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Report Name: Oilseeds and Products Annual :

U.S. SOYBEAN EXPORTS TO EGYPT CONTINUE TO INCREASE

Country: Egypt

Post: Cairo

Report Category: Oilseeds and Products

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Report Highlights:

Marketing year 2019/20 was another record year for U.S.-origin soybean exports to Egypt. The United States, with 3.83 MMT, was Egypt's largest supplier of soybeans as Egypt's crushing industry continued to expand. Egypt's soybean imports in marketing year (MY) 2021/22 (October-September) are forecast at 4.6 million metric tons (MMT), up 200,000 MT from the MY 2020/21 estimate. Soybean meal consumption in MY 2021/22 is forecast at 3.9 million metric tons. Soybean oil consumption is forecast at 1.03 MMT, up 1.98 percent from the MY 2020/21 estimate. FAS Cairo forecasts Egypt's soybean, sunflower, and palm oil consumption for food and industrial use in MY 2021/22 at about 2.63 MMT, up 2.33 percent compared to the MY 2020/21 volume of 2.57 million metric tons. From MY 2016/17 to MY 2019/20, Egyptian imports of Palm oil, Sunflower oil and Soy oil accounted for 5.18 MMT. During this period, Palm oil imports accounted for 3.27 MMT, Sunflower imports were 1.14 MMT followed by soybean oil imports at 700,000 MT

EXECUTIVE SUMMARY:

FAS Cairo (Post) forecasts Egypt's soybean imports in MY 2021/22 at 4.6 MMT, up 200,000 MT from Post's MY 2020/21 estimate of 4.4 million metric tons. Post attributes the increase in imports to expanded local crush capacity to meet the demand of high protein soybean meal by the domestic feed industry, as well as high quality crude oil for the refining sector.

Between MY 2016/17 and MY 2019/20, Egypt imported some 13.71 MMT of soybeans. Throughout that period, Egypt's main suppliers have been the United States (9.97 MMT), Ukraine (1.59 MMT), Argentina (1.46 MMT), Uruguay (264,000 MT), and Brazil (248,000 metric tons). U.S.-origin soybean exports to Egypt have risen dramatically during the last three marketing years (MY 2016/17 to MY 2019/20); accounting for 72.7 percent of the total beans being exported to Egypt. U.S. soybean exports to Egypt are showing strong growth this marketing year. Between October 2020 to February 2021, total soybean exports to Egypt amounted to 1.83 MMT with U.S. soybeans exports constituting 95.4 percent of this amount. Egypt is 16.6 percent ahead of MY 2019 (Oct-Feb) U.S. soybean purchases of nearly 1.81 million metric tons.

OILSEEDS:

SOYBEANS

PRODUCTION, SUPPLY AND DEMAND DATA STATISTICS:

Oilseed, Soybean Market Year Begins Egypt	2019/2020		2020/2021		2021/2022	
	Oct 2019		Oct 2020		Oct 2021	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (1000 HA)	9	9	9	9	0	9
Area Harvested (1000 HA)	9	9	9	9	0	9
Beginning Stocks (1000 MT)	266	266	490	490	0	371
Production (1000 MT)	25	25	25	25	0	25
MY Imports (1000 MT)	4941	4941	4150	4400	0	4600
MY Imp. from U.S. (1000 MT)	3000	3834	3000	3000	0	0
MY Imp. from EU (1000 MT)	0	0	0	0	0	0
Total Supply (1000 MT)	5232	5232	4665	4915	0	4996
MY Exports (1000 MT)	0	0	2	2	0	0
MY Exp. to EU (1000 MT)	0	0	0	0	0	0
Crush (1000 MT)	4700	4700	4500	4500	0	4600
Food Use Dom. Cons. (1000 MT)	17	17	17	17	0	17
Feed Waste Dom. Cons. (1000 MT)	25	25	25	25	0	25
Total Dom. Cons. (1000 MT)	4742	4742	4542	4542	0	4642
Ending Stocks (1000 MT)	490	490	121	371	0	354
Total Distribution (1000 MT)	5232	5232	4665	4915	0	4996
CY Imports (1000 MT)	3700	4178	3600	4714	0	4700
CY Imp. from U.S. (1000 MT)	3600	2789	3700	4021	0	4000
CY Exports (1000 MT)	0	0	0	0	0	0
CY Exp. to U.S. (1000 MT)	0	0	0	0	0	0
Yield (MT/HA)	2.7778	2.7778	2.7778	2.7778	0	2.7778

(1000 HA) ,(1000 MT) ,(MT/HA)

PRODUCTION

FAS Cairo (Post) forecasts Egypt's soybean area, as well as production in marketing year (MY) 2021/22 (October–September) to remain unchanged from the U.S. Department of Agriculture (USDA) official MY 2020/21 estimate of 9,000 hectares (HA) and 25,000 metric tons (MT).

