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## Malaysia

### Oilseeds and Products

### Annual

### 2005

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**Report Highlights:**

Competition from imported soymeal restricted Malaysian soybean imports to 549 TMT in 2003/04. Soymeals recorded a 27% jump to 300 TMT. The U.S. managed to capture 33% of the soybean import market. Argentina is the top supplier for both soybean (35% market share) and soymeal (76% market share). The outlook for 2004/05 and 2005/06 is bright. The livestock and the food soybean sector are poised for expansion. Soy imports are expected to increase by 9% to 600 TMT in 2004/05. Malaysia's intake of U.S. soybean is expected to reach 200 TMT. Soymeal imports are also expected to increase 6-7% in 2004/05. Malaysia was the world's largest producer of palm oil in 2003/04. CPO production is expected to hit 14.8 MMT in 2004/05 with an exportable surplus of over 13.3 MMT. A much smaller increase is forecast for 2005/06 as the palms are expected to have a cyclical downturn in yields.

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Includes PSD Changes: Yes  
Includes Trade Matrix: Yes  
Annual Report  
Kuala Lumpur [MY1]  
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## Executive Summary

Competitively priced soymeal from Argentina and India restricted the imports of soybean for crush in 2003/04. Soybean imports were flat while soymeals recorded a 27% jump in 2003/04. Argentina is the top supplier in both soybean and soymeal to Malaysia. The U.S. managed to capture 33% of the Malaysian soybean import market while Canada continued to dominate the food-use soybean market.

The prospects for soybean imports are brighter in 2004/05. The livestock sector as well as the food soybean sector is poised for expansion. Post expects soybean imports to increase by 9 percent to 600 TMT in 2004/05. The U.S. should be able to increase its soybean exports to Malaysia to 200 TMT in 2004/05. Soymeal imports are also expected to increase 6-7% in 2004/05. Traditionally, the U.S. does not export soymeal to Malaysia.

Barring any major livestock disease outbreak, soybean imports should increase by another 6% in 2005/06. Post expects soymeal imports to record a smaller increase to 620 TMT as local crushers seek to further utilize their crushing capacities.

Malaysia continues to lead the world as the largest producer and exporter of palm and palm kernel oil. Domestic crude palm oil (CPO) production rose 4.8% to 13.4 million metric tons (MMT) in 2003/04. A drop in palm kernel crushing led to a 3.8% decline in the production of palm kernel oil (PKO). With additional area due for harvesting and a strong rebound in yields, CPO production is likely to hit 14.8 MMT and PKO output at 1.76 MMT in 2004/05.

As for 2005/06, Post expects a cyclical downturn in yields. However, with an addition of 171,000 hectares reaching fruit-bearing stage and more palms reaching peak producing age, Post expects total CPO output to increase by 1.7% to 15 MMT. Likewise, PKO output is expected to increase to 1.8 MMT in 2005/06.

With an expected exportable surplus of over 13.3 MMT of palm oil and 700 TMT of palm kernel oil in 2004/05, Malaysia will remain a formidable competitor in the world vegetable oil market. A further increase is foreseen in 2005/06. While China is expected to remain the most important market for Malaysian palm oil, Malaysia hopes to sell more to Russia, India, the Middle East and Eastern Europe. With the requirement of the 'transfat' labeling in the U.S. by January 2006, Malaysia is looking forward to exporting more palm oil to the States.

Total area under coconut cultivation has dropped steadily over the years and the outlook for copra output is a slow downtrend in the near term. Domestic coconut oil output amounted to 30 TMT in CY2004. Increases in future years largely depend on imports of copra from neighboring countries. Malaysia imported 145 TMT of crude oil from Indonesia and the Philippines in CY2004. Re-exports of refined coconut oil reached about 160 TMT with major markets being South Korea, China and Singapore.

With expected expansion in soy crush in the near future, domestic soybean oil output is expected to increase to 75 TMT in 2004/05 and 80 TMT in 2005/06. Soybean oil consumption accounts for 5 percent of total food-use consumption of oil in Malaysia. Malaysia's soybean oil exports and re-exports are expected to trend upwards in 2004/05, mainly to Singapore, the Philippines and Australia.

The local fishmeal production increased to 62 TMT in CY2004. Over-fishing would restrict or even deplete local output in the future years. Imports are also expected to be flat. In normal years, Malaysian exporters diverted much of their fishmeal output to overseas markets. Exports amounted to 32 TMT in CY2004, mainly to Indonesia, Vietnam and India.

## TOTAL OILSEEDS

### 1. Soybean

#### Production

There is no commercial cultivation of soybeans in Malaysia.

#### Imports

Faced with severe competition from imported soymeal, soybean imports showed little change during 2003/04. Argentina regained the title of the top soybean supplier with 35% share of the Malaysian soybean import market. Canada continued to dominate the food-grade soybean market.

The prospects for soybean imports are brighter in 2004/05. Current high ex-farm prices for pig and broiler provide the incentives for the farmers to expand operations. Given an anticipated 5-6% GDP growth in 2005, Post also expects the food-grade soybean market to show steady growth to reach 138 TMT in 2004/05 and 450 TMT in 2005/06. At this point, Post expects domestic soy imports to increase by 9 percent to 600 TMT in 2004/05 and by another 6% to 635 TMT in 2005/06. With a smaller increase in exportable supplies from South America, U.S. should be able to increase its soybean exports to Malaysia to 200 TMT in 2004/05.

#### Trade Policy & Market Access

Currently U.S. soybeans and meals have complete access into the Malaysian market. All import tariffs have been removed for many years. In addition, Malaysian has sound infrastructure (such as ports, rail and road networks and storage facilities), encouraging the bean trade flow from the United States to Malaysia. The GOM has no objection to the usage of GSM facilities although the Central Bank limits the tenure of a loan to one year in order to minimize the country's exposure to foreign loans.

