



Turkish Vegoil Industry 2020 Review & Outlook for 2021



29 April 2021

Faik Genç

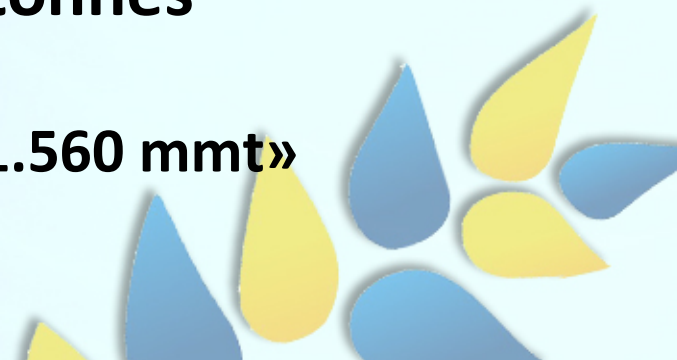
Turkish Oilseed Production 2020/21 (th tons)

- **Sunflowerseed : 1.350.000 tonnes**
- **Cottonseed : 914.000 tonnes**
- **Rapeseed : 90.000 tonnes**
- **Corn germ : 75.000 tonnes**
- **Safflower : 11.000 tonnes**
- **Soybean : 120.000 tonnes**
- **TOTAL : 2,560,000 tonnes**

Sunseed Production/Regions 2020/21 (th tons)

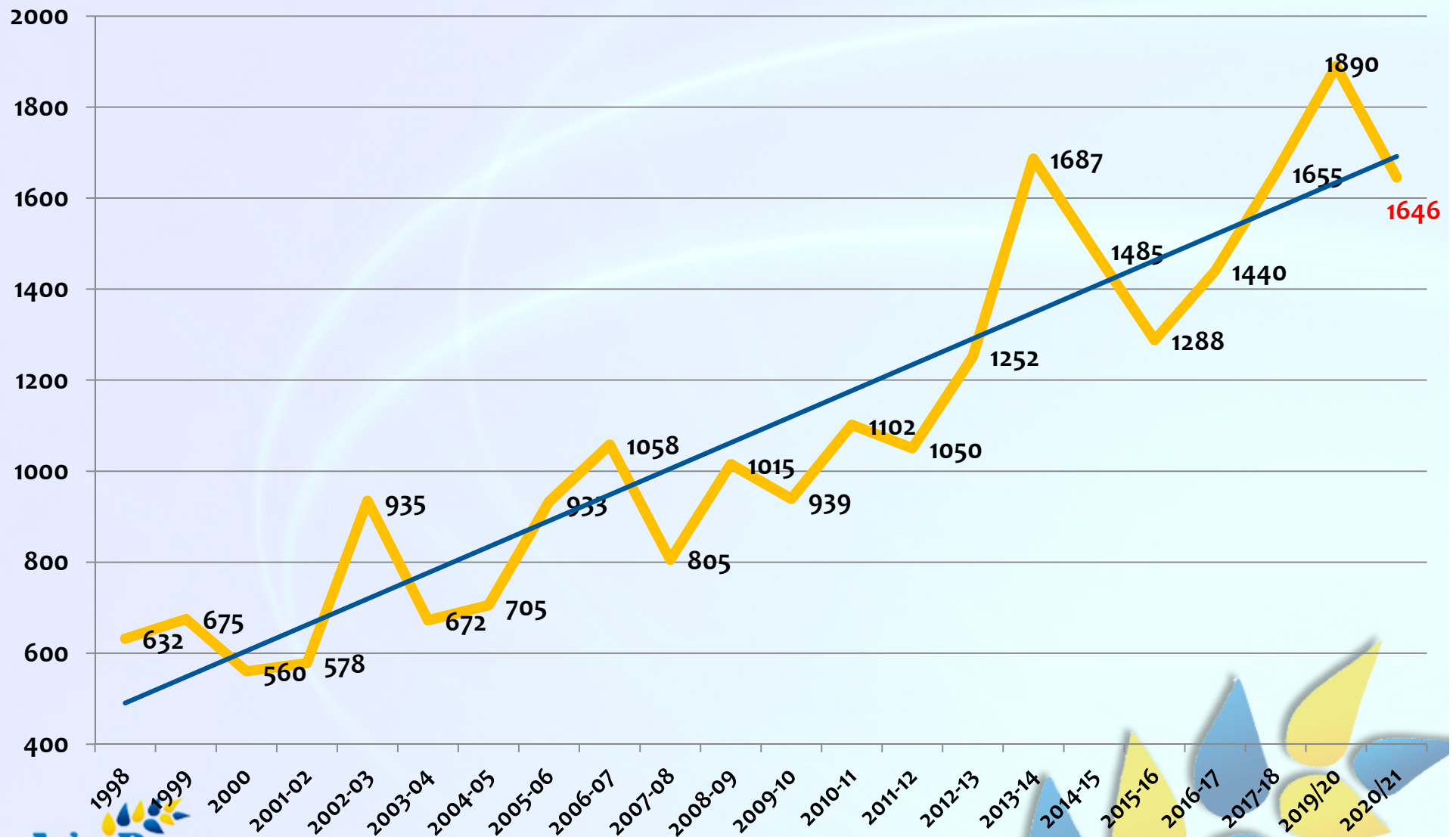
- Thrace : 700.000 tonnes
- Central Anatolia : 270,000 tonnes
- Black Sea : 180,000 tonnes
- Çukurova : 110,000 tonnes
- S. Marmara : 60,000 tonnes
- Other : 30,000 tonnes
- TOTAL :1,350,000 tonnes

