

# OILCROPS

## Summary:

Despite subdued demand prospects linked, *inter alia*, to the ongoing COVID-19 pandemic, FAO's latest 2019/20 forecasts for oilseeds and derived products point towards a tightening supply-demand situation, triggered by a marked contraction in production. Tentative forecasts for 2020/21 suggest that supplies could remain tight relative to demand.

In 2019/20, oilcrop production is expected to decline from the previous season's record level, with pronounced drops in soybean and rapeseed outweighing gains in the other crops. In the United States of America (USA), adverse weather conditions led to sharply lower soybean plantings and yields, while global rapeseed output was affected by further area contractions in the European Union (EU) and Canada.

While poor harvests, notably of soybeans, are expected to drive down global supplies of meals/cakes, consumption is seen to keep expanding, albeit at a below-average rate, linked in part to temporary lockdowns imposed in numerous countries to halt the spread of COVID-19. Consequently, global end-of-season stocks of meals/cakes are anticipated to fall to multi-year lows, leading to a marked drop in stocks-to-use ratios.

Global output of oils/fats is also set to fall, as likely modest gains in palm and sunflower oils would not be sufficient to offset reductions in other oils. At the same time, growth in global oils/fats utilization is expected to come to a halt, as both demand for food and uptake by the biofuel sector are seen slowing down in the aftermath of the COVID-19 pandemic, while demand from biodiesel producers is also hurt by the recent plunge in mineral oil prices. With total oils/fats production poised to fall short of utilization, global inventories are anticipated to decrease, causing a further slide in global stocks-to-use ratios for oils/fats.

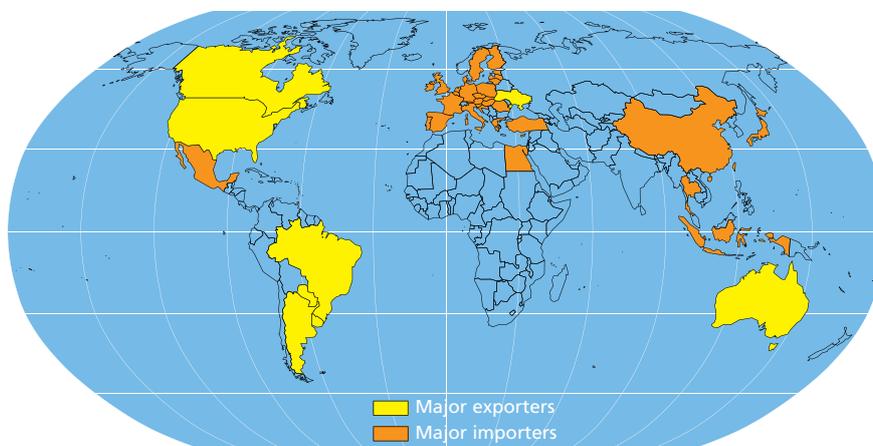
As for 2020/21, early crop forecasts point to a recovery in both meal and oil production. Assuming resumed growth in global oils/fats utilization and continued modest expansion in world meal consumption, some additional drawdowns in oils/fats inventories could occur, whereas meals/cakes stocks could see modest replenishments. The outlook remains subject to major uncertainties, notably concerning the evolving effects of the COVID-19 pandemic, implementation of the United States-China 'Phase One' trade agreement, and potential changes in national biodiesel policies.

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# OILCROPS, OILS AND MEALS<sup>1</sup>

Major oilseed exporters and importers



## PRICES<sup>2</sup>

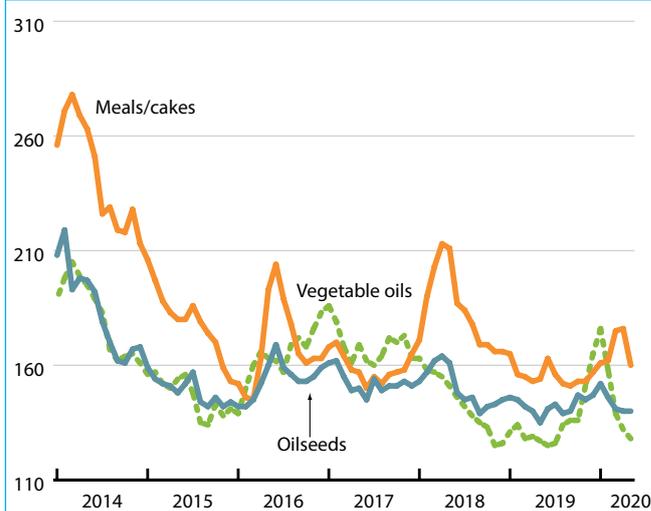
### In 2019/20, prices of oilseeds and oilseed products retreat after initial gains

After lingering at multi-year lows during the 2018/19 season (October/September), international prices of oilseeds and derived products firmed in the first half of 2019/20. However, since February 2020, worldwide coronavirus (COVID-19) outbreaks generated considerable market uncertainty, prompting marked price retreats. Notwithstanding, in May 2020, FAO's price indices for oilseeds and oilmeals fared, respectively, 3.8 percent and 3.6 percent higher than their year-earlier levels, while the vegetable oils index stood only 0.5 percent above its value in the corresponding period of 2019.

The fresh gains in oilseeds prices at the beginning of the 2019/20 season primarily reflected protracted

trade frictions between the USA and China, until the two countries signed the long-awaited 'Phase One' trade agreement in January 2020. Unfavourable weather conditions in pockets of South America and the EU also lent support to international prices, notably of soybeans and rapeseed. Entering into 2020, the worldwide outbreak of COVID-19 resulted in volatile market conditions. Temporary lockdowns imposed across the world to contain the spread of the disease cast doubts on global demand prospects, which, combined with uncertainties over China's future

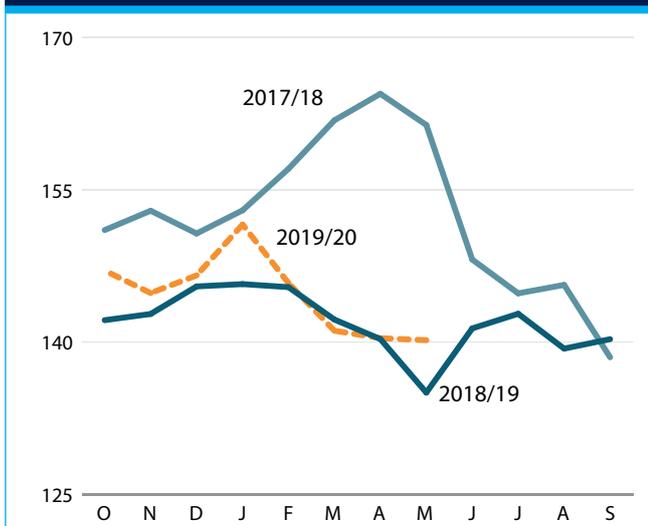
Figure 1. FAO monthly international price indices for oilseeds, vegetable oils and meals/cakes (2002-2004=100)



