

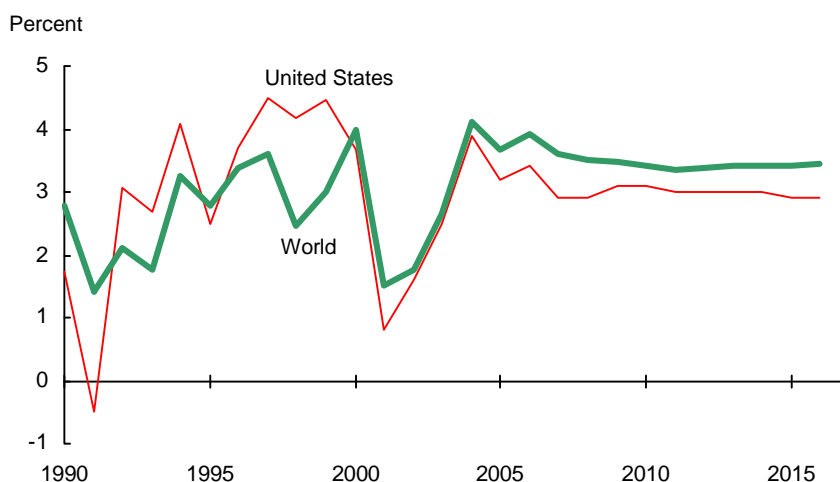
Macroeconomic Assumptions

Macroeconomic assumptions underlying USDA's long-term projections reflect steady growth at near-average historical rates over most of the projection period. Most of the world will be moving toward longrun sustainable economic growth, with trend rates in 2008 and beyond. Overall, world economic growth is projected to increase at a 3.4-percent average rate between 2007 and 2016, after averaging below 3 percent annually between 2001 and 2006. The projections have moderating growth in developed countries and accelerating growth in developing and former Soviet Union countries. Ongoing computing and telecommunications advances support worldwide productivity gains throughout the projections.

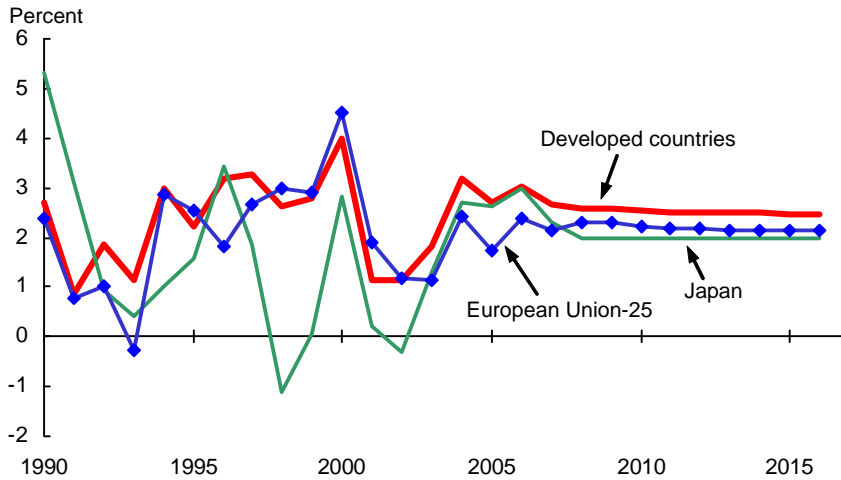
U.S. gross domestic product (GDP) growth slows over the next several years from 3.4 percent in 2006 toward a sustainable rate of about 3 percent over the longer term. Nonetheless, the United States continues to maintain its share of global GDP at around 30 percent. While the United States plays a large role in determining economic conditions around the world, strong growth in China and in India are becoming increasingly important.

Improved global economic performance and continuing, although slowing, population growth are expected to boost food demand in the projections. Increased global purchasing power and population growth, competing against demand for biofuels and other domestic uses, are important factors shaping the projections for U.S. agricultural exports.

U.S. and world gross domestic product (GDP) growth



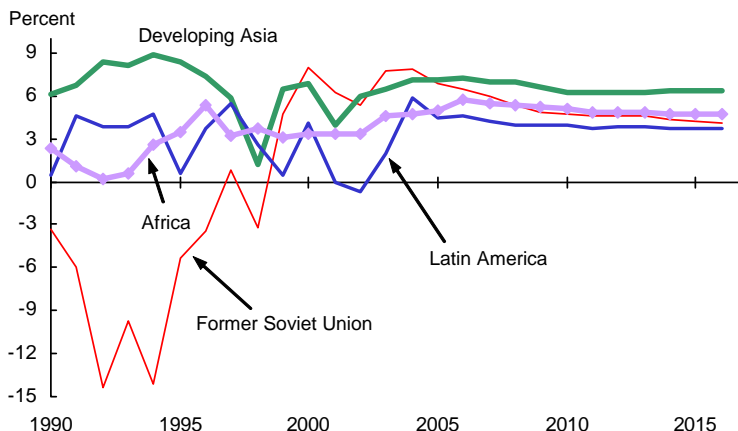
GDP growth for developed countries, European Union-25, and Japan



Developed economies are projected to grow at rates similar to those of the 1990s, averaging around 2.5 percent in 2007-16. European and Japanese growth increases from recent levels, but remains around 2 percent per year in the projection period.

- Enlargement of the European Union (EU) to include more countries of Central and Eastern Europe creates additional trade and investment opportunities within the expanded EU. The EU economy, however, does not grow as rapidly as the U.S. economy because of lingering EU structural rigidities, particularly rigid labor laws and a very expensive social security system. Political difficulties also constrain the benefits of economic integration, particularly with continued restrictions on labor mobility between EU countries and a very cumbersome EU decisionmaking process.
- Japan continues to face constraints to economic growth, largely the result of long-term structural rigidities, a difficult political process of economic reform, and a rapidly aging population. Japan's labor market liberalization partly offsets these constraints, aiding productivity growth. The projections assume sustained economic growth in Japan at 2 percent a year, with the country's share of world GDP declining to around 12 percent by 2016, down from almost 18 percent in 1991.