«USDA December 2020 Report 1.560 mmt»

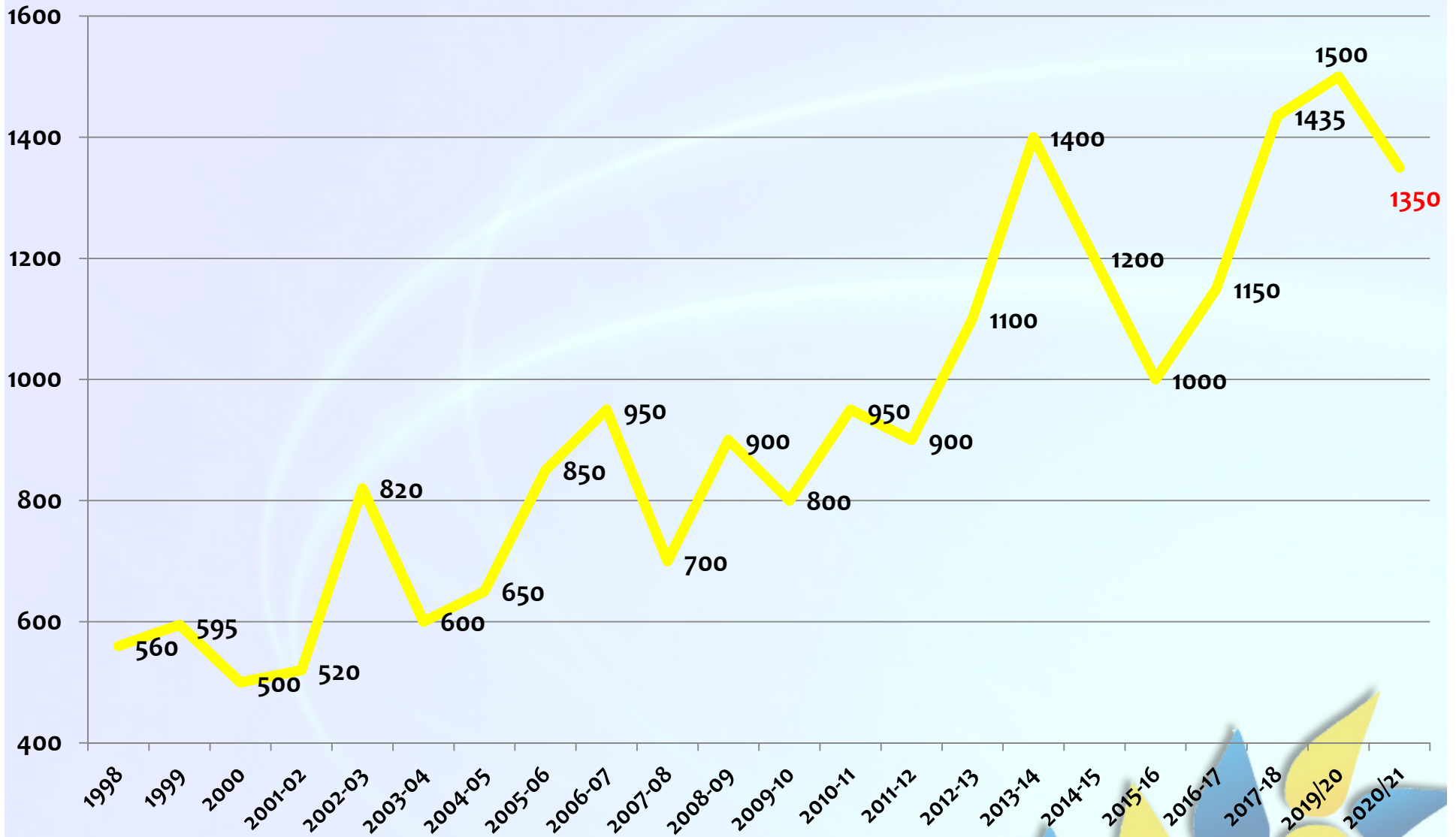


Turkish Oilseed Production (th tons)

Without cottonseeds (170K mt oil equivalent)

