USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

Required Report - public distribution

Date: 11/28/2014

GAIN Report Number: IN4110

India

Oilseeds and Products Update

2014

Approved By:
Jonn P. Slette
Prepared By:
Amit Aradhey

Report Highlights:
India's current area planted for *rabi* (winter sown) oilseeds is 5.2 million hectares (MHA), an increase of two percent over 2013, primarily due to higher rapeseed and mustard area. Final area planted is forecast at 12.7 MHA. The *rabi* oilseed production forecast for marketing year (MY) 2014/15 remains unchanged at 13.3 MMT. Strong demand for edible oils amid tighter supplies in MY 2014/15 will push imports to a record 12.6 million metric tons (MMT). Oil meal exports will reach 4.8 MMT.

Post:
New Delhi

Commodities:
Oil, Palm
Oil, Soybean
Oil, Sunflowerseed
Oilseed, Soybean
Meal, Rapeseed
Meal, Soybean

Author Defined:

Current *Rabi* Oilseed Area Planted is Two Percent over 2013

To date, planting remains underway for *rabi* season oilseed crops. The Ministry of Agriculture's (MinAg) most recent planting report indicates that the combined area planted for sunflower, peanut, rapeseed and mustard is currently 5.2 MHA, a marginal two percent increase over the corresponding period in 2013. Thus far, *rabi* area planted for rapeseed and mustard has increased by approximately four percent to 4.9 MHA over the same period last year, due to timely planting and good retention of soil moisture from late monsoon rains. Rapeseed and mustard planting in Rajasthan, Haryana, and Madhya Pradesh was delayed somewhat, due to a late harvest of *kharif* (fall harvested) crops in those states. Conversely, MinAg reports that current *rabi* area planted for sunflower is 164,000 hectares, a decrease of 84,000 hectares from the corresponding period in 2013. Current area planted for peanuts is 171,000 hectares, a marginal decline of 8,000 hectares from last year.

Total *Rabi* Oilseed Production Estimates Unchanged at 13.3 MMT

Assuming normal *rab*i cropping conditions, total oilseed area planted in 2014 will be upwards of 12.65 MHA and total oilseed production is estimated at about 13.3 MMT. Rapeseed and mustard are only grown during the *rabi* season. Rapeseed and mustard will account for over 54 percent of all oilseed acreage at approximately 7.2 MHA. Production levels for rapeseed and mustard will be 7.5 MMT. Peanut area planted will be 4.8 MHA and peanut production will be 5.2 MMT. Sunflower estimates remain unchanged from previous estimates, with total area planted at 650,000 hectares and production at 600,000 MT. Area and production forecasts for sunflower and peanut include *kharif* and *rabi* seasons.

India to Import Record 12.6 MMT Edible Oils in MY 2014/15

India's population and income growth, coupled with tighter oilseed supplies (3.4 percent less than MY 2013/14) in MY 2014/15 will likely lead to record edible oil imports in MY 2014/15. Post forecast that India will import 12.6 MMT, a 10.3 percent increase over last year. Last marketing year, soybean and sunflower oils grew by eight percent to achieve 30 percent total market share and lifted total edible oil imports from an estimated 11 MMT to 11.4 MMT (Table 1). Soybean and sunflower oils are also expected to retain upwards of 28 percent share in the current marketing.

Total Oilseeds Crush in MY 2013/14 Drops on Non-competitive Indian Soymeal, End Stocks

Revised Up

Soybean production in MY 2014/15 remains unchanged at 10.6 MMT. However, the total oilseed crushes for MY 2013/14 is reduced by 600,000 metric tons (MT) to 29.1 MMT due to lower than anticipated availability of oilseeds for crush-to-meal. Indian millers are discouraged by an inability to compete on the international soybean meal market, due to the high costs of Indian soybean meal. This dynamic has discouraged millers to crush more beans. Consequently, oilseed ending stocks are revised to 1.7 MMT, a 17 percent increase.

