



Turkish Vegoil Industry 2020/21 Review & Outlook for 2022

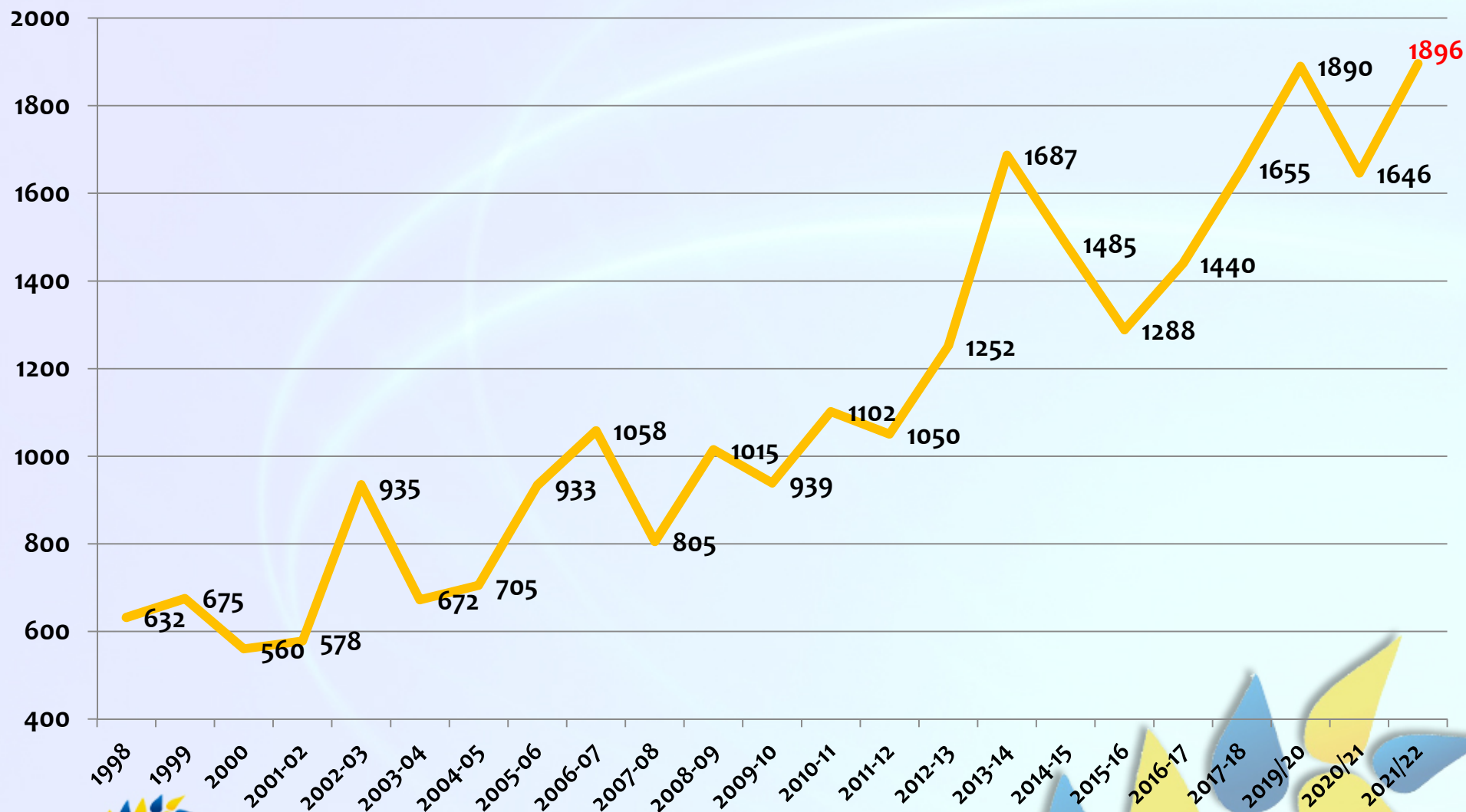


23 September 2021

Faik Genç

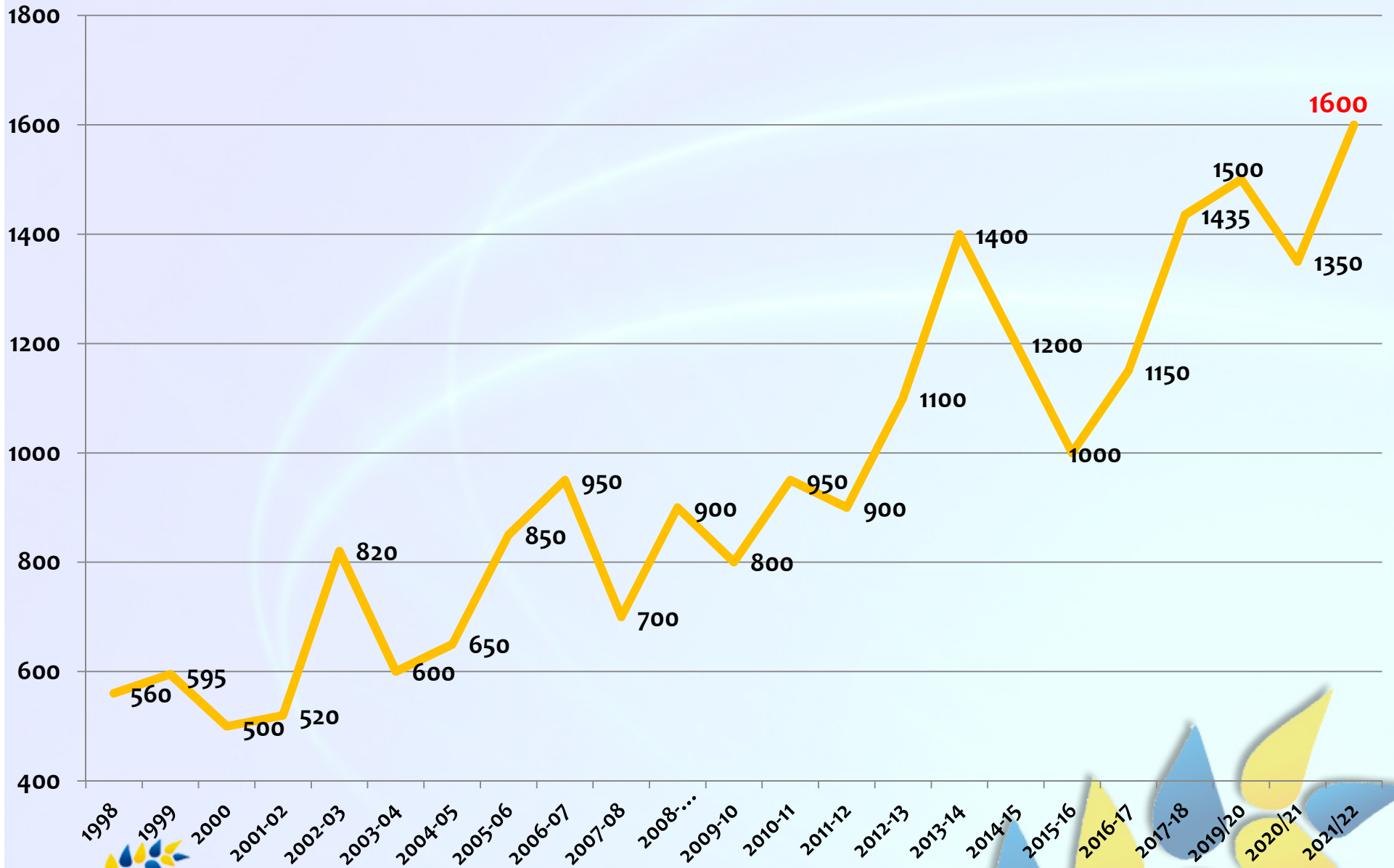
Turkish Oilseed Production 2021/22 (th tons)

Without cottonseeds (196K mt oil equivalent)

