

Pinto & Navy Bean Market Outlook

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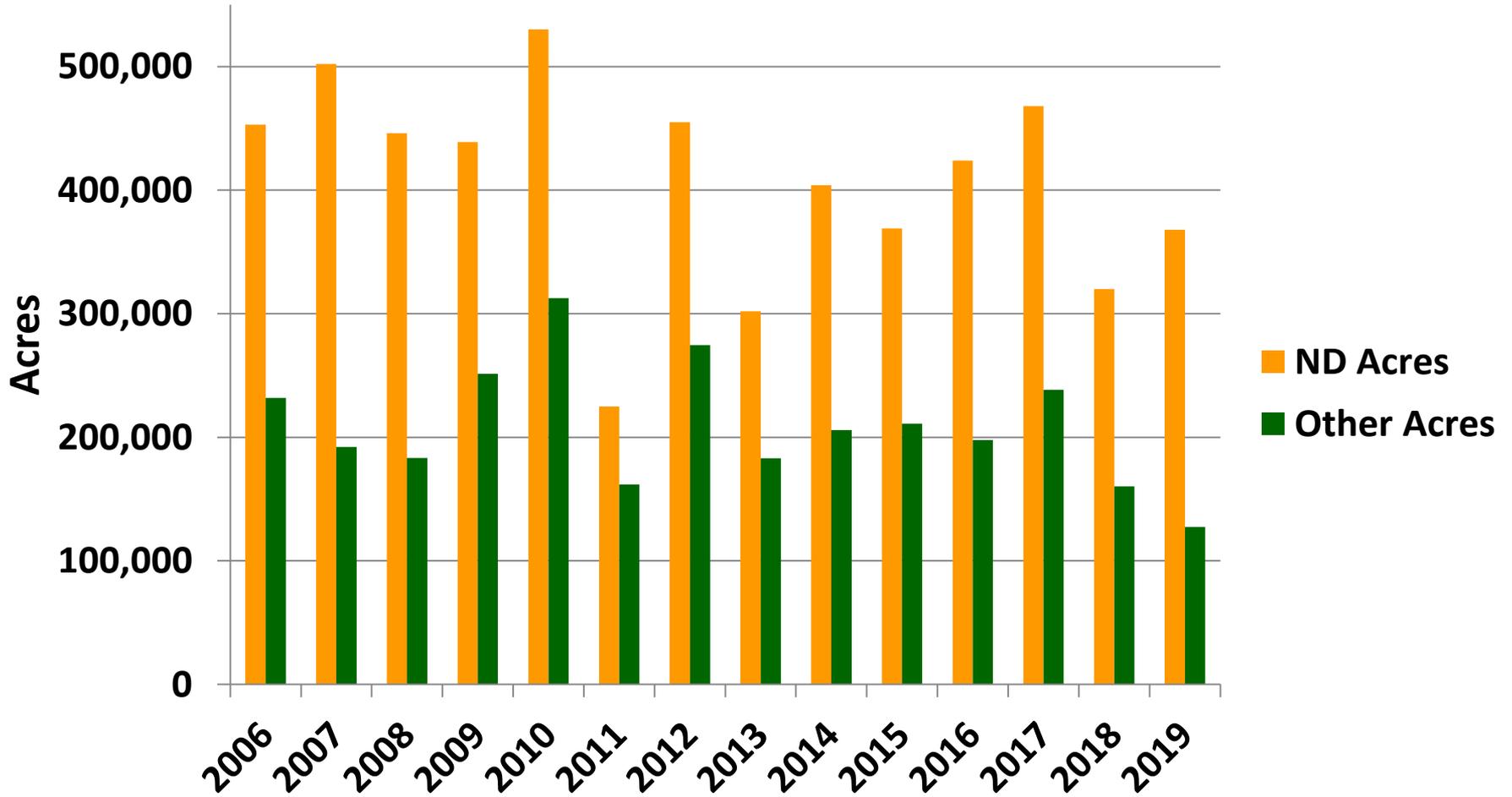
Dept. of Agribusiness & Applied Economics

