



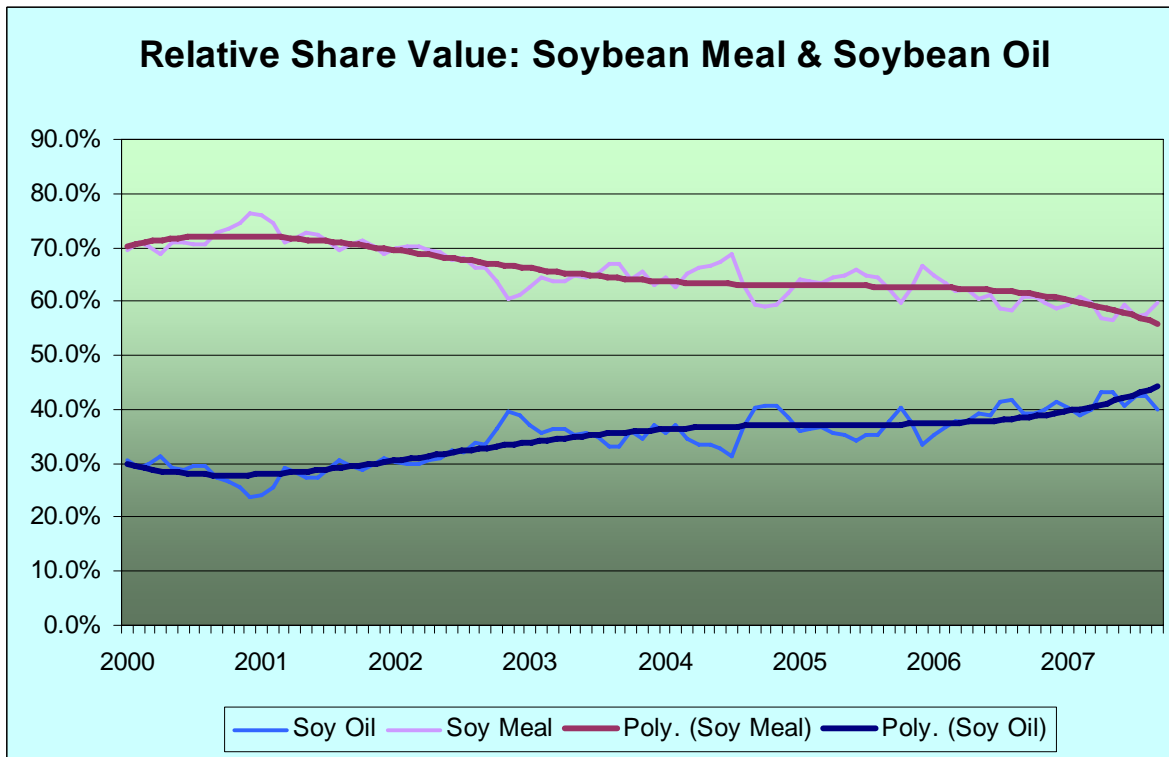
United States
Department of
Agriculture

Foreign
Agricultural
Service

Circular Series
FOP 10-07
October 2007

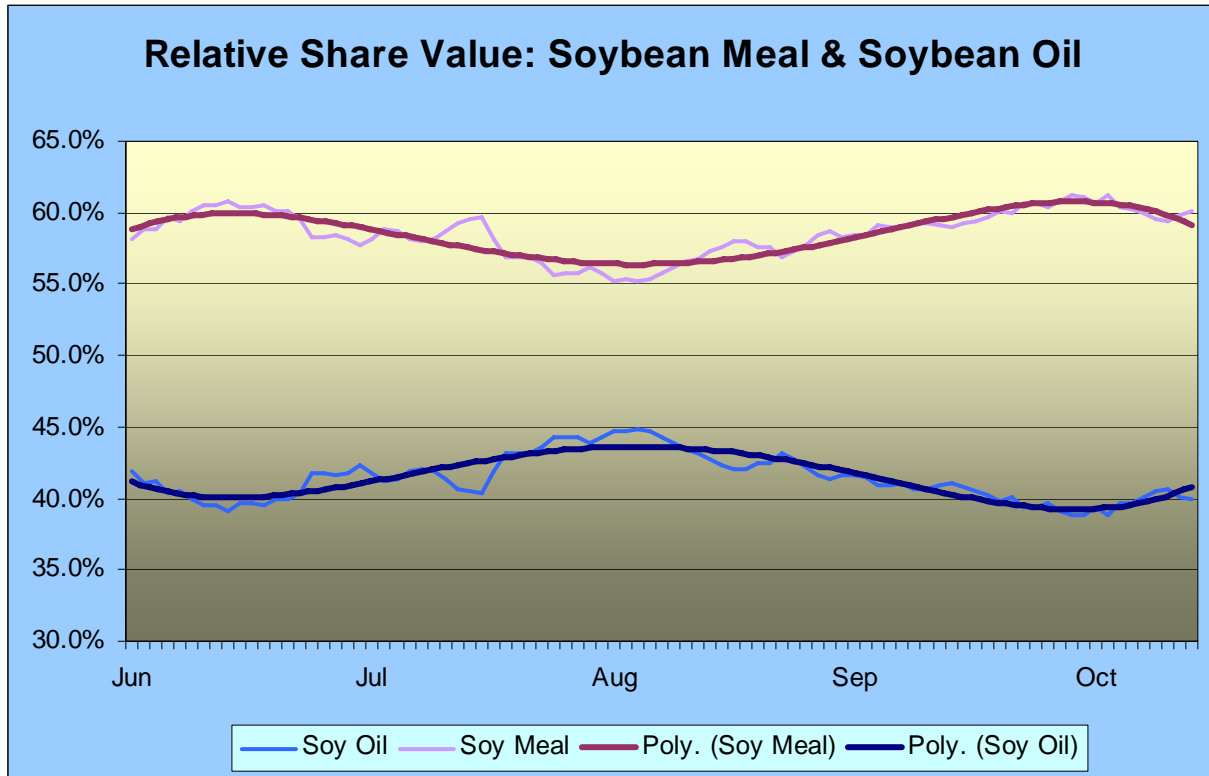
Oilseeds: World Markets and Trade

Growing Soybean Oil Price Raises Oil's Contribution to Total Soybean Value



The relative contribution of soybean oil in the over-all value of soybeans has increased significantly since the early 2000's. In 2001, the relative share of soybean oil as a percentage of total soybean value fell below 30 percent. Soybean oil prices reached a low of \$273/ton in February 2001 compared to a soybean price of \$163/ton. However, growing demand for vegetable oil, particularly by the growing fuel sector, has led to tight supplies and soaring prices. This increase, coupled with soybean meal prices hovering between \$175 and \$200/ton for most of the intervening period, pushed the soybean oil share to nearly 42 percent by September 2006. Over the past 12 months, this share has ranged between 40 percent and 45 percent as demand for oils and meals grows.

For the period beginning June 2007, strong demand for soybean oil by US biodiesel producers pushed oil prices higher, further increasing soy oil's share of soybean value. Soybean oil's share peaked at 45 percent by early August as increased crush for oil resulted in larger supplies and lower prices for soybean meal.



By mid-September, soybean oil prices reached \$830/ton and a point of relative supply/demand balance with prices holding relatively steady through October 10th. Meanwhile, shortages of feed wheat in Europe and associated high prices led to significant gains in soybean meal demand. Soybean meal prices briefly topped \$300/ton in late September pushing the soy oil share of the soybean price below 39 percent, the lowest percentage since June 2006. However, recent declines in soybean meal prices reflecting declines in other feed grains has brought soy oil's share back to 40 percent. in early October.

