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GAIN Report

Global Agricultural Information Network

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China - Peoples Republic of

Oilseeds and Products Annual

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Report Highlights:

MY12/13 total oilseed production is forecast at 56 million metric tons (MMT), a slight adjustment of one percent from last year's estimated 56.6 MMT. Total oilseed demand will stay strong, particularly for soybeans, with MY12/13 consumption forecast at 118 MMT up from an estimated 113.6 MMT in MY11/12. Consumer affluence will drive soybean imports to 59 MMT in MY12/13 to meet increasing demand for animal products and vegetable oils.

Executive Summary:

Total MY12/13 oilseed production is forecast at 56 million metric tons (MMT) from a planted area of 25.7 million hectares (MHa), both down 0.7 percent and one percent from MY11/12, respectively. Rising consumer affluence is driving demand for animal and fish protein. In response, advancements in concentrated animal and aquatic production, growth in the feed industry and expansion in the crush sector are spurring demand and need for imports to supply feed protein sources, such as soybean and rapeseed meal. Total oilseed imports in MY12/13 are forecast to reach 60.9 MMT from 57.5 MMT in MY11/12.

Specific MY12/13 forecasts for oilseed categories include:

- Soybean production will rise 1.5 percent to 13.7 MMT based on a modest increase in planted area to 7.7 MHa
- Soybean imports will rise six percent to 59 MMT
- Soybean meal demand continues strong in response to feed needs
- Soybean oil demand stays strong in response to consumer demand

- Rapeseed production will increase to 12.8MMT based on a rise in planted area to 7.2 MHa
- Rapeseed imports will increase to 1.8 MMT

- Peanut production will stabilize at 16 MMT unchanged from MY11/12
- Peanut planting area will remain stable

- Cottonseed production will fall one MMT due to an expected drop in cotton planted area
- Cottonseed imports will be driven by increased demand and diversified use

- Palm oil imports will increase moderately
- Palm oil consumption will rise

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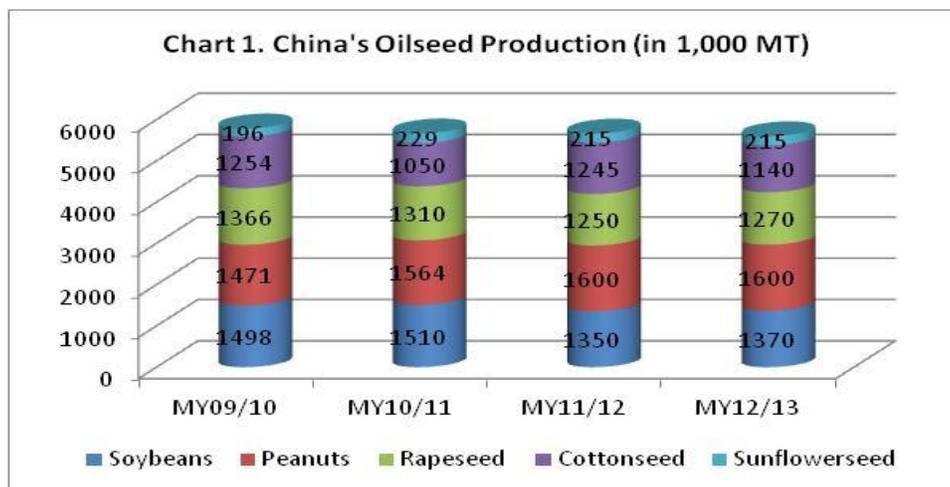
China is the world's largest oilseed consumer. Population growth and dietary demands overwhelm stagnant domestic production capabilities, leaving China dependent on foreign suppliers, particularly the U.S., Brazil and Argentina, to meet its supply gap.

Total Oilseeds

Total MY12/13 oilseed production is forecast at 56 MMT, down one percent in planted area to 25.7 million hectares (MHa), as cottonseed falls one MMT in response to diminished cotton returns.

Positive soybean returns in MY11/12 are generating moderate growth expectations in MY12/13 soybean planting area and raising the production forecast to 13.7 MMT. Likewise, relatively high prices for rapeseed products in late 2011 will spur production to 12.8 MMT based on a planted area of 7.2 MHa. A sharp decline in MY11/12 cotton profits, however, will cause a 10 percent decline in cotton planted area and one MMT drop in cottonseed production. MY12/13 peanut production is forecast slightly lower at 16 MMT from a record high 16.2 MMT in MY11/12.

Potential expansion of oilseed production through land area or yield improvements remains limited. Government incentives draw arable land toward more profitable competing crops like corn and rice. Additional yield gains for oilseeds are hindered by poor agronomic practices, insufficient technology, and inadequate farmer inputs.



Source: China Agriculture Statistics Report; Cottonseed by FAS/Beijing; MY12/13 data forecast by FAS/Beijing

Soybeans

Production

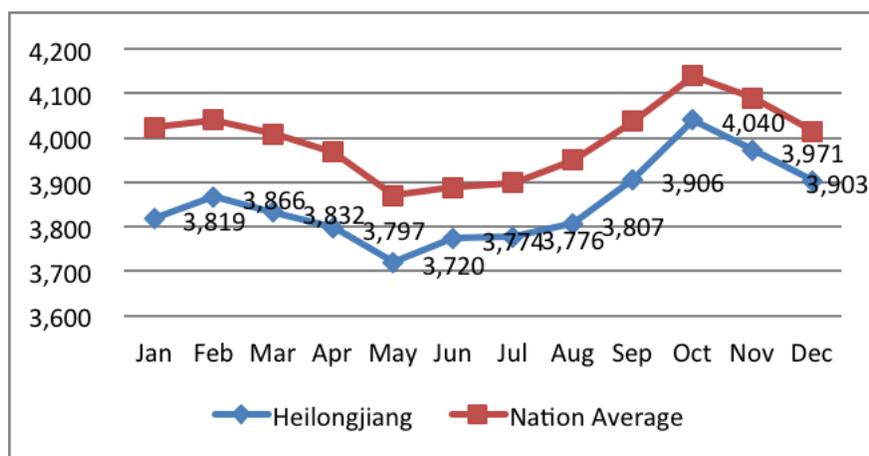
Soybean production in MY12/13 is forecast to increase to 13.7 MMT from the previous year's estimated 13.5 MMT in response to favorable returns. Total soybean planted area in MY12/13 is forecast to rise slightly to 7.7 MHa from 7.65 MHa in MY11/12, per China's National Grain and Oils Information Center (CNGOIC). This rise represents a modest recovery from a MY11/12 drop in planting area and production after unfavorable weather and low returns in MY10/11 drove farmers to plant more corn versus soybeans. In major production regions, particularly Heilongjiang where corn, rice and soybeans are planting options, soybeans are the least profitable crop. Industry sources estimate Heilongjiang province added almost 1 MHa of corn and rice area in MY11/12 to the detriment of soybean planting area which fell to 3.46 MHa from 4.5 MHa in MY10/11. The National Statistics Bureau, however, released a much lower MY10/11 planted area at 3.55 MHa.

The national average for soybean yield has remained constant at 1.7MT/Ha for several years (excluding an MY09/10 abnormal weather disruption in NE China.) Small-scale farm size, lack of agronomic techniques, such as soybean crop rotation, and limited access to better inputs remain major impediments to yield increases, factors which are unlikely to change in the near future. Significant production gains from area increases are also unlikely given soybeans modest profit signals, lucrative alternative crops and land constraints.

According to an industry survey, MY11/12 soybean profits were impacted by an average 30 percent increase in overall production costs which whittled modest price gains. National and Heilongjiang soybean prices tracked closely with the yearly price spread rising at harvest but closing and ending the year at nearly the same price.

Based on CNGOIC, the December wholesale price for soybean oil and meal declined by 15 and 16 percent from January, respectively. Furthermore, China's soybean crushing sector experienced the longest "negative crushing margin" in 2011. (See chart 2 - Exchange rate in 2011: RMB6.5 = \$1.0).

Chart 2. Soybean Wholesale Price in 2011 (RMB/MT)



Source: China National Grains & Oils Information Center, Beijing

The Chinese government’s food security policy dictates that domestic soybeans, considered a staple grain, maintain their production level. Thus, the government provides income support through a floor price purchase program which is expected to help stabilize soybean planting area in the major production areas in the northeast. Although 2012 planting decisions aren’t yet firm, industry sources relate that the northeast provinces are expected to moderately increase planting area and other producing provinces area will likely remain stable.

Stocks

China’s floor price purchases are used to maintain a certain volume of oilseeds as “state reserve.” As well as a method to support farmer income, the government also uses these stocks, as they deem necessary, to regulate domestic oilseeds and by-product supply. The quantity in reserve is unpublished. Although difficult to estimate, current projections are that China maintains about 6 MMT in soybean reserve. State purchases from the MY11/12 new crop appear to be limited as the domestic soybean price started low from the harvest and remained bearish.

In late October 2011, the GOC offered a floor price of RMB4,000/MT in the Northeast provinces (Inner Mongolia, Heilongjiang, Liaoning and Jilin), with no volume limit, from Jan 23 to April 30, 2012. High quality purchase conditions, however, are believed to be affecting interest in this offer. According to CNGOIC, as of this report, total purchases of MY11/12 crop for state reserve are estimated at 1.5 MMT. Post forecasts industry is holding stocks of 7.5 MMT (for 1.5 months crushing), bringing MY11/12 total ending stocks to approximately 13.5 MMT. Due to the age of some reserve stocks, the GOC is expected to release some older stocks which will reduce MY12/13 ending stocks to 11.3 MMT.

Trade

The U.S. is currently China’s largest supplier of soybeans, hitting a record 24.98 MMT in MY10/11, accounting for 48 percent of the total imports. Other suppliers include Brazil and Argentina. Soybean imports for MY12/13 are forecast at 59 MMT, up six percent from the estimated 55.8 MMT in MY11/12. Soybean imports in MY11/12 are expected to rise by seven percent to reach 55.8 MMT from the 52.4 MMT in MY10/11. MY10/11 soybean imports leveled off after high imports in MY09/10 resulted in high carry-in stocks.

China’s Soybean Imports by Country of Origin (in MMT) from MY09/10 to MY11/12

Country	MY09/10		MY10/11		MY11/12*	
	MMT	Share	MMT	Share	MMT	Share
United States	22.6	45%	24.98	48%	6.6	44%

Brazil	18.2	36%	18.3	35%	3.6	24%
Argentina	8.2	16%	7.4	14%	4.2	28%
Others	1.3	3%	1.6	3%	0.5	4%
Total	50.3	100%	52.3	100%	14.9	100%

Source: World Trade Atlas; * MY11/12 data up to December 2011

China's soybean exports (mainly for food use) are forecast at 260,000 MT in MY12/13, compared to an estimated 250,000 MT in MY11/12. Overall though, export volumes have been in decline as traditional markets, like Korea and Japan, are sourcing food soybeans (both GMO and non-GMO) from other countries, including the US.

