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Paraguay

Oilseeds and Products

Annual

2002

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Report Highlights:

Soybean production for the current crop is estimated to fall to 3.1 million tons due to drought damage in December and January. Production is expected to recover next year to reach 3.6 million tons. Cottonseed production is down due to sharply lower area of 180,000 ha. Area is expected to recover somewhat and increase to 200,000 ha. next year.

Includes PSD changes: Yes
Includes Trade Matrix: Yes
Annual Report
Buenos Aires [AR1], PA

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Production

Very dry weather during December and January resulted in much lower than expected yields for the current soybean crop. We are reducing the production estimate to 3.1 million tons to reflect the lower yields. Area was higher than initially estimated, 1.42 million hectares, largely due to a shift of corn area into soybeans.

Production is expected to increase to 3.6 million tons in the 2003 harvest, with area expected to remain at the same level as this year and yields expected to return to a more normal level. Production of soybeans is concentrated in southeast Paraguay, primarily on mechanized larger farms.

Production of cottonseed this year is down due to a substantial cut in cotton area (down from 308,000 ha. the previous year to 180,000 ha.). Low world cotton prices were the main cause of the lower area.

The cotton industry's goal is to increase area to between 250,000 and 300,000 ha. in next year's crop, but continued low world prices will make this goal very difficult to achieve. Cotton is primarily produced on small family farms in Paraguay and is a very important for the rural economy.

Biotech Soybeans and Cotton

Paraguay continues to ban commercial production of all biotech soybean and cotton due to environmental and commercial concerns. The continued ban on biotech crop varieties in Brazil is the main barrier, since Paraguay has been reluctant to approve biotech crops as long as they are not yet approved in the very important Brazilian market.

Paraguayan producers are anxious to plant biotech crops due to the potential cost savings (an estimated US\$20 -\$40 per hectare for soybeans) and Paraguay is expected to quickly approve biotech crop varieties as soon as they are approved in Brazil. As is the case in Brazil, there are widespread reports of unauthorized planting of biotech soybean varieties.

Domestic Consumption and Exports

The domestic crush number for soybeans was increased to 910,000 tons, based on information from Capeco (the Paraguayan Chamber of Grain and Oilseed Exporters) on crush utilization by its members. The estimate of soybean and products exports is also based on information from Capeco.

Table 1: Soybean Supply and Demand

PSD Table						
Country	Paraguay					
Commodity	Oilseed, Soybean				(1000 HA)(1000 MT)	
	Revised	2000	Preliminary	2001	Forecast	2002
	Old	New	Old	New	Old	New
Market Year Begin		03/2001		03/2002		03/2003
Area Planted	1250	1350	1300	1420	0	1400
Area Harvested	1250	1350	1300	1420	0	1400
Beginning Stocks	14	14	14	14	14	14
Production	3500	3550	3300	3100	0	3600
MY Imports	0	0	0	0	0	0
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from the EC	0	0	0	0	0	0
TOTAL SUPPLY	3514	3564	3314	3114	14	3614
MY Exports	2620	2550	2420	2110	0	2600
MY Exp. to the EC	700	700	0	700	0	0
Crush Dom. Consumption	800	910	800	900	0	910
Food Use Dom. Consump.	0	0	0	0	0	0
Feed,Seed,Waste Dm.Cn.	80	90	80	90	0	90
TOTAL Dom. Consumption	880	1000	880	990	0	1000
Ending Stocks	14	14	14	14	14	14
TOTAL DISTRIBUTION	3514	3564	3314	3114	14	3614
Calendar Year Imports	0	0	0	0	0	0
Calendar Yr Imp. U.S.	0	0	0	0	0	0
Calendar Year Exports	0	0	0	0	0	0
Calndr Yr Exp. to U.S.	0	0	0	0	0	0

Table 2: Soybean Exports

Export Trade Matrix			
Country	Paraguay		
Commodity	Oilseed, Soybean		
Time period	2001/02	Units:	1,000 tons
Exports for:			1
U.S.	0	U.S.	
Others		Others	
Brazil for cons.	750		
Brazil in transit	310		
Uruguay in transit	710		
Bolivia for cons.	122		
Arg. for cons.	412		
Spain *	33		
Colombia *	78		
Japan *	37		
Total for Others	2452		0
Others not Listed	98		
Grand Total	2550		0

* Exported via Argentina, included in Argentine export statistics.