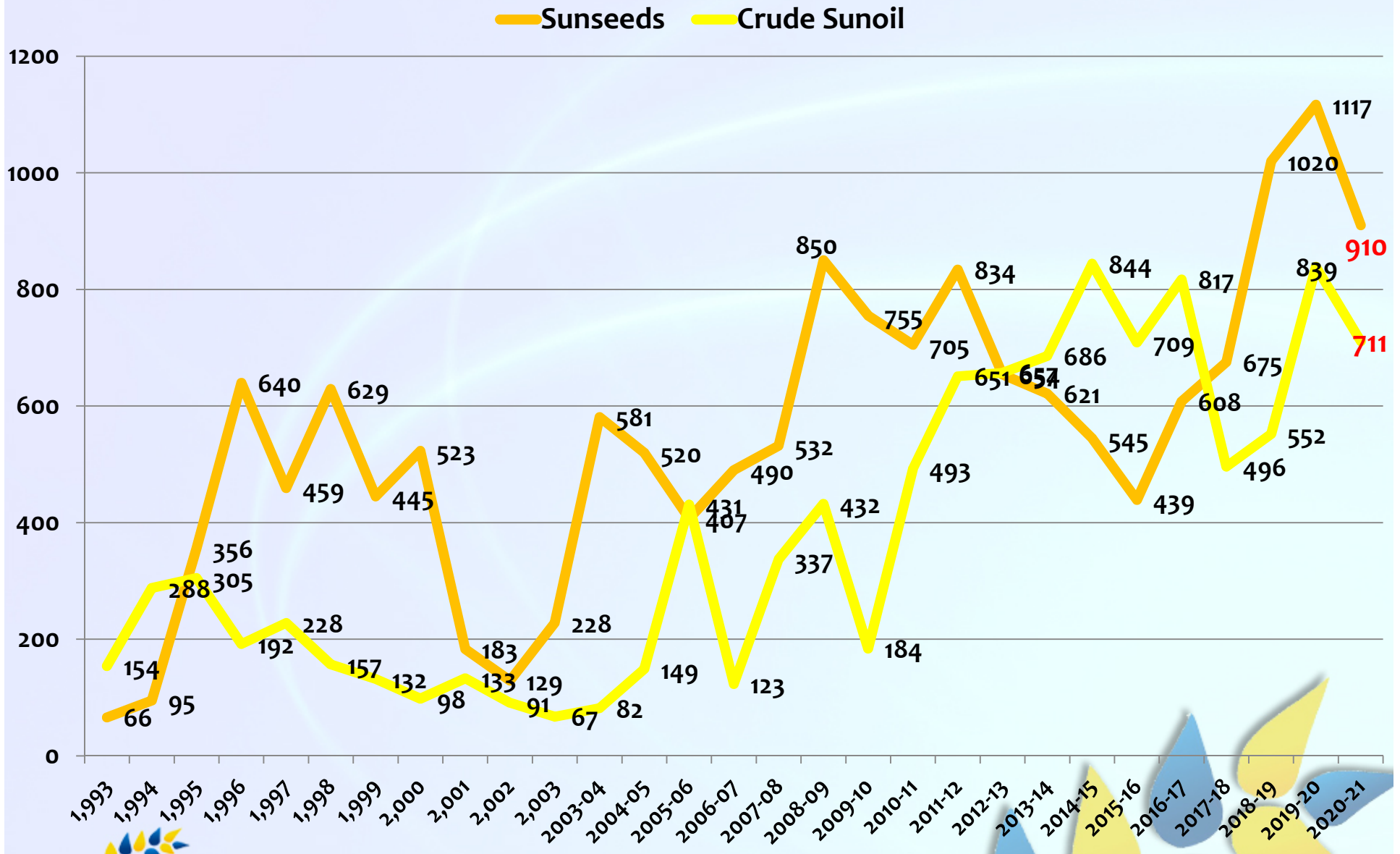


Source : Agripro 2021

Sunflowerseed Production (th tons)



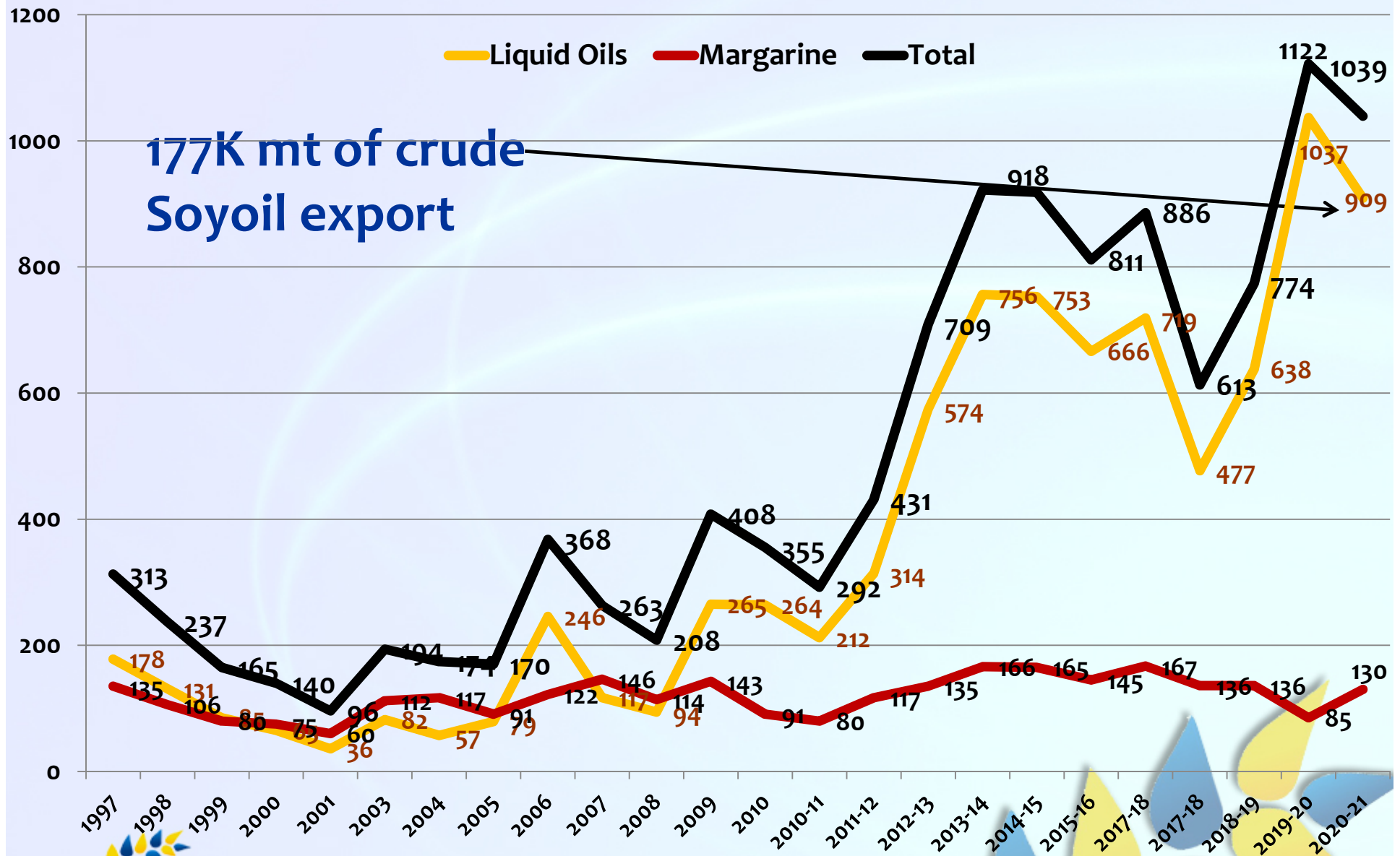
Sunseeds & Sunoil Imports 2020/21 (th tons)



Palm Oil Imports 2020/21 (th tons)



Turkish Vegoil Exports 2021/22 (th ton)