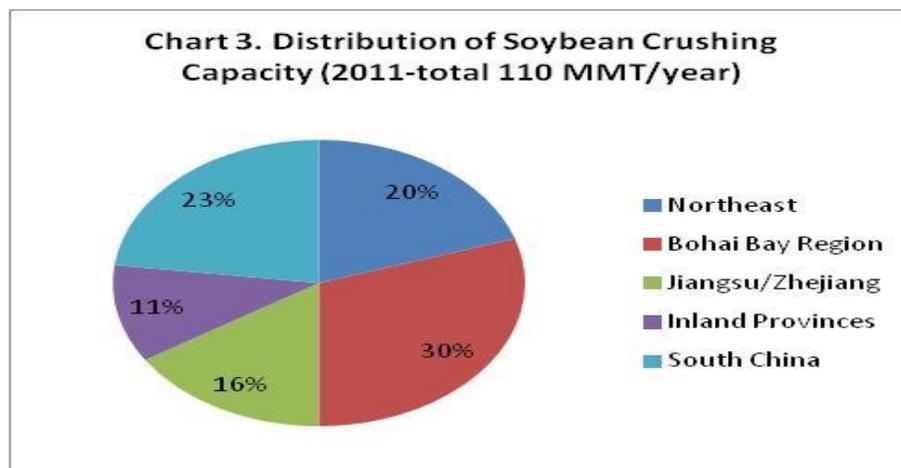
Soybean meal (SBM), produced in China largely from imported soybeans, is an integral protein component of the feed necessary to support China's burgeoning pork, poultry and aquaculture industries. Their rapidly maturing animal husbandry and feed industries (including aquaculture), expansion in crush capacity and growing consumption of vegetable oils are all driving demand which cannot be met by domestic supply.

According to the Ministry of Agriculture (MOA), China's total industrialized feed production reached 169 MMT in 2011, up 4.3 percent (or a net increase of 7 MMT) over the previous year. Based on the 12th Five Year (2011-2015) Plan for Feed Industry Development, China's total industrialized feed production is expected to reach 200 MMT by 2015, with an average yearly net increase of 7.6 MMT from 2011 to 2015. The plan also encourages consolidation in the feed industry, targeting the top 50 feed manufacturers to produce 50 percent of nation's total feed by 2015. This plan will drive soybean meal consumption in the next five years as self-mixed feed declines. (See more in the Total Meal section).

Soybean crushing sector continues to expand

Soybean meal is produced in plants that crush the bean and extract the pulpy meal and oil as by-products. According to CNGOIC, at the end of 2011, 20 new or expanded facilities (15 for soybeans and 5 for soybean and rapeseed) had added 15 MMT moving China's total crush capacity toward 115 MMT, an expansion expected to increase to 120 MMT in 2012. The market share of the top ten crushing enterprises grew to 58 percent in 2011 from 34.8 in 2008. Given the negative profit margins the crush sector experienced in 2011, the soybean crushing sector is expected to increase consolidation and reduce outdated facilities.

Chart 3 shows the distribution of soybean crushing capacity (estimated by COFCO at 110 MMT or daily crushing capacity at 360,000 MT in 2011), with an estimated 78 percent located along the coast region.



Source: COFCO; Northeast-Heilongjiang, Jiling and Liaoning; Bohai Bay-Beijing, Tianjin, Hebei and Shadong; South China-Fujian, Guangdong and Guangxi

Industry sources report that new capacity is mainly financed by domestic investments from state-owned enterprises (SOE) or the private sector. For instance, China State Grain Reserve Corp has entered commercial oilseed/grain processing by

building two crushing plants in Jiangsu and Guangdong provinces. Some industry insiders complain that domestic crushing plants, in particular those with SOE associations, receive preferential financing and local government support. Current policy in China appears to reserve additional capacity for domestic companies and discourage additional foreign investment in new crush facilities.

COFCO (China's largest grain and oilseed company) estimates the capacity utilization rate for the top ten crush companies at 71 percent in 2010, with the rest of the sector's utilization rate averaging less than 50 percent. Competition is expected to be keen in this sector if soybean imports level off in the future.

Policy

Total agriculture subsidy exceeded \$22 billion in 2011

To meet grain security goals, Chinese policy leaders encourage a stable planting area and an increase in yields through technology for key crops, including soybeans. China's total comprehensive agricultural subsidies (four categories including direct grain subsidy, agricultural inputs subsidy, agricultural machinery purchasing subsidy, and seed subsidy) reached RMB140.6 billion (\$22 billion) in 2011 from RMB134.5 billion in 2010.

Soybeans are regarded as grain by the GOC and are entitled to subsidies (seed, machinery and agricultural inputs/fuel/fertilizer). Out of the total RMB134.5 billion, a sum of \$2.4 billion was paid to farmers as direct grain subsidies (covering rice, wheat and corn), and \$3.4 billion as seed subsidies to cover the entire planted area of major crops (including rice, wheat, corn, rapeseed, soybeans and cotton), \$2.7 billion for agricultural machinery subsidies and \$13.5 billion for fuel and fertilizer subsidies. MOA expects the total agricultural subsidy will increase further in 2012, but has not published specific data. Other measures to maintain oilseed production include augmented technical support (through the extension service) to help farmers increase yields.

Food Security Concerns

The sustained surge of soybean imports over the past ten years has caused waves of concern amongst Chinese policy makers tasked with insuring domestic food security. The quantity of soybean imports, which has grown from 16.9 MMT in MY03/04 to 52.3MMT in MY10/11, to meet demand has highlighted China's dependence on foreign suppliers and accentuated their vulnerability in domestic supply. Recently, though, the Government has appeared ready to unofficially acquiesce to "a choice of no choice" to the volume of soybean imports.

Nevertheless, to reduce their exposure, the GOC is attempting to diversify its suppliers by encouraging Chinese companies to invest in South American enterprises. A company from Chongqing has reportedly shipped the first soybeans produced by the company's Brazilian soybean facilities to China in late 2011. This trend is expected to continue with more Chinese investments in soybean farms, silos and other grain handling facilities in countries such as Brazil.

In an effort to monitor soybean imports, China's Ministry of Commerce (MOFCOM) maintains an automatic registration form (ARF) system on imports of bulky agricultural commodities covering soybeans, rapeseed, soybean meal and vegetable oils (See more in CH10035 and CH9035).

Biotech-free soybean production policy unchanged

After the MOA issued safety certificates for two domestically developed biotech varieties of rice and corn in December 2009, speculation regarding modifications to China's "biotech-free" soybean production policy erupted. In addition, it also generated a wider debate on China's policy toward direct human consumption of GMO food products. This debate resulted in a conservative biotech policy which eventually stayed further official progress on the production of the biotech rice and corn varieties. China's production of biotech free soybeans ensures a large and stable domestic market and the ability to export, at a premium, to European and Asian markets.

Responsible soy program

In addition to biotech free characteristics, the China Soybean Association (CSIA) is also suggesting the GOC consider adding production characteristics. The Association recently supported a seminar held by The Round Table on Responsible

Soy Association (RTRS), a multi-stakeholder initiative which aims to facilitate a global dialogue on soy production that is economically viable, socially equitable and environmentally sound.

It is difficult to know how China will react to a program which requires additional certification for its producers. Perhaps the program might bring a premium for China's Non-GMO soybean exports by certifying the product is produced under a "responsible" system. Perhaps as the largest importer, China might require that imports meet this production characteristic in the future.

The impact of China-ASEAN free trade zone on oils trade remains limited

The China-ASEAN Free Trade Agreement (CAFTA) was enacted on January 1, 2010. According to the Agreement, the import duties for more than 90 percent of goods imported to China from ASEAN countries were eliminated. According to the 2012 Customs Import and Export Tariffs of China, the duties for palm oil, palm kernel oil, and copra oil remain unchanged at nine percent. In general, Post expects that the implementation of CAFTA will have limited impact on the oilseed/vegetable oil trade between China and ASEAN.

USDA and AQSIQ continues cooperation

In late 2010, USDA and AQSIQ signed a Memorandum of Understanding Regarding China-U.S. Cooperation Program for the Inspection and Quarantine of U.S. Soybeans Exported to China (MOU). The MOU requested both sides endeavor to enhance cooperation and communication on supervision of plant quarantine, safety and quality for U.S. soybeans exported to China, and to strive to identify and, where appropriate, take measures to ensure that U.S. soybeans comply with China's laws, regulations and standards on soybean inspection and quarantine, so as to promote smooth soybean trade.

One of the issues currently under discussion focuses on China's zero tolerance policy for some foreign matter in imported soybeans. In late 2011, the US soybean industry supported the visit by a team of six AQSIQ soybean inspectors to the U.S to foster greater understanding of the soybean production, distribution and inspection system. Follow up activities to promote greater bilateral cooperation and communication are underway.

Marketing

Generally, the domestic soybean marketing situation remains unchanged. Soybeans produced in the Northeast provinces are used throughout China to produce food, while the remainder is crushed locally or in nearby provinces. Traders of domestic soybeans for food use are usually small to medium size and face many challenges in consolidating soybeans from households and villages. Shipping soybeans by truck is becoming more common as highway improvements increase convenience in redistribution.

Rapeseed

MY12/13 rapeseed production is forecast at 12.8 MMT based on a planted area of 7.2 MHa, up two percent from the estimated 12.5 MMT from planted area of 7.1 MHa in MY11/12. The rise in production forecast for MY12/13 is based on slightly improved profits in MY11/12. The average purchase price for rapeseed was estimated at RMB4,700/MT, up 20 percent over the previous year. However, the migration of farm labor to city work has reduced the labor supply and raised production costs for rapeseed.

To encourage the maintenance of rapeseed planting area, the GOC provides a rapeseed seed subsidy of RMB150/Ha. Industry insiders argue a higher subsidy would encourage farmers to make more use of idle winter idle for rapeseed at a time when competition for land with grain crops is not an issue. To bolster farmer's income, the Government also provides income support through its purchase of rapeseed for state reserve at a floor price. According to industry sources, the GOC was to purchase 2 MMT of MY11/12 rapeseed at the floor price (RMB4,600/MT), up 16 percent over the previous year between late June and the end of September 2011, however, no specific volume purchases have been made public.

Based on a MOA's survey at the end of 2011, winter rapeseed planted area had increased moderately, though no specific data was released, with the percentage of "first grade plants" in Hunan up by 15 percent and Jiangxi Provinces up nine percent, respectively, over the previous year. Spring rapeseed area in the northwest provinces is also expected to increase.

CNGOIC estimated that current domestic rapeseed crushing capacity at 40 MMT, with a utilization rate of less than 40 percent. COFCO estimates rapeseed crushing capacity at 36 MMT. Underutilized crush capacity will continue to boost the demand for rapeseed imports which are forecast for MY12/13 at 1.8 MMT, up from the estimated 1.6 MMT in MY11/12. China's policy on rapeseed imports, which requires entry only in non-rapeseed producing regions due to phytosanitary concerns, continues unchanged. This policy primarily affects Canada and Australia.

In 2011, COFCO's opened three new rapeseed crushing facilities (in Hubei and Anhui) and another four (in Fujian, Guangxi, Jiangsu and Hubei) were added by other companies. The new rapeseed crushing facilities, located in non-rapeseed producing region including Fujian and Guangxi, have expedited imports of rapeseed with about 600,000 MT imports for the first quarter of MY11/12.