Table 3: Soybean Meal Supply and Demand

PSD Table						
Country	Paraguay					
Commodity	Meal, Soybean				(1000 MT)(PERC ENT)	
	Revised	2000	Preliminary	2001	Forecast	2002
	Old	New	Old	New	Old	New
Market Year Begin		03/2001		03/2002		03/2003
Crush	800	910	800	900	0	910
Extr. Rate, 999.9999	0.79375	0.791209	0.79375	0.788889	ERR	0.791209
Beginning Stocks	0	0	0	0	0	0
Production	635	720	635	710	0	720
MY Imports	0	0	0	0	0	0
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from the EC	0	0	0	0	0	0
TOTAL SUPPLY	635	720	635	710	0	720
MY Exports	530	650	530	610	0	620
MY Exp. to the EC	200	200	200	200	0	200
Industrial Dom. Consum	0	0	0	0	0	0
Food Use Dom. Consump.	0	0	0	0	0	0
Feed Waste Dom. Consum	105	70	105	100	0	100
TOTAL Dom. Consumption	105	70	105	100	0	100
Ending Stocks	0	0	0	0	0	0
TOTAL DISTRIBUTION	635	720	635	710	0	720
Calendar Year Imports	0	0	0	0	0	0
Calendar Yr Imp. U.S.	0	0	0	0	0	0
Calendar Year Exports	200	650	0	0	0	0
Calndr Yr Exp. to U.S.	0	0	0	0	0	0

Table 4: Soybean Meal Exports

Export Trade Matrix			
Country	Paraguay		
Commodity	Meal, Soybean		
Time period	2001/2002	Units:	1,000 tons
Exports for:			1
U.S.		U.S.	
Others		Others	
Brazil	160		
Chile *	28		
Peru *	20		
Argentina	47		
Uruguay in trans.	210		
Total for Others	465		0
Others not Listed	185		
Grand Total	650		0

* Exported via Argentina, included in Argentine export statistics.

Table 5: Soybean Oil Supply and Demand

PSD Table						
Country	Paraguay					
Commodity	Oil, Soybean				(1000 MT)(PERC ENT)	
	Revised	2000	Preliminary	2001	Forecast	2002
	Old	New	Old	New	Old	New
Market Year Begin		03/2001		03/2002		03/2003
Crush	800	910	800	900	0	910
Extr. Rate, 999.9999	0.1875	0.192308	0.1875	0.188889	ERR	0.192308
Beginning Stocks	4	4	4	4	4	4
Production	150	175	150	170	0	175
MY Imports	0	0	0	0	0	0
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from the EC	0	0	0	0	0	0
TOTAL SUPPLY	154	179	154	174	4	179
MY Exports	115	128	105	125	0	130
MY Exp. to the EC	5	0	5	0	0	0
Industrial Dom. Consum	0	0	0	0	0	0
Food Use Dom. Consump.	35	47	45	45	0	45
Feed Waste Dom. Consum	0	0	0	0	0	0
TOTAL Dom. Consumption	35	47	45	45	0	45
Ending Stocks	4	4	4	4	0	4
TOTAL DISTRIBUTION	154	179	154	174	0	179
Calendar Year Imports	0	0	0	0	0	0
Calendar Yr Imp. U.S.	0	0	0	0	0	0
Calendar Year Exports	0	100	0	0	0	0
Calndr Yr Exp. to U.S.	0	0	0	0	0	0

Table 6: Soybean Oil Exports

Export Trade Matrix			
Country	Paraguay		
Commodity	Oil, Soybean		
Time period	2001/02	Units:	1,000 tons
Exports for:			1
U.S.	0	U.S.	
Others		Others	
Brazil	2		
Uruguay in trans.	70		
Venezuela *	50		
Morocco *	6		
Total for Others	128		0
Others not Listed			
Grand Total	128		0

* Exported via Argentina, included in Argentine export statistics.