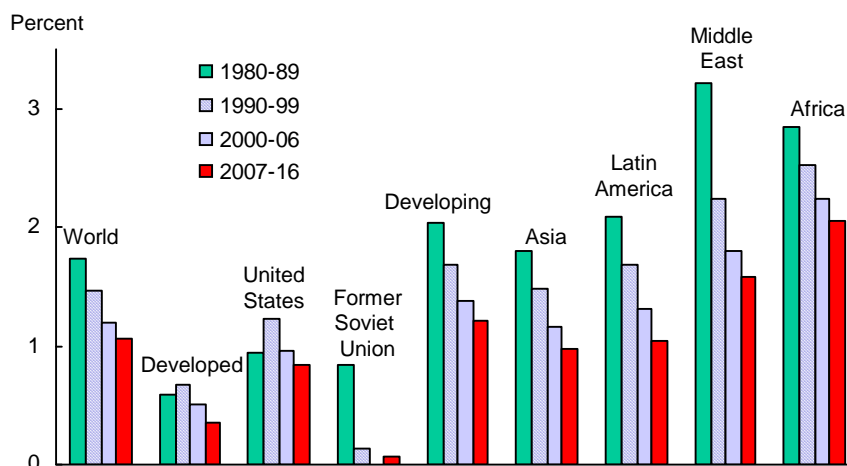
GDP growth for developing economies and the former Soviet Union



Economic growth in developing countries is projected to average 5.6 percent annually in 2007-16. Developing countries will play an increasingly important role in global growth in food demand and will become a more important destination for U.S. farm exports. Relatively high income growth, along with large responsiveness of consumption and imports of food and feed to income growth in these countries, underlies this result. As incomes rise in developing countries, consumers generally diversify their diets, moving away from staple foods to include more meat, fruits, vegetables, and processed foods (including vegetable oils). These consumption shifts increase import demand for feedstuffs and high-value food products.

- Long-term growth of 3.9 percent is projected for Latin America. An overall improvement in macroeconomic policies should attract foreign capital inflows, particularly foreign direct investment, and sustain growth.
- Projected growth for Southeast Asia exceeds 5 percent for the next decade while growth in developing countries of East Asia exceeds 7 percent. Although large, these projected growth rates are below the very strong average economic growth in these regions in 1971-2006.
- China's economic growth has been consistently the strongest in Asia, exceeding 10 percent between 2003 and 2006. While some slowing is expected, China's growth is expected to average above 8 percent over the next decade, despite problems with the structure of the banking system.
- India's projected average economic growth of around 7 percent a year puts it in the top tier of high-growth countries. Nonetheless, India is still a low-income country, with real 2000-based per capita income around \$600 in 2006. Continued high income growth is expected to bring India's real per capita income to more than \$1,000 by 2016 and is expected to move a significant number of people out of poverty.
- High oil prices assumed in the projections modestly constrain Asia from even higher economic growth since its manufacturing sector is far more dependent on energy for GDP growth than more developed economies.
- Economic growth in the countries of the former Soviet Union (FSU) is projected to average almost 5 percent annually for the next decade. Russia, Ukraine, and other FSU countries benefit greatly from their shift to more market-oriented economies. Russia and the other oil-rich FSU countries also benefit from high oil prices.

Population growth 1/



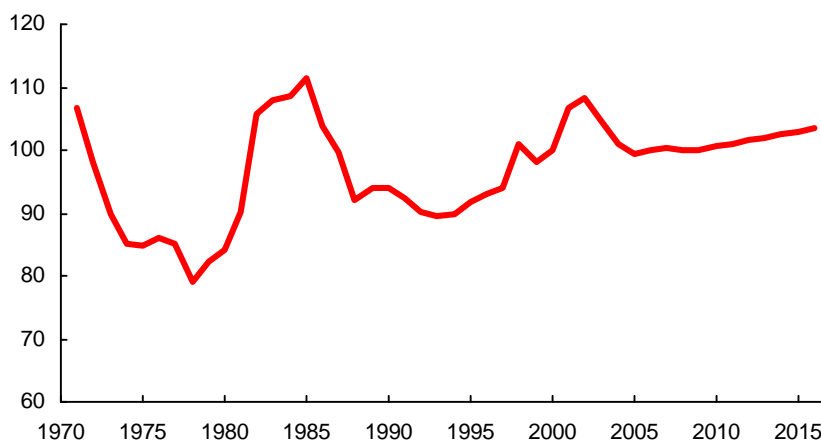
1/ Population projections from the U.S. Department of Commerce, Census Bureau.

A continued slowing of population growth around the world is an important factor limiting increases in food and agricultural demand over the next decade. World population growth declines from an annual rate of 1.7 percent in the 1980s to an average of about 1.1 percent per year for the projection period.

- Developed and FSU countries have very low projected rates of population growth, at 0.4 percent and 0.1 percent, respectively. The projected annual average population growth rate for the United States is the highest among developed countries, at 0.9 percent, in part reflecting large immigration. Population growth rates in developing economies decline by more than 40 percent between the 1980s and the end of the projection period, but remain above those in developed countries and the FSU. As a result, the share of world population accounted for by developing countries increases to 83 percent by 2016.
- China and India together account for more than one-third of the world's population. China's population growth rate slows from 1.5 percent per year in 1981-90 to 0.6 percent in 2007-16. The population growth rate in India, the world's second most populous nation, is projected to decline from 2.1 percent to 1.3 percent per year between the same periods. This growth narrows the gap between India's and China's populations.
- Brazil's population growth rate falls from 2.1 percent per year in 1981-90 to 0.9 percent annually in 2007-16. Sub-Saharan Africa's population growth rate declines from 2.9 percent to 2.2 percent per year over the same period, leaving this impoverished region with the highest population growth rates in the world, on average.
- There are a number of countries with declining populations. Most of these are mature economies such as Japan and countries in Western Europe, Central Europe, and the FSU. However, several countries in Sub-Saharan Africa have declining populations resulting from the devastating impacts of the AIDS epidemic, including the Republic of South Africa, Botswana, Lesotho, and Swaziland.

