Oilseeds market summary

After two seasons of relatively ample supplies, in 2011/12, the market for oilseeds and derived products is set to tighten again. Global oilcrop production will not be sufficient to satisfy growing demand for oils and meals. Global soybean production is estimated to decrease by almost 10 percent, one of the steepest year-on-year falls on record. With oilcrops other than soybeans only partly compensating for the shortfall, total oilcrop production should drop by 4 percent from last season to a three-year low. Notwithstanding, a moderate growth in global oil supplies should be possible, thanks mainly to further expanding palm oil production and to the availability of large stocks at the beginning of the season. Global meal supplies, on the other hand, given their heavy dependence on soybeans, anticipate to experience a pronounced drop. With respect to demand, global consumption of oils/fats should continue expanding at an about average rate, which also reflects further rising demand from the biodiesel industry. By contrast, growth in meal consumption is expected to slow down markedly, as reduced supplies and rising meal prices are expected to curtail demand. In general, consumption growth could only be satisfied by drawing from inventories with a conspicuous reduction in global stocks of oils, and especially meals, likely to be necessary. This will push the global stock-to-use ratios for both product groups to historically low levels. Consequently, following the last few months' rise in international quotations for oilseeds and derived products, continued firmness in prices seems likely. Adding to market concerns is the prospect of only a modest, if any, growth in 2012/13 aggregate oilcrop plantings in the northern hemisphere, which would imply a strong reliance on South America for an improvement in the global supply situation.

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OILSEEDS, OILS AND MEALS [9]

PRICES [10]

As the 2010/11 season (October/September) drew to a close, it seemed that supply-and-demand tightness in the oilseed complex could continue and possibly intensify during 2011/12. Yet, market prices did not reflect the prospective tightness until early 2012. In fact, international quotations for oilseeds and oilcrop products eased during the second half of 2011, when ample 2010/11 ending stocks overlapped with weak soybean crushing and a slowing world import demand. Falling feed grain quotations and growing fears of a global economic recession resulted in additional downward pressure.

However, the slide in prices came to a halt in January 2012, when news of adverse weather threatening the South American soybean crop and of prospective weak palm oil production growth in Southeast Asia hit the market. The concrete threat of a global oil and meal production shortfall in 2011/12 triggered a rally in prices. By the end of March 2012, the FAO price index for oilseeds had risen 24 points, or 13 percent compared to December 2011, with the indices for oilmeals and oils following suit. Similarly, the CBOT soybean futures contract for September had appreciated steadily since the beginning of 2012 and, in early April, crossed the USD 500 per tonne line.

With major crop failures in South America confirmed, global production of oilcrops is bound to be insufficient to satisfy the anticipated growth in demand for oils and meals in 2011/12. As a result, both a sizeable drawdown in global inventories and a sharp drop in global stock-to-use ratios – exactly the reverse of the past two seasons – appear inevitable, pointing to continued price firmness in the oilseed complex. The possibility that in 2012/13 soybeans will again face strong competition for cropland from maize (notably in the United States) is lending additional support to prices. Among the factors which are containing the upward pressure on prices is the current ample availability of feed wheat, which can be used to replace soymeal in feed rations.

Figure 22. FAO monthly international price indices for oilseeds, oils/fats and meals/cakes (2002-2004=100)

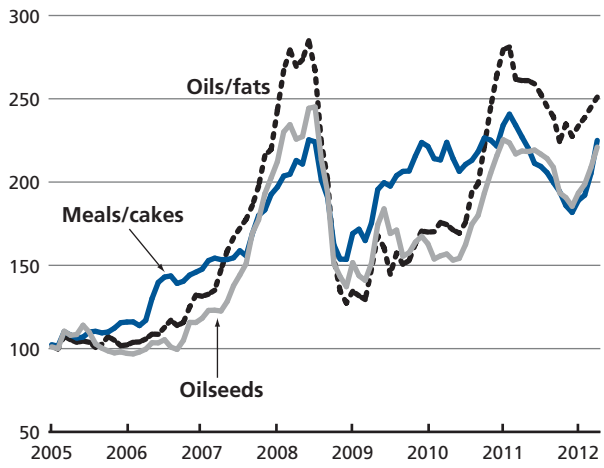
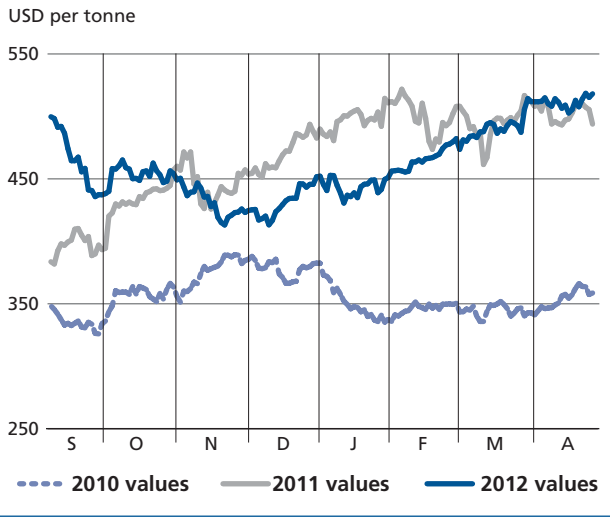


Figure 23. CBOT soybean futures for September



OILSEEDS

2011/12 production outlook strongly deteriorated

The global production forecast for 2011/12 has been lowered substantially since the start of the season. Currently estimated at 451 million tonnes, global output is set to drop almost 4 percent from last season, marking a three-year low. With total crop area estimated to expand at an about average rate, this season's production decrease is mostly due to adverse weather affecting yields.

[9] Almost the entire volume of oilcrops harvested worldwide is crushed to obtain oils and fats for human nutrition or industrial purposes, and to obtain cakes and meals which are used as feed ingredients. Therefore, rather than referring to oilseeds, the analysis of the market situation is mainly undertaken in terms of oils/fats and cakes/meals. Hence, production data for oils (cakes) derived from oilseeds refer to the oil (cake) equivalent of the current production of the relevant oilseeds, i.e. they do not reflect the outcome of actual oilseed crushing. Furthermore, the data on trade in and stocks of oils (cakes) refer to the sum of trade in and stocks of oils and cakes plus the oil (cake) equivalent of oilseed trade and stocks.

[10] For details on prices and corresponding indices, see appendix Table A24.

