

PUBLISHED ON BLOOMBERG NEWSWIRE -- Monday, Nov. 14, Tuesday, Nov. 15, 2016

by Megan Durisin, who attended the 2016 Organic & Non-GMO Forum and Oilseed & Grain Trade Summit in Minneapolis

U.S. Meat Prices Seen ‘Very Favorable’ for Shoppers: Rabobank

By Megan Durisin

(Bloomberg) -- U.S. red meat and poultry output probably will rise ~2.5% next year as animal supplies expand and slaughter weights increase, Deborah Perkins, managing director at Rabobank, says Tuesday in interview at industry conference in Minneapolis.

- “That will increase domestic consumption, but it’s really going to rely on exports as well”
- Meat prices seen remaining “very favorable” for consumers
- “As we see a significant increase in production on all three proteins, that will likely lead to lower prices”
- Slaughter capacity is rising in pork and poultry sectors, and herd rebuilding continues for cattle
- Producers may sell animals to meatpackers at lighter weights if margins are unfavorable
- Dollar’s rally and murky U.S. trade policy under new Trump administration may hinder exports

BNSF Says Well-Positioned to Handle Record U.S. Grain Harvest

By Megan Durisin

(Bloomberg) -- Co. has spent capital, added capacity in last three years, Rob Keller, BNSF Railway’s director of feed grains and oilseeds, says in presentation at Oilseed & Grain Trade Summit in Minneapolis.

- BNSF had “record summer” for grain volumes, partly as weather problems for Brazil crops spurred world buyers to purchase U.S. supplies at non-traditional time of year
 - “It allowed us to ramp up slowly; we had our harvest ramp-up two months before harvest took place”
- Co. hired additional crew, bought more locomotives and added capacity to northern corridor to handle large grain crops
- “We were able to set ourselves up very nicely to handle the record harvest”

U.S. Organic Feed Industry Now Reliant on Imports: Agromeris

By Megan Durisin

(Bloomberg) -- Growing consumer demand for organic livestock products, particularly poultry, is increasing need for feed, Peter Golbitz, founder of consulting firm Agromeris, says at Organic & Non-GMO Forum in Minneapolis.

- “The feed industry has become dependent upon imports for growth,” and demand continues to rise
- NOTE: U.S. imports of organic corn more than tripled in 2015 y/y, and are up another 120% in first nine months of 2016, USDA data show; organic soybean imports climb 17% this year through Sept.
- Almost all imported corn, soy used for animal feed: Golbitz
- Less than 1% of U.S. corn, soy acres are organic
- “It’s depressing local pricing by bringing in these products”
- “It’s a disincentive for American producers to get into the market if those who are buying grain are looking for the cheapest possible product”
- “We really need to stimulate organic production in the U.S. to grow and support these markets going forward”
- Domestic production isn’t meeting demand, and growing dependence on imports adds risks to developing organic products