

# OILCROPS

Following a tight balance in 2020/21, preliminary forecasts for the 2021/22 season point to some improvements in the overall supply situation for oilseeds and derived products, although their respective end-season stocks could remain below average levels.

Global oilseed production in 2021/22 is forecast to climb to a new record, mainly driven by foreseen continued growth in soybean output. In the United States of America, a combination of higher plantings and yields is expected to lead to a further rise in soybean production, while Brazil's anticipated record output would be largely underpinned by continued area expansion. In addition, world sunflower seed production is forecast to rebound sharply from the reduced level registered in 2020/21, primarily supported by anticipated output recoveries in the Black Sea region. By contrast, the global rapeseed harvest could drop to a multi-year low, as detrimental weather conditions have resulted in substantial production losses in Canada. As for palm oil, global production growth is anticipated to accelerate from the below-potential level in 2020/21, with Malaysia's output expected to recover following two consecutive seasons of decline.

On the demand side, global utilization of oils/fats is heading for an increase in 2021/22 – albeit at a below-average rate, following stagnations registered over the past two seasons due to COVID-19-related factors that have affected both food and non-food sectors. In the meantime, world consumption of meals/cakes is poised to continue rising moderately, largely tied to expectations of a steady growth in global feed demand, particularly in China.

International trade in vegetable oils is forecast to rebound, up 3.4 percent from the 2020/21 reduced level, while world trade in meals is seen growing modestly, by 2.9 percent, from its subdued performance in 2020/21.

Based on current forecasts, the output of oilcrop products in 2021/22 is anticipated to exceed global consumption of oils and meals, albeit by a small margin. This is seen to result in a moderate reconstitution of inventories and some easing of pressure on prices, which had been fluctuating within a multi-year high range since the beginning of 2021. Looking forward, markets will be influenced by several factors, including weather in major growing regions, trade policies, biodiesel mandates, crude oil prices and how the COVID-19 situation evolves.

#### For additional analyses and updates, see:

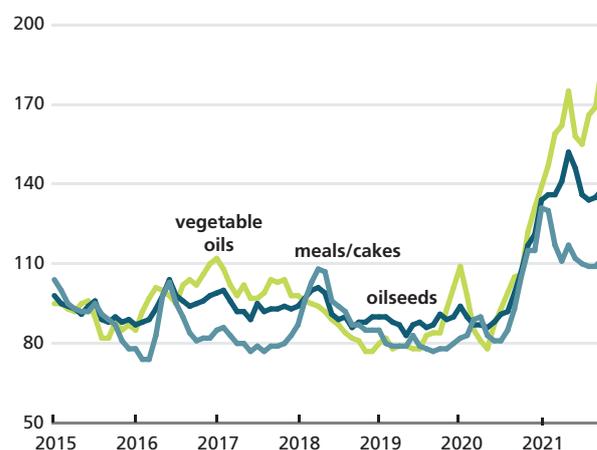
Oilcrops Monthly Price and Policy Update  
<https://www.fao.org/markets-and-trade/publications/en/?querystring=Oilseeds>

AMIS Market Monitor  
<http://www.amis-outlook.org/amis-monitoring>

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## FAO MONTHLY INTERNATIONAL PRICE INDICES FOR OILSEEDS, VEGETABLE OILS AND MEALS/CAKES (2014-2016=100)



## WORLD OILCROP AND PRODUCT MARKET AT A GLANCE

	2019/20	2020/21 estim.	2021/22 f'cast	Change: 2021/22 over 2020/21
	<i>million tonnes</i>		<i>%</i>	
<b>TOTAL OILCROPS</b>				
Production	587.6	612.8	635.5	3.7
<b>OILS AND FATS</b>				
Production	234.6	241.1	250.1	3.7
Supply	275.3	276.0	281.1	1.9
Utilization	242.3	243.9	248.7	1.9
Trade	135.1	132.7	137.2	3.4
Global stocks-to-use ratio (%)	14.4	12.7	13.6	
Major exporters stocks-to-disappearance ratio (%)	11.0	9.3	9.7	
<b>MEALS AND CAKES</b>				
Production	149.8	158.6	165.6	4.4
Supply	183.4	188.6	192.8	2.2
Utilization	157.3	159.6	162.9	2.1
Trade	105.1	104.7	107.7	2.9
Global stocks-to-use ratio (%)	19.0	17.1	18.4	
Major exporters stocks-to-disappearance ratio (%)	11.9	9.1	9.9	
<b>FAO PRICE INDICES</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>%Change</b>
<b>Jan-Dec</b>			<i>Jan-Oct.</i>	<b>Jan/Oct 2021</b>
<b>(2014-2016=100)</b>				<b>over</b>
				<b>Jan/Oct 2020</b>
Oilseeds	88	97	139	50.7
Meals/cakes	79	92	116	32.7
Vegetable oils	83	99	162	71.8

Note: For explanations on definitions and coverage kindly refer to previous issues of Food Outlook.