EXTENDING KNOWLEDGE >> CHANGING LIVES

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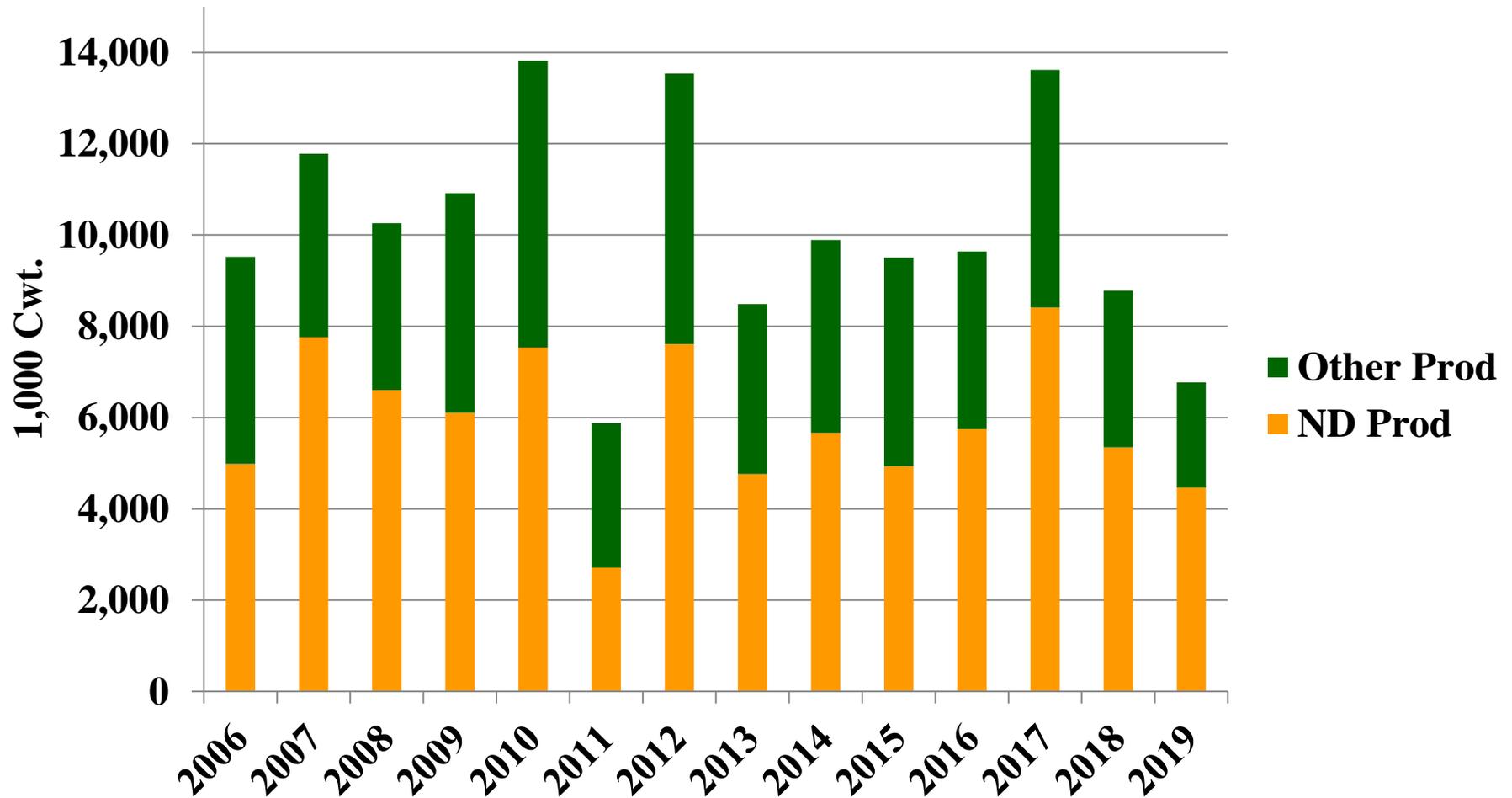
EXTENSION

Pinto Bean – Planted Acres



Pinto Bean – Production

(1,000 Cwt.)



