



Summary of Key Findings

July 2020

COVID-19 losses for U.S. soybean crushers and farmers



This study was prepared by LMC International for the National Oilseed Processors Association and United Soybean Board in order to assess the loss of soybean and soybean product value in the 2019/20 market year due to the COVID-19 pandemic.

To avoid possible bias in the analysis of the impact, the statistics are entirely derived from USDA WASDE reports. These monthly reports give estimates for the market year of output, sales (domestic and export) and the average price received over the 12 months.

The January WASDE report was issued when the first signs of China's epidemic arose. The June report was issued once it was possible to take a considered view of the scale of what had become a global pandemic. The differences between the estimates in the two reports are viewed as an independent indication of the damage wrought by the COVID-19 virus.

For **soybeans**, the 2019/20 crop was already known in January. The main changes in WASDE estimates were a downgrading of average farmgate prices for the year as a whole.

For **soybean meal**, the changes in output projections were small, and the main financial losses attributed to COVID-19 were, as with beans, linked to a fall in average prices.

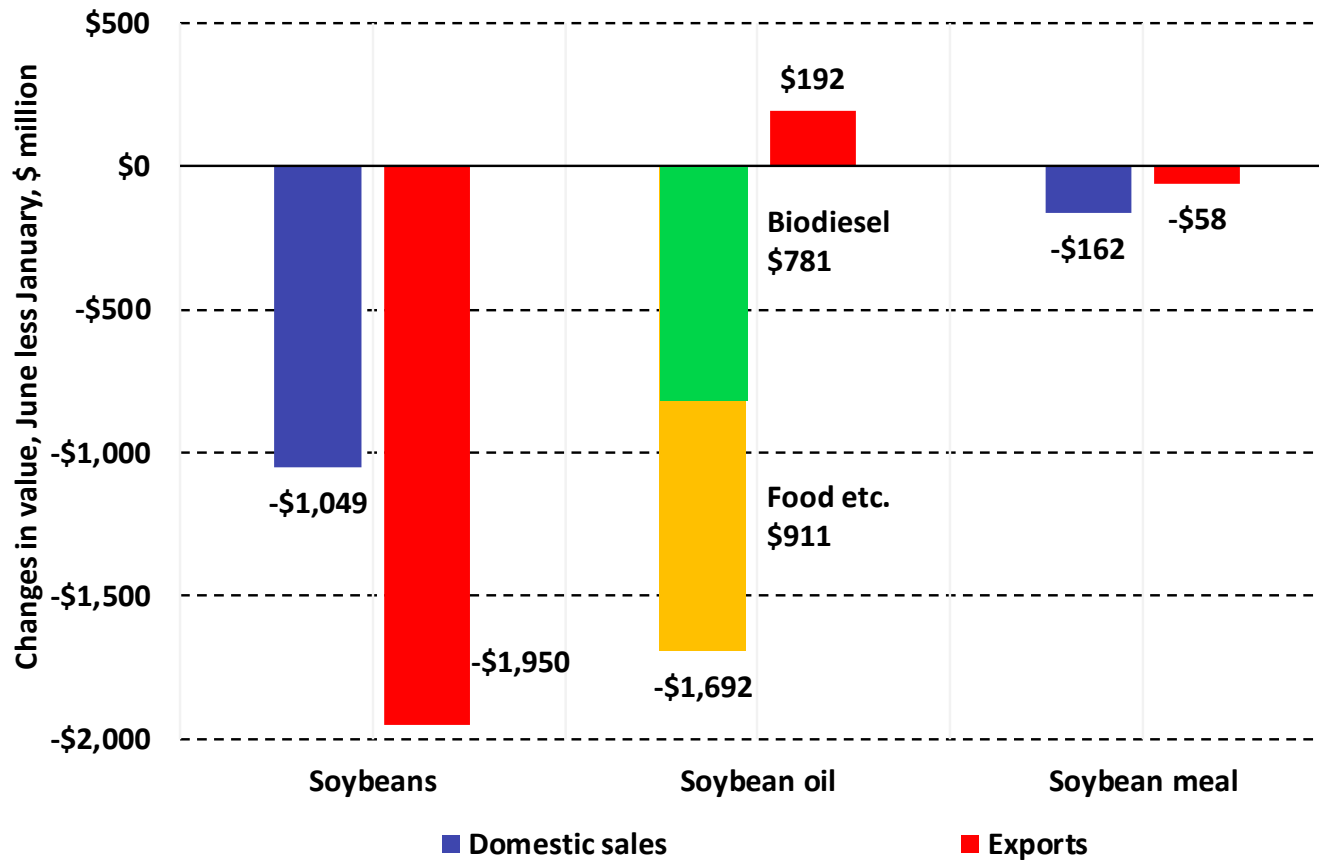
For **soybean oil**, the losses of value caused by COVID-19 were due to a combination of lower average selling prices in 2019/20 and lower domestic sales, notably for biodiesel, which was pulled down by lower diesel fuel use. The fall in local sales is expected to force the U.S. to need to develop new export markets for the displaced soybean oil.