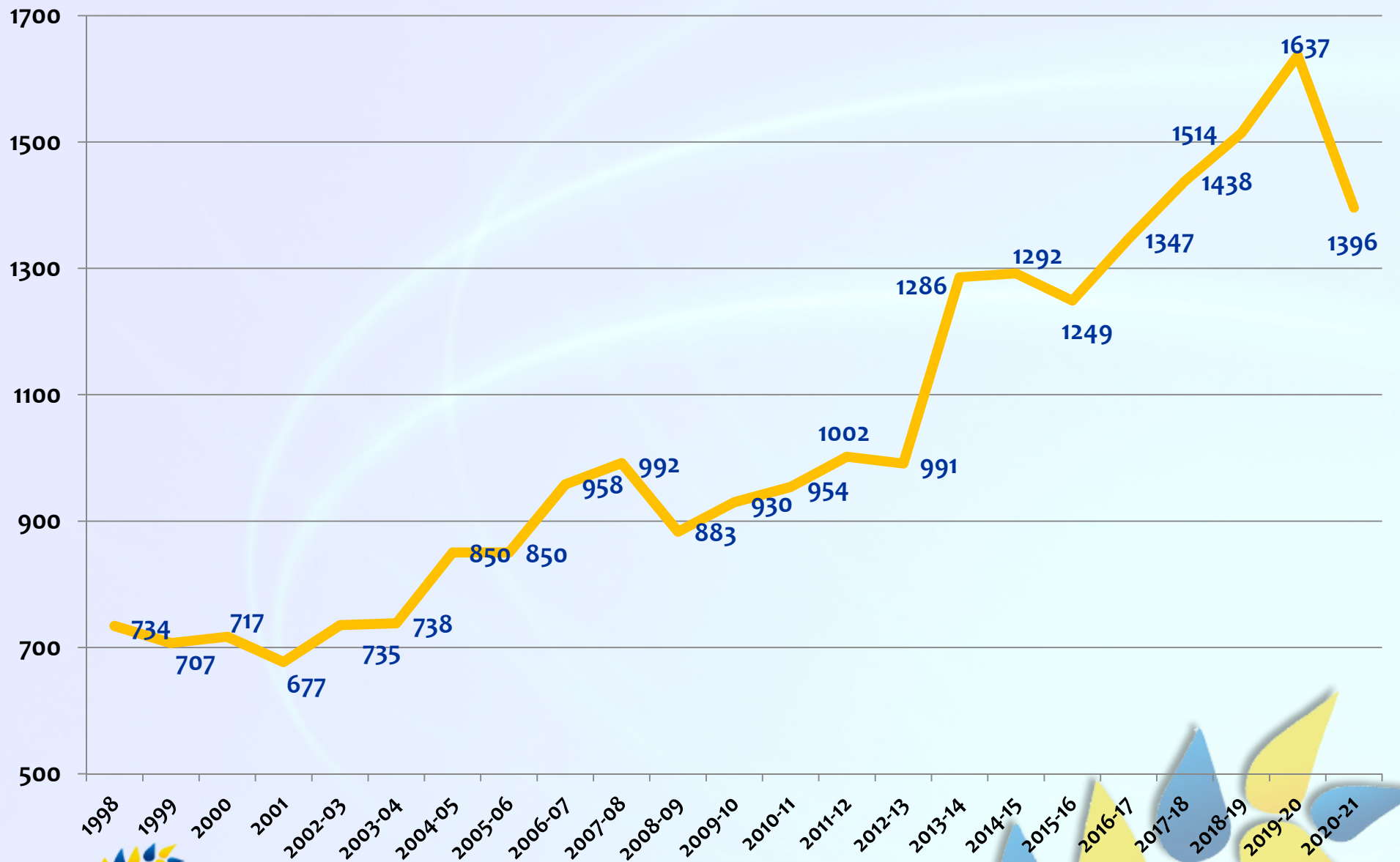


177K mt of crude Soyoil export

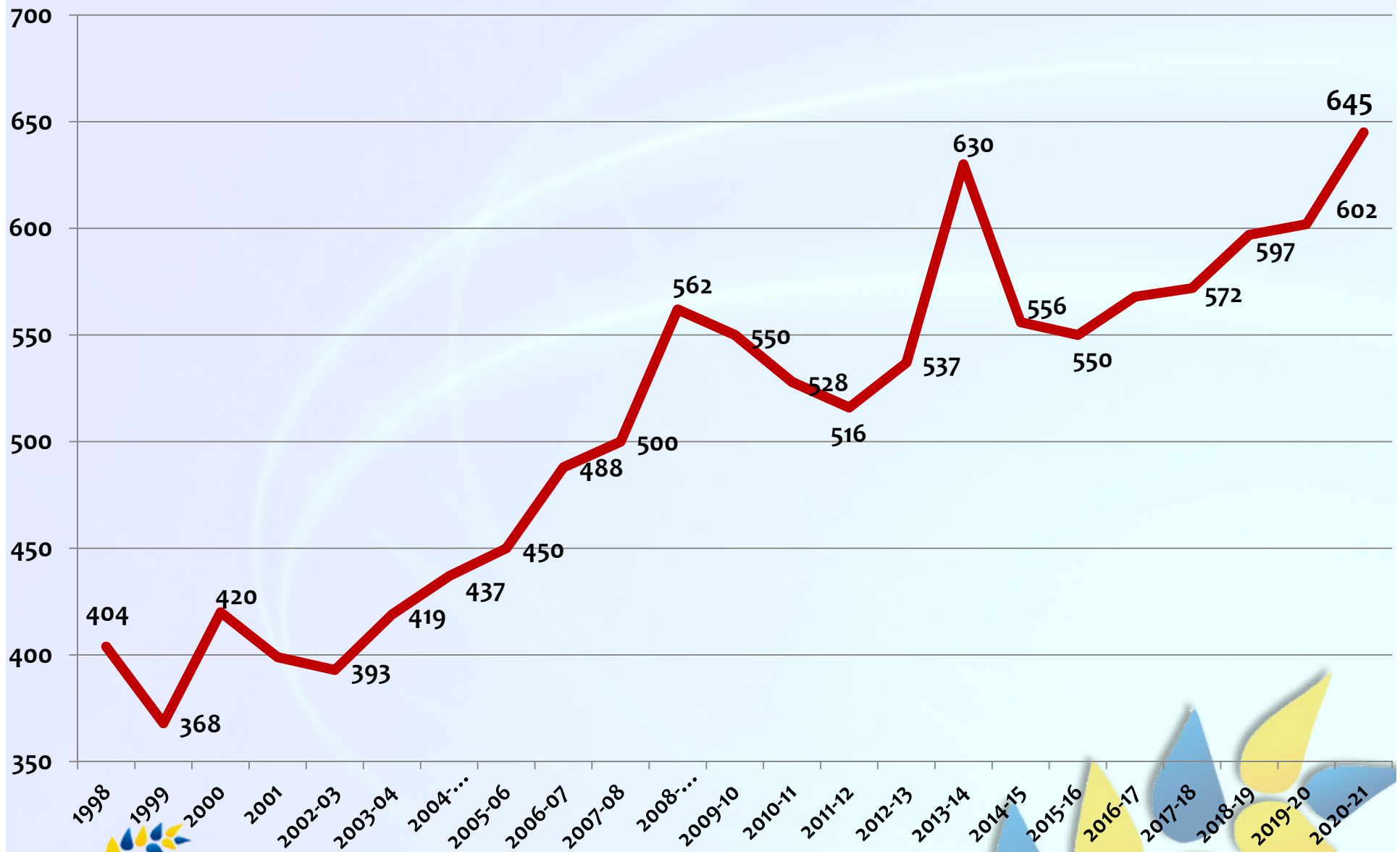


Source: Ministry of Economy 2021

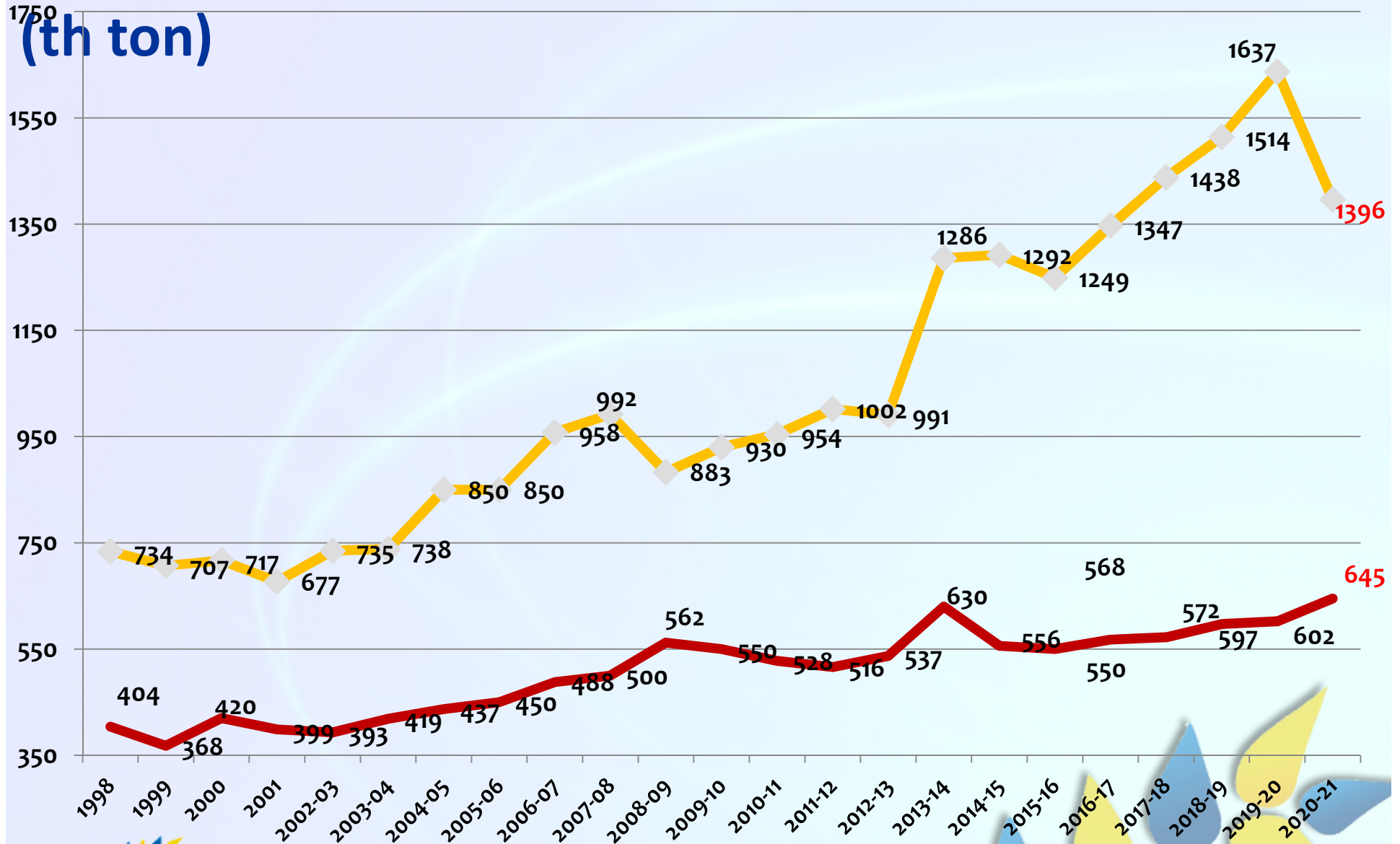
