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## **Mexico**

### **Oilseeds and Products Annual**

#### **2014 Oilseeds and Products Annual**

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**Report Highlights:**

The Post New MY 2014/15 total Mexican oilseed production forecast is increased by 10 percent to 398,000 metric tons (MT) based on assumed normal weather conditions and a slight increase in harvested area stimulated by a government support program call Pro-Oilseeds. Domestic oilseed production represents only 7 percent of total domestic consumption. Due to proximity, U.S. oilseed suppliers should continue to remain price competitive with added opportunities in the Mexican market.

For MY 2014/15, U.S. oilseed market share is expected to be about 66 percent, just slightly above the level reached last year (65.3 percent). Soybeans continue to be the primary import that is crushed domestically. For MY 2014/15, soybean imports are expected to increase about 2.5 percent to 3.74MMT. The U.S. should continue to be Mexico's main supplier of soybeans.

## **Commodities:**

### **Production:**

#### **OILSEED PRODUCTION**

The Post/New MY2014/15 overall oilseed production for Mexico is forecast to increase by approximately 10 percent, due to increased soybean production. This increase assumes normal weather conditions, a slight increase harvested area, which should continue to be stimulated by the government support program called “Pro-Oilseeds”. This program provides support to oilseed growers for up to 1,500 pesos (approximately U.S. \$114 per ton) if growers elect to sell their crop to domestic vegetable oil industry processors or livestock feed mills and manufacturers. Despite the fact that the Mexican government authorized 253,000 hectares (ha) of genetically modified (GM) soybeans for commercial cultivation in 2012, no plantings have yet taken place, reportedly due to on-going legal issues brought on by anti-GMO activists and other groups. Recently, for example, a state judge in Campeche placed a temporary injunction on any activities involving GE soybean production in that state. The temporary injunction was issued due to a legal dispute that was initiated by an indigenous group from the Mayan communities in the State of Campeche.

The Post/New estimated production, planted and harvested areas for MY 2012/13 have been revised slightly downward, due to final official government information released by the Secretariat of Agriculture, Livestock, Rural Development and Fishery (SAGARPA). The Post/New estimate for total oilseed production and harvested area for MY 2013/14 have been adjusted downward, based on recent official government information.

Private sources stated that the forecasted increase for oilseeds production is due more to the supports granted by the “Pro-Oilseeds” program than growers being convinced to plant oilseeds on their own initiative. Generally, Mexican growers are more familiar and secure with the cultural practices of traditional crops such as corn and wheat. Moreover, despite the forecasted increase in oilseed production, domestic production still represents only 7 percent of total domestic oilseed consumption. Oilseed imports, for the most part, have effectively displaced domestic oilseed production with the majority of all oilseed imports coming from the United States. Due to proximity and lower freight costs, U.S. suppliers should remain price competitive with prolonged import opportunities to the Mexican oilseed market.

SAGARPA’s Food and Fisheries Statistics Service (SIAP) continues to release information on oilseed stocks on its website called “Availability-Consumption Balance (ACB). These ACB reports include information on production, imports, exports, and stocks of different commodities. However, reportedly various industry and trade sources have disagreed with some of the figures, mainly in the area of consumption and stocks.

#### **Soybean Production**

The Post/New MY 2014/15 (September to August) soybean production forecast is raised to 290,000 metric tons (MT), or 14 percent higher than the revised production estimate of MY 2013/14. The main factors behind this increase are a slight expansion in harvested area and the assumption normal weather conditions will prevail. In addition, the governmental Pro-Oilseeds Program is expected to continue for the foreseeable future (see Oilseeds Policy Section).

FAS/Mexico revised its MY2013/14 soybean production and harvested area estimate downward to 254,000 MT from USDA/Official estimates based on updated official figures from SAGARPA. According to official sources, despite the fact planted area was higher than previously estimated, harvested area was lower than initially estimated due to excessive rains in November 2013. For example, SAGARPA's delegate representing the state of Tamaulipas asserted that the excessive rains seriously delayed their harvest season for the 2013 spring/summer crop cycle. In addition, there was a problem due to a lack of harvesting equipment, which further delayed the soybean harvest in Tamaulipas. Private sources indicated that soybean acreage has increased since the previous federal administration awarded a grant of 1,500 pesos per ton (about \$ 114 / per ton) harvested under the Pro-Oilseed program. Tamaulipas now plants approximately 100,000 hectares (has) of soybeans, when in 2009 only around 50,000 has were planted. The state of Tamaulipas continues to produce the largest portion of Mexico's soybean crop, with approximately 47 percent of the 254,000 tons produced Mexico in the MY2013/14.

For MY 2012/13, Post/New total soybean production and planted and harvested areas have been revised slightly downward from the USDA/Official estimate based on final SAGARPA data.

Despite the fact that on June 6, 2012, the National Health, Food Safety and Food Quality Service (SENASICA) announced its decision to allow commercial plantings of transgenic soybean seed to potentially cover a surface area of 253,000 hectares, in the states of Campeche, Quintana Roo, Yucatan, Tamaulipas, San Luis Potosi, Veracruz and Chiapas, no plantings have yet taken place in these states due to various court injunctions filed against the government to prevent the production of commercially produced GM soybeans (see 2013 GAIN Report [MX3036](#) "Oilseed Production Expected to Rise in 2013/2014"). For example, reportedly in March 2014, a judge from the state of Campeche placed a temporary injunction on all activities involving GE soybean production in the state due to a lawsuit brought on by a group of Mayan community residents in Campeche. As a result, in this case, the judge issued a temporary injunction against the issuance of GM soybean planting permits that were initially granted by SAGARPA on June 6, 2012, as mentioned above. Reportedly, the main arguments from the group who filed the lawsuit were related to SAGARPA's lack of consultations with the Mayan communities prior to issuing the planting permits. Moreover, the Mayan group argued that the planting of GM soybeans would negatively affect their traditional practices, including apiculture. The group also reportedly claimed the government was denying them of their right to a healthy environment, a violation, according to the claim, because of the overuse in their local communities of herbicides and deforestation that agricultural practices typically entail.

Due to these legal problems, several industry sources estimate that it is unlikely a major expansion of soybean plantings will take place in the next few years. Moreover, there are other factors inhibiting more soybean production such as low yields and quality issues. Approximately 90 percent of Mexico's soybean production areas are rain-fed, thus, weather continues to be the predominant factor. Also, private sources indicated that soybean water requirements remain relatively high even into the mid-to-late reproductive stages of the plant, compared to other crops, such as sorghum. Several market analysts have argued, for example, that soybean production in Tamaulipas exists solely to support growers who take advantage of domestic support programs run by the Mexican government.

## **Peanut Production**

Post/New MY2014/15 peanut production is forecast to remain unchanged at 100,000 MT with harvested area, assuming normal weather conditions, estimated at 56,000 ha. The Post/New peanut production, planted and harvested areas estimates for MY2013/14 have been revised downward from USDA/Official estimates, due to more complete data from SAGARPA. Also, the Post/New MY 2012/13 peanut planted area has been adjusted downward based on final SAGARPA data. This ministry publishes official peanut data just once a year.

In Mexico, peanuts are planted mainly in April-May and generally harvested in the October-November timeframe. Approximately 86 percent of total peanut production takes place in seven Mexican states: Sinaloa, Chihuahua, Chiapas, Puebla, Oaxaca, Guerrero, and San Luis Potosi. Weather, given that 98 percent of Mexico's peanut area is grown on dry land (versus irrigated), continues to be the predominant crop production factor. A small amount of peanuts are planted in a fall-winter crop cycle but accounts for only about 3 percent of total peanut production in Mexico.

