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China - Peoples Republic of

Oilseeds and Products Update

Lower Soybean Imports in MY18/19, Despite U.S. Soybean Price Competitiveness

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Report Highlights:

China's soybean imports and soybean meal consumption are expected to stall in marketing year (MY) 2018/19 due to ongoing trade tensions between the United States and China and an outbreak of African Swine Fever. The bilateral trade dispute has ignited efforts by China to reduce U.S. soybean imports and slash soybean use for feed, pushing up China's domestic soybean and soybean meal prices and prompting higher than usual sales from the state soybean reserve. Post forecasts China's soybean imports to fall by 9 million metric tons (MMT) to 85 MMT in MY18/19.

Executive Summary

China's soybean imports and soybean meal consumption are expected to fall in marketing year (MY) 2018/19 due to ongoing trade tensions between the United States and China and an outbreak of African Swine Fever (ASF). Among the effects of the bilateral trade dispute are the additional 25 percent tariff on U.S. soybeans and widespread concern among importers that China will implement administrative actions at port to discourage purchases from the U.S. The trade situation has ignited efforts by China to reduce U.S. soybean imports and slash soybean feed use, through reductions in the feed protein ratio and the use of substitute protein meals. This year has seen higher than usual sales from the state soybean reserve, with the Chinese government organizing 19 auctions for accumulated sales of 1.92 million metric tons (MMT) as of October 24. China's domestic soybean and soybean meal prices have been rising steadily since July 2018 and increased rapidly in October. In addition to the trade situation, an ASF outbreak in China that began in August continues to spread through the country. While the disease is not expected to impact pork production in the short term, it is likely to lead to reduced herds over the longer term, thus curbing feed demand growth and dampening demand for soybean meal.

China's soybean imports are forecast to fall to 85 MMT in MY18/19, down about 10 percent from the estimated 94 MMT in MY17/18. Although U.S. soybeans remain within a competitive price range even with the additional 25 percent tariff, many importers have shared that they are unwilling to risk facing possible administrative barriers to U.S. soybean imports at Chinese ports. Importers are also wary of making what may be perceived in China as a political statement in deciding to purchase U.S. soybeans during the ongoing U.S.-China trade dispute.

On the production side, despite increased government subsidies to producers aimed at expanding soybean acreage, MY18/19 domestic oilseed production increased only 0.2 percent over the previous year, to an estimated 58.95 MMT. The forecast MY18/19 oilseed production reflects a downward adjustment of soybeans and peanuts and a moderate increase of cottonseed production based on recent weather conditions and yield trends.

Reduced soybean imports and consumption in MY18/19

China's steady growth in soybean imports and soybean meal (SBM) consumption in recent years is not likely to continue in MY18/19. While the country continues to exhibit high rates of GDP growth, population growth, and urbanization, the economic and demographic factors that normally fuel animal protein demand and thereby push up SBM demand will be offset in MY18/19 by other factors. These include an outbreak of African Swine Fever (ASF) in China that began in August 2018 and efforts by China to reduce overall soybean use and U.S. soybean imports in the context of the U.S.-China trade dispute.

MY18/19 will see reduced SBM demand for feed use, with a forecast MY18/19 SBM feed consumption of 66.6 MMT, down 2.6 MMT from the previous year. Rapeseed meal, sunflower seed meal, and fish meal feed use will see moderate increases. Taken together, the reduction in SBM feed use and slight increases in other protein meals feed use will result in an overall SBM-equivalent meal use for feed of 85.9 MMT in MY18/19, a decrease of 1.7 MMT compared to the previous year.

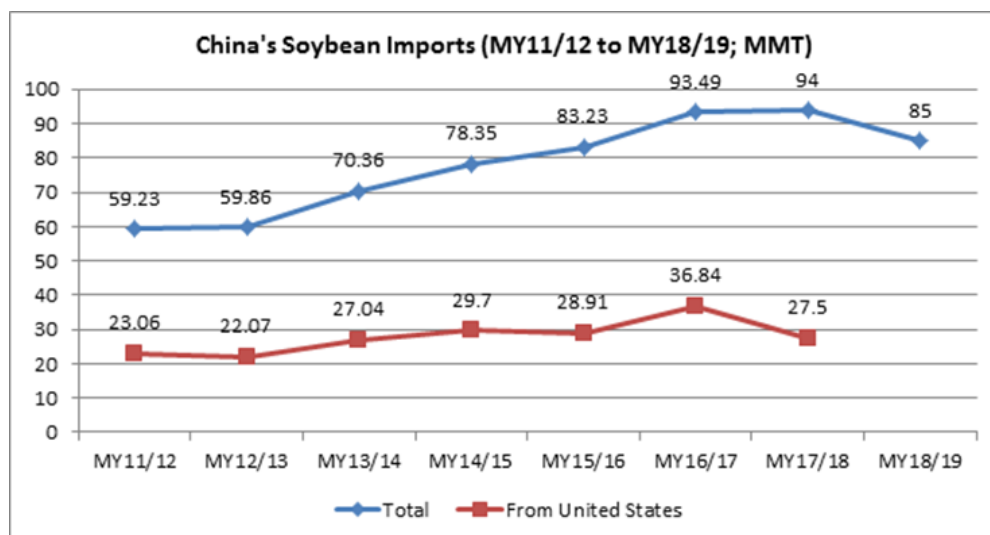
Swine population to decline in the medium to long term