Peanuts

Peanut production in China is primarily for food and crushing for vegetable oil. MY12/13 peanut production is forecast at 16 MMT based on a stable planted area of 4.7 MHa, with yields, over the past four years, averaging 3.4 MT/Ha. Peanut production has been on the rise for the past two years due to more favorable prices which resulted in a 15.6 MMT harvest in MY10/11. CNGOIC reports that MY11/12 gross peanut profits exceeded \$5,000/Ha, much higher than other cash crops in the large peanut-producing provinces of Henan, Shandong, Liaoning and Hebei, which is expected to help maintain peanut planting area in MY12/13.

Top Five Peanut Producing Provinces (MY09/10 and MY10/11; 1,000 Ha & 1,000 MT)

MY	MY09/10		MY10/11		MY10/11 Planted Area Net Growth
	Area	Prod	Area	Prod	
Henan	975	4,126	989	4,276	+14
Shandong	775	3,308	805	3,390	+30
Hebei	389	1,339	367	1,292	-22
Liaoning	261	535	332	961	+72
Anhui	181	751	194	864	+14
Nation	4,377	14,707	4,527	15,644	+150

Note: MY11/12 statistics by province not yet available

Although peanut production is on the rise, exports are expected to remain stable at 800,000MT in MY 12/13 for several reasons. Industry sources report that the elimination of the Value Added Tax (VAT) rebate (approximately five percent) for peanut exports in 2008 cut profit margins. Japan, the largest destination for China's peanut products, has strict MRLs for pesticides including BHC and acetochlor and the European Union has strict aflatoxin residue limits, both of which are depressing exports. The current high domestic peanut price is also likely to dampen the export lure, although the world demand for Chinese peanuts is expected to grow due to anticipated reduced production in other peanut-producing countries like India.

In MY10/11, the GOC instituted a trial program to provide a seed subsidy for peanuts in an effort to stimulate production and improve the self-sufficiency rate for vegetable oil. Peanut oil, usually priced higher than soy and rapeseed oils, currently accounts for about 10 percent of total vegetable oil consumption in China. Experts state peanut's oil content ranges from 48 to 56 percent, compared to 20 percent for soybeans. However, peanut meal has lower protein quality than soybean meal. Some provinces, such as Liaoning, will continue to support peanut production and processing in resource-depleted regions in their provinces.

Cottonseed

Cottonseed production in MY12/13 is forecast at 11.4 MMT from the estimated 12.4 MMT in the previous year, based on an anticipated decline in cotton planting area in major cotton-producing regions. Despite the GOC's cotton price support in MY11/12, cotton farmer's income fell significantly from the previous year after prices dropped by 30 to 40 percent and production costs increased. Based on various sources, Post forecasts MY12/13 cottonseed planting area will decrease by 10 percent thus reducing cotton seed production to 11.4 MMT.

Driven by increased demand and diversified use such as mushroom farming, China's cottonseed imports exceeded 300,000 MT in MY10/11. China's buyers are increasingly interested in sourcing cottonseed from the United States. The US cottonseed still faces restrictions related to "Risk Evaluation" procedure and GMO issues. Currently, USDA is engaged with AQSIQ to complete the "Risk Evaluation" process.

Other

The camellia production plan in southern provinces moved forward. China's State Council approved the State Forestry Administration (SFA) Mid-term Development Plan on Camellia (2008-2020) in November 2009. The plan is targeted at increasing camellia planted area to add oil production of 2.5 MMT by 2020. The 2010 camellia oil production was estimated at 300,000 MT. Camellia is grown on hilly land without no competing crops in Hunan, Jiangxi and Guangxi Provinces. Recent industry reports showed an investment boom in camellia in Hubei and Jiangxi Provinces since 2010. While camellia production will remain small in the oilseed complex in the short term, reaching this goal would lift camellia oil to the number three position in domestic vegetable oil production.

Oilseed Meal Situation and Outlook

Total Meals

MY12/13 protein meal (including fish meal) production is forecast at 67.1 MMT, up 5.8 percent over the 63.4 MMT in the previous year, a rise attributable to increased crushing of imported soybeans and rapeseed. MY12/13 total protein meal supply is forecast to reach 69.5 MMT if the forecast 2.4 MMT of meal imports (rapeseed meal and fish meal) are included.

Soybean meal dominates the protein meal sector, accounting for 75 percent of total meal production followed by rapeseed meal (14 percent) and cottonseed meal (6 percent). Total protein meal consumption in MY12/13 is forecast at 67.5 MMT, up 3.2 MMT or five percent over MY11/12 due to strong industrialized feed demand from the animal production and aquaculture sectors. Imports of rapeseed meal and fish meal are forecast to remain stable at one MMT and 1.22 MMT in MY 12/13, respectively.

China's 12th Five Year (2011-2015) Plan for Feed Industry Development forecasts total industrialized feed production for meat, eggs and milk production will reach 200 MMT by 2015, with an average yearly net increase of 7.6 MMT from 2011 to 2015. MOA's estimated total feed production in 2011 is 169 MMT, a net increase of 7 MMT over 2010.

China's 12th Five Year Plan - Animal and Feed Production Target (in MMT)

Year	Total Meat	Eggs	Milk	Industry Feed
2015	85	29	40	200
2010	79.2	27.6	37.5	162
Average yearly growth	1.16	0.28	0.5	7.6

Source: MOA

Additionally, the development plan encourages modernization and scale/concentrated animal farming.

Note: "scale" farming definition in China:

- swine farm with 500 head or above slaughtered yearly
- poultry farm with 500 birds or above
- dairy farm with 100 head or above

The following table shows the growth of scale animal farming production from 2005 through 2010. China Academy of Agriculture Science's research indicates scale swine farming is the fastest growing sector in recent years, especially in the plains region, such as Henan and Liaoning Provinces, while this process is slower in hilly regions. Scale farming development is expected to continue flourishing through 2015.

China's Animal Scale Farming Development (2005 -2015)

Percentage out of total farms	Scale swine farms	Scale poultry farms	Scale dairy farms
2015	50%	92% or above	38%
2010	34%	82%	28%

2005	16%	66%	11%
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Source: MOA

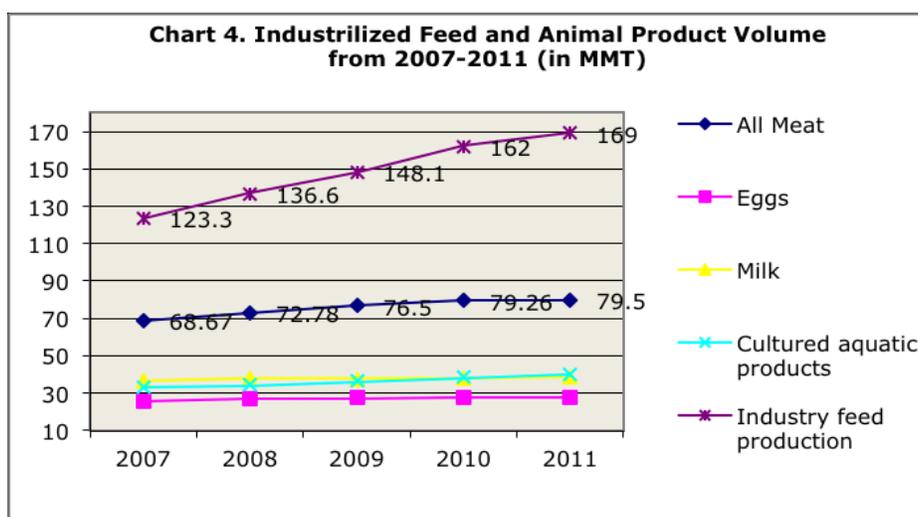
MOA estimates total meat, eggs, and milk production for 2011 at 79.5 MMT, 27.75 MMT and 38.25 MMT, up 0.3 percent, 0.4 percent and 2.1 percent over the previous year, respectively. Additionally, aquaculture continues to grow with total cultured aquatic products estimated to exceed 40 MMT in 2011, up five percent over the previous year. The following table shows total feed consumption for pork and egg production based on a normal feed conversion rate. China's feed consumption could largely exceed the MOA official feed production based on the major animal product production.

Feed Demand Estimates Based on Major Animal Products Volume

	Pork	Eggs	Feed Demand Estimates	MOA reported feed production
2011	50.5	27.75	219	169
2010	50.7	27.65	221	162

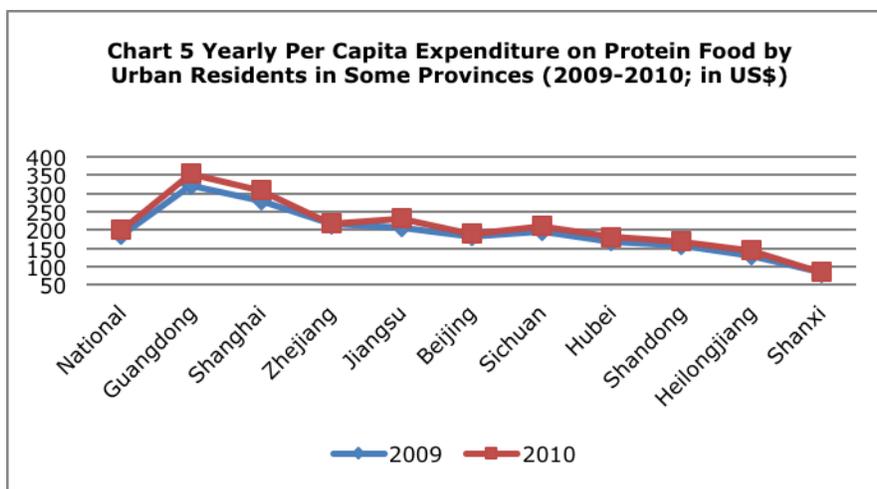
Note: Feed conversion rate for Pork - 3:1 and for Eggs -2.5:1

The following table shows the growing trend of China's production of animal and aquatic products and industrialized feed from 2006 to 2011. Total industry feed production in 2011 increased 37 percent over 2007. The increasing use of industrialized feed by the animal husbandry and aquaculture sectors will continue to drive protein meal consumption.



Source: NSB Statistics Yearbook Table 12-19/20; 2011-MOA Report

Swine feed production recovered rapidly to an estimated 59.5 MMT in 2010, up 13 percent over the previous year or a net increase of 7 MMT (this would add more than one MMT of SBM use based on average inclusion rate of 16 percent). MOA reported a net growth of 7 MMT of industry feed in 2011 which is expected to consume an additional 1.26 MMT of SBM based on an average inclusion rate of 18 percent.

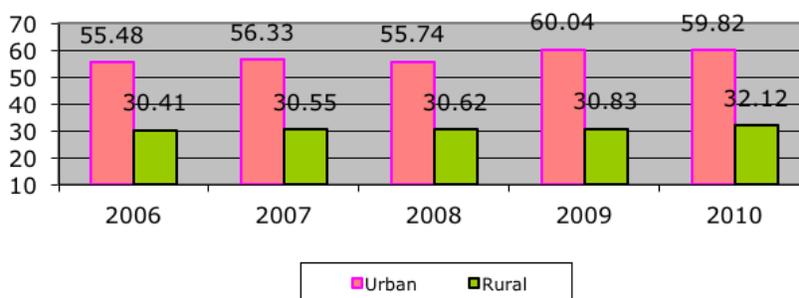


Source: NSB Statistics Yearbook

China's per capita expenditures for animal proteins (including all meats, poultry, eggs, and aquatic products) for 2010 averaged \$200, up from the \$186 in the previous year. Spending varies widely among regions, with the highest spending in Guangdong (\$356) and the lowest in Shanxi province (\$86). Large cities and a few coastal provinces are well above average and skew the national median expenditure; most regions lie well below the national average (See chart 4 - Source: Table 9-9 and 9-29 2011 China Statistical Yearbook).

