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Report Name: Oilseeds and Products Update

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Report Highlights:

China’s slowing economy and COVID-related restrictions continue to weaken demand for oilseeds for feed and food use. Soybean imports for marketing year (MY) 21/22 and MY 22/23 are revised downward to 92 million metric tons (MMT) and 96.5 MMT, respectively, on weak demand for vegetable oil in the food service sector and soybean meal (SBM) in the swine and poultry sectors. Soybean production for MY 22/23 is forecast lower at 18.1 MMT on lower yields due to high heat and drought in minor soybean producing regions.

Production

Total oilseed production is forecast at 63.8 MMT in MY 22/23, up 0.4 MMT from Post's previous forecast on higher rapeseed and cotton seed production. The 4.5 percent year-on-year production growth is based on planted area of 25.15 million hectares (MHa), unchanged from Post's previous forecast but up 4.8 percent from the previous year. Government policies to incentivize oilseed production (particularly soybeans) and high prices for major oilseeds are the primary factors driving growth in area and production.

Soybeans

Estimated MY 22/23 soybean production is lowered 300,000 metric tons (MT) to 18.1 MMT on lower yields in minor soybean producing regions due to extreme heat and drought. Soybean planted area is unchanged at 9.35 MHa in MY 22/23, an 11 percent increase from the previous year (see Oilseeds and Products Update | CH2022-0075 for additional information). The August China Agriculture Supply and Demand Estimate (CASDE) report maintained total soybean planted area at 9.93 MHa in MY 22/23 and production at 19.5 MMT, up 18.3 percent and 18.8 percent, respectively, from the previous year. In its August report, a leading industry source, China JCI Consulting Co., forecast MY 22/23 production at 18 MMT, up 9.6 percent from the previous year.

Adequate rainfall and sunshine combined with moderate temperatures facilitated sprouting and growth throughout most of the Northeast[1], China's leading soybean-producing region. At the end of July, soybeans in the region entered the pod setting stage while those in the North[2], Yellow and Huai River region[3], and the Yangtze and Huai River region[4] entered the branch growing or flowering stage. From July to mid-August, excessive rainfall in south Jilin province and in north and south Liaoning province affected the growth of crops including soybeans. However, combined annual soybean production for these two provinces is approximately 0.9 MMT. According to industry reports, declines in yield due to flooding or excessive rainfall may be compensated for by higher yields elsewhere in the region.

Table 1. China: July Weather Conditions in Major Soybean Growing Regions

Regions	July Temperature (℃)	Change (℃)	July Rainfall (mm)	Change (%)	July Sunlight (hours)	Change (%)
Northeast	23.8	+1	181.9	+17.1	181.8	-14.1
North China	25.4	+0.1	196.4	+45.3	208.4	-0.9
Yellow/Huai River	27.3	+0.6	248	+30.7	167.6	-10
Yangtze/Huai River	29.2	+1.6	173.5	-25.2	192.6	+2.8

Source: NAMM by China Central Meteorological Center; "Change" refers July/2022 data compared to NAMM recorded July average

[1] The provinces comprising Northeast China are: Liaoning, Jilin, Heilongjiang, and Inner Mongolia.
[2] The provinces comprising North China include Hebei and parts of Shandong.
[3] The provinces comprising the Yellow and Huai River region include parts of Shandong, Henan, Anhui and Jiangsu.
[4] The provinces comprising the Yangtze and Huai River region include southern Henan, Anhui and Jiangsu.

On August 12, the PRC issued a national drought emergency as record temperatures and low water levels affected a region spanning much of the Yangtze River with Sichuan, Chongqing, Hubei and Jiangxi provinces reporting severe conditions. Although none of the affected regions are major soybean producing areas, the extreme heat and drought are expected to lower soybean yields. Most of the producers are small-scale farms that typically sell to local food processors. Based on China's National Bureau of Statistics (NBS) production data, the combined three-year average annual soybean production of these provinces is about 1.7 MMT. On August 16, the Ministry of Agriculture and Rural Affairs (MARA) reported RMB 300 million yuan (approximately U.S. $44.21 million) was allocated to 13 provinces as agricultural production disaster relief funds to facilitate flood control and drought relief work.

Rapeseed

Estimated rapeseed production for MY 22/23 is increased to 15.4 MMT from Post's previous estimate of 14.85 MMT, and up from an estimated 14.45 MMT in MY 21/22. The increase reflects area expansion and higher yields due to good weather conditions. Rapeseed area has expanded moderately in the Yangtze River region, including Sichuan, Hubei, and Hunan, driven by local demand for rapeseed oil and rising rapeseed prices in 2021. In its August report, the China National Grain and Oils Information Center (CNGOIC) cited increased area and yield in revising its MY 22/23 production forecast upward 0.65 MMT from its July report to a record 15.6 MMT.

The rapeseed harvest in major producing provinces concluded in June. Industry reports indicate both quality and yield moderately improved from MY 21/22. Marketing of the MY 22/23 crop peaked in June and has continued through August. Rapeseed prices also peaked in June with farm-gate prices rising 10 percent from the previous year before declined slightly in August.

China's autumn-harvested rapeseed in western regions[5] accounts for approximately 10 to 15 percent of area and production. Industry sources reported rapeseed growth in the region is generally good with crops having entered their flowering stage in July and August. Industry sources expect a slight gain in production.

Peanuts

Post maintains estimated peanut production at 18 MMT for MY 22/23, down from the previous year's 18.3 MMT due to lower planted area. Declining prices and weaker demand have lowered profitability compared to other crops. Industry sources said peanut planting was delayed by drought in May in parts of Henan and Shandong provinces. Combined with lower margins, the delayed planting forced some farmers in the region to switch to other crops. Additionally, sources also report peanut growth in parts of Henan and Shandong Provinces may have been affected by excessive rain in late July. Based on these circumstances, an industry source estimated peanut planted area in the region likely declined 15 percent from the previous year, further noting the decline has led farmers to anticipate higher prices in MY 22/23.

Cottonseed

Post increased estimated MY 22/23 cotton seed production to 9.7 MMT from its previous estimate of 9.55 MMT based on yield gain and a slight recovery of cotton area. The recovery of area was driven by

[5] The areas comprising Western China include parts of Inner Mongolia, Qinghai, Gansu, and Xinjiang.

a relative increase of cotton prices during the sowing season and stable government subsidies. Based on its June survey, the China Cotton Association (CCA) forecast MY 22/23 cotton production at 5.86 MMT, up 1.5 percent from the previous year. The CCA June survey showed that cotton growth was rated as "good" nationwide, with higher percentages of budding and fewer affects from disease and pests compared to the previous year. A separate survey by cncotton.com echoed CCA trends, noting area expansion by 2.5 percent and yield gain of 1.9 percent from the previous year, resulting in a 4.5 percent production increase to 6.06 MMT in MY 22/23. Notably, MARA's August CASDE report forecast MY 22/23 cotton production at 5.74 MMT, almost unchanged from MY 21/22.

Consumption

Estimated total oilseeds for crushing in MY 22/23 is increased slightly to 131.8 MMT on higher cotton seed production, and up from127.5 MMT in MY 21/22. Higher demand for oilseeds for crushing is expected to be driven by demand recovery for protein meals in the feed sector. Prolonged weak demand in MY 21/22 continued through July 2022 as the swine and poultry industries struggled with low to negative margins and weakened consumption due to slower economic growth, partly attributed to the PRC's zero-COVID policy. In MY 22/23, soybean meal (SBM) consumption is expected to recover on improved profits for animal husbandry, an important factor in determining SBM inclusion rates. Soybean oil use is also expected to increase on expected demand recovery due to lower soybean oil prices and limited supply of sunflower oil. These factors are expected to drive soybean crushing higher in MY 22/23 while crushing of other oilseeds is expected to remain generally stable.

