

World markets for oilseeds and products situation and outlook

Joint Meeting of the Intergovernmental Group on
Oilseeds, Oils and Fats (30th Session),
Intergovernmental Group on Grains (32nd Session),
and the Intergovernmental Group on Rice (43rd
Session)

Santiago, Chile, 4-5 November 2009

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Trade and Markets Division

Food and Agriculture Organization of the U.N.

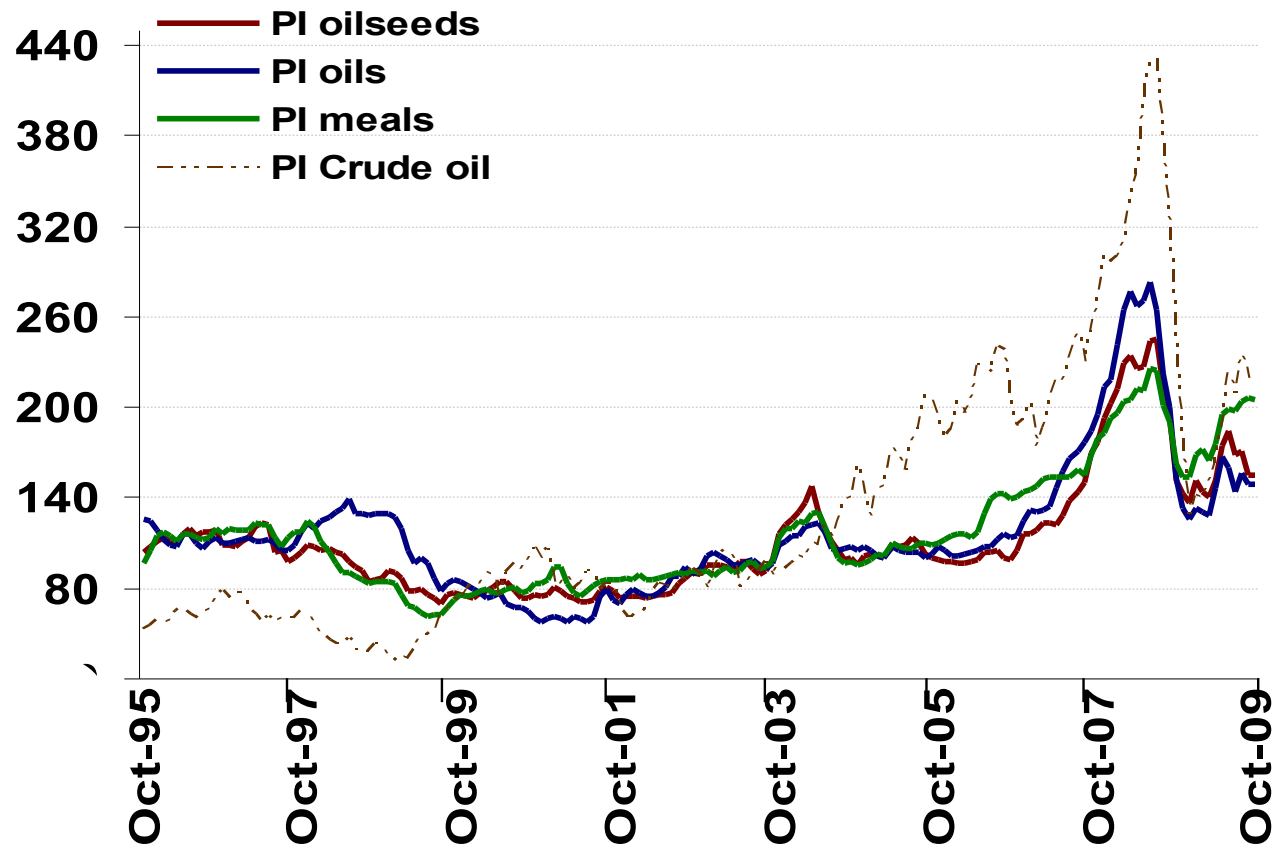


OUTLINE

1. Price review
2. World oilcrop production
3. Oils & fats
 - global production, supply and demand
 - world trade
1. Meals & cakes
 - global production, supply and demand
 - world trade
1. Price outlook

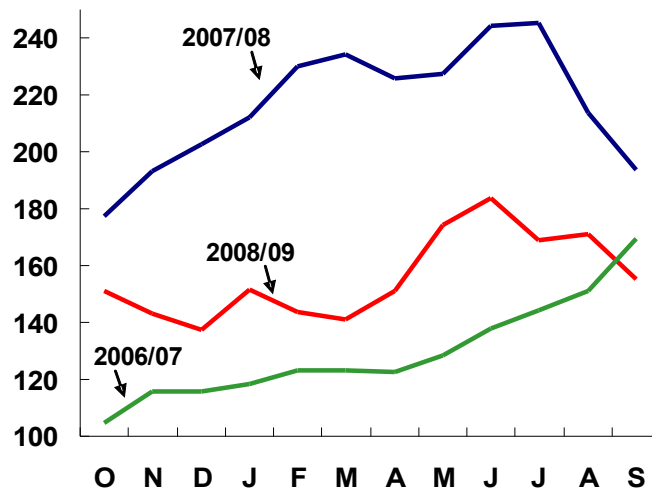
1. Price review

Price indices (2002 - 2004 = 100)



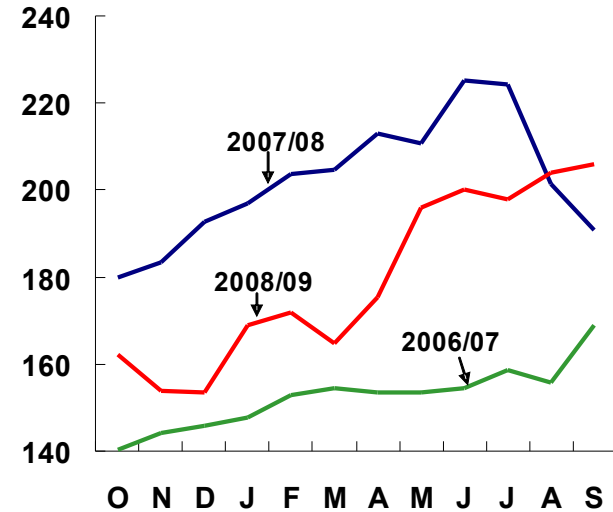
FAO price index for oilseeds

(October to September, 2002-2004 = 100)



FAO price index of meals/cakes

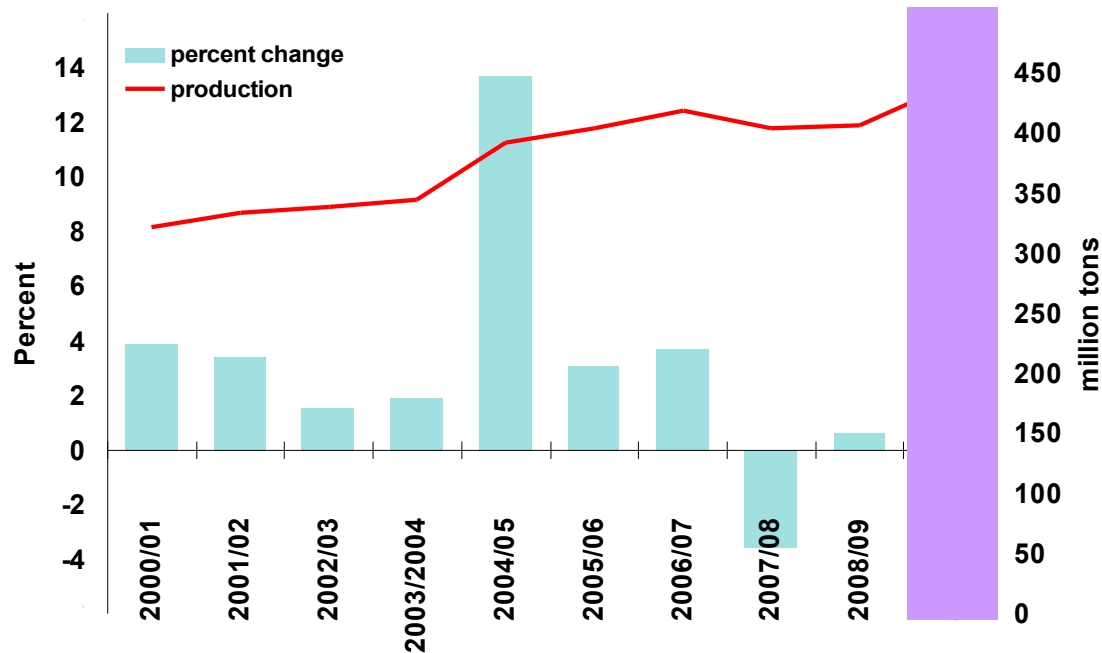
(October to September, 2002-2004 = 100)