U.S. agricultural trade-weighted dollar projected to strengthen 1/

Index values, 2000=100

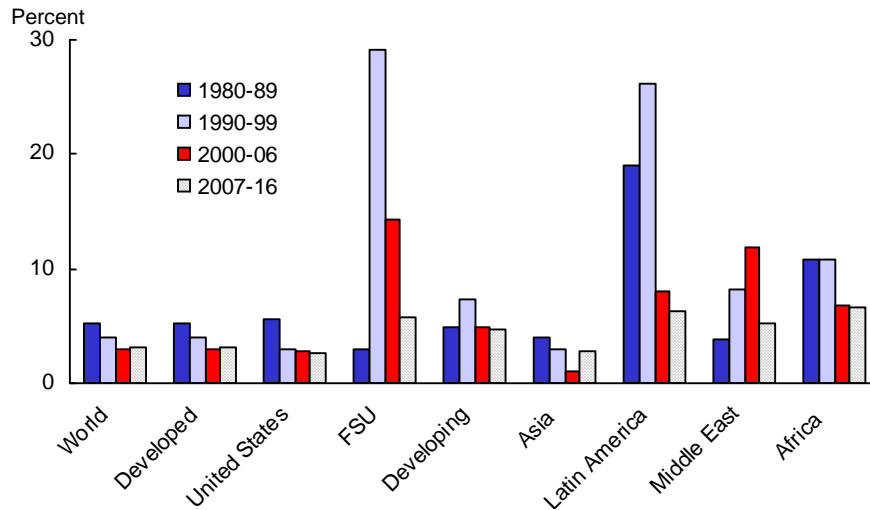


1/ Real U.S. agricultural trade-weighted dollar exchange rate, using U.S. agricultural export weights.

The U.S. dollar remains relatively strong in the projections by historical standards, depreciating slightly in 2008 and then continuing a long-term pattern of slow real appreciation. The relatively high real exchange rate—expressed in this report as local currency per U.S. dollar, in inflation-adjusted terms—will be a constraining factor on the growth in U.S. exports. Nonetheless, strong long-term economic growth, particularly in developing countries, will result in an overall increase in the demand for U.S. farm exports.

- Strong GDP growth in the United States relative to the EU and Japan strengthens the dollar relative to the euro and offsets much of the trade-driven appreciation of the yen.
- The U.S. dollar stays strong because capital moves into the United States to benefit from well-functioning and diverse financial markets, a relatively risk-free environment, transparent financial accounting standards, and high expected long-term productivity growth and corporate profitability. The dollar also stays high because developing countries that pursue export-led economic growth strategies often use fiscal and monetary policies that tend to produce depreciating currencies.
- Among agricultural products, U.S. exports of bulk commodities and horticultural products tend to be the most sensitive to a strong U.S. dollar, because they face relatively more global trade competition.
- China initiated a process for appreciating its currency in 2005 after a long period of an undervalued exchange rate and substantial political pressure from its trading partners. To date, the appreciation has been limited to 5-6 percent. This compares with most estimates of undervaluation of at least 30 to 40 percent. The projections assume that China allows its real exchange rate to slowly appreciate. The appreciation of the yuan also leads to appreciation in other Asian currencies.

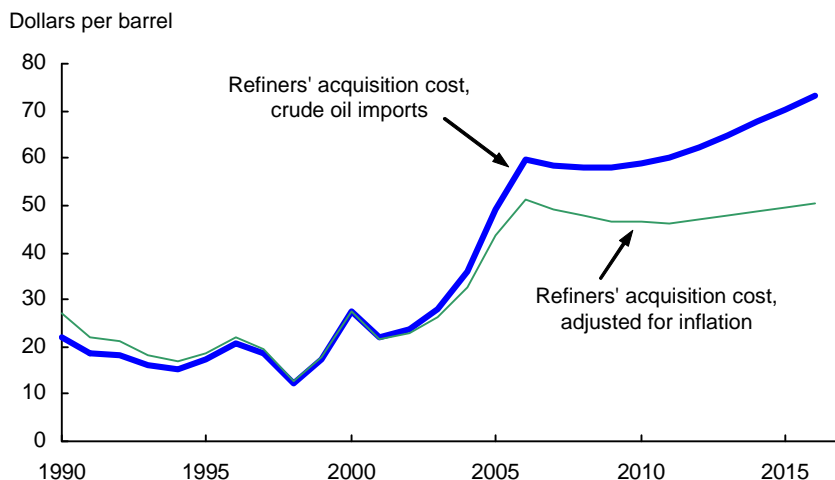
Inflation rates



Global inflation rates are projected to remain relatively low through 2016.

- The U.S. and world economies are moving into a steady growth phase of the business cycle. Some inflationary pressures have begun as a result of energy price increases and the movement towards full employment and full capacity utilization. In response, the U.S. Federal Reserve Board and central banks in other countries have increased short-term interest rates aggressively to constrain inflation, and are assumed to continue such policies in the projection period.
- While inflation in the United States and the world exceeded 3 percent in 2005 and 2006, a modest reduction in inflation is assumed in the projections. U.S. inflation as measured by the Consumer Price Index is projected at about 2.5 percent, while global inflation is around 3 percent.
- Inflation rates in developing countries are projected to fall from 7 percent to under 5 percent. Inflation in Asia declines to rates comparable to those in developed countries. Rates in Latin America, Africa, and the Middle East, while declining, will remain substantially above inflation rates in the rest of the world.
- In the FSU, inflation rates come down from the high transition rates of the 1990s to an average projected to be below 5 percent.
- Relatively low inflation rates will keep nominal interest rates from moving to the high levels seen in the 1980s. However, as world economies grow more rapidly, demand for credit will rise and further boost interest rates over the longer term. In addition, long-term U.S. interest rates rise in the short run to continue financing the current account deficit.

Crude oil prices



Crude oil prices rose sharply from late 2002 through 2006, largely reflecting increased crude oil demand due to a robust world economic recovery and rapid manufacturing growth in China and India. In 2007 through 2011, crude oil prices are expected to drop modestly and then rise less than the inflation rate as new crude supplies help offset the rise in demand from Asia. After 2011, oil prices are projected to rise slightly faster than the general inflation rate, reflecting rising world oil demand, due to strong global economic growth, particularly in highly energy-dependent economies in Asia (see box, page 16).

