

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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India

Oilseeds and Products Update

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Report Highlights:

Record soybean planting during the 2011 kharif season (14.7 million hectares) compensated for the decline in peanut and sunflower planting. Farmers are gravitating to soybean, cotton, rice, sugarcane and castor crops, with relatively less interest in coarse cereals and pulse crops. Based on current trends in vegetable oil and meal trade, edible oil imports are forecast at 8.3 million tons, and oil meal exports are projected at 5.5 million tons in 2010/11.

Post:

New Delhi

Author Defined:**RECORD SOYBEAN PLANTING LIFTED KHARIF OILSEED AREA**

According to the latest progressive planting report from the Government of India (GOI) Ministry of Agriculture; the total area planted to Kharif oilseeds (*minor oilseeds not included*) was 14.7 million hectares, 1.5 percent higher than last year. Most of the increase in soybean acreage compensated for the decline in area sown to peanut and sunflower crops. During the current 2011 kharif season, farmers planted large areas of soybean, cotton, rice, sugarcane and castor crops, with relatively less interest in coarse cereals and pulse crops. Recent heavy rains over major soybean growing regions in central India and peanut growing regions in North Gujarat may impact their growth.

The 2011/12 soybean planted area is 10.3 million hectares, 11 percent higher than last year. Good soil moisture and favorable weather conditions encouraged farmers to bring additional area under cultivation in Madhya Pradesh, Maharashtra and Rajasthan. Based on preliminary field assessments, 2011/12 soybean production is forecast at 10.6 million tons. In marketing year (MY) 2010/11, soybean production was 9.8 million tons.

Poor monsoon coverage and erratic rainfall distribution over major **sunflower** growing regions influenced a shift to cotton, sugarcane and cereal production, reducing the 2011 kharif season sunflower planted area by 18 percent to 213,000 hectares. Assuming normal growing conditions during the 2011 rabi season (winter sown), total sunflower area and production for MY 2011/12 are forecast at 880,000 hectares and 585,000 tons respectively. Sunflower production was lower in MY 2010/11 (475,000 tons from 760,000 hectares) due to higher returns with other cash crops.

2011 Kharif Peanuts (summer sown) were planted across 4.2 million hectares, down 15 percent over the previous year. Most of the decline in acreage was reported in Gujarat and southern India. In Gujarat, farmers preferred cotton, rice and castor crop over peanuts. Based on preliminary estimates, total 2011/12 peanut area and production are forecast at 5 million hectares and 5.1 million tons, compared to 6 million hectares and 5.9 million tons in 2010/11.

