

**TECHNO-ECONOMIC SEMINAR ON MALAYSIAN PALM OIL**  
**15<sup>th</sup> November 2012, Thursday**  
**Istanbul, Turkey**

# **Turkish Fats & Oils Trade Balances**

## **2012-13**

**Faik Genç**

**AgriPro Limited**





# Main Topics

1. Turkey
2. Oils/Oilseeds Supply & Demand
3. Turkish Oils & Oilseeds Balances
4. Conclusions



Turkey





# Turkey Fact File

- **Population\*** : 79.7 million
- **Population Growth** : 1.97%
- **GDP PPP\*** : US\$ 1,087 billion
- **GDP per capita PPP\*** : US\$ 14,700
- **GDP Growth** : 3.0% (3.2% government target)

SOURCE : CIA WorldFactbook, Oct 2012



# Turkey Fact File

- Exchange rate : US\$ 1 = 1.80 Turkish Lira
- Annual inflation : 7.4% (2012 target)
- Unemployment : 9.8% (government target 9%)
- Age Structure : 0-14 ..... 26.2%  
15-64 ..... 67.4%  
65 & over ... 6.4%
- Median Age : 28.5

SOURCE : CIA WorldFactbook October 2012



# Turkey Fact File

- **Fertility rate : 2.13/woman**
- **Urban Population: 70% (2010)**
- **Total Land : 783,563 sq km**
- **Arable Land : 29.81%**
- **Permanent Crops : 3.39%**
- **Irrigated Land : 52,150 sq km**

SOURCE : IMF/CIA WorldFactbook, October 2012





# Turkey Major Crops

- **Wheat** : c. 17.5 million tonnes
- **Sugar beat** : c. 16 million tonnes
- **Corn** : c. 4.3 million tonnes
- **Barley** : c. 6.8 million tonnes
- **Oilseeds** : c. 2.075 million tonnes (2011/12)