African Swine Fever (ASF) is expected to temper feed demand in 2019 due to reduced swine herds. China reported its first ASF case on August 3, 2018. As of October 30, 2018, there had been 53 reported cases in 13 provinces, ranging from Northeast to Southwest China. While the first cases were detected on small and medium swine farms, large-scale farms of about 20,000 pigs have now been affected. The Ministry of Agriculture announced the suspension of inter-province pig transport in 28 provinces, covering about 98 percent of China’s live pig production.

As of October 30, China had culled approximately 200,000 pigs due to the ASF outbreak, a negligible amount given China’s 700 million pigs slaughtered annually. Thus, ASF is expected to have a limited impact on swine production in the short term. While swine farmers are reportedly not exhibiting signs of panic, the disease is likely to impact farmers’ confidence and lead to a slowdown in swine herd replenishment and expansion, reducing pork production in MY18/19 and beyond. Based on the culling rate as reported in other ASF affected countries, soybean meal demand for swine feed could fall by as much as 1.2 MMT in MY18/19.

Reduced overall soybean imports and unpredictable trade environment for U.S. soybeans

China’s MY18/19 soybean imports are forecast at 85 MMT, down about 10 percent from 94 MMT in MY17/18. This 9 MMT drop in imports compares to a net soybean import growth of 8.5 MMT per year during the past 4 years.



Source: GTA; MY17/18: FAS/Beijing estimate; MY18/19: FAS/Beijing forecast

U.S. soybeans remain within a competitive price range even with the additional 25 percent tariff that China implemented in July 2018. For example, on October 24, estimated prices for U.S., Brazilian, and Argentine soybeans after port clearance (CIF + additional tariff + other fees) were RMB3,691/ton, RMB3,683/ton, and RMB3,626/ton respectively, or a mark-up on U.S. soybeans of only 0.2% compared to Brazilian product and 1.2% compared to Argentine product. Yet regardless of price considerations, many importers have shared that they are unwilling to risk facing possible administrative barriers to U.S.

soybean imports at Chinese ports. Many are also wary of making what may be perceived in China as a political statement in deciding to purchase U.S. soybeans during the ongoing trade tensions.

On October 17, JCI China, one of China's top agricultural research and consulting firms, published a short notice on its website with the bottom line message that now is not the time to make new purchases of U.S. soybeans. According to the notice, the buyer of two U.S. soybean shipments that are currently en route to China said the shipments are for contracts signed in April and that, like other Chinese importers, the company has not signed any new contracts for U.S. soybeans since the end of May. The notice emphasized that "China" has not resumed purchasing U.S. soybeans and characterized any "intention" to sign new contracts as "sensitive."

Given the push to reduce imports of U.S. soybeans, and limited available supplies from other exporters, China's feed industry faces limited supply options during the first five months of MY18/19. This is the period before the bulk of the next Brazilian harvest is ready for export in March 2019. The reduction in supply options is likely to have a dampening impact on China's livestock sector and may mean increased animal protein imports.

China's soybean demand for crushing during the period from October 2018 through February 2019 is forecast at 40 MMT. Part of this demand may be met by domestically-produced soybeans and sales from the state soybean reserve. Normally, the majority of domestic soybeans are used for food, and the state reserve is managed conservatively. However, the unique situation brought about by the bilateral trade dispute is likely to mean higher than normal volumes from these two sources are used for crush.

China auctions off soybean stocks

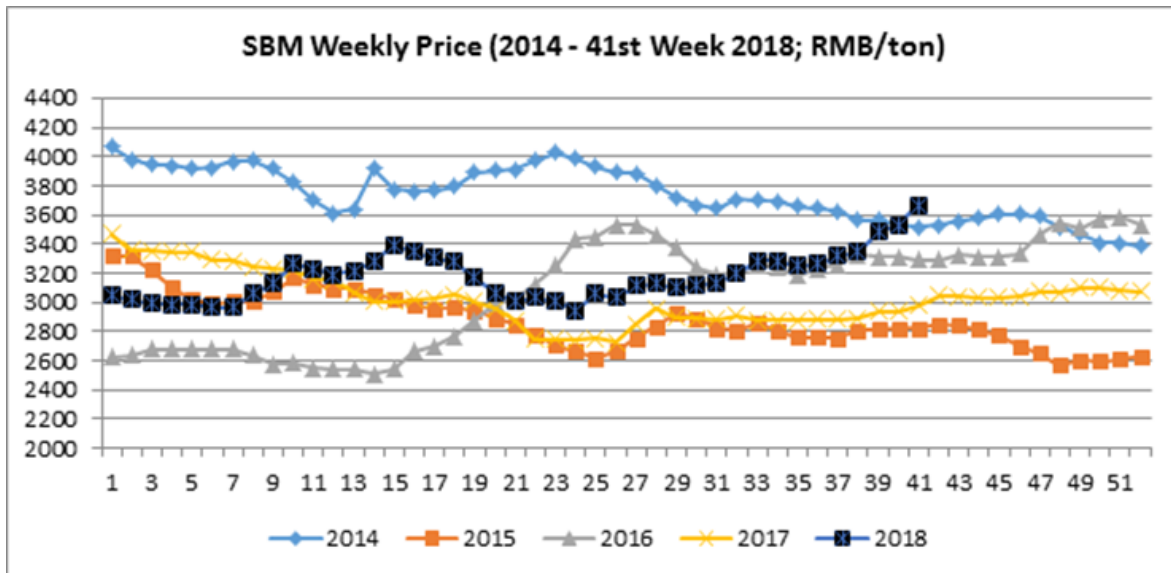
MY18/19 soybean ending stocks are forecast at 20 MMT, slightly lower than the previous year based on the Chinese government's resumption of sales from the soybean reserve and decreased soybean imports in MY18/19. China's total soybean stocks will likely fall significantly in the beginning of 2019, then recover when soybean imports from the South America peak in the second half of MY18/19.