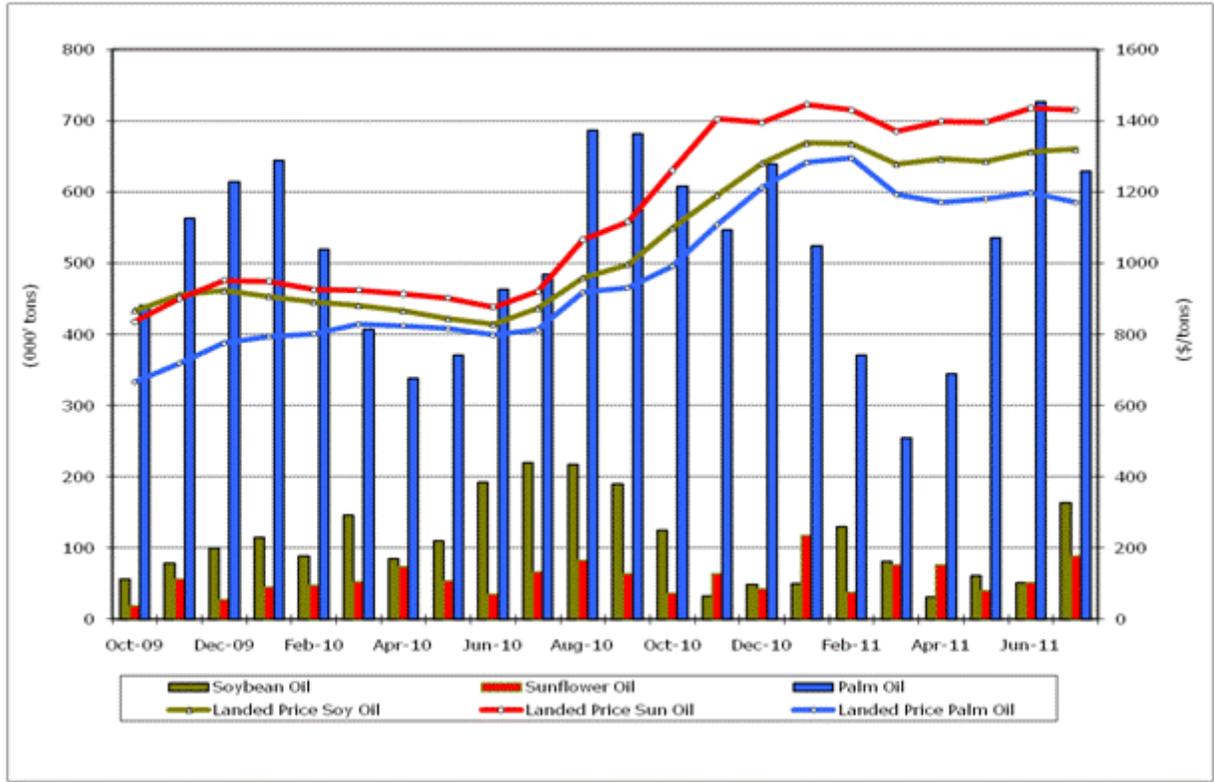
EDIBLE OIL IMPORTS WILL DECLINE TO 8.3 MILLION TONS:

Based on current vegetable oil import trends, and the domestic availability of oilseeds for crushing, total edible oil imports are likely to decline to 8.3 million tons in 2010/11. The import forecast includes 6.6 million tons of palm oil, 1 million tons of soybean oil, 720,000 tons of sunflower seed oil, and 15,000 tons of other edible oils.

High international prices for vegetable oil have discouraged imports during second quarter of

2010/2011 (Chart 1). However, since April 2011, landed prices for vegetable oils have started to ease, encouraging imports of relatively cheaper oils. With palm oil selling at a discount over soy oil, palm oil imports for first 10 months of 2010/11 were 2 percent above the previous year levels. Rising international prices for soy oil, and increasing domestic availability, have slowed the pace of soy oil imports. Despite a sharp increase in international sunflower oil prices, imports grew 32 percent from the previous year, and could rise further to meet strong domestic demand. Total vegetable oil imports during first 10 months of 2010/11 were marginally down at 6.6 million tons (Table 1). Rising consumption demand through 2011/12 will keep imports higher at 8.9 million tons.

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	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Oct 10-July 11	Oct 09-July-10	% Change
RBD palmolein	132	71	108	119	90	74	26	64	87	98	869	936	-7
Crude palm oil	476	477	525	398	276	180	316	467	625	521	4,261	3,998	7
Crude palmolein	0	0	0	0	0	0	0	0	0	0	0	4	-100
Crude PKO	11	10	6	8	5	1	2	4	14	10	71	96	-27
Total palm oil	619	557	639	525	371	255	344	535	727	629	5,201	5,035	3
Crude soy oil	125	32	49	50	130	81	31	61	51	164	772	1,191	-35
Refined soy oil	0	0	0	0	0	0	0	0	0	0	0	0	0
Total soy oil	125	32	49	50	130	81	31	61	51	164	772	1,191	-35
Crude sun oil	36	63	42	117	37	76	76	40	51	89	628	474	32
Refined sun oil	0	0	0	0	0	0	0	0	0	0	0	0	0
Total sun oil	36	63	42	117	37	76	76	40	51	89	628	474	32
Canola Rape oil	0	0	0	0	0	0	0	0	0	0	0	18	0
Cottonseed Oil	0	0	0	0	0	0	0	0	0	0	0	0	0
Coconut oil	0	0	1	0	0	0	0	0	1	0	2	5	-57
Grand Total	781	652	730	692	538	412	452	636	829	882	6,603	6,723	-2