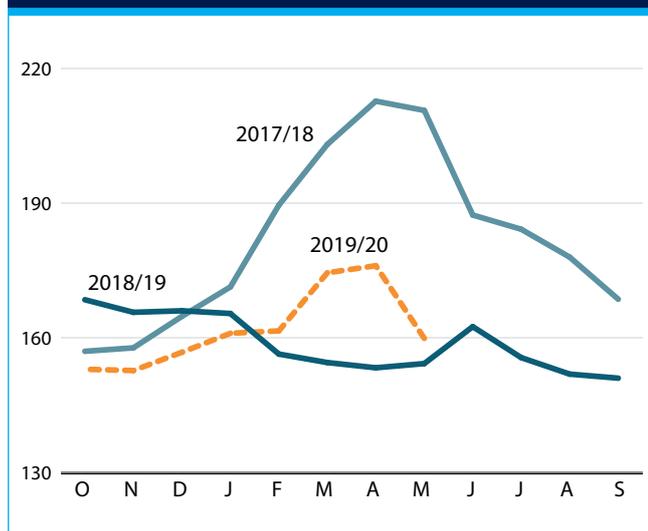
<sup>1</sup> Almost the entire volume of oilcrops harvested worldwide is crushed to obtain oils and fats for human nutrition or industrial purposes, and to obtain cakes and meals that are used as feed ingredients. Therefore, rather than referring to oilseeds, the analysis of the market situation is mainly undertaken in terms of oils/fats and cakes/meals. Production data for oils and meals are derived from domestic production of the relevant oilseeds in a specific year, i.e. they do not reflect the outcome of actual oilseed crushing in a given country and period. Regarding oilseed trade, situations where oilseeds are produced in one country but crushed in another are reflected in national oil/meal consumption figures. It is important to note that data on trade in oils (meals) refer to the sum of trade in oils (meals) plus the oil (meal) equivalent of oilseeds traded. Similarly, stock figures for oils (meals) refer to the sum of oil (meal) stocks plus the oil (meal) equivalent of oilseed inventories.

<sup>2</sup> For details on prices and corresponding indices see statistical appendix, table 24.

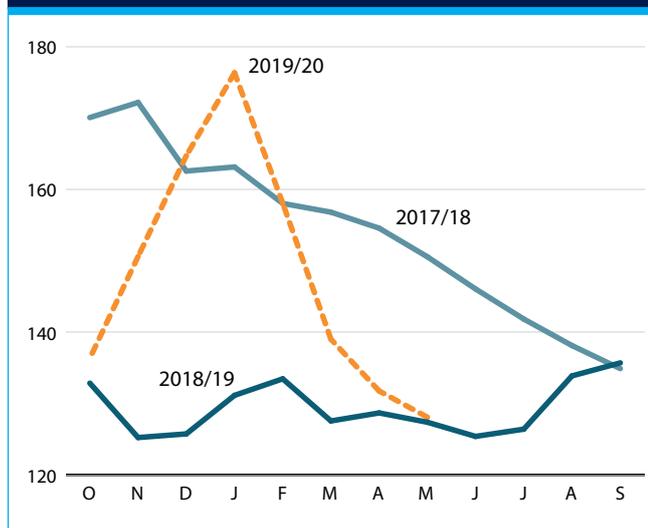
**Figure 2. FAO monthly price index for oilseeds (2002-2004=100)**



**Figure 3. FAO monthly price index for oilmeals/cakes (2002-2004=100)**



**Figure 4. FAO monthly price index for vegetable oils (2002-2004=100)**



purchases of US soybeans and reports of improved harvest conditions in South America, resulted in a contraction in international oilseed prices, led by soybean. Interestingly, FAO's price index for oilmeals showed prolonged strength relative to oilseeds, mainly tied to tightening supplies out of Argentina on COVID-19-related logistics constraints, as well as the prospect of rising feed demand in China, stemming from ongoing efforts to rebuild the country's hog herds. Eventually, however, during April 2020, world soymeal prices registered a pronounced contraction, caused by weakening feed demand in the USA, where a number of meat processing plants were forced to shut down to contain the spread of COVID-19.

With regard to prices of vegetable oils, international quotations appreciated considerably until January 2020, mainly reflecting firmer palm oil values. On the supply side, global palm oil production prospects were undermined by both low fertilizer applications and persistently dry conditions in key growing regions of Indonesia and Malaysia in 2019, while on the demand side, the implementation of higher blending mandates in Indonesia from January 2020 coincided with robust global import demand. However, vegetable oils quotations fell sharply from February 2020 onwards. Besides decreases in global food and non-food uses stemming from COVID-19 lockdowns, prices have also been impacted by plunging mineral oil values. The resulting changes in relative prices discouraged discretionary blending of vegetable oils into diesel fuel and affected the implementation of higher admixture mandates in Malaysia and Indonesia.

## OILSEEDS

### 2019/20 oilseed production to decline from the preceding season's record

Falling short of the record-high output recorded in 2018/19, global oilseed production in 2019/20 is estimated at 584.3 million tonnes. The drop primarily reflects reduced yields as well as smaller harvested areas in several key producing countries following unfavourable weather conditions. Year-on-year declines concern, in particular, soybeans and rapeseed, whereas production gains are registered for sunflower seed and groundnut.

Global soybean production is pegged at 337.9 million tonnes, down markedly from last season's all-time high. In the northern hemisphere, production levels are set to fall across all major producing nations except **China**, where supportive policy measures continued to incentivize area expansion. The crop in the **USA** is reported at 96.8 million tonnes, marking the lowest level in the past six years. In addition to reduced plantings following

**Table 1. World production of major oilcrops**

	2017/18	2018/19 est.	2019/20 f'cast	Change 2019/20 over 2018/19
	million tonnes			%
Soybeans	345.1	365.6	337.9	-7.6
Rapeseed	75.9	73.1	69.2	-5.2
Cottonseed	44.6	43.4	42.6	-2.0
Groundnuts (unshelled)	42.3	40.7	42.4	4.1
Sunflower seed	50.3	53.6	56.7	5.8
Palm kernels	17.5	18.1	18.2	0.4
Copra	5.8	6.0	5.5	-8.2
<b>Total</b>	<b>581.5</b>	<b>600.5</b>	<b>572.5</b>	<b>-4.7</b>

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.

excessive wet weather during the sowing window, unfavourable growing conditions led to lower yield levels. In the case of **India**, soybean output fell on account reduced yields following untimely rainfall. In **Canada** and **Ukraine**, output dropped on both lower sowings and a return to average yield levels. In the southern hemisphere, **Brazil** is seen harvesting a record crop, as an increase in harvested area is expected to offset subdued yield levels. By contrast, production in **Argentina** is anticipated to decline, because of contractions in both area and yields.

With respect to rapeseed, global production is prone to decline for the second consecutive season to 69.2 million tonnes, led by the world's top two producers, the **EU** and **Canada**, where partial yield recoveries were insufficient to compensate for continued area contractions. On the other hand, outputs in **China** and **Ukraine** continue expanding, due to both area increases and better yields, while, in **Australia**, production could marginally recover amid productivity improvements.

Global sunflower-seed production is seen reaching a record high of 56.7 million tonnes on the back of continued output growth in **Ukraine** and the **Russian Federation**, where yields reached new highs, thanks to favourable weather conditions. In the **EU**, production remained close to last year's near-record level, as gains in harvested area were mostly offset by reduced productivity due to overly dry growing conditions. By contrast, crops in **China** and **Argentina** are estimated to decrease moderately, primarily tied to contractions in plantings.