GMO/Biotech Safety Issue: To date, the only GM ag product officially approved to be imported into Malaysia is 'roundup ready' soybeans. Local soy product exporters also need to conform to the EU's GMO requirement when they export processed soy-related food such as soy sauce, canned tuna in soy oil and soy milk to the EU.

There has been little progress on biosafety issues since Malaysia hosted the First Meeting of the Parties to the Cartagena Protocol on Biosafety in February 2004. Following last year's Cabinet shuffle and the transfer of the environment portfolio from the Ministry of Science to the Ministry of Environment, there remains some confusion about which ministry has the lead on biotech policy. The GOM has announced it will make public its "new" biotech policy during 'BIOMalaysia 2005' scheduled to be held on April 28-29, 2005; only then do we expect Malaysia to move ahead with its biosafety legislation.

While Ministry of Health (MOH) has been supportive of U.S. efforts to block European initiatives on biotechnology traceability and precaution within the on-going multinational Codex Alimentarius discussions on biotechnology and food, Malaysian officials intend to implement labeling requirements for biotechnology-derived foods. U.S. has commented on MOH's WTO Notification on the subject. The final amendment is not available for public viewing. The new regulations are supposed to be implemented as soon as the Biosafety Act is in place. There is no regulation governing the use of "GMO-free" or "non-GMO" labels.

## Consumption

Please see 'Consumption' section under Total Oilmeals (Soybean Meal) for development of the livestock/feed sector.

Post expects soy food consumption to increase at around 5 percent per annum.

Consumption is forecast to rise to 124,000 MT in 2003/04 and 130,000 MT in 2004/05. Food soybeans are used in the manufacture of soy-based products such as tofu, soy milk, and soy sauce. Most of the food beans are brought in via containers primarily from Canada, the U.S. and China. Soy food production relies mostly on sorted commodity soybeans with food-grade bean imports accounting for some 20,000 tons.

## Factors Affecting U.S. Trade

The avian influenza (AI) outbreak in the region still casts a shadow on the Malaysian poultry sector. However Malaysia appears to have demonstrated to neighboring Singapore that key poultry and egg exporters can maintain quarantine for exports.

Severe Competition: Argentine bean and meal -- and at times, Chinese and Indian soy meal to a lesser extent -- have made major inroads into the Malaysian market in the recent years. Price is still a major factor in the buying process.

The addition of new facilities at Westport in Port Klang will further enhance the position of the U.S. as the principal supplier of soybeans. Private storage facilities and crushing mills are being planned or constructed near the Panamax berths. These facilities will provide a first stop for Panamax vessels. When these ships are partly unloaded at the deep-water berth at Westport, they will then be able to go on to shallower ports to service older existing crushing mills.

## Market Development Opportunities

A significant increase in soymeal consumption in Malaysia will largely depend on a robust poultry and pig industry. Any assistance from APHIS or an international organization to prevent a recurrence of the Avian Influenza outbreak could be a big help to the poultry sector. As for the pig sector, the industry has yet to recover fully from the effects of the outbreak of the Nipah virus (Japanese Encephalitis) in 1999. The farmers and governmental officials have to develop a modern, integrated pig farm system, there are opportunities to link resources in the U.S. to assist in the following areas:

- a. the use of good-quality US swine breeds/semen;
- b. improvement of nutrition for swine; and
- c. transfer of technical knowledge on swine management, swine housing, waste treatment and slaughter plants.

The National Swine Registry (NSR) has conducted two training courses on artificial insemination and breeding management in the past 3 years. In early March, 2004, NSR conducted technical seminars in three locations in East Malaysia. Officials in Sarawak showed seriousness in developing a modern, integrated pig farm system. Further, education on breeds should be coupled with education on sound nutrition, to help preserve breed integrity and promote U.S. feeds. Educational cum buying missions to the U.S. should also be considered in face of growing competition from the European counterparts.

With the GOM's intention to make Malaysia the leading 'halal' food manufacturing center in the world, ASA has ample opportunities to promote the production of soy food, especially in the areas of health, organic and snack food (such as soy ice-cream). Post's commercial

section has interest in promoting machinery/equipment in the same sector and should be able to provide leads to potential investors.

## **2. Palm Kernel**

Malaysia is the world's leading producer of palm kernel. Palm kernel output declined marginally 3.6 MMT in MY2003/04. In line with the expected big increase in CPO output, kernel production is anticipated to increase by 10% to 3.9 MMT in 2004/05. A small increase in production is expected in 2005/06 due to the palms undergoing some biological stress after the huge production in the previous year.

There are no exports of palm kernel as all domestic output is crushed locally. Malaysia imported 43,000 MT of palm kernel in 2003/04, mainly from Indonesia and Papua New Guinea.

## **3. Copra**

Total area under coconut cultivation has dropped steadily over the years. Harvested area in PS&Ds is only for copra delivered to crushers and not for food-use. This explains the big gap between planted and harvested area. Most of the copra was consumed as food leaving a smaller amount for the crushing sector. The outlook for copra output is on a slow downtrend in the near term.

In CY2004 Malaysia imported about 16TMT of copra, mainly from Indonesia. Exports were insignificant.

With better economic returns available from oil palm and a lack of interest by the GOM to support or encourage coconut production, the long-term viability of this industry is in doubt. Future production will likely be limited to the cultivation of coconut to meet only domestic requirements for food-use.

## TOTAL OILMEALS

### 1. Soybean Meal

#### Production and Imports

Competitively priced soymeal from Argentina and India posed a major challenge to domestic soy crushers in 2003/04. As a result, domestic soymeal output only accounted for 36% of the local soymeal consumption. Argentina captured 76% of the Malaysian soymeal import market, followed by India with 21% market share. Imports of Chinese soymeal were greatly reduced in 2003/04.