Source: Solvent Extractors Association of India

OIL MEALS:

Oil meal exports during the first ten months of 2010/11 were up 83 percent at 5 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. Based on current trends, the oil meal export forecast (*does not include rice bran and castor meal*) for 2010/11 is estimated at 5.5 million tons: 4.6 million tons of soymeal (high sea sales + surface transport), 850,000 tons of rapeseed meal and 10,000 tons of other meals. Total oilmeal export in 2011/12 is forecast at 4.9 million tons, down 600,000 tons compared to last year. Rising domestic oilseed demand for feed and food, especially in the case of soymeal is likely to affect exports.

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
Feb-11	540,360	147,655	1,475	800	0	13,110	703,400
Mar-11	410,537	128,221	5,218	0	0	35,931	579,907
Apr-11	305,033	142,232	2,288	14,324	0	49,344	513,221
May-11	176,819	130,082	247	8,061	0	8,698	323,907

Jun-11	117,600	102,437	0	9,100	0	21,198	250,335	
Jul-11	139,547	79,061	0	10,600	0	43,100	272,308	
Oct 10- July-11	3,724,497	1,004,696	10,245	55,585	0	260,318	5,055,341	
Oct 09-July-10	1,855,693	570,132	19,270	99,205	0	224,408	2,768,708	
% Change	101	76	-47	-44		16	83	

Source: Solvent Extractors' Association (SEA) of India

Table 3: Commodity, Oilseed, Soybean, PSD

Oilseed, Soybean India	2009/2010		2010/2011		2011/2012		
	Market Year Begin: Oct 2009		Market Year Begin: Oct 2010		Market Year Begin: Oct 2011		
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post	
Area Planted	9,600	9,600	9,300	9,330	10,300	10,270	(1000 HA)
Area Harvested	9,600	9,600	9,300	9,330	10,270	10,270	(1000 HA)
Beginning Stocks	766	817	1,695	1,578	800	518	(1000 MT)
Production	9,700	9,700	9,800	9,800	10,500	10,600	(1000 MT)
MY Imports	0	0	0	0	0	0	(1000 MT)
MY Imp. from U.S.	0	0	0	0	0	0	(1000 MT)
MY Imp. from EU	0	0	0	0	0	0	(1000 MT)
Total Supply	10,466	10,517	11,495	11,378	11,300	11,118	(1000 MT)
MY Exports	10	10	10	10	10	10	(1000 MT)
MY Exp. to EU	0	0	0	0	0	0	(1000 MT)
Crush	7,500	7,500	9,400	9,400	9,400	9,400	(1000 MT)
Food Use Dom. Cons.	451	469	480	500	500	500	(1000 MT)
Feed Waste Dom. Cons.	810	960	805	950	825	1,000	(1000 MT)
Total Dom. Cons.	8,761	8,929	10,685	10,850	10,725	10,900	(1000 MT)
Ending Stocks	1,695	1,578	800	518	565	208	(1000 MT)
Total Distribution	10,466	10,517	11,495	11,378	11,300	11,118	(1000 MT)
CY Imports	0	0	0	0	0	0	(1000 MT)
CY Imp. from U.S.	0	0	0	0	0	0	(1000 MT)
CY Exports	10	0	10	0	10	10	(1000 MT)
CY Exp. to U.S.	0	0	0	0	0	0	(1000 MT)
TS=TD		0		0		0	

