

From prosperity to decline: U.S. soybeans and the fallout of the Sino-American trade war

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In response to US taxes, China is imposing retaliatory trade measures including on soybeans, threatening American producers already facing falling prices. Our economist reviews the situation for you.

- Soybeans are included in the retaliatory trade measures taken by China against the United States.
- China is the largest importer of soybeans, **accounting for 75% of global imports in 2024**.
- We expect average soybeans prices to drop to **410 USD/t in 2025**, down by **15% YoY**

American soybeans producers are likely to become collateral damage of US-China trade tensions, even though most of them are based in Midwestern states that voted massively for D. Trump in the last presidential election.

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A cause for concern for US soybeans producers

On 10th March 2025, Beijing announced retaliatory tariffs of 15% on a range of American products, including soybeans, in response to the tariff barriers imposed by the Trump administration a few days earlier. These measures are a cause for concern for US soybeans producers. [China](#) and the [United States](#) have become highly interdependent since the early 2000s.

The surge in Chinese livestock production and meat consumption – up 45% per capita over the past two decades – has been the driving force behind the explosive growth in soybeans imports. Over the same period, China's soybeans imports have surged from 28 million of tons to 109 million of tons

Trade tensions: 75% drop in US soybean imports to China in 2018

In 2017, China was the world's largest importer of US soybeans, with the US being China's second-largest supplier. However, in 2018, Chinese tariffs on US imports, a direct response to trade tensions¹, slashed US soybeans exports to China by 75%, dropping from USD 12 billion in 2017 to just USD 3 billion the following year.

While the tariffs were a significant blow, the outbreak of African swine fever, which devastated China's pig farms, also had a crucial impact in reducing soybeans demand.

Towards American soybeans less competitive on the Chinese domestic market

With China having now rebuilt its hog herd, its demand for soybeans should remain strong in the medium-term. Beijing's tariff hikes will, however, likely change the composition of the country's soybeans import, as they will make US soybeans less competitive in the Chinese domestic market.

Brazilian exporters could see substantial gains, as Chinese soybeans imports have risen by 48% since 2017, to the detriment of the US (-31% over the same period). This would exert downward pressure on US soybeans prices compared to 2024 – they are currently slightly below 400 USD/ton, down by 15% YoY. This is likely to be reinforced by tighter access to alternative export markets. For instance, the EU – accounting for 10%² of US soybeans exports in 2024 – has announced it will retaliate against President Trump's 25% tariffs, with measures, including tariffs on soybeans, that should take effect in mid-April.

As a result, American soybeans producers are likely to feel the sting of Trump's latest tariffs, even though many of them are based in the Midwestern states that strongly supported him in the presidential election.

¹ In response to the 25% tariffs on US imports from China implemented by Trumps on 6th of July 2018

² Germany (3.5%), Italy (2.5%), Spain (1.5%), Netherlands (1%) and Portugal (1%)