Pinto Bean Outlook

- Domestic customers account for approximately 75% of total use.
- Domestic use has been relatively stable, but COVID-19 is shifting supply chains.
 - Increased demand for canned product.
 - Stay at home meals or hoarding?
 - Growing interest from food banks.
 - How long will this last?
 - Increased demand for consumer packaged product.
 - More time to prepare traditional ethnic meals.
 - Loss of food service and institutional demand.
 - Restaurants and school lunches.

U.S. Pinto Bean Exports by Country

(1,000 Pounds)

Country	2015/2016	2016/2017	2017/2018	2018/2019
Mexico	61,587	27,288	56,767	38,646
Dominican Republic	57,809	42,315	36,796	38,774
Haiti	31,477	17,651	21,690	23,547
Angola	10,337	620	795	760
Mozambique	1,408	10,717	0	0
Other	24,269	24,674	15,905	10,966
Total	186,887	123,265	131,953	112,299

Pinto Bean Outlook

- Mexico and Dominican Republic are largest export markets.
 - USMCA agreement is important and is scheduled to be in effect on July 1, 2020.
 - Mexican export sales have been sporadic.
 - How will COVID-19 impact Mexican economy?
 - Crude Oil prices
 - Automobile assembly
 - Service workers
 - Will there be an increase in international food aid and PL-480 purchases.
 - Will export financing be available?

U.S. Dollar vs. Mexican Peso



Pinto Bean Outlook

- Acreage expansion is needed to rebuild inventories.
 - Increased acreage and above average yields could lead to lower prices for multiple years.
 - Tight seed supplies will limit acreage expansion.
 - Using bin-run seed is not recommended.
 - Prevent Plant is a significant concern.
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North Dakota Prospective Plantings

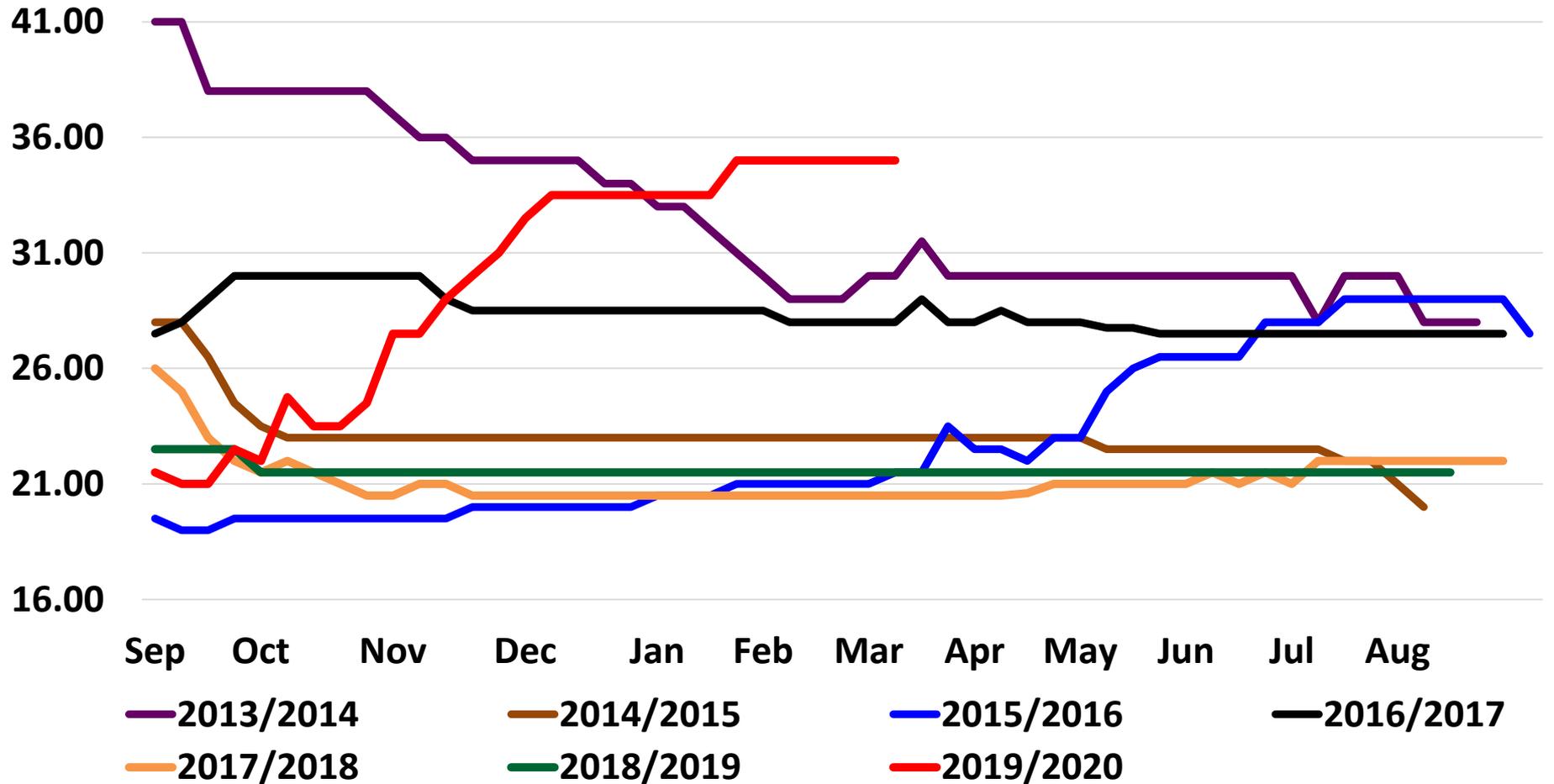
Crop	Actual Planted Acres (1,000 a.)		Prospective Planting (1,000 a.)
	2018	2019	2020
Sunflower-All	436	535	570
Oil	395	470	500
Non-Oil	41	65	70
Flax	165	275	190
Sugarbeet	202	212	214
Dry Bean	635	615	650
Chickpea	114	41	17
Lentil	185	95	85
Field Pea	375	425	325