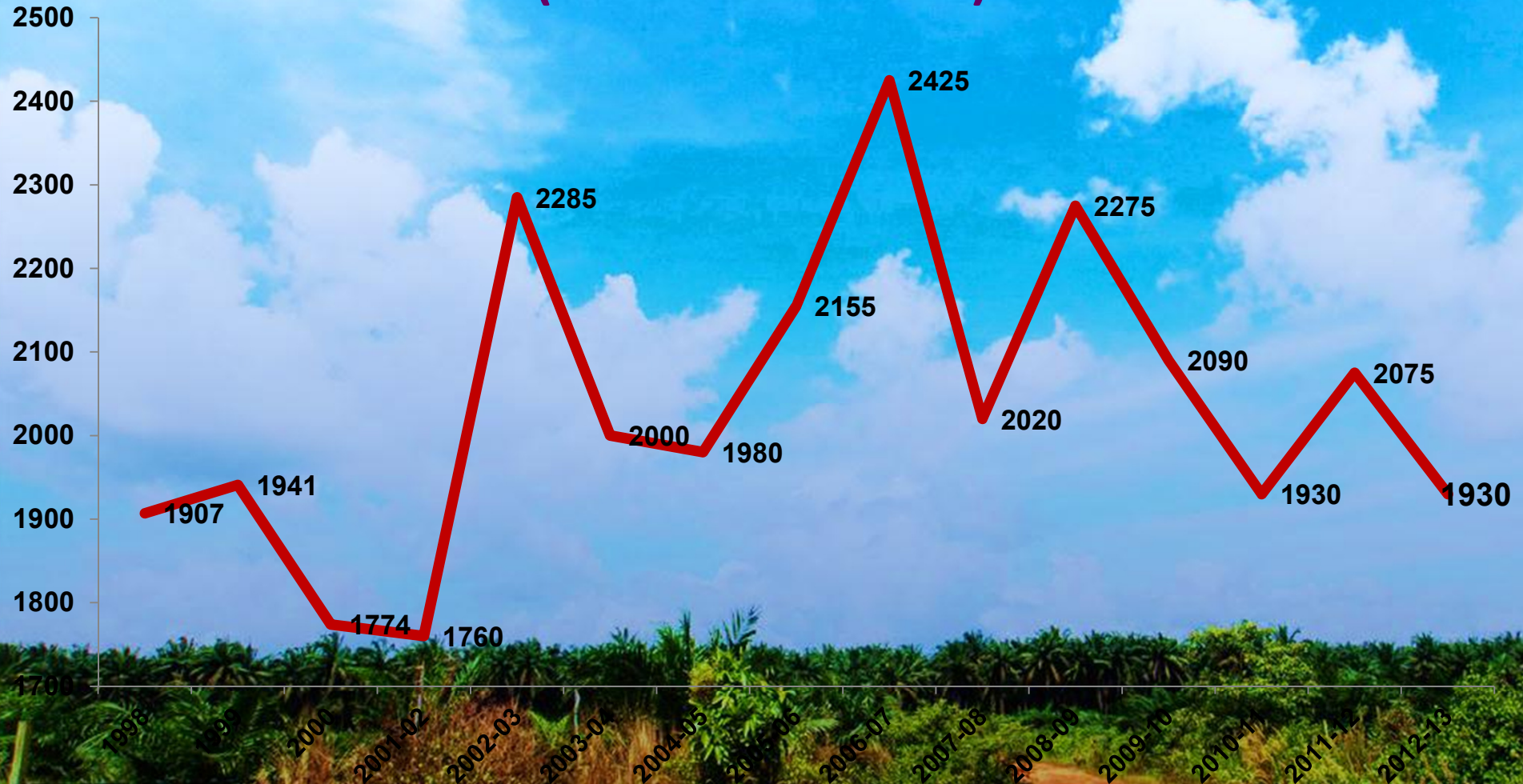
SOURCE : AgriPro 2012



# Oils / Oilseeds Supply & Demand



# Oilseeds Production (thousand tonnes)



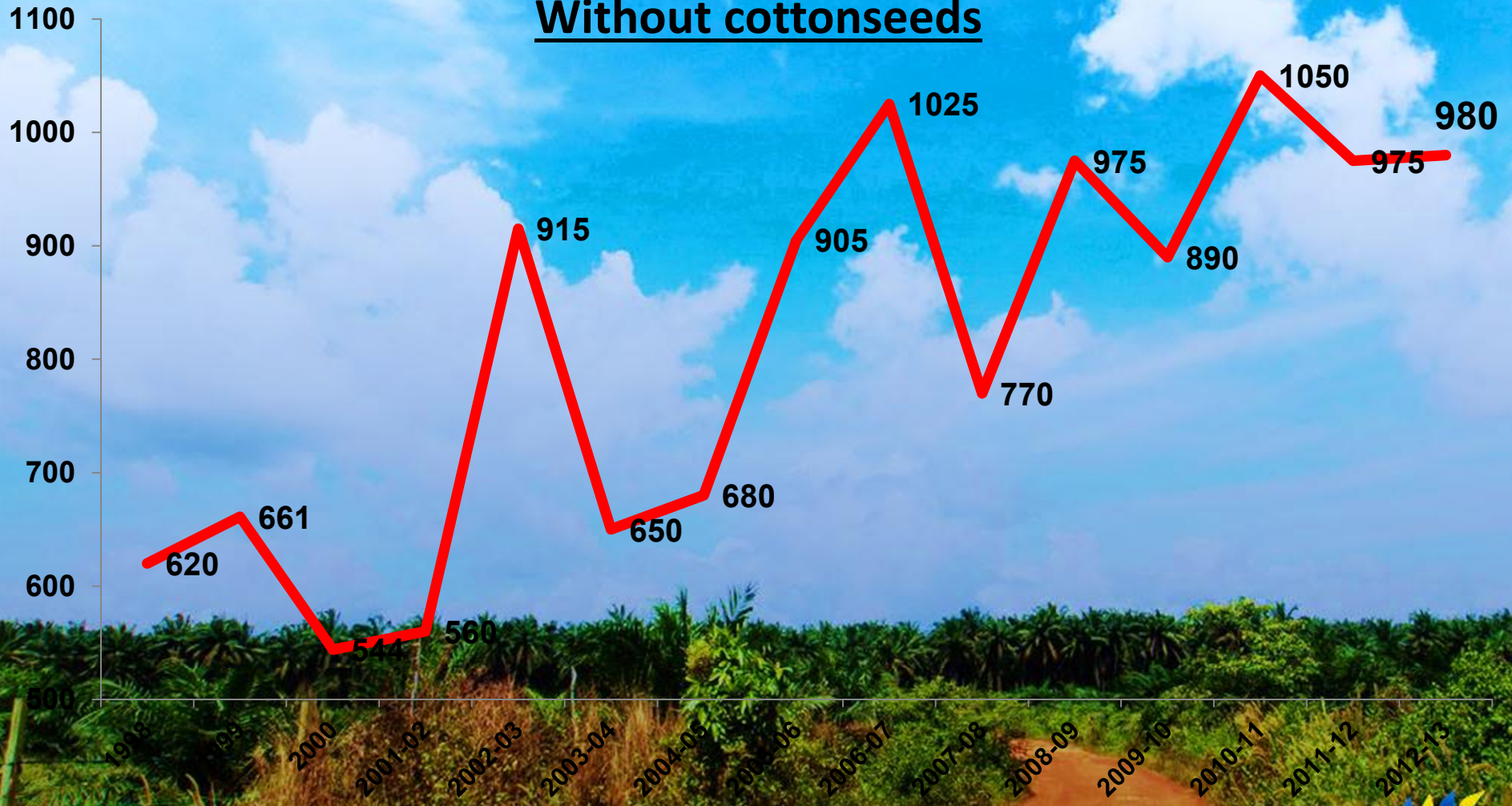
Source: AgriPro 2012





# Oilseeds Production

(thousand tonnes)  
Without cottonseeds



Source: AgriPro 2012





# Turkish Oilseed Production

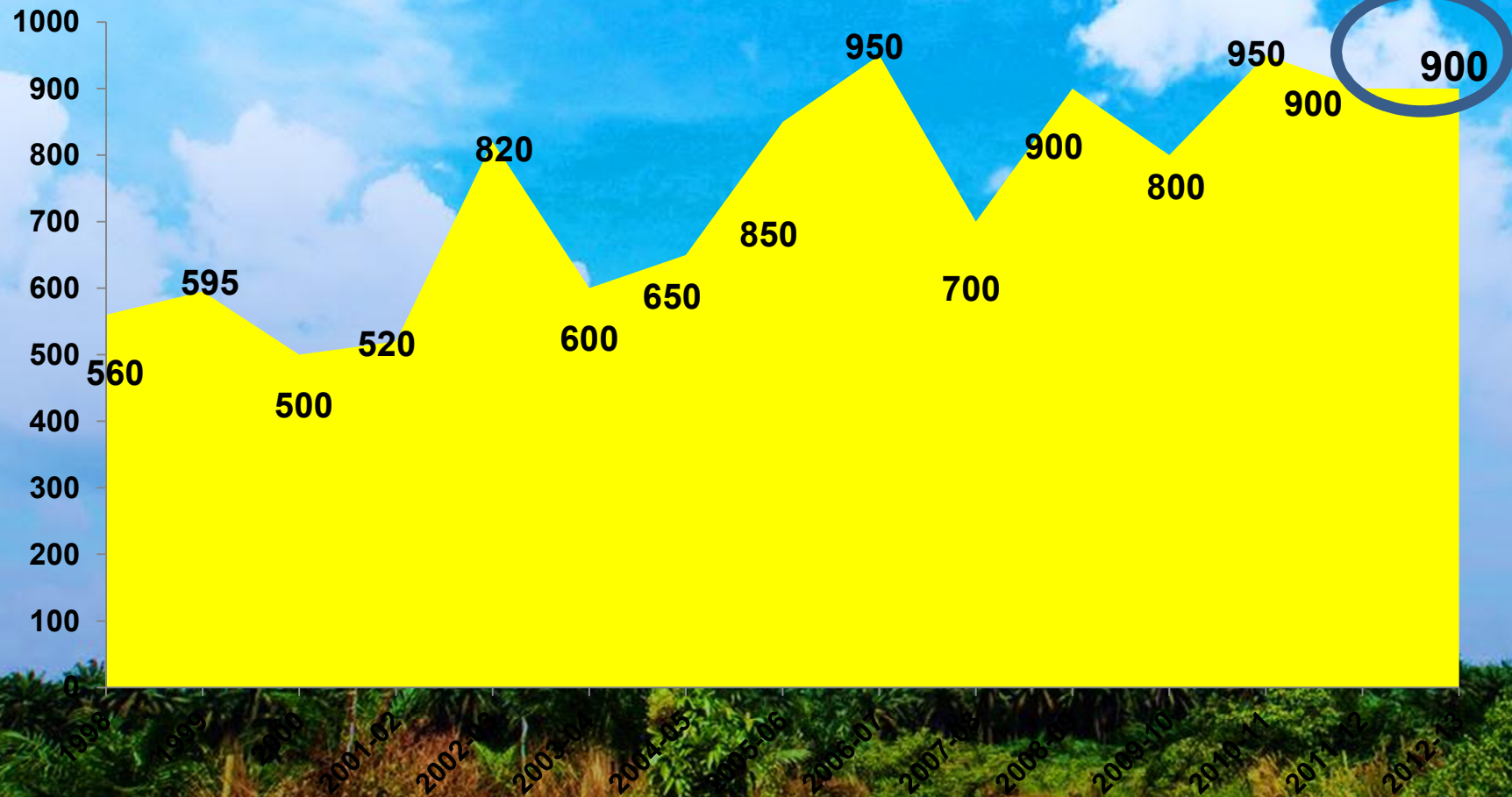
- Sunflowerseeds : 900,000 tonnes
- Cottonseeds : 1,100,000 tonnes
- Rapeseeds : 40,000 tonnes
- Soybeans : 35,000 tonnes

**TOTAL : 2,075,000 tonnes**

SOURCE : AgriPro 2012



# Sunseeds Production (thousand tonnes)



Source: AgriPro 2012



# Turkish Oils & Oilseeds Balances

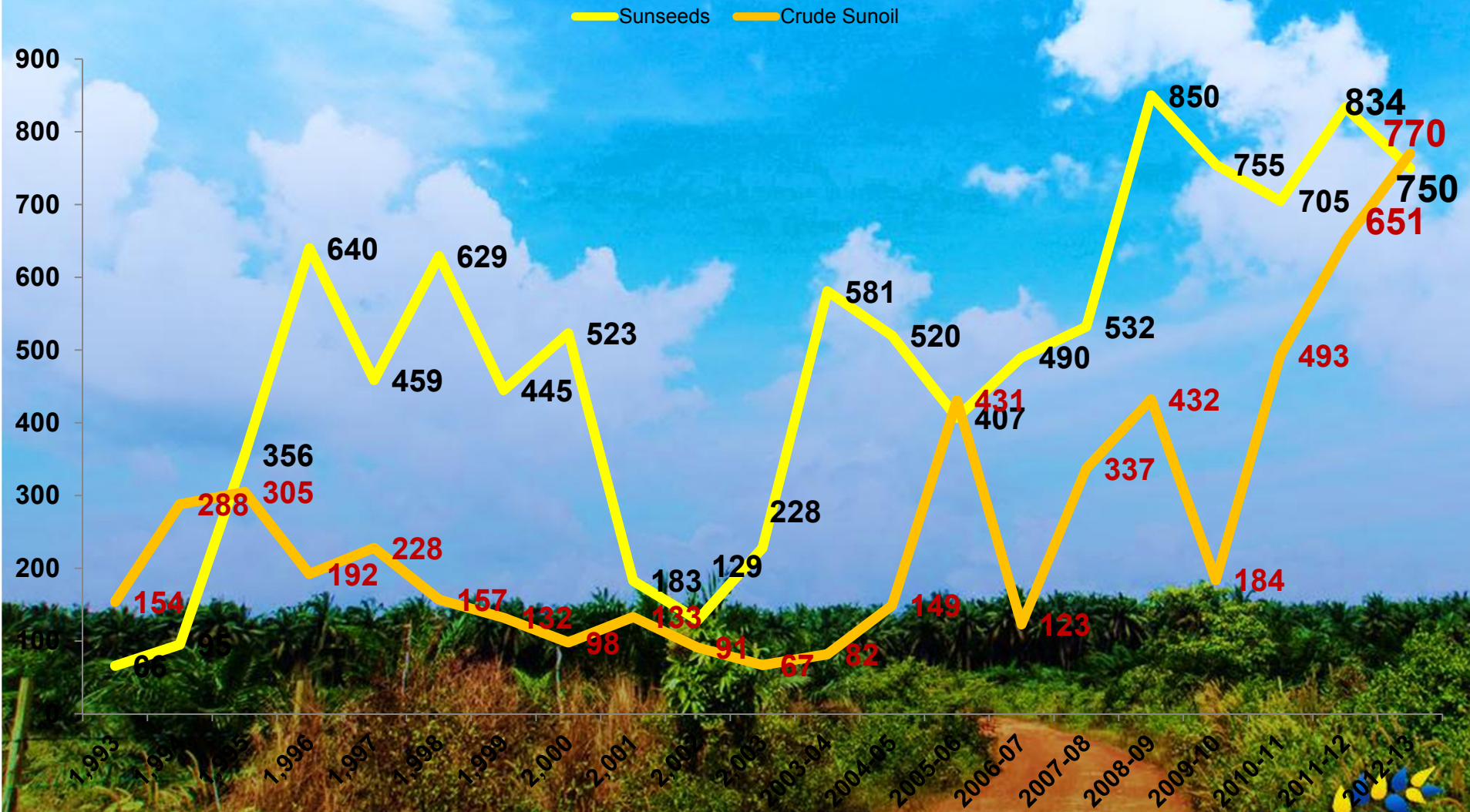


# Major Import Duties

Sunseeds	: 27% (or \$141.75/mt min)
Soybeans	: 0%
Rapeseed	: 10% (or \$52.5/mt min.)
Crude Sunoil	: 36%
Refined Sunoil	: 50%
<b>Other Vegoils</b>	<b>: 31.2%</b>
Sunmeal	: 13.5%
Soymeal	: 0%