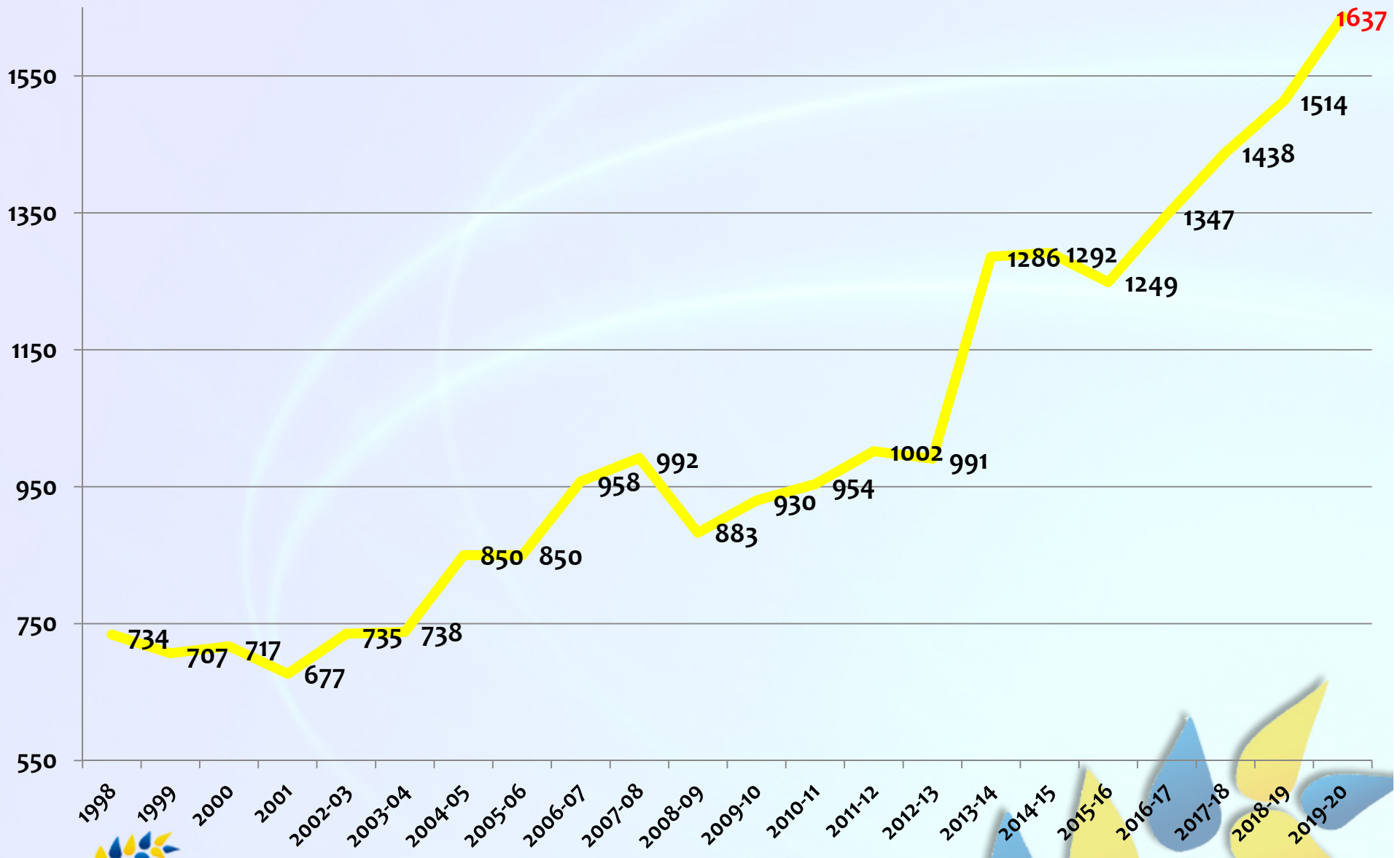


Sunflowerseed Production (th tons)