Egypt's Ministry of Agriculture and Land Reclamation's (MALR) Agriculture Research Center (ARC) is the national authority responsible for the release of certified soybean seeds. The Central Administration for Seed Production (CASP) plans to distribute four certified soybean seed varieties in calendar year (CY) 2021 (January-December): Giza 21, Giza 22, Giza 25, and Giza 111. Soybean planting occurs in the Egyptian Delta, concentrated in the areas of Minia, Dehora, and Alexandria.

The soybean growing season runs from May to August and soy is often rotated with Cotton and Sorghum. Soybeans are sometimes farmed on integrated soy-poultry operations. Soybean domestic production is mostly used in the production of full fat soybeans which is used in feed rations for lactating cows and broiler chickens at 2-3 percent.

CONSUMPTION

FAS Cairo forecasts Egypt's soybean consumption in MY 2021/22 at roughly 4.64 million metric tons (MMT), up 2.2 percent from post's earlier MY 2020/21 estimate of 4.54 million metric tons which remains unchanged from the USDA official projection. Egypt's domestic crush capacity in MY 2021/22 will reach about 8.4 MMT/day, up from 8.2 MMT/day in marketing year 2020/21. The increase in domestic crush capacity is attributable to the establishment of new crushing facilities. Soybean crush operations in Egypt are dominated by two companies with over 80 percent of the total volume: SOYVEN and the Alex Seeds Company. With the exception of these two companies, the majority of crush facilities usually operate at about 55 percent of their actual capacity

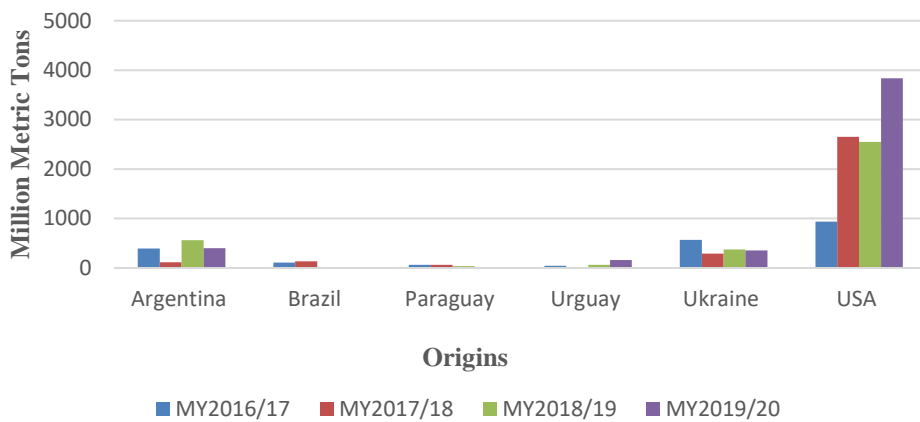
Egypt's domestic consumption of soybeans for food use in MY 2021/22 will remain at roughly 17,000 metric tons, similar to post's earlier MY 2020/21 estimate of 17,000 metric tons, which remains unchanged from the USDA official projection

TRADE

FAS Cairo forecasts Egypt's soybean imports in MY 2021/22 at 4.6 MMT, up 200,000 MT from Post's MY 2020/21 estimate of 4.4 million metric tons. Post attributes the increase in imports to expanded local crush capacity. Post is revising upward the USDA official MY 2020/21 estimate of 4.15 MMT by 6 percent to include increased demand of high-protein based soybean meal by the domestic feed industry, as well as high quality crude oil for the refining sector.

Egypt between MY 2016/17 and MY 2019/20 has now imported some 13.71 MMT of soybeans. Throughout that period, Egypt's main suppliers have been the United States (9.97 MMT), Ukraine (1.59 MMT), Argentina (1.46 MMT), Uruguay (264,000 MT), and Brazil (248,000 metric tons). U.S.-origin soybean exports to Egypt have risen dramatically during MY 2016/17 to MY 2019/20; accounting for 72.7 percent of the total beans being exported to Egypt (Figure 1).

**Figure 1: Major Origins Exporting Soy Beans to Egypt
(MY 2016/17 to MY 2019/20)**



Source: Trade Data Monitor

Marketing year (MY) 2019/20 was a record year for U.S.-origin soybean exports to Egypt. Out of 4.75 MMT in total soybean imports, some 3.83 MMT were U.S.-origin soybeans or 80.6 percent of total soybeans exported to the Egyptian market. Other soybean export origins in MY 2019/20 include Argentina (402,000 MT), Ukraine (354,000 MT), and Uruguay (160,000 metric tons).

Between October 2020 and through February 2021, Egypt already imported some 1.892 MMT of soybeans with 92.2 percent of the volume coming from the United States; October 2019 and through February 2020, Egypt imported some 1.897 MMT of soybeans; with 81.3 percent of the volume coming from the United States (Figure 2).