Domestic crushers normally have to compete on quality and focus on a target market that is willing to pay for better quality meals. Smaller exportable surplus from Indian soymeal provides some relief to the local crushers and Post expects local soymeal output to increase by about 8% for the next two years. Soymeal imports are also expected to increase by 7.5% to 900 TMT in 2004/05 and 4% to 940 TMT in 2005/06. Argentina will be the dominant supplier. Except for some dehulled soymeal, it is unlikely that the local traders would purchase U.S. meal in the near term.

#### Trade Policy & Market Access

Please refer to Trade Policy & Market Access under Total Oilseeds (Soybean).

#### Consumption

While the poultry sector was affected by the avian influenza (AI) outbreak in the northeastern state of Kelantan and the consequent temporary suspension of poultry exports to Singapore, the pig sector performed well in 2003/04. Overall, soymeal consumption rose 16% to 837 TMT in 2003/04.

The Malaysian poultry sector has normalized and is performing well since October 2004. The current ex-farm price for broiler hovers around US\$1.05/kg compared to US\$0.82 in March, 2004. The pig sector is also performing well with ex-farm price for live pigs hovering around US\$139/100kg compared to US\$128/100kg in March, 2004. Farmers are optimistic that the sector will maintain its momentum for the remaining part of the year. At this point, Post expects domestic soymeal consumption to increase 7.5% to 980TMT in 2004/05.

#### Market Development Opportunities

Please see 'Market Development Opportunities ' section under Total Oilseeds (Soybean).

### 2. Palm Kernel Meal

In line with the drop in palm kernel crush, palm kernel meal (PKM) production decreased to 1.8 MMT in 2003/04. Essentially a by-product of the palm oil industry, it is used primarily in cattle feed. With a very small domestic beef and dairy cattle sector, only minimal quantities are consumed locally. In 2003/04, 1.7 MMT of PKM were exported with the bulk going to the Netherlands, South Korea and Germany. The ban on the use of meat and bone meal in various countries has opened many more overseas markets for Malaysian PKM exports.

### **3. Copra Meal**

In line with a decline in crushing activities, Malaysian copra meal output dropped to 15 TMT in CY2004. The future copra meal production over the near term will largely depend on copra imports. The domestic feed industry consumes most of the local meal output. Malaysia exported only 5,000 MT of copra meal, mainly to Taiwan and Singapore in CY2004.

### **4. Fishmeal**

In response to increasing overseas demand and rising fishmeal prices, the local fishmeal production increased to 62 TMT in CY2004. Imports are expected to be flat due to over-fishing in supplying countries. In normal years, Malaysian exporters diverted much of their fishmeal output to overseas markets. Exports amounted to 32 TMT in CY2004, mainly to Indonesia, Vietnam and India.

**TOTAL OILS****1. Palm Oil**

Malaysia continues to lead the world in the production of palm and palm kernel oils and is the largest exporter of vegetable oils (mainly palm oil and palm kernel oil). Malaysia met about 15 percent of the global consumption of vegetable oils in 2003/04. Domestic crude palm oil (CPO) production rose 1.8% to 13.4 million metric tons (MMT) in 2003/04. Yields suffered as the palms experienced a biological stress after the huge production in the previous year.

Fruit-bearing area is expected to expand to 3.7 million hectares in 2004/05, while fully matured hectare equivalent (MHE) should reach 2.13 million hectares. CPO yield per matured hectare equivalent (MHE) is expected to increase from 6.55 tons per hectare in 2003/04 to 6.9 tons in 2004/05 as the palms recovered from biological stress. A rebound in yields has been evident for every month since August, 2004. With an addition of 122,000 hectares of palms reaching fruit-bearing stage, Post expects total CPO to increase by 10% to 14.8 MMT in 2004/05.

As for 2005/06, Post expects a cyclical downturn in yields. The drop in yields will be partly offset by an addition of 171,000 hectares reaching fruit-bearing stage and more palms reaching peak producing age. Post expects total CPO output to increase by 1.7% to 15 MMT.

The following table compares Post's quarterly forecasts for MY2004/05 and 2005/06 (Oct/Sep) with actual production figures for the previous two years.

	Final 2002/2003	Revised 2003/2004	Forecast 2004/05	Forecast 2005/06
(1,000 tons)				
Oct-Dec	3206	3380	3936	3940
Jan-Mar	2614	2680	3300	3200
Apr-Jun	3481	3279	3400	3600
Jul-Sep	3879	4081	4114	4260
--Total	13,180	13,420	14,750	15,000

The following MHE/yield table is based on the October/September marketing year:

	2001/02	2002/03	2003/04	2004/05	2005/06
Area-MHE (1,000 ha)	1,835	1,943	2,048	2,126	2,184
Production (TMT)	11,857	13,180	13,420	14,750	15,000
Yield-MHE (Ton/ha)	6.46	6.79	6.55	6.94	6.87

NOTE: In calculating yields, the mature hectare equivalent (MHE) approach has been used to account for the shifting age profile of Malaysia's oil palm plantings. END NOTE

In 2003/04, domestic food use amounted to only 540 TMT or about 4% of total CPO production. Cooking oil accounted for 80% while margarine/shortening took the remaining 20% of the edible palm oil market. While palm oil fractions dominated the local edible oil market, Malaysia consumed a small amount of other oils, namely palm kernel oil (about 12% market share), soybean (5%), corn (2%) and coconut (2%). The livestock sector consumed about one percent of CPO output. The rest of the palm oil went to the industrial sector, with a significant amount being used in the oleo-chemical industry. Recently the GOM announced the building a first commercial methyl ester plant. The plant will have an annual production capacity of 60,000 tons and is expected to be ready at the end of 2006.

Malaysia exported 8.6 MMT of palm oil during Jan-Sep 2004, a drop of 5.7% from the corresponding period of the previous year. The top five destinations (China, the Netherlands, India, Pakistan and Jordan) accounted for 52% of total exports. According to preliminary data, exports for the whole of 2004 were expected to be close to 12 MMT. The decline in PO exports reflects the sharp increase in the local industrial consumption. Exports of oleo-chemical rose 13% in 2004.

