

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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Pakistan

Oilseeds and Products Update

Pakistan Oilseeds and Products Update

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Report Highlights:

Pakistan's shift from an importer of soybean meal to an importer of soybeans continues following adjustments to the tariff schedule two years ago. While soybean imports were slightly lower than expected, they reached a record 1.1 million metric tons (MMT) in 2015/16. Imports of soybean meal dropped to just 370,000 MT, the lowest level since 2010/11. Rapeseed imports met expectations but were up from a year ago at over 1.0 MMT.

Soybean Situation Generally Plays Out as Expected

The Government of Pakistan's two-year-old decision to adjust the tariff structure to discourage imports of soybean meal and encourage imports of soybeans is, for the most part, playing out as expected. Based on industry import and vessel arrival data, 2015/16 imports were somewhat less than expected, but still exceeded one million tons for the first time ever. Rapeseed (Canola) imports were down slightly from expectations based on industry arrival and vessel data, but increased significantly from a year ago.

Combined consumption of soybean meal and rapeseed meal increased marginally in 2015/16 and fell below expectations. This was something of a surprise given the reported growth in the poultry and dairy sectors. Imports of soybean meal continue to fall under the current tariff structure and the oilseed and feed sectors appear to be adjusting to the shift from imported to domestically-produced soybean meal. Some in the feed industry have raised concerns about the quality of domestic soybean meal and the industry is working to better understand crushing and production processes. The increase in rapeseed meal availability is expected to lead to record consumption, a factor that tempered soybean meal consumption and appears to have caused some producers to lower the presence of protein meals in their rations, increasing their use of wheat, maize, and rice. While not typical substitutes for protein meals, on the margins, Pakistani farmers have a number of feed input options.

Minor adjustments to 2016/17 imports reflect the expectation that soybeans will be the dominant oilseed import.

Edible Oil Imports Meet Expectations

Government of Pakistan data indicate that 2015/16 imports of palm oil were slightly below expectations and did not reach a record 3.0 MMT. Imports of soybean oil reached as MY 2015/16 exporter data reveals that imports of soybean oil and palm oil increased noticeably compared to previous year's imports. Palm oil dominates the imported vegetable oil market and is commonly blended with other oils and sold as cooking oil. Increasing imports of soybean oil augmented with oil from imported soybeans shows a consumer shift in demand from hydrogenated oil to soft oils.

Table 1: Soybean Oil Import Statistics

(Figures in Metric Tons)

Months	MY 2012-13	MY 2013-14	My 2014-15	My 2015-16
Oct	1,698	5,341	1,552	43,052
Nov	3,640	521	1,019	23,701
Dec	143	152	1,280	22,120
Jan	2,106	3,127	184	26,652
Feb	24	1,872	167	25,089
Mar	2,065	21,018	51	16,466
Apr	8,040	22,518	757	11,006
May	13,330	2,061	7,136	21,516
June	360	30,484	10,105	11,423
July	9,868	6,025	11,141	19,570
Aug	12,311	15,828	31,133	15,459
Sept	2,181	11,317	31,240	20,936
Total	55,766	120,264	95,765	256,990

Source: Pakistan Bureau of Statistics

Table 2: Palm Oil Import Statistics

(Figures in Metric Tons)

Months	MY 2012-13	MY 2013-14	My 2014-15	My 2015-16
Oct	106,087	192,258	213,467	283,740
Nov	182,048	208,051	212,248	212,491
Dec	188,295	152,900	214,094	187,913
Jan	222,256	210,709	162,916	211,624
Feb	247,602	169,017	188,103	237,795
Mar	159,850	165,341	196,993	365,734
Apr	187,151	186,156	173,743	214,633
May	160,509	157,618	211,668	257,672
June	154,016	213,093	278,197	199,104
July	220,106	152,358	160,019	150,726
Aug	178,638	198,131	256,208	204,712
Sept	165,372	226,022	258,250	187,092
Total	2,171,930	2,231,654	2,525,906	2,713,236