North Dakota Prospective Plantings

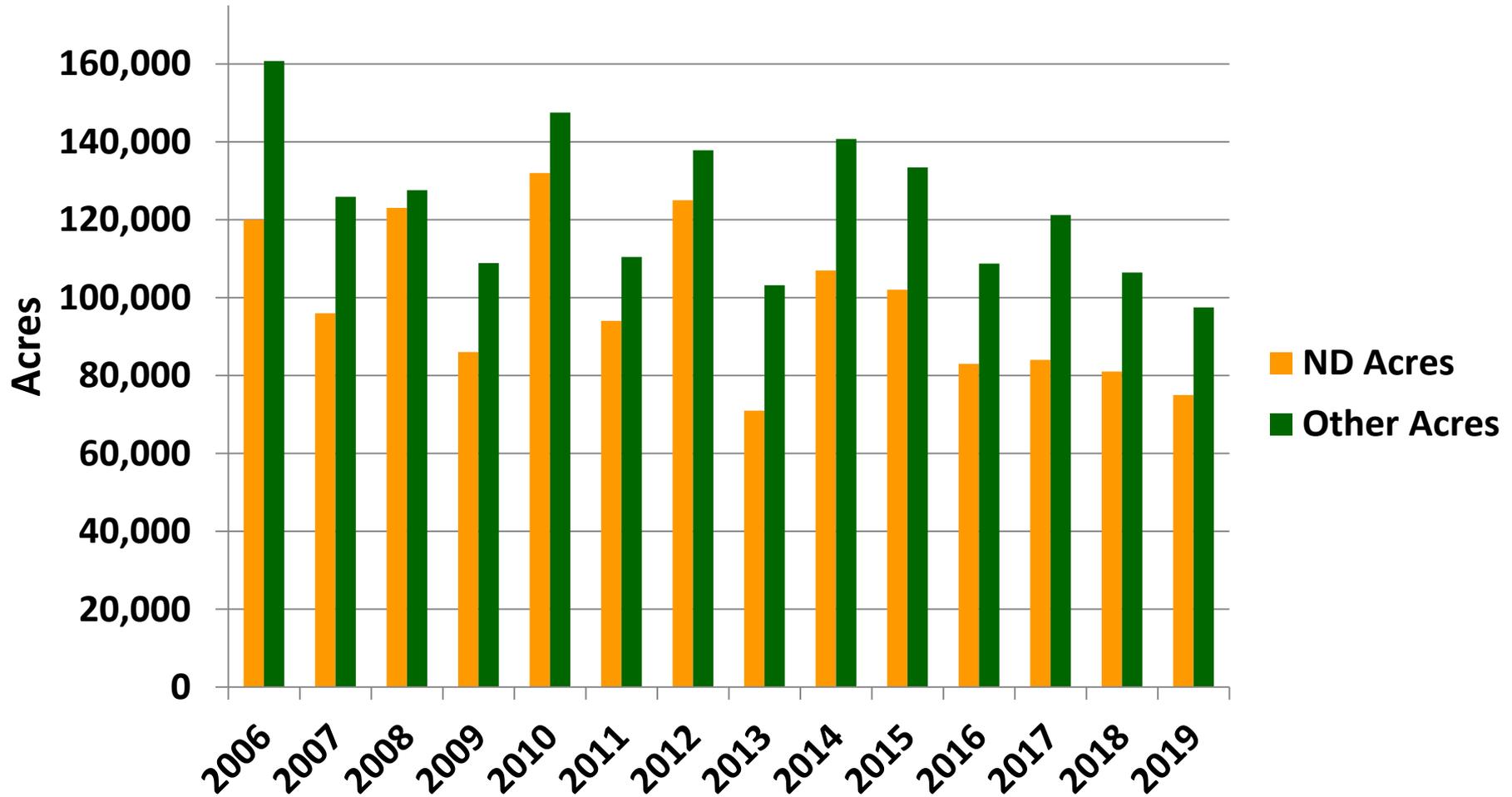
Crop	Actual Planted Acres (1,000 a.)		Prospective Planting (1,000 a.)
	2018	2019	2020
Corn	3,150	3,500	3,200
Oat	300	355	320
Barley	470	580	640
All Wheat	7,735	7,505	6,800
Winter	85	85	60
Durum	1,100	720	640
Spring	6,550	6,700	6,100
Canola	1,590	1,700	1,660
Soybean	6,900	5,600	6,600

Historic ND/ MN Pinto Bean Prices

(09/01/2012 to 04/13/2018)