Post maintains MY 22/23 soybean crush at 95 MMT, up from an estimated 92 MMT in MY 21/22. SBM consumption for feed is estimated at 72.8 MMT in MY 22/23, up 2.5 percent from in the previous year. Industry estimates for MY 21/22 and MY 22/23 soybean crush continue to vary by sources as follows.

Table 2. China: Soybean Crush Estimates by Source (MMT)

Source	CASDE	CNGOIC	China JCI*	FAS/China
MY 21/22	90.5	93	95.1	92
MY 22/23	94.8	96.8	96.5	95
Year-on-year change in %	+4.7	+3.2	+1.5	+3.3

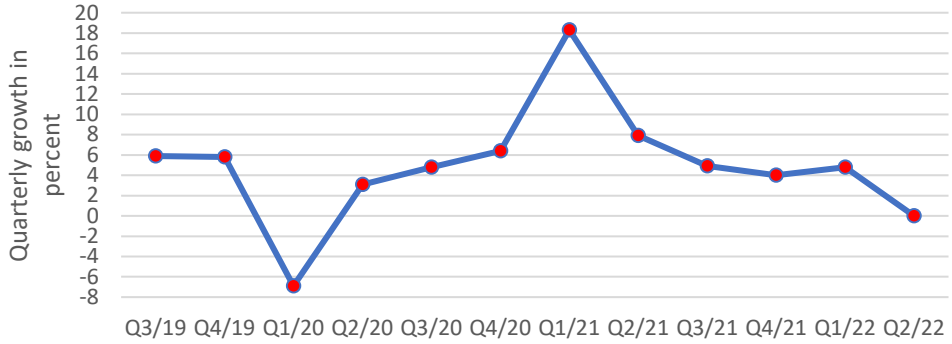
Note: *China JCI Consulting Co., a leading industry source.

Slowing Economic Growth

China's slowing economic growth continues to weaken demand for animal products and vegetable oil, affecting soybean imports and crushing in MY 21/22. Recent economic data suggest the already prolonged period of sluggish consumption may continue through the end of the year. China's National Bureau of Statistics (NBS) reported a 0.4 percent growth rate in the 2nd quarter of, lowering China's GDP growth to 2.5 percent for the first half of 2022 (see Chart 1). Many experts now believe achieving the 5.5 percent annual target set by the government is unlikely. Service sector growth slowed to 1.8 percent in the first half of 2022, far below the 8.2 percent realized in 2021. Both urban and rural unemployment rates remain high. The urban unemployment rate peaked in April at 6.1 percent and remained high at 5.4 percent in July, while the unemployment rate for rural migrant workers peaked in May at 6.2 percent before lowering to 5.1 percent in July. Youth unemployment numbers have skyrocketed, reaching a record 19.9 percent in July. In addition to the job market, in the first 7 months of

2022, property investment dropped 6.4 percent and property sales by floor areas declined 23.1 percent year-on-year. Official data also indicated a significant decline in the tourism industry. In the first half of 2022, tourists' trips declined 22.2 percent and tourism revenue dropped 28.2 percent from the previous year.

Chart 1. China: GDP Growth Plummeted in the 2nd Quarter 2022
(Year-on-Year Quarterly Change from 3rd Q 2019 to 2nd Q 2022)



Source: NBS

Animal Products Production

Based on NBS data, in the first half of 2022, combined production of pork, beef, mutton and poultry meat was 45.19 MMT, an increase of 2.28 MMT or 5.3 percent over the same period the previous year. Specifically, in the first half of 2022, pork production was 29.39 MMT, an increase of 2.24 MMT or 8.2 percent year-on-year. Breeding sow inventory increased 2.2 percent the first quarter to the second quarter. Industry insiders estimate total pork production in 2022 will increase by 3 to 5 percent from the previous year. Meanwhile, the inventory of cattle and sheep herd were both up 3.4 percent and 2.4 percent year-on-year, respectively and the total poultry population rose 2 percent up year-on-year. MARA indicated total cultured aquatic production in 2021 increased 3.1 percent year-on-year. Although no data is yet available for 2022 production, this trend is expected to continue. Wild caught production from both marine and freshwater declined in 2021 (for additional information, see the 2021 China's Fishery Report).

Higher domestic animal production has driven reductions in meat and poultry imports. Year-over-year, pork imports plunged 64 percent to 0.8 MMT in the first 6 months of 2022 and chicken meat imports declined nearly 1.4 percent. (Note: for the latest FAS China reports on livestock and poultry products, please search these categories in the USDA-FAS GAIN database.)

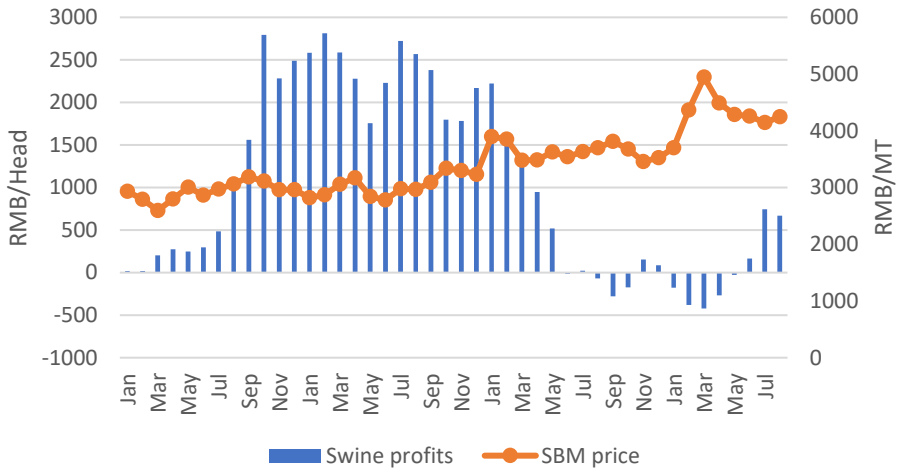
Feed Demand

China's swine, poultry, and aquaculture sectors and their need for protein-rich meals continue to drive oilseed crush. The swine sectors' struggles in the first 9 months of MY 21/22 with oversupply of hogs combined with high feed input costs led to significant losses (see Chart 2).

Rising pork price from May 2022 reversed a year of negative margins and have led a gradual expansion of production and hog inventories since June 2022. The higher prices suggest growth in consumption, a

trend likely to continue over the next several months as China enters the mid-Autumn and National Day holiday periods in September and October.

