

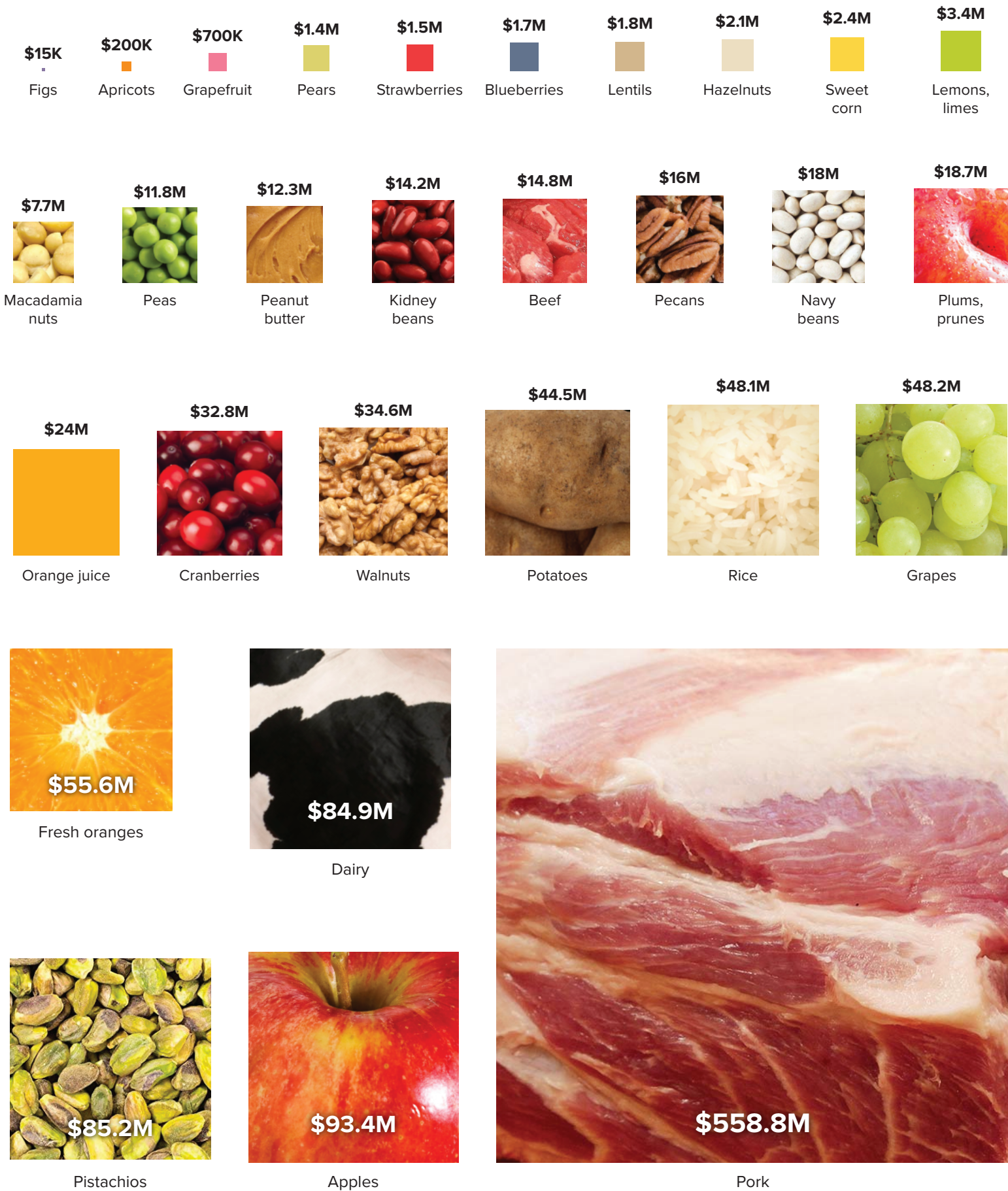
Sept. 12, 2018

USDA Preps \$1.2B in Commodity Purchases

Beginning on Oct. 1, the USDA's Agricultural Marketing Service will begin a \$1.2 billion food purchase and distribution program to counteract retaliatory tariffs on U.S. agricultural exports. The food that the AMS purchases will be distributed to food banks and other programs, such as the National School Lunch Program.

The purchase program is one of three programs announced in August as part of a planned \$12 billion in aid to farmers affected by retaliatory tariffs. Trading partners have targeted U.S. ag products — including soybeans, sorghum and wheat — in response to new U.S. tariffs on steel and aluminum and, in China's case, following U.S. tariffs on other goods. Two other aid programs, a \$4.7 billion market facilitation program and a \$200 million trade promotion program, will buy crops directly from farmers and develop new markets for U.S. agricultural exports. The three programs are initially set to deliver about \$6.3 billion in aid.

Planned purchases: Food purchase and distribution program



Source: USDA; food images from Amazon, Whole Foods, Dole, Green Valley, Jain Dry Fruits

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