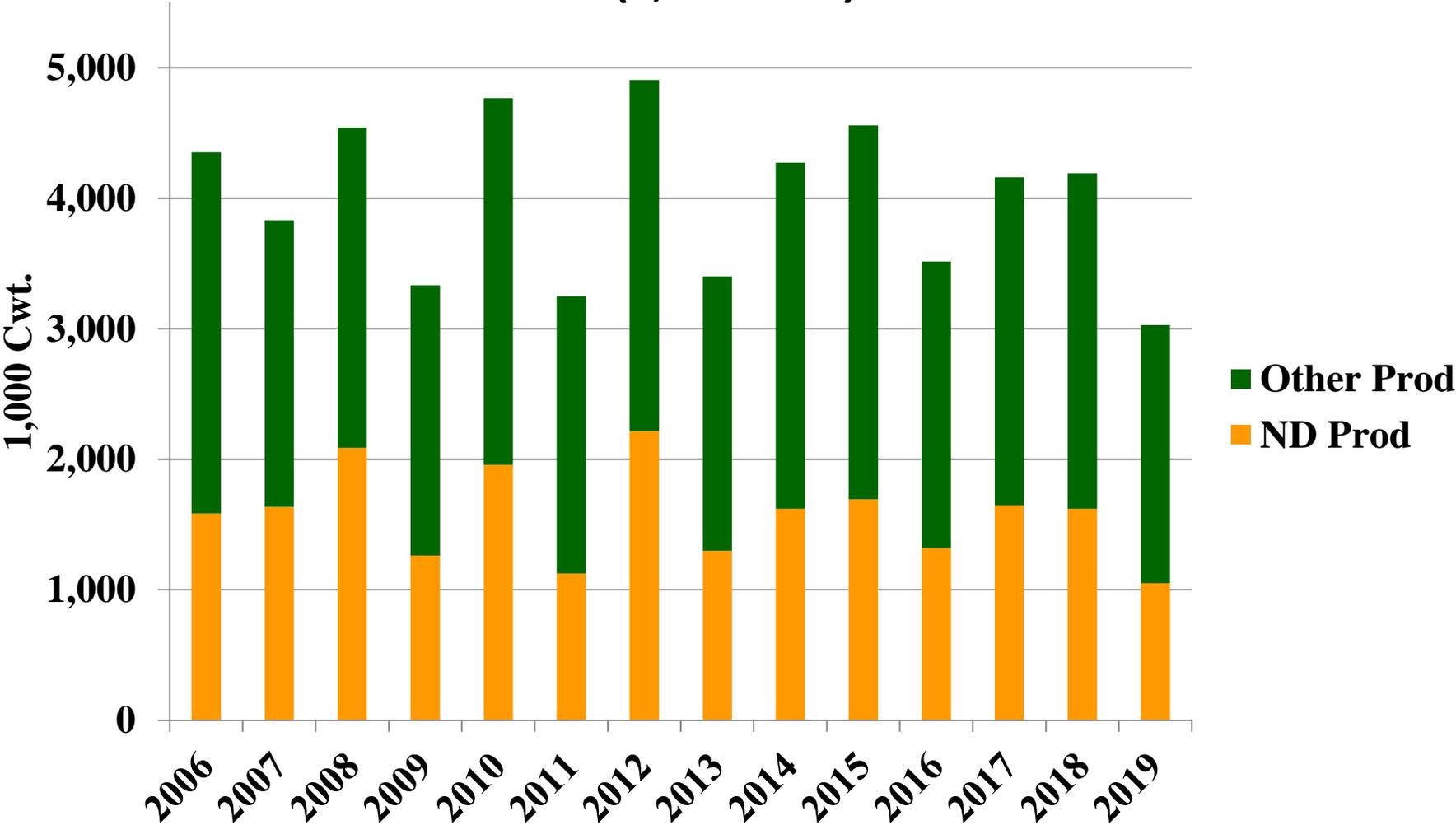


U.S. Navy Bean – Planted Acres



U.S. Navy Bean – Production

(1,000 Cwt.)



Navy Bean Outlook

- Approximately 50% of total use is domestic customers.
 - COVID-19 has increased demand for canned product.
 - Stay at home meals or hoarding?
 - Growing interest from food banks.
 - How long will this last?
 - Old crop supplies are very tight.
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U.S. Navy Bean Exports by Country

(1,000 Pounds)

Country	2015/2016	2016/2017	2017/2018	2018/2019
United Kingdom	79,618	61,827	62,428	63,004
Canada	97,854	59,177	22,234	7,642
Italy	25,754	43,767	43,907	43,251
Mexico	33,300	5,076	3,370	6,347
Columbia	1,314	4,704	3,035	5,846
Other	9,034	21,597	22,265	30,081
Total	246,874	196,148	157,239	156,171

