



MARKET REPORT

SEPTEMBER 2023



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AND VEGETABLE OILS

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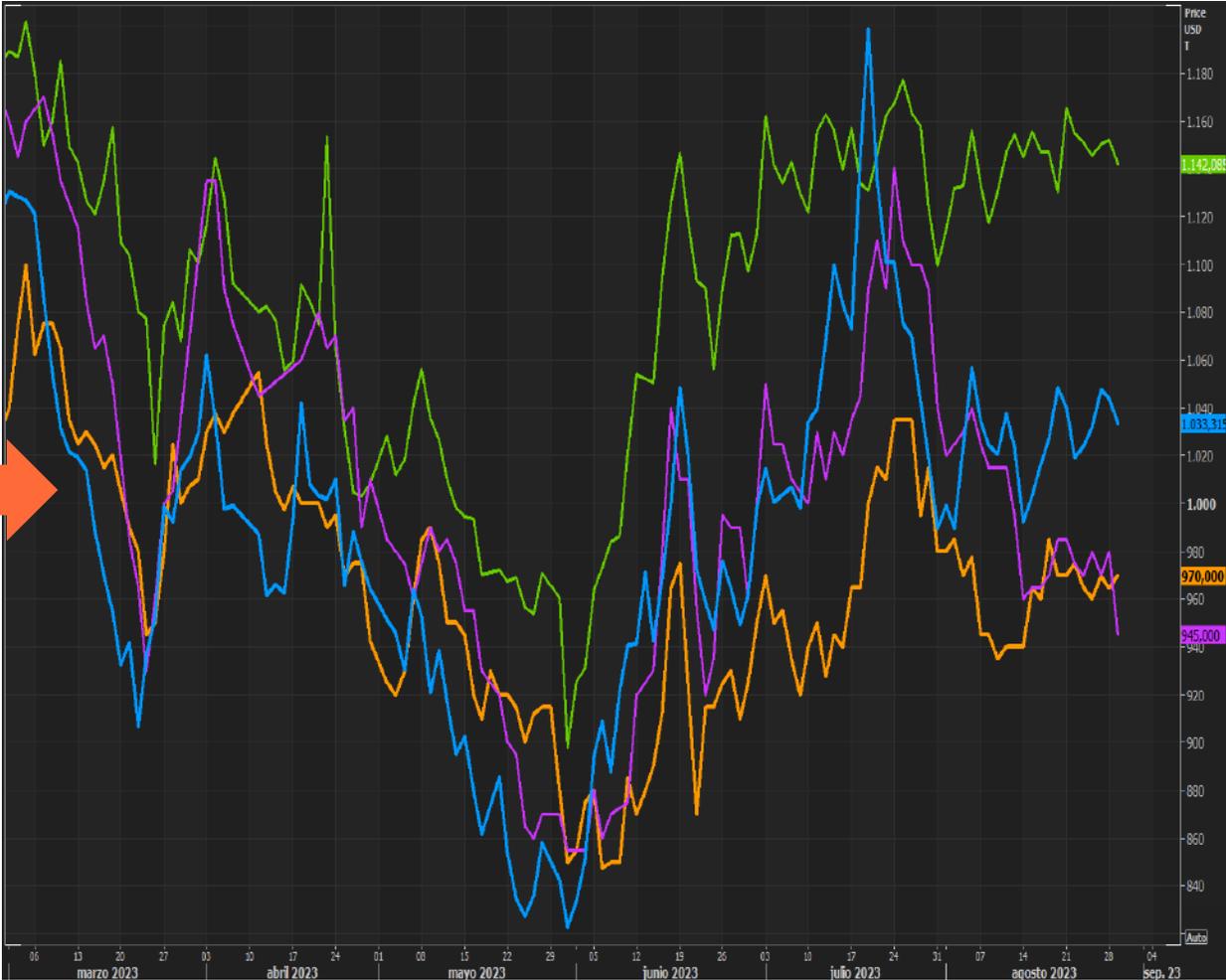
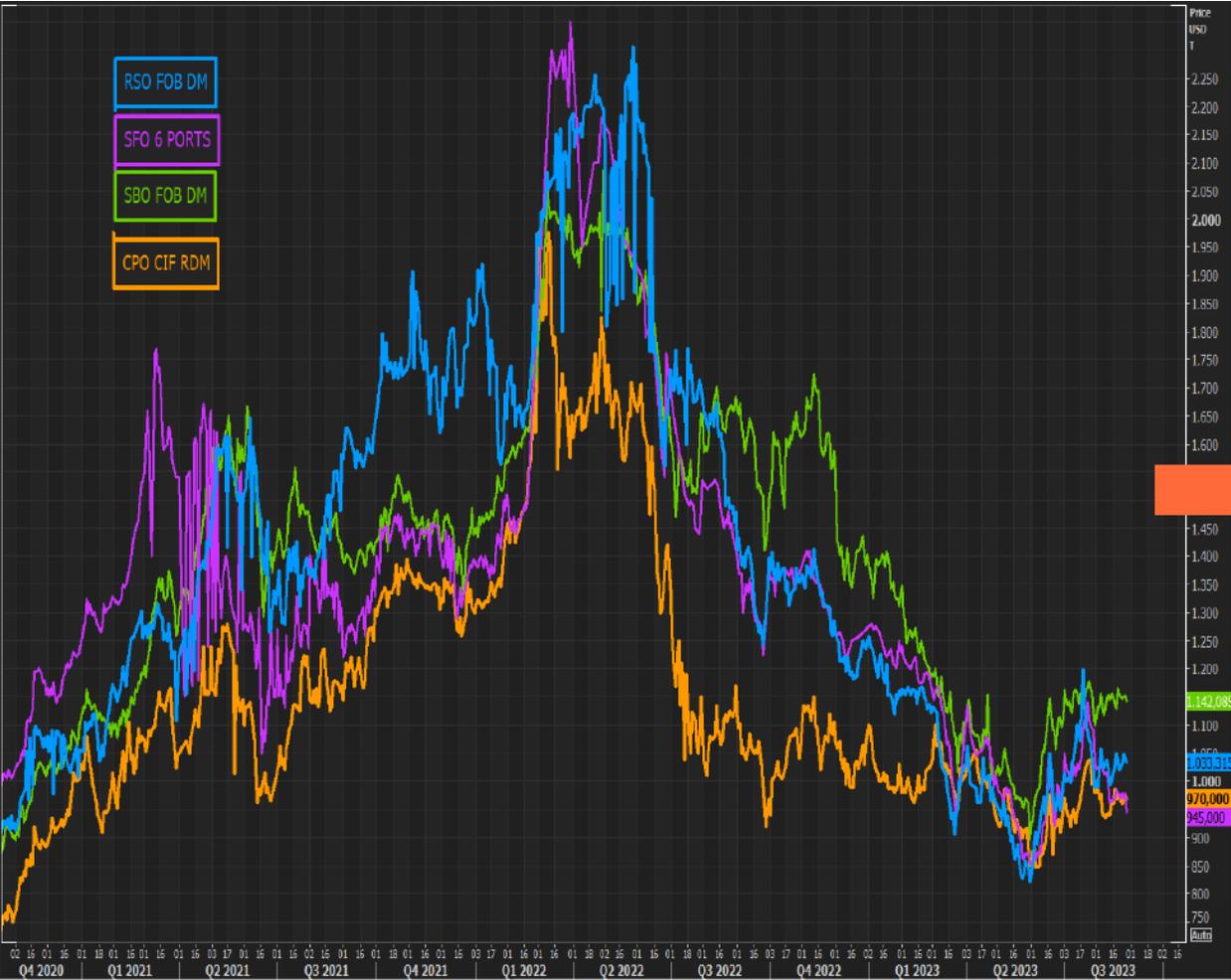
6. RAPESEED OIL (RSO)