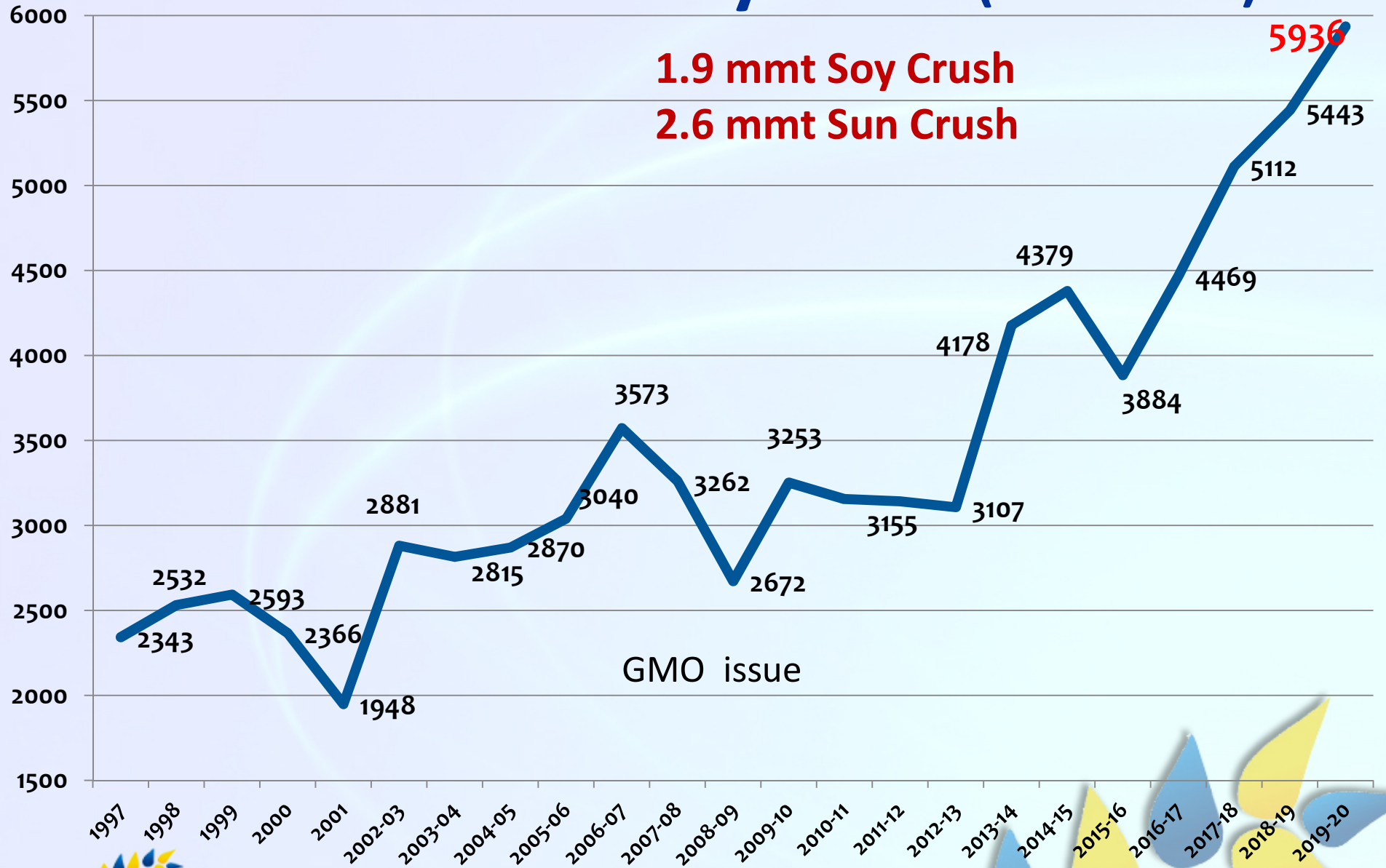


Source : Agripro 2020

Liquid Oil Production (th tons)

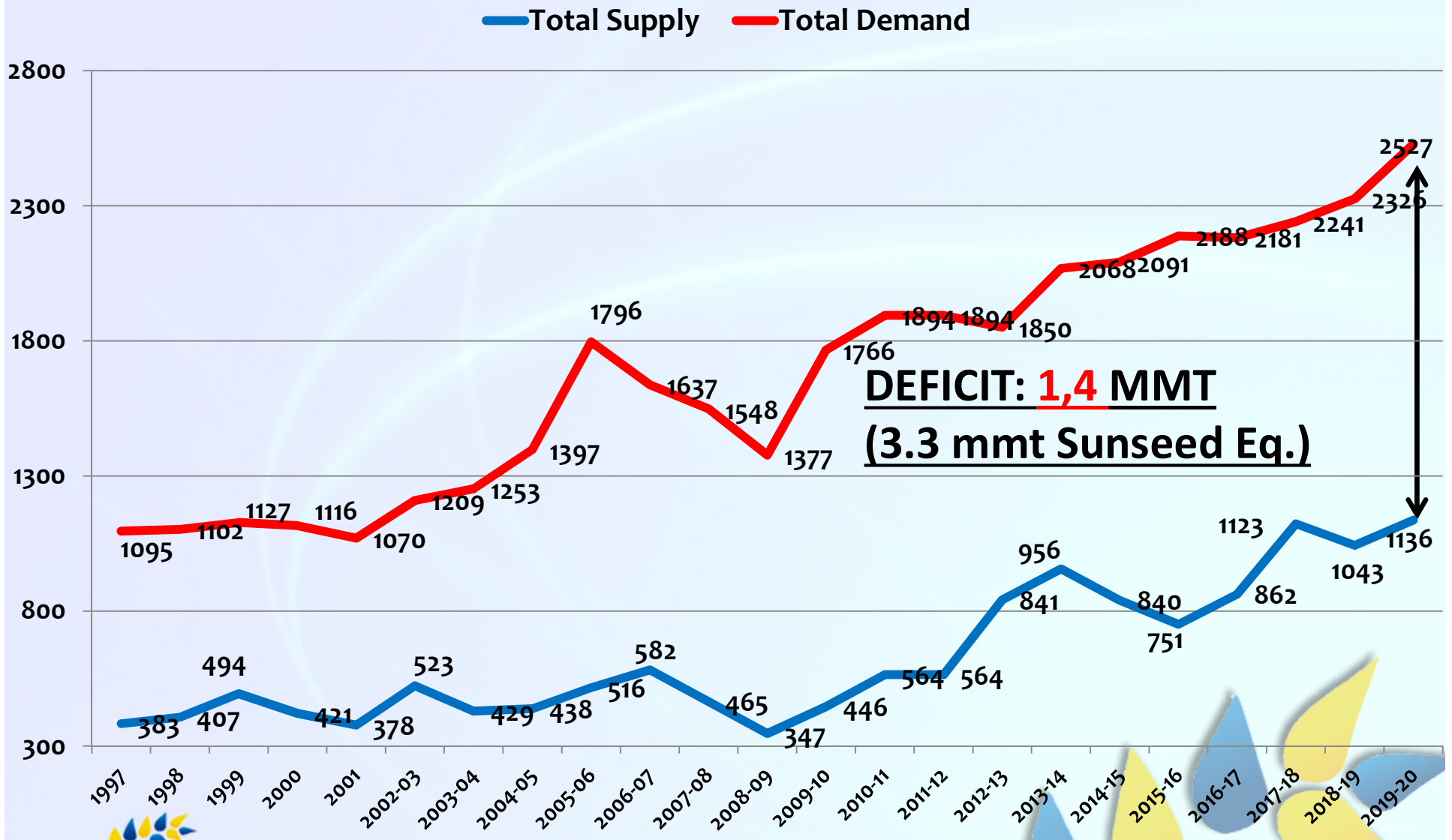


Turkish Crush Industry State (th tonnes)