2. Global oilcrop production

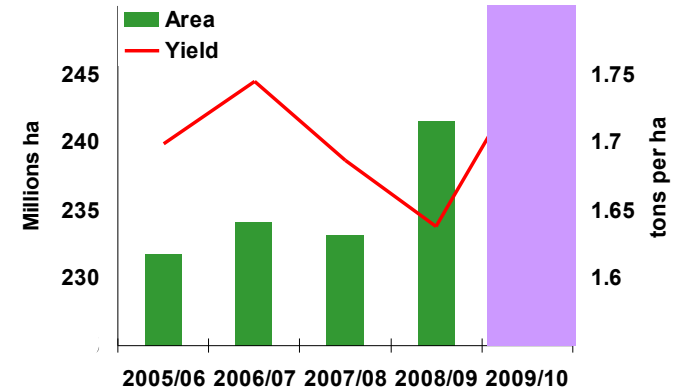
Global production of oilseeds

2000/01 to 2009/10



Major oilseeds

Global area harvested and average yield

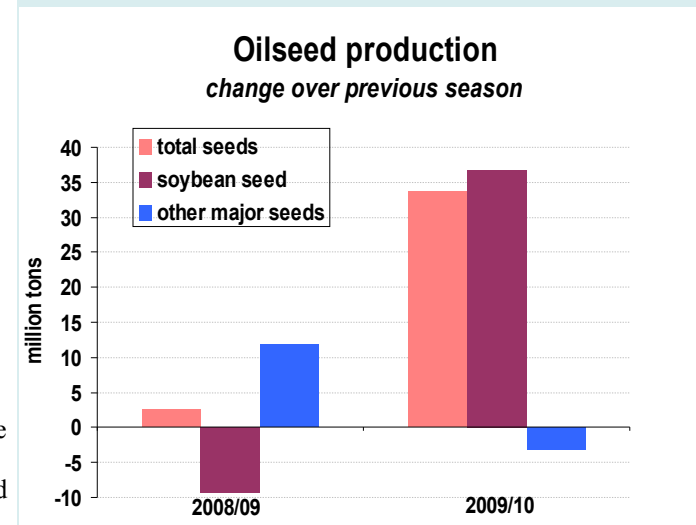


World production of major oilseeds

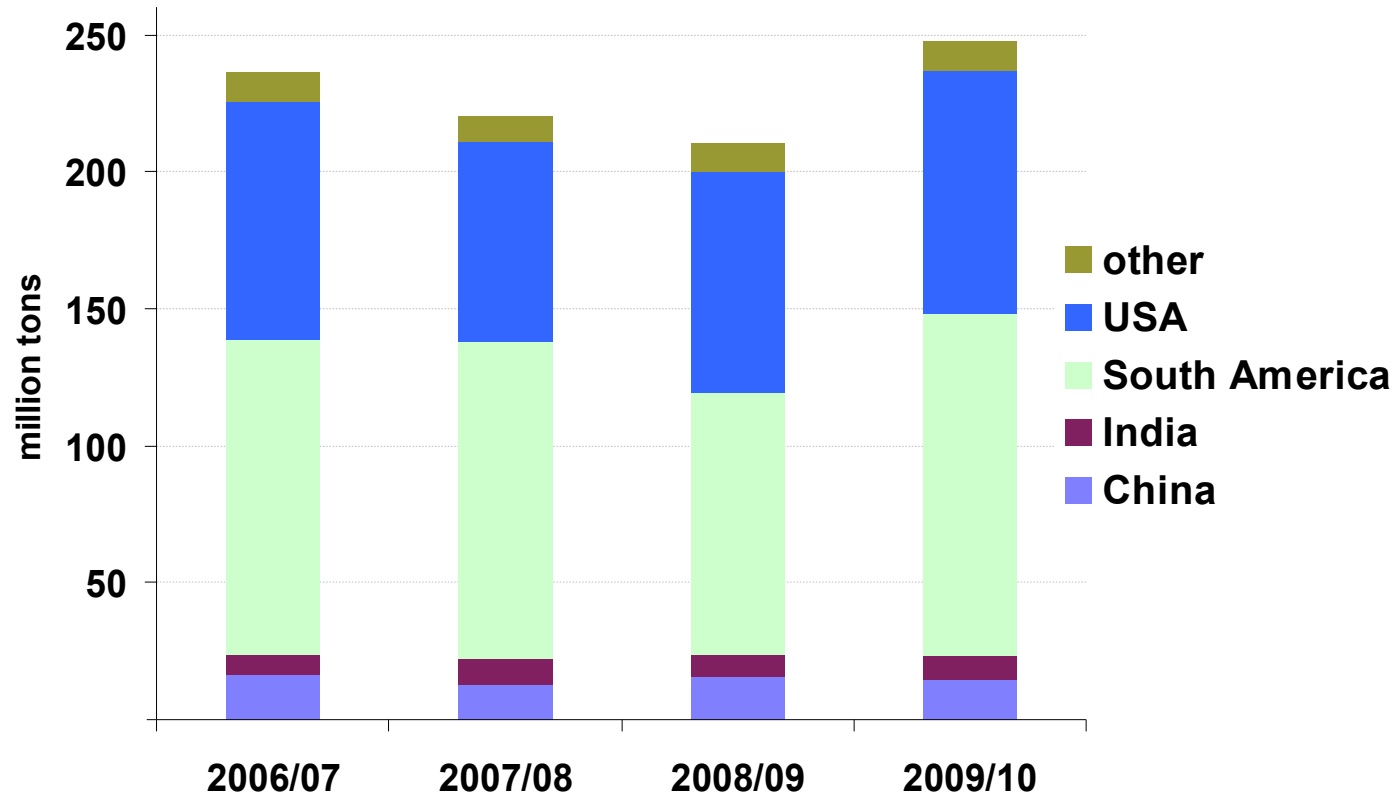
	2007/08	2008/09 est.	2009/10 f'cast	change 2009/10 over 2008/09
	<i>million tonnes</i>			<i>in %</i>
Soybeans	220.0	210.6	247.5	+17.5
Cottonseed	44.1	40.6	40.1	-1.2
Rapeseed	48.7	58.3	58.3	0
Groundnuts (unshelled)	35.4	35.2	33.3	-5.4
Sunflower	28.9	33.9	31..5	-7.0
Palm kernels	11.2	11.5	12.1	+5.2
Copra	5.0	5.3	5.4	+1.9
Total	393.3	395.4	428.2	+8.3

Source: FAO

Note: The split years bring together northern hemisphere annual crops harvested in the latter part of the first year shown, with southern hemisphere annual crops harvested in the early part of the second year shown. For tree crops, which are produced throughout the year, calendar year production for the second year shown is used.