As would be expected, palm oil occupies the top position in export earnings among Malaysia's vegetable oils. The high in palm oil prices resulted in a 36 percent increase in export earnings in 2003. Earnings from palm oil declined in 2004 reflect the increase in exports of oleo-chemical and other palm based products. The following table compares the export earnings for the major edible oils (in million RM, exchange rate: US1 =RM3.779):

	2002	2003	2003 (Jan-Sep)	2004 (Jan-Sep)
Palm Oil	15,054	20,476	15,185	14,947
Palm Kernel Oil	1,070	1,461	1,024	1,217
Soybean Oil	266	239	182	238
Coconut Oil	160	298	230	317
TOTAL OILS	16,550	22,474	16,621	16,719
% of Total Exp. Earnings	4.7	5.6	5.7	4.7

With the expected increase in CPO output, Malaysia is estimated to have a bigger exportable surplus of about 13.3 MMT of palm oil in MY2004/05. While China is expected to remain the most important market for Malaysian palm oil, Malaysia is putting more effort in selling more to Russia, the Middle East and Eastern Europe. The GOM is encouraging plantation companies to forge joint-ventures with buyers, allowing them to invest in building bulking and refining facilities in importing countries. With the requirement of the 'transfat' labeling in the U.S. by January 2006, Malaysia is looking forward to exporting more palm oil to the States.

In February 2005, the Indian Government increased import duty on crude palm oil (from 65% to 80%) and its fractions (from 75% to 90%) but reduced the base prices of palm oils (used to calculate tariffs) by 12-15%. Malaysia claimed that India's duty structure has distorted the price difference between CPO and soyoil. The Malaysian Plantation Industries and Commodities Minister plans to meet his Indian counterpart to seek clarification on the matter.

## 2. Palm Kernel Oil

Palm kernel oil (PKO) production decreased by 3.8 percent to 1.6 MMT in 2003/04 due to a drop in palm kernel crushing. In line with the recovery of the palms from biological stress, PKO output is expected to increase to 1.8 MMT in 2004/05. A further small growth is expected in 2005/06.

The expanding local oleo-chemical industry utilized 62 percent of the PKO production in 2004. With 16 oleochemical plants with a capacity of 1.9 MMT, there is much potential for growth in the Malaysian oleo-chemical industry in the near term. The sector will continue to compete with overseas buyers for crude as well as processed PKO.

PKO exports rose marginally to 739 TMT in 2003/04. The U.S., Bangladesh, Japan and China were the top destination markets. With an expected increase in PKO output in 2004/05, about 750 TMT of PKO are expected to be available for exports.

## 3. Soybean Oil

In line with a drop in soy crush, local soyoil production declined by 1.4 percent to 69 TMT in 2003/04. With expected expansion in soy crush in the near term, domestic soyoil output is expected to increase to 75 TMT in 2004/05 and 80 TMT in 2005/06.

Soybean oil consumption accounts for 5 percent of total food use consumption of oil in Malaysia. Soyoil is consumed primarily as a premium quality cooking oil and is priced well above the price for palm oil. It is also blended with local tropical oils and sold in the domestic retail market.

At times, Malaysian soy crushers continue to find it profitable to refine imported crude soyoil for re-export to third countries. Post expects Malaysia to export about 70 to 80 TMT of value-added soyoil in 2004/05 with Singapore, the Philippines, Australia and Hong Kong as the main destinations.

## 4. Coconut Oil

Domestic coconut oil output dropped to 30 TMT in CY2004. The long-term outlook is not bright as the local coconut industry has been relegated to supplying minor food needs (desiccated coconut, coconut cream, etc). Coconut oil accounts for only about one percent of total domestic oil consumption.

Imports from Indonesia and the Philippines reached 135 TMT in CY2004 with most of them further refined and re-exported to third countries. Exports of refined coconut oil dropped by 10% to 160 TMT with major markets being South Korea, China and Singapore.

## Oil, Palm PSD

PSD Table						
Country	Malaysia					
Commodity	Oil, Palm					
	2003	Revised	2004	Estimate	2005	Forecast
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]
Market Year Begin		10/2003		10/2004		10/2005
					(1000 HA)(1000 TREES)(1000 MT)	
Area Planted	0	3875	0	4000	0	4080
Area Harvested	0	3495	0	3670	0	3800
Trees	0	0	0	0	0	0
Beginning Stocks	975	975	1332	1332	1480	1200
Production	13416	13420	14500	14750	0	15000
MY Imports	665	773	600	800	0	900
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from the EC	0	0	0	0	0	0
TOTAL SUPPLY	15056	15168	16432	16882	1480	17100
MY Exports	11765	11602	12600	13260	0	13420
MY Exp. to the EC	0	0	0	0	0	0
Industrial Dom. Consum	1238	1512	1500	1590	0	1680
Food Use Dom. Consump.	539	540	640	620	0	670
Feed Waste Consumption	182	182	212	212	0	230
TOTAL Dom. Consumption	1959	2234	2352	2422	0	2580
Ending Stocks	1332	1332	1480	1200	0	1100
TOTAL DISTRIBUTION	15056	15168	16432	16882	0	17100
Calendar Year Imports	0	780	0	800	0	900
Calendar Yr Imp. U.S.	0	0	0	0	0	0
Calendar Year Exports	0	11960	0	13260	0	13420
Calndr Yr Exp. to U.S.	0	230	0	250	0	350

## Prices Table

Prices Table			
Country	Malaysia		
Commodity	Oil, Palm		
Prices in	Ringgit	per uom	Metric Ton
Year	2003	2004	% Change
Jan	1653	1782	8%
Feb	1602	1887	18%
Mar	1501	1993	33%
Apr	1454	1973	36%
May	1471	1874	27%
Jun	1513	1546	2%
Jul	1500	1473	-2%
Aug	1392	1476	6%
Sep	1425	1546	8%
Oct	1663	1460	-12%
Nov	1855	1474	-21%
Dec	1834	1408	-23%
Exchange Rate	3.799	Local Currency/US \$	
Date of Quote	03/15/2005	MM/DD/YYYY	