The Chinese government maintains an unknown volume of soybeans in a state reserve, with estimates ranging from 6 to 8 MMT. Beginning on June 14, 2018, the government has organized 17 auctions to sell soybeans from the reserve. As of the auction on October 10, accumulated soybean reserve sales in 2018 reached 1.74 MMT. CNGOIC reported that 101,000 MT of soybeans were purchased at the October 10 auction, at a price of RMB3,196 (or \$470)/ton. The forecast tight domestic supply of soybeans in October and beyond has led to high auction prices and is expected to boost purchase rates in upcoming auctions. The October 10 auction purchase price was RMB130/ton higher (or 4.2 percent higher) than the price at the previous auction, held on September 26. Normally China ceases state reserve auctions when the new domestic crop comes on the market in September.

Soybean meal prices on the rise

China's soybean meal (SBM) price has exhibited a moderate upward trend since July, with a rapid surge in October (see chart below). Industry sources estimate an average SBM price increase of between 11

and 14 percent in mid-October versus late September. Although the current price is still lower than the average price of RMB3,740 (or \$550)/ton in 2014, many industry insiders believe the SBM price is likely to exceed RMB4,000 (or \$588)/ton by December. Chinese industry leaders expect stocks of imported soybeans at ports to drop to historical lows by November 2018, pushing soymeal prices "very high" in the first quarter of 2019. Feed mills reacted to the rapid SBM price increase by raising feed prices beginning in the second week of October.



Source: China JCI

Chinese feed industry seeks to reduce protein content in feed

China’s feed industry is promoting a lower-protein ration for livestock. The country’s current SBM meal inclusion rate for swine is reportedly about 20 percent, compared to the international average of 12 percent. Analysts observe that in recent years, Chinese feed producers have been using a relatively high ratio of SBM due to price considerations, with soybeans being relatively less costly than alternate ingredients. From this perspective, a reduction in the SBM inclusion rate would be a return to the previous feed ratio. On the other hand, unofficial reports have indicated that the reduced feed protein ration is aimed at supporting the Chinese government effort to decrease SBM consumption in order to facilitate reduced U.S. soybean imports.

On October 26, 2018, the China Feed Industry Association (CFIA) approved new recommended feed standards, the “Compound Feed Standard for Swine” and “Compound Feed Standard for Broilers and Layers.” The new standards set lower minimum requirements for crude protein levels in pig and poultry feed, as well as establishing maximum protein levels for the respective feed types. The association said the lower protein level will be made up for with the addition of alternative amino acids and enzymes. The CFIA standards are recommended, not mandatory; nevertheless, feed mills have generally complied with CFIA standards in recent years. On the same day as the CFIA announcement, 29 large feed manufacturers committed to using the new standards. The standards recommend a relatively wide range

of crude protein levels for different animals at various stages of growth and production, with minimum crude protein content levels that are generally 1 to 2 percentage points lower than the current levels.

In addition, several prominent Chinese animal nutritionists have recently advocated changing the current basic feed mix, which is composed of just corn and SBM, to a new feed mix, containing corn, SBM, other meals, and essential amino acids. A senior animal nutritionist from China Agriculture University estimated that a 2 percent reduction in feed protein content for China’s total swine herd could reduce China’s domestic SBM use by 10.3 MMT annually.

According to the China National Grain and Oils Information Center (CNGOIC), China’s forecast MY18/19 protein meal use for feed is 87.45 MMT, down 2.3 MMT from the previous year. CNGOIC forecasts China’s total feed production at 228 MMT in 2018, of which 203 MMT is compound feed, 17.6 MMT is feed concentrate, and the remainder is pre-mixed and other feeds. Based on the figures for compound feed and feed concentrate production, China’s total compound feed production will be about 261 MMT in 2018 and, with no growth expected, about the same in 2019.

China opens market to imported soybean meal substitutes

In response to anticipated administrative barriers to U.S. soybeans and limited alternate soybean sources, importers in China continue to seek substitutes for soybean meal in feed. The following table shows China’s 2017 imports of plant protein feed ingredients. The United States is China’s largest supplier of sugar beet and DDGS, accounting for 88 percent and 99.7 percent respectively.