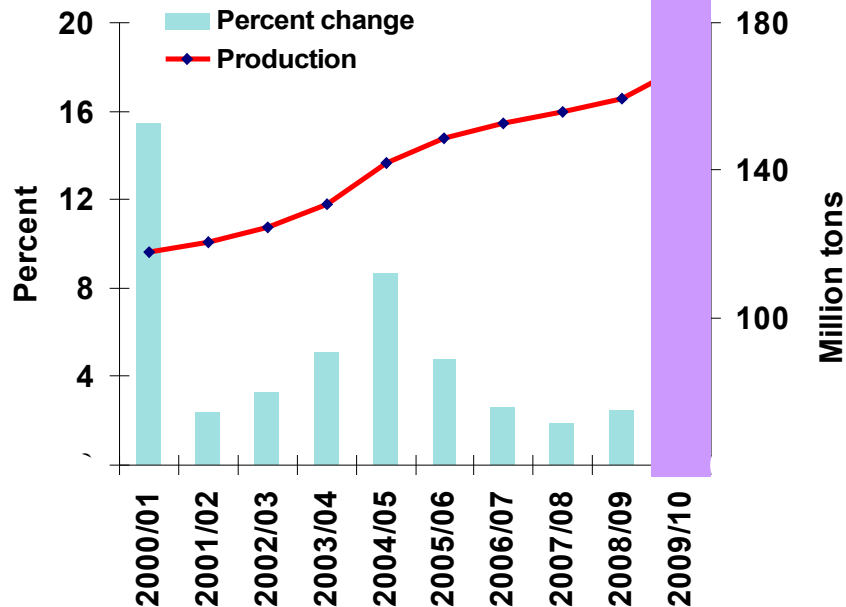
World soybean production pattern



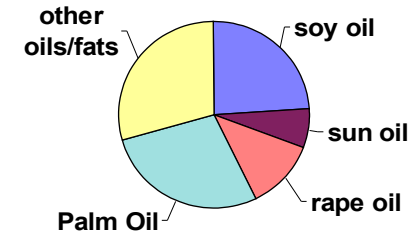
3. Oil & fats

Global production

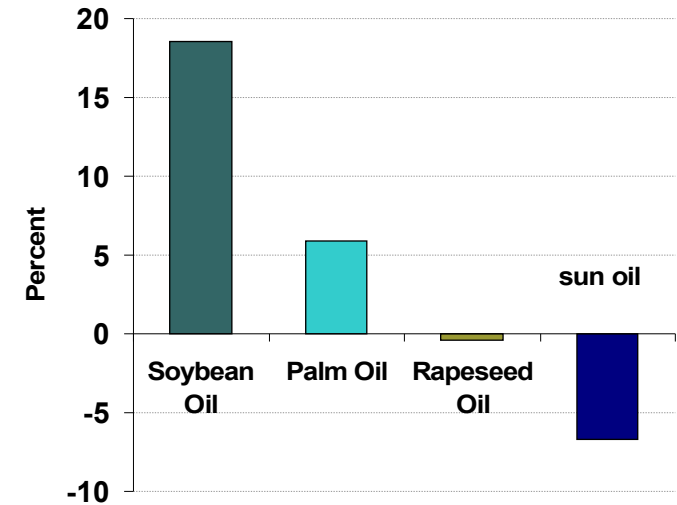
Global production of oils and fats



Global production of oils/fats
2009/10

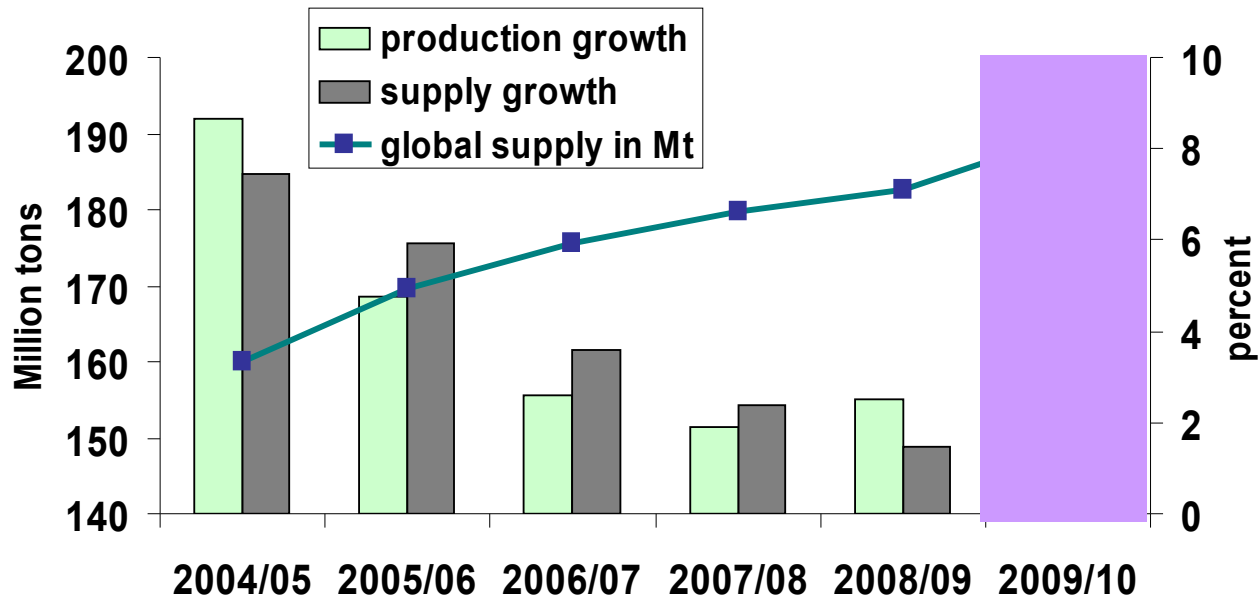


Growth in oils/fats prod.
2009/10 over 2008/09

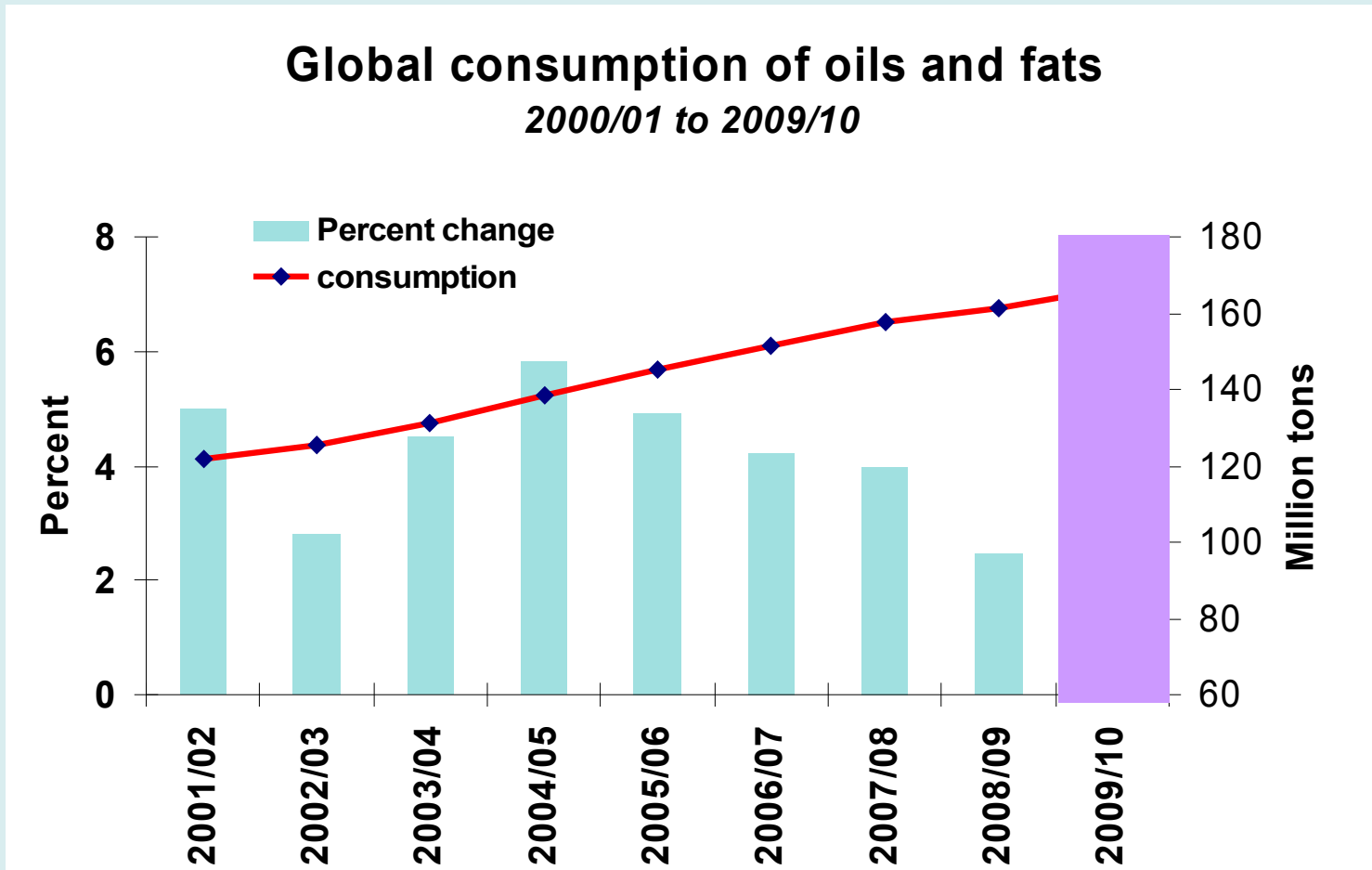


Global oils/fats supplies

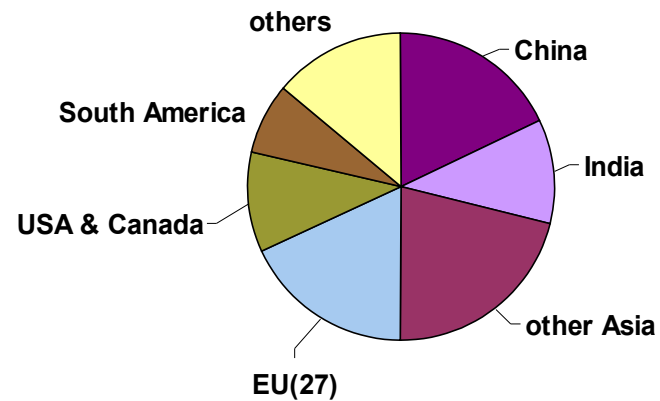
- Global oils/fats supply
- Annual % change of production and supply