1.1. VEGETABLE OIL PRICES

		02/08/2023	29/08/2023	Unidad	Dif	Dif %
Crude Palm Oil (3rd Pos)	FOB MALAYSIA	3915	3930	MYR/ MT	15	0,4%
Soya Oil (2nd Pos)	CBOT	64,66	64,77	USD/ MT	0,11	0,2%
Crude Palm Oil (Nov)	CIF RDM	1000	985	USD/ MT	-15	-1,5%
CCNO Phil/ Indo (Nov/ Dec)	CIF RDM	1130	1100	USD/ MT	-30	-2,7%
CPKO (Nov/ Dec)	CIF RDM	1015	995	USD/ MT	-20	-2,0%
Crude Sunflower Oil (OND)	6 PORTS	1025	945	USD/ MT	-80	-7,8%
Crude Rape Oil (NDJ)	FOB DUTCH MILL	905	945	€/MT	40	4,4%
Crude Soya Oil (NDJ)	FOB DUTCH MILL	1035	1050	€/MT	15	1,4%
EUR/ USD						
	SPOT	1,0936	1,0877		-0,006	-0,5%
Brent Crude						
	SPOT	83,20	85,49	US \$/ BRL	2,29	2,8%
Gas Oils						
	SPOT	884,50	930,5	US \$/ MT	46,00	5,2%