Plant Protein Feed Ingredients: Market Access and 2017 Imports

Product	Exporters with Market Access to China (as of March 1, 2018)	2017 Imports (1,000 tons)
Soybean Meal	Korea (fermented); Taiwan (fermented or extruded)	64*
Rapeseed Meal	Canada, Australia, Japan, Pakistan, Ethiopia, UAE	965**
Peanut Meal	Sudan	86
Sugar Beet Pulp	USA, Ukraine	53
Palm Kernel Meal	Indonesia and Malaysia	517
DDGS	USA	391
Sunflower Seed	Ukraine	3

Meal		
Total		2,076

*66% from India although no market access; **97.6% from Canada; Source: Post estimates based industry data

China reportedly plans to compensate for reduced soybean imports during the first half of MY18/19 with increased imports of other protein meals, a strategy that is constrained by limited alternate options and availability. Preliminary analysis indicates that an estimated maximum of 1.9 MMT SBM-equivalent of other protein ingredients could be added to meet China's demand during the first months of MY18/19 (see table below). Rapeseed imports are forecast to increase by 0.75 MMT to 5.4 MMT in MY18/19, with shipments expedited in the first half of the marketing year. The following table shows forecasts for China's additional imports of rapeseed meal, fish meal, sunflower seed meal and palm kernel meal, as well as increased domestic DDGS production and reduced SBM exports.

Forecast Additional Supply of Protein Resources in First Half of MY18/19

Protein Resource	Additional Supply in First Half of MY18/19 (1,000 tons)	SBM Equivalent (1,000 tons)
Rapeseed Meal	600	412
Rapeseed meal crushed with additional 0.5 MMT rapeseed imports	300	206
Sunflower Seed Meal	100	67
Palm meal	100	36
Fish Meal	150	217
Reduced SBM Exports	500	500
Increased Domestic DDGS production	850	425
Total SBM Equivalent		1,860

Source: FAS/Beijing estimates based on industry data

However, some sources of additional protein ingredients may not materialize until mid-2019. Recent news reports indicate that Brazil and Argentina are seeking market access to China for SBM, and it is likely that China will expedite the market access process to allow SBM imports from these countries in 2019. Additionally, effective on July 1, 2018, China cut the tariff from 3 percent to zero for imports of soybeans and soybean meal from India and four other Asian countries. In mid-September at an India-China protein meal trade forum in Beijing, an Indian industry leader stated that Indian is able to export 2.7 MMT of protein meal to China in MY18/19, including 1.8 MMT of SBM, 0.8 MMT of rapeseed meal, and 0.1 MMT of other meals. However, Chinese industry sources expect the total supply of these meals to China will not exceed 0.5 MMT in 2019.

In early July 2018, China signed an agreement to import shelled sunflower seed from Bulgaria. In early September 2018, China approved market access for soybeans from Ethiopia. However, forecast total supply of oilseed products by these countries to China is negligible in the foreseeable future.

A Chinese industry report in August 2018 indicated that the Russia government intends to cooperate with China in the far-east region to expand land for soybean planting by 1MHa. This may provide an additional 3 MMT of soybeans to the market in the long term.

On October 26, in an effort to conserve SBM for domestic use, China announced the elimination of the 11 percent VAT rebate for SBM exports. The measure takes effect on November 1, 2018.

As discussed above, the China feed industry is actively promoting reduced protein content in feed. For the current report, FAS/Beijing assumes a 0.3 percent reduction in protein content, which is equivalent to a 1.7 MMT annual reduction in SBM-equivalent meal use for feed. However, should China implement more extreme reductions in feed protein content, the resultant reduction in SBM-equivalent meal use for feed, and the corresponding reduction in soybean imports, would also be significantly larger.

Adjusted forecasts for MY18/19 domestic oilseed production

Despite increased government production subsidies aimed at expanding soybean acreage, MY18/19 total domestic oilseed production is forecast at 58.95 MMT, virtually unchanged from the estimated 58.82 MMT in MY17/18. As previously reported, Chinese government support boosted MY18/19 soybean acreage to 8.4 MHa, up 0.6 MHa from MY17/18. The main area expansion occurred in the four Northeast Provinces in response to increased subsidies. Based on recent weather conditions and the yield trend, the current Post forecast for MY18/19 oilseed production reflects a downward adjustment for soybeans and peanuts and a moderate increase for cottonseed.