Table 4: Commodity, Meal, Soybean, PSD

Meal, Soybean India	2009/2010		2010/2011		2011/2012		
	Market Year Begin: Oct 2009		Market Year Begin: Oct 2010		Market Year Begin: Oct 2011		
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post	
Crush	7,500	7,500	9,400	9,400	9,400	9,400	(1000 MT)
Extr. Rate, 999.9999	1.	0.8	1.	0.8	1.	0.7979	(PERCENT)
Beginning Stocks	104	18	206	268	207	138	(1000 MT)
Production	5,985	6,000	7,500	7,520	7,500	7,500	(1000 MT)
MY Imports	9	0	6	0	6	0	(1000 MT)
MY Imp. from U.S.	0	0	0	0	0	0	(1000 MT)
MY Imp. from EU	0	0	0	0	0	0	(1000 MT)
Total Supply	6,098	6,018	7,712	7,788	7,713	7,638	(1000 MT)
MY Exports	3,147	3,125	4,500	4,600	4,400	4,000	(1000 MT)
MY Exp. to EU	0	0	0	0	0	0	(1000 MT)
Industrial Dom. Cons.	0	0	0	0	0	0	(1000 MT)
Food Use Dom. Cons.	245	225	255	250	265	280	(1000 MT)
Feed Waste Dom. Cons.	2,500	2,400	2,750	2,800	2,948	3,000	(1000 MT)
Total Dom. Cons.	2,745	2,625	3,005	3,050	3,213	3,280	(1000 MT)
Ending Stocks	206	268	207	138	100	358	(1000 MT)
Total Distribution	6,098	6,018	7,712	7,788	7,713	7,638	(1000 MT)
CY Imports	9	0	6	0	6	0	(1000 MT)
CY Imp. from U.S.	0	0	0	0	0	0	(1000 MT)
CY Exports	3,850	2,914	4,500	3,600	4,400	3,800	(1000 MT)
CY Exp. to U.S.	0	0	0	0	0	0	(1000 MT)
SME	2,745	2,625	3,005	3,050	3,213	3,280	(1000 MT)
TS=TD		0		0		0	

Table 5: Commodity, Oil, Soybean, PSD

Oil, Soybean India	2009/2010		2010/2011		2011/2012		
	Market Year Begin: Oct 2009		Market Year Begin: Oct 2010		Market Year Begin: Oct 2011		
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post	
Crush	7,500	7,500	9,400	9,400	9,400	9,400	(1000 MT)
Extr. Rate, 999.9999	0.	0.176	0.	0.1761	0.	0.1761	(PERCENT)
Beginning Stocks	103	103	279	303	317	250	(1000 MT)
Production	1,340	1,320	1,690	1,655	1,690	1,655	(1000 MT)
MY Imports	1,598	1,600	950	1,000	800	900	(1000 MT)
MY Imp. from U.S.	180	175	100	50	50	50	(1000 MT)
MY Imp. from EU	0	0	0	0	0	0	(1000 MT)
Total Supply	3,041	3,023	2,919	2,958	2,807	2,805	(1000 MT)
MY Exports	2	15	2	8	2	5	(1000 MT)
MY Exp. to EU	0	0	0	0	0	0	(1000 MT)
Industrial Dom. Cons.	0	0	0	0	0	0	(1000 MT)
Food Use Dom. Cons.	2,760	2,705	2,600	2,700	2,700	2,700	(1000 MT)
Feed Waste Dom. Cons.	0	0	0	0	0	0	(1000 MT)
Total Dom. Cons.	2,760	2,705	2,600	2,700	2,700	2,700	(1000 MT)
Ending Stocks	279	303	317	250	105	100	(1000 MT)
Total Distribution	3,041	3,023	2,919	2,958	2,807	2,805	(1000 MT)
CY Imports	1,569	1,570	870	1,150	800	900	(1000 MT)
CY Imp. from U.S.	152	180	100	150	50	50	(1000 MT)
CY Exports	2	0	2	0	2	0	(1000 MT)
CY Exp. to U.S.	0	0	0	0	0	0	(1000 MT)
TS=TD		0		0		0	