Figure 24. FAO monthly price index for oilseeds (2002-2004=100)

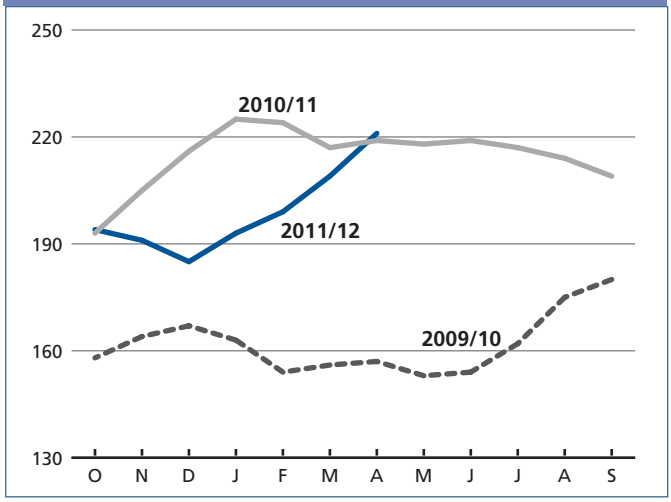


Figure 25. FAO monthly price index for meals/ cakes (2002-2004=100)

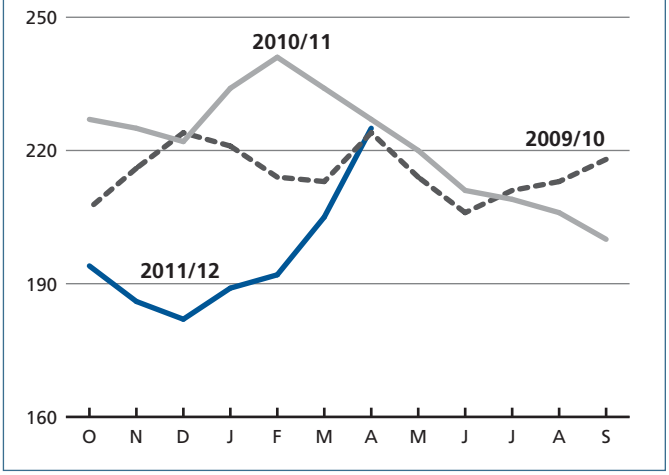
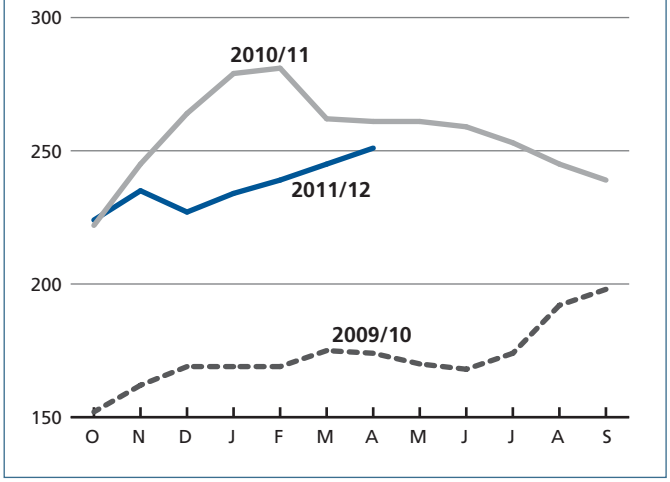


Figure 26. FAO monthly price index for oils/fats (2002-2004=100)



The hardest hit crop is *soybean*. Following the 8 percent production drop in the **United States**, due to lower plantings and poor yields, the latest estimates for South America's soy crop indicate a year-on-year fall of more than 14 percent. After the region's three main producers, **Brazil**, **Argentina** and **Paraguay** increased the area planted to soybeans, exceptionally dry weather caused by the La Niña phenomenon decimated yields in some of the key growing areas. In the three countries, crop losses are estimated at, respectively, 13, 10 and 56 percent. Together, the Americas are expected to produce 26 million tonnes or 11 percent less soybeans than last season. **China** also experienced a marked drop in its soy output – mainly a result of further cuts in area. This leaves **India** as the only important soybean producer reporting an increase in production. Overall, global soy production is bound to decrease by almost 10 percent, one of the steepest year-on-year falls on record. Global production of *rapeseed* and *groundnut* also is expected to fall, though these drops encroach much less on aggregate output. In the case of rapeseed, production drops in the **EU** and **India** are confirmed, whereas the estimates for **Canada** and **Australia** have been significantly raised compared to the initial forecasts. For the other oilcrops, notably *sunflowerseed* and *cottonseed*, considerable year-on-year improvements in global output are likely. Growth in sunflowerseed production is concentrated in the **EU** and **CIS** countries, while much of the rise in cottonseed is in Asia.

Table 10. World production of major oilseeds

	2009/10	2010/11 *estim.*	2011/12 *f'cast*	Change 2011/12 over 2010/11 %
	million tonnes			
Soybeans	259.7	265.3	240.0	-9.5
Rapeseed	61.4	60.9	60.6	-0.5
Cottonseed	40.4	43.5	46.6	7.1
Groundnuts (unshelled)	34.9	36.9	36.4	-1.6
Sunflower seed	32.8	33.2	38.0	14.5
Palm kernels	11.7	12.6	13.0	3.8
Copra	5.8	4.9	5.6	15.2
Total	446.3	457.3	440.2	- 3.7

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.

Table 11. World oilseed and product market at a glance

	2009/10	2010/11 estim.	2011/12 f'cast	Change: 2011/12 over 2010/11
	million tonnes			%
TOTAL OILSEEDS				
Production	456.7	468.0	450.9	-3.7
OILS AND FATS[1]				
Production	172.6	179.9	181.9	1.1
Supply[2]	196.4	208.8	212.5	1.8
Utilization[3]	168.7	176.7	185.3	4.9
Trade[4]	89.5	92.1	96.2	4.5
Stock-to-utilization ratio (%)	*16.5*	*17.4*	*14.8*	
MEALS AND CAKES[5]				
Production	114.1	117.8	110.7	-6.0
Supply[2]	128.2	136.9	131.9	-3.7
Utilization[3]	107.4	113.6	116.0	2.1
Trade[4]	67.2	69.9	70.5	0.9
Stock-to-utilization ratio (%)	*17.8*	*18.7*	*13.2*	

FAO PRICE INDICES (Oct-Sep) (2002-2004=100)	2009/10	2010/11	2011/12 Oct-Apr	Change: 2011/12 over 2010/11 %
Oilseeds	162	215	199	-7.0
Meals/cakes	215	221	196	-14.8
Oils/fats	174	256	236	-8.9

Note: Refer to footnote 9 in the text for further explanation regarding definitions and coverage.

[1] Includes oils and fats of vegetable, animal and marin 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.

[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.

OILS AND FATS [11]

Below average growth confirmed for oils/fats supplies

Current 2011/12 crop estimates translate into a well below average 1 percent year-on-year increase in overall oils/fats *production*. Despite the production rise anticipated for sunflowerseed (a high oil-yielding crop), this season's decimated soybean crop will pull down total oil extracted from annual oilcrops. However, perennial crops are expected to compensate for this decrease, particularly palm oil, production of which is forecast to expand by about 5 percent, largely thanks to further expansion in mature oil palm area in **Indonesia**. In **Malaysia**, production growth is expected to slow down strongly due to the tree's biological yield cycle and excessive rainfall experienced since December, due to La Niña.