Private sources stated that peanut producers in the main producing states of Chihuahua and Sinaloa are experiencing another good MY2013/14 crop due to favorable weather conditions. However, these same sources expect that production in MY 2014/15 will remain stable or even possibly move lower than MY2013/14 production due to several factors, among them:

- lack of seed for planting
- lack of specific support programs for peanuts from the Mexican Government
- peanut growers have little or no access to credit
- lack of processing equipment
- Mexican growers cannot effectively compete against lower-priced imported peanuts from Nicaragua, or better quality peanuts from United States.

As a result, sources pointed out that many peanut farmers are starting to look to more profitable alternative crops, such as soybeans, that may offer better support programs such as the Pro-Oilseeds Program.

### **Sunflower Seed Production**

The Post/New MY 2013/14 sunflower seed production is forecasted to decline to 4,000 MT, due to a reduction in planted area. The production, planted and harvested figures for MY2013/14 have been revised upward from USDA/Official estimates reflecting the latest Mexican government data published by SAGARPA. Similarly, the Post/New estimates for production, planted and harvested areas for MY2012/13 have been revised downward from USDA/Official data reflecting final official figures from SAGARPA.

According to both official and private sources, despite efforts to promote sunflower seed cultivation for some private companies (see 2012 Gain Report [MX2020](#) "Oilseeds Production Expected to Increase in 2012/13") and the supports of the Pro-Oilseed Program (see Oilseeds Policy section) growers has decreased their interest in this particular oilseed. Factors for the decrease include unattractive prices and lack of knowledge about proper crop production practices that result in inadequate planting densities and inappropriate dates for sowing as well as inadequate pest and disease management.

### **Rapeseed Production**

The Post/New MY 2014/15 rapeseed production is forecast at 4,000 MT. Similar to sunflower seeds, there are still problems that limit the production of canola in Mexico, such as the lack of:

- domestic seeds with high yields
- proper equipment, including suitable planters and harvesters
- training and technical assistance
- favorable climate conditions in Mexico's oilseed producing regions

Post's total rapeseed production estimate and planted and harvested areas for MYs 2012/13 and 2013/14 have been revised upward from USDA/Official estimates due to more complete data from SAGARPA.

## **MEAL PRODUCTION**

The Post/New forecast for all oil meal production in MY 2014/15 is increased to 3.99 MMT, or 2.8 percent, due to the expected growth in the livestock sector. The poultry sector outlook, for example, is optimistic for 2014 in comparison with 2013, as the Mexican poultry industry expects to grow approximately 1.7 percent in calendar year (CY) 2014. Similarly, the beef and pork sectors are forecast to grow 1.4 percent in CY2014. The poultry sector continues to be the major consumer of oilseed meals in Mexico (see 2014 GAIN Reports: [MX4015](#) "Production Forecasts Raised Slightly on Better Genetics, Weather and Feeding" and [MX4012](#) "Billion Dollar Market Retains Potential for Increased Sales").

As in past years, high protein soybean meal continues to account for approximately 79 percent of total Mexican oil meal production. Production of oil meal from mainly imported rapeseed and canola seed, account approximately 21 percent of total meal usage.

The Post/New total meal production estimate for MY 2013/14 has been revised slightly upward from USDA/Official estimates, reflecting updated industry information. Industry sources have reiterated that Mexico's purchase decisions for oilseeds and oil meal continued to be based on price and credit availability.

### **Soybean Meal Production**

The Post/New soybean meal production forecast for MY 2014/15 is 3.14 MMT, an increase of approximately 3 percent compared to the previous year due to expected growth in the livestock and poultry sectors. The upward trend in meal production has continued over the last five years.

According to industry sources, Mexico's main crushers and oil refiner companies decided to postpone plans to expand their facility crushing capacities, or build new plants in CY 2013, mainly due to the uncertainty generated by the Mexican government decision, on September 5, 2012, to decrease applied duties on vegetable oils (see Oilseed Policy Section). Another factor that discouraged new investments in this sector was the economic slowdown of the Mexican economy in CY 2013 along with relatively low consumer purchasing power. However, the outlook for the overall Mexican economy in CY 2014 is much more favorable than a year ago. Mexico's Gross Domestic Product (GDP) is forecast to grow by approximately 3 percent in 2014, compared to 1.1 percent growth in 2013 (the slowest pace since 2009). According to private analysts, the expectations for stronger economic growth are based on greater external demand as a result of a growing economic recovery in the United States, higher approved public spending in Mexico and an improvement in consumer purchasing power. Under this

new scenario, industry sources estimate that in 2014 the big crushers and oil refiner companies could again return to investing in the expansion of their crushing capacities.

The Post/New soybean meal production estimates for MY2012/13 have been revised slightly upward to 2.92 MMT from USDA/Official estimates, reflecting updated industry information and stronger-than-previously estimated demand from the livestock sector.

### **Rapeseed Meal Production**

The Post/New rapeseed meal production for MY 2014/15 is forecast to increase 2.0 percent due to an expected increase in domestic pork production in 2014. The pork industry continues to be a major consumer of rapeseed meal. Industry sources stated that the demand for rapeseed meal from the hog sector will be solid in 2014. The same sources indicated that as result of the continued incorporation of new breeding lines, better farm management techniques, and increasing slaughter weights, this will allow for more meat production coming from fewer hogs in Mexico. Moreover, members of the swine industry are expected to strengthen and expand their hog herd productivity to nearly 5,600 farms. This will allow the swine industry to be able to meet anticipated demand for quality pork cut exports to the Japanese and Korean markets as well as the potential opening of the Chinese pork market in CY 2014 (see 2014 GAIN Report [MX4015](#) “Production Forecasts Raised Slightly on Better Genetics, Weather and Feeding”). In line with more recent information obtained from private sources, MY 2012/13 rapeseed meal production has been revised slightly downward from USDA/Official data.

### **Sunflower Seed Meal Production**

Sunflower seed meal production is forecast to remain unchanged at 7,000 MT in MY 2014/15. The sunflower seed meal production estimate for MY 2013/14 has been revised upward from USDA/Official figures, due to new information from the industry sources. Private sources stated that despite the fact that the sunflower seed meal is an excellent livestock feed, especially for ruminants, the domestic supply has remained at very low levels in the last several years. The sources indicated that only with an increase in demand for sunflower oil in the Mexican market, production of sunflower seed meal could eventually increase. Sources stated that oil derived from the sunflower seed has the most value and meal is considered a by-product.

### **OIL PRODUCTION**

Post/New MY2014/15 total Mexican oil production is forecast to increase to 1.309 MMT, or 2.5 percent higher than the Post/New estimate for MY 2013/14 (1.277 MMT). This increase is driven mostly by a favorable outlook on the Mexican economy and a recovery in consumer purchasing power. Industry sources have stated that the crushing pace continues to be determined by domestic demand for vegetable oils. The New/Post estimate of total Mexican oil production for MY2012/13 and MY2013/14 have been revised downward and upward, respectively, from USDA/Official estimates in accordance with more recent industry information.

Eleven leading companies, AGYDSA, Ragasa, Proteinas y Oleicos, La Corona, Olefinos, Cargill, Industrial Aceitera, AAK, Patrona, Capullo, and Coral Internacional, account for nearly 80-85 percent of total domestic oil production. Moreover, big oil processors have continued to invest in new retail market labels and marketing campaigns, all in an effort to better service the Mexican market.