# Sunseeds & Sunoil Imports (thousand tonnes)



Source: Ministry of Economy





# Soybeans & Soy Oil Imports (thousand tonnes)

— Soy Oil — Soybeans



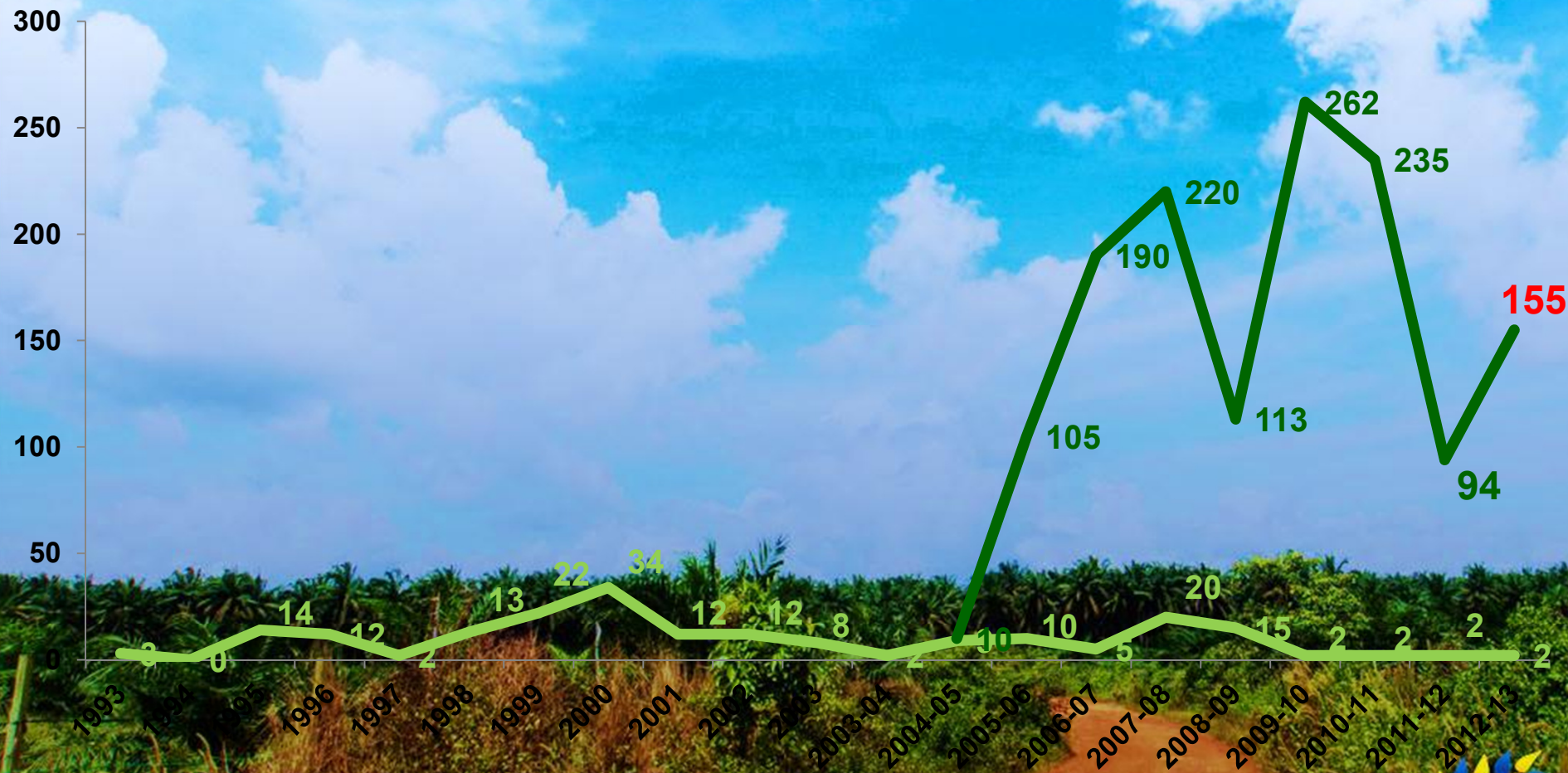
Source: Ministry of Economy





# Rapeseeds & Rape Oil Imports (thousand tonnes)

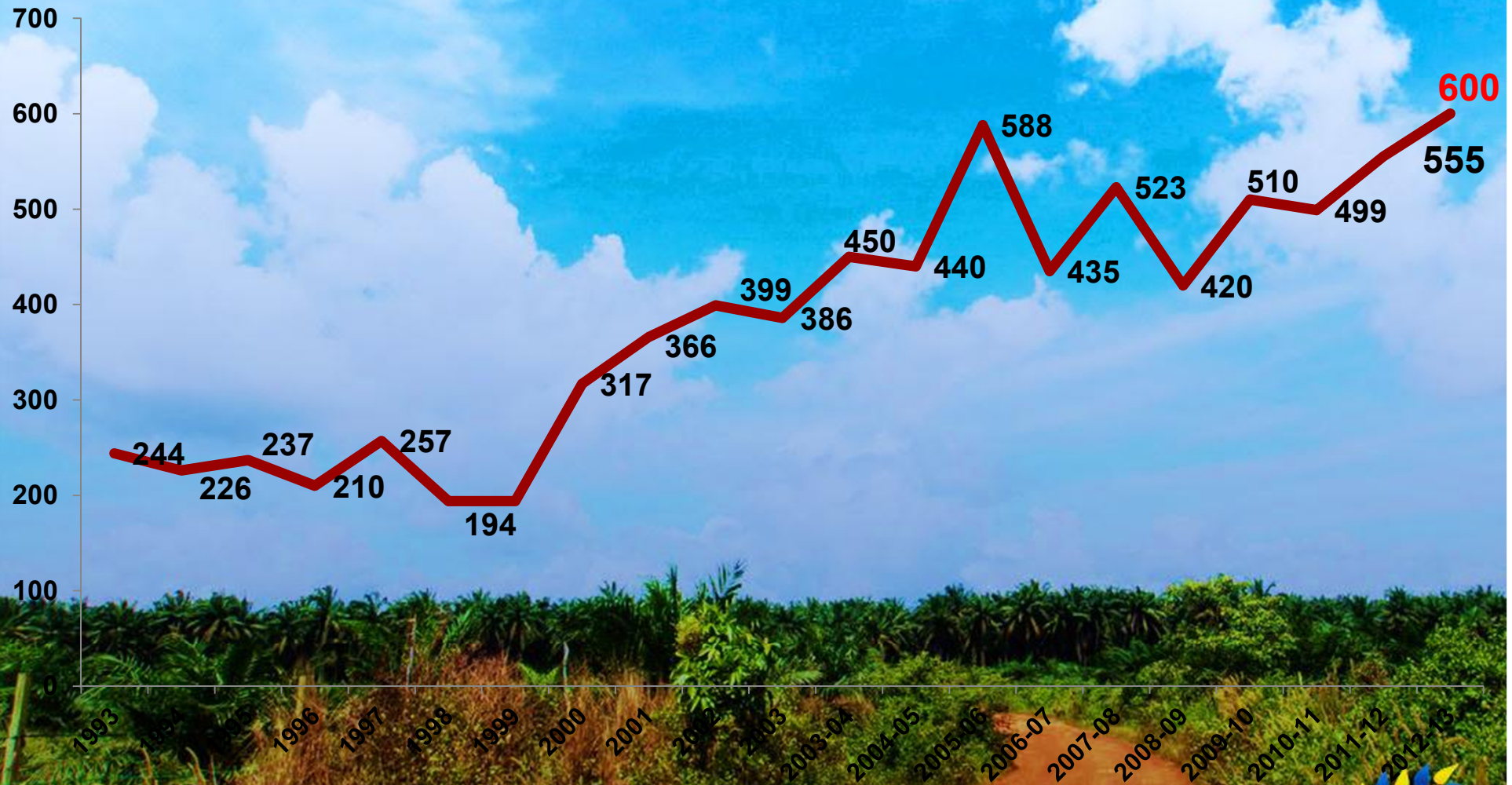
— Rape Oil — Rapeseed



Source: Ministry of Economy



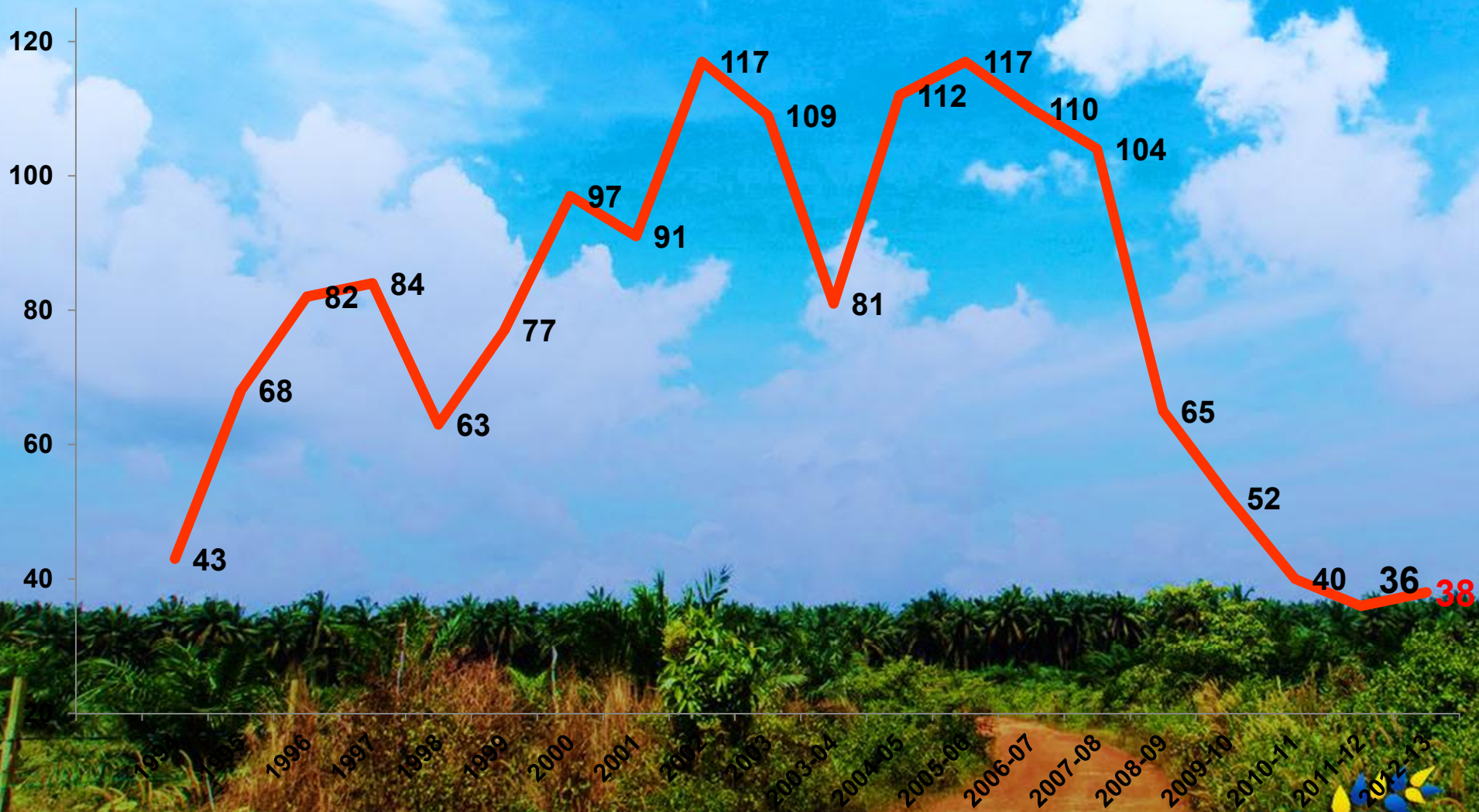
# Palm Oil Imports (thousand tonnes)