Partly offsetting those effects, factors expected to constrain longrun increases in oil prices include:

- The ability to switch to nonpetroleum fuels, such as coal and natural gas, especially in industrial uses and electric power generation;
- Increasing energy efficiency due to the substitution of nonenergy inputs (such as microchip-driven equipment) for energy as well as improved energy-use technology;
- Continued expansion and improvement in renewable energy, such as wind and water power, thermal energy, solar power, and biofuels;
- Continued extraction of fossil fuels from unconventional sources such as oil shale and tar sands; and
- New oil discoveries, along with new technologies for finding and extracting oil.

Oil prices have historically affected prices of natural gas and nitrogen-based fertilizer. However, the links between the oil and natural gas markets have weakened significantly due to dramatic growth in the demand for natural gas and deregulation throughout the natural gas supply and demand system. At the same time, fertilizer imports have become more important in domestic supply. Prices for natural gas and nitrogen-based fertilizer have become somewhat more volatile than prices for oil, largely because natural gas is less transportable and, as a result, its supply is more inelastic. Nevertheless, over a longer period of time, oil and natural gas prices are expected to move more closely together as the United States and other natural gas importers develop the capacity to import more liquefied natural gas.

Economic Growth in Energy-Intensive Economies Underlies Oil Price Projections

Strong economic growth in highly energy-dependent economies in Asia, including China, India, and other rapidly growing Asian economies, is a major factor pushing oil prices higher in the projections. Reductions in energy intensity in these economies are expected, however.

Most of China's energy is from coal, but as consumer incomes and automobile demand grow, an increasing share of its energy use will be petroleum. China has become increasingly efficient in energy use over the past 25 years, reducing its energy intensity by over 50 percent since the 1980s (based on a measure of energy used to produce a dollar's worth of GDP, from the Department of Energy's Energy Information Administration). Nonetheless, even with this improvement, China's energy intensity is over four times as high as that of the United States. China's energy intensity is expected to decline further with the adoption of more energy-efficient manufacturing technology and rapid growth of the less-energy-intensive service sector.

The energy intensity of India's economy rose in the 1980s, but has fallen more than 15 percent since the early 1990s. Although less energy-intensive than China's economy, India uses more than two and a half times as much energy as the United States to produce a dollar's worth of GDP. As India continues to develop its infrastructure, especially the highway system and electric power grid, energy intensity is expected to rise.

The rapidly growing and newly industrialized East and Southeast Asian economies of Taiwan, South Korea, Malaysia, Hong Kong, Singapore, and Thailand have become more energy-intensive since the 1980s. Energy used to produce a dollar of GDP has risen by about 15 percent compared with the 1980s, and is now about 50 percent more than in the United States. Taiwan and South Korea have been leaders in developing Asia in reducing their energy intensity. Reductions in their energy intensity are expected as more efficient manufacturing technology is adopted and their service sectors continue to grow rapidly.