Companies such as Coral Internacional, Ragasa and Olefinos have continued to package and market their own oil in the retail vegetable oil market sector. Industry sources point out that such marketing

campaigns to promote their own retail market labels as well as offering consumers more and different choices, like bottle sizes, have helped well position their labels to the Mexican consumer. Many of the leading companies have successfully promoted soybean and vegetable oils as healthy products. As a result, they continue to enjoy strong consumer demand for their products. Among the more recognized and successful labels are: “Nutrioli” (soybean oil), which has been bottled and marketed by Ragasa for many years and “Oleico” (safflower oil) from Coral Internacional. Other well recognized retail brands include “123” and Capullo, which are known to blend with rapeseed or canola oil.

### **Soybean Oil Production**

The Post/New MY2014/15 soybean oil production estimate forecasts an increase of 2.9 percent. Stronger demand in the cooking oil and the hotel, restaurant, and institutional (HRI) sector is driving the demand. Industry sources have indicated that with slightly higher consumer disposable incomes, the Mexican market will witness a relatively bullish demand for vegetable oils in MY2014/15 (mainly in the cooking oil sector). Moreover, these sources expect that demand from the hotel and institutional sectors could continue to grow in the medium term. Another factor that should impulse soybean oil production is a foreseeable bearish scenario in the international soybean market. In MY 2014/15, soybean oil should account for 54 percent of total oil production while rapeseed oil represents the remaining percentage, a level similar to last year. The Post/New MY2012/13 production estimate of soybean oil has been increased slightly from USDA/Official estimates based on updated information from industry sources.

### **Rapeseed Oil Production**

The New/Post MY2013/14 rapeseed oil production forecast is estimated to increase 12,000 MT to 592,000 MT from the Post/New 2013/14 estimated due to the expected growth in the Mexican economy, as already noted. The Post/New estimate for rapeseed oil production for MY 2012/13 has been revised downward to 560,000 MT from the USDA/Official estimate due to lower than expected crush levels.

### **Sunflower Seed Oil Production**

The New/Post sunflower seed oil production estimate for MY2013/14 has been revised upward from USDA/Official estimates based on new industry information. For MY2014/15 the Post/New estimate for sunflower seed oil production is expected to remain unchanged at 7,000 MT compared with the revised estimate of MY2013/14. The production of sunflower seed oil has remained generally stable over the last few years as alternative oilseeds continue to be more competitive.

### **Consumption:**

#### **OILSEED CONSUMPTION**

Total domestic oilseed consumption for MY 2014/15 is estimated to increase approximately 2.8 percent from the revised MY 2013/14 estimate to 5.76 MMT. This increase in domestic demand is attributed mainly to the economic recovery. According to a recent report from Mexico’s Central Bank (“*Banco de Mexico*”), the economy continued its recovery starting from late last year, and hopeful signs of a manufacturing rebound appear in CY 2014 as the United States stimulates its demand for more Mexican exports. Private analysts stated Mexico’s largest trading partner, the U.S., will see growth accelerate in CY 2014 to 2.8 percent from 1.9 percent in 2013. At the same time, the *Banco de Mexico* stated that the Mexican economy may accelerate next year (CY 2015), climbing 3.2 percent to 4.2 percent after expanding approximately 3 percent in CY 2014.

Based on this more optimistic macro-economic prediction, consumer purchasing power looks more favorable in CY 2014. Domestic demand for meat products will likely recover because improved disposable income will encourage middle and lower-income consumers to substitute less expensive protein sources with meat and poultry products. In addition, the livestock sector is expected to see better performance in 2014. The poultry sector 2014 outlook is also more optimistic in comparison with 2013.

This sector continues to be the major consumer of oilseed meal (especially soybean meal). The swine industry is another important end-user of oilseed meals and also is expected to show positive performance in CY 2014. At the same time, on the consumer side, as improved incomes typically encourage demand for convenience foods and other vegetable oil products, Mexican consumers are expected to increase their consumption of these types of products, including soybean and canola oil products. MY2012/13 and MY2013/14 total oilseed demand have been revised downward and upward, respectively, from USDA/Official estimates after consulting with market analysts and updated official government data.

### **Soybean Consumption**

Soybean domestic consumption is expected to increase by 115,000 MT in MY2014/15 to 4.0 MMT, mainly due to the recovery in consumer purchasing power the expected increase in feed demand and strong processor demand. In addition, this increase assumes a bearish international soybean market.

The New/Post soybean consumption estimate for MY2012/13 has been revised upward from USDA/Official estimates based on new industry information.

### **Peanut Consumption**

For MY 2014/15, peanut consumption is forecast to increase to 259,000 MT, reflecting continued growth in the snack food market sector despite a new 5 percent tax recently passed as part of the new fiscal reform proposed by Mexico's President and approved by the Mexican Congress on October 31, 2013 (see 2014 GAIN report [MX4301](#) "2014 Mexico's Tax and Social Security Reform"). This forecast increase also assumes more affordable prices from imported peanuts than those registered in CY 2013. Approximately 98.5 percent of total peanut consumption continues to come from the snack-food market. Peanuts continue to be consumed as snacks or ground into powders.

According to private analysts, snack companies in the last few years have made efforts to slash the general perception that snack products are all considered unhealthy. Moreover, to make their case, in 2013 the snack industry launched a campaign defending the products they manufacture, pointing out that snacks are made from natural ingredients such as peanuts, corn, potatoes, and wheat and possess considerable nutritional value. The oil used to manufacture their snack products is vegetal and used along with other natural spices and chilies. Despite these positive efforts, there is still strong concern among all players in the industry of the need to do more to bring down this negative perception of snack foods as well as to revisit their own product ingredient compositions in order to see what might be done to help change the image of the snack products category. On the other hand, industry sources state they expect domestic consumption of snacks such as peanuts, should continue to grow in MY 2014/15, as consumers look for tasty, affordable and convenient products that are considered more as an impulse purchase. The sweet and savory snack category reflects a very mature industry that predictably grows at reasonable levels, achieving annual volume growth averaging slightly over 4 percent.

Industry sources reiterated that none of Mexico's peanut production is used for oil or meal. The crush demand is forecast to remain unchanged at 4,000 MT. Moreover, the main peanut processors, such as Sabritas (Mafer), Barcel, Nippon, Botanas Bokados, Michel and Nishikawa continue to purchase U.S. peanuts instead of from domestic production or other origins. Most peanut processors identify U.S. peanuts as a high quality product in terms of flavor, shelf life, low aflatoxin levels, and low foreign material content. There are also numerous small and medium informal peanut processors that acquire peanuts from distributors/importers and process peanut snack as artisans. A smaller amount of peanuts continue to be sold in-shell, including some imported from U.S. These in-shell peanuts are typically sold for specific seasons such as Christmas, where peanuts are used to stuff traditional "piñatas". The main channels of peanut distribution continue to be small Mom and Pop stores.

### **Sunflower Seed Consumption**

MY2014/15 sunflower seed consumption is forecast to increase slightly to 21,000 MT reflecting the expected growth of the snack food market, as mentioned above, and the improved economic outlook. Like peanuts, sunflowers are consumed mainly by way of the snack-food market sector. Only a small amount of total sunflower seed production have been used for oil and meal over the past few years resulting in very low consumption levels throughout the country. This trend is expected to continue in the upcoming years. Post/New MY 2013/14 estimates for sunflower seed consumption have been revised upward from USDA/Official data, reflecting updated industry information.