As for groundnut, global output is anticipated to recover from last season's reduced level, setting a new record of 42.4 million tonnes. The year-on-year rebound mainly reflects a full recovery of production in **India**, where yield

improvements more than offset a drop in area. Harvests in **China**, the world's top producer, continued to expand, while the crop in the **USA** stalled at last season's level.

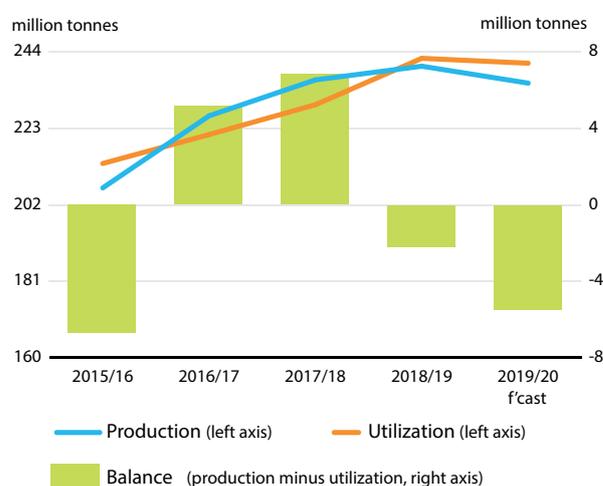
## OILS AND FATS<sup>3</sup>

### World oils/fats production to contract in 2019/20

The above oilcrop forecasts are expected to translate into a modest year-on-year contraction in oils/fats production to 235.4 million tonnes, down 2.3 percent from the record level registered in 2018/19. With regard to individual oils, marked declines in soy, rapeseed and, to a lesser extent, copra, cottonseed, olive and fish oils are anticipated to outweigh gains in palm, sunflower-seed and groundnut oil output. As for palm oil, global output is forecast to rise only fractionally, tied to protracted dry conditions in the latter half of 2019 across the main growing regions of Southeast Asia and reduced fertilizer applications by producers. While production in **Indonesia** is anticipated to expand at a slower pace, output in **Malaysia** is seen declining year-on-year, as several large oil-palm plantations were forced to shut down temporarily to contain the spread of COVID-19, thereby disrupting harvesting activities in the world's second largest producer. In the case of soyoil, sizeable production drawdowns are expected in the **USA** and **Argentina**, mirroring their reduced soybean harvests.

Global oils/fats supplies, which comprise 2018/19 carry-out stocks, are forecast to decline by around 2.5 percent year-on-year. Lower domestic availabilities are expected in

<sup>3</sup> This section refers to oils from all origins, which – in addition to products derived from the oilcrops discussed under the section on oilseeds – includes palm oil, marine oils and animal fats.

**Figure 5. Global production and utilization of oils/fats**

**Table 2. World oilcrops and product market at a glance**

	2017/18	2018/19 <i>estim.</i>	2019/20 <i>f'cast</i>	Change: 2019/20 over 2018/19
	<i>million tonnes</i>			%
<b>TOTAL OILCROPS</b>				
Production	593.1	612.3	584.3	-4.6
<b>OILS AND FATS<sup>1</sup></b>				
Production	236.3	241.0	235.4	-2.3
Supply <sup>2</sup>	273.4	281.3	274.3	-2.5
Utilization <sup>3</sup>	229.5	242.2	240.9	-0.6
Trade <sup>4</sup>	126.3	132.0	131.1	-0.7
Global stocks-to-use ratio (%)	17.6	16.1	14.1	
Major exporters stocks-to-disappearance ratio (%) <sup>5</sup>	12.0	12.4	10.8	
<b>MEALS AND CAKES<sup>6</sup></b>				
Production	153.1	158.7	149.2	-6.0
Supply <sup>2</sup>	184.1	189.0	181.9	-3.8
Utilization <sup>3</sup>	151.5	153.9	155.3	0.9
Trade <sup>4</sup>	98.1	98.7	100.0	1.2
Global stocks-to-use ratio (%)	20.0	21.2	17.6	
Major exporters stocks-to-disappearance ratio (%) <sup>7</sup>	12.4	15.4	11.9	
<b>FAO PRICE INDICES (Oct-Sept) (2002-2004=100)</b>				
	2018	2019	2020 <i>Oct-May</i>	Change: Oct-May 2020 over Oct-May 2019 %
Oilseeds	152	142	145	1.6
Oilmeals/cakes	182	159	162	0.9
Vegetable oils	154	130	148	14.8

Note: Refer to footnote 1 on page 30 for overall definitions and methodology.

<sup>1</sup> Includes oils and fats of vegetable, animal and marine origin.

<sup>2</sup> Production plus opening stocks.

<sup>3</sup> Residual of the balance.

<sup>4</sup> Trade data refer to exports based on a common October/September marketing season.

<sup>5</sup> Major exporters include Argentina, Brazil, Canada, Indonesia, Malaysia, Ukraine and the United States.

<sup>6</sup> 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.

<sup>7</sup> Major exporters include Argentina, Brazil, Canada, India, Indonesia, Malaysia, Paraguay, the Russian Federation, Ukraine, Uruguay and the United States.

several producers, notably **China**, the **EU**, **Malaysia** and the **USA**, largely reflecting output reductions. By contrast, supplies in **Brazil** and **Indonesia** would increase marginally, with production gains more than offsetting drops in opening stocks.

### Growth in oils/fats consumption seen stalling in 2019/20

Global consumption of oils/fats is forecast to stagnate in 2019/20, trailing just behind the record level registered in 2018/19. Contractions in uptake are expected for rapeseed oil and, to a lesser extent, palm and soybean oils, which would outweigh moderate increases in sunflower, palm kernel and groundnut oil utilization. It is important

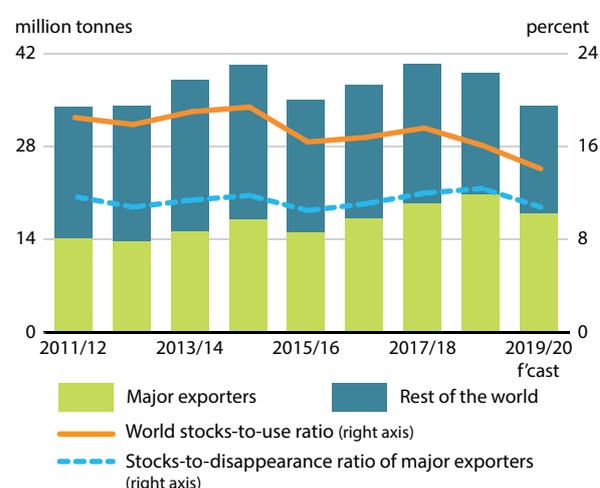
to note that the full impact of the COVID-19 pandemic on demand remains uncertain. More pronounced and protracted repercussions than currently anticipated cannot be excluded.

As a group, developing countries in Asia could see their oils/fats consumption stalling at last season's level, with year-on-year drops in **China**, **India** and **Malaysia** offset by modest growth in **Indonesia**. Elsewhere, decelerated growth is expected in **Brazil**, whereas oils/fats uptakes in the **EU** and **USA** are anticipated to decline.