Table 01: Major Oilseeds: World Supply and Distribution (Commodity View)**Million Metric Tons**

	2003/04	2004/05	2005/06	2006/07	Sep 2007/08	Oct 2007/08
Production						
Oilseed, Copra	5.38	5.59	5.50	5.28	5.37	5.37
Oilseed, Cottonseed	35.77	45.75	44.14	46.02	44.14	45.86
Oilseed, Palm Kernel	8.43	9.51	9.98	10.27	10.95	10.95
Oilseed, Peanut	32.79	33.56	33.04	32.36	32.10	32.14
Oilseed, Rapeseed	39.43	46.16	48.73	46.72	49.83	49.31
Oilseed, Soybean	186.53	215.69	220.44	235.77	221.27	220.99
Oilseed, Sunflowerseed	26.89	25.40	29.99	30.15	27.24	27.38
Total	335.22	381.65	391.82	406.55	390.90	392.00
Imports						
Oilseed, Copra	0.07	0.13	0.08	0.09	0.10	0.10
Oilseed, Cottonseed	0.88	1.00	1.07	0.95	0.62	0.62
Oilseed, Palm Kernel	0.10	0.12	0.14	0.14	0.15	0.15
Oilseed, Peanut	1.76	1.87	1.97	1.91	1.94	1.94
Oilseed, Rapeseed	5.15	5.01	6.67	6.90	8.02	7.88
Oilseed, Soybean	54.06	63.52	64.14	68.08	74.94	74.98
Oilseed, Sunflowerseed	2.17	1.13	1.24	1.69	1.30	1.14
Total	64.19	72.78	75.30	79.76	87.06	86.81
Exports						
Oilseed, Copra	0.07	0.15	0.11	0.09	0.10	0.10
Oilseed, Cottonseed	0.89	1.00	0.99	0.96	0.61	0.64
Oilseed, Palm Kernel	0.07	0.10	0.14	0.13	0.14	0.14
Oilseed, Peanut	2.03	2.33	2.33	2.42	2.19	2.19
Oilseed, Rapeseed	5.48	4.87	6.97	6.87	7.98	8.06
Oilseed, Soybean	56.19	64.74	63.92	70.34	74.99	74.89
Oilseed, Sunflowerseed	2.27	1.21	1.49	1.90	1.36	1.30
Total	67.00	74.40	75.95	82.70	87.36	87.31
Crush						
Oilseed, Copra	5.31	5.54	5.49	5.25	5.30	5.30
Oilseed, Cottonseed	26.40	33.26	32.53	34.09	33.51	34.77
Oilseed, Palm Kernel	8.37	9.45	9.94	10.15	10.85	10.85
Oilseed, Peanut	15.62	15.68	15.29	15.05	14.97	14.97
Oilseed, Rapeseed	36.42	40.62	44.26	45.34	47.48	47.22
Oilseed, Soybean	163.69	175.62	185.11	193.93	203.47	202.89
Oilseed, Sunflowerseed	22.66	22.47	25.88	26.97	24.46	24.43
Total	278.47	302.65	318.50	330.78	340.04	340.44
Ending Stocks						
Oilseed, Copra	0.09	0.09	0.04	0.04	0.07	0.07
Oilseed, Cottonseed	0.58	0.89	1.23	1.11	0.86	0.96
Oilseed, Palm Kernel	0.17	0.18	0.13	0.16	0.18	0.18
Oilseed, Peanut	0.91	1.13	1.32	0.99	0.73	0.78
Oilseed, Rapeseed	1.85	4.50	5.95	4.31	3.87	3.29
Oilseed, Soybean	37.79	47.46	52.88	62.94	50.35	50.75
Oilseed, Sunflowerseed	2.96	2.51	2.82	2.49	1.71	2.12
Total	44.35	56.75	64.37	72.04	57.78	58.14

Totals may not add due to rounding

Table 02: Major Protein Meals: World Supply and Distribution (Commodity View)**Million Metric Tons**