In addition, annual per capita consumption of protein food in urban versus rural communities in 2010 differed, on average, by 27.7 Kg. Potential increases in protein consumption amongst 671 million rural people (out of the 1,341 million; Source: 2011 China Statistical Yearbook) opens opportunities for higher protein meal demands. The consumption of milk and related products remains low among the rural population (3.6 Kg) in 2010 compared to the urban population (14 Kg). As rural incomes rise, the undeveloped potential of rural residents to consume more animal protein products will create additional demand for protein meal in feed products. (See Chart 6).

Chart 6 Comparison of Rural and Urban Per Capita Consumption of Animal Products (2006-2010 in Kg)



Source: NSB Statistics Yearbook

Overall increases in animal protein product demand are also fueled by population growth and urbanization. According to NSB, China's average annual net population growth was 6.54 million from 2008 to 2010. Additionally, the annual growth in urban populations averaged 14 million from 2007 to 2009, and 24.6 million new urban residents were added in 2010.

China's animal and aquaculture sectors are expected to maintain steady growth in 2012 to meet the growing demand for animal protein products. According to NSB, total meat, egg and milk production in 2011 reached 79.5 MMT, 27.75 MMT and 38.25 MMT, respectively. Post GAIN CH Livestock Annual and Poultry Annual also forecasts total meat, egg and milk production to grow in 2012 to 81.4 MMT, 28.6 MMT and 37.7 MMT, respectively. Total cultured aquatic production in 2012 is forecast to grow by 3 percent to 41 MMT from the MOA estimates of 40 MMT in 2011. Though difficult to capture

the conversion of animal production gains into protein meal consumption growth, protein meal ingredients are positioned to grow along with the overall livestock and aquaculture sectors.

Self-mix feed use by traditional small-scale swine operations is increasingly phasing out as the scale of operations expands and the need for large amounts of premixed feed abounds. Total SBM inclusion is expected to increase along with the growth of industrialized feed production.

To meet the growing animal husbandry and aquaculture demand, industrialized feed production will increase in MY12/13, thus raising protein meal consumption (particularly SBM). Post forecasts total feed production will reach 176 MMT in 2012 from MOA's estimated 169 MMT in 2011 (up 5.4 percent over the previous year).

Soybean Meal

Production

SBM production in MY12/13 is forecast at 50.3 MMT, up 8.6 percent from the estimated 46.3 MMT in MY11/12. As other protein meal production remains stable and imports of protein meals are constrained by limited resources at high prices (for fish meal) and relatively lower value (for rapeseed meal), SBM remains the best choice for industry feed production and increasingly concentrated animal production. With the excessive soybean crushing capacity using growing imports of soybeans, domestic SBM production is expected to continue to be high with adequate supply to meet the market demand in MY12/13 and beyond. The current relatively low SBM price (See Table -23) is expected to drive a steady growth of SBM consumption in MY11/12.

Trade

SBM trade is expected to decline in MY12/13 with exports forecast at 600,000 MT and imports at 100,000 MT. SBM trade remained insignificant in recent years because large domestic SBM production and consumption dominates the market. Japan remains the largest market, accounting for 65 percent of China 345,000 MT SBM exports in MY10/11. Industry analysts expect sporadic imports and exports of SBM as traders take advantage of regional or local price differences and exports of non-biotech SBM. SBM imports will remain insignificant as they are less competitive compared to the excessive domestic soybean crushing sector.

The GOC suspended imports of SBM from India beginning in early 2012 reflecting the GOC's preference for domestically crushed oilseed meals in lieu of other inexpensive priced meals.

Rapeseed Meal

Post forecast MY12/13 rapeseed meal imports at one MMT, similar to the estimated imports in MY11/12. China's imports of rapeseed meal surged to above one MMT per year in MY09/10 and MY10/11 from about 240,000 MT in MY08/09. The import growth is partly boosted by increased domestic demand (while domestic production lags behind demand growth) and its price competitiveness. Additionally, the GOC's phytosanitary restriction has reduced rapeseed imports since 2010. Lower imports of DDGS due to the uncertainty related to China's anti-dumping investigation also attributed to the growth of rapeseed meal imports. In the long term, however, China's excessive rapeseed crushing capacity is expected to favor rapeseed imports instead of rapeseed meal.

Fishmeal

Fishmeal imports in MY12/13 are forecast at 1.22 MMT, up slightly from 1.2 MMT in MY11/12. Domestic fishmeal production remains low at about 220,000 MT per year. Imports in MY10/11 stood at 1.16 MMT. The current availability of SBM at affordable price is likely to hinder fish meal use. However, imports in MY12/13 are forecast to be stable given the demand by large-scale animal and aquaculture industries.

Imported fishmeal will face a new hygiene certificate. On August 23, 2010, AQSIQ informed the U.S. Embassy Beijing that Decree 118 and its Regulating Inspection and Quarantine of Import and Export Feed and Feed Additives of July 20, 2009 would go into effect at the beginning of 2011. With these measures, U.S. exports of aquatic origin protein would face import requirements that include facility registration and new hygiene and quarantine requirements.

USDA and NOAA conducted consultations with the Chinese regulatory agencies and requested they continue to authorize importation of U.S.-origin fishmeal under existing protocols and requirements until a new agreement can be reached.

Currently, the Chinese regulatory agency granted a transitional period for US fishmeal exports to the end of June 2012 when a bilateral consensus on this issue is scheduled to be reached. As discussions continue on this new requirement, traders should consult with importing partners for specific requirements for exporting fishmeal and fish oil to China during the period when the U.S. government is consulting with the GOC on this issue (See more in GAIN CH Fishery Annual).

Oil Situation and Outlook

Total Oils

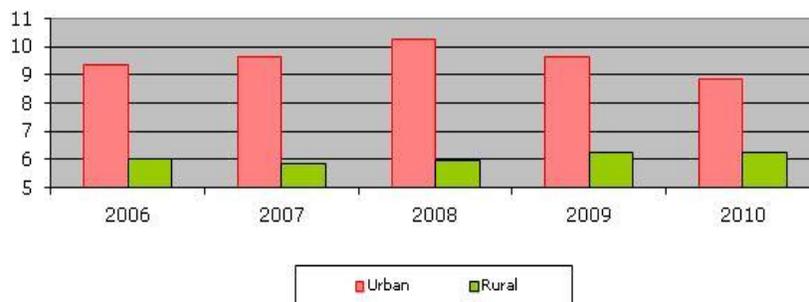
Due to increased crush volume using imported soybeans and rapeseed, total vegetable oil production for MY12/13 is forecast at 20.7 MMT, up 860,000 MT from the MY11/12 estimate. Soybean oil is expected to remain the number one vegetable oil produced in China, accounting for 55 percent of total oil production, followed by rapeseed oil (23 percent), peanut oil (11 percent), and cottonseed oil (6 percent) in MY12/13.

Total oil imports for MY12/13 are forecast to increase to 8.7 MMT from the estimated 8.5 MMT last year due to growing demand and inadequate domestic supply. The MY12/13 total oil supply is forecast at 30.7 MMT with total domestic food-use consumption of oils forecast at 27.3 MMT, four percent more than MY11/12, with industrial use forecast at 2.15 MMT. Soybean oil imports, which had been lower following a ban on Argentine oil imports during 2010, are expected to continue to rebound to 1.4 MMT in MY12/13 (from the estimated 1.3 MMT in MY11/12) as Argentine imports returns to previous levels. US soy oil exports rose temporarily during the Argentine ban but are expected to resume lower levels in light of Argentina's return to the market.

China's high GDP growth and growing consumer affluence is forecast to increase vegetable oil demand by more than 1.1 MMT in MY 12/13 to meet food and industrial consumption of soybean oil. The forecast per capita consumption of vegetable oil of 20.1 Kg for food use in MY12/13 (based on total population of 1,341 million as of 2010) which is still 20 percent less than Taiwan's 2005 per capita consumption of 25.1 kg (See FAS/Taiwan report, TW7001). Even though China's oil consumption has grown rapidly in recent years, there is still significant growth potential before it reaches a level similar to comparable markets like Taiwan.

Chart 6 shows a steady upward trend of annual per capita vegetable oil purchases for rural residents with a slight decline for urban resident in recent years (Source: Table 10-9 and 29/2011 China Statistics Year Book). Industry sources believe this could reflect increased dining out and health concerns regarding oil consumption levels by urbanites. In addition, National Statistics Bureau's data shows rural purchases consume about 2.5 Kg less vegetable oil per capita per year than urban consumers, indicating a potential for higher intake for 671 million rural people.

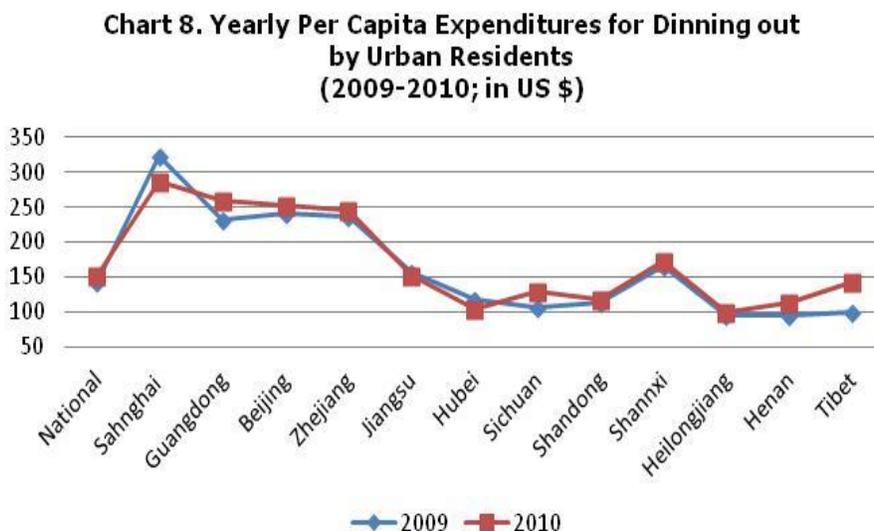
Chart 7. Comparison of Rural and Urban Per Capita Consumption of Edible Oil (2006-2010 in Kg)



Source: NSB Statistics Yearbook

The per capita expenditure by urban residents for restaurant meals continued to show rapid growth in 2010, reaching an average of \$152 (compared to US\$144 in the previous year). Shanghai residents had the highest expenditure (US\$287) with

the lowest in Heilongjiang (US\$100). (See chart 8; Source: Table 10-16/2011 China Statistics Year Book). With a government forecast above eight percent GDP growth in 2012, a growing middle class with higher disposable income eating more meals outside the home, plus more than 120 million migrant workers who are now also urban dwellers, the demand outlook for vegetable oil and oilseed imports remains strong.