Liquid Oil Production 2020/21 (th tons)



Margarine/Industrial Fats Consumption 2020/21 th tons

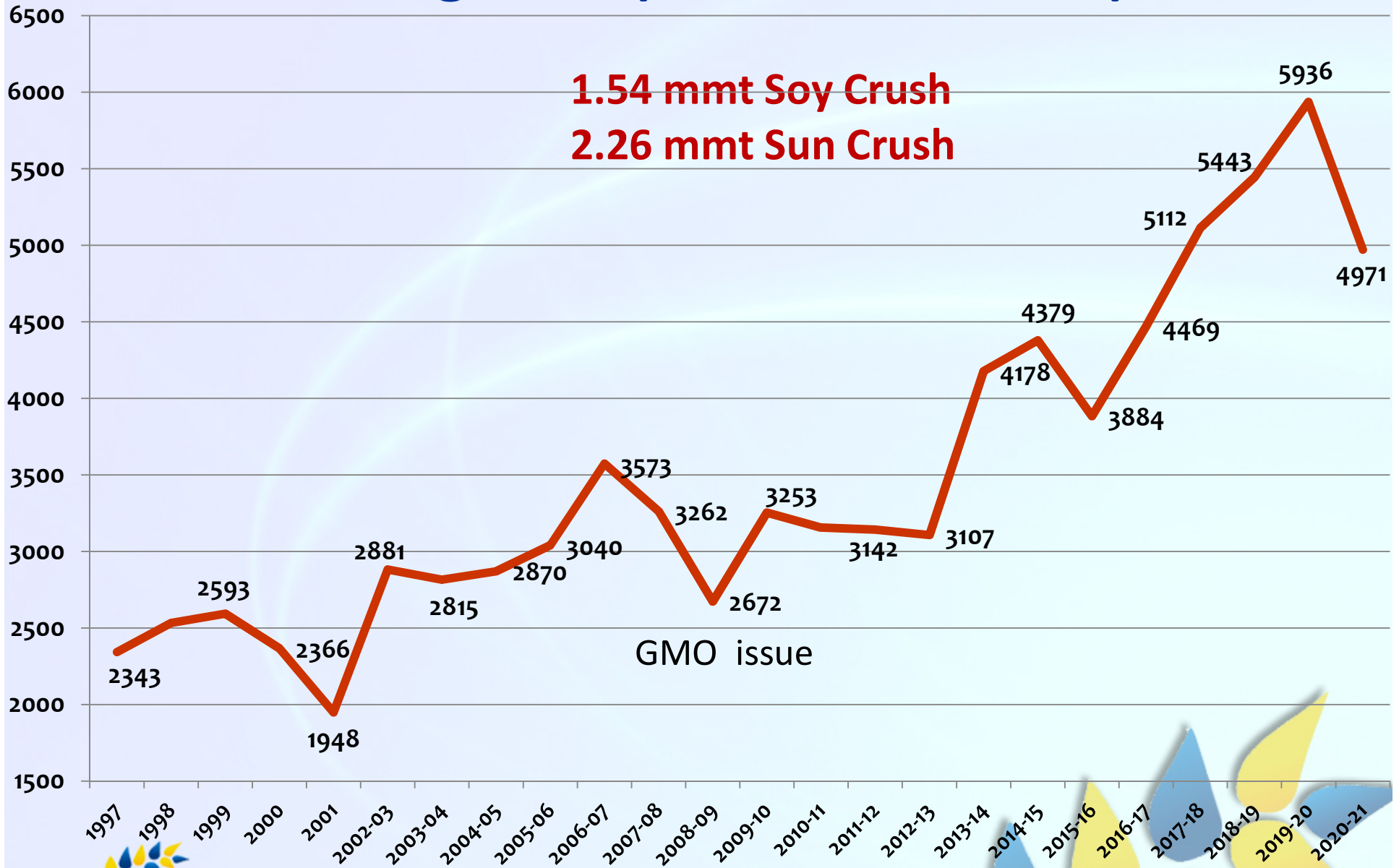


Liquid Oils vs Margarine Consumption



Turkish Crushing 2021 (thousand tonnes)