**Import Trade Matrix**

<b>Import Trade Matrix</b>			
<b>Country</b>	Malaysia		
<b>Commodity</b>	Oil, Palm		
<b>Time Period</b>	2003: Jan-Dec, 2004: Jan-Sep	Units:	TMT
<b>Imports for:</b>	2003		2004
U.S.		U.S.	
Others		Others	
Indonesia	320	Indonesia	652
Thailand	21	Thailand	9
		Cambodia	1
Total for Others	341		662
Others not Listed			
Grand Total	341		662

## Export Trade Matrix

Export Trade Matrix			
Country	Malaysia		
Commodity	Oil, Palm		
Time Period	2003: Jan-Dec, 2004: Jan-Sep	Units:	TMT
Exports for:	2003		2004
U.S.	158	U.S.	147
Others		Others	
China	2497	China	1922
India	1559	Netherlands	762
Pakistan	1069	India	649
Netherlands	951	Pakistan	632
Egypt	780	Jordan	518
Singapore	438	Japan	360
Japan	430	Egypt	276
Bangladesh	267	Singapore	276
U.A. Emirates	265	Bangladesh	252
Turkey	233	U.A. Emirates	240
Total for Others	8489		5887
Others not Listed	3471		2563
Grand Total	12118		8597

## Oilseeds, Palm Kernel PSD

PSD Table						
Country	Malaysia					
Commodity	Oilseed, Palm Kernel			(1000 HA)(1000 TREES)(1000 MT)		
	2003	Revised	2004	Estimate	2005	Forecast
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]
Market Year Begin		10/2003		10/2004		10/2005
Area Planted	0	3890	0	4000	0	4080
Area Harvested	0	3495	0	3670	0	3800
Trees	0	0	0	0	0	0
Beginning Stocks	110	115	106	157	114	150
Production	3558	3556	3780	3910	0	3970
MY Imports	25	0	30	0	0	0
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from the EC	0	0	0	0	0	0
TOTAL SUPPLY	3693	3671	3916	4067	114	4120
MY Exports	0	0	0	0	0	0
MY Exp. to the EC	0	0	0	0	0	0
Crush Dom. Consumption	3587	3514	3802	3917	0	4000
Food Use Dom. Consump.	0	0	0	0	0	0
Feed,Seed,Waste Dm.Cn.	0	0	0	0	0	0
TOTAL Dom. Consumption	3587	3514	3802	3917	0	4000
Ending Stocks	106	157	114	150	0	120
TOTAL DISTRIBUTION	3693	3671	3916	4067	0	4120
Calendar Year Imports	0	0	0	0	0	0
Calendar Yr Imp. U.S.	0	0	0	0	0	0
Calendar Year Exports	0	0	0	0	0	0
Calndr Yr Exp. to U.S.	0	0	0	0	0	0

## Price Table

Prices Table			
Country	Malaysia		
Commodity	Oilseed, Palm Kernel		
Prices in	Ringgit	per uom	Metric Ton
Year	2003	2004	% Change
Jan	814	959	18%
Feb	783	1014	30%
Mar	730	1127	54%
Apr	658	1225	86%
May	668	1217	82%
Jun	684	1033	51%
Jul	641	1022	59%
Aug	607	1014	67%
Sep	676	1130	67%
Oct	817	1056	29%
Nov	918	1044	14%
Dec	1001	1030	3%
Exchange Rate	3.799	Local Currency/US \$	
Date of Quote	03/15/2005	MM/DD/YYYY	

## Meal, Palm Kernel PSD

PSD Table						
Country	Malaysia					
Commodity	Meal, Palm Kernel					
	2003	Revised	2004	Estimate	2005	Forecast
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]
Market Year Begin		10/2003		10/2004		10/2005
Crush	3587	3805	3802	3820	0	4000
Extr. Rate, 999.9999	0.535824	0.484625	0.535771	0.544503	0	0.53
Beginning Stocks	170	227	153	242	160	230
Production	1922	1844	2037	2080	0	2120
MY Imports	16	0	20	0	0	0
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from the EC	0	0	0	0	0	0
TOTAL SUPPLY	2108	2071	2210	2322	160	2350
MY Exports	1725	1663	1800	1890	0	1930
MY Exp. to the EC	1100	0	1150	0	0	0
Industrial Dom. Consum	0	0	0	0	0	0
Food Use Dom. Consump.	0	0	0	0	0	0
Feed Waste Dom. Consum	230	166	250	202	0	220
TOTAL Dom. Consumption	230	166	250	202	0	220
Ending Stocks	153	242	160	230	0	200
TOTAL DISTRIBUTION	2108	2071	2210	2322	0	2350
Calendar Year Imports	0	0	0	0	0	0
Calendar Yr Imp. U.S.	0	0	0	0	0	0
Calendar Year Exports	0	1690	0	1890	0	1930
Calndr Yr Exp. to U.S.	0	0	0	0	0	0

## Export Trade Matrix

Export Trade Matrix			
Country	Malaysia		
Commodity	Meal, Palm Kernel		
Time Period	2003: Jan-Dec, 2004: Jan-Sep	Units:	TMT
Exports for:	2003		2004
U.S.	1	U.S.	
Others		Others	
Netherlands	1243	Netherlands	837
Germany, FR	294	Korea Rep.	115
Australia	91	Germany, FR	80
Korea Rep.	75	Niger	70
New Zealand	38	New Zealand	42
Niger	37	Vietnam	19
Vietnam	18	Thailand	5
Spain	5	Philippines	5
Japan	4	Japan	3
Romania	1	South Africa	1
Total for Others	1806		1177
Others not Listed			1
Grand Total	1807		1178