Source: Ministry of Economy



# Corn Oil Imports (thousand tonnes)



Source: Ministry of Economy





# Total Oils & Oilseeds Imports (thousand tonnes)

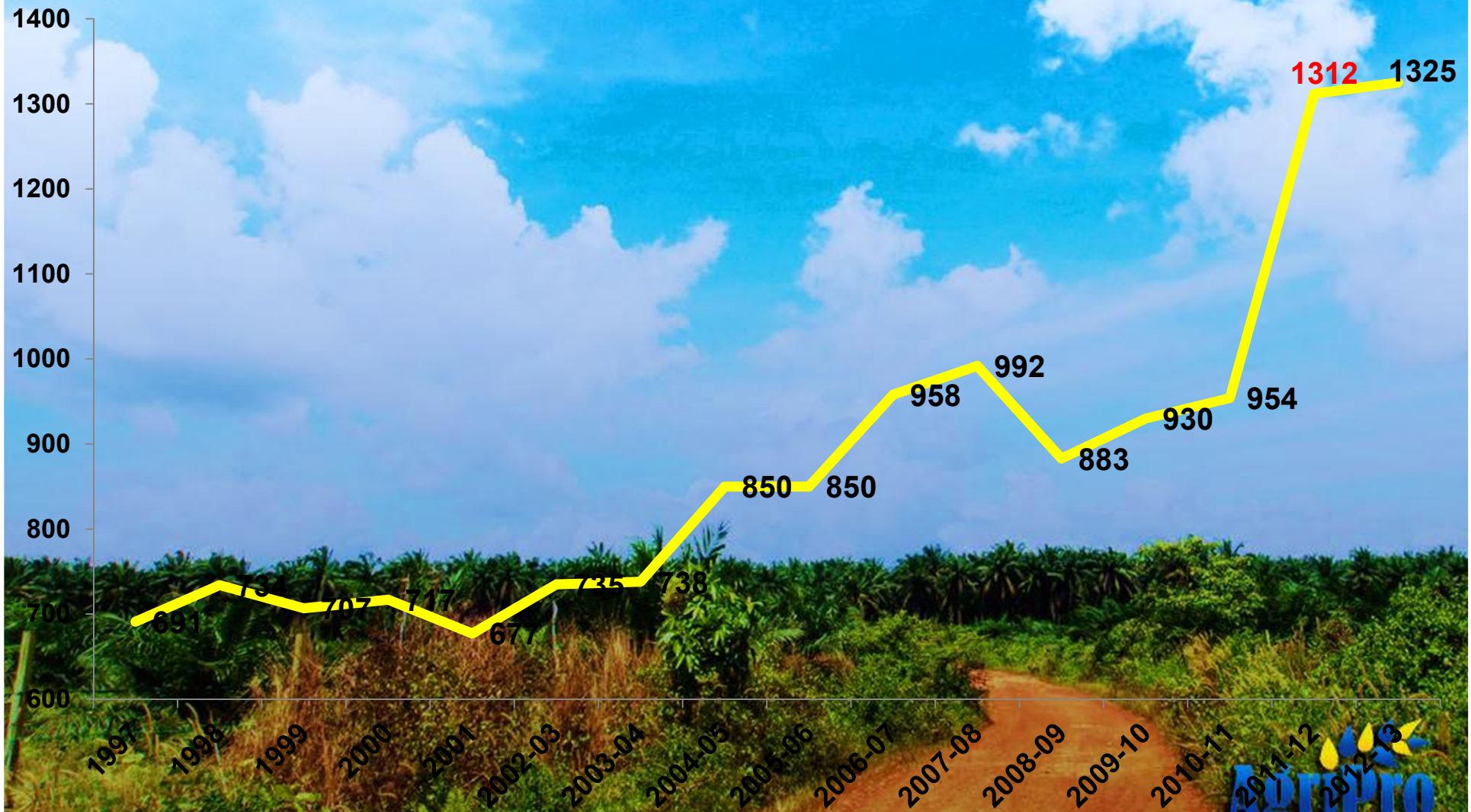


Source: Ministry of Economy





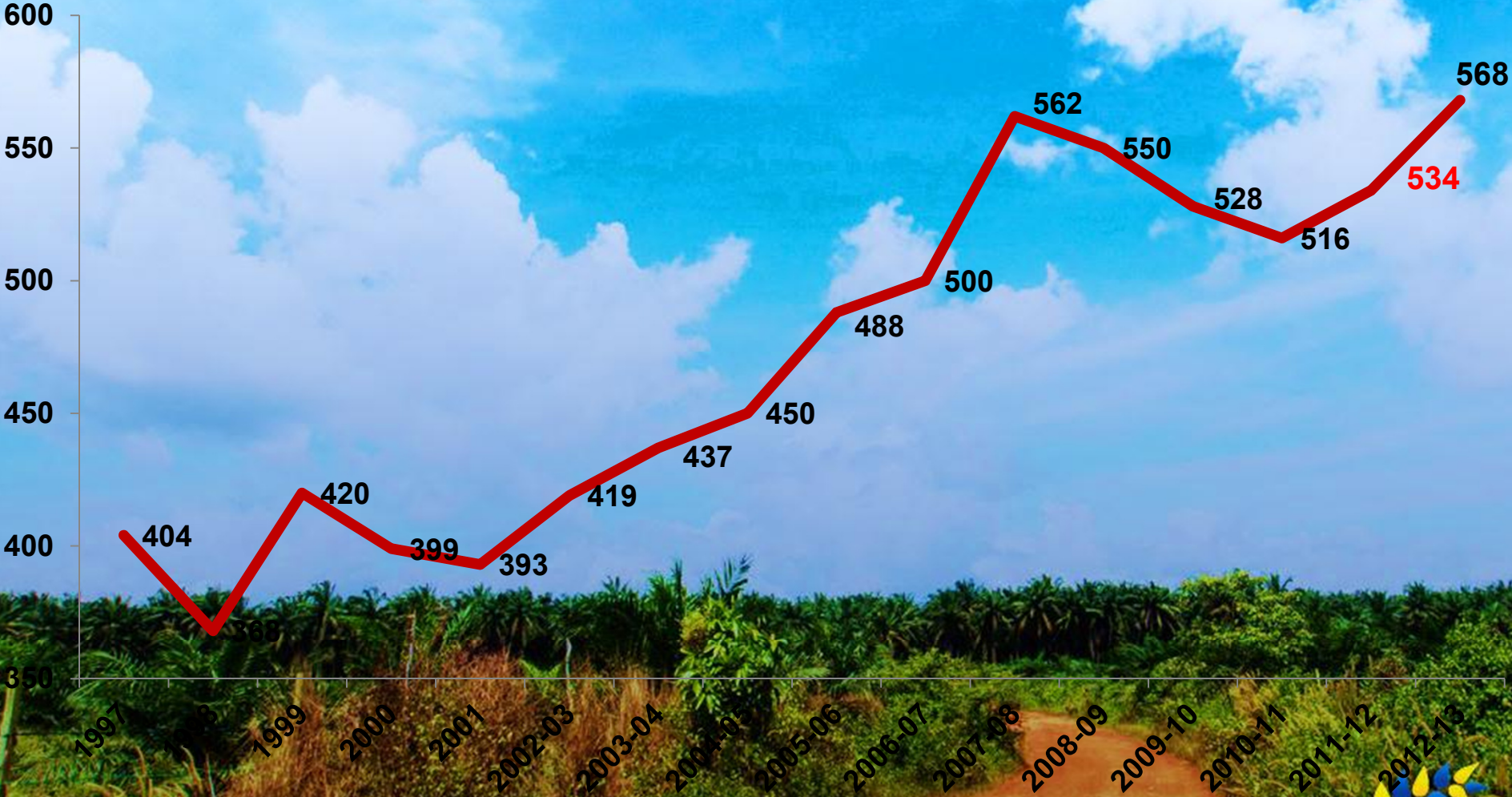
# Liquid Oils Consumption (thousand tonnes)