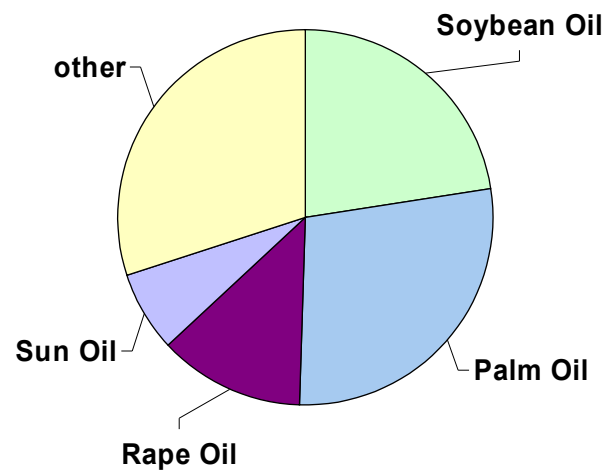
World consumption of oils/fats



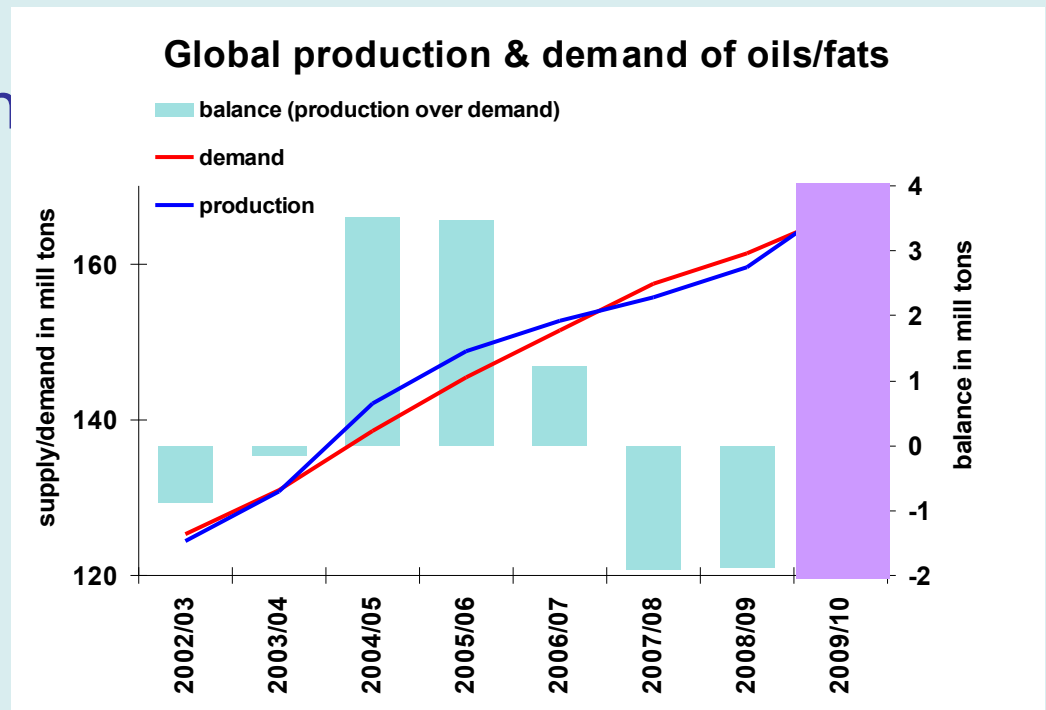
Oils/fats consumption by country - 2009/10



Oils/fats consumption pattern - 2009/10

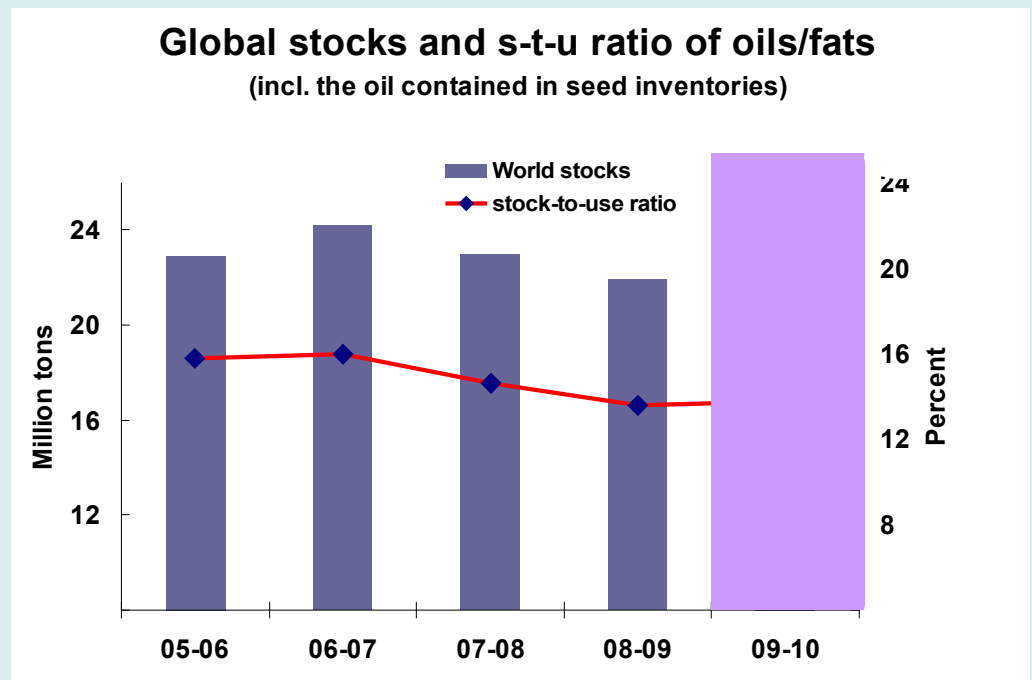


Demand versus production

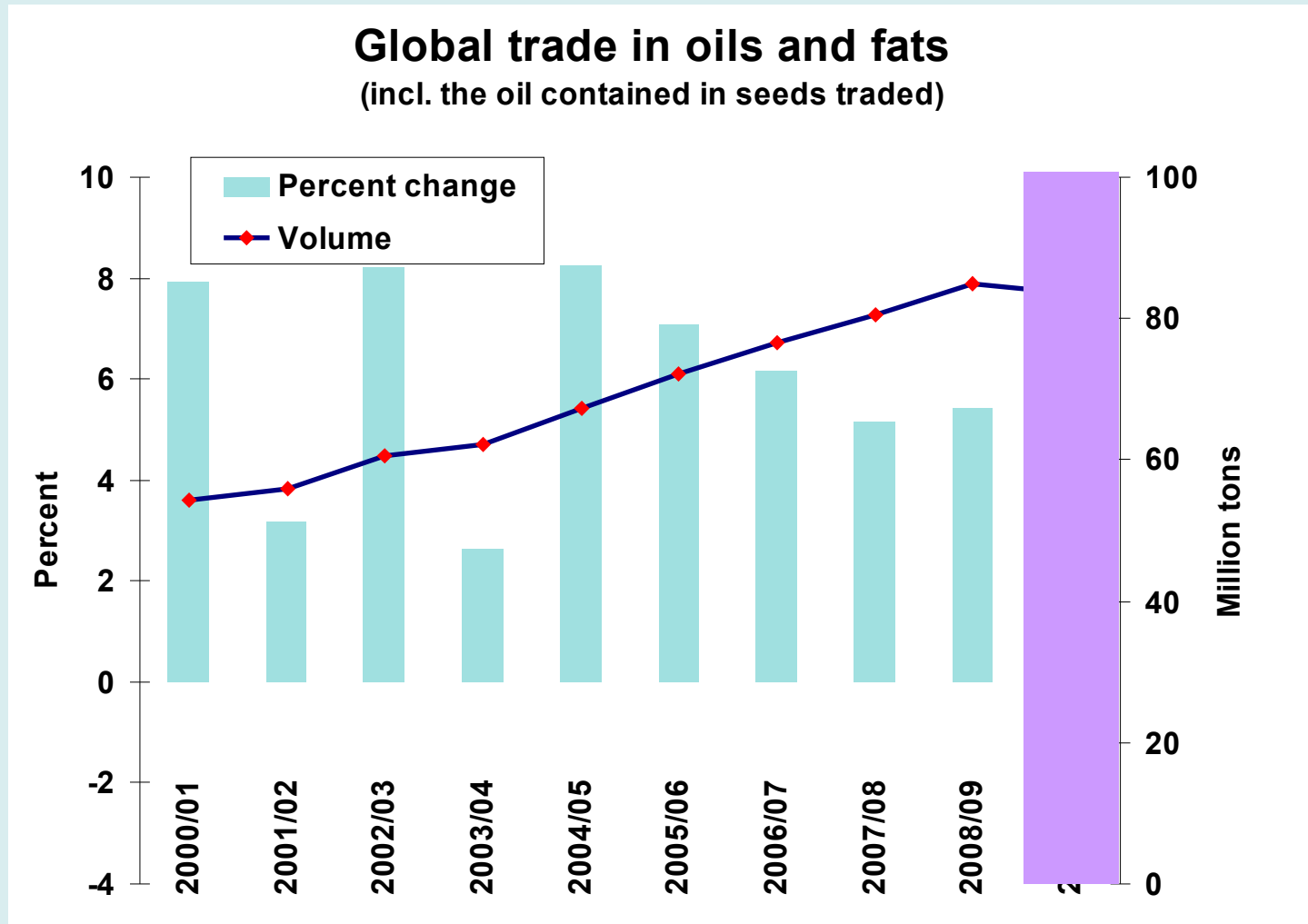


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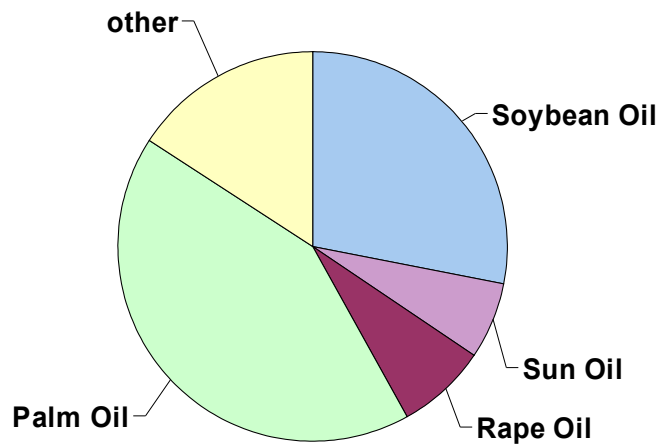
Stocks and s-t-u ratio