Turkish Vegoil Supply/Demand 2019/20

(th tonnes)



Kaynak: Agripro 2020

Turkish Vegoil Trade Balance 2019/20

| SUPPLY / DEMAND 2019/20 | OILSEEDS SUPPLY | | OILSEED USE | OILSEED CRUSH | OILS | | | | CONSUMPTION | | | | | |
|-------------------------|-------------------|--------------|---------------------|---------------|-------------------------|---------------------------|-------------------|------------------------|------------------|--------------|-----------|--------------------|--------------|-----------------|
| | Domestic Productn | Imports | Fullfat Feed Hybrid | CRUSH | Domestic Oil Equivalent | Import Oilseed Equivalent | Import Crude Oils | TOTAL CRUDE OIL SUPPLY | OTHER | EXPORTS | | DOMESTIC CONSUMPTN | | TOTAL OIL CONS. |
| | | | | | | | | | Feed Paint Biod. | Liq. Oils | Marg | Marg | Liq. Oils | |
| SUNFLOWER | 1,500 | 1,117 | | 2,617 | 645 | 480 | 839 | 1,964 | | 668 | | | 1,296 | 1,964 |
| SOYA | 120 | 3,061 | 1,300 | 1,881 | 21 | 308 | | 329 | 170 | 151 | | | 8 | 329 |
| LINS/CAMLINA | | 19 | | | | 7 | | 7 | 3 | 4 | | | | 7 |
| SAFFLOWER | 11 | 22 | | 33 | 3 | 7 | | 10 | 10 | | | | | 10 |
| CORN GERM | 80 | 85 | | 165 | 35 | 37 | 39 | 112 | | 51 | | | 61 | 112 |
| OLIVE OIL | | | | | 220 | | | 220 | | 70 | | | 150 | 220 |
| COTTONSEED | 1,110 | | 80 | 1,030 | 134 | | 2 | 136 | 30 | 10 | | 70 | 26 | 136 |
| PALM OILS | | | | | | | 763 | 763 | 78 | 81 | 85 | 500 | 19 | 763 |
| RAPSEED | 190 | 20 | | 210 | 78 | 8 | | 86 | 7 | 2 | | | 77 | 86 |
| MARGARINE | | | | | | | 32 | 32 | | | 103 | 32 | | 32 |
| TOTAL | 3,011 | 4,324 | 1,380 | 5,936 | 1,136 | 848 | 1,675 | 3,659 | 298 | 1,037 | 85 | 602 | 1,637 | 3,659 |