Table 6: Commodity, Oilseed, Peanut, PSD

Oilseed, Peanut India	2009/2010		2010/2011		2011/2012		
	Market Year Begin: Oct 2009		Market Year Begin: Oct 2010		Market Year Begin: May 2011		
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post	
Area Planted	6,600	5,350	6,100	6,050	5,000	5,000	(1000 HA)
Area Harvested	5,300	5,350	6,000	6,000	5,000	5,000	(1000 HA)
Beginning Stocks	62	145	12	50	60	100	(1000 MT)
Production	4,900	4,900	6,000	5,850	5,100	5,100	(1000 MT)
MY Imports	0	0	0	0	0	0	(1000 MT)
MY Imp. from U.S.	0	0	0	0	0	0	(1000 MT)
MY Imp. from EU	0	0	0	0	0	0	(1000 MT)
Total Supply	4,962	5,045	6,012	5,900	5,160	5,200	(1000 MT)
MY Exports	450	270	448	450	350	400	(1000 MT)
MY Exp. to EU	0	5	0	3	0	3	(1000 MT)
Crush	3,500	3,725	4,314	4,200	3,750	3,800	(1000 MT)
Food Use Dom. Cons.	600	500	650	650	650	550	(1000 MT)
Feed Waste Dom. Cons.	400	500	540	500	400	400	(1000 MT)
Total Dom. Cons.	4,500	4,725	5,504	5,350	4,800	4,750	(1000 MT)
Ending Stocks	12	50	60	100	10	50	(1000 MT)
Total Distribution	4,962	5,045	6,012	5,900	5,160	5,200	(1000 MT)
CY Imports	0	0	0	0	0	0	(1000 MT)
CY Imp. from U.S.	0	0	0	0	0	0	(1000 MT)
CY Exports	450	240	450	450	450	0	(1000 MT)
CY Exp. to U.S.	0	0	0	0	0	0	(1000 MT)
TS=TD		0		0		0	

Table 7: Commodity, Meal, Peanut, PSD

Meal, Peanut India	2009/2010		2010/2011		2011/2012		
	Market Year Begin: Oct 2009		Market Year Begin: Oct 2010		Market Year Begin: May 2011		
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post	
Crush	3,500	3,650	4,314	4,200	3,750	3,800	(1000 MT)
Extr. Rate, 999.9999	0.	0.389	0.	0.381	0.	0.3895	(PERCENT)
Beginning Stocks	0	0	0	0	0	0	(1000 MT)
Production	1,370	1,420	1,690	1,600	1,468	1,480	(1000 MT)
MY Imports	0	0	0	0	0	0	(1000 MT)
MY Imp. from U.S.	0	0	0	0	0	0	(1000 MT)
MY Imp. from EU	0	0	0	0	0	0	(1000 MT)
Total Supply	1,370	1,420	1,690	1,600	1,468	1,480	(1000 MT)

Food Use Dom. Cons.	0	0	0	0	0	0	(1000 MT)
Feed Waste Dom. Cons.	349	350	190	205	233	240	(1000 MT)
Total Dom. Cons.	349	350	190	205	233	240	(1000 MT)
Ending Stocks	0	0	0	0	0	0	(1000 MT)
Total Distribution	351	350	190	205	233	240	(1000 MT)
CY Imports	0	0	0	0	0	0	(1000 MT)
CY Imp. from U.S.	0	0	0	0	0	0	(1000 MT)
CY Exports	2	0	0	0	0	0	(1000 MT)
CY Exp. to U.S.	0	0	0	0	0	0	(1000 MT)
SME	330	330	179	194	220	227	(1000 MT)
TS=TD		0		0		0	