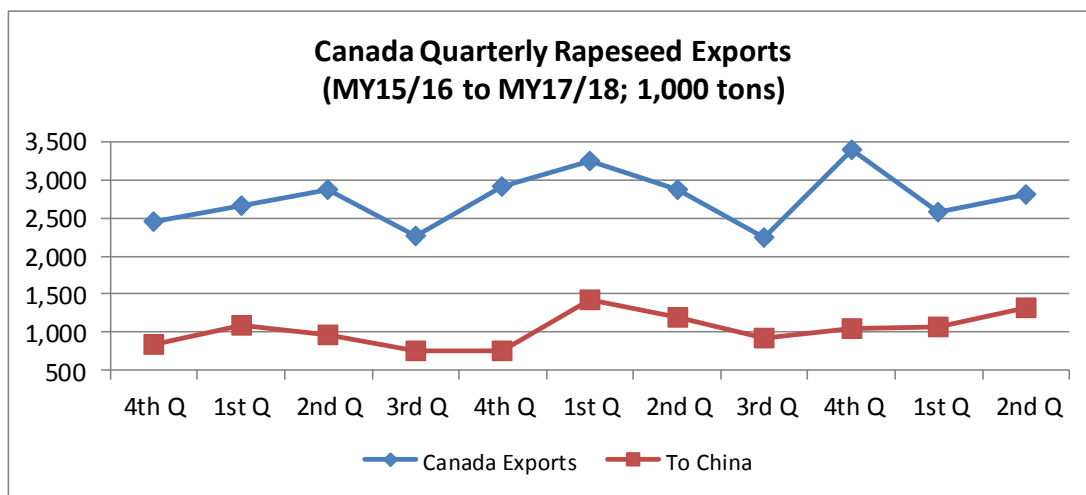
In its October report, CNGOIC forecast MY18/19 soybean production down by 0.3 MMT to 15.5 MMT, due to yield losses in Heilongjiang and Inner Mongolia provinces from September frosts. However, industry field visits indicated that soybean seeds were nearly matured at the time of the frost, limiting the negative impact on yield and quality. On the other hand, a portion of the soybean crops in Anhui, Henan and Shandong provinces were seriously damaged by floods during July and August, reducing yield significantly. Based on these weather incidents, MY18/19 soybean production is forecast down slightly to 15 MMT, a reduction of 0.2 MMT from Post's August report. At the time of this report, the soybean harvest continues in both the Northeast Provinces and the Yellow River and Huai River regions.

MY18/19 peanut production is also down slightly to 17.6 MMT, compared to 17.8 MMT in Post's August report. The production decrease is due to a yield decline and reduced acreage in response to lower peanut prices in MY17/18.

MY18/19 cottonseed production, however, is adjusted up by 0.4 MMT to 9.3 MMT based on recent updates regarding the crop in Xinjiang province, which shows higher yield due to favorable weather conditions during most of the growing period. As there is no official data, China's cottonseed production is calculated based on cotton production and the industry recommended ratio between lint and seed. According to China Cotton Association (CCA), MY18/19 cotton production is forecast at 6.02 MMT (with Xinjiang's production at 5.05 MMT), slightly lower than the CCA's estimate of 6.05 MMT for MY17/18. However, China's official and industry sources vary on cotton acreage and production for both Xinjiang and other provinces. The estimate of the National Bureau of Statistics for MY17/18 cotton production was 5.49 MMT, significantly lower than CASDE's 5.89 MMT and CCA's 6.05 MMT.

Rapeseed Trade

Rapeseed imports will continue to grow in MY18/19 in response to forecast lower soybean imports. MY18/19 imports are forecast at 5.5 MMT, an increase of 0.9 MMT from the 4.6 MMT estimate for MY17/18. Canada supplied over 95 percent of China’s rapeseed imports in 2016 and 2017. According to the Global Trade Atlas (GTA), Canada rapeseed exports tend to be evenly distributed throughout the year, and quarterly exports to China averaged 1 MMT, ranging from 0.75 MMT to 1.3 MMT. An additional 0.9 MMT of Canadian rapeseed exports to China in MY18/19 appears to be feasible based on Canada’s total rapeseed production and export potential capacity (averaged over 10 MMT per year in the recent three years).



Source: GTA

Oils Situation and Outlook

Post forecasts MY18/19 total food use vegetable oil consumption is 34.5 MMT, up 0.8 MMT or 2.3 percent from the 33.7 MMT for MY17/18.

The Chinese domestic soybean oil price has exhibited moderate growth since July 2018. The grade 1 soy oil price was RMB5,788 (\$851)/ton in the second week of October, 5.4 percent higher than in the first week of July. However, it remains 4.8 percent lower than the same week in 2017, and lower than the 2017 yearly average price of RMB6,261(\$921)/ton.

Industry insiders believe that Chinese food use oil consumption will maintain stable growth driven by increases in dining out and food processing in the coming years. Chinese industry data indicate the instant noodle sector showed a moderate recovery in the first half of 2018, which also boosted palm oil imports. Preliminary NBS data show that catering industry revenue increased by 9.8 percent and retail sales revenue of grains, oils, and food increased 10.3 percent in the first nine months of 2018 as compared to the previous year.

Forecast MY18/19 soybean oil production is 15.2 MMT, down 0.9 MMT from the 16.1 MMT in MY17/18. While small, China’s increase in production of specialty oils, including camellia oil and

sesame oil, will continue to partly meet the oil demand growth in MY18/19. Sesame seed imports are up 33 percent to 0.52 MMT in the first half of MY17/18, mainly coming from Sudan, Ethiopia, Niger, Togo, and Mali.