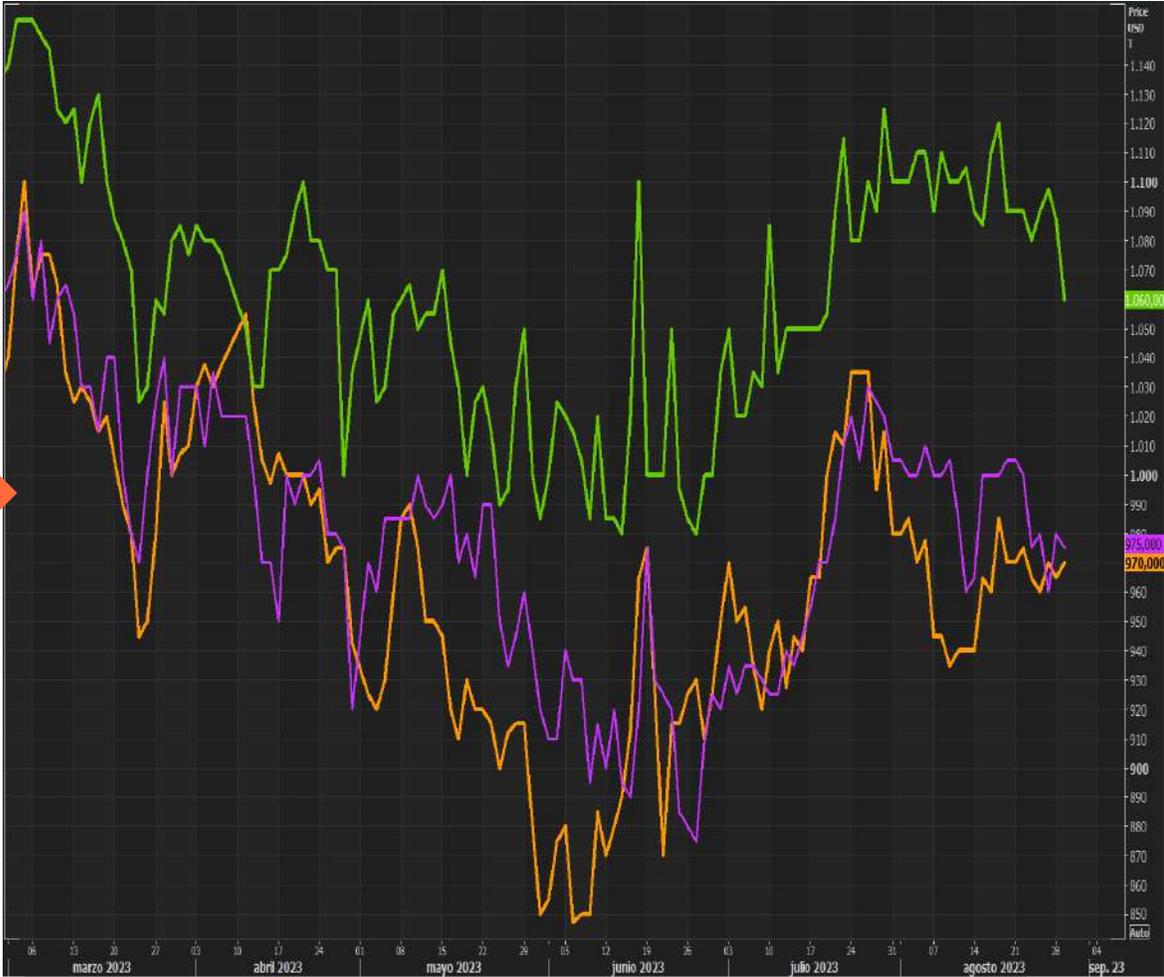
SOURCE: REUTERS

1.2. EUROPEAN VEGETABLE OIL PRICES



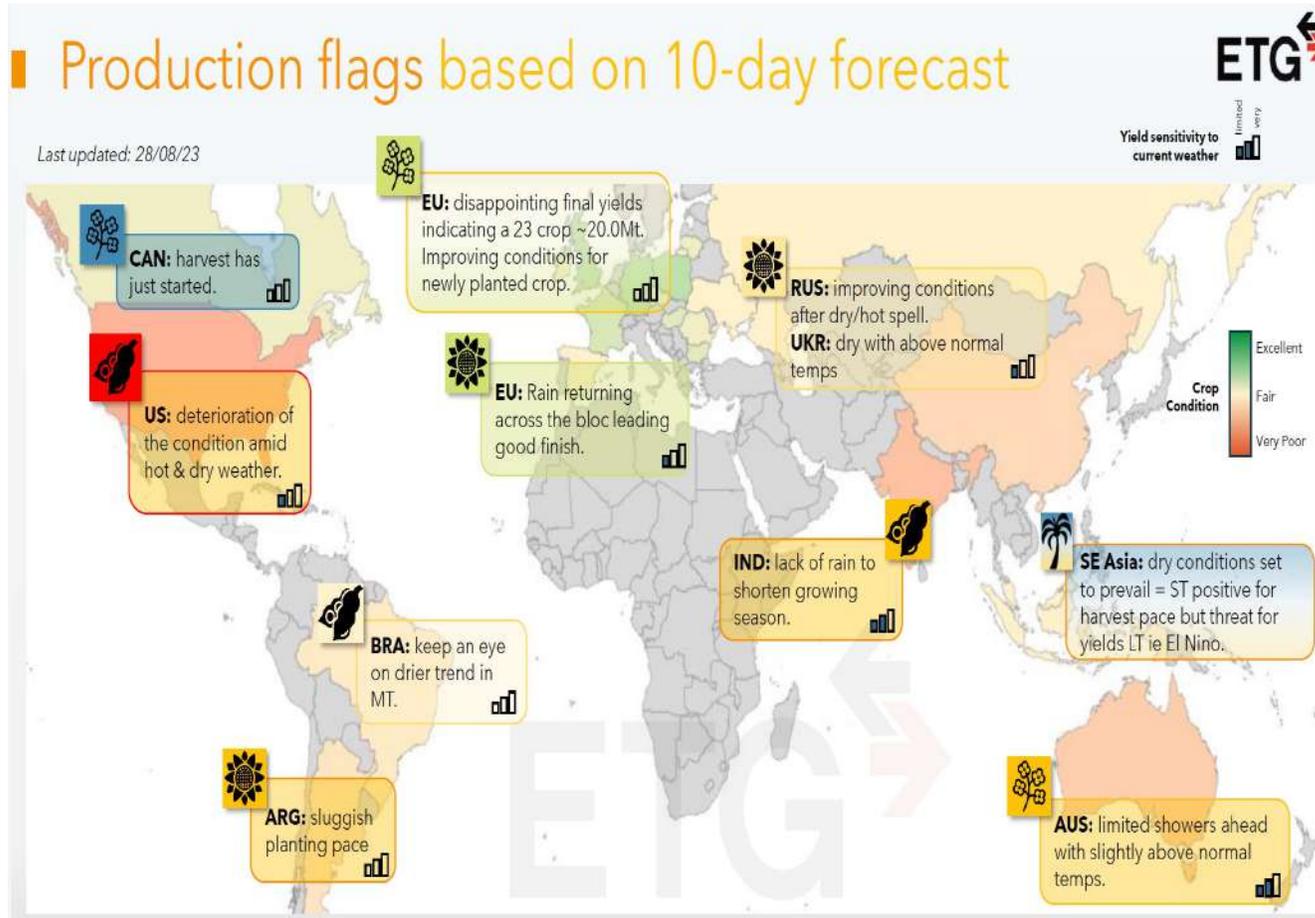
SOURCE: REUTERS/OIL WORLD

1.2. EUROPEAN VEGETABLE OIL PRICES



SOURCE: REUTERS/OILWORLD

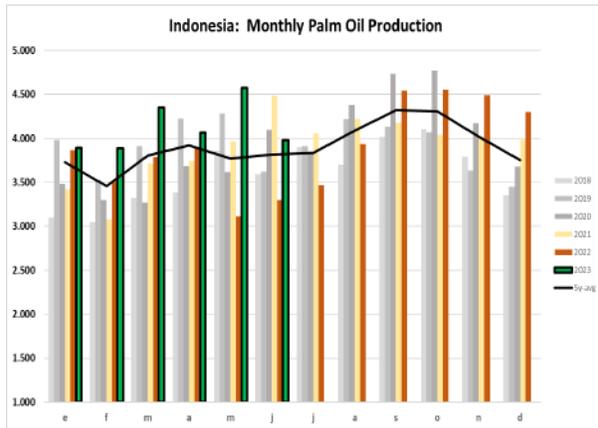
2. OILSEEDS + VEGETABLE OILS: Production highlights



- World palm oil production declined slightly in April-June 2023 compared to the previous year, contrary to earlier expectations of an increase.
- There are concerns regarding renewed heat and dryness in the US Midwest and the northern Plains in the second half of August.
- Argentine production is expected to benefit from El Niño. There is concern about the lack of rainfall in central Brazil.
- Estimates for this year's canola crops in Canada and Australia still vary widely. European rapeseed has shown disappointing final yields.
- Weather has been largely favourable over the past 1-2 months in Russia and Ukraine. In contrast, Bulgaria, Romania, and Argentina are experiencing the opposite situation.

SOURCES: : ETG/OIL WORLD/REUTERS/APK INFORM/AGRITEL

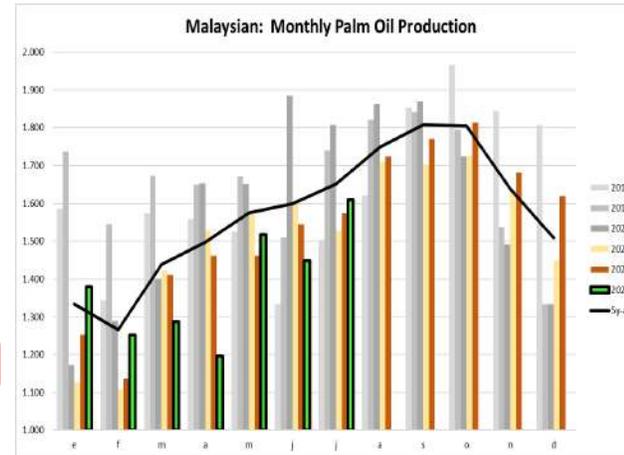
3.1. PALM OIL (CPO): World palm oil production declined in Apr/Jun



GAPKI Jun 2023 Indonesia palm oil S&D

	Jun-23	May-23	Change	% Change
Production - CPO+CPKO	4.421	5.080	-0.659	-12.97
Import	0.005	0.005	0.000	0.00
Export	3.450	2.230	1.220	54.71
Domestic consumption	1.963	1.817	0.146	8.04
Stocks	3.685	4.673	-0.988	-21.14

In millions of ton



MPOB: Malaysia July 2023 data ACTUAL

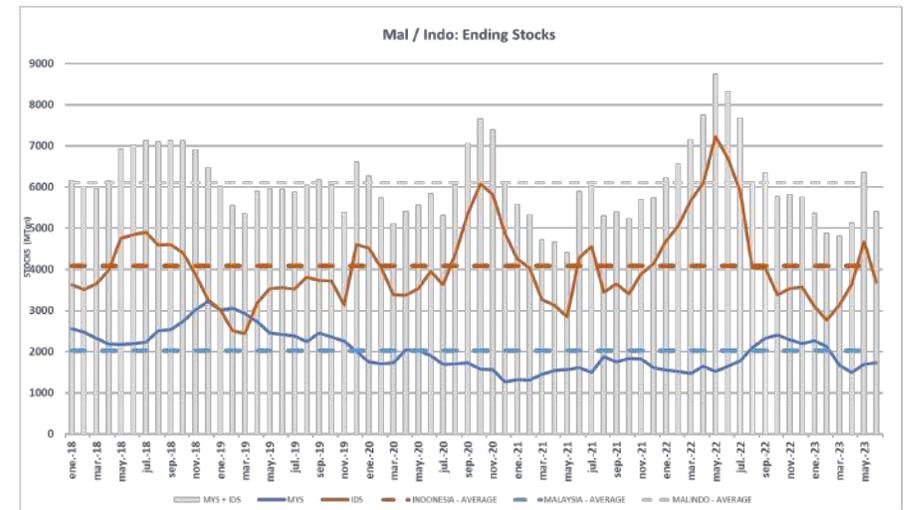
	Jul 2023 (in million tons)	% change from Jun
Production	1.610	11.21
Palm Oil Imports	0.104	-23.24
Exports	1.354	15.55
Biodiesel Exports	0.017	29.97
Local Disappearance	0.348	-8.23
End Month Stocks	1.732	0.68

in millions of tons

Indonesian CPO+CPKO production dropped by **13%** in June, according to the last report issued by GAPKI. Exports have surged **+55%** and domestic consumption **+8%**. As a result, ending stocks have reduced by **21%**.

In the case of Malaysia, the production has improved by **11%** but it still remains below 5-y average. Ending stocks were informed with only a marginal increase, falling below of previous expectations.

According to Oil World, world production declined slightly from the previous year in April/June 2023 from 19.6 to 19.4 Mnt, contrary to earlier expectations of an increase.