Navy Bean Outlook

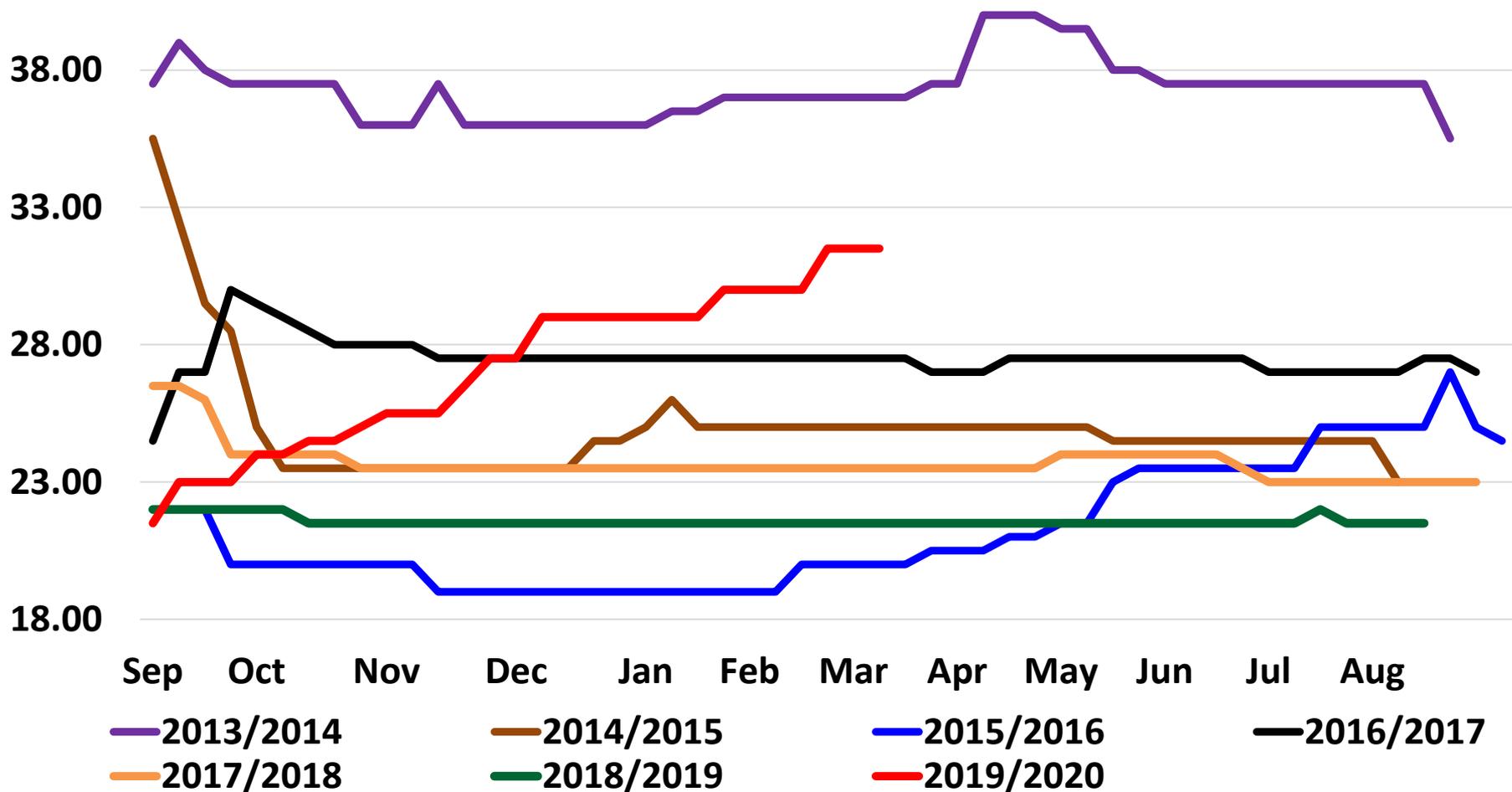
- 25% import tariffs on Navy, Great Northern and Kidney Beans into the European Union (EU) has slowed export pace.
 - Exports account for approximately 50% of total use.
 - Pre-existing contracts reduced the impact of tariffs.
- Brexit may impact 2020 export pace.
 - U.S. – Britain trade agreement is likely, timing is unclear.
 - U.S. – EU trade agreement will not come quickly.

Navy Bean Outlook

- Multi-year contracts help reduce year-to-year acreage variability (yields and quality are still important).
 - Tight seed supplies will limit acreage expansion.
 - Using bin-run seed is not recommended.
 - Prevent Plant is also a concern.
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Historic ND/ MN Navy Bean Prices

(09/01/2012 to 04/13/2020)



Questions?