	2003/04	2004/05	2005/06	2006/07	Sep 2007/08	Oct 2007/08
Production						
Meal, Copra	1.71	1.79	1.77	1.69	1.71	1.71
Meal, Cottonseed	12.04	15.07	14.66	15.41	15.27	15.65
Meal, Fish	5.29	5.66	4.83	4.96	5.50	5.50
Meal, Palm Kernel	4.40	4.96	5.22	5.32	5.69	5.69
Meal, Peanut	6.04	6.06	5.93	5.82	5.78	5.78
Meal, Rapeseed	21.76	24.15	26.23	26.85	28.10	27.91
Meal, Soybean	128.58	138.79	145.62	152.42	160.30	159.87
Meal, Sunflowerseed	10.22	10.02	11.43	11.92	10.77	10.75
Total	190.04	206.49	215.67	224.40	233.10	232.84
Exports						
Meal, Copra	0.73	0.74	0.78	0.72	0.72	0.72
Meal, Cottonseed	0.41	0.42	0.40	0.36	0.39	0.40
Meal, Fish	3.21	3.54	2.73	2.55	3.24	3.24
Meal, Palm Kernel	3.04	3.50	3.60	3.83	4.02	4.02
Meal, Peanut	0.32	0.18	0.26	0.18	0.24	0.24
Meal, Rapeseed	2.46	2.24	2.58	2.84	3.02	3.02
Meal, Soybean	45.56	46.61	51.42	53.34	56.18	56.39
Meal, Sunflowerseed	2.86	2.77	3.52	3.62	3.22	3.21
Total	58.58	59.99	65.29	67.43	71.03	71.24
Domestic Consumption						
Meal, Copra	1.65	1.76	1.66	1.53	1.63	1.63
Meal, Cottonseed	12.07	14.95	14.62	15.49	15.29	15.67
Meal, Fish	5.29	5.66	5.08	5.08	5.44	5.44
Meal, Palm Kernel	4.38	4.91	4.92	4.99	5.11	5.11
Meal, Peanut	5.96	6.03	5.87	5.84	5.75	5.75
Meal, Rapeseed	21.44	24.26	26.19	27.06	28.03	27.84
Meal, Soybean	128.47	137.11	145.68	150.66	160.02	159.92
Meal, Sunflowerseed	9.96	9.89	11.04	11.65	10.68	10.62
Total	189.21	204.57	215.05	222.29	231.95	231.98
Ending Stocks						
Meal, Copra	0.13	0.16	0.18	0.16	0.15	0.15
Meal, Cottonseed	0.09	0.20	0.25	0.21	0.19	0.20
Meal, Fish	0.20	0.29	0.22	0.28	0.26	0.26
Meal, Palm Kernel	0.24	0.27	0.35	0.27	0.32	0.32
Meal, Peanut	0.03	0.01	0.01	0.01	0.01	0.01
Meal, Rapeseed	0.64	0.59	0.58	0.41	0.41	0.41
Meal, Soybean	5.40	6.41	5.56	5.78	5.70	5.78
Meal, Sunflowerseed	0.19	0.18	0.26	0.33	0.30	0.24
Total	6.91	8.11	7.42	7.45	7.33	7.36

Totals may not add due to rounding

Table 03: Major Vegetable Oils: World Supply and Distribution (Commodity View)