Source: AgriPro 2012



# Margarine/Ind. Fats Consumption (thousand tonnes)

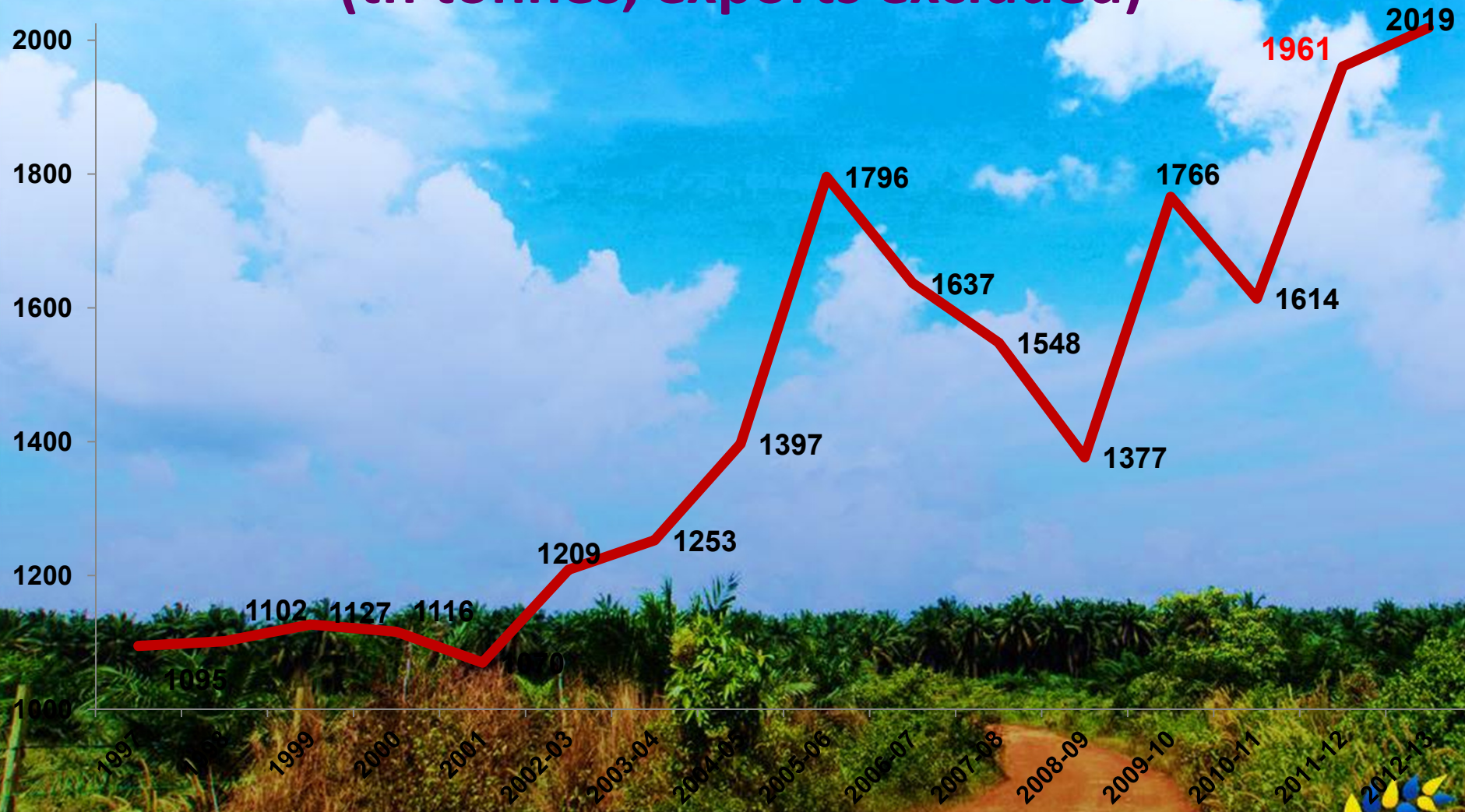


Source: AgriPro 2012





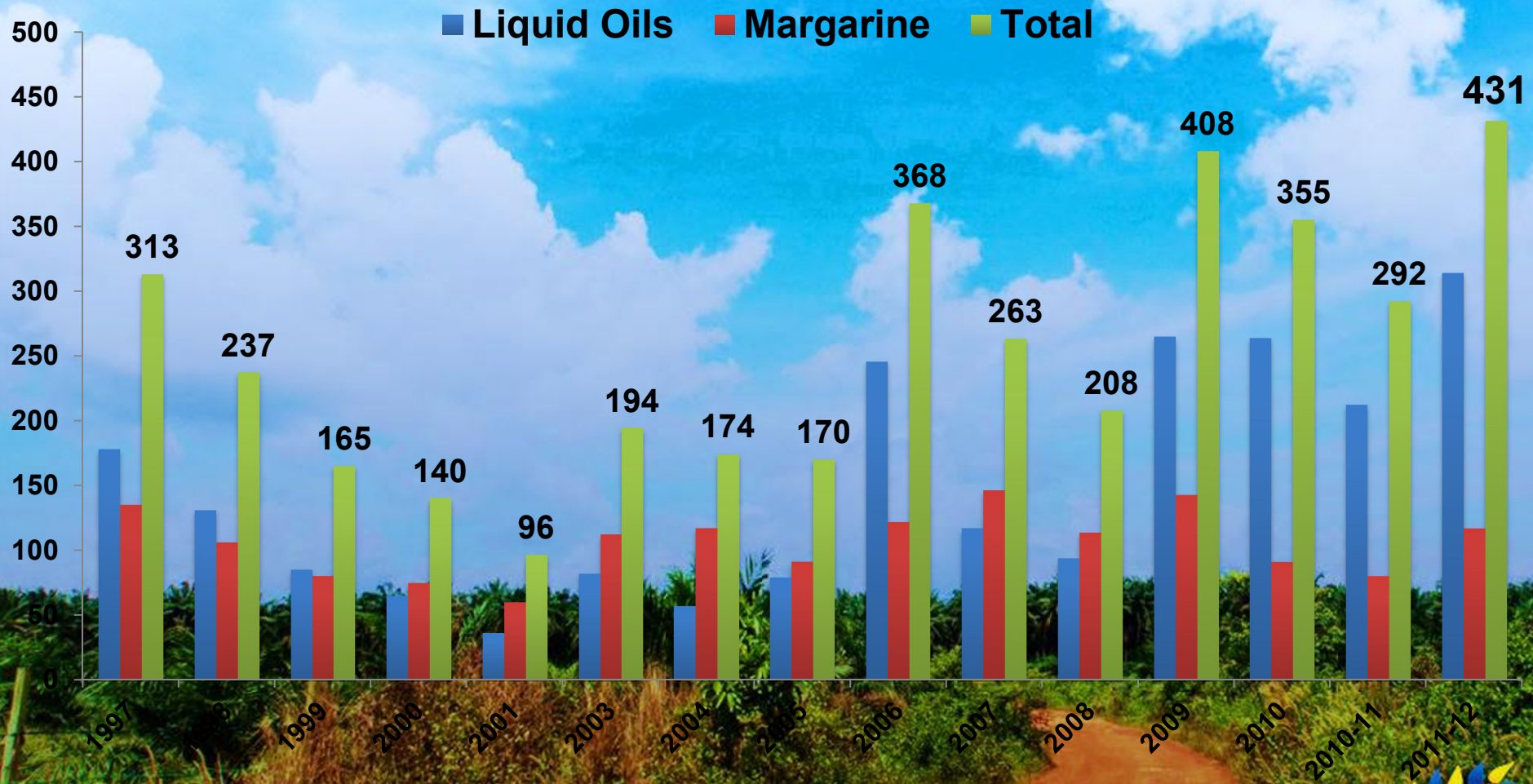
# Total Vegoil Oil Consumption (th tonnes, exports excluded)



Source: AgriPro 2012



# Turkish Vegoil Exports (thousand tonnes)



Source : Ministry of Economy





# Turkish Vegoil Consumption 2011-12

per capita consumption: 24.6 kg/year (excl. Exports)

■ Domestic Liquid Oils ■ Domestic Margarine/Industrial ■ Other ■ Exports





# Total Turkish Vegoil Demand (2011-12 season)

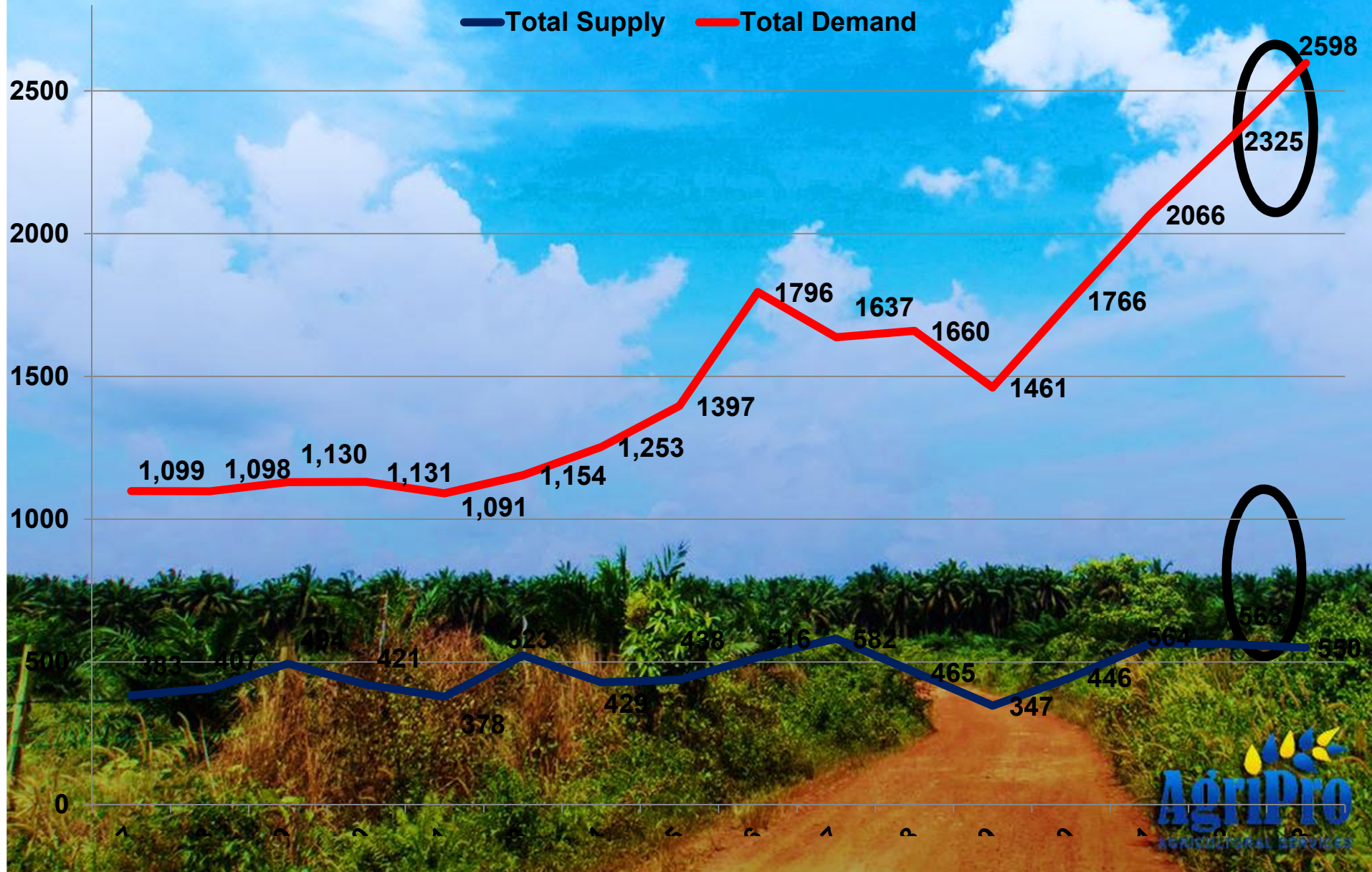
Liquid oils (incl.olive oil) :	1,312,000 tons
Margarine & Industrial :	534,000 tons
Exports :	431,000 tons
<u>Other (paint/feed etc.) :</u>	<u>115,000 tons</u>
<b>TOTAL :</b>	<b>2,392,000 tons</b>