## Oil, Palm Kernel PSD

PSD Table						
Country	Malaysia					
Commodity	Oil, Palm Kernel				(1000 MT)(PERCENT)	
	2003	Revised	2004	Estimate	2005	Forecast
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]
Market Year Begin		10/2003		10/2004		10/2005
Crush	3609	3514	3802	3917	0	4000
Extr. Rate, 999.9999	0.441674	0.453614	0.444503	0.449323	0	0.45
Beginning Stocks	265	222	210	168	205	180
Production	1594	1594	1690	1760	0	1800
MY Imports	165	165	170	180	0	200
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from the EC	0	0	0	0	0	0
TOTAL SUPPLY	2024	1981	2070	2108	205	2180
MY Exports	638	739	660	750	0	760
MY Exp. to the EC	0	0	0	0	0	0
Industrial Dom. Consum	1091	989	1120	1090	0	1165
Food Use Dom. Consump.	85	85	85	88	0	95
Feed Waste Dom. Consum	0	0	0	0	0	0
TOTAL Dom. Consumption	1176	1074	1205	1178	0	1260
Ending Stocks	210	168	205	180	0	160
TOTAL DISTRIBUTION	2024	1981	2070	2108	0	2180
Calendar Year Imports	0	180	0	180	0	200
Calendar Yr Imp. U.S.	0	0	0	0	0	0
Calendar Year Exports	0	710	0	750	0	760
Calndr Yr Exp. to U.S.	0	170	0	190	0	210

## Prices Table

Prices Table			
Country	Malaysia		
Commodity	Oil, Palm Kernel		
Prices in	Ringgit	per uom	Metric Ton
Year	2003	2004	% Change
Jan	1777	2025	14%
Feb	1683	2139	27%
Mar	1600	2355	47%
Apr	1445	2613	81%
May	1455	2640	81%
Jun	1484	2255	52%
Jul	1427	2247	57%
Aug	1340	2195	64%
Sep	1431	2437	70%
Oct	1665	2295	38%
Nov	1813	2282	26%
Dec	2084	2259	8%
Exchange Rate	3.799	Local Currency/US \$	
Date of Quote	03/15/2005	MM/DD/YYYY	

**Import Trade Matrix**

<b>Import Trade Matrix</b>			
<b>Country</b>	Malaysia		
<b>Commodity</b>	Oil, Palm Kernel		
Time Period	2003: Jan-Dec, 2004: Jan-Sep	Units:	TMT
Imports for:	2003		<b>2004</b>
U.S.		U.S.	
Others		Others	
Indonesia	87	Indonesia	103
Thailand	25	Thailand	34
Total for Others	112		137
Others not Listed			
Grand Total	112		137

## Export Trade Matrix

Export Trade Matrix			
Country	Malaysia		
Commodity	Oil, Palm Kernel		
Time Period	2003: Jan-Dec, 2004: Jan-Sep	Units:	TMT
Exports for:	2003		2004
U.S.	183	U.S.	128
Others		Others	
Netherlands	66	Bangladesh	47
China	65	Japan	36
Sri Lanka	57	China	35
Japan	53	Jordan	30
Turkey	43	Netherlands	30
Singapore	38	South Africa	22
South Africa	35	Egypt	16
India	27	Brazil	15
Thailand	26	Russian Fed.	12
Brazil	26	Denmark	10
Total for Others	436		253
Others not Listed	183		119
Grand Total	802		500

## Oilseeds, Soybean PSD

PSD Table						
Country	Malaysia					
Commodity	Oilseed, Soybean				(1000 HA)(1000 MT)	
	2003	Revised	2004	Estimate	2005	Forecast
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]
Market Year Begin		10/2003		10/2004		10/2005
Area Planted	0	0	0	0	0	0
Area Harvested	0	0	0	0	0	0
Beginning Stocks	77	77	75	80	82	85
Production	0	0	0	0	0	0
MY Imports	550	549	575	600	0	635
MY Imp. from U.S.	190	182	180	200	0	230
MY Imp. from the EC	0	0	0	0	0	0
TOTAL SUPPLY	627	626	650	680	82	720
MY Exports	15	12	20	15	0	18
MY Exp. to the EC	0	0	0	0	0	0
Crush Dom. Consumption	400	388	410	422	0	450
Food Use Dom. Consump.	120	128	120	138	0	145
Feed,Seed,Waste Dm.Cn.	17	18	18	20	0	20
TOTAL Dom. Consumption	537	534	548	580	0	615
Ending Stocks	75	80	82	85	0	87
TOTAL DISTRIBUTION	627	626	650	680	0	720
Calendar Year Imports	0	570	0	600	0	635
Calendar Yr Imp. U.S.	0	170	0	200	0	230
Calendar Year Exports	0	12	0	15	0	18
Calndr Yr Exp. to U.S.	0	0	0	0	0	0

## Import Trade Matrix

Import Trade Matrix			
Country	Malaysia		
Commodity	Oilseed, Soybean		
Time Period	2003: Jan-Dec, 2004: Jan-Sep	Units:	TMT
Imports for:	2003		2004
U.S.	237	U.S.	113
Others		Others	
Argentina	200	Argentina	151
Canada	84	Canada	57
Brazil	30	Brazil	55
Australia	20	Uruguay	42
China	13	Australia	3
India	3	China	3
		India	3
Total for Others	350		314
Others not Listed	1		
Grand Total	588		427