Million Metric Tons

	2003/04	2004/05	2005/06	2006/07	Sep 2007/08	Oct 2007/08
Production						
Oil, Coconut	3.29	3.44	3.40	3.25	3.32	3.32
Oil, Cottonseed	3.85	4.78	4.65	4.88	4.85	4.97
Oil, Olive	3.06	2.97	2.59	2.99	3.02	3.02
Oil, Palm	29.59	33.88	35.81	36.38	39.00	39.00
Oil, Palm Kernel	3.67	4.13	4.38	4.48	4.79	4.79
Oil, Peanut	5.07	5.09	4.97	4.88	4.86	4.86
Oil, Rapeseed	14.17	15.77	17.14	17.69	18.55	18.43
Oil, Soybean	30.16	32.55	34.53	35.95	37.62	37.69
Oil, Sunflowerseed	9.19	9.17	10.52	11.00	10.04	9.97
Total	102.06	111.78	118.00	121.50	126.04	126.05
Imports						
Oil, Coconut	1.67	1.87	1.97	1.73	1.77	1.77
Oil, Cottonseed	0.13	0.10	0.09	0.11	0.11	0.11
Oil, Olive	0.60	0.57	0.57	0.64	0.61	0.61
Oil, Palm	21.42	24.14	25.73	26.25	27.58	27.89
Oil, Palm Kernel	1.49	1.58	1.73	1.94	1.93	1.93
Oil, Peanut	0.19	0.17	0.16	0.18	0.20	0.20
Oil, Rapeseed	1.36	1.19	1.45	2.15	2.27	2.40
Oil, Soybean	8.33	8.91	8.93	9.93	10.54	10.49
Oil, Sunflowerseed	1.92	2.17	3.19	3.40	3.10	3.09
Total	37.11	40.71	43.83	46.32	48.11	48.49
Exports						
Oil, Coconut	1.79	2.04	2.05	1.74	1.73	1.73
Oil, Cottonseed	0.14	0.12	0.11	0.16	0.15	0.16
Oil, Olive	0.66	0.64	0.59	0.65	0.65	0.65
Oil, Palm	21.67	24.60	26.21	26.76	28.15	28.15
Oil, Palm Kernel	1.61	1.92	1.98	2.32	2.13	2.13
Oil, Peanut	0.24	0.17	0.19	0.16	0.17	0.17
Oil, Rapeseed	1.33	1.30	1.73	1.97	2.02	1.96
Oil, Soybean	8.83	9.12	9.82	10.43	10.38	10.63
Oil, Sunflowerseed	2.67	2.64	3.91	4.13	3.22	3.33
Total	38.92	42.55	46.60	48.31	48.60	48.91
Domestic Consumption						
Oil, Coconut	3.24	3.31	3.41	3.28	3.36	3.36
Oil, Cottonseed	3.80	4.66	4.66	4.82	4.82	4.93
Oil, Olive	2.72	2.86	2.79	2.93	2.94	2.94
Oil, Palm	29.29	32.71	35.03	36.66	38.71	39.02
Oil, Palm Kernel	3.61	3.78	4.04	4.29	4.50	4.50
Oil, Peanut	5.02	5.11	5.02	4.95	4.90	4.90
Oil, Rapeseed	14.34	15.60	16.83	18.02	18.83	18.89
Oil, Soybean	30.01	31.67	33.55	35.63	38.17	38.01
Oil, Sunflowerseed	8.39	8.50	9.72	10.50	10.11	9.89
Total	100.40	108.19	115.03	121.08	126.34	126.46
Ending Stocks						
Oil, Coconut	0.42	0.38	0.30	0.27	0.26	0.26
Oil, Cottonseed	0.10	0.21	0.19	0.20	0.19	0.20
Oil, Olive	1.09	1.13	0.92	0.97	1.00	1.00
Oil, Palm	2.66	3.37	3.67	2.88	2.59	2.59
Oil, Palm Kernel	0.38	0.40	0.49	0.30	0.38	0.38
Oil, Peanut	0.20	0.18	0.10	0.05	0.04	0.04
Oil, Rapeseed	0.46	0.51	0.56	0.41	0.38	0.39
Oil, Soybean	2.37	3.04	3.12	2.93	2.44	2.48
Oil, Sunflowerseed	0.54	0.75	0.83	0.60	0.42	0.44
Total	8.22	9.97	10.17	8.60	7.70	7.77

Totals may not add due to rounding

Table 04: Major Oilseeds: World Supply and Distribution (Country View)