Source: Pakistan Bureau of Statistics

Production, Supply and Demand Data Statistics:

Oilseed,	2014/2015	2015/2016	2016/2017
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Rapeseed						
Market Begin Year	Oct 2014		Oct 2015		Oct 2016	
Pakistan	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	250	250	200	200	230	250
Area Harvested	250	250	200	200	230	250
Beginning Stocks	15	15	35	35	30	40
Production	220	220	160	160	200	220
MY Imports	915	760	1100	1040	800	700
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from EU	0	0	0	0	0	0
Total Supply	1150	995	1295	1235	1030	960
MY Exports	0	0	0	0	0	0
MY Exp. to EU	0	0	0	0	0	0
Crush	1100	945	1250	1155	1000	910
Food Use Dom. Cons.	0	0	0	0	0	0
Feed Waste Dom. Cons.	15	15	15	40	15	20
Total Dom. Cons.	1115	960	1265	1195	1015	930
Ending Stocks	35	35	30	40	15	30
Total Distribution	1150	995	1295	1235	1030	960

(1000 HA) ,(1000 MT)

Meal, Rapeseed	2014/2015		2015/2016		2016/2017	
Market Begin Year	Oct 2014		Oct 2015		Oct 2016	
Pakistan	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	1100	945	1250	1155	1000	910
Extr. Rate, 999.9999	0.5855	0.5926	0.5848	0.5974	0.585	0.5934
Beginning Stocks	20	20	18	50	19	0
Production	644	560	731	690	585	540
MY Imports	4	40	0	30	0	0
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from EU	0	0	0	0	0	0
Total Supply	668	620	749	770	604	540
MY Exports	10	20	10	10	10	10
MY Exp. to EU	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.	640	550	720	760	575	530
Total Dom. Cons.	640	550	720	760	575	530
Ending Stocks	18	50	19	0	19	0
Total Distribution	668	620	749	770	604	540
(1000 MT) ,(PERCENT)						

Oilseed, Soybean	2014/2015		2015/2016		2016/2017	
Market Begin Year	Oct 2014		Oct 2015		Oct 2016	
Pakistan	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	2	2	2	2	2	2
Area Harvested	2	2	2	2	2	2
Beginning Stocks	0	0	38	20	38	28
Production	2	2	2	0	2	2
MY Imports	538	540	1250	1100	1750	1800
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from EU	0	0	0	0	0	0
Total Supply	540	542	1290	1120	1790	1830
MY Exports	0	0	0	0	0	0
MY Exp. to EU	0	0	0	0	0	0
Crush	500	520	1250	1090	1750	1800
Food Use Dom. Cons.	0	0	0	0	0	0
Feed Waste Dom. Cons.	2	2	2	2	2	0
Total Dom. Cons.	502	522	1252	1092	1752	1800
Ending Stocks	38	20	38	28	38	30
Total Distribution	540	542	1290	1120	1790	1830
(1000 HA) ,(1000 MT)						

Meal, Soybean	2014/2015		2015/2016		2016/2017	
Market Begin Year	Oct 2014		Oct 2015		Oct 2016	
Pakistan	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	500	520	1250	1090	1750	1800
Extr. Rate, 999.9999	0.78	0.7885	0.784	0.7248	0.7817	0.7889
Beginning Stocks	50	50	276	200	51	150
Production	390	410	980	790	1368	1420
MY Imports	1036	1030	550	370	650	200

MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from EU	0	0	0	0	0	0
Total Supply	1476	1490	1806	1360	2069	1770
MY Exports	0	0	5	0	5	0
MY Exp. to EU	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.	1200	1290	1750	1210	2030	1620
Total Dom. Cons.	1200	1290	1750	1210	2030	1620
Ending Stocks	276	200	51	150	34	150
Total Distribution	1476	1490	1806	1360	2069	1770
(1000 MT) ,(PERCENT)						