Forecast total vegetable oil imports are up to 8.6 MMT in MY18/19 from the estimated 7.6 MMT in the previous year mainly to offset the reduction of soybean oil production due to lower soybean imports.

To compensate for the decrease in soybean oil production, palm oil imports are forecast to rebound to 5.6 MMT in MY18/19 from the estimated 5.2 MMT in MY17/18. Since July 2018, Chinese industry and government officials have indicated plans to add palm oil imports from both Indonesia and Malaysia. Given the general price advantage of palm oil and adequate supply, China is expected to add palm oil imports to meet domestic vegetable oil demand in MY18/19.

Rapeseed oil and sunflower seed oil imports are also forecast to increase rapidly in MY18/19. Chinese importers rapidly increased imports of Canadian rapeseed oil with total imported volume exceeding 200,000 tons in July to August of 2018, significantly higher than the 80,000 tons for July to September 2017. Given the large export volume by Ukraine, China's sunflower seed oil imports are forecast to hit 0.9 MMT in MY18/19.

Total oil ending stocks are forecast at 3.1 MMT at the end of MY18/19 compared to the 3.7 MMT at the end of MY17/18. The Chinese government has reduced the state rapeseed oil reserve through public auctions, from an estimated 6 MMT in mid-2015 to about 1.4 MMT as of this report. The government also holds an unknown volume of soybean oil reserve. The government began to auction from the soybean oil reserve in June, with more than 100,000 tons sold as of this report.

PSD Tables

Table 1. Soybeans

PSD Table						
Country	China, Peoples Republic of					
Commodity	Oilseed, Soybean (1000 tons; 1000 Ha)					
	2016/17		2017/18		2018/19	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2016		10/2017		10/2018
Area Planted	7,200	7,150	7,850	7,800	8,400	8,400
Area Harvested	7,200	7,150	7,850	7,800	8,400	8,400
Beginning Stocks	16,910	16,910	20,391	19,191	22,456	21,441
Production	12,900	12,900	14,200	14,400	15,000	15,000
MY Imports	93,495	93,495	94,000	94,000	94,000	85,000
Total Supply	123,305	123,305	128,591	127,591	131,456	121,441
MY Exports	114	114	135	150	100	80
Crush	88,000	89,000	90,000	90,000	93,500	85,000
Food Use Dom. Cons.	11,300	11,500	12,100	12,100	12,900	12,400
Feed Waste Dom. Cons.	3,500	3,500	3,900	3,900	4,200	4,000
Total Dom. Cons.	102,800	104,000	106,000	106,000	110,600	101,400
Ending Stocks	20,391	19,191	22,456	21,441	20,756	19,961
Total Distribution	123,305	123,305	128,591	127,591	131,456	121,441

Table 2. Rapeseed

PSD Table						
Country	China, Peoples Republic of					
Commodity	Oilseed, Rapeseed (1000 tons;1000 Ha)					
	2016/17		2017/18		2018/19	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2016		10/2017		10/2018
Area Planted	0	7,331	0	7,180	0	7,000
Area Harvested	7,331	7,331	7,200	7,180	7,000	7,000
Beginning Stocks	1,240	1,240	1,346	1,346	1,046	1,346
Production	14,546	14,546	14,400	14,300	13,950	13,950
MY Imports	4,260	4,260	4,600	4,600	5,600	5,500
Total Supply	20,046	20,046	20,346	20,246	20,596	20,796
MY Exports	0	0	0	0	0	0
Crush	18,100	18,100	18,700	18,300	18,900	19,100
Food Use Dom. Cons.	0	0	0	0	0	0
Feed Waste Dom. Cons.	600	600	600	600	600	600
Total Dom. Cons.	18,700	18,700	19,300	18,900	19,500	19,700
Ending Stocks	1,346	1,346	1,046	1,346	1,096	1,096
Total Distribution	20,046	20,046	20,346	20,246	20,596	20,796

Table 3. Peanuts

PSD Table						
Country	China, Peoples Republic of					
Commodity	Oilseed, Peanut (1000 tons; 1000 Ha)					
	2016/17		2017/18		2018/19	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2016		10/2017		10/2018
Area Planted	4,727	4,750	4,900	4,950	5,000	4,900
Area Harvested	4,727	4,750	4,950	4,950	4,900	4,900
Beginning Stocks	0	0	0	0	0	0
Production	17,290	17,280	17,900	17,900	17,800	17,600
MY Imports	295	295	250	250	300	300
Total Supply	17,585	17,575	18,150	18,150	18,100	17,900
MY Exports	689	646	720	700	720	500
Crush	9,050	9,059	9,500	9,550	9,350	9,450
Food Use Dom. Cons.	6,850	6,850	6,975	6,950	7,080	7,000
Feed Waste Dom. Cons.	996	1,020	955	950	950	950
Total Dom. Cons.	16,896	16,929	17,430	17,450	17,380	17,400
Ending Stocks	0	0	0	0	0	0
Total Distribution	17,585	17,575	18,150	18,150	18,100	17,900