Private analysts estimate that in spite of the new 5 percent tax now in effect for the snack segment, this market sector will continue to grow with healthier food product categories continuing to come on-line. These products should have a better potential for success over less healthy food products. The analysts stated the aim of this tax measure imposed by the Mexican government is reduce consumption of high caloric foods in order to reduce the consumer's health risks. Consumers are expected to look at the healthier options as they will continue to have more and better snack options available to them than in the past and that ultimately should help reduce health risks. As a result of healthier food trends, this could create more opportunities for U.S. Sunflower products. Traditionally the United States has been the main supplier of sunflower seed in the Mexican market.

### **Rapeseed Consumption**

MY2014/15 rapeseed consumption is forecast to increase 2 percent to 1.48 MMT. Private sources have commented that Mexico has continued to be a consistent buyer of rapeseed and canola as Mexican crushers have a steady market for canola oil. However, they will usually only import when the price is competitive. Mexico remains a price sensitive market and industry users will switch between different oilseeds, oils, meals or other feed component as prices fluctuate. The Post/New rapeseed consumption estimates for MY12/13 has been revised downward based on the most recent official information from SAGARPA and private sources.

### **MEAL CONSUMPTION**

For MY2014/15 consumption of all oilseed meal products is forecast to increase by 2.43 percent to 5.272 MMT due the solid demand from the livestock sector which is mainly driven by demand from the poultry and hog industries. For example, the poultry sector which continues to be the major consumer of oilseed meals in Mexico, is expected to continue to expand and modernize. According to the National Poultry Farmers Association (UNA), the Mexican poultry industry will grow approximately 1.7 percent in CY 2014 over the previous year. The UNA forecasts that egg production and poultry meat sectors

will grow 2 and 1.5 percent, respectively in CY 2014. The Association noted that the poultry industry is the most dynamic and successful livestock sector in Mexico and is a strategic player in the agro-food business. Approximately 6 out of every 10 kilograms of animal protein consumed in the Mexico is from either poultry meat or eggs. UNA noted that in 2013, egg production grew by 5.7 percent, which is recovering after the avian influenza H7N3 outbreak that occurred in the summer 2012.

The UNA also stated that the feed compounders' consumption for sourcing oilseed meals that's supplied to the poultry sector has maintained an average growth rate of 2.8 percent over the period 1994-2012. In 2013, the growth rate in feed compounder consumption is estimated to have grown 2 percent over the previous year and this trend is expected to continue in CY2014 (see 2014 GAIN Report [MX4012](#) "Billion Dollar Market Retains Potential for Increased Sales"). The Post/New total oil meal consumption figures were revised downward for both MY2012/13 and MY2013/14 from USDA/Official estimates reflecting the most recent industry and official information.

### **Soybean Meal Consumption**

The Post/New soybean meal consumption estimate is expected to increase 2.5 percent in MY2014/15 in comparison with the Post/New MY2013/14 revised estimate as demand from the poultry sector continues to grow. Private sources have insisted that soybean meal will continue to be the ingredient of choice for the poultry and swine industries due to soybean meal's better nutritional characteristics compared with other oil meal options, such as essential amino acids and protein digestibility. Post/New MY2013/14 consumption estimate for soybean meal has been revised downward from USDA/Official estimate based on data from official and industry sources.

### **Sunflower Seed Meal Consumption**

MY2014/15, sunflower seed meal consumption is expected to remain unchanged at 7,000 MT. The Post/New consumption estimates for sunflower seed meal has been revised upward for MY2013/14 to 7,000 MT due to updated information from industry sources. Sunflower seed meal continues to have a very low acceptance rate by the crushing industry and animal feed manufacturers due to its high fiber content.

### **Rapeseed Meal Consumption**

The Post/New rapeseed and canola consumption forecast for MY14/18 is raised by roughly 2.2 percent as Canadian canola meal prices are forecast to decline, allowing for more imports to service feed demand due to the slight growth in the Mexican swine industry. The Post/New rapeseed meal consumption estimate for MY2012/13 and MY2013/14 were revised downward from USDA/Official figures, as prices relative to other oil meals were uncompetitive.

Rapeseed meal is used mainly by the swine sector. Industry sources state that even though rapeseed meal has lower protein levels and is of relatively lower quality in terms of essential amino acids and protein digestibility compared to other oilseed meals, it is cheaper than soybean meal and, as such, is demanded by the feed sector.

### **Consumption**

### **OIL CONSUMPTION**

The Post/New MY2014/15, total oil consumption forecast is estimated to increase by 45,000 MT to 1.571MMT over the Post/New MY 2013/14 revised estimate due to the expected increased demand in specific retail sectors as well as from the HRI sector. Industry analysts indicated that big oil vegetable companies have continued to invest in marketing campaigns at retail level that promote the “good for your health” aspect of their vegetable oils, which is an aspect that consumers of middle and upper income levels in the cooking oil market are looking for to reduce health risks. According to industry sources, these marketing campaigns have increased vegetable oil consumption as well as more competition among the different brands and are even convincing consumers to pay more for the “healthy” brands.

Post/New total oil consumption figures for MY2012/13 and MY2013/14 have been revised downward from USDA/Official estimates to reflect recent information from SAGARPA and industry sources in the first year and the relative slowdown in the Mexican economy in the second year.

### **Soybean Oil Consumption**

Soybean oil continues to be the most important vegetable oil in terms of total consumption. Industry sources state that soybean oil awareness among Mexican consumers has increased significantly over the years due to the intense marketing campaigns that emphasize the healthy benefits of this oil. Some years ago, soybean oil was considered a low-quality product by many Mexican consumers. However, through sophisticated and intensive marketing campaigns supported by the private sector and the U.S. Soybean Export Council, (the cooperator organization representing U.S. soybeans in Mexico) the Mexican consumer’s perception of soybean oil has changed substantially. Industry sources recommend continuing educational efforts in order to maintain and increase confidence in demand for U.S. soybean oil throughout the country.

The Post/New MY2014/15 soybean oil domestic consumption is forecast to increase to 910,000 MT or 4.0 percent as a result of the expected growth in the Mexican economy and assuming that the domestic prices continue stable.

### **Rapeseed Oil Consumption**

The Post/New MY2014/15 rapeseed oil consumption forecast is increased to 645,000 MT from the revised estimated of MY 2013/14, due to market preference for this vegetable oil and taking into consideration more affordable domestic prices. The Post/New consumption estimates for rapeseed oil for MY2012/13 and MY2013/14 have been revised downward from USDA/Official figures, reflecting updated information from industry sources.

### **Sunflower Seed Oil Consumption**

The Post/New sunflower oil consumption estimates for MY 2012/13 has been revised downward from USDA/Official data, reflecting updated information from industry sources. It is expected that sunflower oil consumption will remain unchanged in MY 2014/15 holding at 16,000 MT due to the expectation that alternative vegetable oils will continue to be more price competitive.

### **Edible Oil Wholesale Prices**

Variety	Presentation	February 13	February 14
Mixed vegetables	1lt. 12 bottle box	257.80	249.37

Soybean	1lt. 12 bottle box	287.25	272.00
Corn	1lt. 12 bottle box	455.87	418.00
Safflower	1lt. 12 bottle box	277.00	267.50

Source: Servicio Nacional de Información de mercados, SNIIM-SE.

Exchange rate (March 18, 2014) US \$ 1.00 = 13.23 Pesos

## Trade:

### OILSEED TRADE

The Post/New total oilseed import estimate for MY2014/15 is expected to increase approximately 2.5 percent compared to the Post/New estimate for MY2013/14. This increase is mainly due to relatively stronger incomes among Mexican consumers which should help boost consumption of vegetable oils and meats. The Post/New total oilseed import estimates for MY2012/13 have been revised upward from USDA/Official estimates, reflecting data from the Global Trade Atlas (GTA)

The United States and Canada continue to be preferred suppliers of oilseeds, especially among the large and medium size Mexican oilseed processors. For MY 2014/15, for example, U.S. oilseed share is expected to be approximately 65.5 percent, which is slightly higher than the level reached in MY 2013/14 (65.3 percent). Among the main reasons for U.S. preference is proximity and lower freight costs. Moreover, soybeans continue to be the primary import that is crushed domestically. The United States is expected to continue to be the main supplier of soybeans to Mexico in the future.