**\* %15.6 Growth in the last 12 months**



# Vegoils Supply & Demand

thousand tonnes





# Turkish Vegoil Production Capacity

- **Crushing capacity** : **5.24 mn tons**
- **Viable crushing capacity:** **4.78 mn tons**  
*Utilisation (2011-12) : 65%*
  
- **Liquid Refining capacity:** **3.03 mn tons**
- **Viable Refining capacity:** **2.68 mn tons**
- *Utilisation (2011-12) : 92% (incl. export)*

Source : AgriPro 2012



# Turkish Fats/Oils Trade Balance 2011-12

SUPPLY / DEMAND 2011-12	OILSEEDS SUPPLY		OILSEED DISP.	OILSEED CRUSHED	OIL SUPPLY				DISAPPEARANCE					
	Domestic Production	Import Oilseed	Fullfat Feed Hybrid	CRUSH	Domestic Oilseed Equivalent	Import Oilseed Equivalent	Import Crude Oils	TOTAL CRUDE OIL SUPPLY	OTHER	EXPORTS		DOMESTIC DISAPP'R		TOTAL OIL DISPR
									Feed Paint etc.	Liq. Oils	Marg	Marg	Liq. Oils	
SUNFLOWER	900	834		1,734	369	359	651	1,379	42	270			1,067	1,379
SOYBEANS	35	1,056	850	241	6	36	1	43	23	3	6	6	5	43
CORN OIL				0	40		36	76		30			46	76
OLIVE OIL								150		9			142	150
COTTON OIL	1,100	18	85	1,033	132	3	0	135		1	27	85	22	135
PALM OILS				0			555	555	50	2	80	423		555
RAPE OIL	40	94		134	16	36	2	54			4	20	30	54
TOTAL	2,075	2,002	935	3,142	563	434	1,245	2,392	115	314	117	534	1,312	2,392

Source: AgriPro 2012



# Turkish Fats/Oils Trade Balance 2012-13\*

SUPPLY / DEMAND 2012-13	OILSEEDS SUPPLY		OILSEED DISP.	OILSEED CRUSHED	OIL SUPPLY				DISAPPEARANCE						
	Domestic Production	Import Oilseed	Fullfat Feed Hybrid	CRUSH	Domestic Oilseed Equivalent	Import Oilseed Equivalent	Import Crude Oils	TOTAL CRUDE OIL SUPPLY	OTHER Feed Paint etc.	EXPORTS			DOMESTIC DISAPP'R		TOTAL OIL DISPR.
										Liq. Oils	Marg		Marg	Liq. Oils	
SUNFLOWER	900	750		1,650	369	323	770	1,462	42	370				1,050	1,462
SOYBEANS	35	1,165	920	260	6	43	2	51	29	4	5		8	5	51
CORN OIL				0	45		38	83		35				48	83
OLIVE OIL								202		42				160	202
COTTON OIL	950	10	85	875	112	2	0	114		1	26		70	17	114
PALM OILS				0			600	600	55	2	86		457		600
RAPE OIL	45	155		200	18	66	2	86			8		33	45	86
TOTAL	1,930	2,080	1,005	2,985	550	433	1,412	2,597	126	454	125		568	1,325	2,598

Source: AgriPro 2012

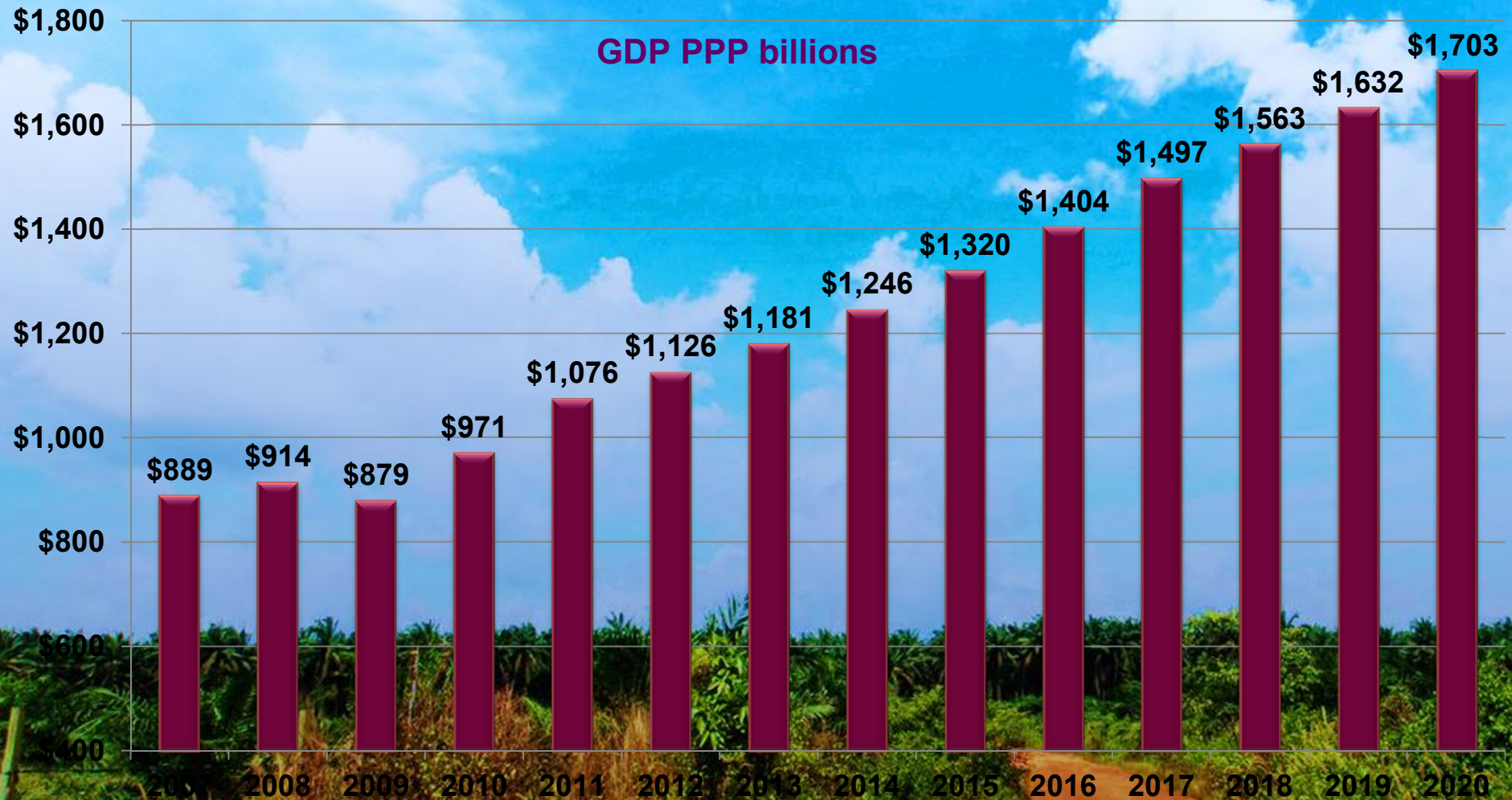
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# What Lies Ahead