Besides setbacks in food consumption and other traditional uses stemming from coronavirus-related economic impacts, demand from the biofuel sector is also expected to plunge. While temporary lockdowns across the world (to contain the spread of COVID-19) weighed on demand of all types of fuel, sharply lower mineral oil prices also took a toll on the use of oils/fats as fuel feedstock, as the change in relative prices discouraged discretionary blending. In the **EU**, eroding biodiesel demand is expected to dampen both consumption of locally produced rapeseed oil and imports of soyoil-based biodiesel from **Argentina**. Moreover, due to the reduced competitiveness of biodiesel, the Government of **Malaysia** recently decided to suspend the ongoing implementation of higher national blending mandates for palm oil-based diesel, while actual biodiesel admixture levels could also be affected in **Indonesia**.

### Global inventories of oils/fats likely dropping to multi-year lows

Based on the foreseen modest shortfall of production relative to global utilization, world ending stocks (including the oil contained in stored oilseeds) in 2019/20 are forecast to fall to a 7-year low of 34 million tonnes.

**Figure 6. World stocks and ratios of oils/fats (including the oil contained in seeds stored)**

Commodity-wise, inventories of soy, palm and rapeseed oils are all expected to see a year-on-year drop, whereas sunflower oil reserves could climb to a record, due to fresh production gains.

Among the main stockholding countries, inventory drawdowns are forecast for the **USA**, **China**, the **EU** and, to a lesser extent, **Argentina**, **Canada** and **Malaysia**. Only **Indonesia** could see a marginal build-up of stocks, amid continued output growth and subdued export prospects.

Based on the above forecasts, the global stocks-to-use ratio for oils/fats would decline to a multi-year low in 2019/20, while the stocks-to-disappearance ratio for the major exporting countries<sup>4</sup> would remain within the range observed in recent years.

### Expansion in global oils/fats trade could come to a halt

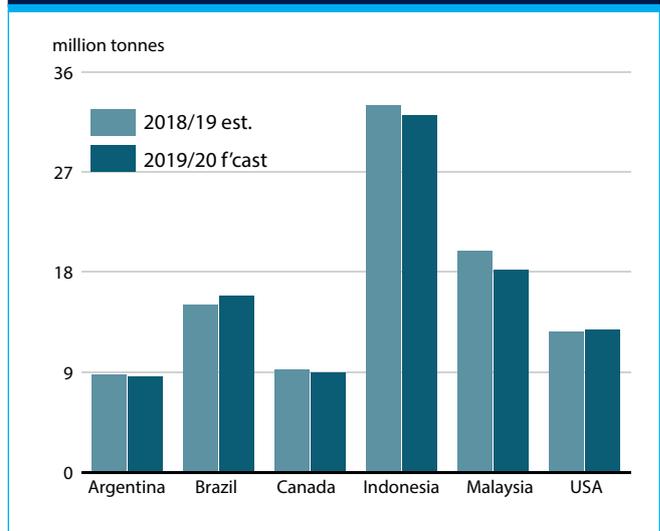
After growing steadily for the past couple of decades, international trade in oils/fats is forecast to contract slightly in 2019/20, amounting to 131.1 million tonnes (including the oil contained in traded oilseeds). The anticipated drop mostly reflects a likely decline in palm oil sales, tied to sluggish demand from major importing countries amid narrowing price spreads versus competing soft oils. Conversely, soy and sunflower oil transactions are expected to rise to new highs, while global trade in rapeseed oil is seen stalling at last season's level, due to the anticipated weakening of global demand, especially from biodiesel producers. As a result, the market share of palm oil is set to drop slightly, though palm oil would maintain its position as the leading traded oil.

<sup>4</sup> Argentina, Brazil, Canada, Indonesia, Malaysia, Ukraine and the United States.

**Figure 7. Total oils/fats imports by region or major country (including the oil contained in seed imports)**



**Figure 8. Oils/fats exports by major exporters (including the oil contained in seed exports)**



On the import side, lacklustre demand is expected to dent purchases by the **EU** and **India**, the world's second and third largest oils/fats importers. By contrast, imports by **China**, the world's top buyer (including the oil contained in oilseed imports), are seen expanding in 2019/20, underpinned by a rebound in soybean purchases.

Regarding exports, forecasts of lower shipments from **Indonesia**, **Malaysia** and **Argentina** are forecast to outweigh sales increases by **Brazil**, the **USA** and, to a lesser extent, **Ukraine** and the **Russian Federation**. While Indonesia's and Malaysia's palm oil shipments are prone to trail behind last season's record levels due to deteriorating import demand, Argentina's exports are anticipated to shrink on reduced domestic availabilities. On the other hand, rising import demand for soyoil – thanks to the oil's improved price competitiveness relative to palm oil – should allow shipments from Brazil and the USA to rise, while deliveries by Ukraine and the Russian Federation are seen climbing to unprecedented levels, underpinned by abundant domestic supplies of competitively priced sunflower oil.

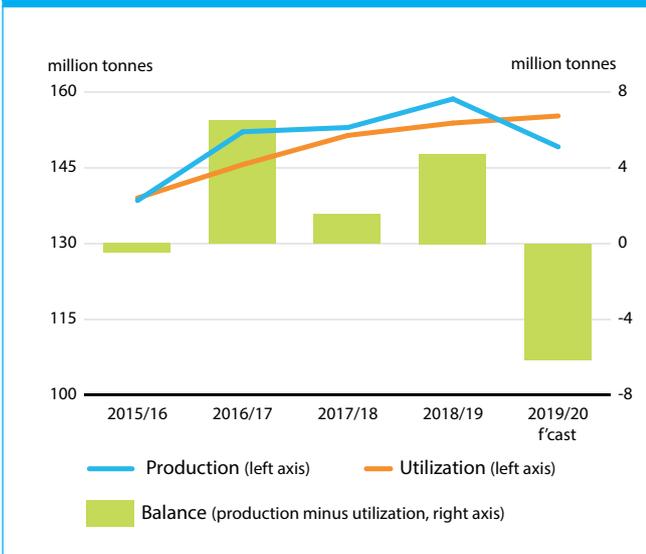
## MEALS AND CAKES<sup>5</sup>

### Global meals/cakes production to contract strongly in 2019/20

After rising three years in a row, global meals/cakes production in 2019/20 is expected to contract markedly to 348.9 million tonnes (expressed in product weight), down around 6 percent year-on-year. Soymeal would account

<sup>5</sup> This section refers to meals from all origins. In addition to products derived from the oilcrops discussed under the section on oilseeds, fish meal and meals of animal origin are included.

**Figure 9. Global production and utilization of meals/cakes (in protein equivalent)**



for most of the decline, primarily linked to sharply lower soybean production in the **USA**.

Conversely, global meal/cake supplies are forecast to decrease by only 3.7 percent, due to large carry-in stocks. Domestic availabilities are expected to contract in the **USA**, **China**, **Argentina** and, to a lesser extent, the **EU**, **Canada** and **India**, mostly as a result of reduced harvests – except for China, where supplies would fall on account of low opening stocks. By contrast, supplies in **Ukraine** and the **Russian Federation** are forecast to grow, supported by both production gains and sizeable carry-over inventories at the beginning of the season. In **Brazil**, multi-year low opening stocks are expected to limit supply growth.

### Global meals/cakes consumption to continue growing at a below-average rate

After the slowdown in growth of meals/cakes consumption observed last season, expansion in global uptake is forecast to decelerate further in 2019/20, largely attributable to lower global supplies and repercussions from the worldwide spread of COVID-19.