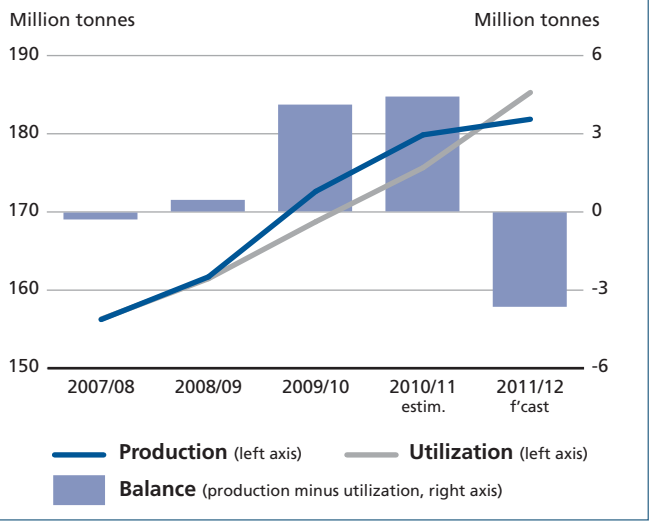
Global oils/fats *supplies*, which comprise 2011/12 production plus 2010/11 ending stocks, are forecast to increase by 2–3 percent, owing to ample stock positions at the beginning of this season. However, the anticipated growth remains low in historic terms. World soyoil supplies should actually fall by about 5 percent. With regard to key producers, domestic availability of oils/fats is set to grow in **Indonesia**, **Malaysia** and **Canada**. By contrast, modest or no growth is expected in **China** and **India**, while a significant drop in supplies is forecast for the **United States**, **Argentina** and **Brazil**.

World consumption to continue expanding

Global demand for oils/fats is expected to continue expanding at an average rate of about 5 percent, reaching 185 million tonnes. Growth is expected to concentrate in developing countries, in particular emerging economies, where economic growth should keep driving up average per capita consumption. In addition, further rising demand from the biodiesel industry is expected to account for about one-third of the projected increase in global consumption. Growth continues to be driven by higher mandatory blending rates and the creation of additional production capacity in a number of countries.

As in past years, much of the increase in global demand is expected to originate in Asia, with food and oleochemical uses as main areas of growth and **China** and **India** as

Figure 27. Global production and utilization of oils/fats



[11] This section refers to oils from all origins, which – in addition to products derived from the oil crops discussed under the section on oilseeds – include palm oil, marine oils as well as animal fats.

dominant players. In both countries, domestic consumption is set to expand by 6–7 percent. In **Indonesia**, utilization is anticipated to grow by around 14 percent, reflecting further expansion in the country's palm oil refining industry. Under the lead of **Argentina** and **Brazil**, consumption should also continue rising in South America. Together, the two countries are expected to consume 11.2 million tonnes of oils/fats, double the level recorded only six years ago. Biofuel demand should account for the bulk of this season's rise in consumption, as mandatory blending rates are expected to be raised to 7 percent in Brazil and 10 percent in Argentina, which is also expected to continue expanding its biodiesel exports. In the **EU**, the world's second largest consumer after China, consumption should remain about unchanged because of stagnating domestic oil supply and reduced growth in the biodiesel industry, due to lower profitability levels. Also in the **United States**, domestic consumption growth is constrained by tight supplies and primarily reflects efforts to comply with national biofuel consumption targets.

Global stock-to-use ratio to fall markedly

Unlike in the last two seasons, global production is anticipated to fall short of total demand in 2011/12. A sizeable shortfall, of about 3 million tonnes, should lead to a significant decrease in global *inventories*. By end of season, world stocks (measured as oil/fat inventories plus the oil contained in stored oilseeds) are projected to fall by almost 11 percent. The decrease involves mainly soybean oil. With regard to major stockholding countries, pronounced decreases are anticipated in **Argentina**, **Brazil** and **China,** where reserves will have to be used to meet rising domestic and export demand, compensating for this season's poor harvests. In the **United States** and the **EU**, where growth in demand is estimated to be more subdued, inventory levels should remain about unchanged, whereas in **Malaysia** and **Indonesia**, the projected rise in palm oil production should allow stock positions to improve. The anticipated fall in global inventories, combined with the projected rise in consumption, is set to push the global *stock-to-use ratio* down to 15 percent, which is close to the critically low level recorded during the 2008 food crisis.

Trade in oils/fats to continue expanding

In 2011/12, global trade in oils/fats (including the oil contained in traded oilseeds) is forecast to expand by an average rate of 4 percent. With respect to the two most traded vegetable oils, palm oil shipments are forecast to rise by 2.6 million tonnes, while global soybean oil trade should shrink by 1.5 million tonnes. **Indonesia** and **Malaysia**, record *export* availabilities are forecast to boost palm oil shipments by 6–7 percent. As to soybean oil, the unprecedented contraction in shipments comes from the projected drop in global supplies. The **United States**, the world's top soyoil exporter, expects to reduce deliveries by almost 20 percent. Higher exports from South America should offset this drop in part: the region is poised to increase its sales by about 3 percent, strongly relying on stocks left over from last season. To fill the gap left by soybean oil, trade in sunflower and rapeseed oil is estimated to expand considerably, in fact climbing to new

Figure 28. World closing stocks and stock-to-use ratio of oils/fats (including the oil contained in seeds stored)

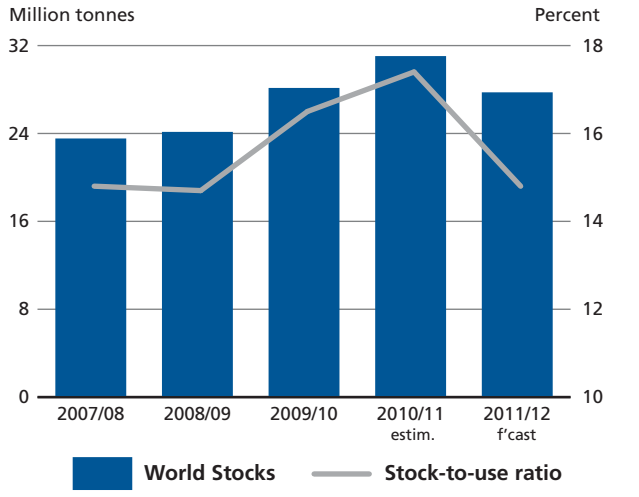


Figure 29. Oil/fat exports by major exporters (including the oil contained in seed exports)

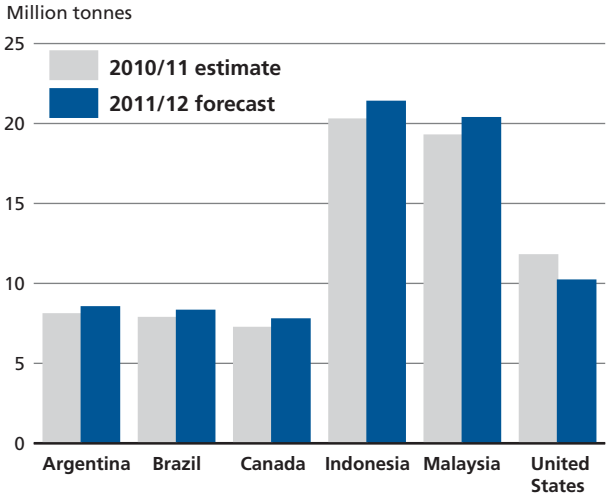
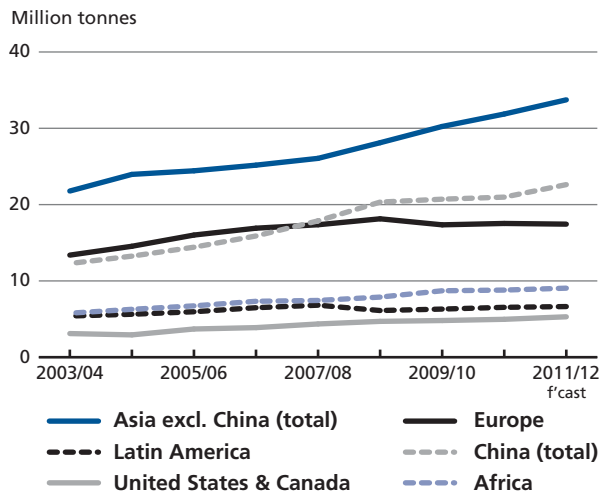


Figure 30. Total oil/fat imports by region or major country (including the oil contained in seed imports)



records. Growth mainly involves **CIS** countries, **Canada** and **Australia**, which all have had good crops. With regards to the **Russian Federation** and **Ukraine,** the share of domestic seed and oil output entering trade is set to continue rising.