Table 1. U.S. macroeconomic assumptions

| Item | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|---|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| GDP, billion dollars | | | | | | | | | | | | |
| Nominal | 12,456 | 13,279 | 13,992 | 14,729 | 15,519 | 16,352 | 17,213 | 18,120 | 19,074 | 20,078 | 21,115 | 22,206 |
| Real 2006 chained dollars | 11,049 | 11,424 | 11,756 | 12,096 | 12,471 | 12,858 | 13,244 | 13,641 | 14,050 | 14,472 | 14,892 | 15,323 |
| percent change | 3.2 | 3.4 | 2.9 | 2.9 | 3.1 | 3.1 | 3.0 | 3.0 | 3.0 | 3.0 | 2.9 | 2.9 |
| Disposable personal income | | | | | | | | | | | | |
| Nominal (billions) | 9,036 | 9,560 | 10,110 | 10,681 | 11,269 | 11,888 | 12,542 | 13,232 | 13,960 | 14,728 | 15,538 | 16,392 |
| percent change | 5.8 | 5.8 | 5.8 | 5.7 | 5.5 | 5.5 | 5.5 | 5.5 | 5.5 | 5.5 | 5.5 | 5.5 |
| Nominal per capita, dollars | 30,457 | 31,934 | 33,468 | 35,047 | 36,652 | 38,334 | 40,097 | 41,942 | 43,874 | 45,896 | 48,016 | 50,237 |
| percent change | 3.1 | 4.9 | 4.8 | 4.7 | 4.6 | 4.6 | 4.6 | 4.6 | 4.6 | 4.6 | 4.6 | 4.6 |
| Real (billion 2000 chained) | 8,105 | 8,308 | 8,573 | 8,848 | 9,122 | 9,405 | 9,696 | 9,997 | 10,307 | 10,626 | 10,956 | 11,295 |
| percent change | 1.2 | 2.5 | 3.2 | 3.2 | 3.1 | 3.1 | 3.1 | 3.1 | 3.1 | 3.1 | 3.1 | 3.1 |
| Real per capita, 2000 dollars | 27,319 | 27,750 | 28,382 | 29,031 | 29,670 | 30,326 | 30,999 | 31,688 | 32,393 | 33,116 | 33,857 | 34,617 |
| percent change | 0.2 | 1.6 | 2.3 | 2.3 | 2.2 | 2.2 | 2.2 | 2.2 | 2.2 | 2.2 | 2.2 | 2.2 |
| Consumer spending | | | | | | | | | | | | |
| Real (billion 2000 chained) | 7,841 | 8,069 | 8,319 | 8,560 | 8,808 | 9,064 | 9,326 | 9,597 | 9,875 | 10,162 | 10,446 | 10,739 |
| percent change | 3.5 | 2.9 | 3.1 | 2.9 | 2.9 | 2.9 | 2.9 | 2.9 | 2.9 | 2.9 | 2.8 | 2.8 |
| Inflation measures | | | | | | | | | | | | |
| GDP price index, chained | 112.7 | 116.2 | 119.0 | 121.8 | 124.4 | 127.2 | 130.0 | 132.8 | 135.8 | 138.7 | 141.8 | 144.9 |
| percent change | 3.0 | 3.1 | 2.4 | 2.3 | 2.2 | 2.2 | 2.2 | 2.2 | 2.2 | 2.2 | 2.2 | 2.2 |
| CPI-U, 1982-84=100 | 195.3 | 202.1 | 207.6 | 213.0 | 218.3 | 223.7 | 229.3 | 235.1 | 240.9 | 247.0 | 253.1 | 259.5 |
| percent change | 3.4 | 3.5 | 2.7 | 2.6 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 |
| PPI, finished goods 1982=100 | 155.7 | 161.0 | 164.7 | 167.4 | 169.7 | 172.1 | 174.5 | 176.9 | 179.4 | 181.9 | 184.5 | 187.0 |
| percent change | 4.9 | 3.4 | 2.3 | 1.6 | 1.4 | 1.4 | 1.4 | 1.4 | 1.4 | 1.4 | 1.4 | 1.4 |
| PPI, crude goods 1982=100 | 182.2 | 183.3 | 184.0 | 184.6 | 186.4 | 188.3 | 190.2 | 192.1 | 194.0 | 196.0 | 197.9 | 199.9 |
| percent change | 14.6 | 0.6 | 0.4 | 0.3 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Crude oil price, \$/barrel | | | | | | | | | | | | |
| Refiner acq. cost, imports | 48.9 | 59.0 | 57.7 | 57.5 | 58.0 | 59.0 | 60.0 | 62.4 | 64.9 | 67.6 | 70.3 | 73.1 |
| percent change | 36.0 | 20.5 | -2.2 | -0.3 | 0.9 | 1.7 | 1.7 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 |
| Real 2000 chained dollars | 43.4 | 50.7 | 48.5 | 47.2 | 46.6 | 46.4 | 46.2 | 47.0 | 47.8 | 48.7 | 49.6 | 50.5 |
| percent change | 32.0 | 16.9 | -4.5 | -2.5 | -1.3 | -0.5 | -0.5 | 1.8 | 1.8 | 1.8 | 1.8 | 1.8 |
| Labor compensation per hour nonfarm business, 92=100 | | | | | | | | | | | | |
| Real 2000 chained dollars | 162.7 | 170.5 | 177.7 | 183.7 | 190.0 | 196.4 | 203.1 | 210.0 | 217.1 | 224.5 | 232.2 | 240.1 |
| percent change | 4.4 | 4.8 | 4.2 | 3.4 | 3.4 | 3.4 | 3.4 | 3.4 | 3.4 | 3.4 | 3.4 | 3.4 |
| Interest rates, percent | | | | | | | | | | | | |
| 3-month T-bills | 3.2 | 4.7 | 5.1 | 5.5 | 5.5 | 5.6 | 5.6 | 5.6 | 5.6 | 5.6 | 5.6 | 5.6 |
| 3-month commercial paper | 3.4 | 5.1 | 5.4 | 5.8 | 5.9 | 6.0 | 6.0 | 6.0 | 6.0 | 6.0 | 6.0 | 6.0 |
| Bank prime rate | 6.2 | 8.0 | 8.3 | 8.3 | 8.3 | 8.3 | 8.3 | 8.3 | 8.3 | 8.3 | 8.3 | 8.3 |
| Treasury bonds (10-year) | 4.3 | 4.9 | 5.5 | 5.6 | 6.0 | 6.0 | 6.0 | 6.0 | 6.0 | 6.0 | 6.0 | 6.0 |
| Moody's Aaa bonds | 5.2 | 5.7 | 6.4 | 6.4 | 6.5 | 6.5 | 6.5 | 6.5 | 6.5 | 6.5 | 6.5 | 6.5 |
| Civilian unemployment | | | | | | | | | | | | |
| rate, percent | 5.1 | 4.7 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 | 4.8 |
| Nonfarm payroll emp., millions | 133.5 | 135.3 | 137.1 | 138.6 | 140.1 | 141.5 | 142.9 | 144.4 | 145.8 | 147.3 | 148.7 | 150.2 |
| percent change | 1.5 | 1.4 | 1.3 | 1.1 | 1.1 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Total population, million | | | | | | | | | | | | |
| Real 2000 chained dollars | 296.7 | 299.4 | 302.1 | 304.8 | 307.4 | 310.1 | 312.8 | 315.5 | 318.2 | 320.9 | 323.6 | 326.3 |
| percent change | 0.9 | 0.9 | 0.9 | 0.9 | 0.9 | 0.9 | 0.9 | 0.9 | 0.9 | 0.9 | 0.8 | 0.8 |

Domestic macroeconomic assumptions were completed in October 2006.