#### Soybean Trade

The Post/New total soybean import forecast for MY 2014/15 is expected to increase approximately 2.5 percent compared to 3.74 MMT, due to economic recovery and growth in demand from the poultry sector. The Post/New MY 2012/13 soybean import estimates have been revised upward from USDA/Official data and based on GTA trade data. The Post/New MY 2013/14 import estimate has remained unchanged from the FAS/Official figure.

#### Peanut Trade

The Post/New total peanut import forecast for MY 2014/15 is expected to increase slightly to 155,000 MT due to the domestic production forecast which is expected to remain unchanged compared with MY2013/14. Private sources estimated that as a result of the good U.S. 2014/15 peanut crop, prices will be more affordable, which should increase Mexico's imports. The U.S. continues to be the main supplier of imported peanuts due to Mexican processors identification of U.S. peanuts as a high quality product and as their preference primarily because of the high oleic acid levels and because they considered it a tastier legume.

Peanut import and export estimates for MY 2012/13 have been revised downward from USDA/Official data based on information from GTA. Similarly, export estimates for MY2013/14 have been revised downward based on industry data and preliminary trade data from SAGARPA and Mexico's Finance Secretariat (SCHP), which covered the first six months of this marketing year.

#### Rapeseed Trade

The Post/New MY 2014/15 rapeseed import forecast is estimated to increase 2.7 percent over the Post/New MY 2013/14 estimate to 1.49 MMT. This increase assumes a relatively bearish international market due to expectations of a good Canadian canola crop in MY 2014/15. Canada remains the primary canola supplier to the Mexican market. Canola is included in the rapeseed production, supply,

and distribution matrix. The MY 2012/13 Post/New rapeseed import estimate has been revised slightly downward from FAS/Official estimate based on GTA updated industry information. The Post/New MY 2013/14 import estimate remains unchanged from the FAS/Official figure.

### **Sunflower Trade**

Imports of sunflower seed are forecast to increase to 16,000 MT for MY 2014/15 as the fried snack industry is expected to continue demanding sunflower oil due to its high content of heart-healthy oleic oil for cooking potato chips, biscuits, nuts, and other snacks. Importers expect that sunflower import levels will remain relatively stable over the next few years due to a lack of domestic production. The Post/New sunflower import estimate for MY 2012/13 has been increased to 18,000 MT based on revised GTA data.

### **MEAL TRADE**

The Post/New total meal import estimates for MY 2012/13 and MY 2013/14 have been revised downward from USDA/Official estimate, based on updated data from the Global Trade Atlas and discussions with official and private contacts. However, for MY 2014/15 the Post/New meal import forecast is increased to 1.31 MMT, driven mostly by increased feed demand from the poultry and swine sectors. Both sectors expect to have a relatively positive year in CY 2014. The United States continues to supply Mexico with approximately 98 percent of their total meal imports, as it has done over the past two years.

### **Soybean Meal Trade**

The Post/New soybean meal import estimate for MY 2013/14 has been revised downward from USDA/Official data based on updated SAGARPA trade data as well as Mexico's Finance Secretariat (SCHP) data for the first six months of this marketing year, and reflecting the bullish international market. However, for MY 2014/15 the soybean meal import forecast is expected to increase 4.1 percent to 1.25 MMT. This import forecast reflects an increase in demand for soybean meal because of growth in the poultry and swine sectors and assuming competitive international prices.

### **Rapeseed Meal Trade**

MY2014/15 rapeseed meal imports should increase fractionally to 60,000 MT based on demand growth from the swine sector. The Post/New rapeseed and canola meal imports estimates were revised downward in MY2012/13 and MY2013/14 from USDA/Official estimates based on revised GTA data, the first year, and updated official statistics released by SAGARPA and the SHCP for the first five months of the second marketing year.

### **Distillers Dried Grains with Solubles (DDGS) Trade**

Despite Mexico being the second largest export market for U.S. origin DDGS, demand for this ethanol by-product has been decreasing over the last three years. From CY2011 to CY2013, U.S. origin DDGS exports to Mexico decreased from 1.774 MMT to 1.284 MMT. Much of this decline, according to animal industry sources, can be attributed to the increase in DDGS prices. These same sources stated that while feed demand for poultry, pork and beef in Mexico is expected to increase slightly in CY 2014, the demand for DDGS should remain stagnate due to cheaper animal feed alternates such as canola meal, corn and even sorghum. Almost all DDGS exported to Mexico originate from the United States. The U.S. should continue to remain the dominant DDGS exporter to Mexico.

## **OIL TRADE**

The current economic recovery will continue to encourage oil imports in MY2014/15. Therefore, the Post/New MY2014/15 total oil imports are forecast to increase approximately 2.5 percent to 282,000 MT. Imports from the United States are expected to account for 214,000 MT of the total imports in MY2014/15. Imports of soybean oil in MY 2014/15 are again expected to account for approximately 67.3 percent of total imports. Rapeseed oil is expected to account for 20.2 percent of vegetable oil imports during MY 2014/15, while sunflower seed oil is expected to account 12.4 percent.

The Post/New total oil import estimate for MY2012/13 has been revised upward to 279,000 MT, according to updated trade information from GTA. Similarly, the Post total oil export figures for MY2012/13 and MY 2013/14 were adjusted upward according to revised trade data from GTA and the industry.

### **Soybean Oil Trade**

The Post/New 2014/15 soybean oil import forecast is expected to increase approximately 2.7 percent to 190,000 MT in response to economic recovery and the relative increase in Mexican consumers' purchasing power. Industry sources anticipate that higher global oil ending stocks should continue in MY2014/15 and support affordable prices. The New/Post soybean oil import estimate for MY2012/13 has been revised upward based on updated trade figures from GTA.

### **Rapeseed Oil Trade**

For MY2014/15 the Post/New rapeseed oil import is forecast to increase approximately 3.6 percent assuming competitive international prices and increased demand for this edible oil. The Post/New rapeseed oil import estimate for MY2012/13 was decreased to 25,000 MT based on revised GTA data.

### **Sunflower Seed Oil Trade**

The Post/New sunflower seed oil import estimates for MY2012/13 have been revised slightly downward and remains unchanged for MY 2013/14, based on updated trade information from the GTA. The Post/New sunflower seed oil export estimate for MY2012/13 has been revised upward based on updated GTA information. The Post/New MY2013/14 export estimate was adjusted upward slightly based on industry information. The Post/New MY2014/15 import and export estimates are forecast to remain unchanged from revised estimates for MY2013/14. However, industry sources stated that the export figures basically reflect oil safflower exports more than sunflower seed oil exports, but there is no way to exactly distinguish the amount of each commodity, as both are reported under the same HTS codes.