As to global *imports*, most of the anticipated growth is expected to occur in Asia under the lead of **China** and **India**. China's purchases are projected to climb 8 percent to over 21 million tonnes (including the oil contained in seed imports). India could import a record 9.6 million tonnes, marking a 10 percent year-on-year increase. Their strong growth rates are both related to further population and income growth, coupled with stagnating domestic oilcrop production. Both nations continue to rely heavily on foreign purchases to satisfy domestic demand. Other countries in Asia with rising import requirements include **Malaysia**, **Pakistan** and **Turkey**. In the **EU**, the world's second largest buyer, imports should remain about unchanged thanks to this year's record sunflowerseed harvest as well as sluggish demand growth in the biodiesel industry and rising imports of ready-made biodiesel.

MEALS AND CAKES [12]

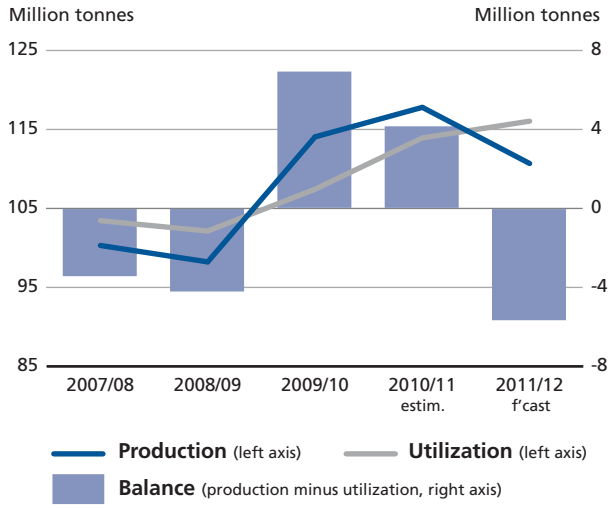
Pronounced drop in global meal supplies

Based on the latest 2011/12 crop estimates, global meals/cakes *production* should drop by an unprecedented 15.5 million tonnes compared to last season, mirroring this season's sharp decline in soybean production. Global soymeal output is set to fall by no less than 9 percent from last season's record level, with higher sunflower and cottonseed meal output providing only limited relief. However, thanks to last season's record soymeal closing stocks, the fall in global meal *supplies* (comprising 2011/12 production and 2010/11 carry-out stocks) should be contained at 3–4 percent. The decrease primarily concerns the world's leading soybean producers, in particular the **United States**, followed by **Brazil**, **Paraguay** and **Argentina**. Noticeable improvements are anticipated in **Canada**, **Australia**, the **Russian Federation** and **Ukraine**, thanks to good rape and sunflowerseed harvests, and in the key cotton growing nations of Asia.

Meal consumption growth to slow down markedly

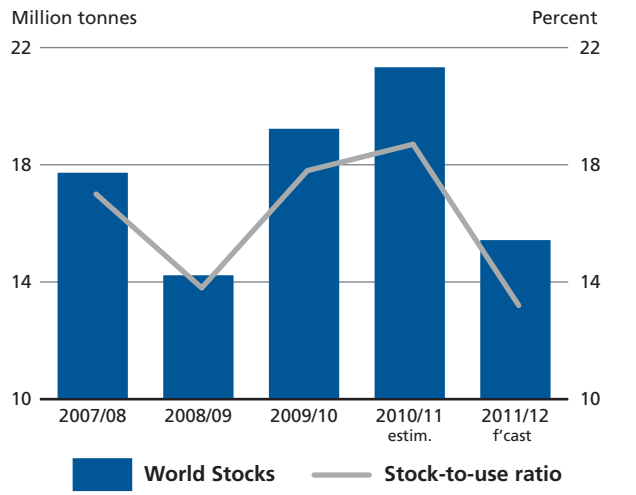
The anticipated drop in supplies, which has started to translate into higher prices, is expected to temper consumption growth: year-on-year expansion may not reach 2 percent, compared to 5–6 percent in the last two seasons. Commodity-wise, the contraction will mainly concern soybean meal: consumption of the world's leading oilmeal is estimated to expand by about 3 million tonnes, as opposed to 11 million tones last season. Likewise, combined demand for other meals/cakes is expected to grow conspicuously less than in the past. Overall growth will likely be confined to developing countries. Their share in total utilization should reach 60 percent. Asia continues to play the lead role, with further livestock sector expansion fuelling growth. Although

Figure 31. Global production and utilization of meals/cakes (in protein equivalent)



[12] This section refers to meals from all origins. In addition to products derived from the oil crops discussed under the section on oilseeds, this also includes fish meal and meals of animal origin.

Figure 32. World closing stocks and stock-to-use ratio of meals/cakes (in protein equivalent and including the meal contained in seeds stored)



slowing, the key player remains **China,** where meal demand is still forecast to expand by more than 4 percent. While further gains are also expected in **India** and **Thailand**, most other developing nations' growth rates should not exceed 1–2 percent. Consumption by the developed world is forecast to shrink by about 1 percent, with demand unchanged in the two key consuming regions, the **US** and the **EU**, partly due to ample supplies of alternative feedstuff, especially feed wheat.

Steep reduction in global inventories likely

In contrast to the last two seasons, the 2011/12 total meal output should fall short of demand – by 5.4 million tonnes (expressed in protein equivalent) or 4–5 percent. Making up for such a deficit may require more than one season. Based on current forecasts, satisfying demand will require a steep reduction in global *inventories*: by end of season, global stocks could fall to 15.3 million tonnes (expressed in protein equivalent and comprising meal contained in stored oilseeds), down 27 percent from their opening level. The projected level would not be far off the historic low recorded in 2008/09, when prices surged to unprecedented levels. Cutbacks are anticipated in all major stockholding countries except the **United States**, either to satisfy internal demand, as in **China** and the **EU,** or to continue catering for the export market, as in **Brazil** and **Argentina**, where domestic reserves are set to be cut by about two-thirds. Prompt stock reconstitution could only be obtained via a sizeable rise in oilseed plantings in the Northern Hemisphere 2012/13 crop campaign. Combined, the projected rise in world consumption and the expected drop in inventories would cause the *stock-to-use ratio* to fall below 14 percent, compared to 18–19 percent in the last two seasons.