In the **USA** and **Brazil**, utilization is set to grow at below-average rates, while modest contractions are expected in the **EU** and **Argentina**. In the USA, to contain the spread of COVID-19, several meat processing plants were forced to temporarily suspend their operations, which resulted in reduced feed demand. By contrast, a rebound in utilization is envisaged for **China**, where national hog herds are being rebuilt after the decimation caused by African swine fever. In addition, attractive feeding margins may prompt shifts towards feed rations with higher protein content, further stimulating demand for meals/cakes in China.

### Global meals/cakes inventories could drop significantly in 2019/20

With meals/cakes consumption anticipated to surpasses global production, end-of-season stocks (including the meal contained in seed stocks) are forecast to drop substantially to about 62 million tonnes in 2019/20, marking the lowest level since 2013/14. Reserves of the world's leading protein meal – soymeal – are set to decline, while inventories of rapeseed, sunflower seed and other meals would also fall.

The most pronounced drawdown is envisaged in the **USA**, where a sharply lower soybean harvest, combined with firm consumption, is expected to result in a release of one-third of the country's inventories. Stock disposals are also likely in **Argentina**, **Brazil**, **Canada** and the **EU**, whereas **China** is seen replenishing its reserves, underpinned by rising meal production, following a rebound in soybean imports.

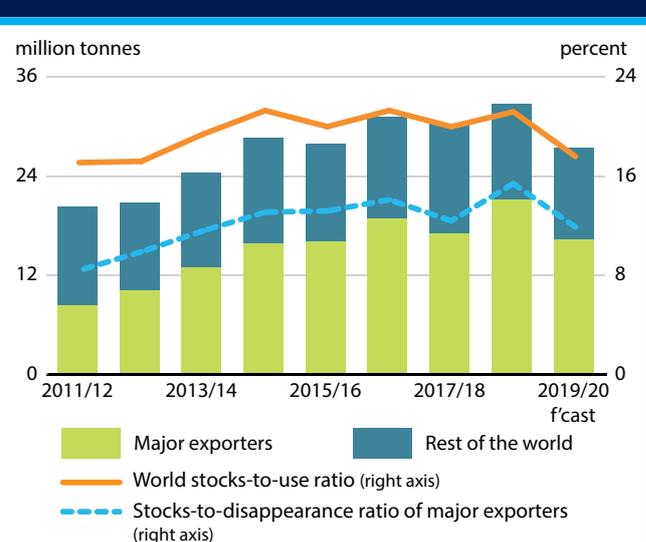
Based on the above forecasts, both the global stocks-to-use ratio and the stocks-to-disappearance ratio for the major exporters<sup>6</sup> would drop compared to last season, which explains the rise in international meal prices observed in the first half of the current season.

### Global meals/cakes transactions set to expand at a subdued rate

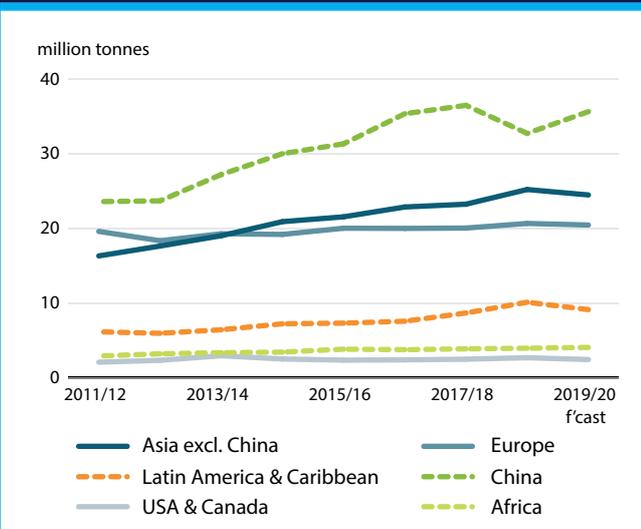
International trade in meals/cakes (including the meal contained in traded oilseeds) is expected to continue expanding at a subdued rate in 2019/20. While trade transactions of soybean and rapeseed meal could recover somewhat from last year, the pace of expansion would

<sup>6</sup> Argentina, Brazil, Canada, India, Indonesia, Malaysia, Paraguay, the Russian Federation, Ukraine, the United States and Uruguay.

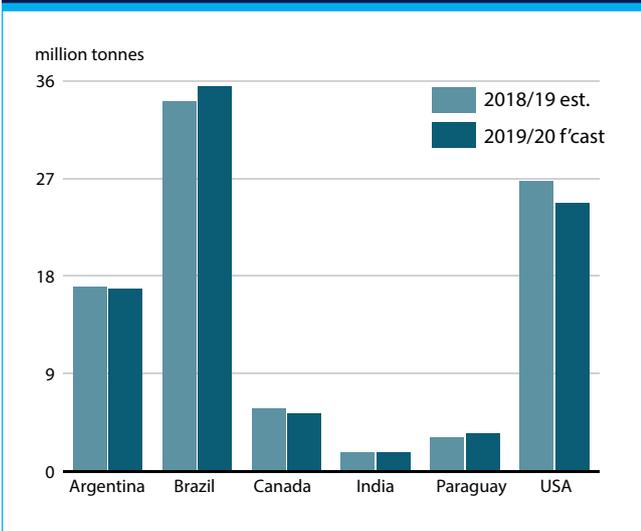
**Figure 10. World stocks and ratios of meals/cakes (in protein equivalent and including the meal contained in seeds stored)**



**Figure 11. Total meal/cake imports by region or major country (in protein equivalent and including the meal contained in seed imports)**



**Figure 12. Meal/cake exports by major exporters (in protein equivalent and including the meal contained in seed exports)**



still fall behind the levels recorded in recent years. Only transactions of sunflower-seed meal are forecast to see a sizeable increase, supported by abundant global supplies and firm import demand.

On the import side, meal purchases by **China**, by far the world's largest importer and consumer, are envisaged to rebound strongly (after last season's sharp drop), due to both the ongoing reconstitution of hog inventories and potential shifts towards high-protein animal feed formulas. On the other hand, in the **EU**, as well as in **Thailand**, **Viet Nam** and a few other Southeast Asian nations, purchases are seen stalling or contracting, largely tied to sluggish demand in the aftermath of COVID-19 outbreaks.

With regard to exports, shipments from **Brazil** are anticipated to climb to an all-time high in 2019/20, fueled by a pronounced depreciation of the national currency, further consolidating the country's position as the world's leading meal supplier (including the meal contained in seed exports). By contrast, deliveries from the **USA** and **Argentina** could contract on the back of reduced soybean crops. In the case of Argentina, exporters also faced temporary disruptions at ports due to COVID-19-related lockdown measures. Noticeably, consignments from **Ukraine** and the **Russian Federation** may raise to new highs, aided by large domestic sunflower-seed supplies amid robust global import demand.

## 2020/21 PRODUCTION OUTLOOK

With the 2019/20 season still ongoing, it is very early to make concrete world supply and demand projections for 2020/21. At present, only limited information is available regarding the new crops in northern hemisphere countries, where plantings are currently under way, while in the southern hemisphere, sowings will only commence in the last quarter of 2020. In view of somewhat higher oilseed prices, total plantings could see a modest expansion, which, assuming normal growing conditions, should lead to a rebound in global oilseed output in 2020/21, to possibly a new record.