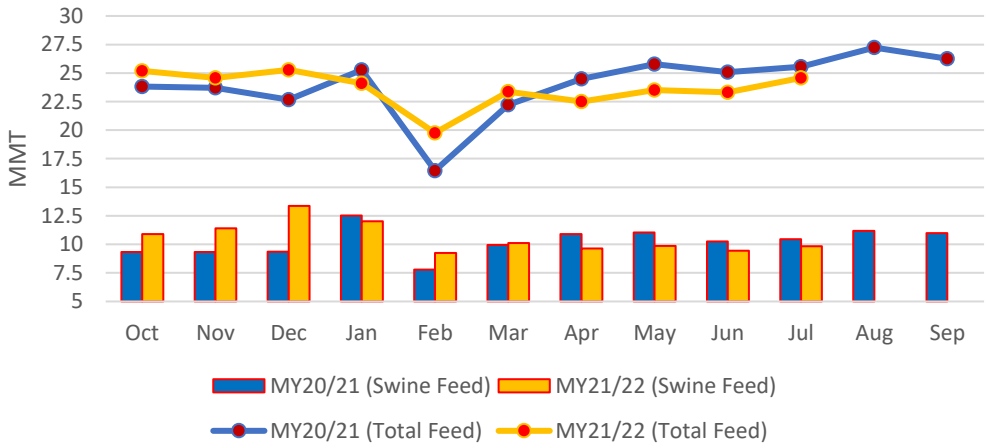
Chart 2. China: Swine Profits and SBM Prices
(Monthly Average; January 2019 to August 2022)



Source: China JCI Consulting Co.

Based on MARA statistics, total feed production in the first 7 months of 2022 was 161.11 MMT, down 4.7 percent from the previous year with feed for swine at 70.14 MMT, layers at 17.92 MMT, and broilers at 48.57 MMT, down 7.4 percent, 4.7 percent, and 7.1 percent, respectively, from the previous year. Feed for aquaculture and ruminant animals, with combined share of about 14 percent of total feed production, both increased, up 18.7 percent and 3.1 percent, respectively, from the previous year. Total feed production in July rebounded moderately from June to 24.58 MMT but is 6.8 percent lower than July 2021.

Chart 3. China: Feed Production Declined from the 2nd Quarter of 2022



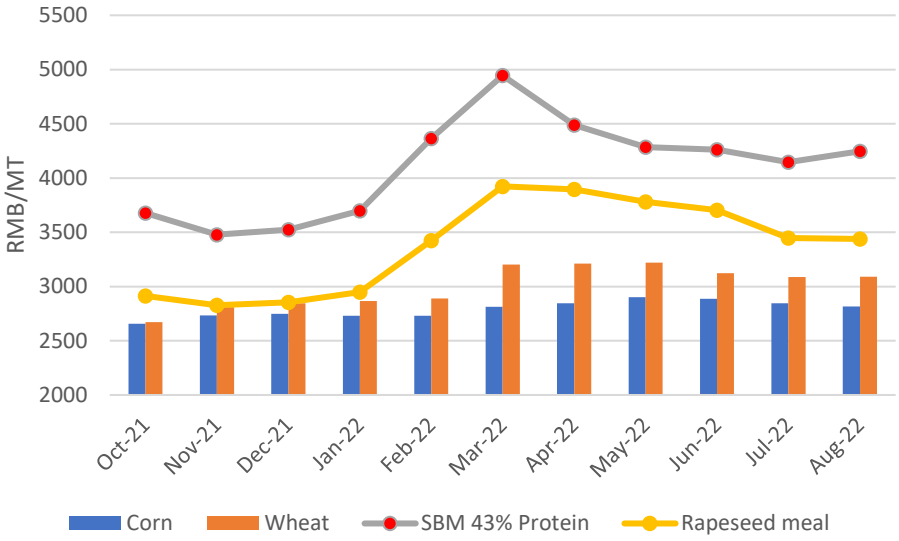
Source: MARA

SBM Inclusion Rates in Feed

The animal production sector's low profitability and losses since May 2021, combined with higher prices for feed ingredients reduced SMB inclusion rates across the industry in MY 21/22. The lower SBM inclusion rates appear to be due to price driven calculations by feed producers and end users, as opposed to a long-term shift towards lower SBM use. Post expects that the return to profitability in the swine sector will boost SBM inclusion in feed in second half of 2022 and beyond. MARA's Feed Production Report indicated SBM inclusion rates in compound and concentrate were 15.6 percent in July, 1.6 percent higher than the same month in 2021. However, China's feed industry continues to explore alternatives to higher-priced protein resources. In addition to making use of limited protein substitutes such as wheat and DDGS, China's animal nutritionists are exploring feed formulations with amino acids and enzyme additives to reduce SBM inclusion rates. China's production of amino acids (including lysine, glutamic acid, and threonine) increased rapidly to 3.46 MMT in 2021 from the 2.67 MMT in 2018.

As noted in Chart 4 below, SBM prices peaked at nearly RMB5,000/MT (U.S. $746/MT) in March 2022, declining to RMB4,200/MT (U.S. $626/MT) in August 2022.

Chart 4. China: Major Feed Ingredient Prices
(Monthly average; October 2021 to August 2022)

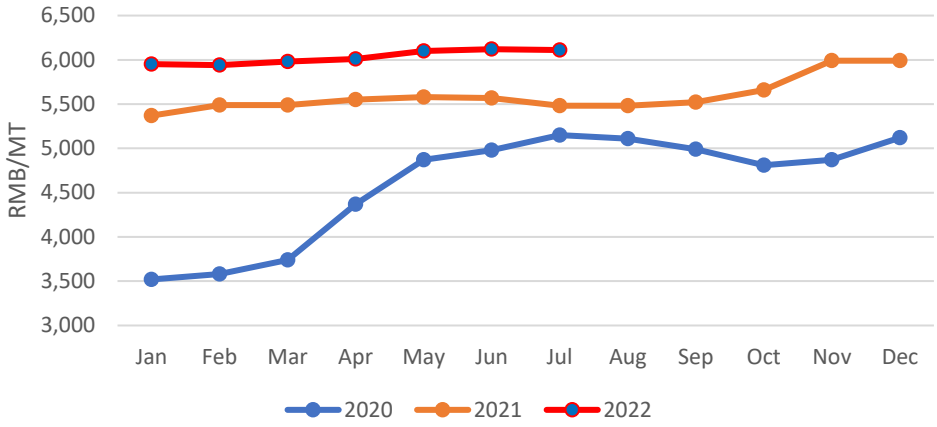


Source: Source: China JCI Consulting Co.

Demand for Food Use Soybeans

Post maintains soybeans for food use demand 15.4 MMT in MY 22/23, up 4 percent year-on-year. Prices for food use soybeans continued to reach record highs through August 2022 (see Chart 5). In the auctions for state soybean reserve (of domestically produced food soybeans) held in August, the prices reached RMB6,100/MT (U.S. $913/MT). The high prices reflect growing demand coupled with a low domestic soybean production in MY 21/22.

Chart 5. China: Domestically Produced Soybean Prices Remains High in 2022
(Monthly; January 2020 to July 2022)