Table 11: Commodity, Oil, Sunflower, PSD

Oil, Sunflowerseed India	2009/2010		2010/2011		2011/2012		
	Market Year Begin: Oct 2009		Market Year Begin: Oct 2010		Market Year Begin: May 2011		
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post	
Crush	720	740	400	430	490	500	(1000 MT)
Extr. Rate, 999.9999	0.	0.3649	0.	0.3605	0.	0.36	(PERCENT)
Beginning Stocks	168	168	121	148	110	123	(1000 MT)
Production	255	270	142	155	174	180	(1000 MT)
MY Imports	611	610	785	720	825	800	(1000 MT)
MY Imp. from U.S.	0	0	0	0	0	0	(1000 MT)
MY Imp. from EU	0	0	0	0	0	0	(1000 MT)
Total Supply	1,034	1,048	1,048	1,023	1,109	1,103	(1000 MT)
MY Exports	3	0	3	0	3	0	(1000 MT)
MY Exp. to EU	0	0	0	0	0	0	(1000 MT)
Industrial Dom. Cons.	0	0	0	0	0	0	(1000 MT)
Food Use Dom. Cons.	910	900	935	900	1,000	950	(1000 MT)
Feed Waste Dom. Cons.	0	0	0	0	0	0	(1000 MT)
Total Dom. Cons.	910	900	935	900	1,000	950	(1000 MT)
Ending Stocks	121	148	110	123	106	153	(1000 MT)
Total Distribution	1,034	1,048	1,048	1,023	1,109	1,103	(1000 MT)
CY Imports	652	633	800	520	835	0	(1000 MT)
CY Imp. from U.S.	0	0	0	0	0	0	(1000 MT)
CY Exports	0	0	0	0	0	0	(1000 MT)
CY Exp. to U.S.	0	0	0	0	0	0	(1000 MT)
TS=TD		0		0		0	

Table 12: Commodity, Oil, Palm, PSD

Oil, Palm India	2009/2010	2010/2011	2011/2012	
	Market Year Begin: Oct 2009	Market Year Begin: Oct 2010	Market Year Begin: Oct 2011	

	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post	
Area Planted	0	0	0	0	0	0	(1000 HA)
Area Harvested	0	0	0	0	0	0	(1000 HA)
Trees	0	0	0	0	0	0	(1000 TREES)
Beginning Stocks	727	1,185	940	1,010	605	710	(1000 MT)
Production	50	50	50	60	50	60	(1000 MT)
MY Imports	6,603	6,415	6,750	6,600	7,150	7,200	(1000 MT)
MY Imp. from U.S.	0	0	0	0	0	0	(1000 MT)
MY Imp. from EU	0	0	0	0	0	0	(1000 MT)
Total Supply	7,380	7,650	7,740	7,670	7,805	7,970	(1000 MT)
MY Exports	0	0	0	0	0	0	(1000 MT)
MY Exp. to EU	0	0	0	0	0	0	(1000 MT)
Industrial Dom. Cons.	240	240	260	260	300	300	(1000 MT)
Food Use Dom. Cons.	6,200	6,400	6,875	6,700	7,300	7,200	(1000 MT)
Feed Waste Dom. Cons.	0	0	0	0	0	0	(1000 MT)
Total Dom. Cons.	6,440	6,640	7,135	6,960	7,600	7,500	(1000 MT)
Ending Stocks	940	1,010	605	710	205	470	(1000 MT)
Total Distribution	7,380	7,650	7,740	7,670	7,805	7,970	(1000 MT)
CY Imports	6,645	6,600	7,000	6,700	7,100	0	(1000 MT)
CY Imp. from U.S.	0	0	0	0	0	0	(1000 MT)
CY Exports	0	0	0	0	0	0	(1000 MT)
CY Exp. to U.S.	0	0	0	0	0	0	(1000 MT)
TS=TD		0		0		0	