Table 2. Global real GDP growth assumptions

| Region/country | Share of world GDP 2001-2005 | Per capita income, 2006 | 2005-2010 | | | | | | | Average | | |
|-----------------------------|------------------------------|-------------------------|-----------------------|------|------|------|------|------|-----------|-----------|-----------|--|
| | | | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 1991-2000 | 2001-2006 | 2007-2016 | |
| | <i>Percent</i> | | <i>Percent change</i> | | | | | | | | | |
| World | 100.0 | 5,786 | 3.6 | 3.8 | 3.5 | 3.5 | 3.5 | 3.4 | 2.8 | 2.9 | 3.4 | |
| less United States | 69.3 | 4,209 | 3.7 | 4.0 | 3.7 | 3.7 | 3.6 | 3.5 | 2.7 | 3.0 | 3.6 | |
| North America | 32.9 | 37,388 | 3.3 | 3.4 | 2.9 | 2.9 | 3.1 | 3.1 | 3.3 | 2.6 | 3.0 | |
| Canada | 2.3 | 25,731 | 4.6 | 3.2 | 2.8 | 2.9 | 2.9 | 2.9 | 3.1 | 3.0 | 2.9 | |
| United States | 30.7 | 38,681 | 3.2 | 3.4 | 2.9 | 2.9 | 3.1 | 3.1 | 3.3 | 2.6 | 3.0 | |
| Latin America | 6.3 | 4,293 | 4.5 | 4.6 | 4.2 | 4.0 | 4.0 | 3.9 | 3.5 | 2.8 | 3.9 | |
| Caribbean & Central America | 0.6 | 3,090 | 2.9 | 3.8 | 3.5 | 3.8 | 4.0 | 4.0 | 4.0 | 3.0 | 3.8 | |
| Mexico | 1.8 | 6,215 | 3.8 | 3.9 | 3.8 | 3.6 | 3.5 | 3.5 | 3.7 | 2.4 | 3.5 | |
| South America | 3.9 | 4,007 | 5.1 | 5.0 | 4.5 | 4.2 | 4.2 | 4.1 | 3.3 | 2.9 | 4.0 | |
| Argentina | 0.8 | 8,403 | 9.2 | 7.0 | 5.9 | 5.1 | 4.8 | 4.7 | 4.7 | 3.1 | 4.7 | |
| Brazil | 1.9 | 3,690 | 2.3 | 3.5 | 4.0 | 4.0 | 4.0 | 3.8 | 2.8 | 2.4 | 3.7 | |
| Other | 1.2 | 3,222 | 6.7 | 5.7 | 4.4 | 3.9 | 4.0 | 4.2 | 3.2 | 3.7 | 4.1 | |
| Europe | 27.3 | 18,699 | 1.8 | 2.4 | 2.2 | 2.3 | 2.3 | 2.2 | 2.1 | 1.8 | 2.2 | |
| European Union-25 | 25.7 | 20,201 | 1.7 | 2.4 | 2.2 | 2.3 | 2.3 | 2.2 | 2.2 | 1.8 | 2.2 | |
| Other Europe | 1.6 | 8,601 | 2.7 | 3.2 | 2.5 | 2.5 | 2.5 | 2.3 | 1.4 | 2.3 | 2.3 | |
| Former Soviet Union | 1.3 | 1,860 | 6.9 | 6.5 | 6.0 | 5.3 | 4.9 | 4.7 | -4.1 | 6.7 | 4.7 | |
| Russia | 0.9 | 2,594 | 6.4 | 6.0 | 5.2 | 4.5 | 4.1 | 4.0 | -3.6 | 6.1 | 4.2 | |
| Ukraine | 0.1 | 997 | 2.6 | 3.0 | 5.0 | 6.0 | 6.0 | 5.5 | -7.7 | 6.9 | 4.9 | |
| Other | 0.2 | 1,148 | 11.0 | 10.0 | 9.1 | 7.8 | 7.3 | 6.9 | -3.6 | 9.1 | 6.5 | |
| Asia and Oceania | 27.7 | 2,952 | 4.8 | 5.1 | 4.7 | 4.6 | 4.5 | 4.4 | 3.3 | 3.9 | 4.5 | |
| East Asia | 22.2 | 5,538 | 4.6 | 5.0 | 4.5 | 4.4 | 4.2 | 4.1 | 3.0 | 3.6 | 4.3 | |
| China | 4.6 | 1,579 | 10.1 | 9.9 | 9.8 | 9.8 | 8.7 | 8.0 | 10.5 | 9.6 | 8.4 | |
| Hong Kong | 0.5 | 31,071 | 7.3 | 6.4 | 6.0 | 5.6 | 5.5 | 5.3 | 4.5 | 4.6 | 5.2 | |
| Japan | 14.3 | 40,906 | 2.6 | 3.0 | 2.3 | 2.0 | 2.0 | 2.0 | 1.4 | 1.6 | 2.0 | |
