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India

Oilseeds and Products Update

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Report Highlights:
An increase in rapeseed-mustard planted area boosted ‘rabi’ (winter sown) oilseed planting to 8.5 million hectares. Based on current trends, India’s edible oil imports are forecast to reach 9 million tons in MY 2010/11. Oil meal exports are projected at 4.9 million tons.

Post:
New Delhi

Author Defined:
HIGHER AREA PLANTED TO RAPESEED-MUSTARD BOOSTED RABI OILSEED PLANTING

According to the latest progressive planting report from the Government of India (GOI) Ministry of Agriculture, the total area planted to rabi (winter) oilseeds was 8.5 million hectares, 4 percent higher than last year. Most of the increase in acreage for rapeseed and mustard compensated for the decline in peanut and sunflower area.

The rapeseed-mustard crop was planted across 7.2 million hectares, up 11 percent over last year. Good soil moisture and favorable weather conditions encouraged farmers to bring an additional 716,000 hectares under cultivation, with most of the acreage increase reported in Rajasthan. Based on an initial crop assessment, rapeseed-mustard production for marketing year (MY) 2010/11 is forecast at 7.1 million tons, up 700,000 tons over last year.

The winter sunflower crop was planted on 537,000 hectares, which is down 37 percent over last year. Most of the sunflower acreage shifted to other winter grown cereals, pulses and other remunerative crops. As a result, total sunflower acreage and production are estimated at 760,000 hectares and 475,000 tons respectively.

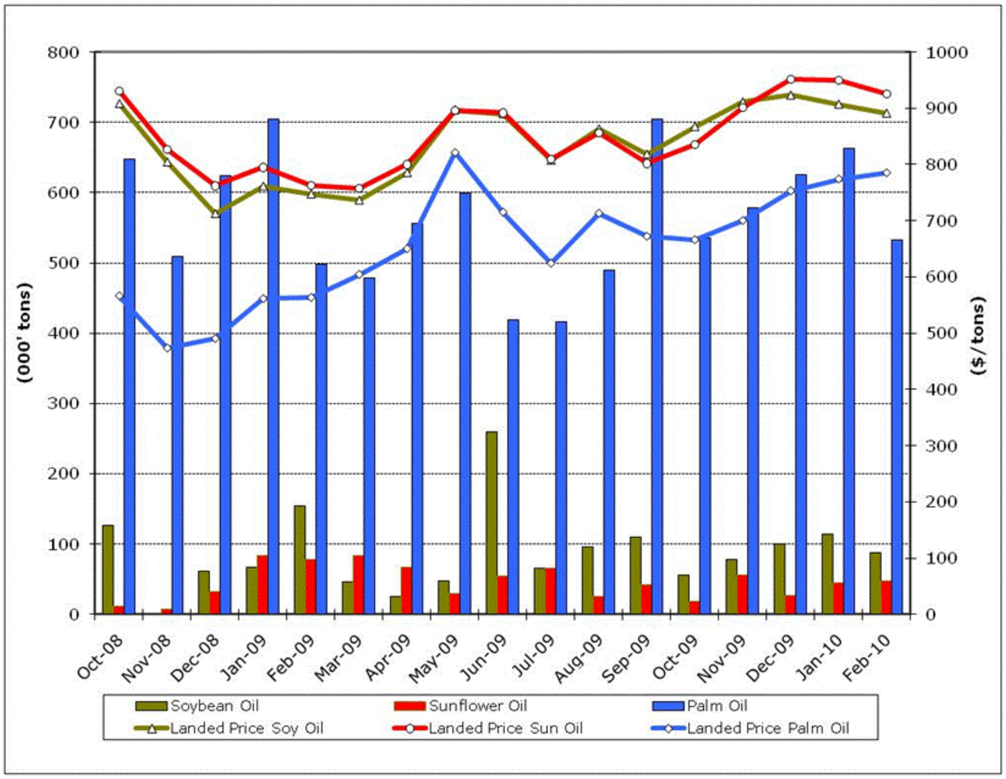
Peanuts (winter sown) were planted across 735,000 hectares, down 89,000 hectares over last year. Most of the decline in acreage was reported in southern India. Based on preliminary estimates, peanut acreage and production for 2010/11 is estimated at 5.8 million hectares and 5.4 million tons respectively. The current area and production forecast for 2010/11 are up compared to last year due to higher peanut planting in the 'kharif 2010' season.