Weak growth expected in global meal trade

On the back of this season's weak consumption growth, expansion in global meal trade (including the meal contained in oilseeds traded) is forecast to come almost to a standstill in 2011/12. Global transactions are expected to grow by less than 1 percent, mainly reflecting higher sunflower and rapeseed meal trade as soymeal transactions remain flat. With respect to *exports*, the countries that should be able to step up shipments, thereby securing higher market shares, include the **Russian Federation**, **Ukraine**, **Canada** and **Australia,** where sales would grow as a result of good domestic harvests, and **Brazil** and **Argentina**, where exportation will rely heavily on the drawdown of stocks. Higher shipments by **Brazil** and **Argentina** would be at the expense of the **United States** and **Paraguay**, which should experience a fall in their respective market shares. US shipments should fall for the second consecutive season, reaching a three-year low. The country is poised to slip from its current position of leading global supplier to third, after Brazil and Argentina. **India** should have no further rise in foreign sales this season, as its domestic market is expected to absorb a higher share of local meal output.

Regarding *imports*, the developing world's share in global import demand should reach 63 percent. Asia, dominated by China, remains by far the most important buyer. In 2011/12, the developing countries' combined imports are estimated

Figure 33. Meal/cake exports by major exporters (in protein equivalent and including the meal contained in seed exports)

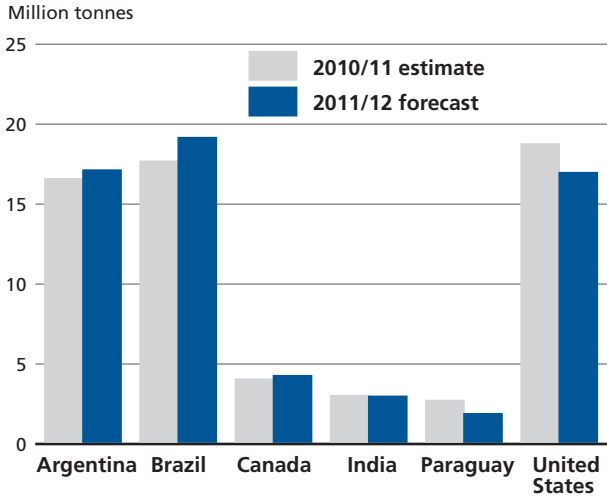
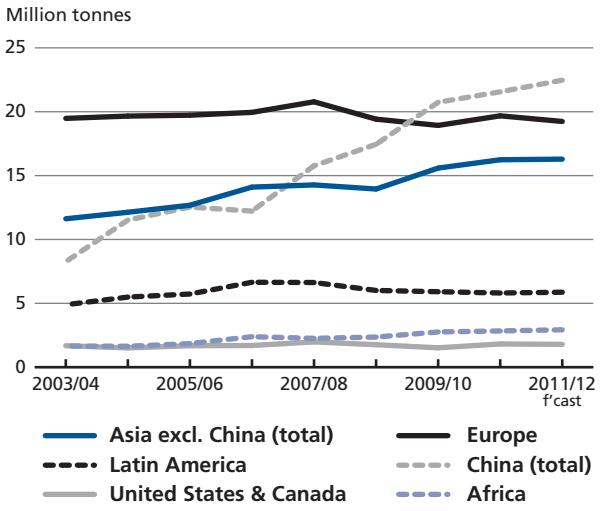


Figure 34. Meal/cake imports by region or major country (in protein equivalent and including the meal contained in seed imports)



to exceed 100 million tonnes (including the meal contained in oilseeds traded), which is double the level recorded ten years ago. However, compared to past seasons, the firmness in international prices in recent months could reduce the developing world's appetite for imported oilmeals (and oilseeds). The projected import growth represents the lowest expansion in years. **China** remains the world's main source of import growth, reflecting further rising domestic demand for livestock products and additional growth in the country's import-oriented crushing industry. Developed country imports may decrease slightly, levelling off at around 60 million tonnes. For the EU, which is the key player, available domestic supplies should be sufficient to meet subdued meal demand.

2012/13 OILSEED PRODUCTION OUTLOOK

With the 2011/12 season still on-going, it is too early to provide supply and demand projections for oilseeds in 2012/13. The only area where some preliminary, though incomplete, information can be offered concerns planting intentions in the Northern Hemisphere, where preparations for the next oilcrop campaign are underway.

In principle, the current season's tight supply-and-demand situation and historically high international prices in the oilseed complex throughout 2011/12 should act as an incentive for 2012/13 oilseed plantings. However, similar to last year, renewed competition for land between oilcrops and grains could affect plantings.

This applies in particular to *soybeans* in the **United States** where, based on expected relative returns from maize and soybeans, soybean plantings are tentatively estimated to fall 1.4 percent compared to last year – almost 5 percent below the 2009/10 record acreage. Assuming an average yield level, 2012/13 soybean production could remain close to the below-average output recorded for 2011/12. In **China**, based on unofficial reports about planting intentions, a further significant decrease in production is possible, while **India's** crop could remain close to last year's record level. These assumptions suggest that any improvement in global soybean supplies in 2012/13 would very much depend on the size of South America's 2013 soybean crop. Besides a return to normal weather, a conspicuous increase in **Brazil's** and **Argentina's** soy acreage would be required to achieve the kind of output rise required for a relaxation in the global supply and demand picture.

With regard to *rapeseed*, a modest increase in production in northern hemisphere producing countries (which account for the bulk of global output) seems possible. This, however would only allow for a partial recovery from the reductions recorded over the current and last season. Although **Canada** is projecting a record output, the **EU's** crop once again appears to be threatened by unfavourable weather. For *cottonseed*, Northern Hemisphere production could drop from this season's record level as both the **United States** and **China** may see a reduction in plantings. Finally, a repeat of this season's above average *sunflowerseed* output could be achieved assuming a further expansion in plantings in **CIS** countries.