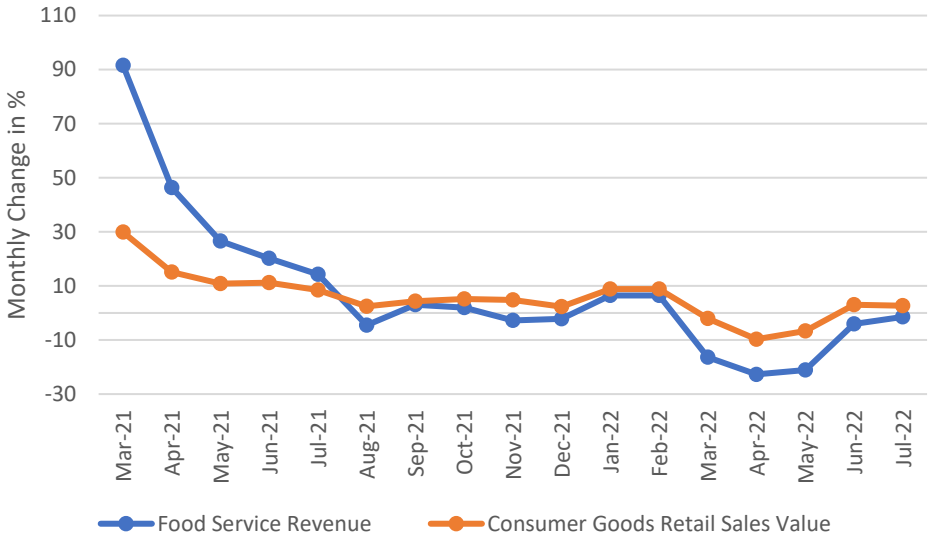
Source: China's Industry Source

Peanut Demand
China's zero-COVID policy and slowing economy has disproportionately affected demand for peanuts and peanut oil. Peanut oil, typically priced much higher than other oils, declined as consumers cut back on spending and food service revenues dropped. This weakened demand, along with quality concerns stemming from flooding in parts of Henan province, slowed purchasing by crushing plants and food manufacturers following the MY 21/22 harvest. This in turn led to declining prices through May 2022, which have since only modestly recovered. Lower domestic prices have reduced the price competitiveness of imported peanuts, which have declined significantly (see trade section below).

Vegetable Oil Demand
Based on higher prices, declining feed use, and uncertainty regarding PRC zero-COVID policy and its outsize impact on food service sector consumption, Post lowers MY 21/22 vegetable oil consumption for food use to 33 MMT from the previous estimate of 33.8 MMT. Vegetable oil consumption for food use is expected to reach 35.7 MMT in MY 22/23.

According to NBS, food service revenue in the first 6 months of 2022 declined 7.7 percent year-on-year. Ongoing COVID-related restrictions have led to the postponement or cancellation of most conferences, seminars, banquets, and other activities that draw large crowds. Institutional food service, restaurants, and cafeterias for businesses and organizations, have also had to navigate reduced hours and extended work-from-home policies. Outbreaks of COVID-19 cases in early August resulted in lockdowns in parts of Hainan, Zhejiang, and Xinjiang Provinces and on September 1, cases in the city of Chengdu led authorities to lockdown over 20 million residents. Accordingly, food service sector vegetable oil consumption has declined significantly along with food service revenues (see Chart 6), a trend only partially compensated for by increased home food use.

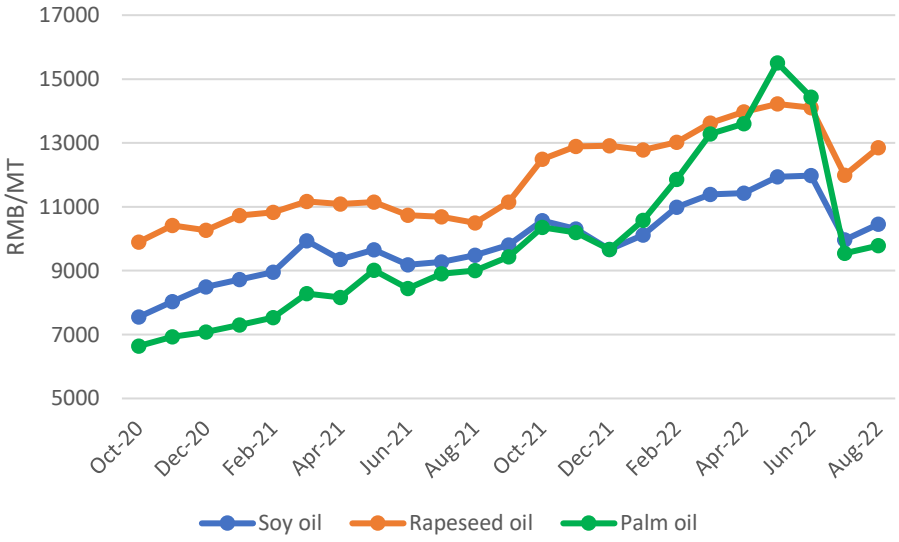
Chart 6. China: Food Service Revenue and Consumer Goods Retail Sales
(March 2021 to July 2022; Year-on-year change)



Source: NBS

Vegetable oil consumption (mostly soybean oil) for feed use in MY 21/22 is reduced to 1 MMT from Post's previous estimate of 1.2 MMT, a 50 percent decline from the previous year as higher prices force feed mills to use less costly substitutes, including lower priced animal fats. Forecast vegetable oil for feed use in MY 22/23 is also lowered to 1.2 MMT from Post's previous forecast of 1.6 MMT. The vegetable oil inclusion ratio in feed had increased during 2020 and 2021 in response to increased use of wheat and rice to replace higher-priced corn, with the oil adding calories and improving palatability.

Chart 7. China: Prices for Major Vegetable Oils Surged in MY 21/22
(Monthly Average; October 2020 to August 2022)



Source: China JCI Consulting Co.

Industry sources estimate vegetable oil consumption will decline in MY 21/22 before rebounding in MY 22/23; however, estimates of the decline and recovery vary. A CNGOIC analyst estimated MY 21/22 total vegetable oil use will decline by 4.24 MMT or nearly 10 percent from the 42.87 MMT the previous marketing year, with food use down 6.6 percent (a net decrease of 2.45 MMT) and other use (including industry and feed use) down 33.5 percent. CNGOIC forecast total vegetable oil consumption to recover to 40.6 MMT in MY 22/23, up about 2 MMT from MY 21/22. However, MARA's August CASDE report remains an outlier, maintaining total vegetable oil consumption at about 36.3 MMT for MY 21/22 and MY 22/23.

Trade

Soybeans

Estimated MY 21/22 soybean imports are reduced 2 MMT to 92 MMT from Post's previous estimate due to ongoing weak demand; demand has been weak for vegetable oil in the food service sector and SBM in the swine and poultry sectors. Post lowers forecast MY 22/23 imports to 96.5 MMT from 98 MMT on sluggish import demand for SBM during the first half of the marketing year. Higher soybean imports in MY 22/23 reflect an expected recovery in SBM and vegetable oil demand on higher margins for swine and poultry producers and higher food sector use. However, demand is also expected to be partially offset by higher domestic soybean production. Forecasts for MY 22/23 soybean imports vary among PRC government and industry sources, ranging from 95 MMT to 96.5 MMT, while estimates for MY 21/22 range from 91 MMT to 93 MMT.

Table 3. China: Estimates of Soybean Imports by Sources (MMT)

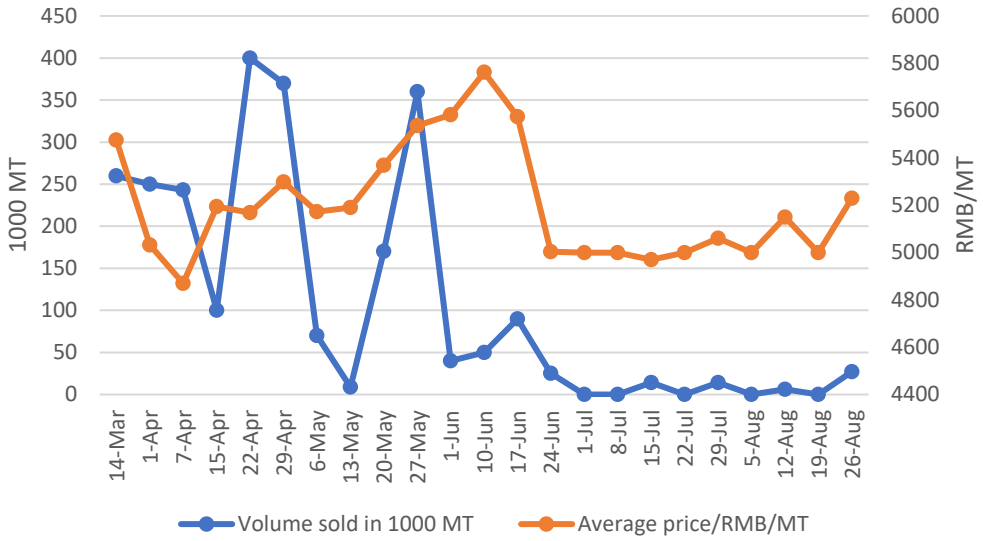
Source	CASDE	CNGOIC(Aug)	China JCI	FAS/China
MY 21/22	93	91	92.5	92
MY 22/23	95.2	95	96.5	96.5
Year-on-year change in %	+2.4	+4.4	+4.3	+4.9

Note: China JCI refers to China JCI Consulting Co.