EDIBLE OIL IMPORTS UP 4 PERCENT IN FIRST QUARTER:

Based on the current pace of imports, total edible oil imports for 2010/11 is expected to increase 4 percent, to reach 9 million tons. The import forecast includes 7 million tons of palm oil, 1.4 million tons of soybean oil, 600,000 tons of sunflower seed oil, and 45,000 tons of other edible oils.

Since June 2010, landed price for vegetable oil imports have grown significantly (See Chart 1). Despite sharp increase in international sunflower oil prices, imports were up 40 percent during the first quarter of 2010/11 and could grow further to meet strong domestic demand. With palm oil selling at a discount over soy oil, palm oil imports were up by 4 percent during first quarter of 2010/11. As world stocks for soy oil remain relatively tight, its imports have slowed down. However, total vegetable oil imports were marginally up at 2.1 million tons; partly aided by a depreciation of the U.S. dollar against the Indian rupee.

CHART 1: IMPORTS AND LANDED PRICE FOR CRUDE SOY, SUNFLOWER AND PLAM OILS ($/Ton)



Source: Solvent Extractors' Association (SEA) of India and Industry Sources
Note: Landed price for December 2010 is estimated

TABLE 1: VEGETABLE OIL IMPORTS (1000 Metric Tons)

	Oct-10	**Nov-10**	**Dec-10**	**Oct 10- Dec 10**	**Oct 09- Dec- 09**	% Change
RBD palm-olein	132	71	108	311	338	-8
Crude palm oil	476	477	525	1,477	1,368	8
Crude palm olein	0	0	0	0	3	-100
Crude Palm kernel oil	11	10	6	27	30	-8
Total palm oil	**619**	**557**	**639**	**1,815**	1,739	4
Crude soybean oil	125	32	49	206	235	-12
Refined soybean oil	0	0	0	0	0	0
Total soy oil	**125**	**32**	**49**	**206**	235	-12
Crude sun oil	36	63	42	141	101	40
Refined sun oil	0	0	0	0	0	0
Total sun oil	**36**	**63**	**42**	**141**	101	40
Canola Rape oil	0	0	0	0	10	0
Cottonseed Oil	0	0	0	0	0	0
Coconut oil	0	0	1	1	5	-79
Grand Total	781	652	730	**2,163**	2,090	4

Source: Solvent Extractors Association of India

OIL MEALS:

Oil meal exports during first quarter of 2010/11 were up 68 percent at 2.4 million tons (Table 2). Both soymeal and rapeseed meal accounted for the largest share in oilmeal exports. Increased availability of oilseeds from 'kharif 2010', parity in crushing of oilseeds and rise in overseas demand has boosted oil meal exports. Oil meal exports for 2010/11 are forecast (*does not include rice bran and castor meal*) at 4.9 million tons: 4 million tons of soymeal, 850,000 tons of rapeseed meal and 50,000 tons of other meals. As world oilseed supply tightens, there will likely be increasing demand for Indian oilmeal.

TABLE 2: OILMEAL EXPORTS (METRIC TONS)

	Soybean meal	Rapeseed meal	Peanut meal	Rice bran meal	Sunflower meal	Castor meal	Total
Oct-10	404,960	80,758	1,017	5,000	0	20,874	512,609
Nov-10	443,488	41,604	0	3,500	0	4,148	492,740
Dec-10	611,157	110,237	0	3,200	0	41,360	765,954
Jan-11	574,996	42,409	0	1,000	0	22,555	640,960
Oct 10-Jan-11	**2,034,601**	**275,008**	**1,017**	**12,700**	**0**	**88,937**	**2,412,263**
Oct 09-Jan-10	1,085,604	209,534	5,500	37,218	0	99,115	1,436,971
% Change	87	31	-82	-66	-	-10	68