With regard to individual crops, global soybean and rapeseed production may see a marked recovery from the current season's reduced level, whereas production of sunflower seed, groundnut, cottonseed, palm kernel and copra could climb to near record, if not record levels. The anticipated rise in global soybean production hinges on expectations of trend yields and a rebound in plantings in the **USA**. In **Brazil**, assuming average growing conditions, a further expansion in area sown based on improved profitability could result in another record output, while, in **Argentina**, production gains would mainly stem from a recovery in yields. **China's** output could also expand, as plantings increase further amid continued crop support measures. As for rapeseed, global production is projected to rebound moderately. Despite limited yield potential due to prolonged dry conditions, aggregate output of the **EU**<sup>7</sup> and the **United Kingdom of Great Britain and Northern Ireland** (UK) could edge up, aided by higher plantings. Output in **Australia** could also continue rising, supported by gains in both area and yields, while **Canada's** production could remain about unchanged. By contrast,

<sup>7</sup> Please note that – from the 2020/21 season onward – EU is defined as EU-27 (excl. UK) rather than EU-28.

production in **Ukraine** is forecast to decline, due to a retreat in sowings. In the case of sunflower seed, slight production drops in **Ukraine** and the **Russian Federation** amid a return to average yield levels could be more than offset by output gains in **Argentina** and **China** on higher plantings. While global groundnut production may see a marginal area-driven expansion, higher cottonseed, palm kernel and copra outputs would be facilitated primarily by yield improvements.

The above highly tentative crop production forecasts, together with a resumption in global palm oil production growth, would translate into sizeable year-on-year increases in the output of both meals/cakes and oils/fats. Growth in global oils/fats utilization is forecast to resume, while meals/cakes consumption is projected to continue expanding

modestly. Global demand for oils/fats could again exceed production, possibly triggering additional drawdowns in inventories, whereas meals/cakes stocks could see modest replenishments. If this were to materialize, the resulting stock-to-use ratios would remain close to the current season's values and thus below the level observed in recent years. Of course, this outlook remains subject to a number of uncertainties, notably concerning the further evolution of the COVID-19 pandemic and its impact on crop production and demand, as well as on individual countries' overall economic performance. Implementation of the US-China 'Phase One' trade agreement and national policies regarding mandatory biodiesel consumption represent additional sources of uncertainty.

## APPENDIX TABLE 10: TOTAL OILCROPS STATISTICS (million tonnes)

	Production <sup>1</sup>			Imports			Exports		
	15/16-17/18 average	2018/19 <i>estim.</i>	2019/20 <i>f'cast</i>	15/16-17/18 average	2018/19 <i>estim.</i>	2019/20 <i>f'cast</i>	15/16-17/18 average	2018/19 <i>estim.</i>	2019/20 <i>f'cast</i>
<b>ASIA</b>	<b>133.7</b>	<b>143.2</b>	<b>144.8</b>	<b>128.5</b>	<b>123.3</b>	<b>131.3</b>	<b>3.7</b>	<b>3.6</b>	<b>3.6</b>
China	58.0	61.9	64.1	98.5	90.0	98.8	1.0	0.8	0.9
of which Taiwan Prov.	0.1	0.1	0.1	2.6	2.6	2.7	-	-	-
India	38.0	40.7	41.4	0.4	0.3	0.3	1.2	1.1	1.3
Indonesia	11.7	13.3	13.3	2.7	2.9	2.9	0.1	0.1	0.1
Iran, Islamic Republic of	0.8	0.9	0.9	2.2	2.7	2.4	0.1	0.1	0.1
Japan	0.3	0.2	0.2	6.0	6.1	6.1	-	-	-
Korea, Republic of	0.2	0.2	0.2	0.9	1.0	1.0	0.1	-	-
Malaysia	4.9	5.1	4.9	2.8	2.9	3.1	-	-	-
Pakistan	4.2	4.3	3.7	1.6	1.7	1.6	-	-	-
Thailand	1.1	1.2	1.2	2.8	3.1	3.0	-	-	-
Turkey	3.3	3.6	3.5	3.3	3.7	3.7	0.2	0.3	0.1
<b>AFRICA</b>	<b>20.4</b>	<b>21.2</b>	<b>20.9</b>	<b>4.0</b>	<b>5.8</b>	<b>6.0</b>	<b>0.8</b>	<b>0.9</b>	<b>0.9</b>
Nigeria	4.6	4.7	4.6	0.1	0.2	0.1	0.1	0.1	0.1
<b>CENTRAL AMERICA &amp; THE CARIBBEAN</b>	<b>2.1</b>	<b>2.1</b>	<b>2.0</b>	<b>6.9</b>	<b>9.1</b>	<b>8.7</b>	<b>0.2</b>	<b>0.2</b>	<b>0.2</b>
Mexico	1.4	1.4	1.3	6.2	8.2	7.8	-	-	-
<b>SOUTH AMERICA</b>	<b>186.6</b>	<b>203.4</b>	<b>200.9</b>	<b>4.1</b>	<b>8.2</b>	<b>5.7</b>	<b>80.3</b>	<b>93.3</b>	<b>99.4</b>
Argentina	55.4	61.1	55.3	2.3	6.4	4.0	7.2	10.1	9.5
Brazil	114.1	126.2	128.0	0.3	0.2	0.2	64.8	75.3	80.1
Paraguay	10.1	9.0	10.8	-	-	-	5.7	5.2	6.5
Uruguay	2.8	3.1	2.6	-	-	-	2.4	2.6	3.0
<b>NORTHERN AMERICA</b>	<b>153.3</b>	<b>160.2</b>	<b>133.5</b>	<b>2.3</b>	<b>2.7</b>	<b>2.0</b>	<b>74.5</b>	<b>65.7</b>	<b>63.8</b>
Canada	27.9	28.9	25.9	0.7	1.5	0.8	16.2	16.0	15.0
United States of America	125.3	131.3	107.7	1.6	1.2	1.2	58.4	49.7	48.8
<b>EUROPE</b>	<b>70.1</b>	<b>78.7</b>	<b>79.1</b>	<b>23.2</b>	<b>25.8</b>	<b>25.9</b>	<b>7.0</b>	<b>9.4</b>	<b>10.4</b>
European Union	32.7	33.6	30.5	20.3	21.9	22.9	1.1	0.9	0.9
Russian Federation	15.5	19.4	22.2	2.1	2.7	1.9	0.9	2.3	2.7
Ukraine	19.5	22.7	23.4	-	-	-	4.3	5.5	5.9
<b>OCEANIA</b>	<b>5.5</b>	<b>3.4</b>	<b>3.1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3.0</b>	<b>1.8</b>	<b>1.5</b>
Australia	5.0	3.0	2.7	-	-	-	2.9	1.7	1.4
<b>WORLD</b>	<b>571.6</b>	<b>612.3</b>	<b>584.3</b>	<b>169.0</b>	<b>175.0</b>	<b>179.6</b>	<b>169.5</b>	<b>175.0</b>	<b>179.7</b>
LIFDC	55.2	57.8	58.6	4.2	4.8	4.3	2.0	2.1	2.2
LDC	13.6	14.0	14.0	1.4	1.8	1.7	0.6	0.7	0.7

<sup>1</sup> 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.