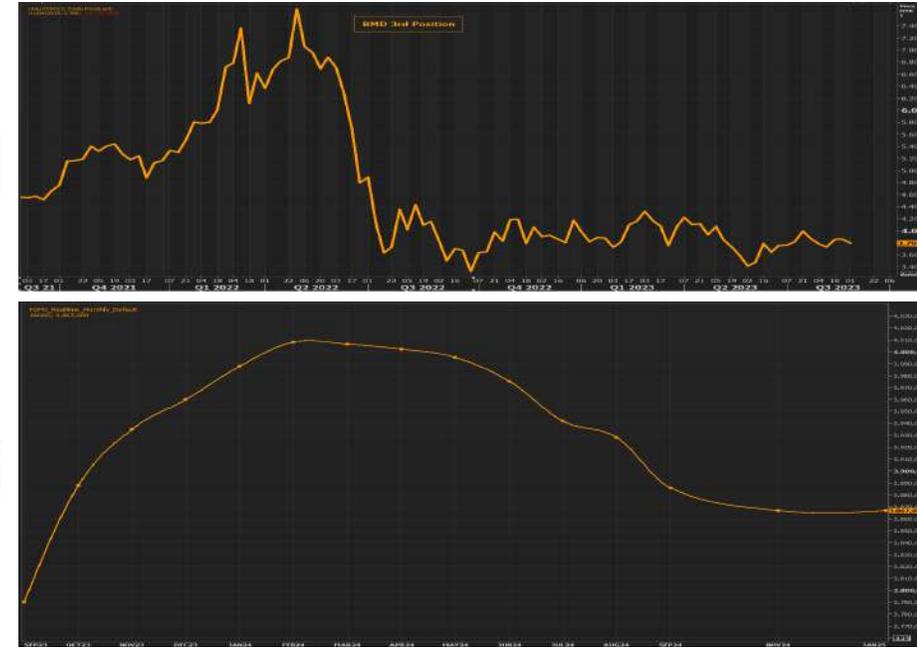
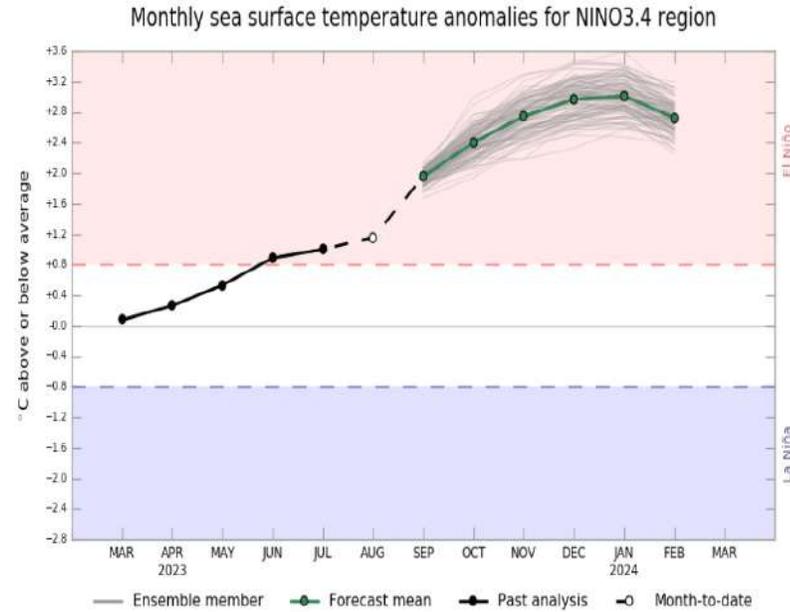


SOURCES: POA/GAPKI/MPOB/OIL WORLD

3.2. PALM OIL (CPO): A tighter supply & demand is expected

PALM OIL : World Supply & Demand Balance (Mn T)

	October/September				
	23/24F	22/23	21/22	20/21	19/20
Op'g stocks ..	15.34*	15.12	12.43	12.84	14.98
Production ...	81.32*	80.12*	77.66	76.23	74.67
Imports.	52.60*	52.23*	47.34	51.64	50.74
Exports.	52.52*	51.99*	47.81	51.55	50.95
Disappearance	82.00*	80.14*	74.50	76.73	76.60
End'g stocks	14.74*	15.34*	15.12	12.43	12.84
Stocks/usage	18.0%	19.1%	20.3%	16.2%	16.8%



The global S&D of palm oil is expected to tighten. Palm oil stocks have fallen below the year-ago level, and the growth in production has lost momentum.

For Oct/Sept 2023/24, Oil World estimates that worldwide palm oil production will show below-average growth of 1.2 MnT.

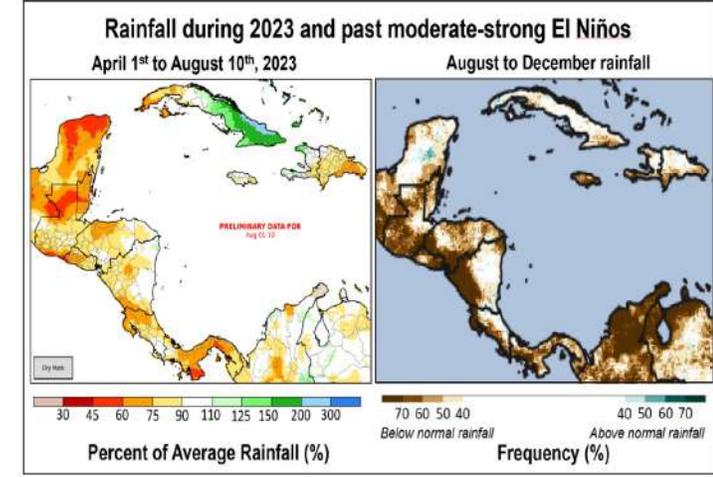
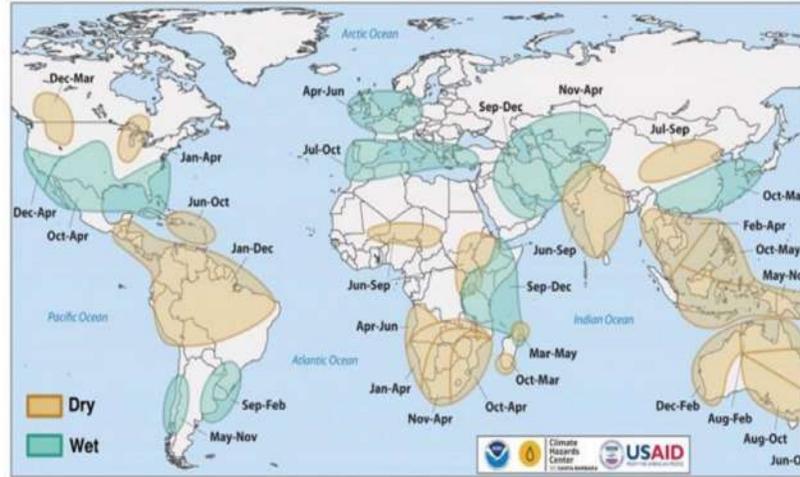
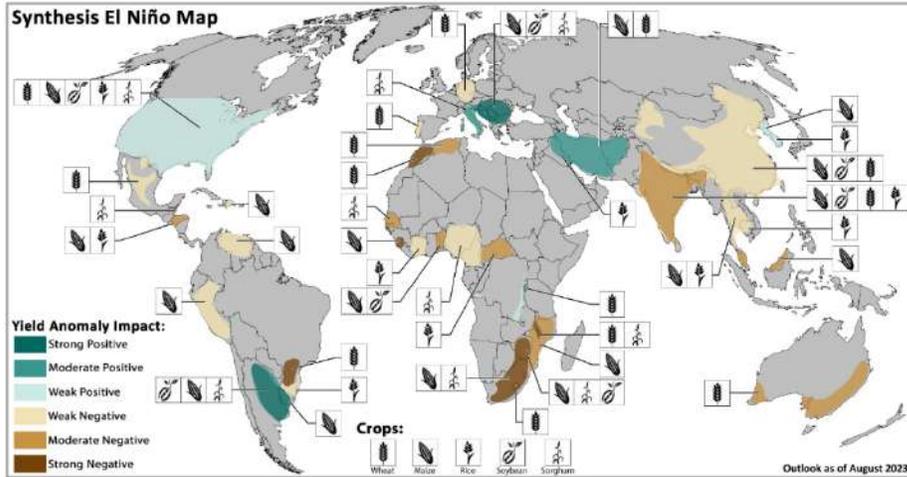
This growth will be driven by increases in Indonesia, Thailand, Central & South America, as well as Africa, while Malaysia is expected to experience a slight decline.