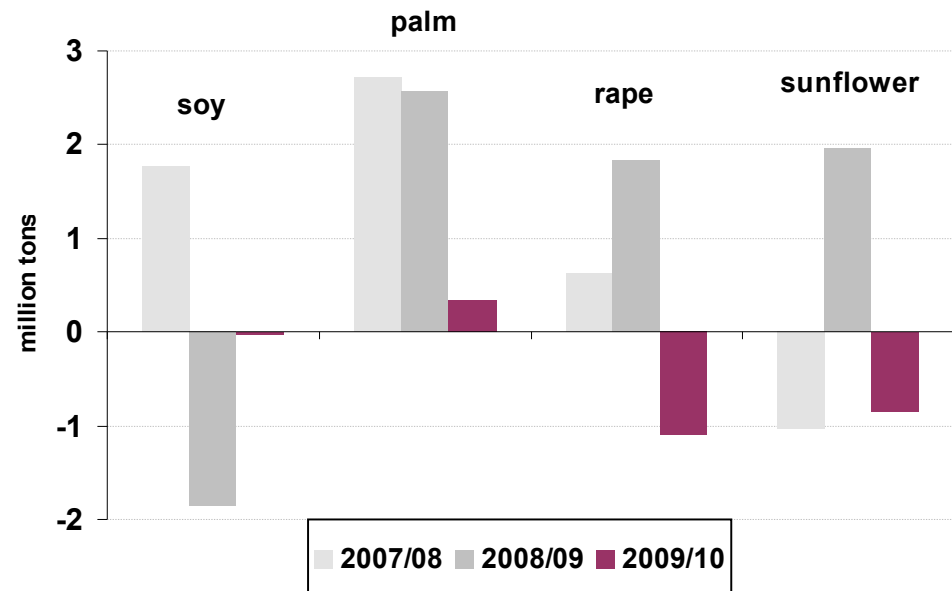
b) World trade in oils/fats



Oils/fats trade pattern - 2009/10
(volume)

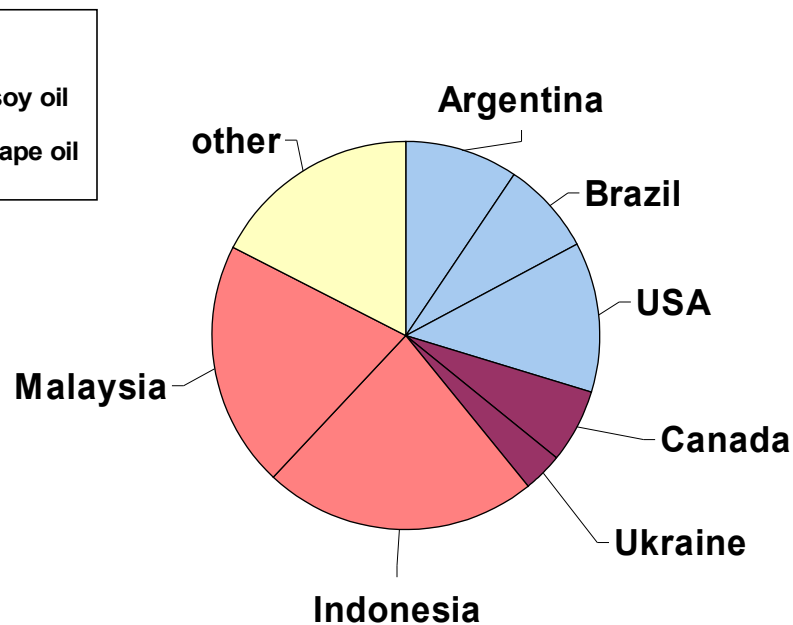


Trade in selected oils
change from previous season

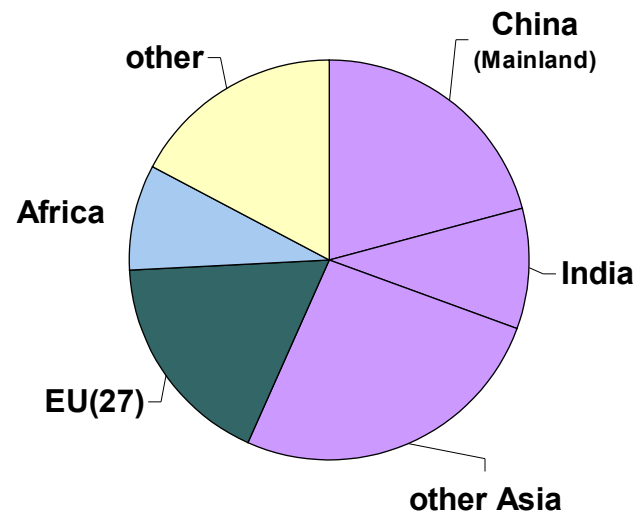


Oils/fats import and export markets 2009/10

Oils/fats export pattern - 2009/10
(volume)



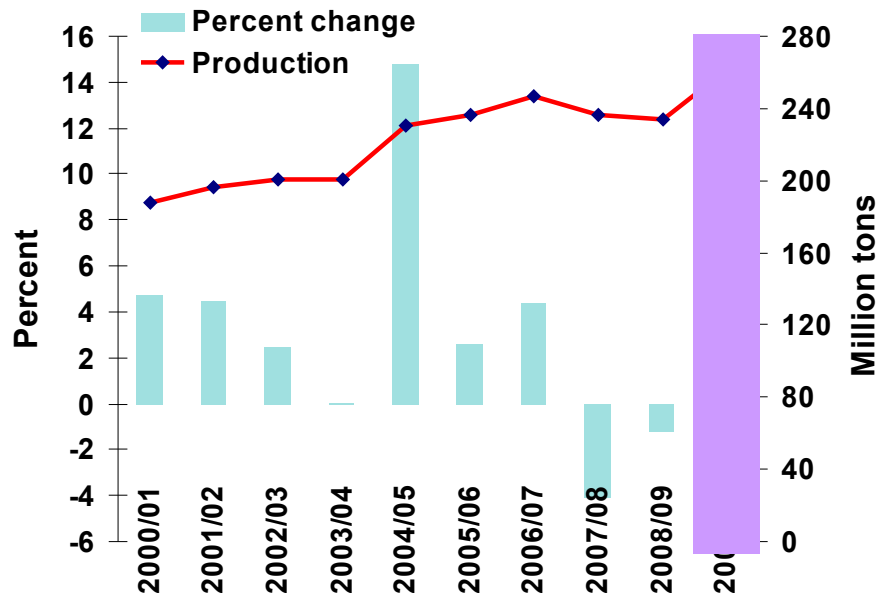
Oils/fats import pattern - 2009/10
(volume)