Oil Meal Exports in MY 2014/15 Forecast Unchanged at 4.8 MMT, But up 23 Percent over Last Season

Post's oilmeal export forecast (which excludes rice bran and castor meal) for MY 2014/15 remains unchanged at 4.8 MMT. This export forecast is now 23 percent higher than last year. Weak export sales in MY 2013/14 reduced total oilmeal exports from the previous estimate of 5.3 MMT to 4.4 MMT. As a result, the gap between last year's sales and MY 2014/15's forecast has widened, indicating a significant jump. Historically, 60 percent of India's oil meal is exported which includes shipments to neighboring countries via land transportation and bulk ocean freight shipments to various international destinations. The remaining 40 percent is typically consumed domestically.

Last year saw a 35 percent decline in soymeal exports, which brought down total oilmeal exports by 24 percent to 3.9 MMT (Table 2). Usually, soymeal accounts for over 70 percent of total oilmeal exports.

Table 1. India: Vegetable Oil Imports, in 1000 Metric Tons

	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	**Oct 13-Sep 14**	Oct 12 - Sep 13	% Change
RBD palm-olein	154	208	164	208	125	112	81	101	80	121	150	83	1,587	2,130	25
Crude palm oil	613	551	692	337	269	425	438	547	512	528	640	602	6,154	6,044	2
Crude palm olein	0	692	0	0	0	0	0	0	0	0	0	0	0	1	
Crude Palm kernel oil	15	337	7	10	10	9	17	6	5	9	15	14	134	175	24
Total palm oil	**782**	**774**	**863**	**555**	**404**	**546**	**536**	**654**	**598**	**658**	**805**	**698**	**7,875**	8,350	6
Crude soybean oil	97	15	54	174	96	189	113	174	100	306	350	161	1,830	1,086	68
Refined soybean oil	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total soy oil	**97**	**15**	**54**	**174**	**96**	**189**	**113**	**174**	**100**	**306**	**350**	**161**	**1,830**	1,086	68
Crude sun oil	120	120	107	135	58	98	170	179	155	112	140	132	1,528	939	63
Refined sun oil	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total sun oil	**120**	**120**	**107**	**135**	**58**	**98**	**170**	**179**	**155**	**112**	**140**	**132**	**1,528**	939	63
Canola Rape oil	5	18	29	6	11	0	0	15	7	17	25	27	160	8	1,918
Cottonseed Oil	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Saflower oil	1	0	0	0	0	0	0	0	0	0	0	0	1	10	90
Coconut oil	0	0	0	0	0	0	0	0	0	0	0	0	0	4	100
Grand Total	1,005	927	1,053	872	570	833	819	1,022	861	1,092	**1,321**	**1,019**	**11,393**	10,398	10

Source: Solvent Extractors' Association of India

Table 2. India: Oilmeal Exports, Metric Tons

	Soybean meal	Rapeseed meal	Peanut meal	Sunflower meal	Total
Oct-13	182,724	143,848	484	0	327,056
Nov-13	503,269	27,993	162	0	531,424
Dec-13	451,314	93,144	302	0	544,760
Jan-14	364,443	55,938	295	0	420,676
Feb-14	183,550	82,294	100	0	265,944
Mar-14	223,204	95,165	0	0	318,369
Apr-14	89,883	125,872	132	0	215,887
May-14	8,226	95,847	0	0	104,073
Jun-14	2,637	99,054	0	0	101,691
Jul-14	6,635	87,637	0	0	94,272
Aug-14	2,778	105,375	0	0	108,153
Sep-14	868	58,567	0	0	59,435
Surface Transport	805,000				805,000
Oct 13-Sep-14	**2,824,531**	**1,070,734**	**1,475**	**0**	**3,896,740**
Oct 12-Sep-13	4,368,734	749,420	1,741	0	5,119,895
% Change	-35	43	-15		-24

Source: Solvent Extractors' Association of India

Table 3. India: Commodity, Oilseed, Soybean, PSD
(Area in 1000 hectares and production in 1000 metric tons)