CPO prices have been oscillating due to a combination of factors. On one hand, the expected seasonal increase in production (but less than expected), along with negative news about the Chinese economy. On the other hand, below-normal rainfall in part of Malaysia and Indonesia, raising exports and relative low stocks in Asia economy and elevated veg oils stocks in India are giving support to prices.

The main risk factor is El Niño. In the event of a strong El Niño, palm oil production in Asia and a parts of Central America would be affected.

SOURCES: OIL WORLD/BOM/REUTERS/POA

3.3. PALM OIL (CPO): The effects of El Niño



El Niño events tend to enhance rainfall relative to average in Central Asia, southern North America, south-eastern South America, southern Europe, eastern and southern East Africa, and southern and eastern China.

Drier-than-average conditions tend to occur in Central America, the Caribbean, northern South America, parts of western and northern East Africa, Southern Africa, India, northern China, the Maritime Continent and Australia.

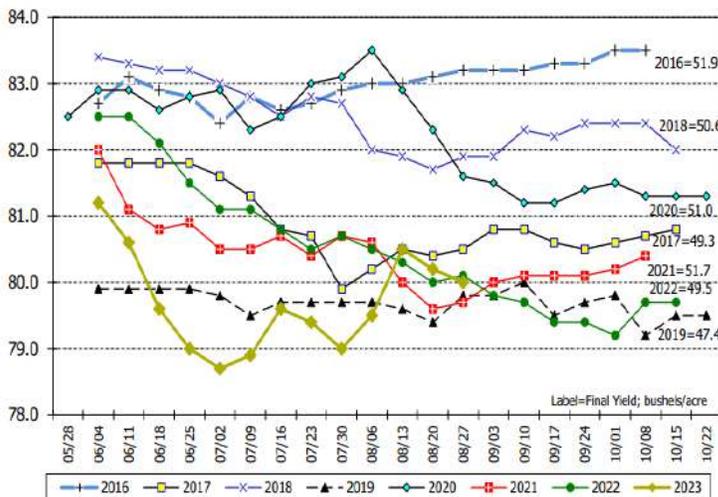
In Southeast Asia, negative impacts of El Niño on seasonal rainfall are typically strongest and most consistent in Indonesia, Malaysia, and the Philippines. For August to December 2023, model forecasts support this outlook.

In Central America, drier and hotter-than average conditions prevailed during the past several months. During the ongoing El Niño event, adverse weather conditions may continue, affecting palm production in this region.

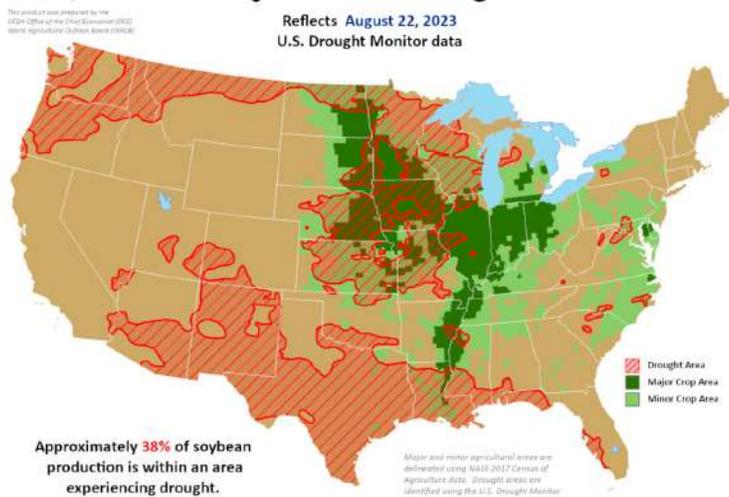
SOURCES: GEOGALM

4.1. SOYBEAN OIL (SBO): Crops condition improve in USA, next 2-4 weeks will be crucial

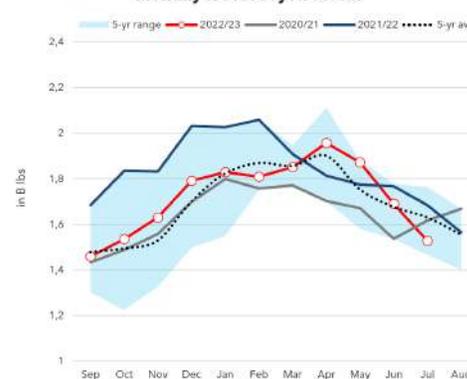
RJO Market Insights U.S. Soybean Crop Condition Weighted Index



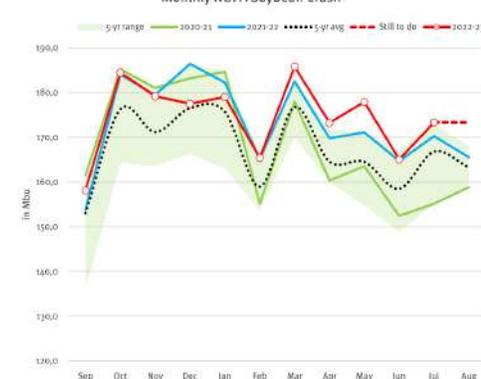
Soybean Areas in Drought



Monthly NOPA Soyoil Stocks



Monthly NOPA Soybean Crush



Severe dryness in the USA during May and June was followed by above-normal rainfall in July.

Crop conditions have improved due to these beneficial rains. However, there are concerns now that renewed heat and dryness in the US Midwest and the northern Plains in the second half of August will reduce this year's yield and production.

US consumption of biodiesel and HVO is far exceeding earlier expectations, absorbing large quantities of SBO, RSO, tallow and other feedstocks. Soy oil stocks have declined, reducing SBO stock/use ratio at the end of July to a 9-year low.

