

April 4, 2018

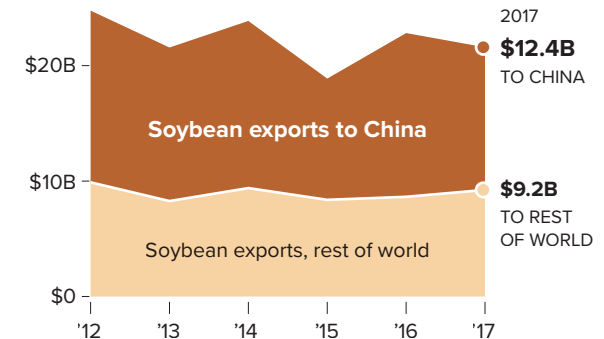
Chinese Soybean Tariff Could Drastically Affect Industry

China recently announced additional tariffs on American goods, including a 25 percent tariff on certain soybean products. American Soybean Association President John Heisdorffer said the tariffs would have a “devastating” effect on the U.S. soybean industry. China accounts for 61 percent of U.S. soybean exports, or more than 30 percent of U.S. production, per the association. Soybean futures finished trading on April 4 down 2.2 percent.

China instituted other tariffs, targeting products including pork and produce, on April 2.

Farmers for Free Trade, an organization representing U.S. farmers, has also opposed the tariffs.

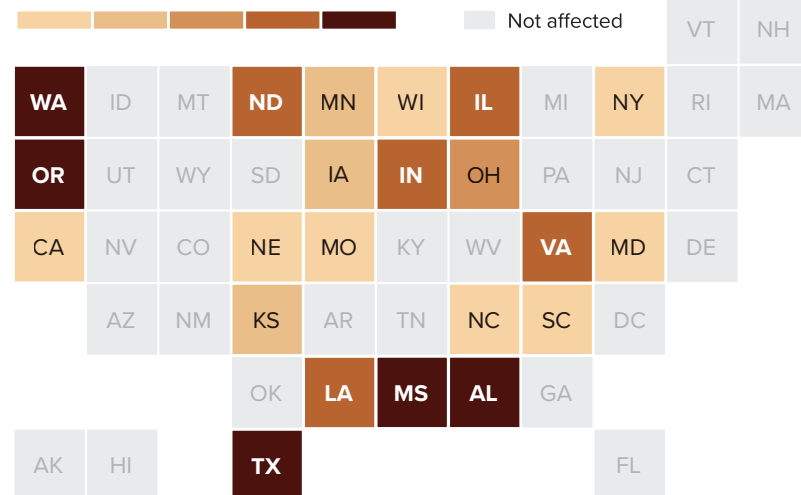
On April 4, chair Max Baucus released a statement urging the Trump administration to “reconsider” engaging China in a trade war.



Soybean exports to China, 2017

PERCENT OF TOTAL SOY EXPORTS

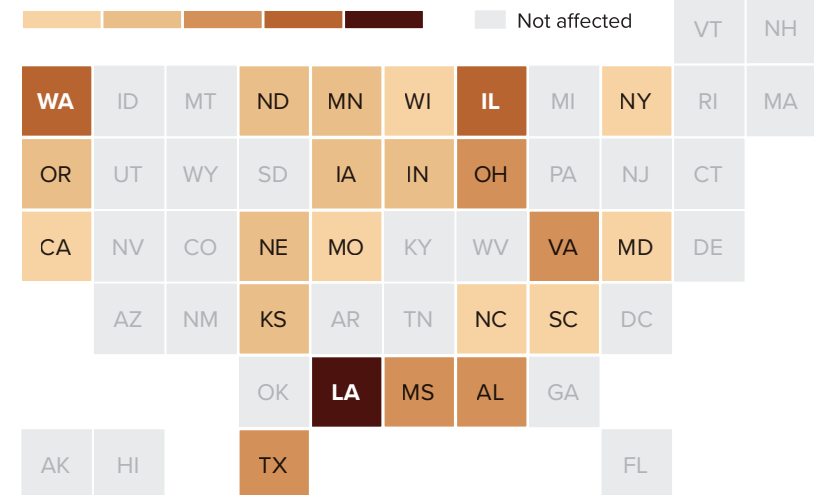
0% 10% 30% 50% 80% 100%



Soybean exports to China, 2017

DOLLAR VALUE

\$80K \$10M \$100M \$1B \$5B



Note: These charts rely on six-digit-level HS code data for soybean products, 120190, which is available at the state level from the U.S. Census Bureau. Documents released by the Chinese Ministry of Commerce refer to two soybean products at the eight-digit level of HS codes, 12019010 and 12019020, which is the next level of granularity in the Harmonized System. Thus, these charts include all exports referred to by the Ministry of Commerce by these two codes, but may also include additional soybean products not otherwise affected by the tariffs. These charts do not include exports to Hong Kong.

Sources: U.S. Census Bureau; American Soybean Association; Farmers for Free Trade

By Taylor Miller Thomas, POLITICO Pro DataPoint

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