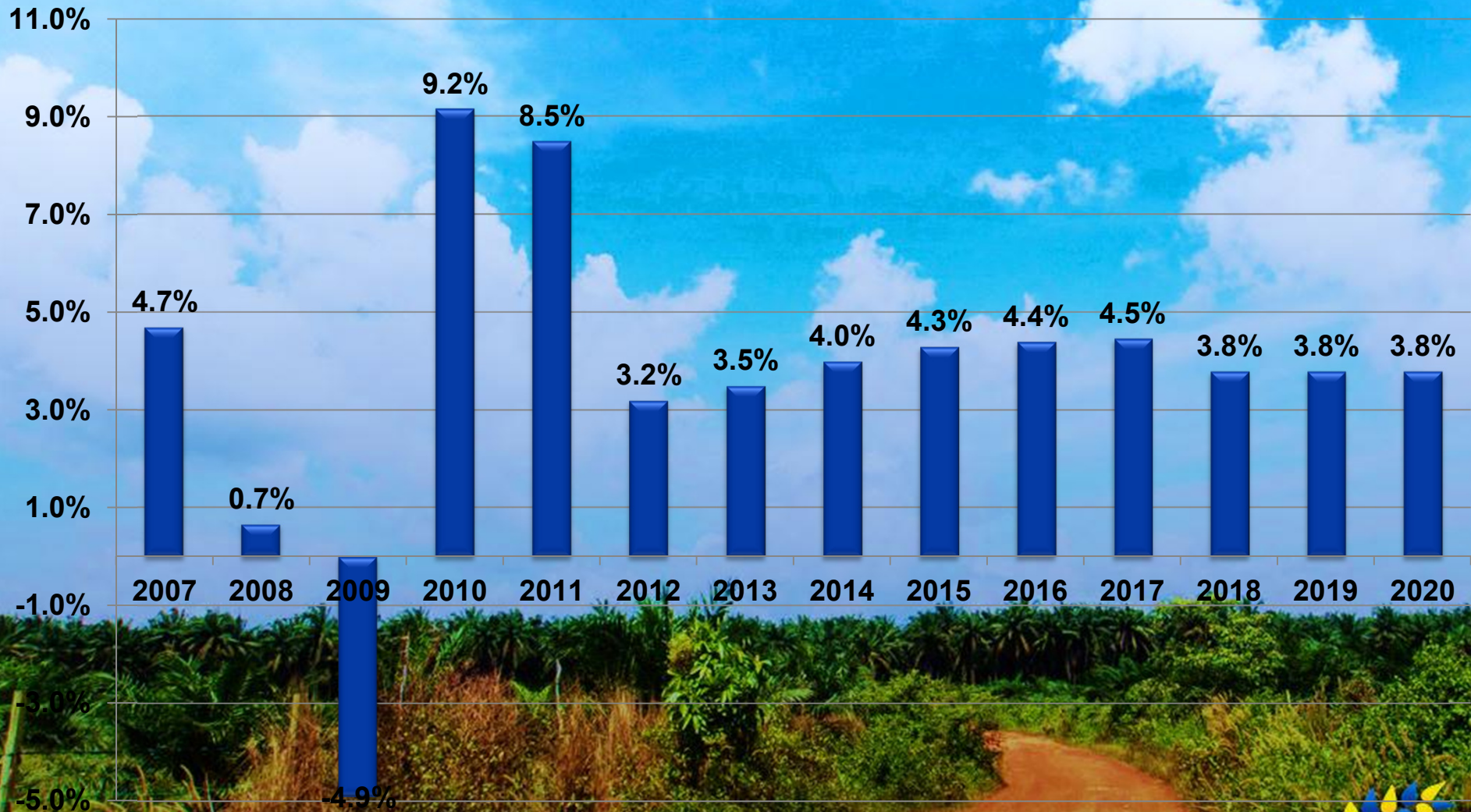
# Turkey GDP PPP Projection



Source: IMF November 2012/AgriPro



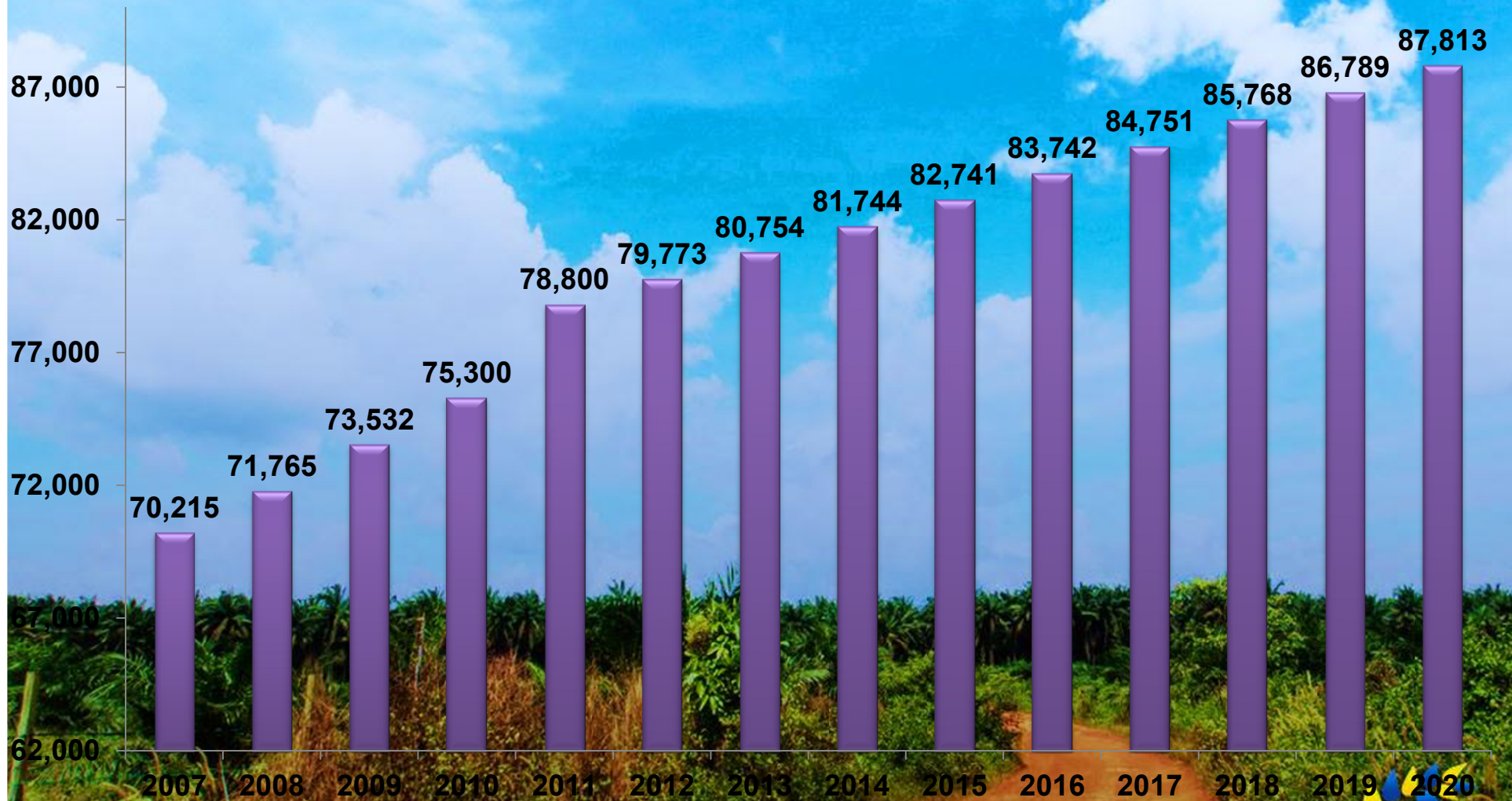
# Turkey GDP PPP Growth Projection



Source: IMF November/AgriPro



# Turkey Population Growth Projection

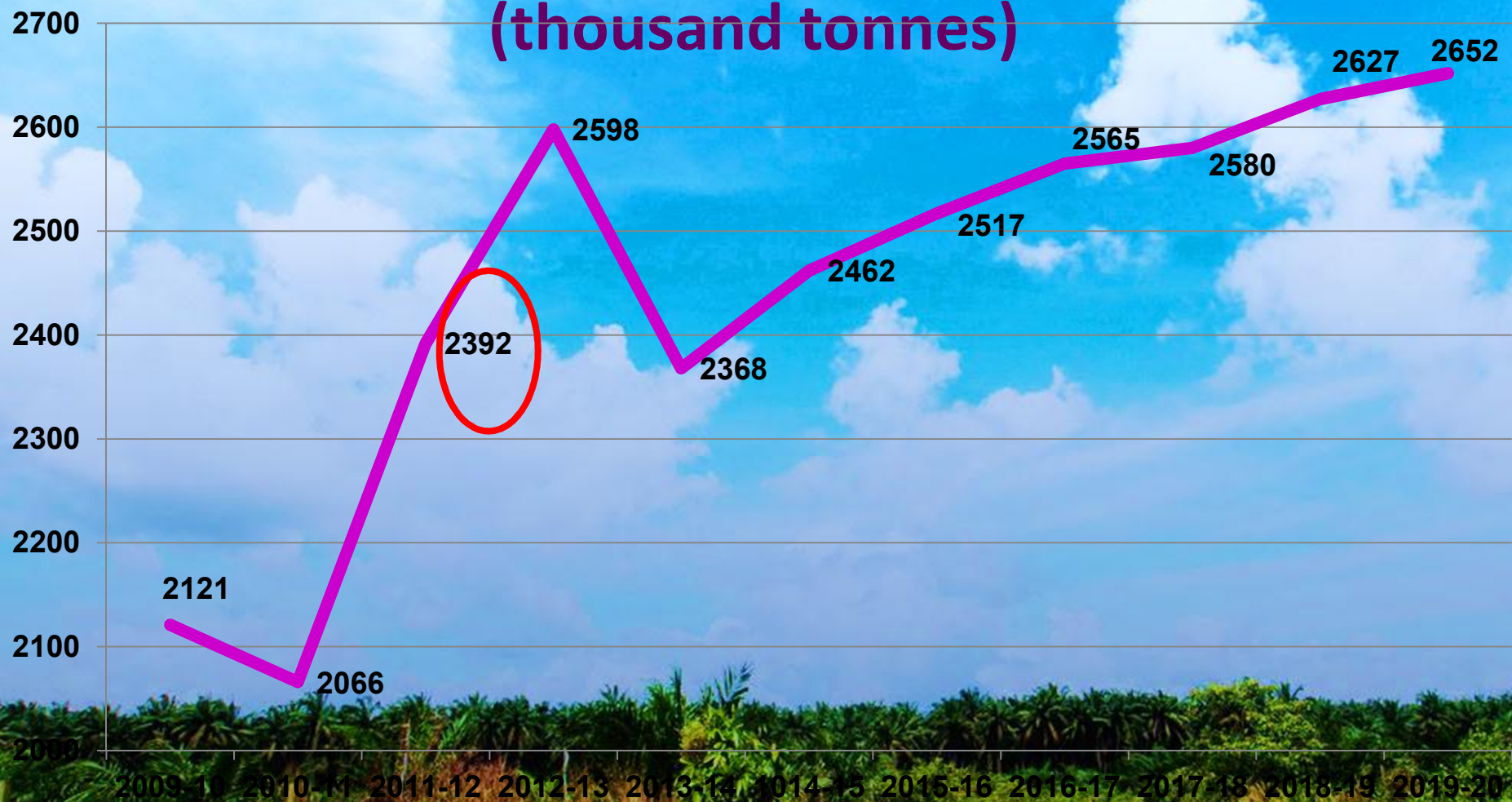


Source: CIA November 2012/AgriPro





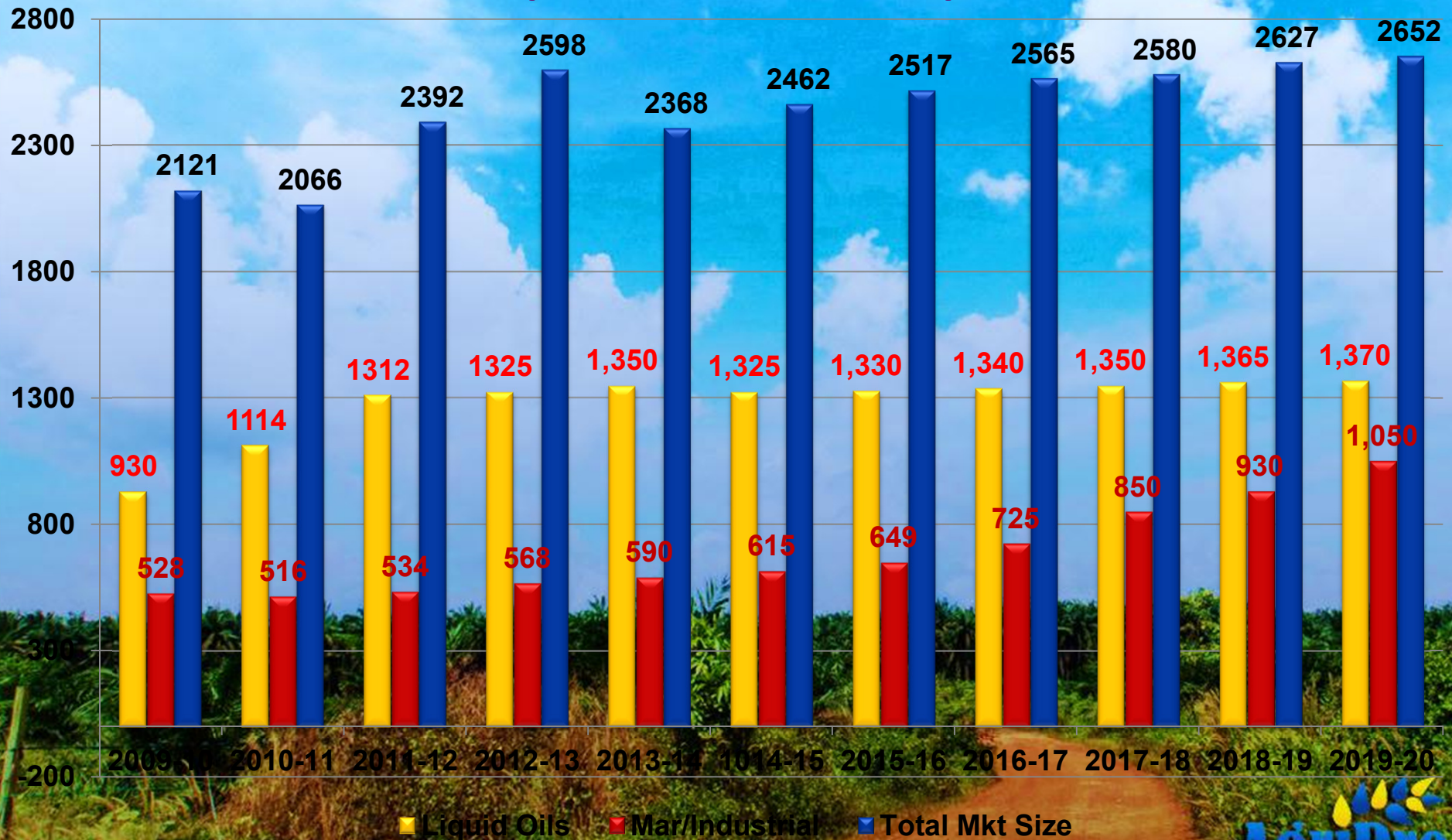
# Fats/Oils Market Size Projection (thousand tonnes)



Source: AgriPro 2012



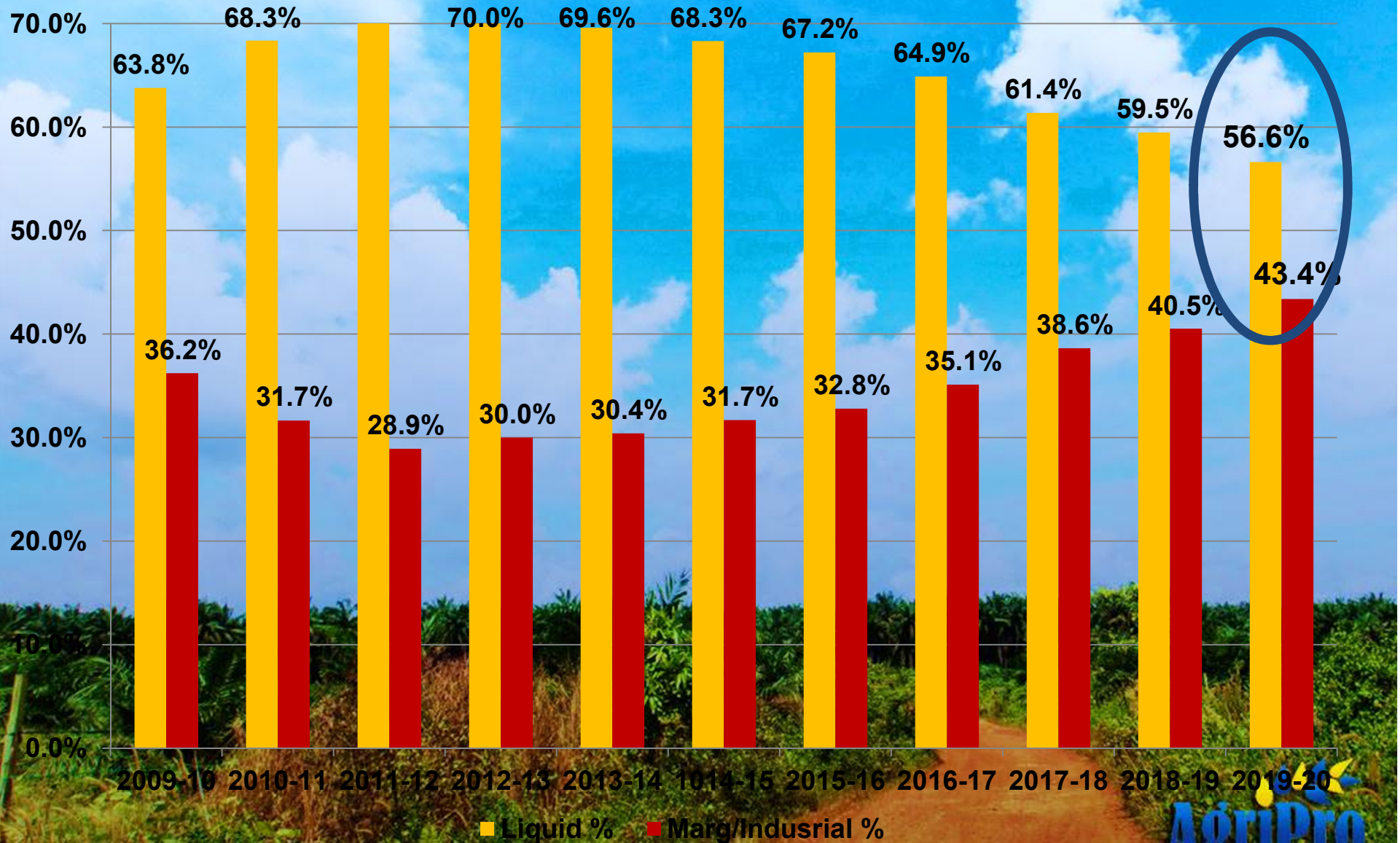
# Fats/Oils Market Size Projection (thousand tonnes)



Source: AgriPro 2012



# Liquid Oils vs. Margarine % Projection



Source: AgriPro 2012





# Turkish Biofuels Mandate

Starting on **1 January 2013**, with 1% Ethanol



**We will see what happens!**



# Conclusions

- Turkish vegoil consumption stands at **1.96** million tons for **2011-12** season.
- Total market size with exports stands at **2.39** million tonnes.
- It grew **15.6%** in the last **12** months (**8.5%** without olive oil inclusion)



# Conclusions

- Turkish vegetable oil consumption will increase by **36%** in the next **8** years, with introduction of biodiesel mandate.
- Turkish vegoil consumption will reach **2.65m** tonnes by year **2020**.
- Turkish oilseeds production will reach ??? million tonnes by 2020.
- In 10 years time, Turkish edible oil deficit will grow by ??? fold to ??? million tonnes.



# Conclusions

- «**Out Of Home**» use will grow as general food consumption will swing from home, to out of home.
- Margarine (palm derivatives) usage will continue to grow and slowly converge to **50%** of total Turkish vegoil market size. This is due to growing industrial use on **Out Of Home** side of the business.
- The key will be to increase **domestic oilseed production**, otherwise national industry will **not** be viable.



# Conclusions

- Biodiesel from **1st January 2014** will be an additional growth factor for the industry.



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**Thank you!**

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