Source: NSB Statistics Yearbook

Vegetable oil consumption is also driven by the food processing industry. For instance, the instant noodle industry, which uses large amounts of palm oil, produced more than 7.5 MMT of noodles in the first eleven months of 2011, up 22.8 percent over the previous year.

The wholesale price for major oils decreased rapidly in the 4th quarter of 2011, with a December price for palm oil, soybean oil and rapeseed oil, down 24 percent, 16 percent and three percent, respectively over January 2011 (See table 24 to 26 – source: CNGOIC). The high price continued in January 2011 mainly due to the widely anticipated inflation rate rise and growth of CPI. The price for rapeseed oil among the three major oils, however, saw the lowest decline, and remains 13 percent higher than soy oil. Palm oil price is 12 percent lower than soybean oil. The lower price for soybean oil and palm oil are likely to boost blended salad oil share in market in coming months.

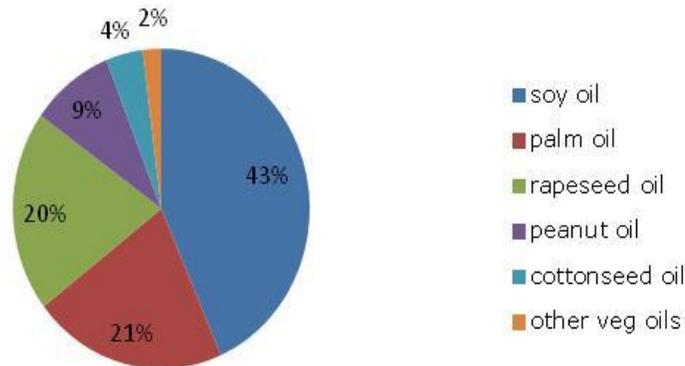
Soybean Oil

The MY12/13 soybean oil production forecast is 11.35 MMT, up 8.6 percent from last year’s estimate due to increased crushing of imported soybeans. MY12/13 imports are forecast at 1.4 MMT. Soybean oil remains the dominant vegetable oil, accounting for 46 percent for domestic vegetable oil consumption in MY12/13 (Chart 9). Argentina is expected to resume its status as a major soybean oil supplier to China in MY12/13 after China lifted the import ban and traders’ confidence recovered. The GTA data show soy oil imports from Argentina in the first quarter of MY11/12 exceeded 150,000 MT, accounting for 52 percent of total imports.

Palm Oil

MY12/13 palm oil imports are forecast to increase moderately to 6.2 MMT from the estimated 6.1 MMT in MY11/12. Palm oil consumption continues to be driven by both food processing and home consumption. A price fall in late 2011 is expected to boost palm oil consumption and import growth. CNGOIC statistics indicate the December wholesale palm oil price decreased by 24 percent from January, and remained 12 percent lower than soybean oil (see Table 27). This is likely to boost imports and consumption in MY12/13.

Chart 9. MY12/13 Share of Vegetable Oil Consumption



Demand for palm oil remains strong mainly because of its cheap price relative to soybean oil and rapeseed oil. Blending palm oil with other vegetable oils and selling it as cooking oil is popular. Another factor contributing to strong demand continues to be increased demand for processed foods, especially instant noodles, which uses large amounts of palm oil. Industry sources show that instant noodle production in the first 11 months of 2011 surged to 7.5 MMT, up 22.8 percent over the previous year. Ready-to-eat noodles are popular with travelers, migrant workers, and some office workers due to their low cost and convenience. With more and more people traveling and eating outside of the home, demand for instant noodles is expected to continue rising in 2012 and beyond.

China does not produce palm oil so demand can only be met by imports. China's close proximity to Malaysia and Indonesia gives palm oil a shipping advantage relative to other oils. According to industry sources, the 2011 palm oil production in Indonesia exceeded 23.5 MMT, up from the 22.3 MMT in 2010, while production in Malaysia in 2011 will also grow moderately to 18.3 MMT from the 17.7 MMT in 2010.

Statistics Tables

Total Oilseeds, Total Meal, and Total Oil PSD Tables

Table 1. Total Oilseeds

PSD Table						
Country	China, Peoples Republic of					
Commodity	Total Oilseeds (1000 MT; 1000Ha)					
	2010		2011		2012	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2010		10/2011		10/2012

Area Planted						
Area Harvested	26520	26554	25910	25850		25680
Beginning Stocks	15373	15373	15982	14058		13558
Production	57693	56641	57330	56600		56050
MY Imports	53596	53592	57960	57506		60957
MY Imp. from U.S.	24983	24983	19000	26000		26500
MY Imp. from the EC	0	0	0	0		0
TOTAL SUPPLY	126662	125606	131272	128364		130565
MY Exports	985	1069	1200	1100		1210
MY Exp. to the EC	200	200	210	230		230
Crush Dom. Consumption	87312	88134	93245	92026		96257
Food Use Dom. Consump.	16249	16280	16315	16320		16530
Feed,Seed,Waste Dm.Cn.	6134	6065	6580	5160		5220
TOTAL Dom. Consumption	109695	110479	116140	113606		118007
Ending Stocks	15982	14058	13932	13558		11348
TOTAL DISTRIBUTION	126662	125606	131272	128364		130565
Calendar Year Imports	56261	56128	58215	57590		58857
Calendar Yr Imp. U.S.	27000	27000	25000	26500		27000
Calendar Year Exports	1030	1030	1050	1170		1066
Calndr Yr Exp. to U.S.	30	30	50	40		35

Table 2. Total Meals

PSD Table						
Country	China, Peoples Republic of					
Commodity	Total Meal (1000 MT)					
	2010		2011		2012	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2010		10/2011		10/2012
Crush	88512	89334	94445	93226		97457
Extr. Rate, 999.9999						
Beginning Stocks	0	0	0	0		0
Production	60384	61082	64734	63446		67112
MY Imports	2867	2928	2460	2320		2365
MY Imp. from U.S.	120	120	80	120		120
MY Imp. from the EC	0	0	0	0		0
TOTAL SUPPLY	63251	64010	67194	65766		69477
MY Exports	535	500	605	373		636
MY Exp. to the EC	45	45	45	40		40
Industrial Dom. Consum	1691	1691	1585	1661		1712
Food Use Dom. Consump.	0	0	0	0		0
Feed Waste Dom. Com.	61025	61819	65004	63732		67129
TOTAL Dom. Consumption	62716	63510	66589	65393		68841
Ending Stocks	0	0	0	0		0
TOTAL DISTRIBUTION	63251	64010	67194	65766		69477

Calendar Year Imports	2850	2180	2610	1949		2006
Calendar Yr Imp. U.S.	120	120	80	120		125
Calendar Year Exports	660	1160	640	549		545
Calndr Yr Exp. to U.S.	0	0	0	0		70

Table 3. Total Oils

PSD Table						
Country	China, Peoples Republic of					
Commodity	Total Oils (1000 MT)					
	2010		2011		2012	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2010		10/2011		10/2012
Crush	87312	88134	93245	92026		96257
Extr. Rate, 999.9999						
Beginning Stocks	1133	1394	780	1320		1053
Production	18986	19447	20057	19878		20731
MY Imports	7965	7965	8880	8470		8680
MY Imp. from U.S.	374	374	100	150		150
MY Imp. from the EC	0	0	0	0		0
TOTAL SUPPLY	28084	28545	29717	29668		30715
MY Exports	68	67	59	62		60
MY Exp. to the EC	2	2	2	3		3
Industrial Dom. Consum	2080	2080	2150	2100		2150
Food Use Dom. Consump.	25156	25078	26505	26207		27266
Feed Waste Dom. Consum	0	0	0	5		0
TOTAL Dom. Consumption	27236	27158	28655	28312		29416
Ending Stocks	780	1320	1003	1294		1239
TOTAL DISTRIBUTION	28084	28545	29717	29668		30715
Calendar Year Imports	8745	8745	9220	8458		8685
Calendar Yr Imp. U.S.	320	320	100	140		140
Calendar Year Exports	88	78	88	64		365
Calndr Yr Exp. to U.S.	0	0	0	0		0

Oilseeds PSD Tables

Table 4. Soybeans

PSD Table	
Country	China, Peoples Republic of
Commodity	Oilseed, Soybean (1000 MT; 1000 Ha)

	2010		2011		2012	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2010		10/2011		10/2012
Area Planted	9000	9000	9000	7650		7700
Area Harvested	8520	8520	7650	7650		7700
Beginning Stocks	13259	13259	14558	14058		13558
Production	15100	15100	13500	13500		13700
MY Imports	52339	52339	56500	55800		59000
MY Imp. from U.S.	24983	24983	19000	26000		26500
MY Imp. from EU	0	0	0	0		0
Total Supply	80698	80698	84558	83358		86258
MY Exports	190	190	200	250		260
MY Exp. to EU	20	20	30	30		30
Crush	55000	55500	60100	58500		63500
Food Use Dom. Cons.	9100	9100	9200	9200		9250
Feed Waste Dom. Cons.	1850	1850	1800	1850		1900
Total Dom. Cons.	65950	66450	71100	69550		74650
Ending Stocks	14558	14058	13258	13558		11348
Total Distribution	80698	80698	84558	83358		86258
CY Imports	55000	55000	57000	56000		57500
CY Imp. from U.S.	27000	27000	25000	26500		27000
CY Exports	180	180	200	210		250
CY Exp. to U.S.	30	30	50	40		35

Table 5. Rapeseed

PSD Table						
Country	China, Peoples Republic of					
Commodity	Oilseed, Rapeseed (1000 MT;1000 Ha)					
	2010		2011		2012	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2010		10/2011		10/2012
Area Planted						
Area Harvested	7370	7370	7100	7100		7200
Beginning Stocks	2114	2114	1424	0		0
Production	13100	13100	12500	12500		12800
MY Imports	930	930	1200	1600		1800
MY Imp. from U.S.	0	0	0	0		0
MY Imp. from EU	0	0	0	0		0
Total Supply	16144	16144	15124	14100		14600
MY Exports	0	0	0	0		0
MY Exp. to EU	0	0	0	0		0
Crush	14170	15594	13950	13590		14080
Food Use Dom. Cons.	0	0	0	0		0

Feed Waste Dom. Cons.	550	550	500	510		520
Total Dom. Cons.	14720	16144	14450	14100		14600
Ending Stocks	1424	0	674	0		0
Total Distribution	16144	16144	15124	14100		14600
CY Imports	1100	1100	1100	1200		1200
CY Imp. from U.S.	0	0	0	0		0
CY Exports	0	0	0	0		0
CY Exp. to U.S.	0	0	0	0		0

Table 6. Peanuts

PSD Table						
Country	China, Peoples Republic of					
Commodity	Oilseed, Peanut (1000 MT; 1000 Ha)					
	2010		2011		2012	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2010		10/2011		10/2012
Area Planted	4450	4530	4450	4700		4700
Area Harvested	4530	4530	4700	4700		4700
Beginning Stocks	0	0	0	0		0
Production	15640	15644	16200	16000		16000
MY Imports	5	5	5	5		5
MY Imp. from U.S.	0	0	0	0		0
MY Imp. from EU	0	0	0	0		0
Total Supply	15645	15649	16205	16005		16005
MY Exports	620	704	800	700		800
MY Exp. to EU	180	180	180	200		200
Crush	7580	7475	8130	8905		8655
Food Use Dom. Cons.	6369	6400	6325	6300		6450
Feed Waste Dom. Cons.	1076	1070	950	100		100
Total Dom. Cons.	15025	14945	15405	15305		15205
Ending Stocks	0	0	0	0		0
Total Distribution	15645	15649	16205	16005		16005
CY Imports	10	10	10	10		6
CY Imp. from U.S.	0	0	0	0		0
CY Exports	700	700	700	800		800
CY Exp. to U.S.	0	0	0	0		0