1.54 mmt Soy Crush
2.26 mmt Sun Crush

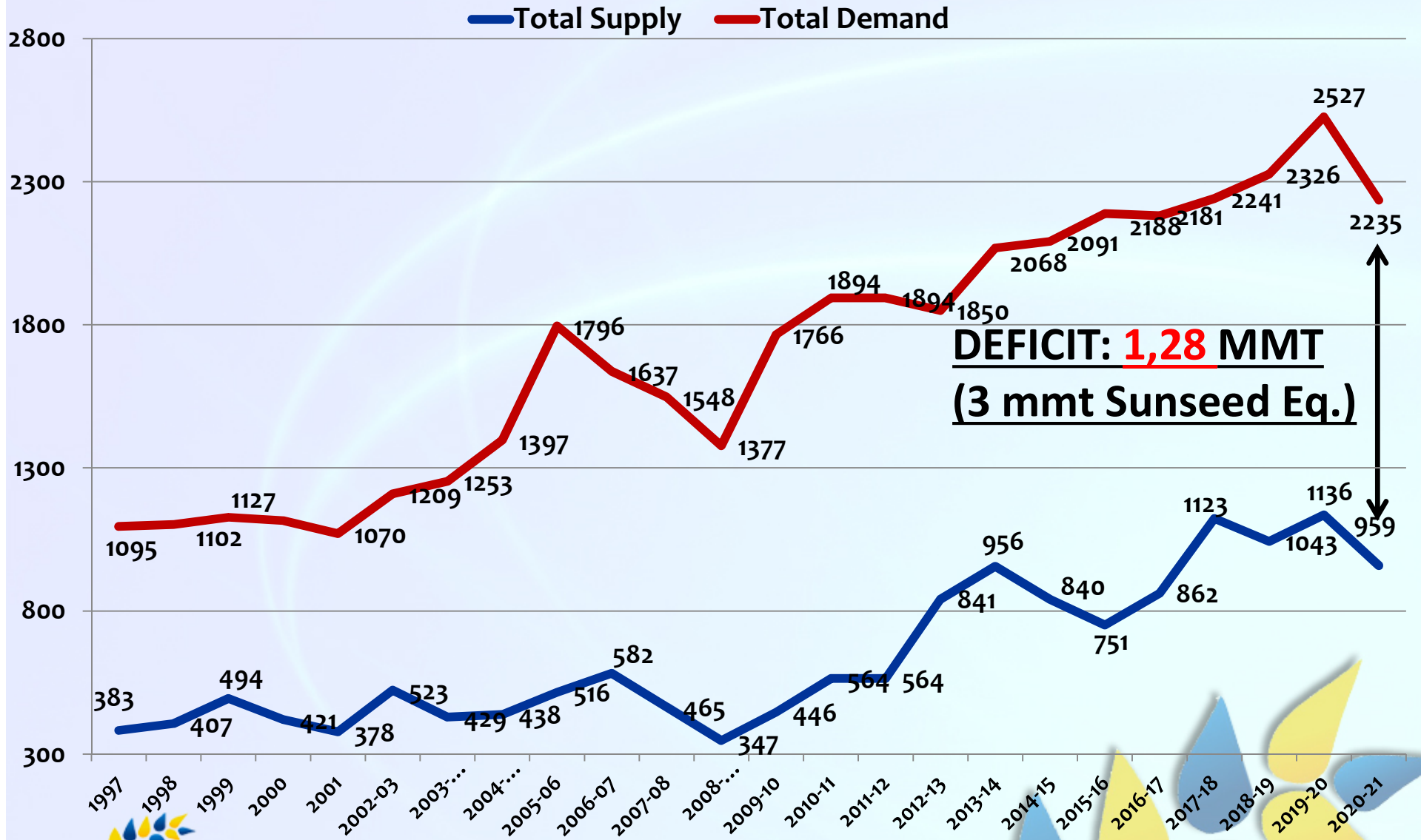


GMO issue



Source : Agripro 2021

Turkish Vegoil Supply/Demand 2020/21 (th tons)



Source: Agripro 2021

Turkish Oils & Oilseeds Balances



Turkish Vegoil Trade Balance 2020/21*

SUPPLY / DEMAND 2020/21*	OILSEED SUPPLY		OILSEED USE	CRUSH	OILS				CONSUMPTION					
	Domestic Supply	Import	Fullfat Feed Hybrid	CRUSH	Domestic Oil Equiv	Import Oil Equiv.	Import Crude Oil	TOTAL CRUDE OIL SUPPLY	OTHER	EXPORTS		DOMESTIC		TOTAL OIL USE
									Feed Paint Biod.	Liquid Oils	Marg	Marg	Liquid Oils	
SUNFLOWER	1,350	811		2,161	581	349	790	1,719		500			1,219	1,719
SOYA	120	2,700	1,300	1,520	21	245		266	146	120				266
LINS/CAMLNA		10		10		4		4	4					4
SAFFLOWER	11	31		42	3	9		13					13	13
CORN GERM	75	80		155	33	35	20	88		20			68	88
OLIVE OIL					173			173		16			157	173
COTTONSEED	914		60	854	111			111	20	9		65	17	111
PALM OIL							692	692	75	75	87	440	15	692
RAPESEED	90	20		110	37	8	2	47	15				31	46
MARGARINE							30	30			110	30		32
TOTAL	2,560	3,652	1,360	4,852	959	650	1,534	3,143	260	740	197	535	1,520	3,142

**Projection*



Source : Agripro 2020



Turkish Vegoil Trade Balance 2020/21

SUPPLY / DEMAND 2020/21	OILSEED SUPPLY		OILSEED USE	CRUSH	OILS				CONSUMPTION					
	Domestic Supply	Import	Fullfat Feed Hybrid	CRUSH	Domestic Oil Equiv	Import Oil Equiv.	Import Crude Oil	TOTAL CRUDE OIL SUPPLY	OTHER	EXPORTS		DOMESTIC		TOTAL OIL USE
									Feed Paint Biod.	Liquid Oils	Marg	Marg	Liquid Oils	
SUNFLOWER	1,350	910		2,260	581	391	711	1,683		602			1,081	1,683
SOYA	120	2,521	1,100	1,541	21	249		270	94	177				271
LINS/CAMLNA		2		2		1		1	1					1
SAFFLOWER	11	40		51	3	12		15					15	15
CORN GERM	75	75		150	33	33	15	81		19			62	81
OLIVE OIL					173			173		33			140	173
COTTN/COCO-13	914		55	859	112		15	126	20	11		75	20	126
PALM OIL							853	853	88	64	107	544	50	853
RAPESEED	90	18		108	37	8	1	46	15	3			28	46
MARGARINE							26	26			130	26		26
TOTAL	2,560	3,566	1,155	4,971	959	693	1,621	3,275	218	909	107	645	1,396	3,275



Turkish Protein Meals Balance



Turkish Pro. Meals Trade Balance 2019/20*

ARZ / TALEP 2018/19	TOHUM ARZ		TOHUM KULLANIM	TOHUM İŞLEME	PROTEİN KÜSPELERİ				KÜSPE TÜKETİMİ		
	İç Arz	İthalat	Fullfat Yem Hibrid	KIRMA	İç Küspe Karşılığı	İthal Küspe Karşılığı	İthal Küspe	TOPLAM KÜSPE ARZI	KÜSPE İHRACAT	İÇ TÜKETİM	TOPLAM KÜSPE TÜKETİMİ
AYÇİÇEK	1,500	820		2,250	750	410	920	2,080	10	2,070	2,080
SOYA	120	2,650	1,150	1,620	90	1,125	900	2,115	100	2,015	2,115
KETEN/KTNCK		5								0	
ASPIR	11	5		16	7	3		11		11	11
MISIRÖZÜ	85	80		165	46	43		89		89	89
ÇİĞİT	1,100		80	1,020	561			561	10	551	561
PALM							170	170		170	170
KANOLA	100	8		108	57	5	90	152		152	152
DİĞER KÜSPE							30	50	44	6	50
TOPLAM		3,568	1,230	5,179	1,511	1,586	2,110	5,228	164	5,064	5,228

DDGs Excluded – 2019/20 Imports to be **615 MT**

* *Projection*

Source : Agripro 2021

Turkish Prot. Meals Trade Balance 2020/21

SUPPLY / DEMAND 2020 /21	OILSEEDS SUPPLY		OILSEED USE	OILSEED CRUSH	PROTEIN MEALS				MEAL CONSUMPTION				
	Domestic Production	Import	Fullfat Feed Hybrid	CRUSH	Domestic Meal Equivalent	Import Meal Equivalent	Import Meals	TOTAL MEAL SUPPLY	MEAL EXPORT		DOMESTIC CONSUMPTION		TOTAL MEAL CONSUMPTN
SUNFLOWER	1,350	910		2,260	675	455	834	1,964		17		1,947	1,964
SOYA	120	2,521	1,100	1,541	90	1,066	602	1,758		437		1,321	1,758
LINS/CAMILNA		2		2		1		1				1	1
SAFFLOWER	11	40		51	7	27		35				35	35
CORN GERM	75	75		150	41	41		81				81	81
COTTONSEED	914		55	859	472			472		5		467	472
PALM				0			76	76				76	76
RAPESEED	90	18		108	51	10	58	120				120	120
OTHER MEAL				0			64	50		9		41	50
TOTAL	2,560	3,566	1,155	4,971	1,337	1,600	1,634	4,557	468			4,089	4,557

DDGs Excluded – 2020/21 Imports of **871 MT**

New Season (2021/22)



Turkish Oilseed Production 2020/21 (th tons)

- Sunflowerseed : 1,600,000 tonnes
- Cottonseed : 1,508,000 tonnes
- Rapeseed : 90.000 tonnes
- Corn germ : 75.000 tonnes
- Safflower : 11.000 tonnes
- Soybean : 120.000 tonnes
- TOTAL : 3,404,000 tonnes



Sunseed Production 2021/22 (th tons)