## Meal, Soybean PSD

PSD Table						
Country	Malaysia					
Commodity	Meal, Soybean				(1000 MT)(PERCENT)	
	2003	Revised	2004	Estimate	2005	Forecast
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]
Market Year Begin		10/2003		10/2004		10/2005
Crush	400	388	410	422	0	450
Extr. Rate, 999.9999	0.775	0.773196	0.77561	0.770142	0	0.777778
Beginning Stocks	74	74	76	76	80	80
Production	310	300	318	325	0	350
MY Imports	566	566	625	610	0	620
MY Imp. from U.S.	10	0	10	0	0	0
MY Imp. from the EC	0	0	0	0	0	0
TOTAL SUPPLY	950	940	1019	1011	80	1050
MY Exports	23	27	25	31	0	30
MY Exp. to the EC	0	0	0	0	0	0
Industrial Dom. Consum	0	0	0	0	0	0
Food Use Dom. Consump.	0	0	0	0	0	0
Feed Waste Dom. Consum	851	837	914	900	0	940
TOTAL Dom. Consumption	851	837	914	900	0	940
Ending Stocks	76	76	80	80	0	80
TOTAL DISTRIBUTION	950	940	1019	1011	0	1050
Calendar Year Imports	0	550	0	610	0	620
Calendar Yr Imp. U.S.	0	0	0	0	0	0
Calendar Year Exports	0	20	0	31	0	30
Calndr Yr Exp. to U.S.	0	0	0	0	0	0

**Import Trade Matrix**

<b>Import Trade Matrix</b>			
<b>Country</b>	Malaysia		
<b>Commodity</b>	Meal, Soybean		
Time Period	2003: Jan-Dec, 2004: Jan-Sep	Units:	TMT
Imports for:	2003		2004
U.S.		U.S.	
Others		Others	
Argentina	382	Argentina	293
China	47	India	93
India	25	China	13
Singapore	4	U.A. Emirates	3
Total for Others	458		402
Others not Listed	1		
Grand Total	459		402

## Oil, Soybean PSD

PSD Table						
Country	Malaysia					
Commodity	Oil, Soybean				(1000 MT)(PERCENT)	
	2003	Revised	2004	Estimate	2005	Forecast
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]
Market Year Begin		10/2003		10/2004		10/2005
Crush	400	388	410	422	0	450
Extr. Rate, 999.9999	0.1775	0.177835	0.178049	0.177725	0	0.177778
Beginning Stocks	2	2	6	2	4	4
Production	71	69	73	75	0	80
MY Imports	78	66	80	80	0	70
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from the EC	0	0	0	0	0	0
TOTAL SUPPLY	151	137	159	157	4	154
MY Exports	90	100	100	115	0	105
MY Exp. to the EC	0	0	0	0	0	0
Industrial Dom. Consum	0	0	0	0	0	0
Food Use Dom. Consump.	55	35	55	38	0	40
Feed Waste Dom. Consum	0	0	0	0	0	0
TOTAL Dom. Consumption	55	35	55	38	0	40
Ending Stocks	6	2	4	4	0	9
TOTAL DISTRIBUTION	151	137	159	157	0	154
Calendar Year Imports	0	80	0	80	0	70
Calendar Yr Imp. U.S.	0	0	0	0	0	0
Calendar Year Exports	0	110	0	115	0	105
Calndr Yr Exp. to U.S.	0	0	0	0	0	0

**Import Trade Matrix**

<b>Import Trade Matrix</b>			
<b>Country</b>	Malaysia		
<b>Commodity</b>	Oil, Soybean		
Time Period	2003: Jan-Dec, 2004: Jan-Sep	Units:	TMT
Imports for:	2003		2004
U.S.		U.S.	
Others		Others	
Argentina	31	Argentina	38
Brazil	17	Brazil	19
Thailand	4	India	4
India	1		
Total for Others	53		61
Others not Listed			
Grand Total	53		61

## Export Trade Matrix

Export Trade Matrix			
Country	Malaysia		
Commodity	Oil, Soybean		
Time Period	2003: Jan-Dec, 2004: Jan-Sep	Units:	TMT
Exports for:	2003		2004
U.S.		U.S.	
Others		Others	
Singapore	24	Singapore	20
Philippines	15	Philippines	10
Hong Kong	14	Australia	7
Australia	9	Korea Dem. People	5
Korea Rep. Of	8	Hong Kong	5
Indonesia	7	Indonesia	5
New Zealand	4	Japan	5
Japan	4	Pakistan	4
Korea Dem. People	4	New Zealand	3
Kuwait	3	Yemen	3
Total for Others	92		67
Others not Listed	12		3
Grand Total	104		70

## Oilseeds, Copra PSD

PSD Table						
Country	Malaysia					
Commodity	Oilseed, Copra				(1000 HA)(1000 TREES)(1000 MT)	
	2003	Revised	2004	Estimate	2005	Forecast
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]
Market Year Begin		01/2004		01/2005		01/2006
Area Planted	0	105	0	103	0	100
Area Harvested	0	74	0	72	0	70
Trees	0	0	0	0	0	0
Beginning Stocks	5	5	2	4	2	5
Production	30	37	30	36	0	35
MY Imports	15	16	16	18	0	20
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from the EC	0	0	0	0	0	0
TOTAL SUPPLY	50	58	48	58	2	60
MY Exports	4	6	4	4	0	4
MY Exp. to the EC	0	0	0	0	0	0
Crush Dom. Consumption	44	48	42	49	0	52
Food Use	0	0	0	0	0	0
Feed,Seed,Waste Dm.Cn.	0	0	0	0	0	0
Total Dom. Consumption	44	48	42	49	0	52
Ending Stocks	2	4	2	5	0	4
TOTAL DISTRIBUTION	50	58	48	58	0	60
Calendar Year Imports	0	16	0	18	0	20
Calendar Yr Imp. U.S.	0	0	0	0	0	0
Calendar Year Exports	0	6	0	4	0	4
Calndr Yr Exp. to U.S.	0	0	0	0	0	0