**Figure 2: U.S Soybeans Exports to Egypt VS Total Exports
(MY 2016/17 to MY 2020/21)**



Source: Trade Data Monitor and FAS Cairo Research

Egyptian traders and crushers demand sustainability and quality of supply, both of which are key features of U.S.-origin soybean. Industry sources report that meals produced from U.S.-origin soybeans show better uniformity, less fiber, and higher protein content than that of other origins. U.S.-origins soybeans also has higher oil content with superior quality

SUNFLOWER SEEDS

PRODUCTION, SUPPLY AND DEMAND DATA STATISTICS:

Oilseed, Sunflowerseed Market Year Begins Egypt	2019/2020		2020/2021		2021/2022	
	Oct 2019		Oct 2020		Oct 2021	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (1000 HA)	8	8	8	8	0	8
Area Harvested (1000 HA)	8	8	8	8	0	8
Beginning Stocks (1000 MT)	21	21	20	20	0	19
Production (1000 MT)	19	19	19	19	0	19
MY Imports (1000 MT)	76	76	90	90	0	95
MY Imp. from U.S. (1000 MT)	0	0	0	0	0	0
MY Imp. from EU (1000 MT)	0	0	0	0	0	0
Total Supply (1000 MT)	116	116	129	129	0	133
MY Exports (1000 MT)	3	3	6	6	0	6
MY Exp. to EU (1000 MT)	0	0	0	0	0	0
Crush (1000 MT)	85	85	95	95	0	95
Food Use Dom. Cons. (1000 MT)	8	8	9	9	0	10
Feed Waste Dom. Cons. (1000 MT)	0	0	0	0	0	0
Total Dom. Cons. (1000 MT)	93	93	104	104	0	105
Ending Stocks (1000 MT)	20	20	19	19	0	22
Total Distribution (1000 MT)	116	116	129	129	0	133
CY Imports (1000 MT)	75	75	90	0	0	0
CY Imp. from U.S. (1000 MT)	0	0	0	0	0	0
CY Exports (1000 MT)	3	0	3	0	0	0
CY Exp. to U.S. (1000 MT)	0	0	0	0	0	0
Yield (MT/HA)	2.375	2.375	2.375	2.375	0	2.375
(1000 HA) ,(1000 MT) ,(MT/HA)						

PRODUCTION

FAS Cairo forecasts Egypt's sunflower seed planted area, as well as production in MY 2021/22 (October – September) to remain unchanged from the USDA official MY2020/21 estimate of 8,000 HA and 19,000 metric tons. Sunflower seeds are planted throughout the Delta region (northern Egypt) in May. Planting also occurs in Middle and Upper Egypt, but usually begin in June. Sakha 53 and Giza 102 are the two main sunflower seed varieties being actively planted.

CONSUMPTION

FAS Cairo forecasts Egypt's sunflower seed consumption for crush in MY 2021/22 at 95,000 MT. This volume is largely unchanged from Post's MY 2020/21 estimate which remains unchanged from the USDA official estimate of 95,000 metric tons.

Imported sunflower seeds are either processed by the private sector to extract sunflower oil or used for food consumption. Domestic sunflower seeds in contrast are mainly crushed by small local crushers (using more primitive methods) close to their production areas in Middle and Upper Egypt.

FAS Cairo forecasts Egypt's consumption of sunflower seeds for food use in MY 2021/22 at 10,000 MT, up 1,000 MT from the MY 2020/21 estimate of 9,000 metric tons. We attribute the increase largely to population growth and to growing awareness (among urban consumers) of the health benefits and affordability of sunflower seeds as a snack food. Sunflower seeds are roasted, seasoned, and sold in-shell. FAS Cairo forecasts Egypt's sunflower seed consumption for food use in MY 2020/21 at 9,000 metric tons, similar to the USDA official consumption for food use estimate.

TRADE

FAS Cairo forecasts Egypt's sunflower seed imports in MY 2021/22 at 95,000 MT, up by 5,000 MT from Post's MY 2020/21 estimate. We attribute the increase largely to an anticipated slight increase in domestic demand for consumption of sunflower seeds for food use as Egyptians look to eat healthier snacks. FAS Cairo forecasts Egypt's sunflower seed imports in MY 2020/21 at 90,000 metric tons, similar to the USDA official sunflower seed imports estimate.

MEALS:

SOYBEAN MEAL

PRODUCTION, SUPPLY AND DEMAND DATA STATISTICS:

Meal, Soybean Market Year Begins Egypt	2019/2020		2020/2021		2021/2022	
	Oct 2019		Oct 2020		Oct 2021	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush (1000 MT)	4700	4700	4500	4500	0	4600
Extr. Rate, 999.9999 (PERCENT)	0.79	0.79	0.79	0.79	0	0.79
Beginning Stocks (1000 MT)	112	112	312	312	0	262
Production (1000 MT)	3713	3713	3555	3555	0	3634
MY Imports (1000 MT)	317	317	300	200	0	200
MY Imp. from U.S. (1000 MT)	10	10	10	10	0	10
MY Imp. from EU (1000 MT)	0	0	0	0	0	0
Total Supply (1000 MT)	4142	4142	4167	4067	0	4096
MY Exports (1000 MT)	30	30	5	5	0	5
MY Exp. to EU (1000 MT)	0	0	0	0	0	0
Industrial Dom. Cons. (1000 MT)	0	0	0	0	0	0
Food Use Dom. Cons. (1000 MT)	0	0	0	0	0	0
Feed Waste Dom. Cons. (1000 MT)	3800	3800	4050	3800	0	3900
Total Dom. Cons. (1000 MT)	3800	3800	4050	3800	0	3900
Ending Stocks (1000 MT)	312	312	112	262	0	191
Total Distribution (1000 MT)	4142	4142	4167	4067	0	4096
(1000 MT) ,(PERCENT)						