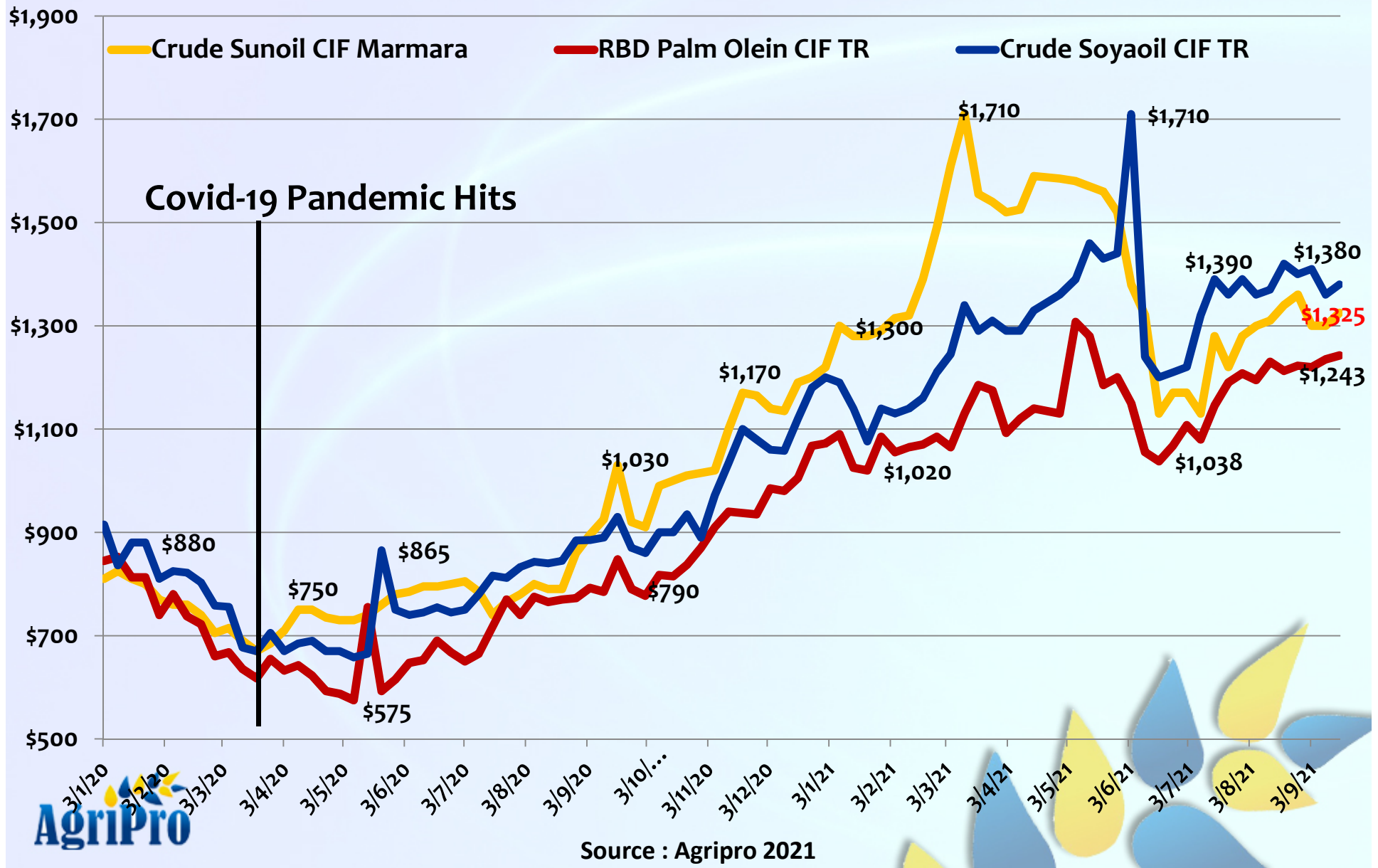
- Thrace : 730.000 tonnes
- Central Anatolia : 350,000 tonnes
- Black Sea : 160,000 tonnes
- Çukurova : 150,000 tonnes
- S. Marmara : 160,000 tonnes
- Other : 50,000 tonnes
- TOTAL :1,600,000 tonnes

«USDA September 2021 Report **1.800** mmt»