## Meal, Copra PSD

PSD Table						
Country	Malaysia					
Commodity	Meal, Copra				(1000 MT)(PERCENT)	
	2003	Revised	2004	Estimate	2005	Forecast
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]
Market Year Begin		01/2004		01/2005		01/2006
Crush	44	48	42	49	0	52
Extr. Rate, 999.9999	0.318182	0.3125	0.309524	0.326531	0	0.326923
Beginning Stocks	0	1	0	1	0	1
Production	14	15	13	16	0	17
MY Imports	0	0	0	0	0	0
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from the EC	0	0	0	0	0	0
TOTAL SUPPLY	14	16	13	17	0	18
MY Exports	8	5	4	4	0	3
MY Exp. to the EC	0	0	0	0	0	0
Industrial Dom. Consum	6	0	9	0	0	0
Food Use Dom. Consump.	0	0	0	0	0	0
Feed Waste Dom. Consum	0	10	0	12	0	14
TOTAL Dom. Consumption	6	10	9	12	0	14
Ending Stocks	0	1	0	1	0	1
TOTAL DISTRIBUTION	14	16	13	17	0	18
Calendar Year Imports	0	0	0	0	0	0
Calendar Yr Imp. U.S.	0	0	0	0	0	0
Calendar Year Exports	0	5	0	4	0	3
Calndr Yr Exp. to U.S.	0	0	0	0	0	0

## Oil, Coconut PSD

PSD Table						
Country	Malaysia					
Commodity	Oil, Coconut					(1000 MT)(PERCENT)
	2003	Revised	2004	Estimate	2005	Forecast
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]
Market Year Begin		01/2004		01/2005		01/2006
Crush	44	48	42	49	0	52
Extr. Rate, 999.9999	0.636364	0.625	0.571429	0.632653	0	0.634615
Beginning Stocks	4	4	10	5	10	5
Production	28	30	24	31	0	33
MY Imports	143	145	150	134	0	122
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from the EC	0	0	0	0	0	0
TOTAL SUPPLY	175	179	184	170	10	160
MY Exports	150	160	158	150	0	140
MY Exp. to the EC	0	0	0	0	0	0
Industrial Dom. Consum	0	0	0	0	0	0
Food Use Dom. Consump.	15	14	16	15	0	15
Feed Waste Dom. Consum	0	0	0	0	0	0
TOTAL Dom. Consumption	15	14	16	15	0	15
Ending Stocks	10	5	10	5	0	5
TOTAL DISTRIBUTION	175	179	184	170	0	160
Calendar Year Imports	0	145	0	134	0	122
Calendar Yr Imp. U.S.	0	0	0	0	0	0
Calendar Year Exports	0	160	0	150	0	140
Calndr Yr Exp. to U.S.	0	30	0	33	0	35

**Import Trade Matrix**

<b>Import Trade Matrix</b>			
<b>Country</b>	Malaysia		
<b>Commodity</b>	Oil, Coconut		
Time Period	2003: Jan-Dec, 2004: Jan-Sep	Units:	TMT
Imports for:	2003		2004
U.S.		U.S.	
Others		Others	
Philippines	67	Indonesia	71
Indonesia	57	Philippines	34
Belgium	1	Vietnam	1
Total for Others	125		106
Others not Listed	1		
Grand Total	126		106

## Export Trade Matrix

Export Trade Matrix			
Country	Malaysia		
Commodity	Oil, Coconut		
Time Period	2003: Jan-Dec, 2004: Jan-Sep	Units:	TMT
Exports for:	2003		2004
U.S.	25	U.S.	25
Others		Others	
Sri Lanka	45	Korea Rep. Of	17
China	18	China	15
Singapore	14	Singapore	7
Australia	11	Russian Fed.	6
India	8	Spain	5
Bangladesh	7	Australia	5
Pakistan	5	Canada	4
Russian Fed.	4	India	3
Spain	4	Netherlands	3
Korea Rep. Of	4	Pakistan	3
Total for Others	120		68
Others not Listed	31		32
Grand Total	176		125

## Meal, Fish PSD

PSD Table						
Country	Malaysia					
Commodity	Meal, Fish					
	2003	Revised	2004	Estimate	(1000 MT)(PERCENT)	Forecast
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]
Market Year Begin		01/2004		01/2005		01/2006
Catch For Reduction	0	0	0	0	0	0
Extr. Rate, 999.9999	0	0	0	0	0	0
Beginning Stocks	1	1	1	1	1	1
Production	62	62	60	60	0	59
MY Imports	5	4	4	4	0	4
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from the EC	0	0	0	0	0	0
TOTAL SUPPLY	68	67	65	65	1	64
MY Exports	35	32	34	33	0	34
MY Exp. to the EC	0	0	0	0	0	0
Industrial Dom. Consum	0	0	0	0	0	0
Food Use Dom. Consump.	0	0	0	0	0	0
Feed Waste Dom. Consum	32	34	30	31	0	29
TOTAL Dom. Consumption	32	34	30	31	0	29
Ending Stocks	1	1	1	1	0	1
TOTAL DISTRIBUTION	68	67	65	65	0	64
Calendar Year Imports	0	4	0	4	0	4
Calendar Yr Imp. U.S.	0	0	0	0	0	0
Calendar Year Exports	0	32	0	33	0	34
Calndr Yr Exp. to U.S.	0	0	0	0	0	0

**Import Trade Matrix**

<b>Import Trade Matrix</b>			
<b>Country</b>	Malaysia		
<b>Commodity</b>	Meal, Fish		
Time Period	2003: Jan-Dec, 2004: Jan-Sep	Units:	TMT
Imports for:	2003		2004
U.S.		U.S.	
Others		Others	
Peru		1 Peru	1
Germany Fed.		1 Burma	1
Total for Others		2	2
Others not Listed		1	1
Grand Total		3	3

## Export Trade Matrix

Export Trade Matrix			
Country	Malaysia		
Commodity	Meal, Fish		
Time Period	2003: Jan-Dec, 2004: Jan-Sep	Units:	TMT
Exports for:	2003		2004
U.S.		U.S.	
Others		Others	
Indonesia	8	Indonesia	6
Vietnam	8	Vietnam	5
Thailand	6	India	4
China	5	Thailand	3
Bangladesh	3	China	3
Taiwan	3	Bangladesh	2
Sri Lanka	2	Singapore	1
Japan	2		
India	2		
Singapore	1		
Total for Others	40		24
Others not Listed			
Grand Total	40		24