Table 12. Major Oilseed Policy Developments: October 2011 to March 2012

Country	Product	Date	Policy Domain	Description
Argentina	Arable crops	Jan-12	Land rights	Introduced new limits on foreign ownership of land.
Bangladesh	Cooking oil	Feb-12	Price control	Extended retail price control measures, to shield consumers from surges in international prices.
Belarus	Rapeseed, rapeseed oil	Dec-11	Export policy	Banned exports of rapeseed and rapeseed oil temporarily, to prevent domestic vegetable oil shortage.
Bhutan	Vegetable oils	Dec-11	Import policy	Secured vegetable oil imports from India under gov-to-gov deal.
Brazil	Soybeans	Dec-11	Environmental policy	Extended voluntary moratorium on trading and financing of soybeans grown on land illegaly cleared in the Amazon region until Janaury 2013.
	Soybean oil	Dec-11	Social policy	Discontinued social tax rebate applying to soyoil and meal destined for exports.
	Oilseeds and grains	Mar-12	Transportation/export policy	Supported development of new major grains port in Amazon Region.
Canada	Camelina & safflower seed	Dec-11	Environmental policy	Granted public funding to advance sustainable production of new oils for industrial applications other than fuel.
	Vegetable oils	Mar-12	Public health policy	Authorized health claims ecouraging the use of poly/mono-unsaturated fat on food product labels.
China	Soybeans	Sept to Nov 2011	State reserves	Released state reserves in an effort to check rise in domestic oil/meal prices.
	Soybeans	Dec-11	Foreign agricultural investment	Approved investment by state-owned grain company into crushing facilities in Brazil.
	Rapeseed	Jan-12	State reserves	Reconstituted state reserves for future market interventions and to support domestic farm gate prices.
	Oilmeals	Jan-12	Import policy	Suspended oilmeal imports from India, based on detection of hazardous substances in rapeseedmeal consignments.
	Olive oil	Feb-12	Import policy	Suspended imports of oilve oil from Italy to verify labelling practices.
	Oilseeds and grains	2012 to 2015	Market policies	Announced programme to foster the use of futures markets.
	Rapeseed	Mar-12	Import policy	Relaxed ban on rapeseed imports from Canada further.
European Union	Biofuels	Oct-11	Renewable energy policy	Postponed further the release of guidelines on the impact of land use changes (ILUC) on carbon savings in biofuel utilization.
	Sunflowerseed	Dec-11	Import policy	Launched new Bilateral Trade Agreement with Ukraine, allowing Ukraine to maintain export tax aimed at protecting domestic industry.
	Biodiesel	Jan-12	Renewable energy policy	Admission, by Germany, of biodiesel produced from used cooking oil for double counting within the EU's bioenergy consumption targets.
	Soybeans	Jan-12	GMO policies and regulations	Approval set by European Commission for four new GM soy varieties for importation and processing, though not for cultivation.

Country	Product	Date	Policy Domain	Description
India	Rapeseed	Dec-11	Farm support prices	Raised support price for rapeseed to foster national oilseed production.
	Palm oil	Dec-11	Import policy	Review underway of policy measures to preserve crude palm oil imports from Indonesia (following Indonesia's Oct-11 export tax adjustment).
	Vegetable oils	Dec-11	Export policy	Exempted Bhutan from Indian export ban on edible oils under gov-to-gov deal.
	Copra	Mar-12	Farm support prices	Raised support price for milling and ball copra for calendar year 2012.
Indonesia	Soybeans	Oct-11 onward	Export policy	Maintained sliding export tax regime to ensure adequate domestic supplies and prevent hikes in consumer prices.
	Biodiesel	Jan to Dec 2012	Renewable energy policy	Raised the subsidy for biodiesel manufacturers.
	Palm oil	Jan-12	Import policy	Reinstated import tax on soybeans, soybean flour and certain oilmeals to 5%.
	Palm oil	Jan-12	Export policy	Entered into force Free Trade Agreement with Pakistan, including reduction of Pakistani import duty on palm oil from Indonesia.
Jordan	Olive oil	Dec-11	Market support	Continued government procurement of oilve oil in an effort to assist farmers.
Kazakhastan	Vegetable oils	Sept 11 to Jan 12	Export policy	Banned vegetable oil exports temporarily to prevent domestic shortages.
Malaysia	Biodiesel	Dec-11	Renewable energy policy	Implemented mandatory sale of palm oil-based biodiesel (B5) in parts of the country.
	Palm oil	Jan-12	Environmental policy	Set up International Oil Palm Biomass Centre in support of private efforts in the areas of sustainable cultivation/processing practices and bio-renewable product development.
Pakistan	Palm oil	Jan-12	Import policy	Entered int force a Free Trade Agreement with Indonesia, including tariff concessions on palm oil imports from Indonesia.
Paraguay	Soybeans	Feb-12	Emergency relief	Put special drought-relief measures in place for farmers and rural communities.
Philippines	Coconut	Jan to Dec 12	Sector development assistance	Strengthened government programmes in support of coconut replanting.
Russian Federation	Sunflowerseed	2012 to 2015	Export policy	Reduced sunflowerseed export tax over 4 years under WTO accession agreement.
Thailand	Palm oil	Jan-12	Renewable energy policy	Adopted national certification scheme for sustainable palm oil and readied it for implementation.
Ukraine	Sunflowerseed	Dec-11	Export policy	Enacted new Bilateral Trade Agreement with the European Union that allows Ukraine to maintain export tax aimed at protecting domestic seed processors and oil exporters.
United States	Biofuel	Dec-11	Renewable energy policy	Granted public funding to support production and product development efforts of biofuel industry.
	Grains and oilseeds	Dec-11	Market regulation	Restricted volume of future contracts that are traded by financial investors.
	Biodiesel	Dec-11	Renewable energy policy	Let biodiesel tax credit expire without renewal.
	Biofuel	Jan-12	Renewable energy policy	Revised upward the official target volumes and percentage standards for renewable fuels in 2012.
	Palm oil	Jan-12	Renewable energy policy	Determined that palm oil-based biodiesel does not qualify as renewable fuel under US bioenergy policy due to insufficient reduction in GHG emissions.
Uzbekistan	Vegetable oils	Jan-12	Import policy	Raised excise duty on edible oil imports.

Table A10. Total oilcrops statistics *(million tonnes)*

	Production[1]			Imports			Exports		
	07/08-09/10 average	2010/11 estim.	2011/12 f'cast	07/08-09/10 average	2010/11 estim.	2011/12 f'cast	07/08-09/10 average	2010/11 estim.	2011/12 f'cast
ASIA	**124.9**	**128.8**	**131.8**	**67.4**	**77.8**	**80.9**	**2.3**	**2.4**	**2.1**
China	57.5	59.0	59.3	47.8	56.8	60.1	1.3	1.1	0.9
of which Taiwan Prov.	0.1	0.1	0.1	2.3	2.5	2.4	-	-	-
India	35.3	37.3	37.4	0.2	0.2	0.4	0.5	0.7	0.6
Indonesia	8.4	9.2	9.7	1.7	2.2	2.0	0.1	0.1	0.1
Iran, Islamic Republic of	0.7	0.7	0.9	0.8	0.8	0.8	-	-	-
Japan	0.3	0.3	0.3	6.2	5.7	5.7	-	-	-
Korea, Republic of	0.2	0.2	0.2	1.4	1.5	1.4	-	-	-
Malaysia	4.6	4.9	4.9	0.7	0.7	0.6	-	-	-
Pakistan	4.8	4.7	5.6	1.1	1.3	1.5	-	0.1	-
Thailand	0.7	0.8	0.8	1.7	2.2	2.0	-	-	-
Turkey	2.1	2.3	2.4	2.2	2.3	2.4	-	0.1	0.1
AFRICA	**16.7**	**17.3**	**17.2**	**2.7**	**3.3**	**3.2**	**0.9**	**0.8**	**1.0**
Nigeria	4.7	4.7	4.9	-	-	-	0.2	0.2	0.2
CENTRAL AMERICA	**1.2**	**1.3**	**1.2**	**5.9**	**6.0**	**5.8**	**0.1**	**0.2**	**0.2**
Mexico	0.7	0.8	0.8	5.2	5.4	5.2	-	-	-
SOUTH AMERICA	**124.7**	**147.2**	**127.9**	**2.7**	**1.3**	**1.1**	**45.3**	**48.2**	**52.1**
Argentina	48.8	54.1	49.1	1.5	-	-	11.3	9.8	11.7
Brazil	64.9	79.2	69.6	0.1	-	-	28.0	31.1	35.6
Paraguay	6.5	8.7	4.0	-	-	-	4.5	5.5	3.0
NORTH AMERICA	**106.8**	**119.2**	**111.4**	**2.1**	**1.9**	**1.9**	**46.8**	**52.6**	**48.5**
Canada	16.1	18.4	19.6	0.7	0.7	0.5	10.0	11.1	12.0
United States of America	90.7	100.9	91.7	1.4	1.3	1.4	36.9	41.5	36.4
EUROPE	**46.7**	**50.1**	**56.3**	**19.5**	**19.6**	**18.3**	**3.7**	**3.8**	**4.9**
European Union	27.3	29.1	29.6	18.0	17.7	16.7	0.8	0.9	1.1
Russian Federation	8.0	7.6	12.2	0.9	1.2	0.9	0.3	0.1	0.8
Ukraine	9.3	11.3	12.3	-	-	-	2.4	2.6	2.8
OCEANIA	**2.6**	**4.2**	**5.2**	**0.1**	**0.1**	**0.1**	**1.1**	**2.1**	**2.7**
Australia	2.2	3.8	4.8	0.1	0.1	0.1	1.0	2.0	2.7
WORLD	**423.5**	**468.0**	**450.9**	**100.4**	**110.0**	**111.4**	**100.2**	**110.0**	**111.4**
Developing countries	262.1	289.2	272.5	71.4	81.7	84.2	48.4	51.4	55.0
Developed countries	161.3	178.8	178.4	28.9	28.4	27.2	51.8	58.6	56.4
LIFDCs	128.9	132.6	135.3	52.2	62.0	65.4	2.9	3.1	2.8
LDCs	10.2	10.7	10.4	0.5	0.4	0.4	0.4	0.4	0.4