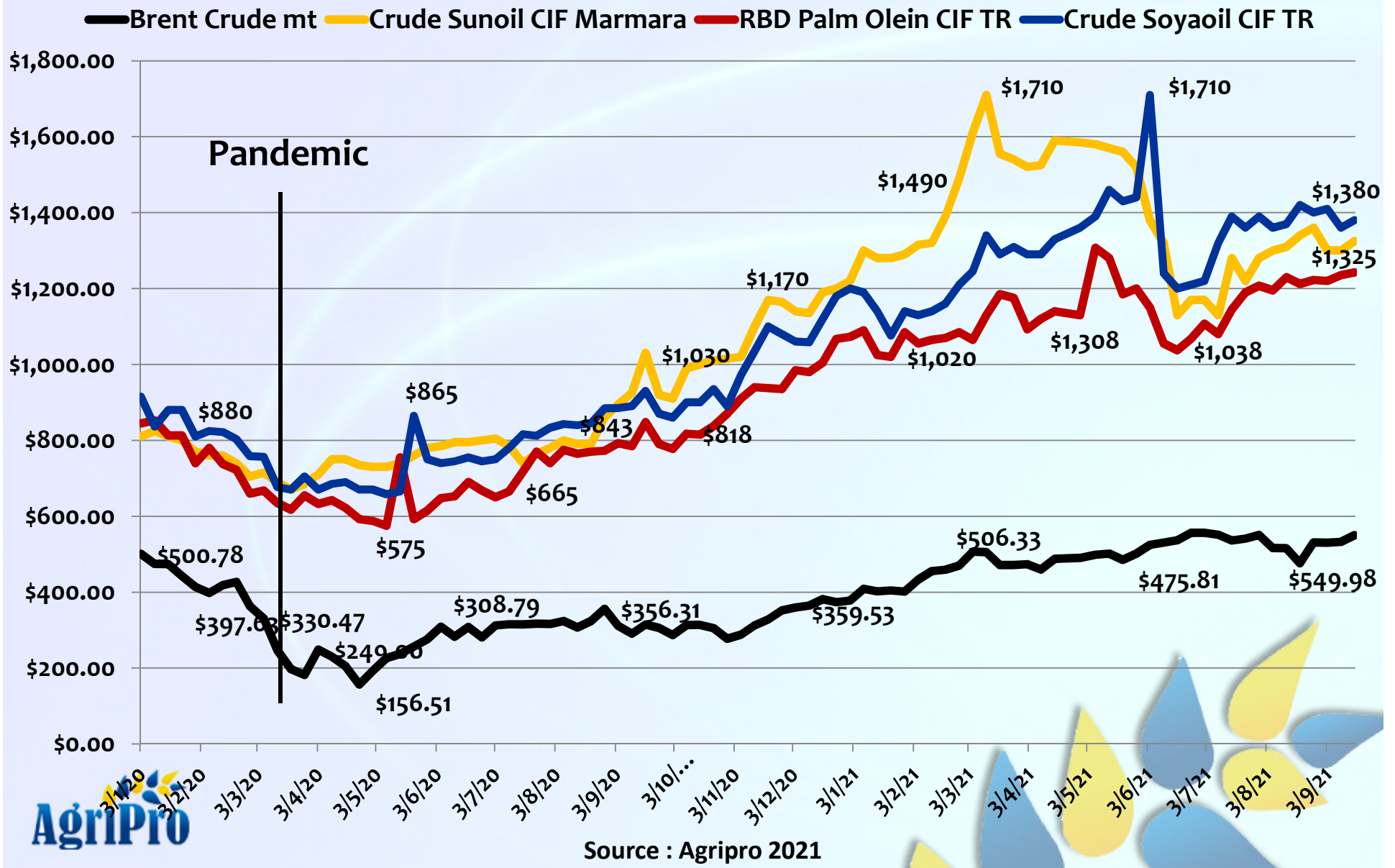
Price Movements



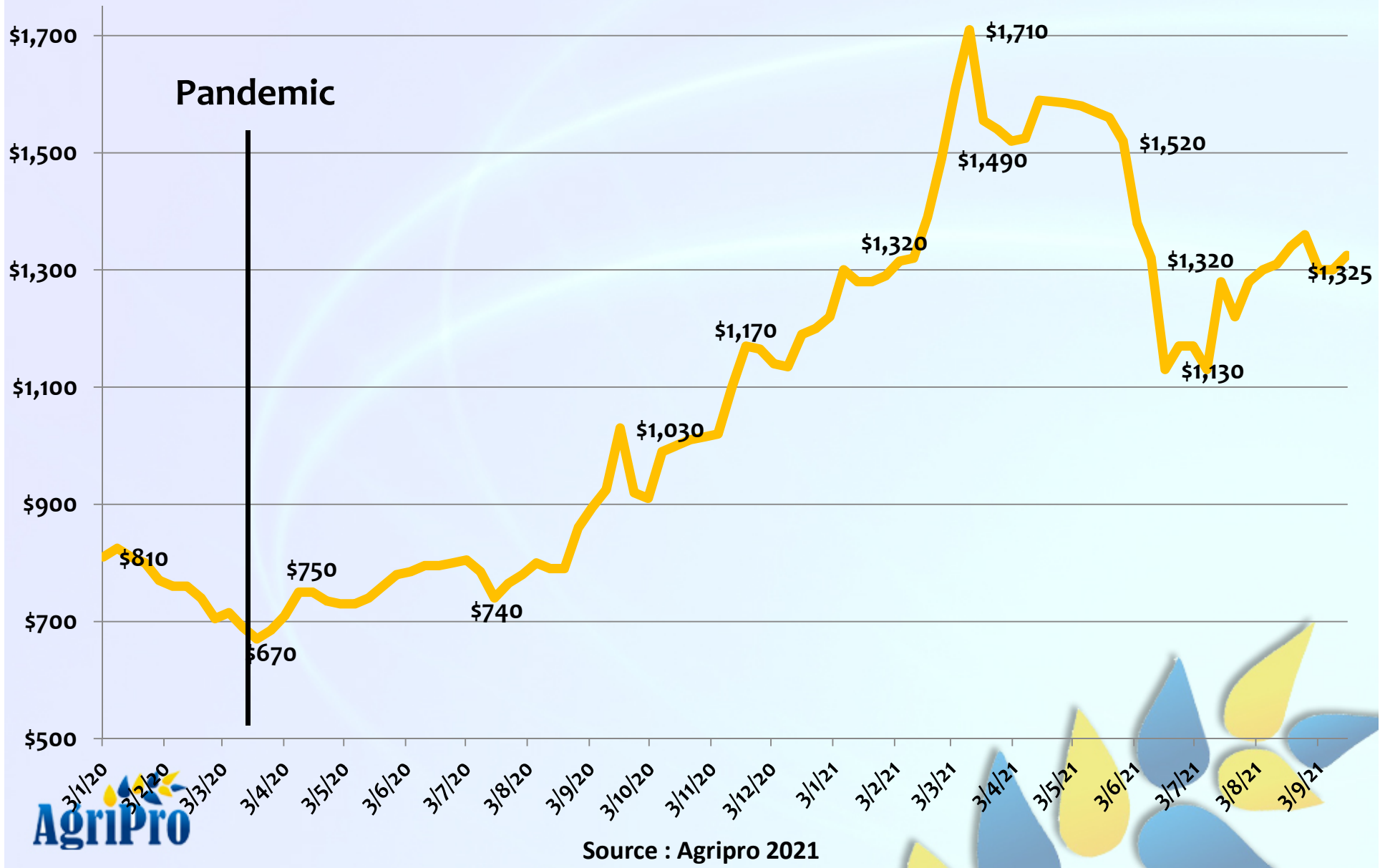
International Vegoil Prices - CIF Marmara (\$/mt) - 2020 to date



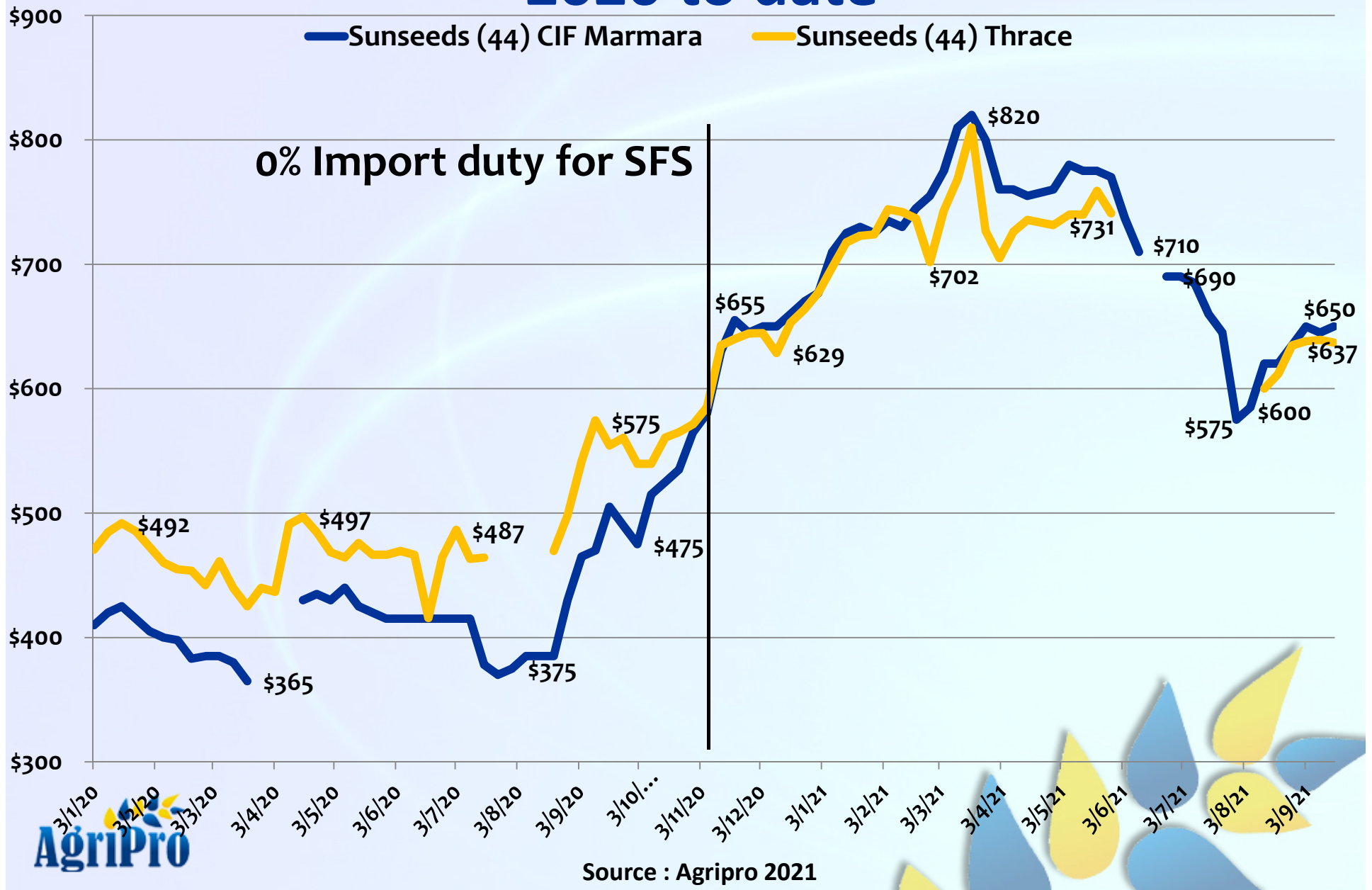
International Vegoil Prices v Brent crude (\$/mt) - 2020 to date



