,506	36%
China	224,632	23%
Brazil	67,000	7%
EU	58,480	6%
Argentina	29,000	3%
Mexico	25,800	3%
Ukraine	23,333	2%
India	21,800	2%
Canada	13,559	1%
Russia	13,168	1%
Others	138,825	14%
TOTAL	961,103	TMT

Source: USDA World
Markets & Trade
Local Marketing Years
2015/2016

WORLD EXPORTS

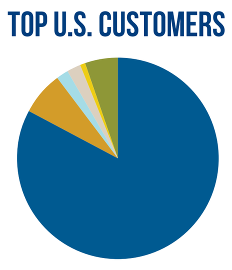


U.S.	51,198	35%
Brazil	35,382	24%
Argentina	21,672	15%
Ukraine	16,595	11%
Russia	4,691	3%
Paraguay	2,661	2%
EU	1,949	1%
Mexico	1,559	1%
Serbia	1,513	1%
Burma	1,000	1%
Others	6,721	5%
TOTAL	144,941	TMT

Source: USDA World
Markets & Trade
Oct. 2015 to Sept. 2016

SORGHUM

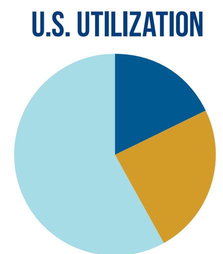
TOP U.S. CUSTOMERS



China	7,005.7	82%
Mexico	606.1	7%
Pakistan	204.4	2%
Sudan	193.0	2%
South Africa	99.3	1%
Others	452.7	5%
TOTAL	8,561.2	TMT

Source: USDA FAS GATS
Sept. 2015 to Aug. 2016

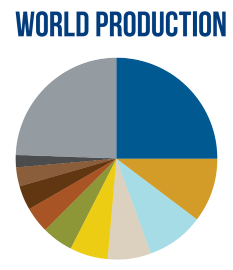
U.S. UTILIZATION



Feed & Residual	2.62	18%
Food, Seed & Industrial	3.61	24%
Exports	8.61	58%
TOTAL	14.834	MMT

Source: WASDE
Sept. 2015 to Aug. 2016

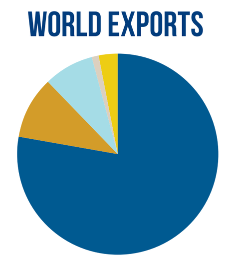
WORLD PRODUCTION



U.S.	15,158	25%
Nigeria	6,150	10%
Mexico	5,550	9%
India	4,410	7%
Argentina	3,375	6%
China	2,750	5%
Ethiopia	2,600	4%
Sudan	2,388	4%
Australia	2,037	3%
Brazil	1,080	2%
Others	14,414	24%
TOTAL	59,912	TMT

Source: USDA World
Markets & Trade
Local Marketing Years
2015/2016

WORLD EXPORTS



U.S.	7,895	78%
Australia	1,000	10%
Argentina	772	8%
Ukraine	120	1%
Others	327	3%
TOTAL	10,114	TMT

Source: USDA World
Markets & Trade
Oct. 2015 to Sept. 2016