| Korea | 1.7 | 13,767 | 4.0 | 5.5 | 5.3 | 5.3 | 5.2 | 5.0 | 6.0 | 4.7 | 5.0 | |
| Taiwan | 1.0 | 16,369 | 5.3 | 5.3 | 3.8 | 4.0 | 4.1 | 4.2 | 6.4 | 3.5 | 4.1 | |
| Southeast Asia | 2.0 | 1,363 | 5.6 | 5.5 | 5.5 | 5.4 | 5.4 | 5.3 | 5.2 | 4.8 | 5.2 | |
| Indonesia | 0.6 | 891 | 5.6 | 5.0 | 6.0 | 5.9 | 5.8 | 5.7 | 4.4 | 4.8 | 5.8 | |
| Malaysia | 0.3 | 4,858 | 5.2 | 5.5 | 5.6 | 5.6 | 5.7 | 5.7 | 7.2 | 4.6 | 5.4 | |
| Philippines | 0.3 | 1,091 | 5.0 | 5.0 | 4.3 | 4.3 | 4.3 | 4.3 | 3.1 | 4.3 | 4.3 | |
| Thailand | 0.4 | 2,547 | 4.5 | 5.0 | 5.2 | 5.3 | 5.5 | 5.1 | 4.6 | 5.0 | 5.2 | |
| Vietnam | 0.1 | 572 | 8.4 | 8.0 | 7.2 | 7.1 | 7.3 | 7.2 | 7.4 | 7.6 | 7.0 | |
| South Asia | 2.1 | 584 | 8.1 | 7.6 | 7.0 | 6.7 | 6.6 | 6.4 | 5.2 | 6.5 | 6.5 | |
| Bangladesh | 0.2 | 426 | 5.4 | 6.5 | 5.9 | 5.7 | 5.6 | 5.3 | 4.8 | 5.5 | 5.3 | |
| India | 1.6 | 621 | 8.4 | 8.0 | 7.3 | 7.0 | 7.0 | 6.9 | 5.5 | 6.9 | 7.0 | |
| Pakistan | 0.2 | 600 | 8.4 | 6.6 | 6.1 | 5.5 | 4.9 | 4.1 | 4.0 | 5.2 | 4.3 | |
| Oceania | 1.5 | 15,943 | 2.5 | 3.0 | 3.0 | 3.2 | 3.4 | 3.4 | 3.5 | 3.3 | 3.3 | |
| Australia | 1.3 | 23,163 | 2.5 | 3.1 | 3.1 | 3.2 | 3.4 | 3.4 | 3.6 | 3.2 | 3.4 | |
| New Zealand | 0.2 | 15,639 | 1.9 | 2.4 | 2.6 | 2.8 | 3.1 | 3.0 | 2.9 | 3.4 | 2.8 | |
| Other Asia and Oceania | 0.1 | 1,070 | 6.2 | 6.1 | 5.1 | 4.8 | 4.6 | 4.4 | 6.1 | 4.1 | 4.4 | |
| Middle East | 2.6 | 3,912 | 6.4 | 5.3 | 4.9 | 4.7 | 4.5 | 4.5 | 4.0 | 4.3 | 4.4 | |
| Iran | 0.4 | 2,029 | 5.6 | 4.5 | 4.6 | 4.5 | 4.4 | 4.4 | 4.0 | 5.5 | 4.3 | |
| Iraq | 0.1 | 944 | 17.0 | 12.8 | 11.7 | 9.2 | 7.5 | 6.1 | 9.5 | 3.4 | 6.3 | |
| Saudi Arabia | 0.6 | 8,972 | 6.6 | 5.8 | 5.6 | 4.9 | 4.3 | 4.2 | 2.6 | 4.3 | 4.3 | |
| Turkey | 0.6 | 3,659 | 7.4 | 4.6 | 4.6 | 4.6 | 4.6 | 5.3 | 3.6 | 4.5 | 4.9 | |
| Other | 1.0 | 5,092 | 5.5 | 5.1 | 4.4 | 4.4 | 4.3 | 4.1 | 4.9 | 4.2 | 4.0 | |
| Africa | 1.9 | 842 | 4.9 | 5.8 | 5.5 | 5.3 | 5.2 | 5.1 | 3.0 | 4.5 | 5.0 | |
| North Africa | 0.8 | 1,965 | 4.2 | 5.8 | 5.4 | 5.2 | 5.1 | 5.0 | 3.9 | 4.5 | 4.8 | |
| Algeria | 0.2 | 2,179 | 5.1 | 6.4 | 6.4 | 6.4 | 6.0 | 6.0 | 1.7 | 5.0 | 5.4 | |
| Egypt | 0.3 | 1,639 | 4.9 | 5.1 | 5.1 | 5.0 | 5.0 | 4.9 | 4.5 | 4.0 | 4.5 | |
| Morocco | 0.1 | 1,296 | 3.5 | 6.7 | 5.2 | 4.7 | 4.5 | 4.4 | 8.4 | 5.3 | 5.0 | |
| Tunisia | 0.1 | 2,515 | 1.5 | 5.5 | 4.5 | 4.1 | 4.0 | 4.0 | 2.4 | 4.4 | 4.1 | |
| Sub-Saharan Africa | 1.1 | 593 | 5.5 | 5.8 | 5.7 | 5.4 | 5.3 | 5.2 | 2.4 | 4.5 | 5.1 | |
| Republic of South Africa | 0.4 | 3,747 | 4.9 | 4.7 | 4.5 | 4.6 | 4.9 | 5.2 | 1.8 | 3.7 | 5.1 | |
| Other Sub-Saharan Africa | 0.7 | 406 | 5.8 | 6.5 | 6.4 | 5.8 | 5.5 | 5.2 | 2.8 | 5.0 | 5.1 | |