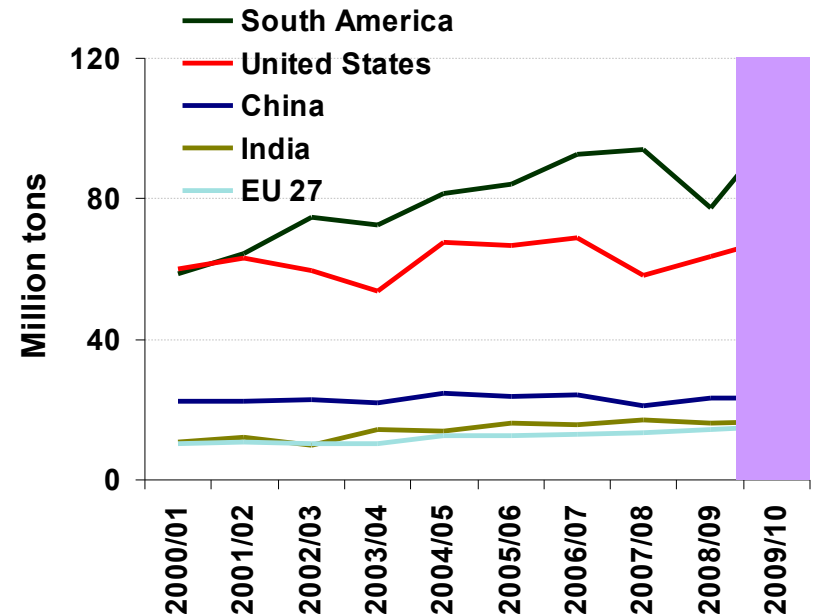
4. Oilmeals & cakes

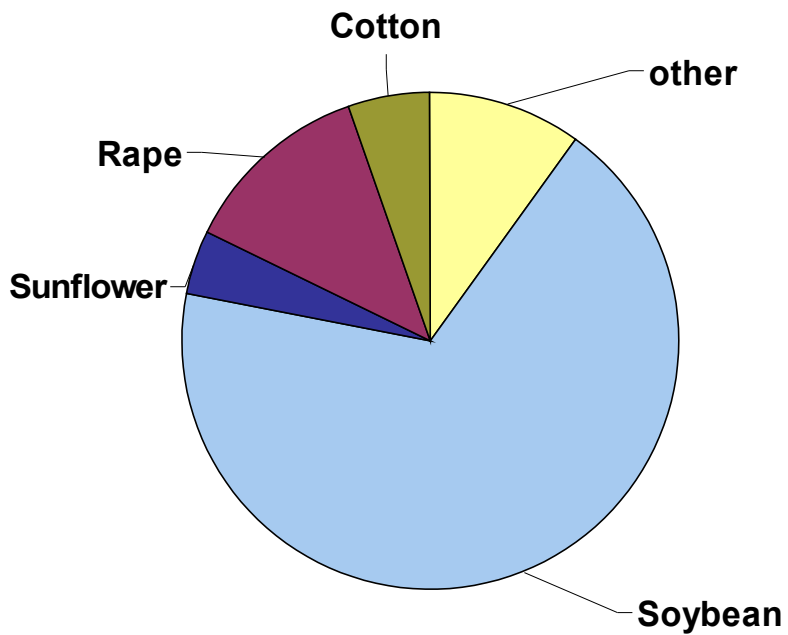
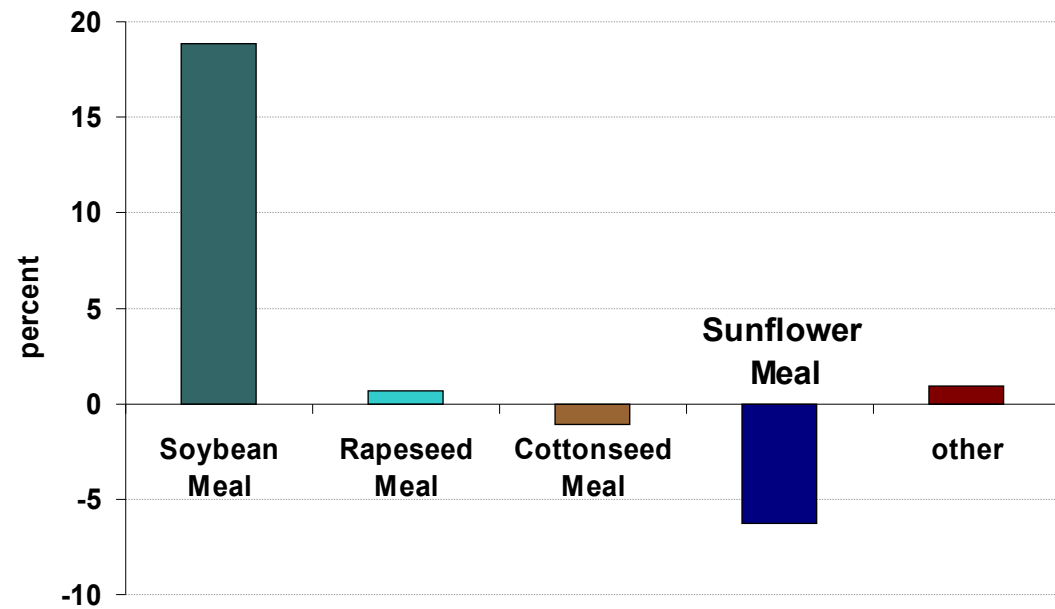
a) Global production

Global production of meals and cakes



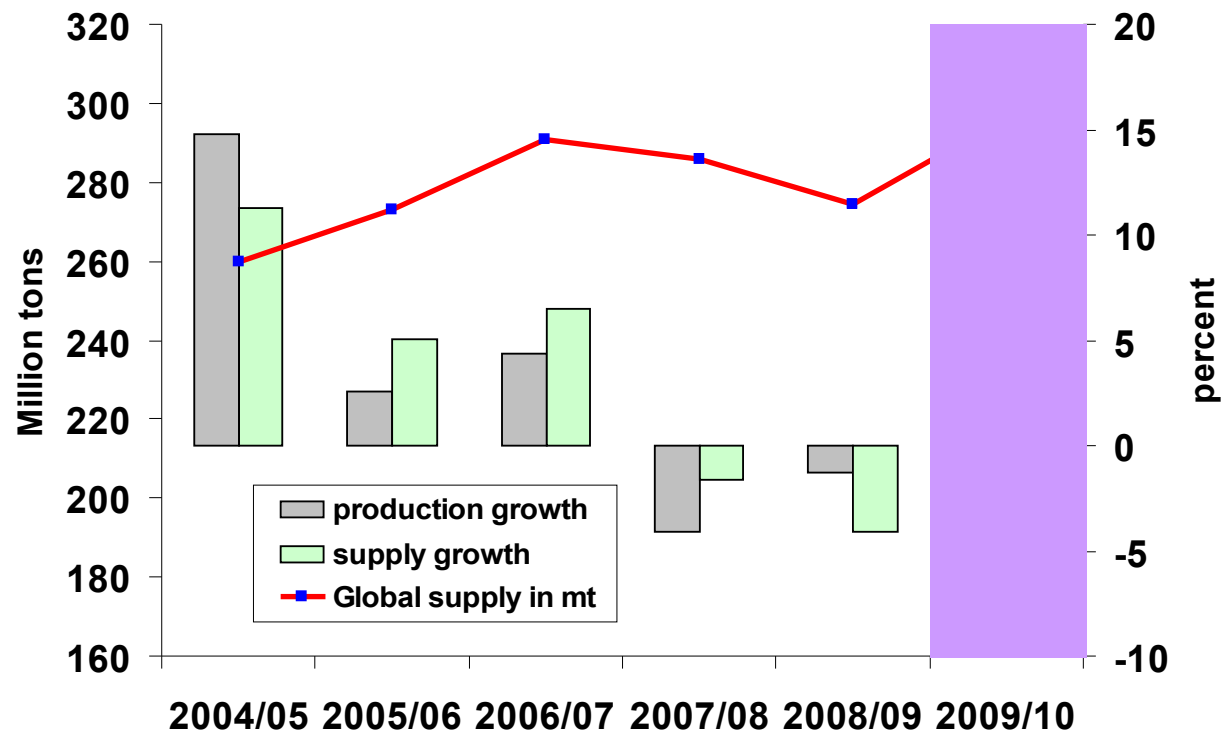
Major meal producers



Global production of meals - 2009/10**Growth in meals/cakes production
2009/10 over 2008/09**

