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Philippines

Oilseeds and Products

Annual

2008

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Report Highlights:
High global oilseed and oilseed product prices will cause a shift away from soybean oil and soybean meal consumption to coconut oil and copra meal use through MY08/09. Soybean imports are likely to contract through 2009 while exports of copra meal and coconut oil, enhanced by increasing copra production, are expected to increase during the same period.

Includes PSD Changes: Yes
Includes Trade Matrix: No
Annual Report
Manila [RP1]
[RP]

EXECUTIVE SUMMARY

Perceived tightness in global oilseed supplies last year resulted in increasing oilseed and oilseed product prices. Because of this, despite comparatively low coconut oil (CNO) production in 2007, Philippine vegetable oil imports declined steeply from the previous year's level. This year, traditional vegetable oil producing and exporting countries imposed tighter export policies to secure its domestic requirements, while some importing countries have relaxed their vegetable oil import policy regimes. Both have not helped alleviate general oilseed and oilseed product supply and price apprehensions, and are not expected to in the next 2-3 years.

Because soybeans are not locally produced commercially, high soybean prices are likely to result in the gradual contraction of bean imports through 2009. Hence, decreasing soybean supply will result in the corresponding decline in soybean meal (SBM) and soybean oil (SBO) production during the period. Dampened consumer demand for meat on account of rising food and oil prices, however, are likely to result in depressed SBM demand. SBM imports are expected to mirror this consumption decline through 2009.

Copra production, on the other hand, is expected to improve and increase through MY08/09. Copra imports, after a slight increase in MY07/08, are expected to decline the following year as a result. There will likely be no copra exports in the next two years because of higher demand for local copra crush. As a result, copra meal and coconut oil (CNO) production during the period are likely to increase.

Increasing copra meal production through MY08/09 is expected to be more than adequate to serve increasing domestic consumption as well as higher copra meal exports in the next two years. Domestic copra meal use by local feedmillers is expected to displace some SBM consumption during the period.

Similarly, industrial, edible oil and animal feed domestic utilization of CNO are all expected to increase through MY08/09 as scarcity of imported vegetable oils will represent less competition. Decreasing SBO imports is expected in the next two years and more CNO use is likely. Higher CNO production during the period will also make possible a rise in CNO exports which will be enhanced by high prices. Overall copra and copra product inventories are expected to build up through MY08/09 because of good local oilseed production.

PRODUCTION, Oilseeds

Philippine copra production in MY07/08 was revised upwards to approximate coconut production estimates from the United Coconut Association of the Philippines (UCAP) for calendar year 2008. Copra output in MY07/08 will increase from the previous year's level as a result. The UCAP estimates Philippine coconut production this year at 2.5 MMT, up from the 2.2 MMT production estimate in 2007. Favorable weather conditions last year, as well as the recovery of coconut trees in the Southern part of Luzon island (which account for an estimated 65 percent of national coconut production) from the destructive typhoons of 2006, is the basis for the improved coconut output this year, according to the UCAP.

The Philippine Coconut Authority (PCA) had earlier projected coconut production in 2007 to decline to 2.1 MMT due to the 2006 typhoons but projected copra output to improve soon due to a P100-million intercropping program. Because of this, overall area planted as well as the number of coconut trees were raised in MY07/08, but will likely stay at this level the following year. Area harvested, on the other hand, was also raised in MY07/08 and is expected to be increasing through MY08/09. Copra production in MY08/09 is expected to modestly increase from the previous year's level as a result of a proposed fertilization program by the PCA (see POLICY, Oilseeds).

With regards to infestation by the coconut hispine beetle (Brontispa longissima Gestro) mentioned in GAIN 6015, the PCA reportedly does not yet find the pest infestation alarming. It reportedly has affected only one percent of the close to 350 million coconut trees nationwide. So as not to seriously affect overall coconut production in the long-term, the national government (GRP) has responded with certain policy measures (see POLICY, Oilseeds) to contain the spread of the pest.

Local soybean production remains insignificant relative to overall Philippine oilseed output. While there may be small backyard scale soybean cultivation, these are mainly for food purposes.