According to Trade Data Monitor LLC., soybean imports for the first 10 months of MY 21/22 reached 76.7 MMT, down 6.7 MMT or 8 percent year-on-year. Combined soybean imports in August and September averaged at 17.6 MMT in past 4 years, which if reached, would push MY 21/22 imports to 94.3 MMT. However, both August and September imports are expected lower than the 4-year average due to ongoing weak demand. In the first 10 months of MY 21/22, imports from the United States were 28.4 MMT, down 23 percent by volume and with a market share of 37 percent compared to 44 percent during the same period the previous year. For the first 10 months of MY 21/22, soybean imports from Brazil reached 43.8 MMT, up 4 percent from the previous year. In addition to weak demand for SBM and soybean oil, the decline in imports also reflects significant sales of PRC state reserve soybeans.

Beginning on March 14, with weekly auctions commencing April 1, cumulative sales of state reserve soybeans (imported soybeans offered only for crushing) reached 2.5 MMT as of August 26, accounting for 22 percent of the volume offered. Purchase rates have remained below 5 percent of offered volumes since early July, with prices declining to approximately RMB5,000 (U.S. $746)/MT in August from their peak in mid-June.

Chart 8. China: Sales of State Reserve Soybeans in 2022



Source: China's Industry Source; Note: On July 1, 8 and 22 and Aug 5 and 19, the volume sold was zero out of the 0.5 MMT offered, and the prices shown in chart is the floor price at about RMB5,000/MT

Rapeseed

Post maintains rapeseed imports for MY 22/23 at 2.7 MMT, up from an estimated 1.9 MMT in MY 21/22. Rapeseed imports have declined since 2019 due to PRC trade tensions with Canada, its primary supplier. In a sign of easing tensions, China lifted its ban on two large Canadian rapeseed suppliers in mid-May; however, the move has not resulted in higher imports in MY 21/22 due to seasonal issues as well as relatively higher prices for imported rapeseed. Based on Trade Data Monitor, LLC., in the first 10 months of MY 21/22, rapeseed imports were 1.53 MMT, down 36 percent year-on-year. The price of imported rapeseed is 55 percent higher than the previous year, while during the same period, domestic rapeseed prices rose 19 percent. Rapeseed imports are expected to recover in MY 22/23 on higher Canadian production and competitive prices, though increased domestic production will prevent imports from reaching the 4 MMT volumes seen prior to 2019.

Peanuts

Post maintains estimated MY 21/22 peanut imports at 700,000 MT. In the first 10 months of MY 21/22, peanut imports plummeted 50 percent year-on-year. Shelled peanut imports from China's two largest suppliers, Senegal and Sudan, were 384,000 MT in the first 10 months of MY 21/22, down 43 percent from the same period the previous year. China's imports from the United States, mainly inshell peanuts, declined to 81,000 MT in the first 10 months of MY 21/22, down 64 percent from the previous year. The lower imports reflect weak domestic demand for peanut products and oil due to COVID-related restrictions and higher ocean freight costs. Post maintains forecast MY 22/23 imports at 1.1 MMT on lower domestic production and recovering consumption.

On July 19, 2022, the PRC published a phytosanitary protocol with Brazil on imports of shelled peanuts, (link in Chinese) implying future competition for the China peanut market. Brazilian imports are expected to arrive in MY 22/23.

Meals
Despite price advantages, growth in imports of meals will be limited by a greater supply of domestically produced SBM at competitive prices.

Post maintains forecast rapeseed meal imports at 1.75 MMT in MY 22/23, down from an estimated 2 MMT in MY 21/22. Moderately higher domestic production and an increase of rapeseed imports are expected to reduce rapeseed meal imports. Driven by China's growing aquaculture production and limited rapeseed imports, rapeseed meal imports remained strong at 1.79 MMT in the first 10 months of MY 21/22, up 14.4 percent year-on-year. MARA indicated total cultured aquatic production (aquaculture) increased 3 percent to 53.9 MMT in 2021 with modest growth expected in 2022.

Post maintains forecast sunflower seed meal imports at 1.7 MMT for MY 22/23, down 100,000 MT from MY 21/22 on reduced imports from Ukraine. Sunflower seed meal imports reached 1.69 MMT in the first 10 months of MY 21/22, down 13.6 percent year-on-year with imports down significantly from May through July due to the ongoing Russian invasion of Ukraine.

Fishmeal imports in the first 7 months of 2022 reached 1 MMT, down 11 percent from the previous year on lower global fish meal production and higher prices. Post maintains forecast fishmeal imports at 1.6 MMT in 2022 on continued stable demand from the aquaculture sector.

As Chinese SBM prices become more competitive, Chinese SBM exports are forecast to recover to 1 MMT in MY 22/23 from an estimated 0.6 MMT in MY 21/22, both unchanged from Post's previous report.

Vegetable Oil
Estimated MY 21/22 total vegetable oil imports are lowered to 6.7 MMT from post's previous estimate of 8.5 MMT on lower import of all major vegetable oils. Vegetable oil imports during the first 10 months of MY 21/22 plunged 53 percent to 5.06 MMT from the 10.7 MMT the same period in the previous year. The sharp decline underscores weaker demand, particularly in the food service sector, as a result of COVID-related restrictions. The decline was worsened by high international vegetable oil prices, Indonesia's month-long ban on palm oil exports, and greatly reduced exports of sunflower oil from Ukraine. Vegetable oil imports are forecast to reach 11.55 MMT in MY 22/23 on rebounding consumer demand.

Estimated MY 21/22 palm oil imports are reduced to 4.3 MMT on weaker demand and high prices. Palm oil imports in the first 10 months of MY 21/22 were 3.16 MMT, down 43 percent year-on-year, while import prices rose 59 percent. Industry sources reported a more than 60 percent decline in palm oil for food use in the first months of MY 21/22. Demand is expected to recover in the second half of 2022 as prices sharply declined in June when Indonesia reopened exports and suspended its export levies. Industry sources expect high volumes of palm oil to arrive in August and September as more vessels became available. Post's forecast of MY 22/23 palm oil imports remains unchanged at 6.9 MMT, on expected demand recovery for food processing and home and food service use.

Estimated sunflower seed oil imports for MY 21/22 are reduced to 0.5 MMT from Post's previous estimate of 0.9 MMT on weaker demand and lower availability. Imports from Ukraine, China's largest

supplier, declined significantly in the first 10 months of MY 21/22 to 0.35 MMT, 66 percent lower than the same period the previous year. Imports from Ukraine stopped in June and July. Although some Ukrainian ports have partly resumed operations, imports are expected to remain low through September. Forecast sunflower seed oil imports for MY 22/23 remain unchanged at 1.2 MMT on expected lower production and uncertain export volumes from Ukraine.