Million Metric Tons

	2003/04	2004/05	2005/06	2006/07	Sep 2007/08	Oct 2007/08
Production						
United States	76.60	95.94	95.53	96.61	80.16	79.96
Brazil	53.58	55.58	59.13	62.01	63.92	64.99
China, Peoples Republic	50.85	58.62	57.42	59.32	55.34	55.91
Argentina	36.84	43.43	45.03	51.56	52.24	52.24
India	29.68	29.39	30.60	29.92	32.71	33.29
Other	87.68	98.70	104.10	107.14	106.54	105.61
Total	335.22	381.65	391.82	406.55	390.90	392.00
Imports						
China, Peoples Republic	17.36	26.12	29.00	29.61	34.76	34.76
EU-27	16.90	16.00	15.93	17.01	17.85	17.60
Japan	7.27	6.83	6.54	6.60	6.62	6.62
Mexico	5.33	5.11	5.48	5.53	5.77	5.77
Taiwan	2.23	2.27	2.51	2.39	2.49	2.49
Thailand	1.45	1.56	1.54	1.58	1.84	1.84
Argentina	0.57	0.71	0.61	1.72	1.81	1.82
Indonesia	1.19	1.28	1.51	1.66	1.77	1.77
Turkey	1.34	1.52	1.53	1.64	1.65	1.66
Korea, Republic of	1.52	1.42	1.37	1.42	1.35	1.35
Other	9.05	9.98	9.28	10.63	11.17	11.14
Total	64.19	72.78	75.30	79.76	87.06	86.81
Exports						
Brazil	20.58	20.24	25.99	23.68	30.83	30.87
United States	25.16	30.71	26.61	31.69	27.35	27.53
Argentina	7.04	10.08	7.79	9.02	10.68	10.72
Canada	4.78	4.63	6.80	7.15	7.20	7.40
Paraguay	2.78	2.91	2.52	4.66	4.64	4.68
Ukraine	1.02	0.13	0.63	1.23	1.42	1.30
China, Peoples Republic	1.24	1.56	1.28	1.54	1.27	1.27
Other	4.41	4.14	4.33	3.72	3.98	3.56
Total	67.00	74.40	75.95	82.70	87.36	87.31
Crush						
China, Peoples Republic	51.31	60.54	65.29	67.52	68.58	68.79
United States	45.53	50.17	51.90	53.45	53.88	53.89
Argentina	28.18	31.40	35.94	37.02	43.07	43.07
EU-27	31.11	33.25	33.73	36.91	37.74	37.49
Brazil	31.29	31.24	30.01	32.46	31.65	31.67
India	23.45	23.55	25.05	25.02	26.40	26.79
Indonesia	4.63	5.15	5.58	5.76	6.12	6.12
Mexico	5.52	5.51	5.85	5.85	6.11	6.11
Russian Federation	4.41	5.15	6.51	7.04	6.11	6.11
Pakistan	3.99	5.41	5.08	5.40	5.57	5.86
Japan	5.82	5.42	5.12	5.18	5.20	5.20
Malaysia	4.05	4.65	4.72	4.58	5.02	5.02
Canada	4.92	4.61	4.91	4.93	5.00	5.00
Ukraine	3.32	3.34	4.98	5.38	4.51	4.40
Turkey	2.81	2.95	2.92	3.21	2.94	2.94
Other	28.15	30.30	30.92	31.09	32.16	31.99
Total	278.47	302.65	318.50	330.78	340.04	340.44
Ending Stocks						
Argentina	16.31	17.40	17.76	23.40	22.53	21.98
Brazil	15.52	16.77	16.75	19.35	17.26	18.52
United States	4.15	8.29	14.20	16.99	6.85	6.88
China, Peoples Republic	2.10	4.70	4.47	3.18	3.08	3.08
EU-27	1.76	3.20	3.74	3.10	2.38	2.36
Other	4.52	6.40	7.45	6.02	5.68	5.33
Total	44.35	56.75	64.37	72.04	57.78	58.14

Major Oilseeds includes Copra, Cottonseed, Palm Kernel, Peanut, Rapeseed, Soybeans and Sunflowerseeds.