## **Policy:**

### **Oilseed Policy**

On December 13, 2013 the Secretariat of Economy (SE) published a decree in Mexico's Federal Register that suspended the final stage of elimination of import duties on vegetable oils. This decree responds to complaints from Mexican crushers and vegetable oil refiners against the opening to imported vegetable edible oil by the SE, which was announced in the Mexico's Federal Register on September 5, 2012. The September 5, 2012 announcement stated that effective March 1, 2014, the import tariffs of edible vegetable oils (i.e. Harmonized Tariff Codes 1507.90.99, 1511.10.01,

1511.90.99, 1512.19.99, 1513.11.01, 1513.19.99, 1513.21.01, 1513.29.99 and 1516.20.01) would be eliminated. (See 2013 GAIN Report [MX3036](#), “Oilseed Production Expected to Rise in 2013/2014” and [MX3088](#) “Mexico Announces Import Tariff Changes for Selected Commodities”).

Starting in January 2014, the new PROAGRO Productive support program was initiated (before known as PROCAMPO). The new program grants direct supports to growers with farms in operation that are appropriately registered in the PROAGRO directory (see 2013 GAIN Report [MX3012](#) “PROCAMPO 2013 Subsidy Program Changes”). According to SAGARPA, previously under PROCAMPO guidelines, supports were allocated only under a condition of ownership - not on actual production. However, PROAGRO Productive aims to promote agricultural production and promote a more productive, competitive and fair implementation for the countryside. Depending on the grower’s level of farming operation as well as regional conditions, PROAGRO Productive supports can be channeled to training, technical assistance, mechanization, use of improved seeds, plant nutrition, productive reconversion, crop insurance and price hedging, among others. Under PROAGRO Productive a flat rate payment for soybean and safflower will be provided to growers for 2014 spring/summer and 2014/2015 fall/winter crop cycles. Also, SAGARPA indicated that the supports will be granted based on the size of the production unit as follows:

- Subsistence (up to five hectares of non-irrigated land and 0.2 hectares of irrigated land)
- Transition (greater than 5 hectares and up to 20 hectares non-irrigated land and greater than 0.2 hectares and up to five hectares of irrigated land), and
- Commercial (more than 20 hectares non-irrigated and more than 5 hectares irrigated).

The Subsistence growers will receive a support payment per hectare or portion of 1,300 pesos (U.S.\$98.48/ha). If they have three hectares of non-irrigated land and are located in the municipalities served by the “National Program Mexico Without Hunger” Program (See 2013 GAIN report [MX3005](#), “Mexico Pushes Crusade Against Hunger Campaign” ), they will receive 1,500 pesos (U.S.\$ 113.63/ha). Growers who fall into the other two categories (Transition and Commercial) will receive 963 pesos per hectare (U.S. \$72.95/ha).

On June 25, 2009, SAGARPA announced the Pro Oilseeds subsidy program (See 2010 GAIN Report [MX0022](#) Mexican Oilseeds Production Expected to Increase). The program established various oilseed production targets and assists oilseed growers with technical assistance. The main purpose of this program is to increase the production of oilseeds and encourage planting of alternative crops to improve producer income. The program offers technical assistance to help increase seed planting density, promote the use of fertilizers and other improvements in plant nutrition, and encourage proper and efficient technological applications for phyto-sanitary controls.

In general, Pro-Oilseeds objective is to increase production and productivity of soybeans, safflower, canola, sunflower and sesame in order to increase the country’s supply of domestic oilseeds and provide production alternatives, all with the purpose of improving farmer’s income. Among the programs more specific objectives:

- recommend more production of basic grains in the main producing areas of the country as classified by the National Institute for Forestry, Agriculture and Livestock (INIFAP)
- adequately supply the oilseed domestic demand
- reduce oilseed imports.

The program provides support to oilseed producers for up to 1,500 pesos per ton of oilseeds (approximately US\$114 per ton) if sold to the domestic vegetable oil industry, or domestic livestock feed mill and manufactures. The program has a production limit of 100 hectares of oilseeds, cultivated in irrigated areas or equivalent production in non-irrigated areas (per grower), capped at 750,000 pesos per grower (roughly U.S. \$ 56,818). According to official and private sources, the Pro Oilseeds Program operated from 2009 to 2013 helping to increase area and production of oilseeds throughout Mexico. In addition, the current SAGARPA administration recently agreed to renew the program for the period 2013-2018. Private sources, however, have pointed out that the new administration has been more strict granting supports, while on the other hand, some growers consider the administration being more bureaucratic in granting them supports.

As a result of international oilseed market conditions, and unfavorable estimates of domestic production in 2013, the Mexican Government continued to encourage forward contract purchases between farmers and buyers through the “Forward Contract Program”, Agricultura por Contrato, (see 2008 GAIN Report [MX8075](#) “Mexico Announces Support Program for Sinaloa White Corn”). In 2013, forward contract schemes were implemented for producers, traders and other end-users of safflower and soybeans.

This program is a subsidy system based on market prices and tools that facilitates price stability, merchandising, and marketing for Mexican producers. The Forward Contract Program includes a complex mechanism to purchase input and call options for grains and soybean growers and the processing industry. Moreover, the program mechanism is based on world prices, thereby diminishing the risk of the system being defined as price distorting. Over the recent agricultural cycles this program has shown an increase in the volume of grains and feed registered, mainly in the fall/winter crop cycles.

According to the paying agency of SAGARPA called “Agency of Marketing Services and Development of Agricultural Markets” (ASERCA), for CY2013, supports were granted for the marketing of 26.3 MMT of soybeans safflower and grains, which is a 3 percent increase in supports from the previous year. Approximately 86 percent of total government supports were granted through the Forward Contract Program and Price Hedging.

### Production, Supply and Demand Data Statistics:

**Table 1: Mexico: Production, Supply, and Distribution (PSD) for Total Oilseeds**

TOTAL OILSEEDS	2012		2013		2014
	OLD	NEW	OLD	NEW	NEW
Area planted	205	204	235	242	243
Area Harvested	204	202	237	221	227
Beginning stocks	192	192	112	174	197
Production	368	365	398	362	398
MY imports	4963	5008	5267	5267	5401
MY imports from U.S.	3165	2803	3455	3439	3541
MY imports from EC	0	0	0	0	0
<b>TOTAL SUPPLY</b>	<b>5523</b>	<b>5565</b>	<b>5777</b>	<b>5803</b>	<b>5996</b>
MY Exports	13	3	15	3	3
MY Exports to the EC	0	0	0	0	0
Crush Dom. Consump.	5119	5109	5319	5321	5467
Food Use Dom. Consump.	241	241	244	244	255
Feed,Seed, Waste Dm.Cn.	38	38	38	38	38
Total Dom. Consumption	5398	5388	5601	5603	5760
Ending Stocks	112	174	161	197	233

<b>TOTAL DISTRIBUTION</b>	<b>5523</b>	<b>5565</b>	<b>5777</b>	<b>5803</b>	<b>5996</b>
Calendar Year Imports	5164	4767	5267	5217	5370
Calendar Yr Imp. U.S.	3470	2860	3570	3540	3645
Calendar Year Exports	14	3	20	3	3
Calndr. Yr. Exp. To U.S.	12	3	20	3	3

**Table 2: Mexico: Production, Supply, and Distribution (PSD) for Soybeans**

Oilseed, Soybean Mexico	2012/2013		2013/2014		2014/2015	
	Market Year Begin: Sep 2012		Market Year Begin: Sep 2013		Market Year Begin: Sep 2014	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	145	142	165	179		180
Area Harvested	144	140	165	159		165
Beginning Stocks	131	131	46	131		150
Production	250	245	280	254		290
MY Imports	3,350	3,480	3,650	3,650		3,740
MY Imp. from U.S.	3,050	2,687	3,350	3,350		3,440
MY Imp. from EU	0	0	0	0		0
Total Supply	3,731	3,856	3,976	4,035		4,180
MY Exports	0	0	0	0		0
MY Exp. to EU	0	0	0	0		0
Crush	3,650	3,690	3,850	3,850		3,965
Food Use Dom. Cons.	0	0	0	0		0
Feed Waste Dom. Cons.	35	35	35	35		35
Total Dom. Cons.	3,685	3,725	3,885	3,885		4,000
Ending Stocks	46	131	91	150		180
Total Distribution	3,731	3,856	3,976	4,035		4,180