PRODUCTION

FAS Cairo forecasts Egypt's soybean meal production in MY 2021/22 at 3.63 MMT, up 2.25 percent compared to Post's MY 2020/21 estimate of 3.55 MMT, which remains unchanged from the USDA official estimate. The increase in soybean meal production is due to expanded local crush capacity; meeting feed industry demand and that of the refining sector's production of oil for human consumption.

CONSUMPTION

FAS Cairo forecasts Egypt's soybean meal consumption in MY 2021/22 at 3.9 MMT, up by 2.6 percent from MY 2020/21 estimate of 3.8 MMT. We attribute the increase to increased investment in poultry, aquaculture and dairy cattle industries. Post anticipates the poultry sector's feed consumption to grow by almost 1.4 percent in MY 2021/22 as larger producers consolidate and vertical integration increases. Additional feed lines are coming online, adding to already existing aquaculture and cattle feed milling capacities.

Egypt's poultry industry houses 25,000 licensed farms, with investment reaching EGP 90 billion (\$4.15 billion). In CY 2020, the poultry industry produced 1.4 billion chickens (broilers), and 13 billion table eggs. The union for poultry producers outlined future plans to increase investments in the sector with aim of producing 2 billion chickens in 2030 to meet local market demand as well as doubling the production of table eggs.

It should be noted that Egypt is one of the world's largest fish farming countries – it is the first in Africa and the sixth internationally in this field, and the first in the production of mullet fish. Egyptian fish production from aquaculture constitutes 1.7 MMT, or around 85 percent of total fish production in Egypt which stands at 2 MMT in CY 2020.

Post is revising down soybean meal consumption in MY 2020/21 to 3.8 MMT from the USDA official estimate of 4 million metric tons. Post attributes this decrease due to poultry feed prices increasing by 25 percent. This was driven by an almost 30 percent increase in the prices of soy meal in the local market due to higher international prices of beans, thus placing a heavy burden on small and medium size breeders during the first quarter of the marketing year. However, industry sources report that the Covid pandemic has not significantly impacted the poultry industry.

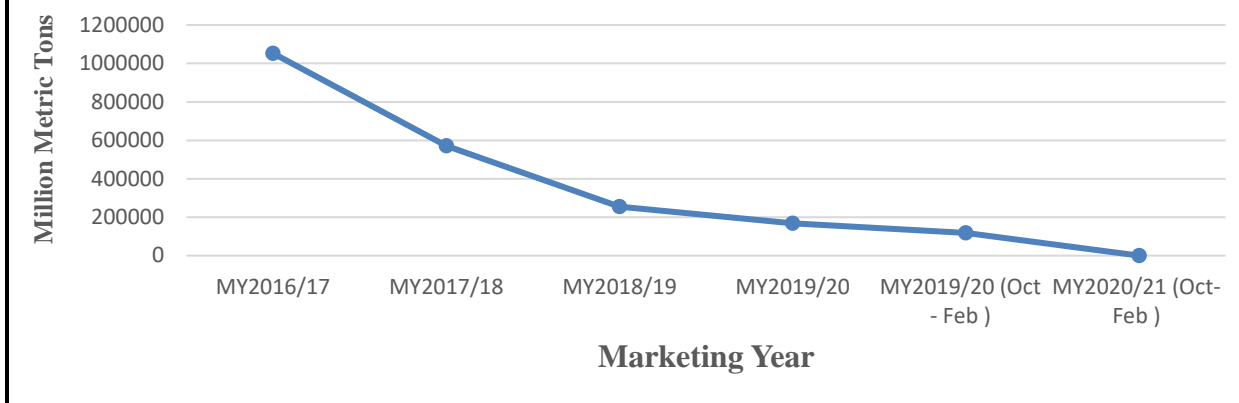
In addition, many poultry farms prefer not to operate during the winter season (December – February) due to higher energy and veterinary drug costs, which many of these small farms cannot afford. The winter season is a critical period of the year for the spread of poultry diseases; which requires extensive biosecurity management practices that many of these small farms cannot afford to implement.

TRADE

FAS Cairo forecasts Egypt's soybean meal imports in MY 2021/22 at 200,000 MT, similar to Post's MY 2020/21 estimate of 200,000 metric tons which have been revised downward from USDA official estimate of 300,000 metric tons. The drop is due to less demand by the feed industry impacted by higher prices in the international markets.

As of MY 2016/17, Egypt's meal imports have seen a steady decline from some 1 million metric tons to 168,575 MT in MY 2019/20 as local soybean crushers increase capacity (Figure 3).