Table 7: Cottonseed Supply and Distribution

PSD Table						
Country	Paraguay					
Commodity	Oilseed, Cottonseed				(1000 HA)(1000 MT)(RATIO)	
	Revised	2000	Preliminary	2001	Forecast	2002
	Old	New	Old	New	Old	New
Market Year Begin		03/2001		03/2002		03/2003
Area Planted (COTTON)	300	308	300	180	0	200
Area Harvested(COTTON)	300	300	180	180	0	200
Seed to Lint Ratio	0	0	0	0	0	0
Beginning Stocks	0	0	0	0	0	0
Production	155	185	110	110	0	120
MY Imports	0	0	0	0	0	0
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from the EC	0	0	0	0	0	0
TOTAL SUPPLY	155	185	110	110	0	120
MY Exports	0	0	0	0	0	0
MY Exp. to the EC	0	0	0	0	0	0
Crush Dom. Consumption	133	170	95	95	0	105
Food Use Dom. Consump.	0	0	0	0	0	0
Feed,Seed,Waste Dm.Cm.	22	15	15	15	0	15
TOTAL Dom. Consumption	155	185	110	110	0	120
Ending Stocks	0	0	0	0	0	0
TOTAL DISTRIBUTION	155	185	110	110	0	120
Calendar Year Imports	0	0	0	0	0	0
Calendar Yr Imp. U.S.	0	0	0	0	0	0
Calendar Year Exports	0	0	0	0	0	0
Calndr Yr Exp. to U.S.	0	0	0	0	0	0

Table 8: Cottonseed Meal Supply and Demand

PSD Table						
Country	Paraguay					
Commodity	Meal, Cottonseed				(1000 MT)(PERC ENT)	
	Revised	2000	Preliminary	2001	Forecast	2002
	Old	New	Old	New	Old	New
Market Year Begin		03/2001		03/2002		03/2003
Crush	133	170	95	95	0	105
Extr. Rate, 999.9999	0.458647	0.458824	0.452632	0.452632	ERR	0.457143
Beginning Stocks	0	0	0	0	0	0
Production	61	78	43	43	0	48
MY Imports	0	0	0	0	0	0
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from the EC	0	0	0	0	0	0
TOTAL SUPPLY	61	78	43	43	0	48
MY Exports	34	50	20	20	0	23
MY Exp. to the EC	15	15	0	0	0	0
Industrial Dom. Consum	0	0	0	0	0	0
Food Use Dom. Consump.	0	0	0	0	0	0
Feed Waste Dom. Consum	27	28	23	23	0	25
TOTAL Dom. Consumption	27	28	23	23	0	25
Ending Stocks	0	0	0	0	0	0
TOTAL DISTRIBUTION	61	78	43	43	0	48
Calendar Year Imports	0	0	0	0	0	0
Calendar Yr Imp. U.S.	0	0	0	0	0	0
Calendar Year Exports	0	20	0	0	0	0
Calndr Yr Exp. to U.S.	0	0	0	0	0	0

Table 9: Cottonseed Oil Supply and Demand

PSD Table						
Country	Paraguay					
Commodity	Oil, Cottonseed				(1000 MT)(PERC ENT)	
	Revised	2000	Preliminary	2001	Forecast	2002
	Old	New	Old	New	Old	New
Market Year Begin		03/2001		03/2002		03/2003
Crush	133	170	95	95	0	105
Extr. Rate, 999.9999	0.165414	0.164706	0.178947	0.168421	ERR	0.161905
Beginning Stocks	0	0	0	0	0	0
Production	22	28	17	16	0	17
MY Imports	0	0	0	0	0	0
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from the EC	0	0	0	0	0	0
TOTAL SUPPLY	22	28	17	16	0	17
MY Exports	2	2	2	2	0	2
MY Exp. to the EC	0	0	0	0	0	0
Industrial Dom. Consum	0	0	0	0	0	0
Food Use Dom. Consump.	20	26	15	14	0	15
Feed Waste Dom. Consum	0	0	0	0	0	0
TOTAL Dom. Consumption	20	26	15	14	0	15
Ending Stocks	0	0	0	0	0	0
TOTAL DISTRIBUTION	22	28	17	16	0	17
Calendar Year Imports	0	0	0	0	0	0
Calendar Yr Imp. U.S.	0	0	0	0	0	0
Calendar Year Exports	0	2	0	0	0	0
Calndr Yr Exp. to U.S.	0	0	0	0	0	0