CONSUMPTION, Oilseeds

Copra crush continues to be the dominant use of local copra, primarily for CNO production, and is largely a function of copra supply. Copra crush in MY07/08 was raised and expected to increase from the previous year's level as a result of strong demand for CNO and better copra production during the year. Increased copra crush is predicted the following year as copra output further improves. Overall copra crush capacity remains to be roughly double total copra supply annually.

Soybean crush this year, on the other hand, is expected to decline from the 2007 level due to record-level whole bean and oil prices. This decline is expected to extend through 2009 as local bean crushers are expected to struggle with increasing production costs. Soybean meal (SBM) is the sought-after product of local soybean crushing facilities for animal feed purposes. Local soybean oil (SBO) use is considered to be very minimal relative to overall vegetable oil use.

TRADE, Oilseeds

Coconut products exports in 2007, according to the UCAP, are estimated at 1.6 MMT in copra terms, down 1.9 percent from 2.0 MMT the previous year in 2006, because of a decrease in coconut harvest. The UCAP, however, estimates coconut products exports to recover and reach 1.9 MMT this year or in calendar 2008 for a 16 percent rise from the previous year's level. Increased exports of copra products this year are premised on the predicted recovery and increase in coconut output during the period.

No copra exports are expected in the next two years or through MY08/09 due to perceived tightness in global oilseed supply (see TRADE, Oils Section) while imports increased slightly in MY07/08 due to brief tightness in local copra supply in the second half of 2008 as a result of the 2006 typhoons. Copra imports are likely to decline the following year, however, due to the expected improvement in copra production in 2008.

Soybean imports this year will decline from the 2007 level mainly due to depressed demand as a result of increasing food and oil prices. Overall soybean imports in 2009 are predicted to again decline from the previous year's and bean imports from the U.S are expected to mirror this trend despite less competition from Argentina and China on account of the imposition of trade measures that raise higher export taxes.

STOCKS, Oilseeds

Enhanced by higher copra output, copra stocks in MY07/08 expect to increase compared to the previous year's level. Despite improved production the following year, copra inventories are expected to remain at the MY07/08 level due to increased copra crush consumption during the period.

For soybean stocks, inventories are expected to gradually decline in the next two years due to the persistence of high global bean prices and overall demand weakness.

POLICY, Oilseeds

On February 2008, the PCA issued Memorandum Circular No. 02-2008 (MC 02-2008) suspending the issuance of permits to cut and limiting the transport of fallen coconut trees. MC 02-2008 also restricts the transport of coconut lumber over long distances, allowing only inter-province movement by small vehicles with a maximum load capacity of 2,000 board feet of coconut lumber. While MC 02-2008 provides for certain exemptions, the decline in the number of coconut trees as a result of cutting is expected to diminish.

Concern over the coconut hispine beetle is manifest in Executive Order No. 664 (EO 664) signed September last year which directs the PCA to establish quarantine stations and to closely monitor the damage caused by the pest. Around the same time, the Department of Agriculture (DA), banned the importation of palm seed nuts and seedlings from the following sources: Western and American Samoa; Queensland and Northern Territory of Australia; Guandong, Hainan, Hong Kong, Taiwan in China; the Maldives; Laos; Malaysia; Myanmar; Thailand; Cambodia; Indonesia; Singapore; Vietnam; French Polynesia; Nauru; New Caledonia; Northern Mariana Island; Papua New Guinea; Solomon Islands; Vanatu; Wallis and Futuna.

In addition, Metro Manila and 26 provinces were also reportedly placed under quarantine. EO 664 also ordered the PCA and the Bureau of Plant Industry to check coconut seedlings and planting materials being transported. A PCA transport permit that prove they have undergone preventive measures like spraying is now required. The infestation reportedly has been to traced coconut leaf beetle larvae in imported ornamental plants from Malaysia around October 2005.

The PCA has also proposed recently a 4 year production program beginning 2008 to 2011 that will reportedly require P1.89 Billion ($45 million) in funding. According to the PCA, the program will ensure the production of an additional 270,000 MT of copra by 2009. The following year or by 2010, total coconut output in copra terms will reach 3 MMT and harvests will reach 3.5 MMT by 2012. The program will reportedly involve the fertilization of coconut trees covering 1.4 million hectares. Fertilization reportedly will mainly use common salt or sodium chloride (NaCl) which is the major nutrient element for coconut trees. The estimated cost of fertilization is around P1,400 ($33.33) per hectare.