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*



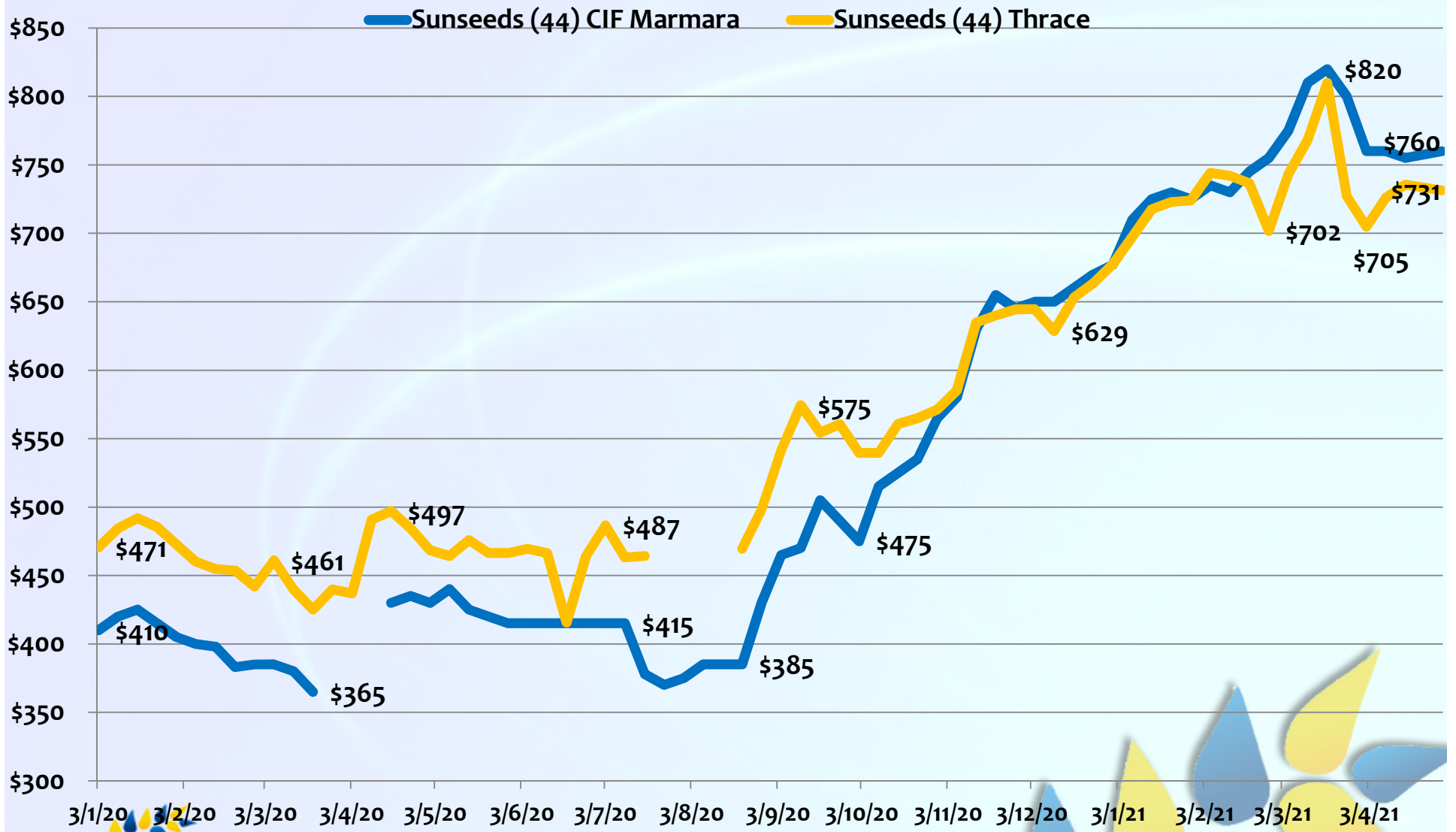
Source : Agripro 2021



Price Movements

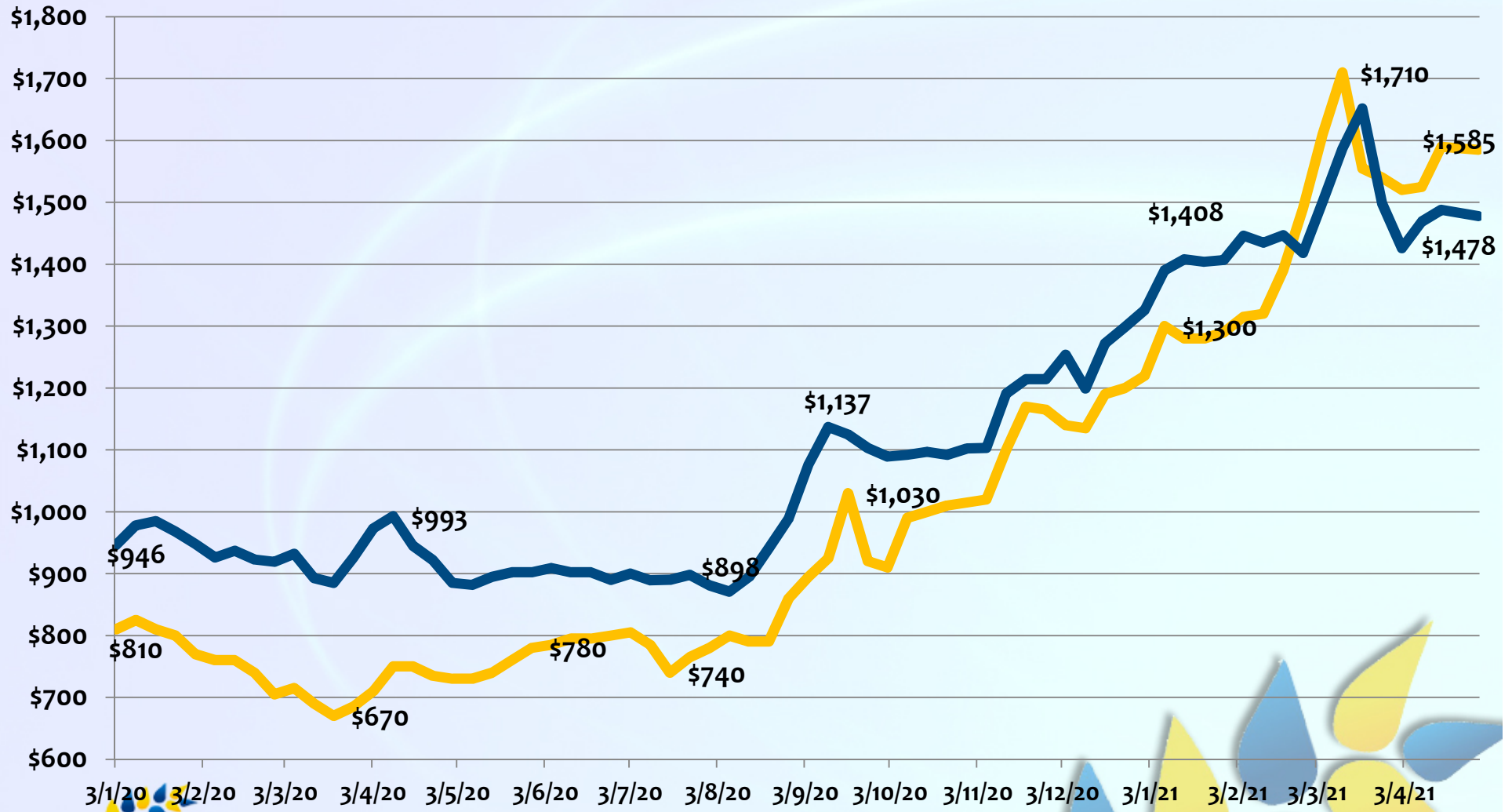


CIF Marmara v. Thrace Sunseed Prices (\$/mt) 2020 to date



