



U.S. Export Competitiveness in Select Crop Markets

Samantha Padilla, Danielle J. Ufer, Stephen Morgan, and Noah Link

What Is the Issue?

The emergence of new competitors, new and amended trade agreements, and changing export markets have influenced the trade performance of U.S. agricultural commodities over the past two decades. Although the United States remains a major exporter of corn, soybeans (including soybean products), cotton, wheat, and tree nuts, competition from countries such as Brazil and Argentina has limited the presence of U.S. products in certain markets. This report provides information about challenges and opportunities in these five crop markets, as well as a commodity-specific analysis of U.S. export competitiveness.

What Did the Study Find?

Export shares and exports-to-production ratios indicate the United States continues to be the top exporter of corn, tree nuts, and cotton, while other competitors have penetrated the global wheat and soybean markets. Over the last decade, the United States lost its position in the global wheat market as the European Union (EU), Russia, and Ukraine gained market shares. Similarly, Brazil and Argentina continue to pose a challenge to U.S. soybean exports. For instance, since 2021, Brazil has been the largest exporter of soybean oilseed. The United States' involvement in trade agreements, particularly with emerging markets, contributes to its export competitiveness. However, from 2012 through 2020, the United States did not establish any new free trade agreements (FTAs), potentially limiting U.S. export opportunities in some emerging markets while other competitors signed multiple FTAs during that same period.

The results of the study highlight U.S. export competitiveness for five focal product groups:

- **Corn:** The United States remains the world leader in corn exports, though competition from Brazil, Argentina, and Ukraine has increased in the last decade. U.S. corn exports were valued at over \$9.2 billion in calendar year (CY) 2020 and \$18.7 billion in CY 2021. U.S. corn represents a large share of the corn imported by China, Japan, South Korea, Mexico, and Colombia—all countries with a U.S. trade agreement in place.
- **Soybeans and derivative products:** Soybeans continue to be the most valuable commodity exported by the United States, valued at \$25.5 billion in CY 2020 and \$27.4 billion in CY 2021. Though U.S. soybean



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(including soybean meal and oil) trade has trended upward since 2000, it faces competition from Brazil and Argentina. China remains the largest market for U.S. soybean oilseed, which accounted for over \$50 billion of U.S. soybean exports from 2016 to 2020. A potential threat to U.S. soybean exports is the heavy dependence on China for purchase.

- **Wheat products:** The United States is one of six major global wheat exporters—the others being the EU, Russia, Canada, Australia, and Ukraine. Jointly these exporters accounted for over 70 percent of global wheat exports by value in CY 2021. However, the U.S. wheat market share has trended downward since 2000. In CY 2021, U.S. exports of wheat products were valued at \$7.7 billion. Major U.S. wheat export destinations shifted since 2000, with U.S. wheat exports to Egypt declining and wheat exports to Mexico and the Philippines increasing over the last decade. Drought and producer preference for higher value crops (e.g., corn and soybean oilseed) may reduce U.S. wheat production and exports.
- **Tree nuts:** U.S. total tree nut production and exports remain the largest in the world, with specialized advantages in almonds, walnuts, and pistachios. Total tree nut exports totaled \$8.4 billion in CY 2020 and \$8.8 billion in CY 2021. Other major tree nut exporters include Turkey, China, Iran, and the EU. Climate-related threats of water shortage and wildfire in major producing regions put U.S. tree nut competitiveness at risk, but production growth in other regions presents opportunities for diversified exports.
- **Cotton:** U.S. cotton exports fluctuated over the past 20 years, most recently accounting for nearly 30 percent of the global cotton trade, valued at \$5.7 billion in CY 2021. U.S. cotton faces increasing export competition from Brazil, India, and Australia.

How Was the Study Conducted?

The report drew on two main sources of data to study the export performance of the United States. First, this report relied on the Production, Supply and Distribution (PSD) online database from USDA, Foreign Agricultural Service (FAS) to calculate exports-to-production indices for five crop commodities and describe the exports of other competing countries. Second, this report used Trade Data Monitor (TDM) to access export data from the U.S. Department of Commerce's Bureau of the Census. Export shares for the United States and other countries were calculated using TDM.