PSD Table									
Country	**Philippines**								
Commodity	**Oilseed, Copra**					(1000 HA)(1000 TREES)(1000 MT)			
	2006	Revised		2007	Estimate		2008	Forecast	
	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New
Market Year Begin		10/2006	10/2006		10/2007	10/2007		10/2008	10/2008
Area Planted	3150	0	3150	3150	0	3200	0	0	3200
Area Harvested	2900	0	2900	2900	0	2925	0	0	2935
Trees	280000	0	280000	280000	0	300000	0	0	310000
Beginning Stocks	21	0	21	21	0	21	0	0	66
Production	2200	0	2200	2100	0	2500	0	0	2600
MY Imports	40	0	40	45	0	45	0	0	30
MY Imp. from U.S.	0	0	0	0	0	0	0	0	0
MY Imp. from EU	0	0	0	0	0	0	0	0	0
Total Supply	2261	0	2261	2166	0	2566	0	0	2696
MY Exports	0	0	0	0	0	0	0	0	0
MY Exp. to EU	0	0	0	0	0	0	0	0	0
Crush	2240	0	2240	2145	0	2500	0	0	2630
Food Use Dom. Cons.	0	0	0	0	0	0	0	0	0
Feed Waste Dom. Cons.	0	0	0	0	0	0	0	0	0
Total Dom. Cons.	2240	0	2240	2145	0	2500	0	0	2630
Ending Stocks	21	0	21	21	0	66	0	0	66
Total Distribution	2261	0	2261	2166	0	2566	0	0	2696
CY Imports	20	0	20	20	0	20	0	0	0
CY Imp. from U.S.	0	0	0	0	0	0	0	0	0
CY Exports	0	0	0	0	0	0	0	0	0
CY Exp. to U.S.	0	0	0	0	0	0	0	0	0

PSD Table									
Country	Philippines								
Commodity	Oilseed, Soybean							(1000 HA)	(1000 MT)
	2006	Revised		2007	Estimate		2008	Forecast	
	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New
Market Year Begin		01/2007	01/2007		01/2008	01/2008		01/2009	01/2009
Area Planted	0	0	0	0	0	0	0	0	0
Area Harvested	1	0	1	1	0	1	0	0	1
Beginning Stocks	8	0	8	7	0	7	0	0	4
Production	1	0	1	1	0	1	0	0	1
MY Imports	164	0	164	130	0	100	0	0	85
MY Imp. from U.S.	60	0	60	60	0	55	0	0	40
MY Imp. from EU	0	0	0	0	0	0	0	0	0
Total Supply	173	0	173	138	0	108	0	0	90
MY Exports	0	0	0	0	0	0	0	0	0
MY Exp. to EU	0	0	0	0	0	0	0	0	0
Crush	148	0	148	115	0	90	0	0	75
Food Use Dom. Cons.	15	0	15	15	0	12	0	0	10
Feed Waste Dom. Cons.	3	0	3	3	0	2	0	0	2
Total Dom. Cons.	166	0	166	133	0	104	0	0	87
Ending Stocks	7	0	7	5	0	4	0	0	3
Total Distribution	173	0	173	138	0	108	0	0	90
CY Imports	150	0	150	165	0	120	0	0	0
CY Imp. from U.S.	95	0	95	110	0	70	0	0	0
CY Exports	0	0	0	0	0	0	0	0	0
CY Exp. to U.S.	0	0	0	0	0	0	0	0	0

PRODUCTION, Oilmeals

Copra meal production in MY07/08 was raised due to upward adjustments made to copra crush during the same period. Copra meal production is expected to increase again the following year as copra output further increases. Higher copra production is expected to support higher copra crush in MY08/09.

In contracts, soybean meal production will likely continue declining through 2009 as a result of increasing whole bean and oil prices in the world market.