Mt	2021	2022	2023	2022	2023
United States	2021-22	2022-23	2023-24	2022-23	2023-24
				Agritel	Agritel
Area Harvested	34,9	34,94	33,47	34,94	33,65
Yield	3,48	3,331	3,420	3,331	3,459
Beginning Stocks	7,0	7,5	7,1	7,5	6,9
Production	121,5	116,4	114,5	116,4	116,4
Imports	0,4	0,8	0,8	0,8	0,8
Total Supply	129,0	124,7	122,4	124,7	124,1
Exports	58,6	53,9	49,7	53,9	51,0
Crush	60,0	60,4	62,6	60,6	62,9
Food Use Dom. Cons.	0,0	0,0	0,0	0,0	0,0
Feed Waste Dom. Cons.	2,9	3,3	3,4	3,3	3,4
Domestic Consumption	62,9	63,7	66,0	63,9	66,3
Total Demand	121,5	117,6	115,7	117,8	117,3
Ending Stocks	7,5	7,1	6,7	6,9	6,8
Stocks/use ratio	6,1%	6,0%	5,8%	5,8%	5,8%

SOURCES: RIO/USDA/NOAA/AGRITEL/OIL WORLD

4.2. SOYBEAN OIL (SBO): Global surplus will occur only in 2H 23/24

Production increases in soybeans worldwide contrast with losses in other oilseeds, which means that the dependence of soybean will increase. The biggest increase is anticipated in Argentina, where El Niño generally has positive effects on yields, and we expect an increase in the area at the expense of other crops. There are concerns about drier than usual weather being registered in central Brazil linked to El Niño.

US SBO prices have appreciated due to strong demand from the energy sector and low stocks. In South America, FOB SBO prices have also appreciated: in Argentina, farmers are very reserved sellers (commercialization is practically 0) despite of 20% devaluation the day after primary elections. The result is even smaller soybean crushing.

Timing will be crucial this season: the **global soybean production surplus will occur only in the second half of this season**, based on the southern-hemisphere production, which is expected 27.7 Mn T above a year earlier. In contrast, **world supplies of soybean and soybean oil will be relatively tight in the first 4-5 months of the season** considering the reduced production estimates for the USA, China and India.



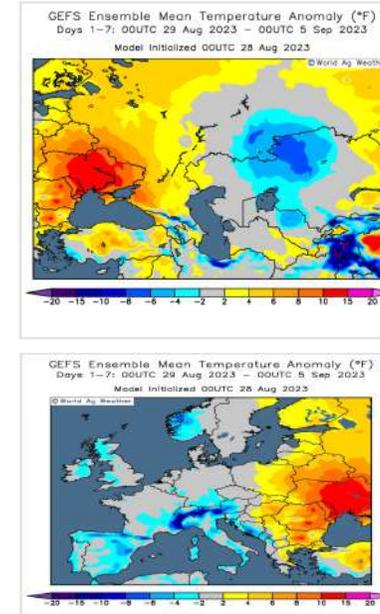
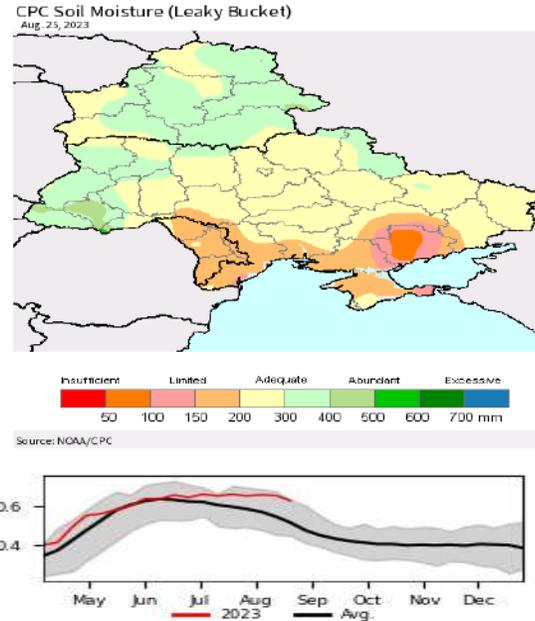
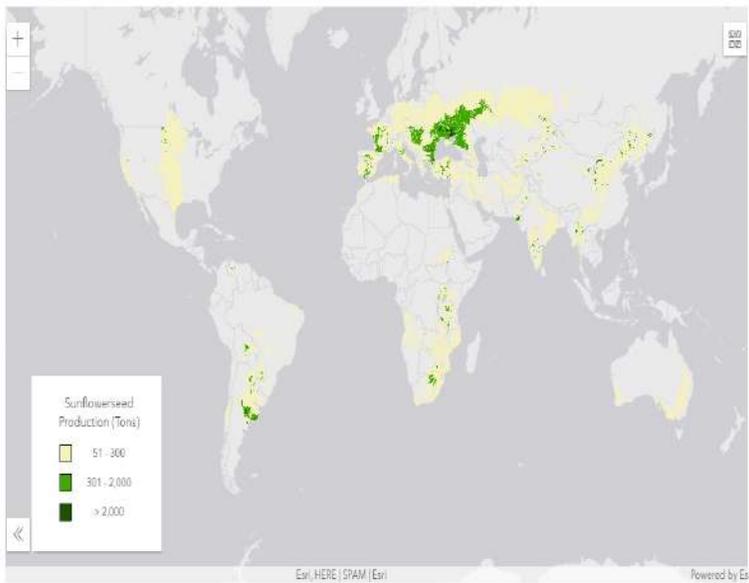
SOYBEANS : World Supply and Demand (Mn T)

	23/24F	22/23	21/22	20/21
Opening stocks	89.27*	87.81	99.58	97.20
Production	394.33*	368.70	356.92	366.11
N. Hemisphere	171.18*	173.27	172.12	164.68
EU-27	3.05*	2.47	2.65	2.60
Russia	5.90*	5.75	4.82	4.54*
Ukraine	4.50*	4.34	3.43	3.10*
Canada	6.75	6.54	6.22	6.36
U.S.A.	114.00*	116.38	121.53	114.75
China, P.R.	19.00*	20.00*	16.40	17.85
India	10.80*	11.00*	10.50*	9.30*
S. Hemisphere	223.15*	195.43	184.80	201.43
Argentina	45.00*	21.00*	41.80*	43.80*
Brazil	158.00*	157.00*	129.20*	139.90*
Paraguay	10.00*	9.46	4.00*	9.80*
Uruguay	2.90*	.65	3.25*	1.85*
Total supply	483.60*	456.51	456.50	463.31
Crush (Sept/Aug)	325.50*	315.77*	319.09	316.36
Other use	53.80*	51.47*	49.60	47.37
Ending stocks	104.30*	89.27*	87.81	99.58
U.S.A. Aug 31	9.80*	7.80*	7.47	6.99
Argentina Aug 31	30.90*	17.95*	30.24*	31.98*
Brazil Aug 31	43.20*	41.80*	33.10*	36.80*
Other countries	20.40*	21.72*	17.00*	23.81*
Stocks/usage	27.5%	24.3%	23.8%	27.4%

SOURCES: OIL WORLD/BCBA/REUTERS

5.1. SUNFLOWER OIL (SFO): Good prospects for Ukraine and Russia

Sunflowerseed Map Explorer

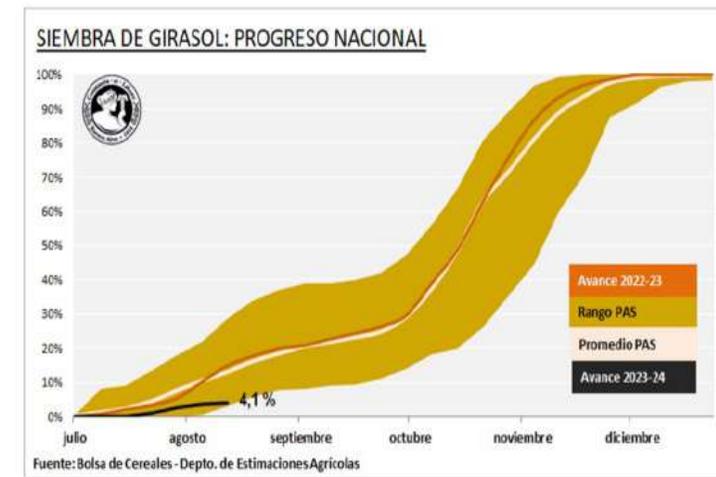


EU COMM. MARS BULLETIN - August						
SUNFLOWER 2023 Yield F.cast (t/ha)						
	Avg. 5 Yrs	2022	2023 F.cast		Change vs.	
			Jul	Aug	2022	Jul
EU-27	2.21	1.87	2.12	2.18	+16.6%	+2.8%
Romania	2.43	1.92	2.16	2.18	+13.5%	+0.9%
Bulgaria	2.32	2.31	2.44	2.31	=	-5.3%
Hungary	2.64	1.84	2.98	2.99	+62.5%	+0.3%
France	2.25	2.07	2.27	2.41	+16.4%	+6.2%

Overall, there has been favorable weather in key producing areas of Ukraine and Russia over the past 2 months. The harvest has already begun in Ukraine, when higher-than-normal temperatures are expected.