Table 4. Cottonseed

PSD Table						
Country	China, Peoples Republic of					
Commodity	Oilseed, Cottonseed (1000 tons; 1000 Ha)					
	2016/17		2017/18		2018/19	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2016		10/2017		10/2018
Area Planted (Cotton)	3,100	2,950	3,400	3,355	3,350	3,250
Area Harvested (Cotton)	2,900	2,950	3,400	3,355	3,350	3,250
Seed to Lint Ratio	0	0	0	0	0	0
Beginning Stocks	0	0	0	0	0	0
Production	8,800	8,800	10,800	9,220	10,800	9,300
MY Imports	265	265	180	200	200	300
Total Supply	9,065	9,065	10,980	9,420	11,000	9,600
MY Exports	0	0	0	0	0	0
Crush	7,665	7,665	9,500	8,050	9,600	8,200
Food Use Dom. Cons.	0	0	0	0	0	0
Feed Waste Dom. Cons.	1,400	1,400	1,480	1,370	1,400	1,400
Total Dom. Cons.	9,065	9,065	10,980	9,420	11,000	9,600
Ending Stocks	0	0	0	0	0	0
Total Distribution	9,065	9,065	10,980	9,420	11,000	9,600

Table 5. Soybean Meal

PSD Table						
Country	China, Peoples Republic of					
Commodity	Meal, Soybean (1000 tons)					
	2016/17		2017/18		2018/19	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2016		10/2017		10/2018
Crush	88,000	89,000	90,000	90,000	93,500	85,000
Extr. Rate, 999.9999	0.792	0.792	0.792	0.792	0.792	0.792
Beginning Stocks	0	0	0	0	0	0
Production	69,696	70,448	71,280	71,280	74,052	67,320
MY Imports	61	61	130	130	30	800
Total Supply	69,757	70,509	71,410	71,410	74,082	68,120
MY Exports	1,111	1,111	1,000	1,000	900	300
Industrial Dom. Cons.	1,050	1,159	1,100	1,200	1,150	1,220
Food Use Dom. Cons.	0	0	0	0	0	0
Feed Waste Dom. Cons.	67,596	68,239	69,310	69,210	72,032	66,600
Total Dom. Cons.	68,646	69,398	70,410	70,410	73,182	67,820
Ending Stocks	0	0	0	0	0	0
Total Distribution	69,757	70,509	71,410	71,410	74,082	68,120

Table 6. Rapeseed Meal

PSD Table						
Country	China, Peoples Republic of					
Commodity	Meal, Rapeseed (1000 tons)					
	2016/17		2017/18		2018/19	
	USDA Official	Post Estimate	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2016		10/2017		10/2018
Crush	18,100	18,100	18,700	18,300	18,900	19,100
Extr. Rate, 999.9999	0.595	0.595	0.595	0.595	0.5951	0.5951
Beginning Stocks	0	0	0	0	0	0
Production	10,771	10,771	11,128	10,888	11,247	11,366
MY Imports	875	875	1,250	1,250	1,000	1,600
Total Supply	11,646	11,646	12,378	12,138	12,247	12,966
MY Exports	12	12	15	15	15	5
Industrial Dom. Cons.	450	450	450	450	450	450
Food Use Dom. Cons.	0	0	0	0	0	0
Feed Waste Dom. Cons.	11,184	11,184	11,913	11,673	11,782	12,511
Total Dom. Cons.	11,634	11,634	12,363	12,123	12,232	12,961
Ending Stocks	0	0	0	0	0	0
Total Distribution	11,646	11,646	12,378	12,138	12,247	12,966

Table 7. Fish Meal

PSD Table						
Country	China, Peoples Republic of					
Commodity	Fish Meal (1000 tons)					
	2016/17		2017/18		2018/19	
	USDA Official	Post Estimate	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2016		10/2017		10/2018
Catch For Reduction	1,100	1,200	1,100	1,100	1,100	1,000
Extr. Rate, 999.9999	0.396	0.363	0.400	0.3636	0.4091	0.364
Beginning Stocks	0	0	0	0	0	0
Production	436	436	440	400	450	364
MY Imports	1,583	1,583	1,200	1,200	1,100	1,350
Total Supply	2,019	2,019	1,640	1,600	1,550	1,714
MY Exports	0	0	0	0	0	0
Industrial Dom. Cons.	0	0	0	0	0	0
Food Use Dom. Cons.	0	0	0	0	0	0
Feed Waste Dom. Cons.	2,019	2,019	1,640	1,600	1,550	1,714
Total Dom. Cons.	2,019	2,019	1,640	1,600	1,550	1,714
Ending Stocks	0	0	0	0	0	0
Total Distribution	2,019	2,019	1,640	1,600	1,550	1,714