1000 HA, 1000 MT

**Table 3: Mexico: Production, Supply, and Distribution (PSD) for Peanuts**

Oilseed, Peanut Mexico	2012/2013		2013/2014		2014/2015	
	Market Year Begin: Sep 2012		Market Year Begin: Sep 2013		Market Year Begin: Sep 2014	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	60	58	70	57		57
Area Harvested	58	58	70	56		56
Beginning Stocks	18	18	23	27		28
Production	115	115	115	100		100
MY Imports	148	142	152	152		155
MY Imp. from U.S.	55	83	55	55		60
MY Imp. from EU	0	0	0	0		0
Total Supply	281	275	290	279		283
MY Exports	13	3	15	3		3
MY Exp. to EU	0	0	0	0		0
Crush	4	4	4	4		4
Food Use Dom. Cons.	241	241	244	244		255
Feed Waste Dom. Cons.	0	0	0	0		0
Total Dom. Cons.	245	245	248	248		259

Ending Stocks	23	27	27	28		21
Total Distribution	281	275	290	279		283
1000 HA, 1000 MT						

**Table 4: Mexico: Production, Supply, and Distribution (PSD) for Rapeseed**

Oilseed, Rapeseed Mexico	2012/2013		2013/2014		2014/2015	
	Market Year Begin: Oct 2012		Market Year Begin: Oct 2013		Market Year Begin: Oct 2014	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	0	3	0	2		3
Area Harvested	0	3	0	2		3
Beginning Stocks	41	41	41	13		16
Production	0	4	0	3		4
MY Imports	1,450	1,368	1,450	1,450		1,490
MY Imp. from U.S.	50	22	50	24		30
MY Imp. from EU	0	0	0	0		0
Total Supply	1,491	1,413	1,491	1,466		1,510
MY Exports	0	0	0	0		0
MY Exp. to EU	0	0	0	0		0
Crush	1,450	1,400	1,450	1,450		1,480
Food Use Dom. Cons.	0	0	0	0		0
Feed Waste Dom. Cons.	0	0	0	0		0
Total Dom. Cons.	1,450	1,400	1,450	1,450		1,480
Ending Stocks	41	13	41	16		30
Total Distribution	1,491	1,413	1,491	1,466		1,510
1000 HA, 1000 MT						

**Table 5: Mexico: Production, Supply, and Distribution (PSD) for Sunflower Seed**

Oilseed, Sunflowerseed Mexico	2012/2013		2013/2014		2014/2015	
	Market Year Begin: Oct 2012		Market Year Begin: Oct 2013		Market Year Begin: Oct 2014	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	0	1	0	4		3
Area Harvested	2	1	2	4		3
Beginning Stocks	2	2	2	3		3
Production	3	1	3	5		4
MY Imports	15	18	15	15		16
MY Imp. from U.S.	10	11	10	10		11
MY Imp. from EU	0	0	0	0		0
Total Supply	20	21	20	23		23
MY Exports	0	0	0	0		0
MY Exp. to EU	0	0	0	0		0
Crush	15	15	15	17		18
Food Use Dom. Cons.	0	0	0	0		0
Feed Waste Dom. Cons.	3	3	3	3		3
Total Dom. Cons.	18	18	18	20		21

Ending Stocks	2	3	2	3		2
Total Distribution	20	21	20	23		23
1000 HA, 1000 MT						

**Table 6: Mexico: Production, Supply, and Distribution (PSD) for Total Meals**

TOTAL OILMEALS	2012		2013		2014
	OLD	NEW	OLD	NEW	NEW
Crush	5115	5105	5315	5317	5463
Extr. Rate					
Beginning stocks	130	130	58	90	68
Production	3731	3731	3889	3890	3999
MY imports	1375	1373	1600	1255	1310
MY imports from U.S.	1320	1348	1510	1235	1290
MY imports from EC	0	0	0	0	0
<b>TOTAL SUPPLY</b>	<b>5236</b>	<b>5234</b>	<b>5547</b>	<b>5235</b>	<b>5377</b>
MY Exports	12	13	13	20	20
MY Exports to the EC	0	0	0	0	0
Industrial Dom. Consum	0	0	0	0	0
Food Use Dom. Consump.	50	50	50	50	50
Feed,Seed, Waste Dm.Cn.	5116	5081	5351	5097	5222
Total Dom. Consumption	5166	5131	5401	5147	5272
Ending Stocks	58	90	133	68	85
<b>TOTAL DISTRIBUTION</b>	<b>5236</b>	<b>5234</b>	<b>5547</b>	<b>5235</b>	<b>5377</b>
Calendar Year Imports	1400	1304	1600	1550	1310
Calendar Yr Imp. U.S.	1325	1287	1505	1530	1290
Calendar Year Exports	12	18	13	18	18
Calndr. Yr. Exp. To U.S.	0	0	0	0	0

**Table 7: Mexico: Production, Supply, and Distribution (PSD) for Soybean Meal**

Meal, Soybean Mexico	2012/2013		2013/2014		2014/2015	
	Market Year Begin: Sep 2012		Market Year Begin: Sep 2013		Market Year Begin: Sep 2014	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	3,650	3,690	3,850	3,850		3,965
Extr. Rate, 999.9999	1	1	1	1		1
Beginning Stocks	107	107	55	84		62
Production	2,890	2,920	3,048	3,048		3,140
MY Imports	1,295	1,295	1,480	1,200		1,250
MY Imp. from U.S.	129	1,295	1,480	1,200		1,250
MY Imp. from EU	0	0	0	0		0
Total Supply	4,292	4,322	4,583	4,332		4,452
MY Exports	12	13	13	20		20
MY Exp. to EU	0	0	0	0		0
Industrial Dom. Cons.	0	0	0	0		0
Food Use Dom. Cons.	50	50	50	50		50
Feed Waste Dom. Cons.	4,175	4,175	4,400	4,200		4,305
Total Dom. Cons.	4,225	4,225	4,450	4,250		4,355
Ending Stocks	55	84	120	62		77

<b>Total Distribution</b>	4,292	4,322	4,583	4,332		4,452
1000 MT, PERCENT						

**Table 8: Mexico: Production, Supply, and Distribution (PSD) for Rapeseed Meal**

Meal, Rapeseed Mexico	2012/2013		2013/2014		2014/2015	
	Market Year Begin: Oct 2012		Market Year Begin: Oct 2013		Market Year Begin: Oct 2014	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	1,450	1,400	1,450	1,450		1,480
Extr. Rate, 999.9999	1	1	1	1		1
Beginning Stocks	23	23	3	6		6
Production	835	805	835	835		852
MY Imports	80	78	120	55		60
MY Imp. from U.S.	25	53	25	35		40
MY Imp. from EU	0	0	0	0		0
Total Supply	938	906	958	896		918
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.	0	0	0	0		0
Feed Waste Dom. Cons.	935	900	945	890		910
Total Dom. Cons.	935	900	945	890		910
Ending Stocks	3	6	13	6		8
Total Distribution	938	906	958	896		918
1000 MT, PERCENT						