[1] 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.

Table A11. Total oils and fats statistics [1] *(million tonnes)*

	Imports			Exports			Utilization		
	07/08-09/10 average	2010/11 *estim.*	2011/12 *f'cast*	07/08-09/10 average	2010/11 *estim.*	2011/12 *f'cast*	07/08-09/10 average	2010/11 *estim.*	2011/12 *f'cast*
ASIA	**34.5**	**38.0**	**40.5**	**39.5**	**43.3**	**45.7**	**80.0**	**87.5**	**93.3**
Bangladesh	1.2	1.4	1.4	-	-	-	1.5	1.6	1.7
China	10.6	10.6	11.4	0.5	0.5	0.5	30.1	33.3	35.7
of which Taiwan Prov.	0.4	0.4	0.4	-	-	-	0.8	0.9	0.9
India	8.0	8.7	9.5	0.5	0.5	0.5	17.3	18.6	19.7
Indonesia	0.1	0.1	0.1	17.9	19.9	21.0	5.7	6.9	7.9
Iran	1.2	1.6	1.3	0.2	0.3	0.1	1.6	1.8	1.8
Japan	1.1	1.2	1.2	-	-	-	3.1	3.1	3.1
Korea, Republic of	0.9	1.0	1.0	-	-	-	1.2	1.4	1.4
Malaysia	1.5	2.2	2.5	17.2	18.9	20.0	3.8	3.3	3.7
Pakistan	2.1	2.3	2.4	0.1	0.1	0.1	3.6	4.0	4.1
Philippines	0.5	0.6	0.7	1.1	1.0	1.1	1.0	1.2	1.1
Singapore	0.6	0.8	1.0	0.3	0.3	0.3	0.3	0.6	0.7
Turkey	1.2	1.3	1.5	0.3	0.4	0.5	2.3	2.3	2.6
AFRICA	**7.5**	**8.2**	**8.4**	**1.2**	**1.3**	**1.4**	**13.1**	**14.2**	**14.5**
Algeria	0.6	0.5	0.6	0.1	-	-	0.7	0.7	0.8
Egypt	1.6	1.6	1.9	0.1	-	0.1	2.0	2.1	2.2
Nigeria	0.8	1.1	1.1	0.1	0.1	0.1	2.5	2.8	2.9
South Africa	0.7	0.8	0.8	0.1	0.1	0.1	1.1	1.2	1.2
CENTRAL AMERICA	**2.3**	**2.3**	**2.4**	**0.8**	**0.7**	**0.8**	**4.5**	**4.7**	**4.6**
Mexico	1.2	1.2	1.3	0.2	0.1	0.1	2.9	3.0	3.0
SOUTH AMERICA	**2.3**	**2.6**	**2.7**	**9.7**	**9.1**	**8.8**	**12.0**	**14.5**	**15.7**
Argentina	0.1	0.1	0.1	6.2	5.8	5.9	2.0	3.1	3.5
Brazil	0.4	0.5	0.6	2.1	1.9	1.5	6.4	7.4	7.9
NORTH AMERICA	**4.0**	**4.5**	**4.8**	**6.1**	**7.0**	**6.5**	**17.2**	**18.4**	**19.0**
Canada	0.5	0.5	0.6	2.3	3.2	3.2	0.9	1.0	1.1
United States of America	3.5	4.0	4.2	3.8	3.8	3.2	16.4	17.5	18.0
EUROPE	**13.4**	**13.1**	**13.1**	**5.4**	**6.0**	**7.4**	**34.3**	**36.4**	**36.9**
European Union	10.7	10.5	10.6	2.1	2.4	2.5	28.5	29.9	30.3
Russian Federation	1.2	1.2	1.1	0.8	0.5	1.4	3.6	4.0	4.1
Ukraine	0.5	0.4	0.4	2.2	2.8	3.1	0.9	1.0	1.0
OCEANIA	**0.5**	**0.6**	**0.6**	**1.7**	**1.8**	**1.9**	**1.0**	**1.1**	**1.1**
Australia	0.4	0.4	0.4	0.6	0.7	0.7	0.7	0.7	0.7
WORLD	**64.5**	**69.1**	**72.4**	**64.5**	**69.2**	**72.5**	**162.2**	**176.7**	**185.3**
Developing countries	44.4	48.6	51.6	51.7	54.9	57.2	104.5	115.6	123.0
Developed countries	20.1	20.5	20.9	12.8	14.3	15.2	57.7	61.1	62.3
LIFDCs	30.2	32.4	34.4	21.8	23.8	25.1	73.0	80.6	85.7
LDCs	4.3	5.0	5.0	0.4	0.5	0.5	7.3	7.9	8.0