CONSUMPTION, Oilmeals

According to data from the local Bureau of Agricultural Statistics, Philippine agriculture expanded 4.7 percent in 2007, an improvement from the 3.8 percent growth in 2006 and between the official 4.5-5.0 percent expansion target for the year. All feed consuming industries grew from the previous year’s level with aquaculture and municipal fisheries expanding 5.9 and 5.5 percent, respectively, from their year ago levels. Livestock production in 2007 expanded 2.4 percent compared to the previous year’s level and accounted for 13 percent of overall Philippine output during the period. Hog output improved 2.7 percent while goat and water buffalo production expanded 2.3 and 5.02 percent, respectively.

The poultry subsector, on the other hand grew 0.3 percent last year and accounted for 14.0 percent of total farm output during the year. Overall farm gate prices rose by an average 4.5 percent with poultry posting the biggest price increment at 6.4 percent in 2007.

While farm output may register continued growth in 2008, spurred mainly by increasing commodity prices, the growth prospects of the local feed milling industry are not so bright. Increasing costs of imported feed ingredients such as SBM are likely to stunt any expansion in 2008. The hogs sector, which is the dominant feed consuming industry, is likely to contract this year as animal disease problems are currently being experienced in the main island of Luzon. Likewise, weaker demand for pork as a result of high prices is likely to constrain any growth in 2008. The local broiler sector, on the other hand, while expected to recover and post some growth this year, continues to struggle with increasing feedgrain prices. Overall feed consumption is expected to remain flat the following year.

Copra meal consumption in MY07/08, however, was raised to the level of the previous year and is expected to remain at this level through MY08/09. Although not a protein substitute for SBM, the use of copra meal to displace a certain volume of SBM in order to cut on costs, is expected to increase during the period. As a result, SBM consumption will likely decline this year from the 2007 level due to the high prices. Zero growth for SBM demand is expected in 2009, however, as rising food prices are expected to continue to dampen overall meat demand.

TRADE, Oilmeals

Downward adjustments were made to copra meal exports in MY07/08 to approximate UCAP’s copra meal export projection for 2008. Despite the downward revision, copra meal exports in MY07/08 are still expected to increase from the previous year’s level. Exports of copra meal in MY08/09 are expected to further increase from the previous year’s level due to adequate copra supply.

Overall SBM imports in 2008 are expected to decline from the previous year’s level due to the expected decline in feed consumption as a result of high feed grain prices and dampened meat demand during the period. This decline is expected to extend to 2009 as high feed grain costs are not likely to abate in the near term. U.S. SBM exports to the Philippines, however, are likely to increase this year compared to the 2007 level due to less competition. Labor unrest at the ports of Argentina, has reportedly been disrupting trade. In addition, the appreciation of the Philippine Peso relative to the US$ has also made U.S. SBM more competitive. SBM imports in 2009 are likely to remain flat compared to the previous year's level.

Containerized shipments of whole beans and SBM have gained popularity with local feed importers and it has proven to be a viable alternative for both large and small importers. Local feedmillers have noted that whole beans can be shipped together with SBM and even with DDGS in the same hatch. Lately, however, domestic feedmillers have complained of tightness in available U.S. containers for feedgrain shipments.

STOCKS, Oilmeals

Copra meal stock are predicted to grow through MY08/09 as a result of the expected increase in copra production coupled with flat feed demand in the next two years. SBM inventories, on the other hand, are likely to contract during the same period due to high bean prices.

POLICY, Oilmeals

Earlier this year, the Philippine Association of Feed Millers, Inc. (PAFMI) formally requested to the Philippine government for the duty-free importation of soybeans, soybean meal, DDGS and tapioca residue pellet to help lower the rising costs of imported raw materials. Although exempt from a 12 percent value added tax (VAT), soybeans, and soybean meal are levied a 3 percent import duty. The request, however, has not been granted.