International macroeconomic assumptions were completed in October 2006.

Table 3. Population growth assumptions

| Region/country | Population in 2006 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | Average | | |
|-----------------------------|-----------------------|-----------------------|------|------|------|------|------|-----------|-----------|-----------|
| | | | | | | | | 1991-2000 | 2001-2006 | 2007-2016 |
| | <i>Millions</i> | <i>Percent change</i> | | | | | | | | |
| World ¹ | 6,528 | 1.2 | 1.2 | 1.1 | 1.1 | 1.1 | 1.1 | 1.4 | 1.2 | 1.1 |
| less United States | 6,230 | 1.2 | 1.2 | 1.2 | 1.1 | 1.1 | 1.1 | 1.4 | 1.2 | 1.1 |
| North America | 332 | 0.9 | 0.9 | 0.9 | 0.9 | 0.9 | 0.9 | 1.2 | 0.9 | 0.9 |
| Canada | 33 | 0.9 | 0.9 | 0.9 | 0.9 | 0.9 | 0.8 | 1.2 | 0.9 | 0.8 |
| United States | 298 | 0.9 | 0.9 | 0.9 | 0.9 | 0.9 | 0.9 | 1.2 | 0.9 | 0.9 |
| Latin America | 562 | 1.2 | 1.2 | 1.2 | 1.2 | 1.1 | 1.1 | 1.6 | 1.3 | 1.1 |
| Caribbean & Central America | 79 | 1.6 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.8 | 1.6 | 1.4 |
| Mexico | 107 | 1.2 | 1.2 | 1.2 | 1.2 | 1.1 | 1.1 | 1.6 | 1.2 | 1.1 |
| South America | 376 | 1.2 | 1.2 | 1.2 | 1.1 | 1.1 | 1.1 | 1.6 | 1.3 | 1.0 |
| Argentina | 40 | 1.0 | 1.0 | 1.0 | 0.9 | 0.9 | 0.9 | 1.3 | 1.0 | 0.8 |
| Brazil | 188 | 1.1 | 1.1 | 1.0 | 1.0 | 1.0 | 0.9 | 1.5 | 1.2 | 0.9 |
| Other | 148 | 1.4 | 1.4 | 1.4 | 1.3 | 1.3 | 1.3 | 1.9 | 1.5 | 1.2 |
| Europe | 526 | 0.2 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.2 | 0.2 | 0.1 |
| European Union-25 | 458 | 0.2 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.3 | 0.2 | 0.1 |
| Other Europe | 68 | 0.1 | 0.1 | 0.1 | 0.0 | 0.0 | 0.0 | 0.0 | 0.1 | 0.0 |
| Former Soviet Union | 278 | 0.0 | 0.0 | 0.0 | 0.1 | 0.1 | 0.1 | 0.0 | -0.1 | 0.1 |
| Russia | 142 | -0.4 | -0.4 | -0.4 | -0.4 | -0.4 | -0.4 | -0.1 | -0.4 | -0.4 |
| Ukraine | 47 | -0.7 | -0.6 | -0.6 | -0.6 | -0.6 | -0.6 | -0.5 | -0.8 | -0.6 |
| Other | 90 | 0.9 | 0.9 | 1.0 | 1.0 | 1.1 | 1.1 | 0.6 | 0.9 | 1.1 |
| Asia and Oceania | 3,655 | 1.1 | 1.1 | 1.1 | 1.1 | 1.1 | 1.1 | 1.4 | 1.1 | 1.0 |
| East Asia | 1,547 | 0.5 | 0.5 | 0.5 | 0.6 | 0.6 | 0.6 | 0.9 | 0.6 | 0.6 |
| China | 1,314 | 0.6 | 0.6 | 0.6 | 0.6 | 0.6 | 0.7 | 1.0 | 0.6 | 0.6 |
| Hong Kong | 7 | 0.6 | 0.6 | 0.6 | 0.5 | 0.5 | 0.5 | 1.6 | 0.7 | 0.4 |
| Japan | 127 | 0.1 | 0.0 | 0.0 | 0.0 | -0.1 | -0.1 | 0.3 | 0.1 | -0.2 |
| Korea | 49 | 0.4 | 0.4 | 0.4 | 0.4 | 0.4 | 0.3 | 1.0 | 0.5 | 0.3 |
| Taiwan | 23 | 0.6 | 0.6 | 0.6 | 0.6 | 0.6 | 0.5 | 0.9 | 0.7 | 0.5 |
| Southeast Asia | 567 | 1.4 | 1.3 | 1.3 | 1.3 | 1.3 | 1.2 | 1.7 | 1.4 | 1.2 |
| Indonesia | 232 | 1.5 | 1.4 | 1.4 | 1.4 | 1.3 | 1.3 | 1.8 | 1.5 | 1.2 |
| Malaysia | 24 | 1.8 | 1.8 | 1.8 | 1.8 | 1.7 | 1.7 | 2.2 | 1.9 | 1.7 |
| Philippines | 89 | 1.9 | 1.8 | 1.8 | 1.8 | 1.7 | 1.7 | 2.2 | 1.9 | 1.6 |
| Thailand | 65 | 0.7 | 0.7 | 0.7 | 0.7 | 0.6 | 0.6 | 1.1 | 0.7 | 0.6 |
| Vietnam | 84 | 1.1 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.6 | 1.1 | 1.0 |
| South Asia | 1,507 | 1.6 | 1.6 | 1.6 | 1.5 | 1.5 | 1.5 | 1.9 | 1.7 | 1.4 |
| Bangladesh | 147 | 2.1 | 2.1 | 2.1 | 2.1 | 2.0 | 2.0 | 1.7 | 2.1 | 1.9 |
| India | 1,112 | 1.4 | 1.4 | 1.4 | 1.3 | 1.3 | 1.3 | 1.8 | 1.5 | 1.3 |
| Pakistan | 166 | 2.0 | 2.1 | 2.1 | 2.0 | 2.0 | 1.9 | 2.5 | 2.1 | 1.9 |
| Oceania | 35 | 1.3 | 1.2 | 1.2 | 1.2 | 1.2 | 1.1 | 1.5 | 1.4 | 1.1 |
| Australia | 20 | 0.9 | 0.9 | 0.8 | 0.8 | 0.8 | 0.8 | 1.2 | 0.9 | 0.8 |
| New Zealand | 4 | 1.0 | 1.0 | 1.0 | 0.9 | 0.9 | 0.9 | 1.3 | 1.1 | 0.8 |
| Other Asia and Oceania | 191 | 2.0 | 1.7 | 1.5 | 1.5 | 1.5 | 1.5 | 2.1 | 1.9 | 1.5 |
| Middle East | 260 | 1.7 | 1.8 | 1.8 | 1.8 | 1.7 | 1.7 | 2.1 | 1.8 | 1.7 |
| Iran | 65 | 0.8 | 1.0 | 1.1 | 1.1 | 1.1 | 1.2 | 1.4 | 0.8 | 1.1 |
| Iraq | 27 | 2.8 | 2.7 | 2.7 | 2.6 | 2.6 | 2.5 | 2.3 | 2.8 | 2.4 |
| Saudi Arabia | 27 | 2.4 | 2.3 | 2.2 | 2.0 | 1.9 | 1.8 | 3.7 | 2.6 | 1.7 |
| Turkey | 70 | 1.1 | 1.1 | 1.1 | 1.0 | 1.0 | 1.0 | 1.6 | 1.2 | 0.9 |
| Other | 70 | 2.7 | 2.6 | 2.6 | 2.6 | 2.6 | 2.5 | 2.9 | 2.7 | 2.5 |
| Africa | 915 | 2.2 | 2.2 | 2.2 | 2.1 | 2.1 | 2.1 | 2.5 | 2.2 | 2.1 |
| North Africa | 161 | 1.6 | 1.6 | 1.6 | 1.5 | 1.5 | 1.5 | 2.1 | 1.7 | 1.4 |
| Algeria | 33 | 1.3 | 1.2 | 1.2 | 1.2 | 1.2 | 1.2 | 1.9 | 1.3 | 1.2 |
| Egypt | 79 | 1.8 | 1.8 | 1.7 | 1.7 | 1.7 | 1.6 | 2.2 | 1.9 | 1.6 |
| Morocco | 33 | 1.6 | 1.6 | 1.6 | 1.5 | 1.5 | 1.5 | 2.0 | 1.7 | 1.4 |
| Tunisia | 10 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.5 | 1.0 | 1.0 |
| Sub-Saharan Africa | 754 | 2.3 | 2.3 | 2.3 | 2.3 | 2.3 | 2.2 | 2.6 | 2.3 | 2.2 |
| Republic of South Africa | 44 | -0.2 | -0.4 | -0.4 | -0.5 | -0.5 | -0.5 | 1.4 | 0.0 | -0.5 |
| Other Sub-Saharan Africa | 710 | 2.5 | 2.5 | 2.5 | 2.4 | 2.4 | 2.4 | 2.7 | 2.5 | 2.4 |
| Ethiopia | 75 | 2.4 | 2.4 | 2.3 | 2.3 | 2.2 | 2.2 | 3.0 | 2.4 | 2.1 |
| Nigeria | 132 | 2.4 | 2.4 | 2.4 | 2.4 | 2.4 | 2.4 | 2.6 | 2.4 | 2.4 |

1/ Totals for the world and world less United States include countries not otherwise listed in the table.

Source: U.S. Department of Commerce, Bureau of the Census and U.S. Department of Agriculture, Economic Research Service. The population assumptions were completed in August 2006.