Estimated MY 21/22 rapeseed oil imports are lowered to 1.1 MMT from Post's previous estimate of 1.4 MMT on weaker demand. Forecast MY 22/23 rapeseed oil imports remain unchanged at 1.9 MMT. Estimated MY 21/22 soybean oil imports are lowered to 0.4 MMT on weak demand. Imports in the first 10 months of MY 21/22 were 75 percent lower year-on-year. Imports in MY 22/23 are expected to rebound to 1 MMT on higher vegetable oil demand.

Exchange rate: $1=RMB6.9 in 2020; $1=RMB6.4 in 2021; $1= RMB6.3 to 6.7 in the first months of 2022

Oilseeds PSD Tables

Table 4. China: Soybeans

PSD Table						
Country	**China, Peoples Republic of**					
Commodity	**Oilseed, Soybean (1000 tons; 1000 Ha)**					
	2020/21		**2021/22**		**2022/23**	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2020		10/2021		10/2022
Area Planted	9,900	9,900	8,400	8,415	8,900	9,350
Area Harvested	9,883	9,866	8,400	8,415	9,350	9,350
Beginning Stocks	24,612	24,612	31,164	29,884	30,744	26,484
Production	19,602	19,602	16,400	16,400	18,400	18,100
MY Imports	99,759	99,740	90,000	92,000	98,000	96,500
Total Supply	143,973	143,954	137,564	138,284	147,144	141,084
MY Exports	70	70	100	100	100	80
Crush	93,000	95,000	87,000	92,000	95,000	95,000
Food Use Dom. Cons.	14,700	14,400	14,800	14,800	15,400	15,400
Feed Waste Dom. Cons.	5,039	4,600	4,920	4,900	5,189	4,900
Total Dom. Cons.	112,739	114,000	106,720	111,700	115,589	115,300
Ending Stocks	31,164	29,884	30,744	26,484	31,455	25,704
Total Distribution	143,973	143,954	137,564	138,284	147,144	141,084

Table 5. China: Rapeseed

PSD Table						
Country	**China, Peoples Republic of**					
Commodity	**Oilseed, Rapeseed (1000 tons;1000 Ha)**					
	2020/21		**2021/22**		**2022/23**	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2020		10/2021		10/2022
Area Planted		6,680		6,900		7,100
Area Harvested	6,765	6,680	6,800	6,900	7,100	7,100
Beginning Stocks	1,253	1,253	1,597	1,597	1,163	1,127
Production	14,049	14,049	14,714	14,450	14,700	15,400
MY Imports	2,795	2,795	1,800	1,800	2,800	2,700
Total Supply	18,097	18,097	18,111	17,847	18,663	19,227
MY Exports	0	0	0	0	0	0
Crush	16,000	16,000	16,500	16,200	16,700	17,200
Food Use Dom. Cons.	0	0	0	0	0	0
Feed Waste Dom. Cons.	500	500	448	520	450	525
Total Dom. Cons.	16,500	16,500	16,948	16,720	17,150	17,725
Ending Stocks	1,597	1,597	1,163	1,127	1,513	1,502
Total Distribution	18,097	18,097	18,111	17,847	18,663	19,227

Table 6. China: Peanuts

PSD Table						
Country	**China, Peoples Republic of**					
Commodity	**Oilseed, Peanut (1000 tons; 1000 Ha)**					
	2020/21		**2021/22**		**2022/23**	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2020		10/2021		10/2022
Area Planted	4,731	4,731	4,750	4,800	4,800	4,720
Area Harvested	4,731	4,731	4,750	4,800	4,800	4,720
Beginning Stocks	0	0	0	0	0	0
Production	17,993	17,993	18,308	18,200	18,300	18,000
MY Imports	1,374	1,374	850	700	1,100	1,100
Total Supply	19,367	19,367	19,158	18,900	19,400	19,100
MY Exports	459	459	375	500	450	500
Crush	10,100	10,474	10,300	10,000	10,300	10,100
Food Use Dom. Cons.	7,543	7,334	7,450	7,300	7,500	7,400
Feed Waste Dom. Cons.	1,265	1,100	1,033	1,100	1,150	1,100
Total Dom. Cons.	18,908	18,908	18,783	18,400	18,950	18,600
Ending Stocks	0	0	0	0	0	0
Total Distribution	19,367	19,367	19,158	18,900	19,400	19,100

Table 7. China: Sunflower Seed

PSD Table						
Country	**China, Peoples Republic of**					
Commodity	**Oilseed, Sunflower seed (1000 tons; 1000 Ha)**					
	2020/21		**2021/22**		**2022/23**	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2020		10/2021		10/2022
Area Planted	873	866	1,100	887	1,000	950
Area Harvested	873	866	1,100	887	1,000	950
Beginning Stocks	463	463	445	237	190	186
Production	2,570	2,347	2,900	2,424	2,800	2,600
MY Imports	137	137	120	100	200	150
Total Supply	3,170	2,947	3,465	2,761	3,190	2,936
MY Exports	475	475	425	375	350	400
Crush	1,200	1,200	1,850	1,200	1,650	1,300
Food Use Dom. Cons.	950	935	900	900	900	920
Feed Waste Dom. Cons.	100	100	100	100	100	100
Total Dom. Cons.	2,250	2,235	2,850	2,200	2,650	2,320
Ending Stocks	445	237	190	186	190	216
Total Distribution	3,170	2,947	3,465	2,761	3,190	2,936

Table 8. China: Cottonseed

PSD Table						
Country	**China, Peoples Republic of**					
Commodity	**Oilseed, Cottonseed (1000 tons; 1000 Ha)**					
	2020/21		**2021/22**		**2022/23**	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2020		10/2021		10/2022
Area Planted (Cotton)	3,250	3,220	3,100	3,000	3,150	3,030
Area Harvested (Cotton)	3,250	3,220	3,100	3,000	3,150	3,030
Seed to Lint Ratio	0	0	0	0	0	0
Beginning Stocks	0	0	0	0	0	0
Production	11,365	10,000	10,581	9,550	10,777	9,700
MY Imports	72	72	150	120	125	100
Total Supply	11,437	10,072	10,731	9,670	10,902	9,800
MY Exports	0	0	0	0	0	0
Crush	9,540	8,550	9,500	8,085	9,600	8,200
Food Use Dom. Cons.	0	0	0	0	0	0
Feed Waste Dom. Cons.	1,897	1,522	1,231	1,585	1,302	1,600
Total Dom. Cons.	11,437	10,072	10,731	9,670	10,902	9,800
Ending Stocks	0	0	0	0	0	0
Total Distribution	11,437	10,072	10,731	9,670	10,902	9,800

Meal PSD Tables

Table 9. China: Soybean Meal

PSD Table						
Country	**China, Peoples Republic of**					
Commodity	**Meal, Soybean (1000 tons)**					
	2020/21		**2021/22**		**2022/23**	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2020		10/2021		10/2022
Crush	93,000	95,000	87,000	92,000	95,000	95,000
Extr. Rate, 999.9999	0.792	0.792	0.792	0.792	0.792	0.792
Beginning Stocks	0	0	0	0	0	0
Production	73,656	75,240	68,904	72,864	75,240	75,240
MY Imports	74	74	60	60	50	60
Total Supply	73,730	75,314	68,964	72,924	75,290	75,300
MY Exports	1,052	1,052	600	600	1,000	1,000
Industrial Dom. Cons.	1,125	1,342	1,100	1,324	1,175	1,500
Food Use Dom. Cons.	0	0	0	0	0	0
Feed Waste Dom. Cons.	71,553	72,920	67,264	71,000	73,115	72,800
Total Dom. Cons.	72,678	74,262	68,364	72,324	74,290	74,300
Ending Stocks	0	0	0	0	0	0
Total Distribution	73,730	75,314	68,964	72,924	75,290	75,300