APPENDIX TABLE 11: TOTAL OILS AND FATS STATISTICS<sup>1</sup> (million tonnes)

	Imports			Exports			Utilization		
	15/16-17/18 average	2018/19 <i>estim.</i>	2019/20 <i>f'cast</i>	15/16-17/18 average	2018/19 <i>estim.</i>	2019/20 <i>f'cast</i>	15/16-17/18 average	2018/19 <i>estim.</i>	2019/20 <i>f'cast</i>
<b>ASIA</b>	<b>47.6</b>	<b>54.2</b>	<b>53.6</b>	<b>51.2</b>	<b>57.6</b>	<b>54.9</b>	<b>116.5</b>	<b>130.1</b>	<b>129.9</b>
Bangladesh	2.3	2.6	2.5	-	-	-	2.7	3.0	3.0
China	9.7	13.2	13.8	0.6	0.5	0.5	40.2	45.2	44.5
of which Taiwan Prov.	0.5	0.5	0.5	-	-	-	0.9	1.0	1.0
India	15.4	15.8	15.4	0.2	0.3	0.2	25.2	26.4	26.1
Indonesia	0.1	0.1	0.1	29.0	32.8	32.0	13.0	16.5	17.6
Iran, Islamic Republic of	1.2	1.7	1.2	0.1	-	-	2.0	2.5	2.2
Japan	1.3	1.4	1.4	-	-	-	3.3	3.4	3.3
Korea, Republic of	1.2	1.4	1.4	-	-	-	1.6	1.7	1.8
Malaysia	1.3	1.9	1.7	17.7	19.7	18.1	4.8	5.4	5.2
Pakistan	3.3	3.4	3.5	0.1	0.1	0.1	5.1	5.4	5.4
Philippines	1.2	1.3	1.3	-	1.1	0.9	2.1	2.3	2.2
Singapore	0.9	1.1	0.9	0.2	0.3	0.2	0.7	0.8	0.8
Turkey	1.8	1.7	1.9	0.6	0.6	0.7	3.2	3.4	3.5
<b>AFRICA</b>	<b>11.5</b>	<b>12.1</b>	<b>11.7</b>	<b>1.8</b>	<b>2.0</b>	<b>2.0</b>	<b>18.8</b>	<b>19.6</b>	<b>19.6</b>
Algeria	0.9	1.0	1.0	0.1	0.1	0.1	1.0	1.0	1.0
Egypt	2.1	2.1	1.9	0.2	0.2	0.2	2.5	2.8	2.7
Nigeria	1.4	1.4	1.3	0.1	0.1	0.1	3.3	3.2	3.3
South Africa	0.9	1.0	0.9	0.1	-	-	1.5	1.6	1.5
<b>CENTRAL AMERICA &amp; THE CARIBBEAN</b>	<b>2.6</b>	<b>2.6</b>	<b>2.6</b>	<b>1.5</b>	<b>1.8</b>	<b>1.8</b>	<b>5.3</b>	<b>5.8</b>	<b>5.8</b>
Mexico	1.5	1.5	1.5	0.1	-	-	3.6	3.9	3.9
<b>SOUTH AMERICA</b>	<b>3.2</b>	<b>3.2</b>	<b>3.2</b>	<b>10.3</b>	<b>10.5</b>	<b>10.3</b>	<b>18.0</b>	<b>19.8</b>	<b>19.8</b>
Argentina	0.1	-	0.1	6.1	6.6	6.5	4.0	4.4	4.1
Brazil	0.6	0.6	0.6	1.7	1.4	1.4	9.2	10.5	10.6
Paraguay	-	-	-	0.7	0.7	0.7	0.1	0.1	0.1
Uruguay	0.1	0.1	0.1	-	-	-	0.1	0.1	0.1
<b>NORTHERN AMERICA</b>	<b>5.6</b>	<b>5.5</b>	<b>5.6</b>	<b>7.3</b>	<b>7.3</b>	<b>7.6</b>	<b>21.6</b>	<b>23.0</b>	<b>22.8</b>
Canada	0.5	0.4	0.4	3.8	4.0	4.0	1.6	1.6	1.9
United States of America	5.1	5.1	5.2	3.5	3.4	3.6	20.1	21.4	20.9
<b>EUROPE</b>	<b>15.3</b>	<b>17.3</b>	<b>16.1</b>	<b>12.2</b>	<b>14.4</b>	<b>15.1</b>	<b>39.9</b>	<b>42.5</b>	<b>41.5</b>
European Union	12.5	14.0	13.1	3.2	3.2	3.2	32.9	35.1	34.2
Russian Federation	1.4	1.7	1.5	2.9	4.0	4.6	4.5	4.7	4.5
Ukraine	0.3	0.3	0.3	5.6	6.5	6.6	0.9	1.0	1.1
<b>OCEANIA</b>	<b>0.7</b>	<b>0.8</b>	<b>0.8</b>	<b>1.9</b>	<b>2.0</b>	<b>1.9</b>	<b>1.3</b>	<b>1.4</b>	<b>1.4</b>
Australia	0.5	0.6	0.6	0.7	0.8	0.7	0.9	1.0	1.0
<b>WORLD</b>	<b>86.4</b>	<b>95.7</b>	<b>93.7</b>	<b>86.3</b>	<b>95.7</b>	<b>93.7</b>	<b>221.4</b>	<b>242.2</b>	<b>240.9</b>
LIFDC	25.2	26.5	26.0	1.6	1.9	1.8	40.5	42.5	42.3
LDC	8.1	8.6	8.6	0.7	0.8	0.8	11.7	12.4	12.4

<sup>1</sup> Includes oils and fats of vegetable, marine and animal origin.