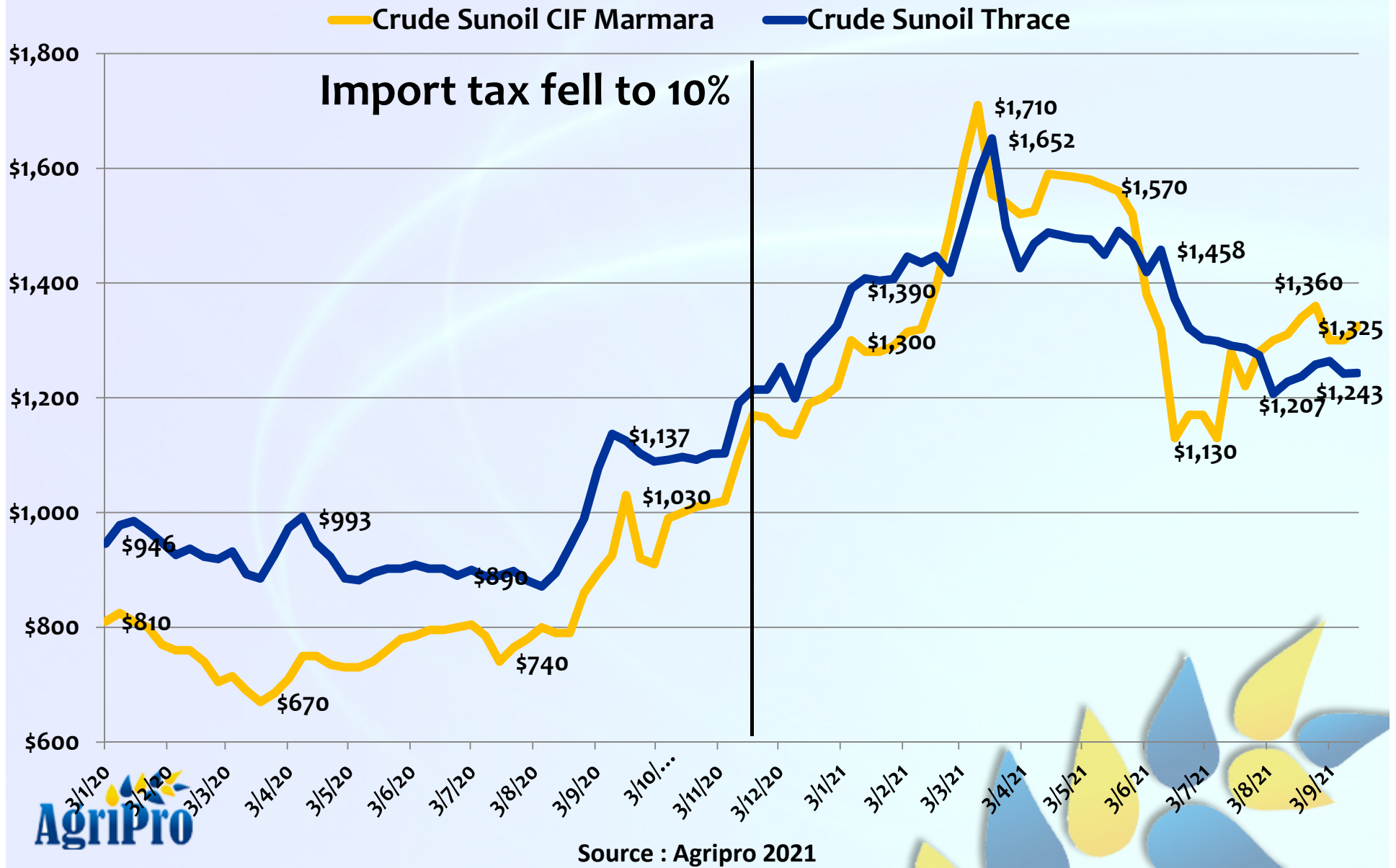
International Sunoil Price - CIF Marmara (\$/mt) - 2020 to date



CIF Marmara v Thrace Sunseed Price 44% (\$/mt) - 2020 to date



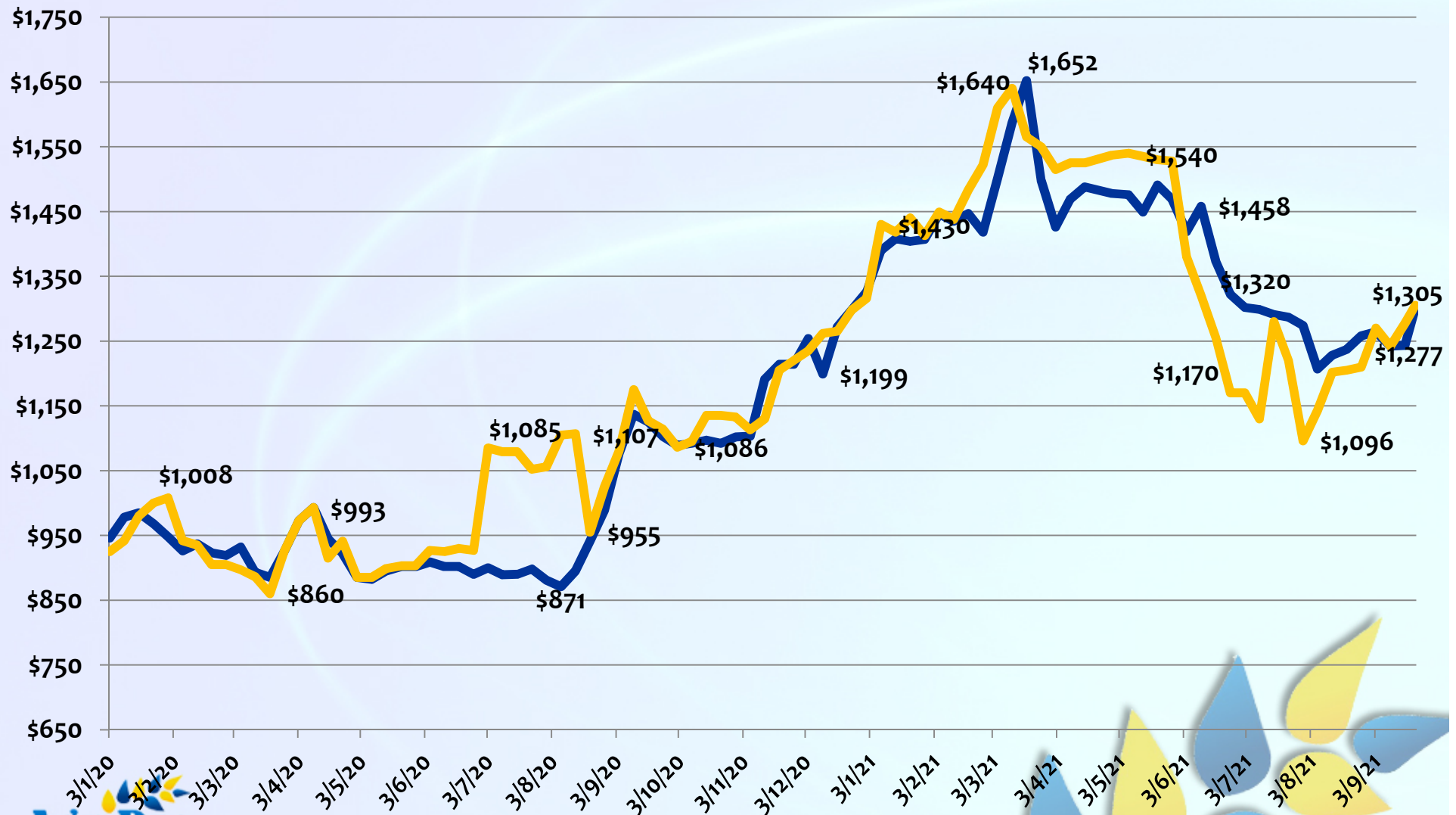
CIF TR v. Thrace Crude Sunoil Prices 2020 to date (\$/mt)



Domestic Sunoil Price v Cost (\$/mt)

2020 to Date

— Crude Sunoil Thrace — Crude Sunoil Thrace Cost



New Crop Black Sea FOB Sunseed/Crude Price Expectations

My expectations:

- Sunseeds FOB
Oct \$550/mt (+/- \$10)
- Crude Sunoil FOB
Oct \$1,170/mt (+/- \$20)

In reality:

- Sunseeds FOB
Oct c. \$610/mt
- Crude Sunoil FOB
Oct c. \$1,295/mt (\$1,320 CFR offered GASC tender)



Conclusions

- Turkish vegoil consumption came down to **2.259** million tonnes in **2020/21** season, a loss of **0.306 mmt**.
- Exports to fall to **1.039** mmt, from **1.094** mmt, **909K** liquid oil.
- Market size including exports to fall to **3.275** million tonnes from **3.659** mmt, a fall of **0.384** mmt.
- Domestic sunoil consumption fell **115K** mt from **1.3** to **1.081** mmt.
- Turkish oilseed production to rise to **2021/21** to **3.404** mmt, mainly due to increase in cottonseeds & sunseeds.
- Turkish vegoil **deficit** stands at **1.28 mmt**, which means **3** million tones of extra sunseeds or rapeseeds.



Conclusions

- Trakya Birlik announced **5,406 TL/mt** «advance» purchasing price for **44%** oil sunflowerseeds. This price corresponds to a CIF Marmara value of **\$615/mt**. Current domestic market is around **\$650/mt**.
- Most farmers are **not too** pleased with the market price. The quantity of sunseeds going to farmer warehouses can reach **150,000** tonnes this season, versus 50-60,000 mt, in 2020.
- We are set for a **long** domestic sunseed season.
- Turkish vegoil industry is still crumbling with little profit as a result of **low** margins and **discount stores'** price wars.





Thank you

FOI		2021 V2
FGI		