Table 8. Soybean Oil

PSD Table						
Country	China, Peoples Republic of					
Commodity	Oil, Soybean (1000 tons)					
	2016/17		2017/18		2018/19	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2016		10/2017		10/2018
Crush	88,000	89,000	90,000	90,000	93,500	85,000
Extr. Rate, 999.9999	0.1792	0.1792	0.1792	0.1792	0.1792	0.1792
Beginning Stocks	523	523	536	947	429	790
Production	15,770	15,949	16,128	16,128	16,755	15,232
MY Imports	711	711	450	450	700	800
Total Supply	17,004	17,183	17,114	17,525	17,884	16,822
MY Exports	118	118	135	135	125	60
Industrial Dom. Cons.	0	0	0	0	0	0
Food Use Dom. Cons.	16,350	16,118	16,550	16,600	17,300	16,100
Feed Waste Dom. Cons.	0	0	0	0	0	0
Total Dom. Cons.	16,350	16,118	16,550	16,600	17,300	16,100
Ending Stocks	536	947	429	790	459	662
Total Distribution	17,004	17,183	17,114	17,525	17,884	16,822

Table 9. Rapeseed Oil

PSD Table						
Country	China, Peoples Republic of					
Commodity	Oil, Rapeseed (1000 tons)					
	2016/17		2017/18		2018/19	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2016		10/2017		10/2018
Crush	18,100	18,100	18,700	18,300	18,900	19,100
Extr. Rate, 999.9999	0.390	0.390	0.390	0.390	0.390	0.390
Beginning Stocks	3,533	3,533	2,676	2,676	2,049	2,043
Production	7,059	7,059	7,293	7,137	7,371	7,449
MY Imports	802	802	1,000	950	1,000	1,000
Total Supply	11,394	11,394	10,969	10,763	10,420	10,492
MY Exports	18	18	20	20	20	20
Industrial Dom. Cons.	0	0	0	0	0	0
Food Use Dom. Cons.	8,700	8,700	8,900	8,700	8,650	8,900
Feed Waste Dom. Cons.	0	0	0	0	0	0
Total Dom. Cons.	8,700	8,700	8,900	8,700	8,650	8,900
Ending Stocks	2,676	2,676	2,049	2,043	1,750	1,572
Total Distribution	11,394	11,394	10,969	10,763	10,420	10,492

Table 10. Peanut Oil

PSD Table						
Country	China, Peoples Republic of					
Commodity	Oil, Peanut (1000 tons)					
	2016/17		2017/18		2018/19	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2016		10/2017		10/2018
Crush	9,050	9,059	9,500	9,550	9,350	9,450
Extr. Rate, 999.9999	0.320	0.320	0.320	0.320	0.32	0.3201
Beginning Stocks	0	0	0	0	0	0
Production	2,896	2,899	3,040	3,056	2,992	3,025
MY Imports	111	112	110	110	110	120
Total Supply	3,007	3,011	3,150	3,166	3,102	3,145
MY Exports	8	6	8	5	8	5
Industrial Dom. Cons.	0	0	0	0	0	0
Food Use Dom. Cons.	2,999	3,005	3,142	3,161	3,094	3,140
Feed Waste Dom. Cons.	0	0	0	0	0	0
Total Dom. Cons.	2,999	3,005	3,142	3,161	3,094	3,140
Ending Stocks	0	0	0	0	0	0
Total Distribution	3,007	3,011	3,150	3,166	3,102	3,145

Table 11. Palm Oil

PSD Table						
Country	China, Peoples Republic of					
Commodity	Oil, Palm (1000 tons)					
	2016/17		2017/18		2018/19	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2016		10/2017		10/2018
Area Planted	0	0	0	0	0	0
Area Harvested	0	0	0	0	0	0
Trees	0	0	0	0	0	0
Beginning Stocks	189	189	227	507	257	907
Production	0	0	0	0	0	0
MY Imports	4,881	4,881	5,100	5,200	5,400	5,600
Total Supply	5,070	5,070	5,327	5,707	5,657	6,507
MY Exports	13	13	20	0	30	0
Industrial Dom. Cons.	2,150	2,100	2,250	2,200	2,300	2,300
Food Use Dom. Cons.	2,680	2,450	2,800	2,600	3,100	3,400
Feed Waste Dom. Cons.	0	0	0	0	0	0
Total Dom. Cons.	4,830	4,550	5,050	4,800	5,400	5,700
Ending Stocks	227	507	257	907	227	807
Total Distribution	5,070	5,070	5,327	5,707	5,657	6,507

Table 12. Sunflower Seed Oil

PSD Table						
Country	China, Peoples Republic of					
Commodity	Oil, Peanut (1000 tons)					
	2016/17		2017/18		2018/19	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2016		10/2017		10/2018
Crush	1,700	1,759	1,850	1,700	2,000	2,010
Extr. Rate, 999.9999	0.358	0.358	0.3584	0.3582	0.3585	0.3582
Beginning Stocks	0	0	0	0	0	0
Production	609	630	663	609	717	720
MY Imports	725	725	750	750	900	900
Total Supply	1,334	1,355	1,413	1,359	1,617	1,620
MY Exports	2	2	0	0	0	0
Industrial Dom. Cons.	0	0	0	0	0	0
Food Use Dom. Cons.	1,332	1,353	1,413	1,359	1,617	1,620
Feed Waste Dom. Cons.	0	0	0	0	0	0
Total Dom. Cons.	1,332	1,353	1,413	1,359	1,617	1,620
Ending Stocks	0	0	0	0	0	0
Total Distribution	1,334	1,355	1,413	1,359	1,617	1,620