Table 10. China: Rapeseed Meal

PSD Table						
Country	**China, Peoples Republic of**					
Commodity	**Meal, Rapeseed (1000 tons)**					
	2020/21		**2021/22**		**2022/23**	
	USDA Official	Post Estimate	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2020		10/2021		10/2022
Crush	16,000	16,000	16,500	16,200	16,700	17,200
Extr. Rate, 999.9999	0.59	0.59	0.59	0.59	0.59	0.59
Beginning Stocks	0	0	0	0	0	0
Production	9,442	9,442	9,737	9,558	9,855	10,148
MY Imports	1,967	1,967	2,100	2,000	2,000	1,750
Total Supply	11,409	11,409	11,837	11,558	11,855	11,898
MY Exports	5	5	5	10	10	10
Industrial Dom. Cons.	475	475	475	475	480	480
Food Use Dom. Cons.	0	0	0	0	0	0
Feed Waste Dom. Cons.	10,929	10,929	11,357	11,073	11,365	11,408
Total Dom. Cons.	11,404	11,404	11,832	11,548	11,845	11,888
Ending Stocks	0	0	0	0	0	0
Total Distribution	11,409	11,409	11,837	11,558	11,855	11,898

Table 11. China: Peanut Meal

PSD Table						
Country	**China, Peoples Republic of**					
Commodity	**Meal, Peanut (1000 tons)**					
	2020/21		**2021/22**		**2022/23**	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2020		10/2021		10/2022
Crush	10,100	10,474	10,300	10,000	10,300	10,100
Extr. Rate, 999.9999	0.4	0.4	0.4	0.4	0.4	0.4
Beginning Stocks	0	0	0	0	0	0
Production	4,040	4,190	4,120	4,000	4,120	4,040
MY Imports	51	51	60	80	90	60
Total Supply	4,091	4,241	4,180	4,080	4,210	4,100
MY Exports	0	0	2	0	0	0
Industrial Dom. Cons.	0	0	0	0	0	0
Food Use Dom. Cons.	0	0	0	0	0	0
Feed Waste Dom. Cons.	4,091	4,241	4,178	4,080	4,210	4,100
Total Dom. Cons.	4,091	4,241	4,178	4,080	4,210	4,100
Ending Stocks	0	0	0	0	0	0
Total Distribution	4,091	4,241	4,180	4,080	4,210	4,100

Table 12. China: Sunflower Seed Meal

PSD Table						
Country	**China, Peoples Republic of**					
Commodity	**Meal, Sunflower seed (1000 tons)**					
	2020/21		**2021/22**		**2022/23**	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2020		10/2021		10/2022
Crush	1,200	1,200	1,850	1,200	1,650	1,300
Extr. Rate, 999.9999	0.545	0.545	0.545	0.545	0.545	0.545
Beginning Stocks	0	0	0	0	0	0
Production	654	654	1,008	654	899	709
MY Imports	2,233	2,233	1,800	1,800	1,500	1,700
Total Supply	2,887	2,887	2,808	2,454	2,399	2,409
MY Exports	5	5	2	5	4	10
Industrial Dom. Cons.	62	0	62	0	62	0
Food Use Dom. Cons.	0	0	0	0	0	0
Feed Waste Dom. Cons.	2,820	2,882	2,744	2,449	2,333	2,399
Total Dom. Cons.	2,882	2,882	2,806	2,449	2,395	2,399
Ending Stocks	0	0	0	0	0	0
Total Distribution	2,887	2,887	2,808	2,454	2,399	2,409

Table 13. China: Cottonseed Meal

PSD Table						
Country	**China, Peoples Republic of**					
Commodity	**Meal, Cottonseed (1000 tons)**					
	2020/21		**2021/22**		**2022/23**	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2020		10/2021		10/2022
Crush	9,540	8,550	9,500	8,085	9,600	8,200
Extr. Rate, 999.9999	0.433	0.433	0.433	0.433	0.433	0.433
Beginning Stocks	0	0	0	0	0	0
Production	4,134	3,702	4,116	3,501	4,160	3,551
MY Imports	10	10	10	10	10	10
Total Supply	4,144	3,712	4,126	3,511	4,170	3,561
MY Exports	0	0	0	0	0	0
Industrial Dom. Cons.	140	150	140	150	140	160
Food Use Dom. Cons.	0	0	0	0	0	0
Feed Waste Dom. Cons.	4,004	3,562	3,986	3,361	4,030	3,401
Total Dom. Cons.	4,144	3,712	4,126	3,511	4,170	3,561
Ending Stocks	0	0	0	0	0	0
Total Distribution	4,144	3,712	4,126	3,511	4,170	3,561

Table 14. China: Fish Meal

PSD Table						
Country	**China, Peoples Republic of**					
Commodity	**Meal, Fish (1000 tons)**					
	2020/21		**2021/22**		**2022/23**	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		1/2020		1/2021		1/2022
Catch for Reduction	1,100	1,000	1,100	1,000	1,100	1,000
Extr. Rate, 999.9999	0.318	0.364	0.318	0.364	0.318	0.364
Beginning Stocks	0	0	0	0	0	0
Production	350	364	350	364	350	364
MY Imports	1,836	1,836	1,650	1,600	1,650	1,650
Total Supply	2,186	2,200	2,000	1,964	2,000	2,014
MY Exports	0	0	0	0	0	0
Industrial Dom. Cons.	0	0	0	0	0	0
Food Use Dom. Cons.	0	0	0	0	0	0
Feed Waste Dom. Cons.	2,186	2,200	2,000	1,964	2,000	2,014
Total Dom. Cons.	2,186	2,200	2,000	1,964	2,000	2,014
Ending Stocks	0	0	0	0	0	0
Total Distribution	2,186	2,200	2,000	1,964	2,000	2,014

Table 15. China: Palm Kernel Meal

Commodity	Meal, Palm Kernel (1000 tons)					
	2020/21		2021/22		2022/23	
	USDA Official	Post Estimate	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2020		10/2021		10/2022
Crush	0	0	0	0	0	0
Extr. Rate, 999.9999	0	0	0	0	0	0
Beginning Stocks	0	0	0	0	0	0
Production	0	0	0	0	0	0
MY Imports	890	890	950	950	1,000	1,000
Total Supply	890	890	950	950	1,000	1,000
MY Exports	0	0	0	0	0	0
Industrial Dom. Cons.	0	0	0	0	0	0
Food Use Dom. Cons.	0	0	0	0	0	0
Feed Waste Dom. Cons.	890	890	950	950	1,000	1,000
Total Dom. Cons.	890	890	950	950	1,000	1,000
Ending Stocks	0	0	0	0	0	0
Total Distribution	890	890	950	950	1,000	1,000