PSD Table									
Country	**Philippines**								
Commodity	**Meal, Copra**						(1000 MT)(PERCENT)		
	2006	Revised		2007	Estimate		2008	Forecast	
	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New
Market Year Begin		10/2006	10/2006		10/2007	10/2007		10/2008	10/2008
Crush	2240	0	2240	2145	0	2500	0	0	2630
Extr. Rate, 999.9999	0.325893	0	0.325893	0.331002	0	0.322	0	0	0.325095
Beginning Stocks	175	0	175	155	0	155	0	0	200
Production	730	0	730	710	0	805	0	0	855
MY Imports	0	0	0	0	0	0	0	0	0
MY Imp. from U.S.	0	0	0	0	0	0	0	0	0
MY Imp. from EU	0	0	0	0	0	0	0	0	0
Total Supply	905	0	905	865	0	960	0	0	1055
MY Exports	410	0	410	464	0	420	0	0	440
MY Exp. to EU	0	0	0	0	0	0	0	0	0
Industrial Dom. Cons.	0	0	0	0	0	0	0	0	0
Food Use Dom. Cons.	0	0	0	0	0	0	0	0	0
Feed Waste Dom. Cons.	340	0	340	300	0	340	0	0	340
Total Dom. Cons.	340	0	340	300	0	340	0	0	340
Ending Stocks	155	0	155	101	0	200	0	0	275
Total Distribution	905	0	905	865	0	960	0	0	1055
CY Imports	0	0	0	0	0	0	0	0	0
CY Imp. from U.S.	0	0	0	0	0	0	0	0	0
CY Exports	400	0	400	400	0	400	0	0	0
CY Exp. to U.S.	0	0	0	0	0	0	0	0	0
SME	153.51	0	153.51	135.45	0	153.51	0	0	153.51

PSD Table								
Country	**Philippines**							
Commodity	**Meal, Soybean**					(1000 MT)(PERCENT)		
	2006	Revised		2007	Estimate		2008	Forecast
	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New
Market Year Begin		01/2007	01/2007		01/2008	01/2008		01/2009	01/2009
Crush	148	0	148	115	0	115	0	0	85
Extr. Rate, 999.9999	0.797297	0	0.797297	0.791304	0	0.791304	0	0	0.788235
Beginning Stocks	50	0	50	58	0	58	0	0	49
Production	118	0	118	91	0	91	0	0	67
MY Imports	1418	0	1418	1560	0	1100	0	0	1100
MY Imp. from U.S.	530	0	530	550	0	700	0	0	700
MY Imp. from EU	0	0	0	0	0	0	0	0	0
Total Supply	1586	0	1586	1709	0	1249	0	0	1216
MY Exports	0	0	0	0	0	0	0	0	0
MY Exp. to EU	0	0	0	0	0	0	0	0	0
Industrial Dom. Cons.	0	0	0	0	0	0	0	0	0
Food Use Dom. Cons.	0	0	0	0	0	0	0	0	0
Feed Waste Dom. Cons.	1528	0	1528	1674	0	1200	0	0	1200
Total Dom. Cons.	1528	0	1528	1674	0	1200	0	0	1200
Ending Stocks	58	0	58	35	0	49	0	0	16
Total Distribution	1586	0	1586	1709	0	1249	0	0	1216
CY Imports	1660	0	1660	1750	0	1100	0	0	0
CY Imp. from U.S.	530	0	530	550	0	300	0	0	0
CY Exports	0	0	0	0	0	0	0	0	0
CY Exp. to U.S.	0	0	0	0	0	0	0	0	0
SME	1528	0	1528	1674	0	1200	0	0	1200

PRODUCTION, Oils

Philippine CNO production is expected to increase through MY08/09 consistent with the expected improvement in copra production in the next two years. Increased CNO production will be enhanced by increasing global CNO prices as well as decreased competition from other vegetable oils in the world market (see TRADE, Oils).

SBO production will mirror soybean crush and is expected to decline in the next two years due to depressed demand as a result of increasing bean prices in the world market.

CONSUMPTION, Oils

Philippine GDP growth last year reached 7.3 percent, exceeding expectations and higher than the 5.4 expansion during the previous year. Increased private consumption, investments in public and private construction and more government spending are credited for the very good performance of the economy. All sectors last year recorded positive growth led by services and industry. GNP growth rate was at 7.8 percent, also the fastest in 31 years and was enhanced by record-level remittances from overseas Filipino workers (OFWs).