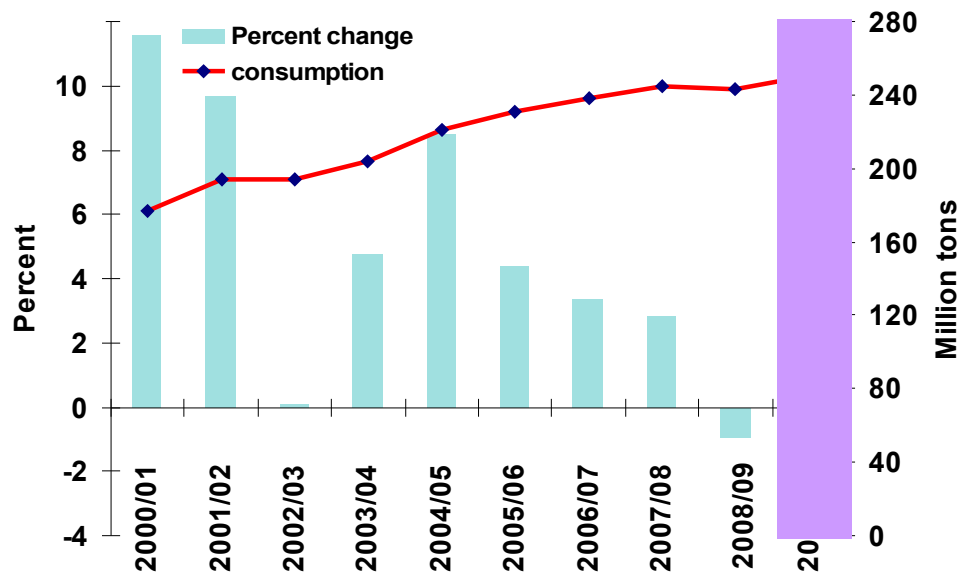
Meals & cakes: global supplies

- Global meals/cakes supply
- Annual % change of production and supply

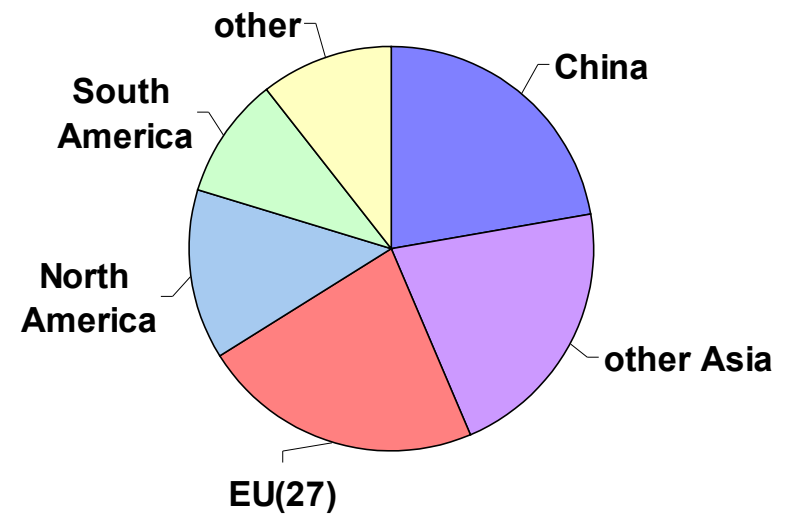


Global meals/cakes consumption

Global consumption of meals and cakes

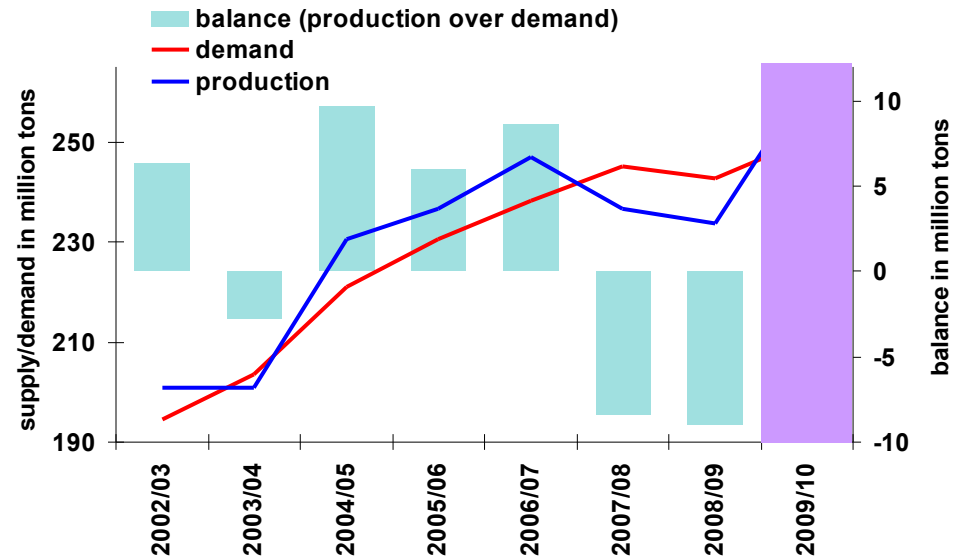


Meals/cakes consumption by region 2009/10



Demand versus production

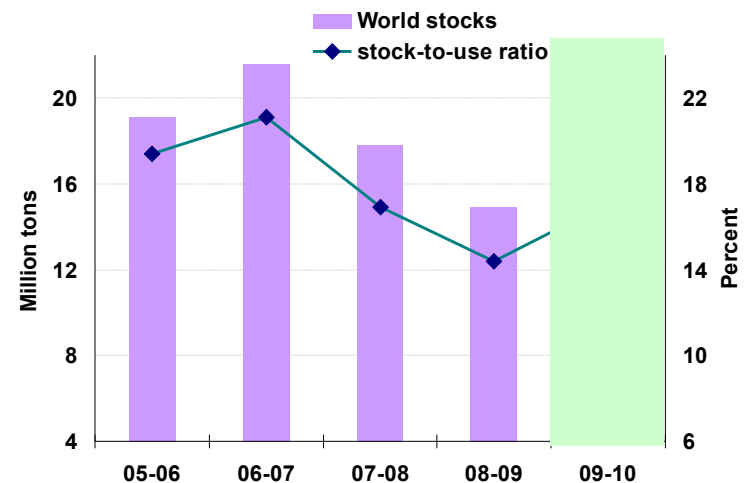
Global production & demand of meals/cakes



Stocks and s-t-u ratio

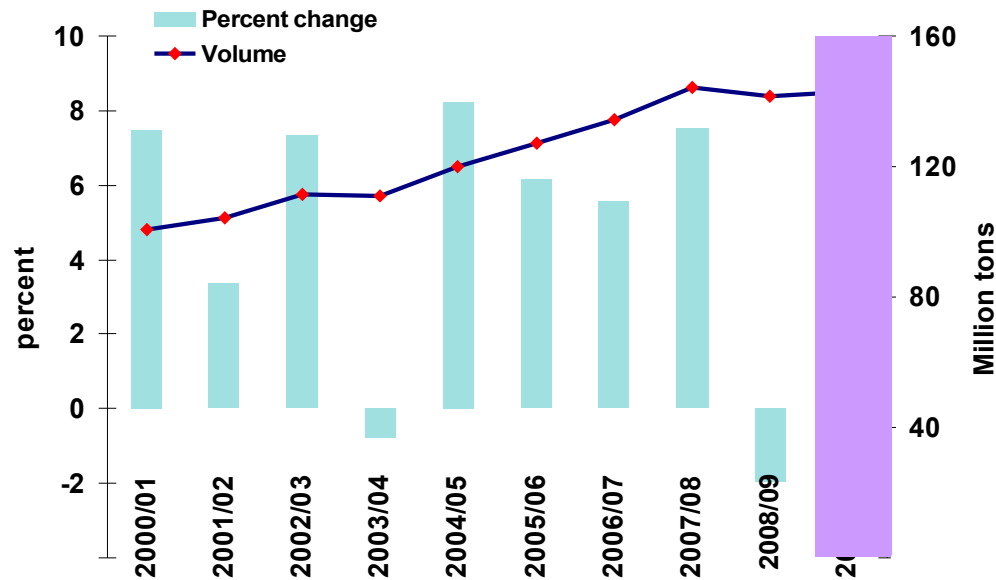
Global stocks and s-t-u ratio of meals

(incl. the meal contained in seed inventories)

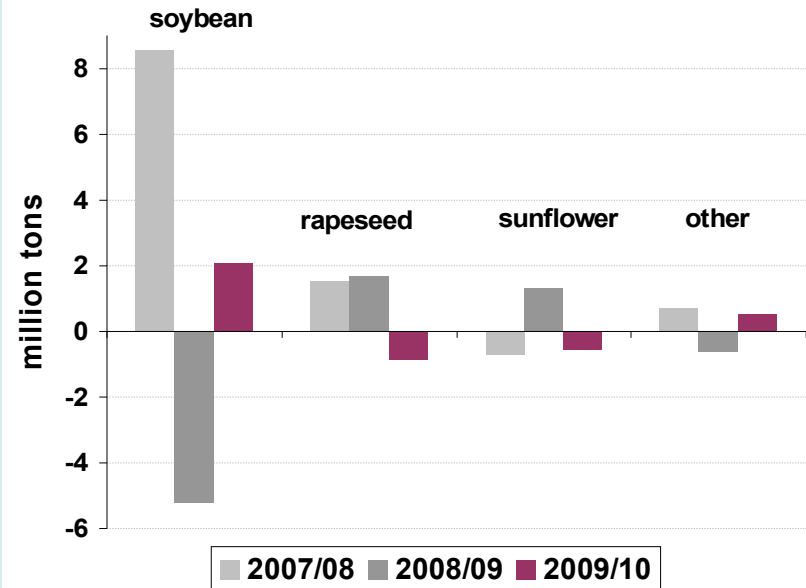


b) World trade in meals and cakes

Global trade in meals/cakes
(including the meal contained in seed traded)