The EU Commission has upwardly adjusted its yield projections for the EU. However, there are concerns about the situation in Bulgaria (yield and oil content). Drought has also caused damage to crops in Romania and Turkey.

In Argentina, there has been a slow start to SFS planting due to insufficient moisture.



SOURCES: USDA/NOAA/WAGW/ARETE PRO/EUC/BCBA

5.2. SUNFLOWER OIL (SFO): Black Sea production is coming...

SUNSEED : World Supply & Demand (Mn T)				
	23/24F	22/23	21/22	20/21
Open'g stocks . . .	5.13*	7.55	2.84	3.32
Production	55.68*	54.26	58.17	50.84
EU-27	10.03*	9.42	10.38	8.98
Russia	15.70*	16.40	15.66	13.37
Ukraine	14.00*	12.00*	16.90*	13.90*
Rep. of S. Africa . . . . .	.75*	.76	.85	.68
U.S.A.	1.03*	1.28	.86	1.35
Argentina	3.72*	3.83*	3.33*	3.20*
Türkiye	1.55*	1.83*	1.75*	1.58*
Total supplies . . .	60.81*	61.81	61.01	54.16
Crush (Sept/Aug) . .	51.20*	51.26*	47.89	45.89
Other use	5.47*	5.42*	5.57	5.43
End'g stocks	4.14*	5.13*	7.55	2.84
EU-27 (July 31)	1.19*	1.27*	1.43	.71
Russia (Aug 31) . . . . .	.70*	1.52*	1.22*	.15*
Ukraine (Aug 31) . . . . .	.27*	.19*	3.04*	.21*
Argentina (Sep 30) . . . . .	.85*	.87*	.73*	.93*
Other countries	1.13*	1.28*	1.13*	.84*
Stocks/usage	7.3%	9.1%	14.1%	5.5%

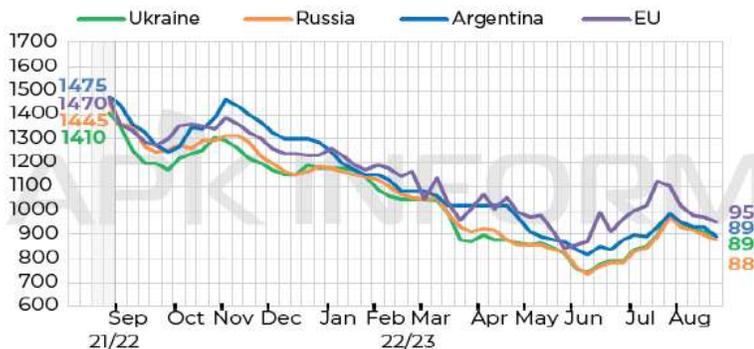
There were regular missile attacks on the Danube ports, once causing temporary disruptions in port operations. This led to delays in unloading wagons and longer queues.

Oil World has raised its estimates for Ukraine (14.0 vs. 12.8 MnT) and Russia (15.7 vs. 15.5 MnT) compared to mid-July. These improved expectations restrains the demand of key global importers of vegetable oils, which anticipate a further decrease in sunflower oil prices.

In their last tender, Egypt once again has mainly bought SFO at a discount vs SBO (\$40/mt in this case). **At these prices, SFO remains highly competitive in the global vegetable oil market, providing support to prices.**

In the **short term**, the record SFO stocks estimated at 4.2 MnT, roughly +0.6 MnT vs. last season, mainly in Russia and several major importing countries, couple with the start of SFS harvesting in the Black Sea region, should exert additional pressure on SFO prices. For the **long term**, prices will adjust based on final production in Russia/Ukraine, the impact of El Niño in CPO production and the development of soybeans crops in the USA and South America.

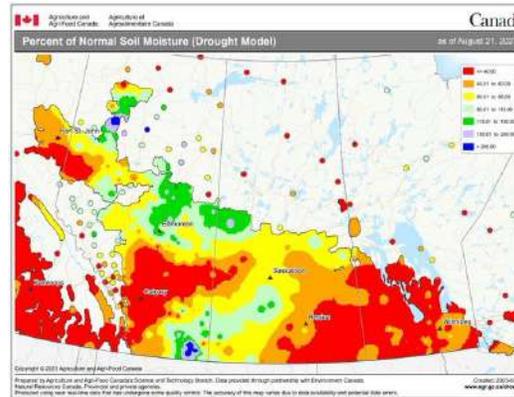
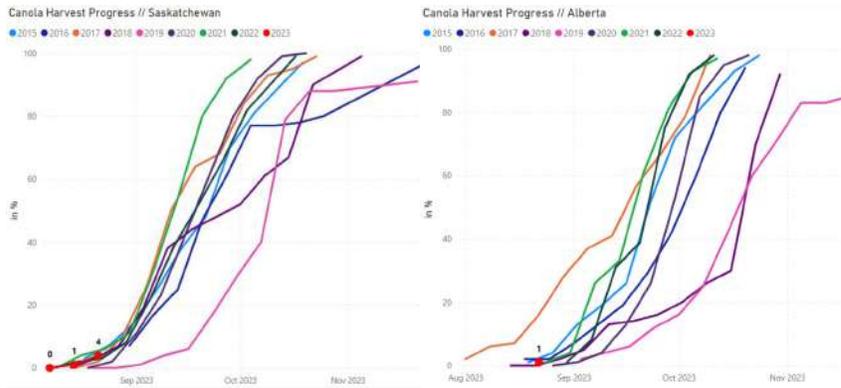
Price dynamics of sunflower oil (offer, FOB), USD/t



GASC Invitation to offer Imported Veg-Oils #6 2023-2024 Arrival 6-20 Oct.23 &/OR 21Oct.23 to 5-Nov.23 - Dated 24-8-2023 C&F Results					
#	Supplier	Qty	Type	Position	Price At Sight LC
1	Inerco	12000 MT	SFO	6- 20 Oct.23	\$ 970.00
2	Oliva AD	10000 MT	SFO	6- 20 Oct.23	\$ 970.00
3	Green Suppliers	12000 MT	SFO	6- 20 Oct.23	\$ 970.00
4	Viterra	30000 MT	SFO	6- 20 Oct.23	\$ 970.00
5	TOI Commodities	12000 MT	SFO	21-Oct.23 to 5-Nov.23	\$ 970.00
6	Aston Agro Industrial SA	11000 MT	SFO	21-Oct.23 to 5-Nov.23	\$ 970.00
7	Oliva AD	10000 MT	SFO	21-Oct.23 to 5-Nov.23	\$ 970.00
8	Green Suppliers	12000 MT	SFO	21-Oct.23 to 5-Nov.23	\$ 970.00
9	InterGrain SA	15000 MT	SBO	6-20 Oct.23	\$ 1,010.00

