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India

Oilseeds and Products

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Report Highlights:

Post's estimate of India's MY 1998 vegetable oil imports has been raised 200,000 tons to 2.23 million, with soy and sun oils constituting 36 percent of the total.

Includes PSD changes: Yes
Includes Trade Matrix: No
Unscheduled Report
New Delhi [IN1], IN

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Vegoil Imports Surge

India's vegoil imports have continued to surge, reaching an estimated 1.5 million tons following reports of slow market arrivals of domestic rapeseed and strong demand from refiners and vanaspati manufacturers. Imports during the first half of MY 1998 were approximately three times last year's level. Due to lower world prices for soft oils, their proportion of total imports rose to 51 percent, compared with 6 percent in the previous year. However, trade sources believe that declining domestic oil prices and higher arrivals of domestic oilseed crops for crushing may soon lead to a reduction in the pace of imports.

The government's standing committee on agriculture, food and civil supplies recently recommended a ban on vegoil imports to arrest the growth of imports and the fall in domestic vegoil. Given the current political uncertainty and market sentiments, such a move seems highly unlikely. However, there is continued speculation about a possible increase in the tariff on vegoil imports. Given the current pace, Post's estimate for India's MY 1998 vegoil imports has been revised upwards to 2.23 million tons, with soyoil and sunoil constituting about 36 percent of the total.

Table 1: India's Vegoil Imports (metric tons) - MY 1997 vs MY 1998 (Oct - Mar)

Edible Oil	MY 1997	MY 1998	Percent Change
Palmolein	477,690	743,883	55.73
Cottonseed	4,000	8,336	108.40
Sunflower	27,650	299,718	983.97
Rapeseed	-	129,254	-
Soybean	-	27,3075	-
Total	509,340	1,506,790	195.83

Rapeseed Revised Downward

Post's estimate of MY 1998 rapeseed production has been revised downwards to 5.8 million tons as a result of unfavorable weather in Uttar Pradesh, India's second largest producer of rapeseed. Reports indicate that market arrivals are also lower as many farmers are holding their crop in hopes of higher returns, though current prices are well above the government's support price.

Meal Exports Decline

Despite a moderate increase in soymeal exports, India's total meal exports fell 22 percent in the first half of MY 1998 (vis-a-vis MY 1997) due to a significant decline in rape and peanut meal exports. Last year's adulteration of mustard coupled with the economic turmoil in major southeast Asian markets have adversely affected rape meal exports. In addition, the high aflatoxin in the meal, brought on by harvest rains, has discouraged EU buyers. Trade sources expect rape and peanut meal exports to recover later this year on fresh demand from southeast Asia. Soymeal exports were up four percent in the first half of MY 1998, boosted by lower prices (currently \$145, FOB) and demand from Korean and Pakistani buyers. The low prices are also expected to lead to increased domestic consumption.

Table 2: India's Oil Meal Exports (metric tons) - MY1997 vs MY 1998 (Oct - Mar)

Oil meal	MY1997	MY1998	Percent Change
Soybean	2,072,474	2,150,169	3.75
Rapeseed	618,025	45,308	- 92.67
Peanut	139,287	27,090	- 80.55
Ricebran	16,305	432	- 97.35
Other	18,533	728	- 96.07
Total	2,864,624	2,223,727	- 22.37

Commodity, Rapeseed

PSD Table							
Country:	India						
Commodity:	Rapeseed						
		1996		1997		1998	UOM
	Old	New	Old	New	Old	New	
Market Year Begin		10/1996		10/1997		10/1998	(MONTH/ YEAR)
Area Planted	6856	6856	6700	6700	6600	6600	(1000 HA)
Area Harvested	6856	6856	6700	6700	6600	6600	(1000 HA)
Beginning Stocks	0	0	0	0	0	0	(1000 MT)
Production	6942	6942	4935	4935	6100	5800	(1000 MT)
MY Imports	0	0	0	0	0	0	(1000 MT)
MY Imp. from U.S.	0	0	0	0	0	0	(1000 MT)
MY Imp. from the EC	0	0	0	0	0	0	(1000 MT)
TOTAL SUPPLY	6942	6942	4935	4935	6100	5800	(1000 MT)
MY Exports	0	0	0	0	0	0	(1000 MT)
MY Exp. to the EC	0	0	0	0	0	0	(1000 MT)
Crush Dom. Consumption	6312	6312	4475	4475	5600	5300	(1000 MT)
Food Use Dom. Consump.	450	450	325	325	340	340	(1000 MT)
Feed Waste Dom.Consum.	180	180	135	135	160	160	(1000 MT)
Total Dom. Consumption	6942	6942	4935	4935	6100	5800	(1000 MT)
Ending Stocks	0	0	0	0	0	0	(1000 MT)
TOTAL DISTRIBUTION	6942	6942	4935	4935	6100	5800	(1000 MT)
Calendar Year Imports	0	0	0	0	0	0	(1000 MT)
Calendar Yr Imp. U.S.	0	0	0	0	0	0	(1000 MT)
Calendar Year Exports	0	0	0	0	0	0	(1000 MT)
Calndr Yr Exp. to U.S.	0	0	0	0	0	0	(1000 MT)