Source: Solvent Extractors' Association (SEA) of India

Table 3: Commodity, Oilseed, Rapeseed, PSD

Oilseed, Rapeseed India	2008/2009 Market Year Begin: Oct 2008		2009/2010 Market Year Begin: Oct 2009		2010/2011 Market Year Begin: Oct 2010	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	6,800	6,660	6,800	6,440	6,800	7,250
Area Harvested	6,600	6,660	6,450	6,450	6,600	7,250
Beginning Stocks	100	117	676	1,645	430	1,763
Production	6,700	6,700	6,400	6,400	7,000	7,100
MY Imports	20	20	20	20	20	15
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from EU	0	0	0	0	0	0
Total Supply	6,820	6,837	7,096	8,065	7,450	8,878
MY Exports	4	2	5	2	5	2
MY Exp. to EU	0	0	0	0	0	0
Crush	5,450	4,500	5,900	5,500	5,995	6,100
Food Use Dom. Cons.	480	480	530	560	550	620
Feed Waste Dom. Cons.	210	210	231	240	250	260
Total Dom. Cons.	6,140	5,190	6,661	6,300	6,795	6,980
Ending Stocks	676	1,645	430	1,763	650	1,896
Total Distribution	6,820	6,837	7,096	8,065	7,450	8,878
CY Imports	10	15	10	20	10	0
CY Imp. from U.S.	0	0	0	0	0	0
CY Exports	4	0	4	0	4	0
CY Exp. to U.S.	0	0	0	0	0	0
TS=TD		0		0		0

Table 4: Commodity, Meal, Rapeseed, PSD

Meal, Rapeseed India	2008/2009 Market Year Begin: Oct 2008		2009/2010 Market Year Begin: Oct 2009		2010/2011 Market Year Begin: Oct 2010	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	5,450	4,500	5,900	5,500	5,995	6,100
Extr. Rate, 999.9999	1.	0.5964	1.	0.5976	1.	0.5959
Beginning Stocks	10	27	21	62	21	59
Production	3,260	2,684	3,525	3,287	3,588	3,635
MY Imports	0	0	0	0	0	0
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from EU	0	0	0	0	0	0
Total Supply	3,270	2,711	3,546	3,349	3,609	3,694
MY Exports	774	699	780	740	825	850
MY Exp. to EU	3	0	2	0	2	0
Industrial Dom. Cons.	0	0	0	0	0	0
Food Use Dom. Cons.	0	0	0	0	0	0
Feed Waste Dom. Cons.	2,475	1,950	2,745	2,550	2,765	2,800
Total Dom. Cons.	2,475	1,950	2,745	2,550	2,765	2,800
Ending Stocks	21	62	21	59	19	44
Total Distribution	3,270	2,711	3,546	3,349	3,609	3,694
CY Imports	0	0	0	0	0	0
CY Imp. from U.S.	0	0	0	0	0	0
CY Exports	822	1,038	825	734	825	800
CY Exp. to U.S.	0	0	0	0	0	0
SME	1,761	1,387	1,953	1,814	1,967	1,992
TS=TD		0		0		0

Table 5: Commodity, Oil, Rapeseed, PSD

Oil, Rapeseed India	2008/2009 Market Year Begin: Oct 2008		2009/2010 Market Year Begin: Oct 2009		2010/2011 Market Year Begin: Oct 2010	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	5,450	4,500	5,900	5,500	5,995	6,100
Extr. Rate, 999.9999	0.	0.3778	0.	0.3818	0.	0.3934
Beginning Stocks	0	0	4	0	4	0
Production	2,058	1,700	2,230	2,100	2,265	2,400
MY Imports	42	42	18	20	10	25
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from EU	0	0	0	0	0	0
Total Supply	2,100	1,742	2,252	2,120	2,279	2,425
MY Exports	1	0	1	1	1	1
MY Exp. to EU	0	0	0	0	0	0
Industrial Dom. Cons.	0	0	0	0	0	0
Food Use Dom. Cons.	2,095	1,742	2,247	2,119	2,274	2,424
Feed Waste Dom. Cons.	0	0	0	0	0	0
Total Dom. Cons.	2,095	1,742	2,247	2,119	2,274	2,424
Ending Stocks	4	0	4	0	4	0
Total Distribution	2,100	1,742	2,252	2,120	2,279	2,425
CY Imports	52	0	8	45	8	40
CY Imp. from U.S.	0	0	0	0	0	0
CY Exports	1	0	1	0	1	0
CY Exp. to U.S.	0	0	0	0	0	0
TS=TD		0		0		0