Table 7. Sunflower Seed

PSD Table			
Country	China, Peoples Republic of		
Commodity	Oilseed, Sunflowerseed (1000 MT; 1000 Ha)		
	2010	2011	2012

	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2010		10/2011		10/2012
Area Planted	0	984	875	980		980
Area Harvested	950	984	960	950		980
Beginning Stocks	0	0	0	0		0
Production	1900	2297	2000	2150		2150
MY Imports	5	1	5	1		2
MY Imp. from U.S.	0	0	0	0		0
MY Imp. from EU	0	0	0	0		0
Total Supply	1905	2298	2005	2151		2152
MY Exports	175	175	200	150		150
MY Exp. to EU	0	0	0	0		0
Crush	855	1248	915	1081		1072
Food Use Dom. Cons.	780	780	790	820		830
Feed Waste Dom. Cons.	95	95	100	100		100
Total Dom. Cons.	1730	2123	1805	2001		2002
Ending Stocks	0	0	0	0		0
Total Distribution	1905	2298	2005	2151		2152
CY Imports	6	1	5	1		1
CY Imp. from U.S.	0	0	0	0		0
CY Exports	150	150	150	160		16
CY Exp. to U.S.	0	0	0	0		0

Table 8. Cottonseed

PSD Table						
Country	China, Peoples Republic of					
Commodity	Oilseed, Cottonseed (1000 MT; 1000 Ha)					
	2010		2011		2012	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2010		10/2011		10/2012
Area Planted (Cotton)	5200	5150	5200	5450		5100
Area Harvested (Cotton)	5150	5150	5500	5450		5100
Seed to Lint Ratio	0	0	0	0		0
Beginning Stocks	0	0	0	0		0
Production	11953	10500	13130	12450		11400
MY Imports	317	317	250	100		150
MY Imp. from U.S.	0	0	0	0		0
MY Imp. from EU	0	0	0	0		0
Total Supply	12270	10817	13380	12550		11550
MY Exports	0	0	0	0		0
MY Exp. to EU	0	0	0	0		0
Crush	9707	8317	10150	9950		8950

Food Use Dom. Cons.	0	0	0	0		0
Feed Waste Dom. Cons.	2563	2500	3230	2600		2600
Total Dom. Cons.	12270	10817	13380	12550		11550
Ending Stocks	0	0	0	0		0
Total Distribution	12270	10817	13380	12550		11550
CY Imports	145	17	100	379		150
CY Imp. from U.S.	0	0	0	0		0
CY Exports	0	0	0	0		0
CY Exp. to U.S.	0	0	0	0		0

Meal PSD Tables

Table 9. Soybean Meal

PSD Table						
Country	China, Peoples Republic of					
Commodity	Meal, Soybean (1000 MT)					
	2010		2011		2012	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2010		10/2011		10/2012
Crush	55000	55500	60100	58500	0	63500
Extr. Rate, 999.9999	1	0.791532	1	0.791624	0	0.792126
Beginning Stocks	0	0	0	0	0	0
Production	43560	43930	47599	46310	0	50300
MY Imports	294	291	300	100	0	100
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from EU	0	0	0	0	0	0
Total Supply	43854	44221	47899	46410	0	50400
MY Exports	472	434	500	300	0	600
MY Exp. to EU	45	45	45	40	0	40
Industrial Dom. Cons.	1000	1000	1000	1000	0	1050
Food Use Dom. Cons.	0	0	0	0	0	0
Feed Waste Dom. Cons.	42382	42787	46399	45110	0	48750
Total Dom. Cons.	43382	43787	47399	46110	0	49800
Ending Stocks	0	0	0	0	0	0
Total Distribution	43854	44221	47899	46410	0	50400
CY Imports	300	190	400	280	0	300
CY Imp. from U.S.	0	0	0	0	0	0
CY Exports	500	1000	500	450	0	500
CY Exp. to U.S.	0	0	0	0	0	0
CY Exp. to U.S.	0	0	0	0		

Table 10. Rapeseed Meal

PSD Table						
Country	China, Peoples Republic of					
Commodity	Meal, Rapeseed (1000 MT)					
	2010		2011		2012	
	USDA Official	Post Estimate	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2010		10/2011		10/2012
Crush	14170	15594	13950	13590		14080
Extr. Rate, 999.9999		0.62819		0.628403		0.628196
Beginning Stocks	0	0	0	0		0
Production	8909	9796	8770	8540		8845
MY Imports	1413	1413	1000	1000		1000
MY Imp. from U.S.	0	0	0	0		0
MY Imp. from EU	0	0	0	0		0
Total Supply	10322	11209	9770	9540		9845
MY Exports	5	5	40	8		9
MY Exp. to EU	0	0	0	0		0
Industrial Dom. Cons.	450	450	380	450		450
Food Use Dom. Cons.	0	0	0	0		0
Feed Waste Dom. Cons.	9867	10754	9350	9082		9386
Total Dom. Cons.	10317	11204	9730	9532		9836
Ending Stocks	0	0	0	0		0
Total Distribution	10322	11209	9770	9540		9845
CY Imports	1400	900	900	450		500
CY Imp. from U.S.	0	0	0	0		0
CY Exports	70	70	50	8		0
CY Exp. to U.S.	0	0	0	0		0
CY Exp. to U.S.	0	0	0			

Table 11. Peanut Meal

PSD Table						
Country	China, Peoples Republic of					
Commodity	Meal, Peanut (1000 MT)					
	2010		2011		2012	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2010		10/2011		10/2012
Crush	7580	7475	8130	8905		8655
Extr. Rate, 999.9999	0	0.391973	0	0.390792		0.391334
Beginning Stocks	0	0	0	0		0
Production	3019	2930	3239	3480		3387
MY Imports	32	32	10	15		15
MY Imp. from U.S.	0	0	0	0		0
MY Imp. from EU	0	0	0	0		0

Total Supply	3051	2962	3249	3495		3402
MY Exports	4	7	5	6		7
MY Exp. to EU	0	0	0	0		0
Industrial Dom. Cons.	0	0	0	0		0
Food Use Dom. Cons.	0	0	0	0		0
Feed Waste Dom. Cons.	3047	2955	3244	3489		3395
Total Dom. Cons.	3047	2955	3244	3489		3395
Ending Stocks	0	0	0	0		0
Total Distribution	3051	2962	3249	3495		3402
CY Imports	50	50	10	7		6
CY Imp. from U.S.	0	0	0	0		0
CY Exports	5	6	5	7		6
CY Exp. to U.S.	0	0	0	0		0
CY Exp. to U.S.	0	0				

Table 12. Sunflower Seed Meal

PSD Table						
Country	China, Peoples Republic of					
Commodity	Meal, Sunflowerseed (1000 MT)					
	2010		2011		2012	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2010		10/2011		10/2012
Crush	855	1248	915	1081	0	1072
Extr. Rate, 999.9999		0.541667		0.542091	0	0.541045
Beginning Stocks	0	0	0	0	0	0
Production	470	676	503	586	0	580
MY Imports	0	0	0	0	0	0
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from EU	0	0	0	0	0	0
Total Supply	470	676	503	586	0	580
MY Exports	0	0	5	5	0	5
MY Exp. to EU	0	0	0	0	0	0
Industrial Dom. Cons.	61	61	60	61	0	62
Food Use Dom. Cons.	0	0	0	0	0	0
Feed Waste Dom. Cons.	409	615	438	520	0	513
Total Dom. Cons.	470	676	498	581	0	575
Ending Stocks	0	0	0	0	0	0
Total Distribution	470	676	503	586	0	580
CY Imports	0	0	0	0	0	0
CY Imp. from U.S.	0	0	0	0	0	0
CY Exports	0	0	0	0	0	0
CY Exp. to U.S.	0	0	0	0	0	0
CY Exp. to U.S.	0					

Table 13. Cotton Seed Meal

PSD Table						
Country	China, Peoples Republic of					
Commodity	Meal, Cottonseed (1000 MT)					
	2010		2011		2012	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2010		10/2011		10/2012
Crush	9707	8317	10150	9950		8950
Extr. Rate, 999.9999		0.424432		0.433166		0.422346
Beginning Stocks	0	0	0	0		0
Production	4206	3530	4403	4310		3780
MY Imports	28	28	0	5		30
MY Imp. from U.S.	0	0	0	0		0
MY Imp. from EU	0	0	0	0		0
Total Supply	4234	3558	4403	4315		3810
MY Exports	49	49	50	50		10
MY Exp. to EU	0	0	0	0		0
Industrial Dom. Cons.	180	180	145	150		150
Food Use Dom. Cons.	0	0	0	0		0
Feed Waste Dom. Cons.	4005	3329	4208	4115		3650
Total Dom. Cons.	4185	3509	4353	4265		3800
Ending Stocks	0	0	0	0		0
Total Distribution	4234	3558	4403	4315		3810
CY Imports	0	0	0	0		0
CY Imp. from U.S.	0	0	0	0		0
CY Exports	80	80	80	80		35
CY Exp. to U.S.	0	0	0	0		70
CY Exp. to U.S.	0					

Table 14. Fish Meal

PSD Table						
Country	China, Peoples Republic of					
Commodity	Meal, Fish (1000 MT)					
	2010		2011		2012	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2010		10/2011		10/2012
Catch For Reduction	1200	1200	1200	1200		1200
Extr. Rate, 999.9999	0	0.183333	0	0.183333		0.183333
Beginning Stocks	0	0	0	0		0
Production	220	220	220	220		220

MY Imports	1100	1164	1150	1200		1220
MY Imp. from U.S.	120	120	80	120		120
MY Imp. from EU	0	0	0	0		0
Total Supply	1320	1384	1370	1420		1440
MY Exports	5	5	5	4		5
MY Exp. to EU	0	0	0	0		0
Industrial Dom. Cons.	0	0	0	0		0
Food Use Dom. Cons.	0	0	0	0		0
Feed Waste Dom. Cons.	1315	1379	1365	1416		1435
Total Dom. Cons.	1315	1379	1365	1416		1435
Ending Stocks	0	0	0	0		0
Total Distribution	1320	1384	1370	1420		1440
CY Imports	1100	1040	1300	1212		1200
CY Imp. from U.S.	120	120	80	120		125
CY Exports	5	4	5	4		4
CY Exp. to U.S.	0	0	0	0		0
CY Exp. to U.S.	0					