Commodity, Rapeseed, Meal

PSD Table							
Country:							
Commodity:							
		1996		1997		1998	UOM
	Old	New	Old	New	Old	New	
Market Year Begin		10/1996		10/1997		10/1998	(MONTH/ YEAR)
Crush	6312	6312	4475	4475	5600	5300	(1000 MT)
Extr. Rate	0.6685678	0.6685678	0.6703911	0.6703911	0.6607143	0.6792453	
Beginning Stocks	0	0	0	0	0	0	(1000 MT)
Production	4220	4220	3000	3000	3700	3600	(1000 MT)
MY Imports	0	0	0	0	0	0	(1000 MT)
MY Imp. from U.S.	0	0	0	0	0	0	(1000 MT)
MY Imp. from the EC	0	0	0	0	0	0	(1000 MT)
TOTAL SUPPLY	4220	4220	3000	3000	3700	3600	(1000 MT)
MY Exports	935	950	1000	1000	900	800	(1000 MT)
MY Exp. to the EC	0	0	0	0	0	0	(1000 MT)
Industrial Dom. Consum	0	0	0	0	0	0	(1000 MT)
Food Use Dom. Consump.	0	0	0	0	0	0	(1000 MT)
Feed Waste Dom.Consum.	3285	3270	2000	2000	2800	2800	(1000 MT)
Total Dom. Consumption	3285	3270	2000	2000	2800	2800	(1000 MT)
Ending Stocks	0	0	0	0	0	0	(1000 MT)
TOTAL DISTRIBUTION	4220	4220	3000	3000	3700	3600	(1000 MT)
Calendar Year Imports	0	0	0	0	0	0	(1000 MT)
Calendar Yr Imp. U.S.	0	0	0	0	0	0	(1000 MT)
Calendar Year Exports	935	950	1000	1000	900	800	(1000 MT)
Calndr Yr Exp. to U.S.	0	0	0	0	0	0	(1000 MT)

Commodity, Rapeseed, Oil

PSD Table							
Country:							
Commodity:							
		1996		1997		1998	UOM
	Old	New	Old	New	Old	New	
Market Year Begin		10/1996		10/1997		10/1998	(MONTH/ YEAR)
Crush	6312	6312	4475	4475	5600	5300	(1000 MT)
Extr. Rate	0.3295311	0.3295311	0.3296089	0.3296089	0.3214286	0.3254717	
Beginning Stocks	0	0	0	0	0	0	(1000 MT)
Production	2080	2080	1475	1475	1800	1725	(1000 MT)
MY Imports	30	30	50	50	150	150	(1000 MT)
MY Imp. from U.S.	0	0	0	0	0	0	(1000 MT)
MY Imp. from the EC	0	0	0	0	0	0	(1000 MT)
TOTAL SUPPLY	2110	2110	1525	1525	1950	1875	(1000 MT)
MY Exports	0	0	0	0	0	0	(1000 MT)
MY Exp. to the EC	0	0	0	0	0	0	(1000 MT)
Industrial Dom. Consum	0	0	0	0	0	0	(1000 MT)
Food Use Dom. Consum.	2110	2110	1525	1525	1950	1875	(1000 MT)
Feed Waste Dom.Consum.	0	0	0	0	0	0	(1000 MT)
Total Dom. Consumption	2110	2110	1525	1525	1950	1875	(1000 MT)
Ending Stocks	0	0	0	0	0	0	(1000 MT)
TOTAL DISTRIBUTION	2110	2110	1525	1525	1950	1875	(1000 MT)
Calendar Year Imports	30	30	50	50	150	150	(1000 MT)
Calendar Yr Imp. U.S.	0	0	0	0	0	0	(1000 MT)
Calendar Year Exports	0	0	0	0	0	0	(1000 MT)
Calndr Yr Exp. to U.S.	0	0	0	0	0	0	(1000 MT)