SOURCES: STRATEGIE GRAINS/APK INFORM/OIL WORLD

6.1 RAPESEED OIL (RSO): Downward revisions for Canada and EU



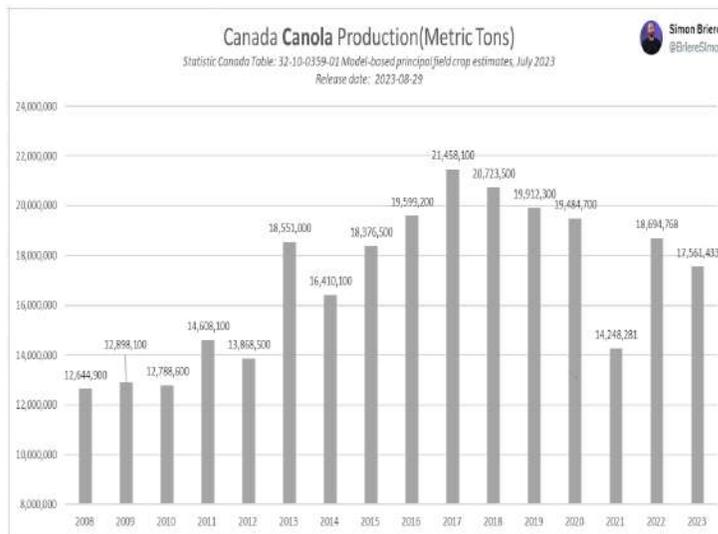
EU COMM. MARS BULLETIN - August
ARETE Pro
RAPESEED 2023 Yield F.cast (t/ha)

	Avg. 5 Yrs	2022		2023 F.cast		Change vs.	
		2022	2022	Jul	Aug	2022	Jul
EU-27	3.10	3.33	3.20	3.19	-4.2%	-0.3%	
Germany	3.47	3.95	3.61	3.57	-9.6%	-1.1%	
France	3.24	3.68	3.43	3.43	-6.8%	=	
Poland	3.05	3.38	3.23	3.25	-3.8%	+0.6%	
Czechia	3.25	3.39	3.32	3.26	-3.8%	-1.8%	

EU-27 : Rapeseed Area, Yields and Production

	2023F	2022	2021	2020	2019
Area (Mn ha)	6.16*	5.87	5.33	5.32	5.07
Germany	1.17*	1.09	1.00	.96	.88
France	1.34*	1.23	.98	1.11	1.11
3 Baltics (a)	.57*	.60	.54	.50	.45
Czech Rep...	.38*	.34	.34	.37	.38
Romania	.65*	.47	.45	.36	.28*
Yields (T/ha)	3.19*	3.29	3.23	3.20	3.09
Crop (Mn T)	19.64*	19.28	17.23	17.03	15.57
Germany	4.35*	4.30	3.01	3.02	2.83
France	4.34*	4.59*	3.38*	3.42*	3.52
3 Baltics (a)	1.44*	1.47	1.57	1.76	1.29
Czech Rep...	1.30*	1.17	1.05*	1.25	1.19
Romania	1.98*	1.23	1.38	.78	.70*

(a) Estonia, Latvia and Lithuania.



Canada: some areas in the Prairies have improved both in Alberta and Saskatchewan. Currently, there is still a wide range of estimates for this year's canola crops, and quantifying the impact of drought conditions on the average yield is challenging at this stage. The harvest has just begun. StatsCan has estimated a production of 17.6 MnT this week.

Europe: disappointing final yields have turned out smaller than initially expected production, but still exceeding the previous season. The harvest is nearly complete. Downward revisions have been made for France, Germany and the Baltics, partly offset by better yields in Romania.

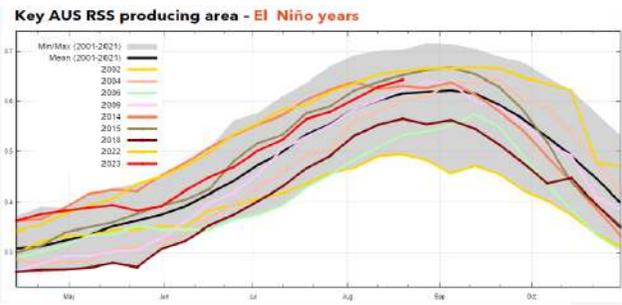
EU-27 : Rapeseed Supply & Demand (Mn T)

	July / June				
	23/24F	22/23	21/22	20/21	19/20
Opening stocks	1.80	1.03	1.01	1.08	1.79
Output	19.64*	19.28	17.23	17.03	15.57
Imports	5.65*	6.74	5.88	6.73	6.08
Exports	.82*	.57	.46	.17	.34
Crushings	24.09*	23.97	22.08	22.93	21.55
Other use (a)	.82*	.71	.56	.71	.49
Ending stocks	1.56*	1.80	1.03	1.01	1.06

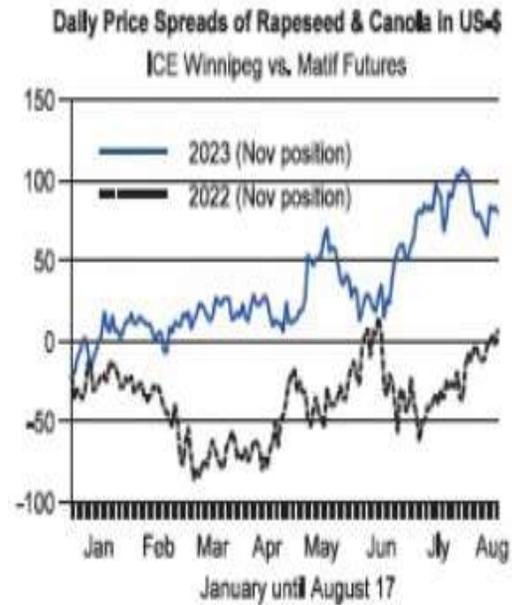
(a) Residual of the balance.

SOURCES: ETG/STATSCAN/ARETE PRO/EUC/OIL WORLD

6.2 RAPESEED OIL (RSO): RSO prices could continue under pressure



El Niño Years & Intensities since 2000	Yield	Dev from trend	Implied 2023 yield
Weak			
2004	1.120	0.0%	1.788
2014	0.545	-51.6%	0.866
2018	1.222	-6.0%	1.682
AVG	1.116	-24.5%	1.350
Moderate			
2002	0.671	-40.7%	1.061
2009	1.125	-3.2%	1.732
AVG		-21.9%	1.397
Very Strong			
2015	1.327	-0.8%	1.774
2023 based on current conditions	1.575	-12%	-



Australian rapeseed yield threatened by El Niño. In contrast, production in Ukraine has exceeded initial expectations at an estimated 4.1 Mn T this year (vs. 3.7 MnT projected in July and 3.65 in 2022).

World production of rapeseed & canola is now estimated by Oil World at 74.7 MnT in 2023/24 (-1.0 MnT in July and -3.9 MnT vs. 22/23).

European rapeseed prices are likely to remain under pressure due to the excellent production in Ukraine, a better EU rapeseed crop compared to the previous year, along with higher opening stocks. This factors could neutralize the bullish impact of production losses in Canada and Australia.

“A World of
Vegetable Oils”



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