Oils PSD Tables

Table 15. Soybean Oil

PSD Table						
Country	China, Peoples Republic of					
Commodity	Oil, Soybean (1000 MT)					
	2010		2011		2012	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		110/2010		10/2011		10/2012
Crush	55000	55500	60100	58500		63500
Extr. Rate, 999.9999		0.178739		0.178632		0.17874
Beginning Stocks	205	466	203	220		430
Production	9840	9920	10758	10450		11350
MY Imports	1319	1319	1400	1300		1400
MY Imp. from U.S.	374	374	100	150		150
MY Imp. from EU	0	0	0	0		0
Total Supply	11364	11444	12361	11970		13180
MY Exports	52	52	40	40		40
MY Exp. to EU	0	0	0	0		0
Industrial Dom. Cons.	0	0	0	0		0
Food Use Dom. Cons.	11109	11172	12061	11500		12590
Feed Waste Dom. Cons.	0	0	0	0		0
Total Dom. Cons.	11109	11172	12061	11500		12590
Ending Stocks	203	220	260	430		550
Total Distribution	11364	11444	12361	11970		13180
CY Imports	1600	1600	1700	1400		1400

CY Imp. from U.S.	320	320	100	140		140
CY Exports	70	70	70	45		350
CY Exp. to U.S.	0	0	0	0		0
CY Exp. to U.S.	0					

Table 16. Rapeseed Oil

PSD Table						
Country	China, Peoples Republic of					
Commodity	Oil, Rapeseed (1000 MT)					
	2010		2011		2012	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2010		10/2011		10/2012
Crush	14170	15594	13950	13590		14080
Extr. Rate, 999.9999		0.35597		0.356144		0.355966
Beginning Stocks	600	600	336	859		623
Production	5057	5551	4952	4840		5012
MY Imports	647	647	800	700		700
MY Imp. from U.S.	0	0	0	0		0
MY Imp. from EU	0	0	0	0		0
Total Supply	6304	6798	6088	6399		6335
MY Exports	3	3	5	6		5
MY Exp. to EU	2	2	2	3		3
Industrial Dom. Cons.	0	0	0	0		0
Food Use Dom. Cons.	5965	5936	5690	5770		5802
Feed Waste Dom. Cons.	0	0	0	0		0
Total Dom. Cons.	5965	5936	5690	5770		5802
Ending Stocks	336	859	393	623		528
Total Distribution	6304	6798	6088	6399		6335
CY Imports	800	800	850	850		900
CY Imp. from U.S.	0	0	0	0		0
CY Exports	4	4	4	4		4
CY Exp. to U.S.	0	0	0	0		0
CY Exp. to U.S.	0					

Table 17. Peanut Oil

PSD Table						
Country	China, Peoples Republic of					
Commodity	Oil, Peanut (1000 MT)					
	2010		2011		2012	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New

Market Year Begin		10/2010		10/2011		10/2012
Crush	7580	7475	8130	8905		8655
Extr. Rate, 999.9999		0.314381		0.313307		0.313692
Beginning Stocks	0	0	0	0		0
Production	2372	2350	2544	2790		2715
MY Imports	68	68	30	20		30
MY Imp. from U.S.	0	0	0	0		0
MY Imp. from EU	0	0	0	0		0
Total Supply	2440	2418	2574	2810		2745
MY Exports	8	8	10	10		10
MY Exp. to EU	0	0	0	0		0
Industrial Dom. Cons.	0	0	0	0		0
Food Use Dom. Cons.	2432	2410	2564	2800		2735
Feed Waste Dom. Cons.	0	0	0	0		0
Total Dom. Cons.	2432	2410	2564	2800		2735
Ending Stocks	0	0	0	0		0
Total Distribution	2440	2418	2574	2810		2745
CY Imports	35	35	40	40		35
CY Imp. from U.S.	0	0	0	0		0
CY Exports	10	0	10	10		11
CY Exp. to U.S.	0	0	0	0		0
CY Exp. to U.S.	0					

Table 18. Cotton Seed Oil

PSD Table						
Country	China, Peoples Republic of					
Commodity	Oil, Cottonseed (1000 MT)					
	2010		2011		2012	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2010		10/2011		10/2012
Crush	9707	8317	10150	9950		8950
Extr. Rate, 999.9999		0.141878		0.141809		0.141899
Beginning Stocks	0	0	0	0		0
Production	1411	1180	1476	1411		1270
MY Imports	0	0	0	0		0
MY Imp. from U.S.	0	0	0	0		0
MY Imp. from EU	0	0	0	0		0
Total Supply	1411	1180	1476	1411		1270
MY Exports	3	3	3	6		5
MY Exp. to EU	0	0	0	0		0
Industrial Dom. Cons.	0	0	0	0		0
Food Use Dom. Cons.	1408	1177	1473	1400		1265
Feed Waste Dom. Cons.	0	0	0	5		0
Total Dom. Cons.	1408	1177	1473	1405		1265

Ending Stocks	0	0	0	0		0
Total Distribution	1411	1180	1476	1411		1270
CY Imports	0	0	0	6		0
CY Imp. from U.S.	0	0	0	0		0
CY Exports	3	3	3	5		0
CY Exp. to U.S.	0	0	0	0		0
CY Exp. to U.S.	0					

Table 19. Sunflower Seed Oil

PSD Table						
Country	China, Peoples Republic of					
Commodity	Oil, Sunflower Seed (1000 MT)					
	2010		2011		2012	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2010		10/2011		10/2012
Crush	855	1248	915	1081		1072
Extr. Rate, 999.9999		0.357372		0.358002		0.358209
Beginning Stocks	0	0	0	0		0
Production	306	446	327	387		384
MY Imports	23	23	150	150		150
MY Imp. from U.S.	0	0	0	0		0
MY Imp. from EU	0	0	0	0		0
Total Supply	329	469	477	537		534
MY Exports	1	0	0	0		0
MY Exp. to EU	0	0	0	0		0
Industrial Dom. Cons.	0	0	0	0		0
Food Use Dom. Cons.	328	469	477	537		534
Feed Waste Dom. Cons.	0	0	0	0		0
Total Dom. Cons.	328	469	477	537		534
Ending Stocks	0	0	0	0		0
Total Distribution	329	469	477	537		534
CY Imports	0	0	0	0		0
CY Imp. from U.S.	0	0	0	0		0
CY Exports	0	0	0	0		0
CY Exp. to U.S.	0	0	0	0		0
CY Exp. to U.S.	0					

Table 20. Palm Oil

PSD Table			
Country	China, Peoples Republic of		
Commodity	Oil, Palm (1000 MT)		
	2010	2011	2012

	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2010		10/2011		10/2012
Area Planted	0	0	0	0		0
Area Harvested	0	0	0	0		0
Trees	0	0	0	0		0
Beginning Stocks	328	328	241	241		241
Production	0	0	0	0		0
MY Imports	5711	5711	6300	6100		6200
MY Imp. from U.S.	0	0	0	0		0
MY Imp. from EU	0	0	0	0		0
Total Supply	6039	6039	6541	6341		6441
MY Exports	1	1	1	0		0
MY Exp. to EU	0	0	0	0		0
Industrial Dom. Cons.	2080	2080	2150	2100		2150
Food Use Dom. Cons.	3717	3717	4040	4000		4130
Feed Waste Dom. Cons.	0	0	0	0		0
Total Dom. Cons.	5797	5797	6190	6100		6280
Ending Stocks	241	241	350	241		161
Total Distribution	6039	6039	6541	6341		6441
CY Imports	6000	6000	6300	5912		6100
CY Imp. from U.S.	0	0	0	0		0
CY Exports	1	1	1	0		0
CY Exp. to U.S.	0	0	0	0		0

Table 21. Coconut Oil

PSD Table						
Country	China, Peoples Republic of					
Commodity	Oil, Coconut (1000 MT)					
	2010		2011		2012	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2010		10/2011		10/2012
Crush	0	0	0	0		0
Extr. Rate, 999.9999	0	0	0	0		0
Beginning Stocks	0	0	0	0		0
Production	0	0	0	0		0
MY Imports	197	197	200	200		210
MY Imp. from U.S.	0	0	0	0		0
MY Imp. from EU	0	0	0	0		0
Total Supply	197	197	200	200		210
MY Exports	0	0	0	0		0
MY Exp. to EU	0	0	0	0		0
Industrial Dom. Cons.	0	0	0	0		0

Food Use Dom. Cons.	197	197	200	200		210
Feed Waste Dom. Cons.	0	0	0	0		0
Total Dom. Cons.	197	197	200	200		210
Ending Stocks	0	0	0	0		0
Total Distribution	197	197	200	200		210
CY Imports	310	310	330	250		250
CY Imp. from U.S.	0	0	0	0		0
CY Exports	0	0	0	0		0
CY Exp. to U.S.	0	0	0	0		0
CY Exp. to U.S.	0	0	0	0		

Soybean & Rapeseed Wholesale Price Tables

Table 22. Wholesale Soybean Prices CY2011

Unit: RMB Yuan/MT: RMB6.5 =US\$1.00												
Provinces	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Tianjin	4,25 8	4,29 3	4,20 8	4,07 0	3,98 5	3,94 6	4023	4,19 8	4,20 8	4,05 3	3,96 0	3,81 7
Liaoning	4,01 6	4,02 0	3,99 8	3,97 7	3,88 2	3,89 9	3,90 0	3,93 1	4,03 3	4,18 0	4,11 8	4,04 5
Inner Mongolia	3,79 8	3,83 1	3,80 8	3,77 8	3,69 6	3,73 8	3,74 0	3,77 0	3,86 7	3,98 0	3,93 6	3,86 5
Hebei	4,08 6	4,09 0	4,06 9	4,04 7	3,93 5	3,94 9	3,95 0	3,98 0	4,07 3	4,20 5	4,18 6	4,12 0
Jilin	3,97 8	3,98 0	3,94 8	3,91 7	3,80 5	3,83 8	3,84 0	3,89 0	3,98 7	4,16 0	4,09 8	4,01 6
Heilongjia ng	3,81 9	3,86 6	3,83 2	3,79 7	3,72 0	3,77 4	3,77 6	3,80 7	3,90 6	4,04 0	3,97 1	3,90 3
Shandong	4,11 6	4,12 0	4,09 9	4,07 7	3,96 5	3,97 9	3,98 0	4,00 9	4,09 5	4,24 0	4,21 5	4,16 5
Henan	4,11 6	4,12 0	4,09 9	4,07 7	3,96 5	3,97 9	3,98 0	4,01 4	4,13 1	4,26 0	4,23 5	4,18 5
Average	4,02 3	4,04 0	4,00 8	3,96 8	3,86 9	3,88 8	3,89 9	3,95 0	4,03 8	4,14 0	4,09 0	4,01 5
Jan-Dec Change	-0.2%											