Table 6: Commodity, Oilseed, Peanut, PSD

Oilseed, Peanut India	2008/2009 Market Year Begin: Oct 2008		2009/2010 Market Year Begin: Oct 2009		2010/2011 Market Year Begin: Oct 2010	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	6,850	6,400	6,600	5,350	6,100	5,800
Area Harvested	6,400	6,400	5,300	5,350	6,100	5,800
Beginning Stocks	40	54	62	145	22	50
Production	6,250	6,250	4,900	4,900	6,000	5,400
MY Imports	0	0	0	0	0	0
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from EU	0	0	0	0	0	0
Total Supply	6,290	6,304	4,962	5,045	6,022	5,450
MY Exports	298	219	190	270	248	250
MY Exp. to EU	0	0	0	5	0	3
Crush	4,650	4,650	3,700	3,725	4,414	4,050
Food Use Dom. Cons.	630	650	600	500	670	600
Feed Waste Dom. Cons.	650	640	450	500	650	500
Total Dom. Cons.	5,930	5,940	4,750	4,725	5,734	5,150
Ending Stocks	62	145	22	50	40	50
Total Distribution	6,290	6,304	4,962	5,045	6,022	5,450
CY Imports	0	0	0	0	0	0
CY Imp. from U.S.	0	0	0	0	0	0
CY Exports	300	220	200	240	300	210
CY Exp. to U.S.	0	0	0	0	0	0
TS=TD		0		0		0

Table 7: Commodity, Meal, Peanut, PSD

Meal, Peanut India	2008/2009 Market Year Begin: Oct 2008		2009/2010 Market Year Begin: Oct 2009		2010/2011 Market Year Begin: Oct 2010	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	4,650	4,650	3,700	3,725	4,414	4,050
Extr. Rate, 999.9999	0.	0.3914	0.	0.3893	0.	0.3889
Beginning Stocks	0	0	0	0	0	0
Production	1,820	1,820	1,450	1,450	1,730	1,575
MY Imports	0	0	0	0	0	0
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from EU	0	0	0	0	0	0
Total Supply	1,820	1,820	1,450	1,450	1,730	1,575
MY Exports	43	30	35	19	35	20
MY Exp. to EU	0	0	0	0	0	0
Industrial Dom. Cons.	0	0	0	0	0	0
Food Use Dom. Cons.	5	5	0	5	5	5
Feed Waste Dom. Cons.	1,772	1,785	1,415	1,426	1,690	1,550
Total Dom. Cons.	1,777	1,790	1,415	1,431	1,695	1,555
Ending Stocks	0	0	0	0	0	0
Total Distribution	1,820	1,820	1,450	1,450	1,730	1,575
CY Imports	0	0	0	0	0	0
CY Imp. from U.S.	0	0	0	0	0	0
CY Exports	85	79	35	40	35	45
CY Exp. to U.S.	0	0	0	0	0	0
SME	1,997	2,012	1,590	1,608	1,905	1,748
TS=TD		0		0		0

Table 8: Commodity, Oil, Peanut, PSD

Oil, Peanut India	2008/2009 Market Year Begin: Oct 2008		2009/2010 Market Year Begin: Oct 2009		2010/2011 Market Year Begin: Oct 2010	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	4,650	4,650	3,700	3,725	4,414	4,050
Extr. Rate, 999.9999	0.	0.3355	0.	0.3356	0.	0.3358
Beginning Stocks	75	45	165	65	10	63
Production	1,545	1,560	1,230	1,250	1,467	1,360
MY Imports	0	0	0	0	0	0
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from EU	0	0	0	0	0	0
Total Supply	1,620	1,605	1,395	1,315	1,477	1,423
MY Exports	0	30	0	0	0	0
MY Exp. to EU	0	0	0	0	0	0
Industrial Dom. Cons.	15	10	15	10	15	15
Food Use Dom. Cons.	1,440	1,500	1,370	1,242	1,412	1,330
Feed Waste Dom. Cons.	0	0	0	0	0	0
Total Dom. Cons.	1,455	1,510	1,385	1,252	1,427	1,345
Ending Stocks	165	65	10	63	50	78
Total Distribution	1,620	1,605	1,395	1,315	1,477	1,423
CY Imports	0	0	0	0	0	0
CY Imp. from U.S.	0	0	0	0	0	0
CY Exports	0	0	0	0	0	0
CY Exp. to U.S.	0	0	0	0	0	0
TS=TD		0		0		0