**Figure 3: Soy Meal Exports To Egypt
(MY 2016/17 to MY 2020/21)**



Source: Trade Data Monitor

Between October 2020 and through February 2021, Egypt has not imported a single ton of soy meal. During the October 2019 through February 2020 period, Egypt imported 117,955 MT of soybean largely from Argentina. The major supplier of soy meal to Egypt from MY 2016/17 to MY 2019/20 has been Argentina with almost 2 million metric tons.

Egypt has 180 poultry feed mills; these supply 95 percent of the domestic market's poultry feed demand. The soybean meal component in poultry feed formulations is 25-35 percent. The Egyptian aquaculture feed industry counts with 73 privately owned feed mills, providing 90 percent of aquaculture feed. Production is shifting away from conventionally pelleted feeds to extruded feeds. Extrusion is a process in which feed is cooked under high pressure with high temperatures for a short time.

The steam process breaks down the feed structures to make the nutrients more available. This pre-digestion process can make feeds up to 30 percent to 40 percent more digestible than standard pellets. Extrusion now accounts for 65-70 percent of the aquaculture feed in the Egyptian market. The most common fish feed formulations contain 35-40 percent soybean meal combined.

The market for extruded feeds is growing; there are several extruded feed industry projects underway. Most of these projects target tilapia, but there is commitment to produce aquaculture feed as well for carp, catfish, sea bream, sea bass, and shrimp. About eighty-five percent of marine fish feed is formulated locally to contain 25 percent crude protein. The most common fish feed formulations contain 30-40 percent soybean meal combined with 5-22 percent fishmeal.

**SUNFLOWER SEED MEAL
PRODUCTION, SUPPLY AND DEMAND DATA STATISTICS:**

Meal, Sunflower seed Market Year Begins Egypt	2019/2020		2020/2021		2021/2022	
	Oct 2019		Oct 2020		Oct 2021	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush (1000 MT)	85	85	95	95	0	95
Extr. Rate, 999.9999 (PERCENT)	0.4941	0.4941	0.4947	0.4947	0	0.4947
Beginning Stocks (1000 MT)	9	9	10	10	0	12
Production (1000 MT)	42	42	47	47	0	47
MY Imports (1000 MT)	109	109	90	100	0	100
MY Imp. from U.S. (1000 MT)	0	0	0	0	0	0
MY Imp. from EU (1000 MT)	25	25	25	25	0	25
Total Supply (1000 MT)	160	160	147	157	0	159
MY Exports (1000 MT)	0	0	0	0	0	0
MY Exp. to EU (1000 MT)	0	0	0	0	0	0
Industrial Dom. Cons. (1000 MT)	0	0	0	0	0	0
Food Use Dom. Cons. (1000 MT)	0	0	0	0	0	0
Feed Waste Dom. Cons. (1000 MT)	150	150	145	145	0	150
Total Dom. Cons. (1000 MT)	150	150	145	145	0	150
Ending Stocks (1000 MT)	10	10	2	12	0	9
Total Distribution (1000 MT)	160	160	147	157	0	159
(1000 MT) ,(PERCENT)						

PRODUCTION

FAS Cairo forecasts Egypt's sunflower seed meal production in MY 2021/22 at 47,000 MT, similar to Post's MY 2020/21 estimate, the latter of which is unchanged from USDA official estimate of 47,000 metric tons.

CONSUMPTION

FAS Cairo forecasts Egypt's sunflower meal consumption in MY 2021/22 at 150,000 MT, up 5,000 MT from our MY 2021/22 estimate. Post's MY 2020/21 estimate remains unchanged from the USDA official estimate of 145,000 metric tons.

TRADE

FAS Cairo forecasts Egypt's imports of sunflower seed meal in MY 2021/22 at 100,000 MT, largely unchanged from post's estimate in MY 2020/21. FAS Cairo forecasts Egypt's sunflower meal imports in MY 2020/21 at 100,000 metric tons up by 10,000 MT than USDA official sunflower meal imports estimate of 90,000 MT. We attribute this increase to the preference of some cattle growers to include sunflower seed meal in their feed rations to reduce costs. Sunflower seed meal continues to be sourced mainly from Russia and Ukraine.

OILS:

OVERVIEW

THE FOOD SUBSIDY PROGRAM

The Egyptian government in fiscal year (FY) 2020/21 (July-June) allocated 84 billion Egyptian Pounds (\$5.36 billion) to food subsidies. Of this amount, roughly EGP 48 billion (\$3.06 billion) alone is earmarked for the bread subsidy program (EGP15.65 = \$1.00). The other EGP 36 billion (\$2.3 billion) is for supply commodities (i.e., rice, cooking oil, sugar, beef, chicken, etc.). Roughly some 64 million Egyptians make use of food subsidies delivered by the government as credits on SMART cards; these credits are redeemable monthly for food staples.