Table 05: Major Protein Meals: World Supply and Distribution (Country View)
Million Metric Tons

	2003/04	2004/05	2005/06	2006/07	Sep 2007/08	Oct 2007/08
Production						
China, Peoples Republic	33.91	39.63	43.19	44.51	45.95	45.70
United States	35.21	39.27	39.95	41.50	41.79	41.74
Argentina	21.08	23.35	26.76	27.37	32.17	32.15
EU-27	21.14	22.38	22.49	24.54	25.18	25.04
Brazil	23.28	23.63	22.68	24.50	23.87	23.89
Other	55.42	58.25	60.60	61.99	64.14	64.33
Total	190.04	206.49	215.67	224.40	233.10	232.84
Imports						
EU-27	27.34	27.29	28.26	27.73	29.54	29.54
Korea, Republic of	2.45	2.70	2.95	3.06	3.33	3.33
Thailand	1.88	2.03	2.41	2.73	2.87	2.87
Indonesia	1.88	2.02	2.24	2.48	2.74	2.74
China, Peoples Republic	1.32	1.80	2.12	1.49	2.24	2.59
Japan	1.63	1.96	2.05	2.18	2.21	2.21
Mexico	1.00	1.53	1.98	2.09	2.18	2.18
Other	20.22	19.94	21.98	23.60	24.75	24.83
Total	57.72	59.26	63.99	65.35	69.86	70.29
Exports						
Argentina	20.18	21.79	25.19	26.20	30.77	30.75
Brazil	14.81	14.26	12.91	12.76	12.00	12.00
United States	4.94	6.95	7.61	8.30	7.74	7.74
India	4.20	2.45	4.49	4.27	4.39	4.49
Indonesia	1.44	1.84	1.99	2.05	2.14	2.14
Malaysia	1.79	1.93	1.82	2.00	2.10	2.10
Canada	1.66	1.52	1.63	1.68	1.75	1.75
Other	9.57	9.27	9.65	10.19	10.15	10.27
Total	58.58	59.99	65.29	67.43	71.03	71.24
Domestic Consumption						
EU-27	47.83	48.72	49.60	51.23	53.75	53.64
China, Peoples Republic	34.38	40.61	44.82	45.02	47.51	47.50
United States	32.08	33.90	33.85	34.88	35.84	35.80
Brazil	8.61	9.85	10.42	11.46	12.03	12.14
India	8.44	9.70	10.10	10.28	10.67	10.74
Mexico	4.90	5.38	6.01	6.16	6.41	6.41
Japan	6.20	6.01	5.89	6.03	6.06	6.06
Thailand	3.44	3.71	4.00	4.31	4.68	4.68
Korea, Republic of	3.40	3.52	3.69	3.96	4.13	4.13
Indonesia	2.49	2.61	2.90	3.13	3.41	3.41
Other	37.44	40.55	43.80	45.85	47.46	47.48
Total	189.21	204.57	215.05	222.29	231.95	231.98
SME						
EU-27	44.38	44.74	45.49	46.84	49.27	49.16
China, Peoples Republic	32.75	38.70	42.55	42.65	45.38	45.34
United States	31.43	33.23	33.15	34.20	35.11	35.10
Brazil	8.44	9.67	10.28	11.25	11.82	11.93
India	7.42	8.41	8.68	8.90	9.23	9.28
Mexico	4.65	5.11	5.68	5.85	6.07	6.07
Japan	6.13	5.92	5.80	5.94	5.97	5.97
Other	44.35	47.53	51.37	54.18	56.48	56.48
Total	179.55	193.32	203.01	209.81	219.32	219.34
Ending Stocks						
Argentina	1.06	1.47	1.80	1.73	1.95	1.86
Brazil	1.81	1.58	1.13	1.66	1.63	1.63
EU-27	1.13	1.09	1.09	1.12	1.04	1.04
India	0.43	1.25	0.75	0.48	0.37	0.45
United States	0.27	0.22	0.36	0.35	0.33	0.33
Other	2.21	2.50	2.28	2.11	2.01	2.05
Total	6.91	8.11	7.42	7.45	7.33	7.36

Major Protein Meals include Copra, Cottonseed, Fish, Palm Kernel, Peanut, Rapeseed, Soybean, and Sunflower Meal.