Oil PSD Tables

Table 16. China: Soybean Oil

PSD Table						
Country	**China, Peoples Republic of**					
Commodity	**Oil, Soybean (1000 tons)**					
	2020/21		**2021/22**		**2022/23**	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2020		10/2021		10/2022
Crush	93,000	95,000	87,000	92,000	95,000	95,000
Extr. Rate, 999.9999	0.179	0.179	0.179	0.179	0.179	0.179
Beginning Stocks	703	703	933	797	263	575
Production	16,666	17,005	15,590	16,468	17,024	17,005
MY Imports	1,231	1,231	600	400	1,000	1,000
Total Supply	18,600	18,939	17,123	17,665	18,287	18,580
MY Exports	42	42	110	90	90	100
Industrial Dom. Cons.	0	0	0	0	0	0
Food Use Dom. Cons.	17,625	16,100	16,750	16,000	17,600	16,400
Feed Waste Dom. Cons.	0	2,000	0	1,000	0	1,200
Total Dom. Cons.	17,625	18,100	16,750	17,000	17,600	17,600
Ending Stocks	933	797	263	575	597	880
Total Distribution	18,600	18,939	17,123	17,665	18,287	18,580

Table 17. China: Rapeseed Oil

PSD Table						
Country	**China, Peoples Republic of**					
Commodity	**Oil, Rapeseed (1000 tons)**					
	2020/21		**2021/22**		**2022/23**	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2020		10/2021		10/2022
Crush	16,000	16,000	16,500	16,200	16,700	17,200
Extr. Rate, 999.9999	0.39	0.39	0.39	0.39	0.39	0.39
Beginning Stocks	1,100	1,100	1,511	1,573	1,044	791
Production	6,240	6,240	6,435	6,318	6,513	6,708
MY Imports	2,365	2,365	1,150	1,100	2,420	1,900
Total Supply	9,705	9,705	9,096	8,991	9,977	9,399
MY Exports	2	2	2	0	3	5
Industrial Dom. Cons.	0	0	0	0	0	0
Food Use Dom. Cons.	8,192	8,130	8,050	8,200	8,500	8,375
Feed Waste Dom. Cons.	0	0	0	0	0	0
Total Dom. Cons.	8,192	8,130	8,050	8,200	8,500	8,375
Ending Stocks	1,511	1,573	1,044	791	1,474	1,019
Total Distribution	9,705	9,705	9,096	8,991	9,977	9,399

Table 18. China: Peanut Oil

PSD Table						
Country	**China, Peoples Republic of**					
Commodity	**Oil, Peanut (1000 tons)**					
	2020/21		**2021/22**		**2022/23**	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2020		10/2021		10/2022
Crush	10,100	10,474	10,300	10,000	10,300	10,100
Extr. Rate, 999.9999	0.32	0.32	0.32	0.32	0.32	0.32
Beginning Stocks	0	0	0	0	0	0
Production	3,232	3,352	3,296	3,200	3,296	3,232
MY Imports	346	346	150	200	300	350
Total Supply	3,578	3,698	3,446	3,400	3,596	3,582
MY Exports	11	11	10	10	10	10
Industrial Dom. Cons.	0	0	0	0	0	0
Food Use Dom. Cons.	3,567	3,687	3,436	3,390	3,586	3,572
Feed Waste Dom. Cons.	0	0	0	0	0	0
Total Dom. Cons.	3,567	3,687	3,436	3,390	3,586	3,572
Ending Stocks	0	0	0	0	0	0
Total Distribution	3,578	3,698	3,446	3,400	3,596	3,582

Table 19. China: Cotton Seed Oil

PSD Table						
Country	**China, Peoples Republic of**					
Commodity	**Oil, Cottonseed (1000 tons)**					
	2020/21		**2021/22**		**2022/23**	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2020		10/2021		10/2022
Crush	9540	8550	9500	8085	9600	8200
Extr. Rate, 999.9999	0.146	0.145	0.146	0.145	0.146	0.145
Beginning Stocks	0	0	0	0	0	0
Production	1,388	1,240	1,382	1,172	1,397	1,190
MY Imports	0	0	0	0	0	0
Total Supply	1,388	1,240	1,382	1,172	1,397	1,190
MY Exports	3	3	4	2	2	3
Industrial Dom. Cons.	0	0	0	0	0	0
Food Use Dom. Cons.	1,385	1,237	1,378	1,170	1,395	1,187
Feed Waste Dom. Cons.	0	0	0	0	0	0
Total Dom. Cons.	1,385	1,237	1,378	1,170	1,395	1,187
Ending Stocks	0	0	0	0	0	0
Total Distribution	1,388	1,240	1,382	1,172	1,397	1,190

Table 20. China: Sunflower Seed Oil

PSD Table						
Country	**China, Peoples Republic of**					
Commodity	**Oil, Sunflower Seed (1000 tons)**					
	2020/21		**2021/22**		**2022/23**	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2020		10/2021		10/2022
Crush	1,200	1,200	1,850	1,200	1,650	1,300
Extr. Rate, 999.9999	0.358	0.358	0.358	0.358	0.359	0.359
Beginning Stocks	0	0	0	0	0	0
Production	430	430	663	430	592	466
MY Imports	1,640	1,640	600	500	1,100	1,200
Total Supply	2,070	2,070	1,263	930	1,692	1,666
MY Exports	3	3	5	2	3	2
Industrial Dom. Cons.	0	0	0	0	0	0
Food Use Dom. Cons.	2,067	2,067	1,258	928	1,689	1,664
Feed Waste Dom. Cons.	0	0	0	0	0	0
Total Dom. Cons.	2,067	2,067	1,258	928	1,689	1,664
Ending Stocks	0	0	0	0	0	0
Total Distribution	2,070	2,070	1,263	930	1,692	1,666

Table 21. China: Palm Oil

PSD Table						
Country	**China, Peoples Republic of**					
Commodity	**Oil, Palm (1000 tons)**					
	2020/21		**2021/22**		**2022/23**	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2020		10/2021		10/2022
Area Planted	0	0	0	0	0	0
Area Harvested	0	0	0	0	0	0
Trees	0	0	0	0	0	0
Beginning Stocks	883	883	1,037	1,077	272	362
Production	0	0	0	0	0	0
MY Imports	6,818	6,818	4,300	4,300	7,200	6,900
Total Supply	7,701	7,701	5,337	5,377	7,472	7,262
MY Exports	14	14	15	15	20	10
Industrial Dom. Cons.	2,350	2,500	1,050	1,800	2,250	2,300
Food Use Dom. Cons.	4,300	4,110	4,000	3,200	4,650	4,300
Feed Waste Dom. Cons.	0	0	0	0	0	0
Total Dom. Cons.	6,650	6,610	5,050	5,000	6,900	6,600
Ending Stocks	1,037	1,077	272	362	552	652
Total Distribution	7,701	7,701	5,337	5,377	7,472	7,262

Table 22. China: Coconut Oil

PSD Table						
Country	**China, Peoples Republic of**					
Commodity	**Oil, Coconut (1000 tons)**					
	2020/21		**2021/22**		**2022/23**	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2020		10/2021		10/2022
Crush	0	0	0	0	0	0
Extr. Rate, 999.9999	0	0	0	0	0	0
Beginning Stocks	0	0	0	0	0	0
Production	0	0	0	0	0	0
MY Imports	172	172	200	200	200	200
Total Supply	172	172	200	200	200	200
MY Exports	0	0	0	0	0	0
Industrial Dom. Cons.	0	0	0	0	0	0
Food Use Dom. Cons.	172	172	200	200	200	200
Feed Waste Dom. Cons.	0	0	0	0	0	0
Total Dom. Cons.	172	172	200	200	200	200
Ending Stocks	0	0	0	0	0	0
Total Distribution	172	172	200	200	200	200

Attachments:

No Attachments