**Table 9: Mexico: Production, Supply, and Distribution (PSD) for Sunflower Seed Meal**

Meal, Sunflowerseed Mexico	2012/2013		2013/2014		2014/2015	
	Market Year Begin: Oct 2012		Market Year Begin: Oct 2013		Market Year Begin: Oct 2014	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	15	15	15	17		18
Extr. Rate, 999.9999	0	0	0	0		0
Beginning Stocks	0	0	0	0		0
Production	6	6	6	7		7
MY Imports	0	0	0	0		0
MY Imp. from U.S.	5	0	5	0		0
MY Imp. from EU	0	0	0	0		0
Total Supply	6	6	6	7		7
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.	0	0	0	0		0
Feed Waste Dom. Cons.	6	6	6	7		7
Total Dom. Cons.	6	6	6	7		7

Ending Stocks	0	0	0	0		0
Total Distribution	6	6	6	7		7
1000 MT, PERCENT						

**Table 10: Mexico: Production, Supply, and Distribution (PSD) for Total Oils**

TOTAL OILS	2012		2013		2014
	OLD	NEW	OLD	NEW	NEW
Crush	5115	5105	5315	5317	5463
Extr. Rate					
Beginning stocks	165	165	137	160	154
Production	1239	1226	1276	1277	1309
MY imports	270	279	275	275	282
MY imports from U.S.	215	213	194	208	214
MY imports from EC	0	0	0	0	0
<b>TOTAL SUPPLY</b>	<b>1674</b>	<b>1670</b>	<b>1688</b>	<b>1712</b>	<b>1745</b>
MY Exports	29	38	31	32	32
MY Exports to the EC	0	2	0	0	0
Industrial Dom. Consum	5	5	0	0	0
Food Use Dom. Consump.	1503	1467	1531	1526	1571
Feed,Seed, Waste Dm.Cn.	0	0	0	0	0
Total Dom. Consumption	1508	1472	1531	1526	1571
Ending Stocks	137	160	126	154	142
<b>TOTAL DISTRIBUTION</b>	<b>1674</b>	<b>1670</b>	<b>1688</b>	<b>1712</b>	<b>1745</b>
Calendar Year Imports	275	269	275	275	290
Calendar Yr Imp. U.S.	216	202	195	191	212
Calendar Year Exports	34	38	31	39	39
Calndr. Yr. Exp. To U.S.	31	33	24	36	36

**Table 11: Mexico: Production, Supply, and Distribution (PSD) for Soybean Oil**

Oil, Soybean Mexico	2012/2013		2013/2014		2014/2015	
	Market Year Begin: Sep 2012		Market Year Begin: Sep 2013		Market Year Begin: Sep 2014	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	3,650	3,690	3,850	3,850		3,965
Extr. Rate, 999.9999	0	0	0	0		0
Beginning Stocks	126	126	125	153		149
Production	653	660	690	690		710
MY Imports	194	221	185	185		190
MY Imp. from U.S.	194	193	185	185		190
MY Imp. from EU	0	0	0	0		0
Total Supply	973	1,007	1,000	1,028		1,049
MY Exports	4	4	4	4		4
MY Exp. to EU	0	0	0	0		0
Industrial Dom. Cons.	5	5	0	0		0
Food Use Dom. Cons.	839	845	875	875		910
Feed Waste Dom. Cons.	0	0	0	0		0
Total Dom. Cons.	844	850	875	875		910
Ending Stocks	125	153	121	149		135
Total Distribution	973	1,007	1,000	1,028		1,049

1000 MT, PERCENT						

**Table 12: Mexico: Production, Supply, and Distribution (PSD) for Rapeseed Oil**

Oil, Rapeseed Mexico	2012/2013		2013/2014		2014/2015	
	Market Year Begin: Oct 2012		Market Year Begin: Oct 2013		Market Year Begin: Oct 2014	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	1,450	1,400	1,450	1,450		1,480
Extr. Rate, 999.9999	0	0	0	0		0
Beginning Stocks	39	39	12	7		5
Production	580	560	580	580		592
MY Imports	35	25	55	55		57
MY Imp. from U.S.	9	11	0	13		14
MY Imp. from EU	0	0	0	0		0
Total Supply	654	624	647	642		654
MY Exports	2	2	2	2		2
MY Exp. to EU	0	0	0	0		0
Industrial Dom. Cons.	0	0	0	0		0
Food Use Dom. Cons.	640	615	640	635		645
Feed Waste Dom. Cons.	0	0	0	0		0
Total Dom. Cons.	640	615	640	635		645
Ending Stocks	12	7	5	5		7
Total Distribution	654	624	647	642		654
1000 MT, PERCENT						

**Table 13: Mexico: Production, Supply, and Distribution (PSD) for Sunflower Seed Oil**

Oil, Sunflowerseed Mexico	2012/2013		2013/2014		2014/2015	
	Market Year Begin: Oct 2012		Market Year Begin: Oct 2013		Market Year Begin: Oct 2014	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	15	15	15	17		18
Extr. Rate, 999.9999	0	0	0	0		0
Beginning Stocks	0	0	0	0		0
Production	6	6	6	7		7
MY Imports	35	33	35	35		35
MY Imp. from U.S.	6	9	0	10		10
MY Imp. from EU	0	0	0	0		0
Total Supply	41	39	41	42		42
MY Exports	23	32	25	26		26
MY Exp. to EU	0	0	0	0		0
Industrial Dom. Cons.	0	0	0	0		0
Food Use Dom. Cons.	18	7	16	16		16
Feed Waste Dom. Cons.	0	0	0	0		0
Total Dom. Cons.	18	7	16	16		16

Ending Stocks	0	0	0	0		0
Total Distribution	41	39	41	42		42
1000 MT, PERCENT						

**Author Defined:**

[Give Us Your Feedback on this Report](#): Please take a moment to answer this brief 6 question survey by clicking on the above link which will take you to a non-U.S. Government website (i.e. SurveyMonkey). Once completed, click on “Done” and we can capture your feedback. We value your opinion and want to provide information that matters to you as it relates to U.S. and Mexico food and agricultural production, trade, demand, and policy. Thank you for your time.

For More Information:

FAS/Mexico Web Site: We are available at [www.mexico-usda.com.mx](http://www.mexico-usda.com.mx) or visit the FAS headquarters' home page at [www.fas.usda.gov](http://www.fas.usda.gov) for a complete selection of FAS worldwide agricultural reporting.

Other Relevant Reports Submitted by FAS/Mexico:

Report Number	Subject	Dated Submitted
<a href="#">MX4015</a>	Livestock and Products Semi-annual	3/1/2014
<a href="#">MX4012</a>	Poultry and Products Semi-annual	2/14/2014
<a href="#">MX3036</a>	Oilseed Production Expected to Rise in 2013/2014	4/17/2013
<a href="#">MX3026</a>	Broiler Meat 2012 Production and Trade Update	3/22/2013
<a href="#">MX3016</a>	Livestock and Products Semi-annual	3/4/2013
<a href="#">MX3011</a>	Poultry and Products Semi-annual	2/13/2013
<a href="#">MX2020</a>	Oilseed and Products Annual	4/12/2012

Useful Mexican Web Sites: Mexico's equivalent to the U.S. Department of Agriculture (SAGARPA) can be found at [www.sagarpa.gob.mx](http://www.sagarpa.gob.mx), equivalent to the U.S. Department of Commerce (SE) can be found at [www.economia.gob.mx](http://www.economia.gob.mx) and equivalent to the U.S. Food and Drug Administration (SALUD) can be found at [www.salud.gob.mx](http://www.salud.gob.mx). These web sites are mentioned for the readers' convenience but USDA does NOT in any way endorse, guarantee the accuracy of, or necessarily concur with, the information contained on the mentioned sites.