The subsidy program in CY 2020 provides cash allowances of EGP 50.00 (\$3.19) per beneficiary, up 233 percent from CY 2014's EGP 15.00 per beneficiary. The system today offers beneficiaries a choice of discounted food items (i.e., supply commodities such as rice, beef, and chicken, etc.); it offers a more diversified food basket similar in quality to that found in retail outlets. All SMART card beneficiaries are entitled to 1.0 liters of blended vegetable oil (EGP 17.00). A network of 1,300 state-owned consumer complexes managed by the Ministry of Supply and Internal Trade's (MOSIT) Holding Company for Food Industries (HCFI) accept SMART cards, as well as 31,000 partnered, private grocery stores.

Consumption, Oils – Soybean, Sunflower Seed, and Palm

FAS Cairo forecasts Egypt's soybean, sunflower, and palm oil consumption for food and industrial use in MY 2021/22 at about 2.63 MMT, up 2.33 percent compared to the MY 2020/21 volume of 2.57 million metric tons. Of the total quantity consumed in MY 2019/2020, palm oil accounted for 47.7 percent, while soybean oil represented 38.1 percent of the volume and sunflower oil 14.1 percent.

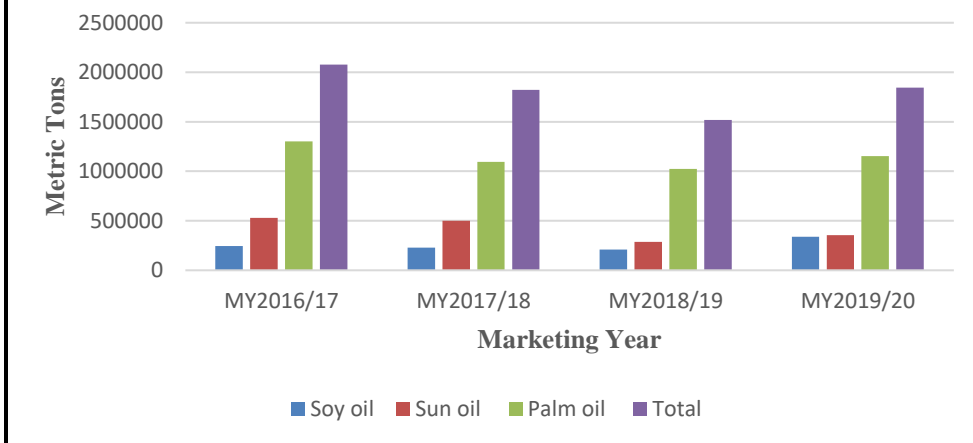
Trade, Oils – Soybean, Sunflower Seed, and Palm

The General Authority for Supply Commodities (GASC) is the sole government entity responsible for purchases of crude, edible oils. Crude vegetable oil purchases occur through local private crushers or multinationals in tenders. These are refined in government-affiliated refineries or on a contract basis with other private-sector companies.

In Marketing Year 2019/20 the GASC imported 390,000 MT of Soybean oil and 233,000 MT of Sunflower oil. It also sourced 199,000 MT of soybean oil from Local crushers. In Marketing Year 2018/19 the GASC imported 255,000 MT of Sunflower oil and 170,000 MT of Soybean oil. It also sourced 166,000 MT of soybean oil from Local crushers.

From MY 2016/17 to MY 2019/20 Egypt imports of Palm oil, Sunflower oil and Soy oil accounted for 5.18 MMT. During this period Palm oil imports accounted for 3.27 MMT, Sunflower imports were 1.14 MMT followed by soybean oil imports at .77 MMT (Figure 4).

Figure 4: Egypt's Imports of Soy, Sunflower and Palm Oils (MY 2016/17 to MY 2019/20)



Source: Trade Data Monitor and FAS Cairo Office Research.

TARIFFS:

Egypt does not impose import tariffs on soybeans, sunflower seed, linseed, palm kernel, and sesame seed. Duties on oilseed meal and cake are five percent. Duties on bulk crude and refined soybean and sunflower oil are two percent. Crude cottonseed and palm oil duties are zero.

SOYBEAN OIL

PRODUCTION, SUPPLY AND DEMAND DATA STATISTICS:

Oil, Soybean Market Year Begins Egypt	2019/2020		2020/2021		2021/2022	
	Oct 2019		Oct 2020		Oct 2021	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush (1000 MT)	4700	4700	4500	4500	0	4600
Extr. Rate, 999.9999 (PERCENT)	0.1819	0.1819	0.182	0.182	0	0.182
Beginning Stocks (1000 MT)	62	62	88	88	0	67
Production (1000 MT)	855	855	819	819	0	837
MY Imports (1000 MT)	396	396	350	350	0	350
MY Imp. from U.S. (1000 MT)	0	0	0	0	0	0
MY Imp. from EU (1000 MT)	0	0	0	0	0	0
Total Supply (1000 MT)	1313	1313	1257	1257	0	1254
MY Exports (1000 MT)	265	265	180	180	0	150
MY Exp. to EU (1000 MT)	0	0	0	0	0	0
Industrial Dom. Cons. (1000 MT)	10	10	10	10	0	10
Food Use Dom. Cons. (1000 MT)	950	950	1000	1000	0	1020
Feed Waste Dom. Cons. (1000 MT)	0	0	0	0	0	0
Total Dom. Cons. (1000 MT)	960	960	1010	1010	0	1030
Ending Stocks (1000 MT)	88	88	67	67	0	74
Total Distribution (1000 MT)	1313	1313	1257	1257	0	1254
(1000 MT) ,(PERCENT)						

