

USSEC GLOBAL NEWS UPDATE

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Southeast Asian Importers Learn Grain Market Risk Management Skills in Singapore

USSEC teamed with the CME Group, the U.S. Grains Council and Thomson Reuters to conduct a week-long risk management program in Singapore as part of the U.S. Ag Commodities Risk Management Workshop Series. The Southeast Asia region is considered a growth market and is the 5th largest U.S. soybean importer and 3rd largest U.S. soy meal importer. The Risk Management program, covering the fundamentals of commodity markets and the use of price risk management tools, attracted more than 50 participants. Workshop options included an Introductory Grains Course or Intermediate Hedging Course. The format of each workshop was highly interactive and practical, with tutorials being reinforced with the trading simulation computer software developed by USSEC using the sophisticated computer terminals sponsored by Thomson Reuters. In between courses, an industry seminar was added to provide participants with critical market information and explore practical approaches for managing their business risks. The seminar highlighted the various risks within the agri-business and commodities industry that must be considered, such as freight risks and contract risks. It also provided lessons learned from the U.S. industry and the approach of managing risk from a local end-user. Speakers included Mr. Jay O'Neil (Kansas State University), Timothy Loh (USSEC Singapore), Chanachai Nilgianskul (CLA Intertrade Co. Ltd), Tanna Tan (Touton Far East), Nelson Low (CME Group Singapore) and Oscar Tjakra (RaboBank). As a direct result from this program, Thomson Reuters and Bunge Agribusiness have approached USSEC for further use of the simulation hedging software and develop a customized in-house risk management program for their companies and customers.



The activities of the U.S. Soybean Export Council to expand international markets for U.S. soybeans and soy products are made possible by producer checkoff dollars invested by the United Soybean Board and various State Soybean Councils, support from cooperating industry, and through the American Soybean Association's investment of cost-share funding provided by USDA's Foreign Agricultural Service.