Commodity, Sunflower Oil

PSD Table							
Country:							
Commodity:							
		1996		1997		1998	UOM
	Old	New	Old	New	Old	New	
Market Year Begin		10/1996		10/1997		10/1998	(MONTH/ YEAR)
Crush	1215	1215	1060	1060	1140	1140	(1000 MT)
Extr. Rate	0.3497942	0.3497942	0.3490566	0.3490566	0.3464912	0.3464912	
Beginning Stocks	0	0	0	0	0	0	(1000 MT)
Production	425	425	370	370	395	395	(1000 MT)
MY Imports	400	400	125	125	300	400	(1000 MT)
MY Imp. from U.S.	5	5	20	20	50	100	(1000 MT)
MY Imp. from the EC	0	0	0	0	0	0	(1000 MT)
TOTAL SUPPLY	825	825	495	495	695	795	(1000 MT)
MY Exports	0	0	0	0	0	0	(1000 MT)
MY Exp. to the EC	0	0	0	0	0	0	(1000 MT)
Industrial Dom. Consum	0	0	0	0	0	0	(1000 MT)
Food Use Dom. Consump.	825	825	495	495	695	795	(1000 MT)
Feed Waste Dom.Consum.	0	0	0	0	0	0	(1000 MT)
Total Dom. Consumption	825	825	495	495	695	795	(1000 MT)
Ending Stocks	0	0	0	0	0	0	(1000 MT)
TOTAL DISTRIBUTION	825	825	495	495	695	795	(1000 MT)
Calendar Year Imports	400	400	125	125	300	400	(1000 MT)
Calendar Yr Imp. U.S.	5	5	20	20	50	100	(1000 MT)
Calendar Year Exports	0	0	0	0	0	0	(1000 MT)
Calndr Yr Exp. to U.S.	0	0	0	0	0	0	(1000 MT)

Commodity, Soybean, Oil

PSD Table							
Country:							
Commodity:							
		1996		1997		1998	UOM
	Old	New	Old	New	Old	New	
Market Year Begin		10/1996		10/1997		10/1998	(MONTH/ YEAR)
Crush	3650	3650	4770	4770	4920	4920	(1000 MT)
Extr. Rate	0.1753425	0.1753425	0.1802935	0.1802935	0.1778455	0.1778455	
Beginning Stocks	0	0	0	0	0	0	(1000 MT)
Production	640	640	860	860	875	875	(1000 MT)
MY Imports	60	60	235	235	300	400	(1000 MT)
MY Imp. from U.S.	20	20	50	50	75	100	(1000 MT)
MY Imp. from the EC	0	0	0	0	0	0	(1000 MT)
TOTAL SUPPLY	700	700	1095	1095	1175	1275	(1000 MT)
MY Exports	0	0	0	0	0	0	(1000 MT)
MY Exp. to the EC	0	0	0	0	0	0	(1000 MT)
Industrial Dom. Consum	0	0	0	0	0	0	(1000 MT)
Food Use Dom. Consump.	700	700	1095	1095	1175	1275	(1000 MT)
Feed Waste Dom.Consum.	0	0	0	0	0	0	(1000 MT)
Total Dom. Consumption	700	700	1095	1095	1175	1275	(1000 MT)
Ending Stocks	0	0	0	0	0	0	(1000 MT)
TOTAL DISTRIBUTION	700	700	1095	1095	1175	1275	(1000 MT)
Calendar Year Imports	60	60	235	235	300	400	(1000 MT)
Calendar Yr Imp. U.S.	20	20	50	50	50	100	(1000 MT)
Calendar Year Exports	0	0	0	0	0	0	(1000 MT)
Calndr Yr Exp. to U.S.	0	0	0	0	0	0	(1000 MT)