PRODUCTION

FAS Cairo forecasts Egypt's soybean oil production in MY 2021/22 at 837,000 MT, up by almost 2 percent from the MY 2020/21 estimate. The increase in soybean oil production reflects higher crushing activity. Post's estimate of soybean oil production in MY 2020/21 remains unchanged from the USDA official estimate of 819,000 metric tons.

CONSUMPTION

FAS Cairo forecasts soybean oil consumption to reach about 1.03 MMT in MY 2021/22, up 20,000 MT from our MY 2020/21 estimate of 1.01 million metric tons. The latter remains unchanged from the USDA official estimate of 1 MMT. Post attributes the increase in soy oil consumption in MY 2021/22 due to greater amounts of higher quality cooking oils being blended with soybean and sunflower oils and then channeled through the country's subsidy program.

TRADE

FAS Cairo forecasts Egypt's soybean oil imports in MY 2021/22 at 350,000 MT, unchanged from the MY 2020/21 estimated volume of 350,000 MT due to increased crushing capacities capable of producing greater volumes of soybean oil for blending with other oils. MY 2020/21 estimate of soy oil imports remains unchanged from the USDA official estimate of 350,000 metric tons. FAS Cairo forecasts Egypt's soybean oil exports in MY 2021/22 at 15,000 MT down by 30,000 MT from the MY 2020/21 estimate of 180,000 metric tons due to an anticipated increase in domestic consumption of soybean oil.

SUNFLOWER SEED OIL

PRODUCTION, SUPPLY AND DEMAND DATA STATISTICS:

Oil, Sunflowerseed Market Year Begins Egypt	2019/2020		2020/2021		2021/2022	
	Oct 2019		Oct 2020		Oct 2021	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush (1000 MT)	85	85	95	95	0	95
Extr. Rate, 999.9999 (PERCENT)	0.4118	0.4118	0.4211	0.4211	0	0.4211
Beginning Stocks (1000 MT)	17	17	20	20	0	10
Production (1000 MT)	35	35	40	40	0	40
MY Imports (1000 MT)	367	367	325	325	0	350
MY Imp. from U.S. (1000 MT)	0	0	0	0	0	0
MY Imp. from EU (1000 MT)	0	0	0	0	0	0
Total Supply (1000 MT)	419	419	385	385	0	400
MY Exports (1000 MT)	44	44	30	30	0	30
MY Exp. to EU (1000 MT)	0	0	0	0	0	0
Industrial Dom. Cons. (1000 MT)	0	0	0	0	0	0
Food Use Dom. Cons. (1000 MT)	355	355	345	345	0	355
Feed Waste Dom. Cons. (1000 MT)	0	0	0	0	0	0
Total Dom. Cons. (1000 MT)	355	355	345	345	0	355
Ending Stocks (1000 MT)	20	20	10	10	0	15
Total Distribution (1000 MT)	419	419	385	385	0	400
(1000 MT) ,(PERCENT)						

PRODUCTION

FAS Cairo forecasts Egypt's sunflower seed oil production in MY 2021/22 at 40,000 metric tons. This volume remains unchanged from the MY 2020/21 USDA official estimate.

CONSUMPTION

FAS Cairo forecasts Egypt's sunflower oil consumption in MY 2021/22 at 355,000 MT, up by almost 3 percent from the MY 2020/21 estimate of 345,000 metric tons. The latter remains unchanged from USDA official estimate. Post anticipates slightly higher levels of sunflower oil consumption in MY 2021/2022 driven by population increase and anticipated higher sunflower oil consumption by urban middle and higher-income consumers. In Egypt, higher income consumers generally purchase 100% corn and sunflower oil, while lower income lean towards soy, palm, and sunflower blends, which make up approximately 30% of oil consumption.

TRADE

FAS Cairo forecasts Egypt's sunflower oil imports in MY 2021/22 at 350,000 MT, up by almost 7.7 percent from Post's MY 2020/21 estimate of 325, 000 MT driven by higher consumption and higher use in blending with soybean oil for the subsidy program. Post's estimate of sunflower oil imports remains unchanged from USDA official Estimate of 325,000 MT.