Table 23. Wholesale Soybean Meal Prices in CY2011

Unit: RMB Yuan/MT: RMB6.5 =US\$1.00												
Provinces	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Tianjin	3,34 2	3,34 5	3,14 1	3,00 6	2,94 0	2,98 6	3,13 6	3,16 7	3,15 6	3,03 5	2,94 0	2,85 1
Hebei	3,37 1	3,34 5	3,14 3	3,00 6	2,93 6	2,98 7	3,13 6	3,16 4	3,15 1	3,03 9	2,94 6	2,87 3
Liaoning	3,34 5	3,32 4	3,11 5	2,94 8	2,91 4	3,01 4	3,18 2	3,18 2	3,18 8	3,09 0	3,02 4	2,98 3
Zhejiang	3,46 9	3,46 4	3,24 1	3,10 6	2,99 6	3,09 4	3,25 9	3,31 1	3,26 0	3,10 8	2,94 8	2,83 7
Jilin	3,30 4	3,29 1	3,15 0	2,96 7	2,95 0	3,05 9	3,23 8	3,30 5	3,25 1	3,17 6	3,13 2	3,05 3
Fujian	3,48 6	3,43 4	3,19 6	3,07 7	2,97 8	3,10 0	3,21 6	3,21 5	3,21 1	3,04 9	2,93 0	2,81 2
Shandong	3,39	3,42	3,19	3,05	2,98	3,03	3,16	3,22	3,20	3,05	2,96	2,84

	8	3	4	5	9	9	9	3	3	9	4	2
Henan	3,53 5	3,47 7	3,26 3	3,12 9	3,05 0	3,12 1	3,20 8	3,25 4	3,24 0	3,11 8	2,98 4	2,89 7
Guangdong	3,49 6	3,46 8	3,22 1	3,08 2	2,97 7	3,10 4	3,26 2	3,28 8	3,26 5	3,05 5	2,92 5	2,78 9
Guangxi	3,54 3	3,47 6	3,24 3	3,12 3	3,01 2	3,13 7	3,27 9	3,27 9	3,26 9	3,06 6	2,94 5	2,82 0
Average	3,42 9	3,40 5	3,19 1	3,05 0	2,97 4	3,06 4	3,20 8	3,23 9	3,21 9	3,07 9	2,97 4	2,87 6
Jan-Dec Change	-16%											

Table 24. Wholesale Soybean Oil Prices in CY2011

Unit: RMB Yuan/MT: RMB6.5 =US\$1.00												
Provinces	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Tianjin	3,34 2	3,34 5	3,14 1	3,00 6	2,94 0	2,98 6	3,13 6	3,16 7	3,15 6	3,03 5	2,94 0	2,85 1
Hebei	3,37 1	3,34 5	3,14 3	3,00 6	2,93 6	2,98 7	3,13 6	3,16 4	3,15 1	3,03 9	2,94 6	2,87 3
Liaoning	3,34 5	3,32 4	3,11 5	2,94 8	2,91 4	3,01 4	3,18 2	3,18 2	3,18 8	3,09 0	3,02 4	2,98 3
Zhejiang	3,46 9	3,46 4	3,24 1	3,10 6	2,99 6	3,09 4	3,25 9	3,31 1	3,26 0	3,10 8	2,94 8	2,83 7
Jilin	3,30 4	3,29 1	3,15 0	2,96 7	2,95 0	3,05 9	3,23 8	3,30 5	3,25 1	3,17 6	3,13 2	3,05 3
Fujian	3,48 6	3,43 4	3,19 6	3,07 7	2,97 8	3,10 0	3,21 6	3,21 5	3,21 1	3,04 9	2,93 0	2,81 2
Shandong	3,39 8	3,42 3	3,19 4	3,05 5	2,98 9	3,03 9	3,16 9	3,22 3	3,20 3	3,05 9	2,96 4	2,84 2
Henan	3,53 5	3,47 7	3,26 3	3,12 9	3,05 0	3,12 1	3,20 8	3,25 4	3,24 0	3,11 8	2,98 4	2,89 7
Guangdong	3,49 6	3,46 8	3,22 1	3,08 2	2,97 7	3,10 4	3,26 2	3,28 8	3,26 5	3,05 5	2,92 5	2,78 9
Guangxi	3,54 3	3,47 6	3,24 3	3,12 3	3,01 2	3,13 7	3,27 9	3,27 9	3,26 9	3,06 6	2,94 5	2,82 0
Average	3,42 9	3,40 5	3,19 1	3,05 0	2,97 4	3,06 4	3,20 8	3,23 9	3,21 9	3,07 9	2,97 4	2,87 6
Jan-Dec Change	-16%											

Table 25. Wholesale Rapeseed Oil Prices in CY2011

Unit: RMB Yuan/MT: RMB6.5 =US\$1.00												
Province	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Henan	10,10 5	10,27 1	9,763	9,645	9,50 7	9,717	10,01 9	10,32 2	10,40 0	10,15 0	9,886	9,645
Jiangsu	10,04 0	10,36 4	10,02 2	9,895	9,73 8	10,05 7	10,18 3	10,41 8	10,52 0	10,18 8	10,00 9	9,845
Zhejiang	10,05 8	10,37 9	10,17 2	10,04 5	9,80 2	10,06 2	10,23 3	10,46 5	10,56 2	10,25 0	10,05 9	9,895
Anhui	10,01 0	10,18 2	9,961	9,895	9,66 0	9,952	10,18 3	10,43 5	10,51 2	10,25 0	9,986	9,745
Hubei	9,925	10,14 3	9,898	9,795	9,64 8	9,962	10,20 2	10,49 6	10,57 1	10,25 0	9,909	9,645
Hunan	9,958	10,22 3	9,978	9,895	9,62 4	9,900	10,13 3	10,43 3	10,50 0	10,27 5	9,959	9,695
Sichua	10,16	10,35	10,17	10,09	9,94	10,17	10,36	10,67	10,78	10,45	10,18	10,00

n	0	7	8	5	0	6	0	6	8	0	6	0
Average	10,036	10,274	9,996	9,895	9,703	9,975	10,188	10,464	10,551	10,259	9,999	9,782
Jan-Dec change	-3%											

Table 26. Wholesale Palm Oil Ex-Pier Prices CY 2011

Unit: RMB Yuan/MT: RMB6.5 =US\$1.00												
Province	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Tianjin	9,976	10,099	9,417	9,241	9,036	9,156	8,890	8,758	8,598	7,731	7,607	7,535
Shandong	9,940	10,068	9,456	9,249	9,056	9,163	8,890	8,775	8,599	7,765	7,633	7,630
Lianyungang	9,965	10,086	9,478	9,297	9,144	9,220	8,956	8,781	8,632	7,784	7,741	7,693
Zhangjiagan	9,965	10,094	9,454	9,281	9,095	9,172	8,908	8,738	8,592	7,735	7,691	7,645
Guangzhou	9,885	9,899	9,307	9,126	8,986	9,027	8,759	8,546	8,441	7,639	7,605	7,563
Average	9,960	10,049	9,422	9,239	9,063	9,148	8,880	8,720	8,572	7,731	7,655	7,613
Jan-Dec change	-24%											

Table 27. Comparison of Wholesale Prices for Soy, Palm & Rapeseed Oil in CY 2011

Unit: RMB Yuan/MT: RMB6.5 =US\$1.00												
Province	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Tianjin	9,976	10,099	9,417	9,241	9,036	9,156	8,890	8,758	8,598	7,731	7,607	7,535
Shandong	9,940	10,068	9,456	9,249	9,056	9,163	8,890	8,775	8,599	7,765	7,633	7,630
Lianyungang	9,965	10,086	9,478	9,297	9,144	9,220	8,956	8,781	8,632	7,784	7,741	7,693
Zhangjiagan	9,965	10,094	9,454	9,281	9,095	9,172	8,908	8,738	8,592	7,735	7,691	7,645
Guangzhou	9,885	9,899	9,307	9,126	8,986	9,027	8,759	8,546	8,441	7,639	7,605	7,563
Average	9,960	10,049	9,422	9,239	9,063	9,148	8,880	8,720	8,572	7,731	7,655	7,613
Jan-Dec change	-24%											

Source: All wholesale prices are based on CNGOIC

Taxes & Duties Tables (Jan 01-Dec 31, 2012)

Table 28. Oilseeds

HS Code	Description	M.F.N.(%)	Gen (%)	VAT Rate %	ED Rate %
Seed					

12011000	Soybeans, seed	0	180	13	
12019010	Yellow soybean	3	180	13	
12019020	Black soybean	3	180	13	
12019030	Green soybean	3	180	13	
12019090	Other soybean	3	180	13	
12023000	In shell peanut, seed	0	0	13	
12024100	In shell peanut, other	15	70	13	
12024200	Shelled peanut	15	70	13	
12040000	Linseed	15	70	13	5
20081110	Peanut kernels, in airtight containers	30	90	17	15
20081120	Roasted peanuts	30	80	17	15
20081130	Peanut butter	30	90	17	15
20081190	Other processed peanuts	30	80	17	5
12051010	Low erucic acid rape seed, seed	0	80	13	
12051090	Low erucic acid rape seed, other	9	80	13	5
12059010	Other rapeseed, seed	0	80	13	
12059090	Other rapeseed, other	9	80	13	5
12060010	Sunflower seeds, seed	0	0	13	5
12060090	Sunflower seeds, other	15	70	13	5
12072100	Cottonseeds for cultivation	0	0	13	5
12072900	Cottonseeds, other	15	70	13	5
12074010	Sesame seeds for cultivation	0	0	13	5
12074090	Sesame seeds, other	10	70	13	5

Note: Note: VAT – Value Added Tax Rate; ED – Export Drawback Rate

Table 29. Oils

HS Code	Description	M.F.N.(%)	Gen (%)	VAT Rate %	ED Rate %
Oil					
15071000	Crude soybean oil	9	190	13	
15079000	Other soybean oil	9	190	13	
15081000	Crude peanut oil	10	100	13	
15089000	Other peanut oil	10	100	13	
15091000	Olive Oil, virgin	10	30	13	
15099000	Olive oil, other	10	30	17	
15111000	Palm oil, crude	9	60	13	
15119010	Palm oil, liquid	9	60	13	
15119020	Stearin	8	60	13	
15119090	Palm oil, other	9	60	17	
15121100	Crude sunflower seed oil	9	160	13	
15121900	Other sunflower seed oil	9	160	17	
15122100	Crude cottonseed oil	10	70	13	
15122900	Other cottonseed oil	10	70	17	
15131100	Crude coconut oil	9	40	13	

15131900	Other coconut oil	9	40	13	
15132100	Crude palm kernel oil	9	40	13	
15132900	Other palm kernel oil	9	40	17	
15141100	Crude low erucic acid rape or colza oil	9	170	13	
15141900	Other crude low erucic acid rape oil	9	170	13	
15149110	Crude rape or colza oil	9	170	13	
15149190	Crude mustard oil	9	170	13	
15149900	Other rape oil	9	170	17	

Note: Note: VAT – Value Added Tax Rate; ED – Export Drawback Rate

Table 30. Meals

HS Code	Description	M.F.N.(%)	Gen (%)	VAT Rate %	ED Rate %
Meal					
12081000	Soyflour	9	70	17	
12089000	Other	15	80	17	15
23012010	Fish meal	2	11	13	
23025000	Legume sweepings	5	30	13	
23040010	Soy meal, oil cake	5	30	13	13
23040090	Soy meal, other	5	30	13	13
23050000	Peanut meal	5	30	13	
23061000	Cottonseed meal	5	30	13	13
23062000	Linseed meal	5	30	13	13
23063000	Sunflower seed meal	5	30	13	13
23064100	Low erucic acid rapeseed meal	5	30	13	13
23064900	Other rapeseed meal	5	30	13	13

Note: Note: VAT – Value Added Tax Rate; ED – Export Drawback Rate