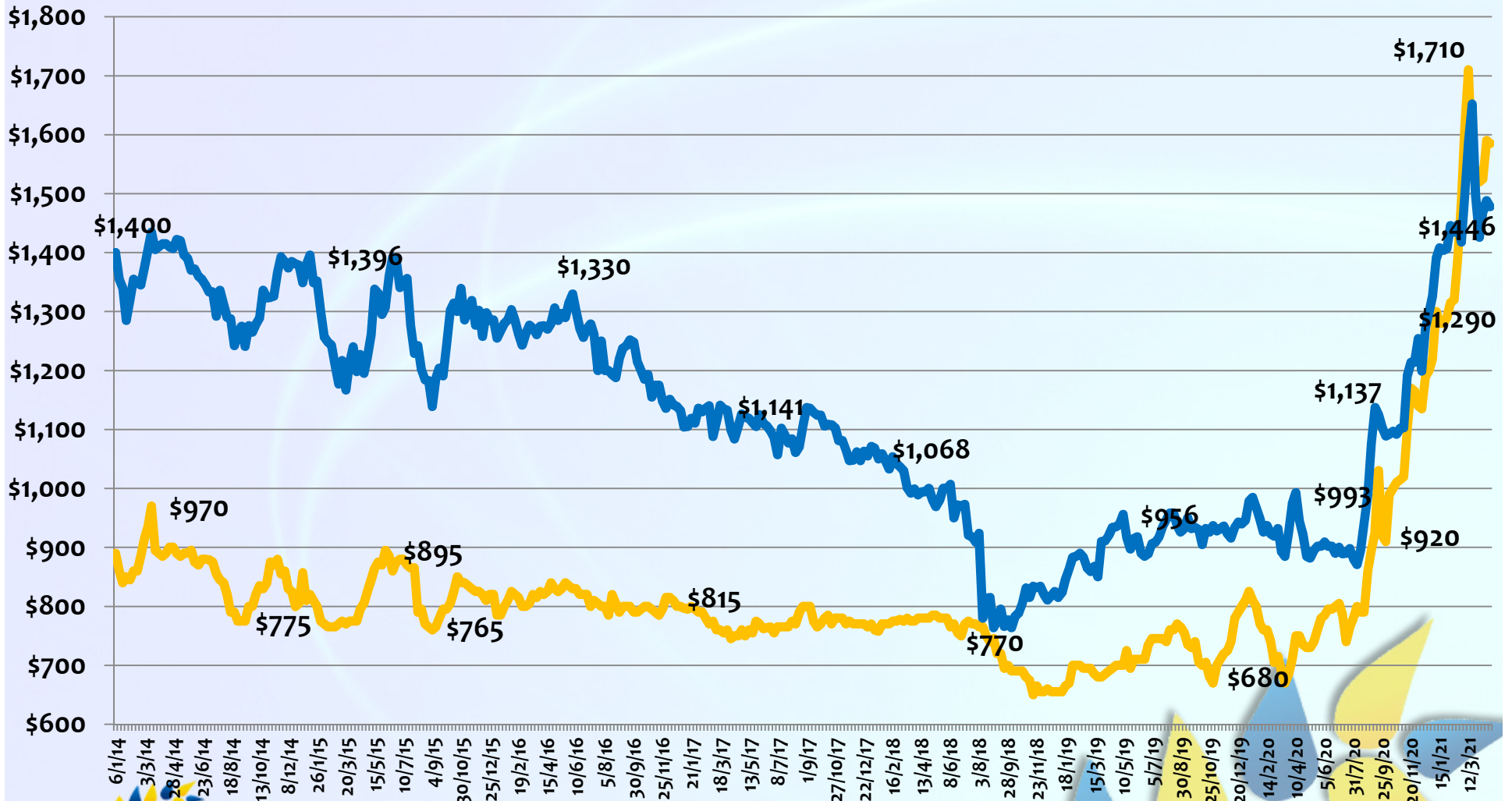
CIF TR v. Thrace Crude Sunoil Prices 2020 to date (\$/mt)

— Crude Sunoil CIF Marmara — Crude Sunoil Thrace



CIF TR v. Thrace Crude Sunoil Prices since 2014 (US\$/mt)