PALM OIL

PRODUCTION, SUPPLY AND DEMAND DATA STATISTICS:

Oil, Palm Market Year Begins Egypt	2019/2020		2020/2021		2021/2022	
	Oct 2019		Oct 2020		Oct 2021	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (1000 HA)	0	0	0	0	0	0
Area Harvested (1000 HA)	0	0	0	0	0	0
Trees (1000 TREES)	0	0	0	0	0	0
Beginning Stocks (1000 MT)	134	134	84	84	0	54
Production (1000 MT)	0	0	0	0	0	0
MY Imports (1000 MT)	1154	1154	1200	1200	0	1250
MY Imp. from U.S. (1000 MT)	0	0	0	0	0	0
MY Imp. from EU (1000 MT)	0	0	0	0	0	0
Total Supply (1000 MT)	1288	1288	1284	1284	0	1304
MY Exports (1000 MT)	4	4	5	5	0	5
MY Exp. to EU (1000 MT)	0	0	0	0	0	0
Industrial Dom. Cons. (1000 MT)	75	75	75	75	0	75
Food Use Dom. Cons. (1000 MT)	1125	1125	1150	1150	0	1175
Feed Waste Dom. Cons. (1000 MT)	0	0	0	0	0	0
Total Dom. Cons. (1000 MT)	1200	1200	1225	1225	0	1250
Ending Stocks (1000 MT)	84	84	54	54	0	49
Total Distribution (1000 MT)	1288	1288	1284	1284	0	1304
CY Imports (1000 MT)	1125	1125	1200	0	0	0
CY Imp. from U.S. (1000 MT)	0	0	0	0	0	0
CY Exports (1000 MT)	5	5	5	0	0	0
CY Exp. to U.S. (1000 MT)	0	0	0	0	0	0
Yield (MT/HA)	0	0	0	0	0	0

PRODUCTION

Egypt does not commercially cultivate oil palms, nor does it produce any palm oil.

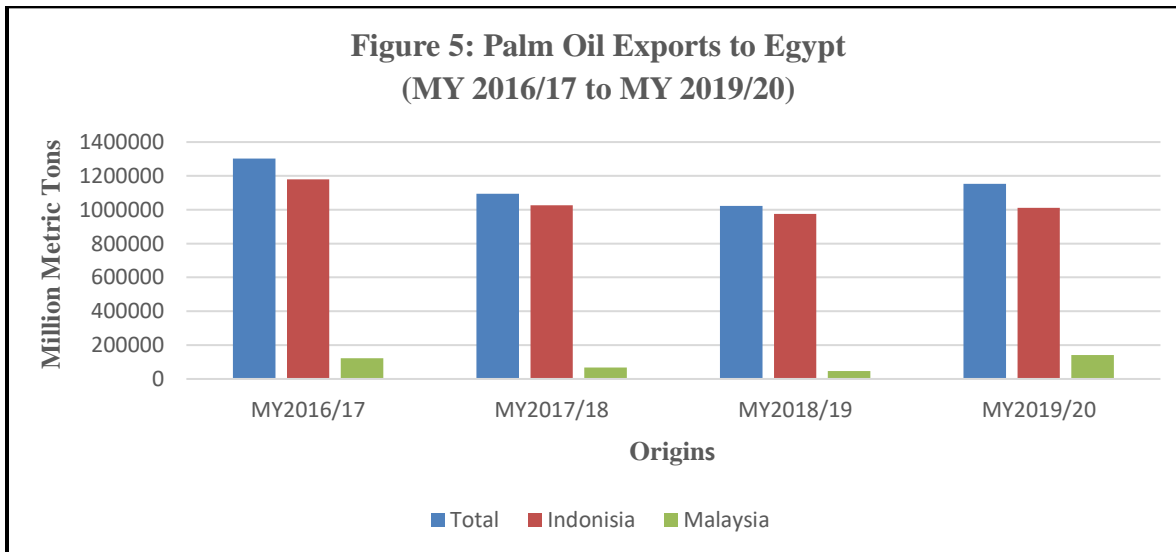
CONSUMPTION

FAS Cairo forecasts Egypt's palm oil consumption in MY 2021/22 (October-September) at 1.25 MMT, up by 2 percent from Post's MY 2020/21 estimate which remains unchanged from the USDA official estimate. The increase in palm oil consumption is attributed to growth in population and more use of palm oil in food production. We estimate that 94 percent of palm oil goes to food production; vegetable shortenings account for 40 percent. Restaurants, catering, and fast food chains utilize shortening extensively. Production of vegetable ghee accounts for 50 percent of palm oil use. Margarine accounts for three percent of use, mainly by private bakeries and patisseries.

TRADE

FAS Cairo forecasts Egypt's imports of palm oil in MY 2021/22 at 1.25 MMT, up 4.1 percent from post's MY 2020/21 estimate. We attribute the increase to a four-to-five percent growth in the food-processing sector (a major consumer of palm oil).

The marketing year 2020/21 import estimate of 1.2 MMT remains unchanged from the USDA official estimate. Egypt main supplier of palm oil is Indonesia with more than 90 percent of total palm oil exports during the last four marketing years (Figure 5). FAS Cairo forecasts MY 2021/22 palm oil re-exports at 5,000 MT, largely in line with the USDA official MY 2020/21 estimate.



SOURCE: Trade Data Monitor and FAS Cairo office research.

Attachments:

No Attachments