Dollar inflows from OFWs in 2007 were estimated at $14 billion and dampened the inflationary effects of high commodity and increasing fuel prices during the year. The remittances also propped up the local currency making the Philippine Peso the region's best performing currency in 2007, appreciating roughly 19 percent to the US$, according to the Bangko Sentral ng Pilipinas (BSP). Inflation, posted a 21-year low of 2.8 percent last year and private consumption, fueled by overseas remittances, playing a key driver of GDP during the period.

GRP economic planners expect this year's GDP growth rate just below 7 percent year-on year largely due to the expected slowdown of the U.S. economy. OFW remittances are projected to reach a record-level $15 billion in 2008, according to the BSP, although the stronger Peso will affect its purchasing capacity. The increased $ inflows, therefore, are not expected to enhance the level of private consumption significantly this year. Philippine exports are also expected to drop. Although the Philippine economy is expected to display some degree of stability in the face of looming global financial problems, increasing food and oil prices in 2008 also threaten to raise average inflation (4.4 percent according to BSP projections).

Last month, inflation reportedly rose 8.3 percent, the highest since May 2005, and considerably higher than the previous month's 6.3 percent rate. Average inflation for the first four months of 2008 is estimated at 6.2 percent, higher than the 2.3 percent average inflation during the same period last year. The rise in inflation reportedly is the result of a 12 percent increase in food prices, in particular, rice. In response, the GRP has intensified efforts in the distribution of basic food items in the depressed areas (refer to GAIN 8020 and 8023). Cheap edible oil (likely CNO) is also sold at subsidized prices in selected GRP food outlets.

Although domestic CNO prices have also increased, local CNO consumption is expected to increase through MY08/09 with industrial, food and feed use of CNO posting higher usage compared to the previous year. The higher CNO consumption will be enhanced by less competition from other imported vegetable oils as a result of trade measures imposed by vegetable oil producing countries (see TRADE, Oils), as well compliance to a local bio-diesel law.

Mainly due to high prices, compounded by trade policy adjustments not favorable for increased SBO exports imposed by traditional sources, SBO consumption is expected to decline through 2009.

TRADE, Oils

Data from the National Statistics Office (NSO) reportedly show that Philippine imports of vegetable oils in 2007 declined 72 percent to 65,809 MT from 237,860 MT the previous year. The UCAP, in its weekly bulletin reports that the drop was mainly due to a drastic decline in palm oil imports from 197,477 MT in 2006 to 35, 381 MT last year. The same bulletin revealed that SBO imports, the second largest vegetable oil import, likewise recorded a steep decline from 27,048 MT in 2006 to 11,831 MT last year. The appropriate revisions were therefore made to SBO imports for 2007. Other vegetable oil imports in 2007 that were considered insignificant relative to overall imports, however, increased from their year ago levels (save for palm kernel oil exports which decreased during the period).

The leading origin of Philippine vegetable oil imports last year was Malaysia which exported more than half of total vegetable oils during the period. It reportedly was the dominant supplier of palm oil (23,853 MT), SBO (10,441 MT) and palm kernel oil (2,044 MT). Indonesia was second largest oil supplier last year exporting around 25 percent of all imported vegetable oils.

The drop in Philippine vegetable oil imports last year, coupled with the considerable decline in CNO exports (19 percent from 1.07 MMT in 2006 to 0.87 MMT) seemed to indicate an impending shortage in global oil supplies. The recent imposition by Malaysia and Indonesia of additional vegetable oil export taxes/restrictions has also been perceived to be supportive of the 'shortage' scenario. India has also imposed a year-long ban on vegetable exports effective March 2008. These developments, among others, have likely contributed to the increase in vegetable oil prices. Philippine vegetable oil imports, including SBO, are expected to decline from the 2007 level in the next two years as a result.

With vegetable oil prices expected to remain high in 2008, CNO exports in MY07/08 were revised upwards and expected to increase from the previous year's level, enhanced by the expected increase in copra supply during the period. Similar adjustments were also made to CNO shipments bound for Europe during the year. Exports the following year are likewise expected to surpass the MY07/08 as copra output further improves and oil prices expected to remain high.