— Crude Sunoil CIF Marmara — Crude Sunoil Thrace



Source : Agripro 2021

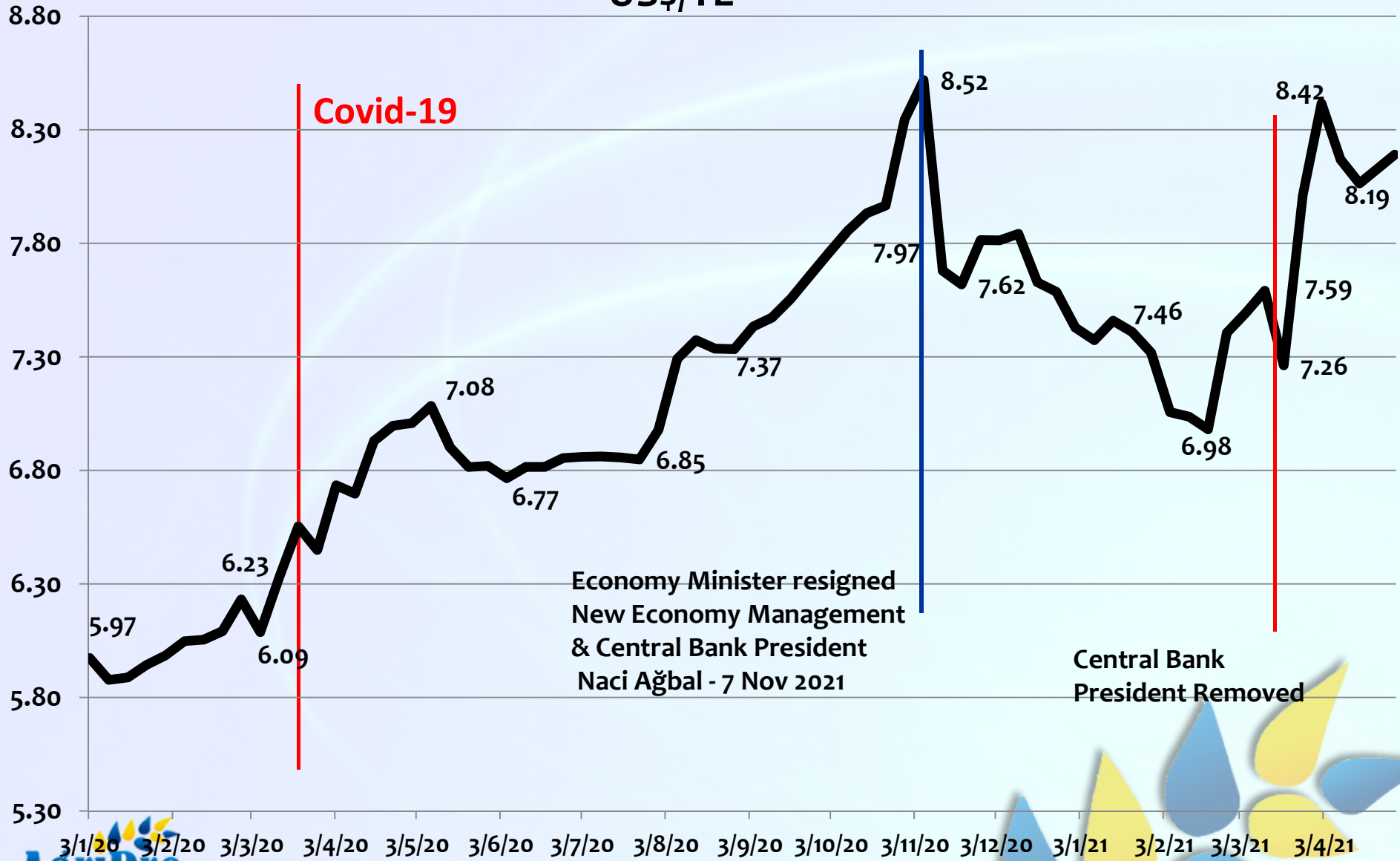
Domestic Crude Sunoil Oil Price v. Cost (\$/mt) 2020 to Date

Crude Sunoil Thrace Crude Sunoil Thrace Cost



TL Performance 2020 to date (US\$/TL)

US\$/TL



Economy Minister resigned
New Economy Management
& Central Bank President
Naci Ağbal - 7 Nov 2021

Central Bank
President Removed

«New Crop» Black Sea FOB Sunseed/Crude Price Expectations

Quotes on 29 April 2021:

- Sunseeds FOB

Oct \$545 traded FOB Constanza

- Crude Sunoil FOB

October - \$1,250/1,180

Nov/Dec - \$1,180/1,150

My expectations:

- Sunseeds FOB

Oct \$545/mt +/- \$10

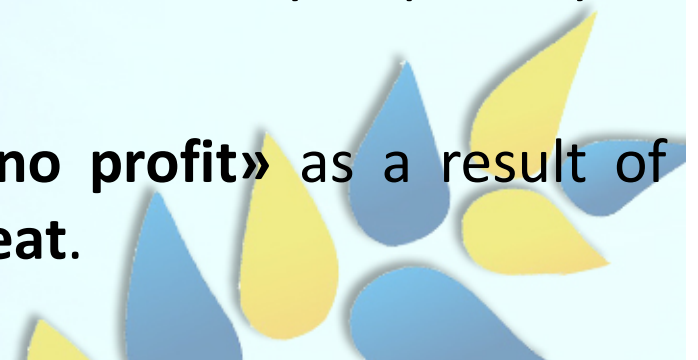
- Crude Sunoil FOB

Oct \$1,120/mt +/- \$20



Conclusions

- Turkish vegoil consumption will come down to **2.055** million tonnes in **2020/21** season, a loss of **0.5 mmt**.
- Exports to fall to 937K mt, a fall of **190K** tonnes (only 750K liquid, a fall of **25% container crisis!**
- Market size including exports to fall to **3.142** million tonnes. A reduction of **0.5 mmt**.
- Domestic sunoil consumption to fall **100K** mt from 1.3m to **1.2** mmt.
- Turkish oilseed production fell in 2020/21, deficit increased both from sunseeds & cottonseeds, cottonseed fell by 400K mt.
- Turkish **vegoil deficit** is a serious threat to food security, especially in crises times like **Covid-19, TMO?**
- Turkish vegoil industry is crumbling with «**no profit**» as a result of **extremely low** margins and **discount store threat**.





Thank you