## APPENDIX TABLE 12: TOTAL MEALS AND CAKES STATISTICS<sup>1</sup> (million tonnes)

	Imports			Exports			Utilization		
	15/16-17/18 average	2018/19 <i>estim.</i>	2019/20 <i>f'cast</i>	15/16-17/18 average	2018/19 <i>estim.</i>	2019/20 <i>f'cast</i>	15/16-17/18 average	2018/19 <i>estim.</i>	2019/20 <i>f'cast</i>
<b>ASIA</b>	<b>37.7</b>	<b>43.9</b>	<b>43.0</b>	<b>13.5</b>	<b>15.3</b>	<b>15.1</b>	<b>169.9</b>	<b>178.6</b>	<b>180.5</b>
China	3.6	5.6	5.8	1.9	1.4	1.5	94.4	96.9	99.0
of which Taiwan Prov.	0.5	0.4	0.5	-	-	-	2.5	2.6	2.6
India	0.5	0.5	0.6	2.2	3.5	3.4	15.3	16.1	16.3
Indonesia	4.5	4.7	4.8	4.7	5.5	5.6	5.1	5.2	5.2
Iran, Islamic Republic of	1.6	3.0	1.8	-	0.1	-	3.7	5.1	4.4
Japan	2.2	2.2	2.3	-	-	-	6.5	6.5	6.6
Korea, Republic of	3.4	3.6	3.7	0.1	0.1	0.1	4.7	4.7	4.9
Malaysia	1.5	1.4	1.6	2.5	2.6	2.5	2.3	2.4	2.5
Pakistan	0.6	0.6	0.5	0.1	0.1	0.1	4.3	4.3	4.2
Philippines	2.8	3.2	3.2	0.3	0.4	0.3	3.5	3.9	4.0
Saudi Arabia	1.4	1.6	1.7	0.1	-	-	1.9	2.4	2.3
Thailand	3.4	3.7	3.7	0.2	0.2	0.2	6.4	6.9	6.8
Turkey	2.2	2.4	2.5	0.1	0.1	0.2	5.9	6.5	6.8
Viet Nam	5.8	6.6	6.3	0.3	0.3	0.3	7.5	8.1	8.0
<b>AFRICA</b>	<b>5.9</b>	<b>4.7</b>	<b>4.8</b>	<b>1.1</b>	<b>1.2</b>	<b>1.2</b>	<b>14.1</b>	<b>14.6</b>	<b>15.0</b>
Egypt	1.6	0.4	0.4	-	-	-	3.4	3.5	3.8
South Africa	0.7	0.7	0.7	0.1	0.1	0.1	2.0	2.1	2.1
<b>CENTRAL AMERICA &amp; THE CARIBBEAN</b>	<b>4.3</b>	<b>4.1</b>	<b>4.1</b>	<b>0.2</b>	<b>0.2</b>	<b>0.2</b>	<b>10.3</b>	<b>11.1</b>	<b>11.2</b>
Mexico	2.4	2.2	2.2	0.1	0.1	0.1	7.7	8.4	8.5
<b>SOUTH AMERICA</b>	<b>5.3</b>	<b>5.6</b>	<b>5.7</b>	<b>51.1</b>	<b>52.0</b>	<b>51.6</b>	<b>32.1</b>	<b>36.1</b>	<b>35.7</b>
Argentina	-	-	-	30.6	30.1	30.1	6.6	8.0	8.0
Bolivia	-	-	-	1.7	1.8	1.9	0.4	0.4	0.4
Brazil	-	-	-	14.9	16.2	16.0	17.5	19.7	19.4
Chile	1.1	1.0	1.1	0.2	0.2	0.2	1.5	1.4	1.5
Paraguay	-	-	-	2.5	2.4	2.4	0.4	0.5	0.5
Peru	1.2	1.4	1.3	0.9	1.0	0.9	1.7	1.9	1.9
Uruguay	0.2	0.2	0.2	-	-	-	0.2	0.2	0.2
Venezuela	0.8	0.7	0.7	-	-	-	1.0	0.9	0.9
<b>NORTHERN AMERICA</b>	<b>5.1</b>	<b>5.2</b>	<b>5.3</b>	<b>17.3</b>	<b>18.4</b>	<b>18.4</b>	<b>39.7</b>	<b>41.7</b>	<b>42.9</b>
Canada	1.0	1.1	1.2	5.4	5.5	5.6	2.5	2.9	3.2
United States of America	4.1	4.1	4.2	11.9	12.9	12.8	37.2	38.8	39.8
<b>EUROPE</b>	<b>30.2</b>	<b>30.1</b>	<b>30.1</b>	<b>8.6</b>	<b>10.0</b>	<b>10.0</b>	<b>69.6</b>	<b>73.6</b>	<b>73.1</b>
European Union	27.7	27.8	27.9	1.5	1.6	1.3	57.9	60.8	59.8
Russian Federation	0.4	0.1	-	2.0	2.6	2.8	6.7	7.2	7.5
Ukraine	-	-	-	4.6	5.2	5.3	1.8	2.3	2.3
<b>OCEANIA</b>	<b>3.4</b>	<b>3.7</b>	<b>3.7</b>	<b>0.3</b>	<b>0.3</b>	<b>0.3</b>	<b>4.3</b>	<b>4.4</b>	<b>4.4</b>
Australia	1.1	1.5	1.5	0.1	0.1	0.1	1.9	2.1	2.1
<b>WORLD</b>	<b>91.9</b>	<b>97.3</b>	<b>96.7</b>	<b>92.2</b>	<b>97.3</b>	<b>96.7</b>	<b>339.9</b>	<b>360.0</b>	<b>363.0</b>
LIFDC	8.3	9.5	9.2	3.3	4.6	4.5	30.5	32.3	32.5
LDC	1.0	1.1	1.1	0.6	0.6	0.6	5.6	6.1	6.1

<sup>1</sup> Expressed in product weight; includes meals and cakes derived from oilcrops as well as fish meal and other meals from animal origin.

## APPENDIX TABLE 24: SELECTED INTERNATIONAL PRICES FOR OILCROP PRODUCTS AND PRICE INDICES

Period	International prices <sup>1</sup>					FAO indices <sup>8</sup>		
	Soybeans <sup>2</sup>	Soybean oil <sup>3</sup>	Palm oil <sup>4</sup>	Soybean cake <sup>5</sup>	Rapeseed meal <sup>6</sup>	Oilseeds	Vegetable oils	Oilcakes/meals
	..... (USD per tonne) .....					..... (2002-2004=100) .....		
<b>Annual (Oct/Sept)</b>								
2004/05	275	545	419	212	130	104	103	101
2005/06	259	572	451	202	130	100	107	96
2006/07	335	772	684	264	184	129	150	128
2008/09	437	849	682	409	206	157	146	179
2009/10	429	924	806	388	220	162	177	183
2010/11	549	1308	1147	418	279	214	259	200
2011/12	562	1235	1051	461	295	214	232	219
2012/13	563	1099	835	539	345	213	193	255
2013/14	521	949	867	534	324	194	189	253
2014/15	407	777	658	406	270	155	153	194
2015/16	396	773	655	351	232	151	155	168
2016/17	404	806	729	336	225	154	160	171
2017/18	402	820	648	381	258	152	154	182
2018/19	370	744	523	328	247	142	130	159
<b>Monthly</b>								
2019 - January	275	545	419	212	130	104	103	101
2019 - February	259	572	451	202	130	100	107	96
2019 - March	335	772	684	264	184	129	150	128
2019 - April	437	849	682	409	206	157	146	179
2019 - May	429	924	806	388	220	162	177	183
2019 - June	549	1308	1147	418	279	214	259	200
2019 - July	562	1235	1051	461	295	214	232	219
2019 - August	563	1099	835	539	345	213	193	255
2019 - September	521	949	867	534	324	194	189	253
2019 - October	407	777	658	406	270	155	153	194
2019 - November	396	773	655	351	232	151	155	168
2019 - December	404	806	729	336	225	154	160	171
2020 - January	402	820	648	381	258	152	154	182
2020 - February	370	744	523	328	247	142	130	159
2020 - March	367	722	621	364	255	141	139	175
2020 - April	363	675	573	363	280	140	132	176
2020 - May <sup>7</sup>	360	663	521	330	262	140	126	161

<sup>1</sup> Spot prices for nearest forward shipment

<sup>2</sup> Soybeans: US - No.2 yellow - c.i.f. Rotterdam

<sup>3</sup> Soybean oil: Dutch - fob ex-mill

<sup>4</sup> Palm oil: Crude - c.i.f. Northwest Europe

<sup>5</sup> Soybean cake: Pellets - 44/45 percent - Argentina - c.i.f. Rotterdam

<sup>6</sup> Rapeseed meal: 34 percent - Hamburg - f.o.b. ex-mill

<sup>7</sup> The international prices shown represent averages for the first three weeks of the month.

<sup>8</sup> The FAO indices are based on the international prices of five selected seeds - ten selected oils and five selected cakes and meals. The indices are calculated using the Laspeyres formula; the weights used are the export values of each commodity for the 2002-2004 period.

Sources: FAO and Oil World.