Table 9: Commodity, Oilseed, Sunflower seed, PSD

Oilseed, Sunflowerseed India	**2008/2009 Market Year Begin: Oct 2008**		**2009/2010 Market Year Begin: Oct 2009**		**2010/2011 Market Year Begin: Oct 2010**	
	USDA Official	**New Post**	**USDA Official**	**New Post**	**USDA Official**	**New Post**
Area Planted	1,550	1,530	1,450	1,380	1,200	760
Area Harvested	1,530	1,530	1,400	1,380	1,200	760
Beginning Stocks	0	0	0	0	0	0
Production	1,000	1,000	820	807	700	475
MY Imports	1	0	0	0	0	0
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from EU	0	0	0	0	0	0
Total Supply	1,001	1,000	820	807	700	475
MY Exports	6	0	4	0	4	0
MY Exp. to EU	0	0	0	0	0	0
Crush	900	915	720	740	600	430
Food Use Dom. Cons.	0	0	0	0	0	0
Feed Waste Dom. Cons.	95	85	96	67	96	45
Total Dom. Cons.	995	1,000	816	807	696	475
Ending Stocks	0	0	0	0	0	0
Total Distribution	1,001	1,000	820	807	700	475
CY Imports	0	0	0	0	0	0
CY Imp. from U.S.	0	0	0	0	0	0
CY Exports	6	0	4	0	4	0
CY Exp. to U.S.	0	0	0	0	0	0
TS=TD		0		0		0

Table 10: Commodity, Meal, Sunflower seed, PSD

Meal, Sunflowerseed India	2008/2009 Market Year Begin: Oct 2008		2009/2010 Market Year Begin: Oct 2009		2010/2011 Market Year Begin: Oct 2010	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	900	915	720	740	600	430
Extr. Rate, 999.9999	0.	0.4754	0.	0.473	0.	0.4767
Beginning Stocks	0	0	0	0	0	0
Production	426	435	341	350	284	205
MY Imports	0	0	10	0	0	0
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from EU	0	0	0	0	0	0
Total Supply	426	435	351	350	284	205
MY Exports	2	1	2	0	0	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.	424	434	349	350	284	205
Total Dom. Cons.	424	434	349	350	284	205
Ending Stocks	0	0	0	0	0	0
Total Distribution	426	435	351	350	284	205
CY Imports	0	0	0	0	0	0
CY Imp. from U.S.	0	0	0	0	0	0
CY Exports	2	1	2	2	0	0
CY Exp. to U.S.	0	0	0	0	0	0
SME	400	410	330	330	268	194
TS=TD		0		0		0

Table 11: Commodity, Oil, Sunflower, PSD

Oil, Sunflowerseed India	2008/2009 Market Year Begin: Oct 2008		2009/2010 Market Year Begin: Oct 2009		2010/2011 Market Year Begin: Oct 2010	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	900	915	720	750	600	430
Extr. Rate, 999.9999	0.	0.3607	0.	0.3547	0.	0.3605
Beginning Stocks	0	0	168	163	121	129
Production	319	330	255	266	213	155
MY Imports	583	583	611	550	520	600
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from EU	0	0	0	0	0	0
Total Supply	902	913	1,034	979	854	884
MY Exports	3	0	3	0	3	0
MY Exp. to EU	0	0	0	0	0	0
Industrial Dom. Cons.	0	0	0	0	0	0
Food Use Dom. Cons.	731	750	910	850	730	800
Feed Waste Dom. Cons.	0	0	0	0	0	0
Total Dom. Cons.	731	750	910	850	730	800
Ending Stocks	168	163	121	129	121	84
Total Distribution	902	913	1,034	979	854	884
CY Imports	635	67	652	633	520	520
CY Imp. from U.S.	0	0	0	0	0	0
CY Exports	0	0	0	0	0	0
CY Exp. to U.S.	0	0	0	0	0	0
TS=TD		0		0		0

Table 12: Commodity, Oil, Palm, PSD

Oil, Palm India	2008/2009 Market Year Begin: Oct 2008		2009/2010 Market Year Begin: Oct 2009		2010/2011 Market Year Begin: Oct 2010	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
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	47	123	689	1,185	589	1,095
Production	50	50	50	50	50	60
MY Imports	6,867	6,647	6,603	6,100	7,200	7,000
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from EU	0	0	0	0	0	0
Total Supply	6,964	6,820	7,342	7,335	7,839	8,155
MY Exports	0	5	0	0	0	0
MY Exp. to EU	0	0	0	0	0	0
Industrial Dom. Cons.	525	230	583	240	625	260
Food Use Dom. Cons.	5,750	5,400	6,170	6,000	7,125	7,000
Feed Waste Dom. Cons.	0	0	0	0	0	0
Total Dom. Cons.	6,275	5,630	6,753	6,240	7,750	7,260
Ending Stocks	689	1,185	589	1,095	89	895
Total Distribution	6,964	6,820	7,342	7,335	7,839	8,155
CY Imports	6,827	4,800	6,645	6,600	7,400	6,700
CY Imp. from U.S.	0	0	0	0	0	0
CY Exports	0	0	0	0	0	0
CY Exp. to U.S.	0	0	0	0	0	0
TS=TD		0		0		0