Loss of soybean and soybean product value

Loss of soybean and soybean product value in domestic sales, exports and changes in end-stocks, in the 2019/20 market year due to COVID-19, \$ million



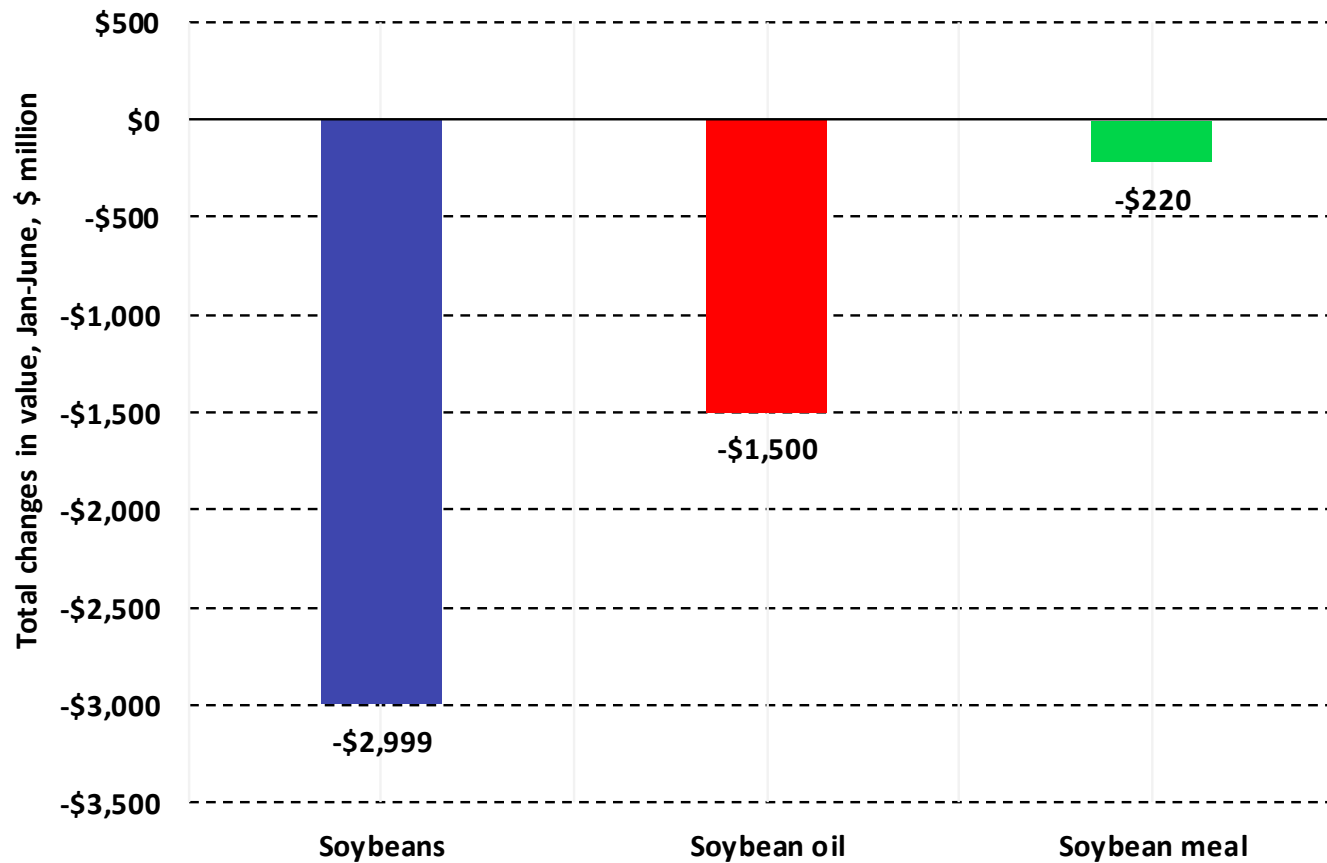
Source: Derived from data in USDA WASDE reports published in January and June 2020.



Total loss of soybean and soybean product value



Total loss of soybean and soybean product value, including the change in the value of end-stocks, in the 2019/20 market year due to COVID-19, \$ million



Source: Derived from data in USDA WASDE reports published in January and June 2020.



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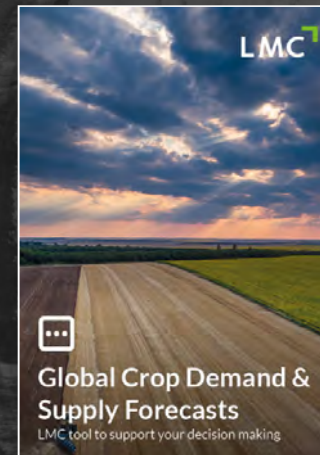
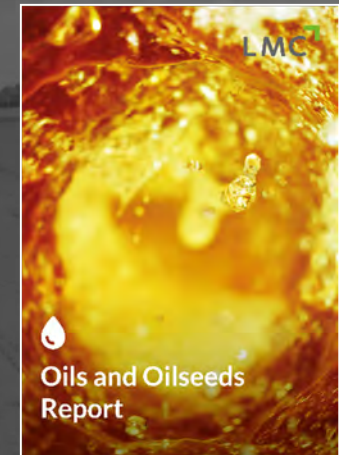
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