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

Table A12. Total meals and cakes statistics[1] *(million tonnes)*

	Imports			Exports			Utilization		
	07/08-09/10 average	2010/11 estim.	2011/12 f'cast	07/08-09/10 average	2010/11 estim.	2011/12 f'cast	07/08-09/10 average	2010/11 estim.	2011/12 f'cast
ASIA	**25.9**	**30.4**	**30.6**	**13.8**	**14.7**	**14.7**	**106.9**	**126.4**	**130.6**
China	3.0	4.1	4.0	1.6	0.9	0.7	54.5	69.8	72.9
of which Taiwan Prov.	0.5	0.4	0.4	-	-	-	2.3	2.3	2.4
India	0.1	0.2	0.1	5.1	6.0	5.9	11.4	12.0	12.6
Indonesia	2.7	3.3	3.4	2.8	3.3	3.4	3.1	3.5	3.7
Japan	2.5	2.7	2.8	-	-	-	7.1	6.9	6.7
Korea, Republic of	3.5	3.3	3.4	-	-	-	4.6	4.5	4.5
Malaysia	1.0	1.1	1.2	2.3	2.4	2.5	1.8	2.0	1.9
Pakistan	0.5	0.6	0.5	0.1	0.2	0.2	2.8	3.3	3.4
Philippines	1.7	2.0	2.1	0.5	0.5	0.5	2.3	2.5	2.5
Saudi Arabia	0.5	0.5	0.5	-	-	-	0.6	0.5	0.5
Thailand	2.7	2.8	3.0	0.1	0.1	0.2	4.6	5.0	5.2
Turkey	0.9	1.1	1.2	-	0.1	0.1	3.2	3.5	3.7
Viet Nam	2.8	3.5	3.1	0.1	0.1	0.1	2.9	3.9	3.6
AFRICA	**3.6**	**4.1**	**4.3**	**0.9**	**0.9**	**0.9**	**9.4**	**10.7**	**10.8**
Egypt	0.5	0.7	0.8	-	-	-	1.8	2.2	2.3
South Africa	1.1	1.2	1.2	0.1	0.1	0.1	1.8	1.9	1.9
CENTRAL AMERICA	**3.3**	**3.4**	**3.5**	**0.2**	**0.2**	**0.2**	**8.0**	**8.0**	**8.1**
Mexico	1.8	1.8	1.9	0.1	0.1	0.1	6.0	5.9	6.0
SOUTH AMERICA	**4.5**	**4.6**	**4.9**	**42.7**	**46.4**	**46.3**	**22.6**	**23.0**	**23.5**
Argentina	-	-	-	26.1	28.6	28.3	2.9	2.2	2.2
Bolivia	-	-	-	1.1	1.1	1.3	0.2	0.2	0.3
Brazil	0.3	0.1	0.1	12.5	14.0	13.7	14.0	14.5	14.5
Chile	0.9	1.0	1.0	0.5	0.3	0.4	1.3	1.4	1.4
Paraguay	-	-	-	0.8	1.0	1.0	0.3	0.4	0.5
Peru	0.7	0.8	0.9	1.4	1.3	1.3	0.9	1.0	1.0
Venezuela	1.2	1.2	1.2	-	-	-	1.3	1.4	1.4
NORTH AMERICA	**3.3**	**3.7**	**3.6**	**11.8**	**12.5**	**12.5**	**34.5**	**33.7**	**34.1**
Canada	1.4	1.2	1.2	2.7	3.9	4.0	2.3	2.0	2.0
United States of America	1.9	2.5	2.4	9.1	8.6	8.5	32.2	31.7	32.1
EUROPE	**31.5**	**31.7**	**31.7**	**4.5**	**5.3**	**6.3**	**60.8**	**62.0**	**62.1**
European Union	29.1	29.1	29.1	1.0	1.2	1.3	54.6	54.5	54.2
Russian Federation	0.6	0.6	0.5	1.0	0.8	1.5	3.1	4.0	4.3
Ukraine	0.1	0.1	-	1.9	2.8	2.9	0.7	0.8	0.7
OCEANIA	**2.0**	**2.4**	**2.5**	**0.2**	**0.2**	**0.2**	**2.6**	**3.2**	**3.3**
Australia	0.8	0.8	0.9	-	0.1	-	1.4	1.6	1.7
WORLD	**74.0**	**80.3**	**81.1**	**74.1**	**80.3**	**81.1**	**244.9**	**267.0**	**272.6**
Developing countries	33.2	38.1	38.8	57.4	62.1	61.9	136.3	157.3	162.5
Developed countries	40.8	42.2	42.3	16.7	18.2	19.2	108.6	109.7	110.1
LIFDCs	10.8	14.0	14.2	11.2	12.0	11.9	82.5	100.4	104.7
LDCs	0.5	0.5	0.6	0.4	0.4	0.4	3.5	3.7	3.7

[1] Expressed in product weight; includes meals and cakes derived from oilcrops as well as fish meal and other meals from animal origin.

Table A24. Selected international prices for oilcrop products and price indices

Period	International prices *(USD per tonne)*					FAO indices *(2002-2004=100)*		
	Soybeans [1]	Soybean oil [2]	Palm oil [3]	Soybean cake [4]	Rapeseed meal[5]	Oilseeds	Edible/soap fats/oils	Oilcakes/meals
Annual (Oct/Sept)								
2003/04	322	632	488	257	178	121	114	116
2004/05	275	545	419	212	130	105	104	105
2005/06	259	572	451	202	130	100	125	107
2006/07	335	772	684	264	184	129	148	153
2007/08	549	1 325	1 050	445	296	217	245	202
2008/09	422	826	627	385	196	156	145	180
2009/10	429	924	806	388	220	162	174	215
2010/11	549	1 308	1 147	418	279	215	256	221
Monthly								
2010 - April	412	900	826	378	205	157	174	224
2010 - May	406	864	813	353	226	153	171	214
2010 - June	408	860	794	342	194	154	169	206
2010 - July	426	911	811	361	225	162	176	211
2010 - August	457	1 002	901	389	245	175	194	213
2010 - September	468	1 036	910	398	277	180	199	218
2010 - October	496	1 165	998	415	285	193	222	227
2010 - November	526	1 248	1 117	430	292	205	245	225
2010 - December	550	1 321	1 229	437	289	216	264	222
2011 - January	572	1 384	1 279	454	313	225	279	234
2011 - February	569	1 366	1 286	447	290	224	281	241
2011 - March	552	1 305	1 172	423	264	217	262	234
2011 - April	553	1 310	1 148	406	277	219	261	227
2011 - May	556	1 291	1 155	403	280	218	261	220
2011 - June	559	1 321	1 137	396	289	219	259	211
2011 - July	558	1 345	1 100	405	262	217	253	209
2011 - August	557	1 327	1 080	402	248	214	245	206
2011 - September	546	1 310	1 065	396	255	209	239	200
2011 - October	502	1 216	995	378	243	194	224	194
2011 - November	491	1 228	1 054	353	224	191	235	186
2011 - December	476	1 163	1 026	346	227	185	227	182
2012 - January	500	1 223	1 062	371	234	193	234	189
2012 - February	512	1 245	1 100	385	255	199	239	192
2012 - March	542	1 283	1 152	426	287	209	245	205
2012 - April	575	1 308	1 182	474	335	221	251	225

[1] Soybeans: US, No.2 yellow, c.i.f. Rotterdam.
[2] Soybean oil: Dutch, fob ex-mill.
[3] Palm oil: Crude, c.i.f. Northwest Europe.
[4] Soybean cake: Pellets, 44/45 percent, Argentina, c.i.f. Rotterdam.
[5] Rapeseed meal: 34 percent, Hamburg, f.o.b. ex-mill.

Note: The FAO indices are calculated using the Laspeyres formula; the weights used are the average export values of each commodity for the 2002-2004 period. The indices are based on the international prices of twelve selected seeds, ten selected oils and fats and seven selected cakes and meals.
Sources: FAO and Oil World.