STOCKS, Oils

CNO stocks are expected to increase through MY08/09 as local oil mills increase copra crush activities in anticipation of increased local and export demand in the face of a global vegetable oil 'shortage'. Inventories of SBO, on the other hand, are likely to decline in the next two years as a result of dampened crush demand due to decreased bean crush.

POLICY, Oils

Rising vegetable oil prices in the world market as a result of perceived tightness in global vegetable oil supply is giving the GRP more incentive to invest more in the local coconut industry. This is manifest in the recent policy developments that give more attention in the rehabilitation of domestic oilseed production (see POLICY, Oilseeds).

PSD Table									
Country	**Philippines**								
Commodity	**Oil, Coconut**						(1000 MT)(PERCENT)		
	2006	Revised		2007	Estimate		2008	Forecast	
	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New
Market Year Begin		10/2006	10/2006		10/2007	10/2007		10/2008	10/2008
Crush	2240	0	2240	2145	0	2500	0	0	2630
Extr. Rate, 999.9999	0.629464	0	0.629464	0.629371	0	0.624	0	0	0.627376
Beginning Stocks	56	0	56	71	0	71	0	0	126
Production	1410	0	1410	1350	0	1560	0	0	1650
MY Imports	0	0	0	0	0	0	0	0	0
MY Imp. from U.S.	0	0	0	0	0	0	0	0	0
MY Imp. from EU	0	0	0	0	0	0	0	0	0
Total Supply	1466	0	1466	1421	0	1631	0	0	1776
MY Exports	900	0	900	900	0	1000	0	0	1100
MY Exp. to EU	450	0	450	450	0	475	0	0	490
Industrial Dom. Cons.	280	0	280	285	0	285	0	0	290
Food Use Dom. Cons.	200	0	200	170	0	205	0	0	210
Feed Waste Dom. Cons.	15	0	15	10	0	15	0	0	15
Total Dom. Cons.	495	0	495	465	0	505	0	0	515
Ending Stocks	71	0	71	56	0	126	0	0	161
Total Distribution	1466	0	1466	1421	0	1631	0	0	1776
CY Imports	0	0	0	0	0	0	0	0	0
CY Imp. from U.S.	0	0	0	0	0	0	0	0	0
CY Exports	950	0	950	850	0	850	0	0	0
CY Exp. to U.S.	0	0	0	0	0	0	0	0	0

PSD Table									
Country	**Philippines**								
Commodity	**Oil, Soybean**						(1000 MT)(PERCENT)		
	2006	Revised		2007	Estimate		2008	Forecast	
	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New	USDA Official	Post Estimate	Post Estimate New
Market Year Begin		01/2007	01/2007		01/2008	01/2008		01/2009	01/2009
Crush	148	0	148	115	0	115	0	0	85
Extr. Rate, 999.9999	0.175676	0	0.175676	0.173913	0	0.173913	0	0	0.176471
Beginning Stocks	7	0	7	7	0	7	0	0	3
Production	26	0	26	20	0	20	0	0	15
MY Imports	16	0	12	17	0	11	0	0	10
MY Imp. from U.S.	0	0	0	0	0	0	0	0	0
MY Imp. from EU	0	0	0	0	0	0	0	0	0
Total Supply	49	0	45	44	0	38	0	0	28
MY Exports	0	0	0	0	0	0	0	0	0
MY Exp. to EU	0	0	0	0	0	0	0	0	0
Industrial Dom. Cons.	4	0	3	5	0	2	0	0	1
Food Use Dom. Cons.	38	0	35	37	0	33	0	0	25
Feed Waste Dom. Cons.	0	0	0	0	0	0	0	0	0
Total Dom. Cons.	42	0	38	42	0	35	0	0	26
Ending Stocks	7	0	7	2	0	3	0	0	2
Total Distribution	49	0	45	44	0	38	0	0	28
CY Imports	16	0	12	17	0	17	0	0	0
CY Imp. from U.S.	0	0	0	0	0	0	0	0	0
CY Exports	0	0	0	0	0	0	0	0	0
CY Exp. to U.S.	0	0	0	0	0	0	0	0	0