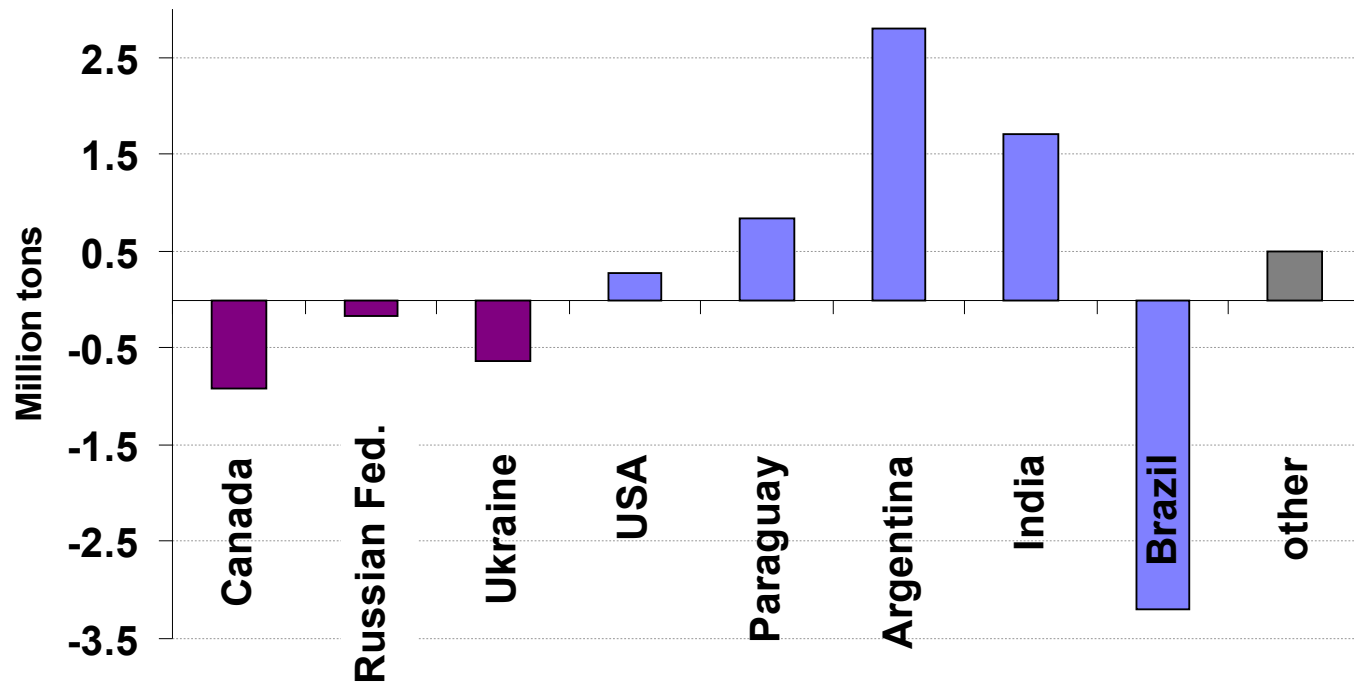


Trade in selected meals
change from previous season



Growth in meals/cakes exports

2009/10 over 2008/09



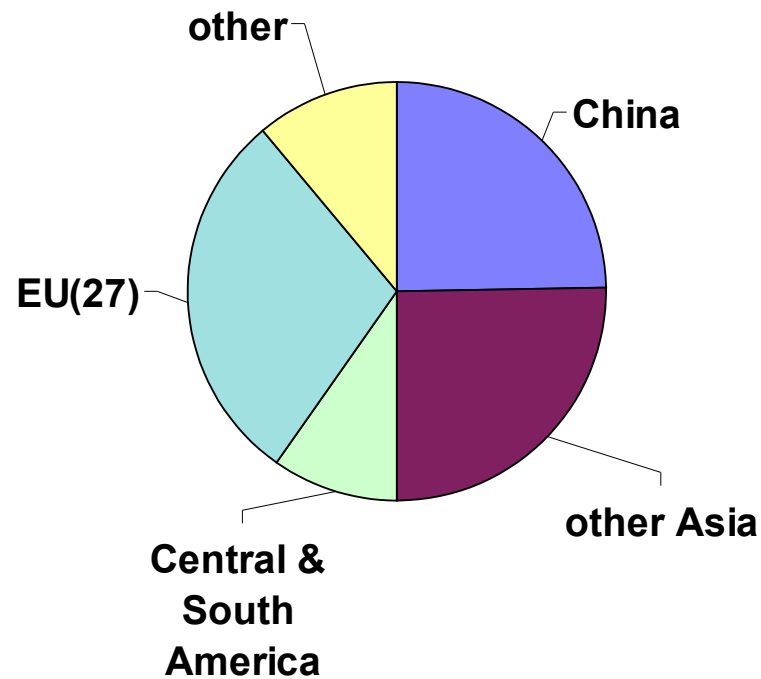
mostly sun &
rape meal

mostly soymeal

all meals

Meals/cakes imports by region - 2009/10

(volume)



World oilseed and product markets - *at a glance*

	2007/08	2008/09 est.	2009/10 f'cast	Change: 2009/10 over 2008/09
million tons.....		%.....
Total oilseeds				
Production	403.6	406.1	440.2	+8.4
Oils and fats¹				
Production ⁶	155.6	159.5	168.0	+5.3
Supply ²	179.8	182.5	189.8	+4.0
Utilization ³	157.5	161.4	167.1	+3.5
Trade ⁴	80.5	84.9	83.5	-1.6
Stock-to-utilization ratio (%)	14.6	13.6	13.7	
Meals and cakes⁵				
Production ⁶	101.5	99.4	112.0	+12.7
Supply ²	123.1	117.2	126.9	+8.3
Utilization ³	105.0	103.6	106.8	+3.1
Trade ⁴	62.9	61.4	62.0	+1.0
Stock-to-utilization ratio (%)	16.9	14.4	17.1	

Source: FAO

¹ Includes oils and fats of vegetable, animal and marine origin.

² Production plus opening stocks.

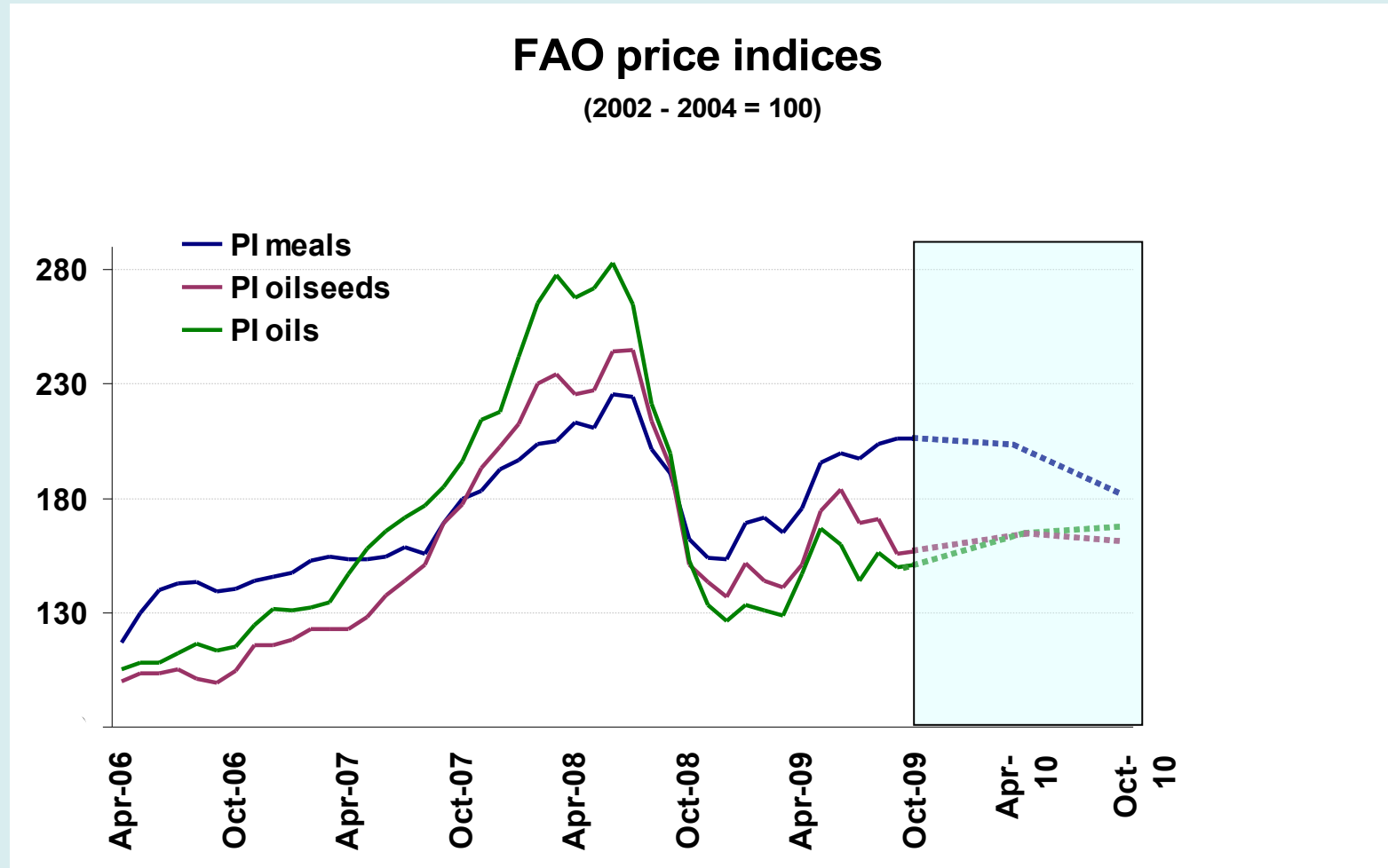
³ Residual of the balance.

⁴ Trade data refer to exports based on a common October/September marketing season. The data refer to the sum of trade in oils (meals) plus the oil (meal) equivalent of oilseed trade.

⁵ All meal figures are expressed in protein equivalent; meals include all meals and cakes derived from oilcrops as well as meals of marine and animal origin.

⁶ Production data for oils (meals) derived from oilseeds refer to the oil (meal) equivalent of the current production of the relevant seeds, i.e. do not reflect the outcome of actual oilseed crushing nor take into account changes in oilseed stocks.

5. Price outlook



Key uncertainties ... factors to watch:

- weather patterns in South America and SEA (El Niño episodes)
- duration of global economic crisis (and related national policies)
- related markets:
 - possible spill-over effects from world grain markets (as in 2007/08)
 - anticipated recovery of livestock sector assumes sustained improvement in profitability and absence of disease problems
 - crude oil prices: affect fertilizer prices/agr. production costs and biofuel competitiveness
- USD exchange rate variations
- relevant policy measures:
 - domestic policies on biofuel production/utilization, on sustainable feedstock production, on trade in biofuels or feedstock
 - China: oilseed gov. prices/procurement and public stockholding
 - Argentina: soybean (and grains) export taxation
 - India: oil import duty exemption
 - EU approval of new GM varieties and policies on

Updates:

“Food Outlook”

2 issues per year

<http://www.fao.org/giews/english/fo/index.htm>

*Oilcrop **“Monthly price and policy update”***

http://www.fao.org/es/esc/en/15/120/highlight_573.html

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CBOT soybean futures prices (March contract)