Oilseed, Soybean India	2012/2013		2013/2014		2014/2015	
	Market Year Begin: Oct 2012		Market Year Begin: Oct 2013		Market Year Begin: Oct 2014	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	10,800	10,700	12,200	12,200	11,000	10,908
Area Harvested	10,800	10,700	12,200	12,000	11,000	10,908
Beginning Stocks	247	535	226	515	593	845
Production	11,500	11,200	11,000	10,500	11,000	10,600
MY Imports	0	0	2	0	0	0
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from EU	0	0	0	0	0	0
Total Supply	11,747	11,735	11,228	11,015	11,593	11,445
MY Exports	121	20	180	20	150	20
MY Exp. to EU	38	0	50	0	60	0
Crush	9,800	9,600	8,600	8,000	9,000	8,500
Food Use Dom. Cons.	600	600	625	650	650	700
Feed Waste Dom. Cons.	1,000	1,000	1,230	1,500	1,250	1,600
Total Dom. Cons.	11,400	11,200	10,455	10,150	10,900	10,800
Ending Stocks	226	515	593	845	543	625
Total Distribution	11,747	11,735	11,228	11,015	11,593	11,445
CY Imports	0	0	0	0	0	0
CY Imp. from U.S.	0	0	0	0	0	0
CY Exports	100	10	150	10	175	10
CY Exp. to U.S.	43	0	50	0	50	0
TS=TD		0		0		0

Table 4. India: Commodity, Meal, Soybean, PSD
(Units in 1000 metric tons, Extraction rate in Percent)

Meal, Soybean India	2012/2013 Market Year Begin: Oct 2012		2013/2014 Market Year Begin: Oct 2013		2014/2015 Market Year Begin: Oct 2014	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	9,800	9,600	8,600	8,600	9,000	8,500
Extr. Rate, 999.9999	1.	0.8	1.	0.8313	1.	0.8935
Beginning Stocks	209	230	177	160	222	584
Production	7,840	7,680	6,880	7,149	7,200	7,595
MY Imports	7	0	7	0	7	0
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from EU	0	0	0	0	0	0
Total Supply	8,056	7,910	7,064	7,309	7,429	8,179
MY Exports	4,354	4,500	2,742	2,825	2,950	3,600
MY Exp. to EU	0	0	0	0	0	0
Industrial Dom. Cons.	0	0	0	0	0	0
Food Use Dom. Cons.	350	250	450	500	500	600
Feed Waste Dom. Cons.	3,175	3,000	3,650	3,400	3,750	3,600
Total Dom. Cons.	3,525	3,250	4,100	3,900	4,250	4,200
Ending Stocks	177	160	222	584	229	379
Total Distribution	8,056	7,910	7,064	7,309	7,429	8,179
CY Imports	7	0	7	0	7	0
CY Imp. from U.S.	0	0	0	0	0	0
CY Exports	4,435	3,800	2,950	3,800	3,000	3,800
CY Exp. to U.S.	0	0	0	0	0	0
SME	3,525	3,250	4,100	3,900	4,250	4,200
TS=TD		0		0		0

Table 5. India: Commodity, Oil, Soybean, PSD
(Unit in 1000 metric tons and Extraction rate in Percent)

Oil, Soybean India	2012/2013		2013/2014		2014/2015	
	Market Year Begin: Oct 2012		Market Year Begin: Oct 2013		Market Year Begin: Oct 2014	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	9,800	9,600	8,600	8,000	9,000	8,500
Extr. Rate, 999.9999	0.	0.176	0.	0.1798	0.	0.1794
Beginning Stocks	361	479	247	364	216	422
Production	1,750	1,690	1,540	1,438	1,610	1,525
MY Imports	1,086	1,200	1,830	1,830	1,850	1,900
MY Imp. from U.S.	10	0	2	20	2	20
MY Imp. from EU	0	0	0	0	0	0
Total Supply	3,197	3,369	3,617	3,632	3,676	3,847
MY Exports	0	5	1	10	0	0
MY Exp. to EU	0	0	0	0	0	0
Industrial Dom. Cons.	0	0	0	0	0	0
Food Use Dom. Cons.	2,950	3,000	3,400	3,200	3,500	3,400
Feed Waste Dom. Cons.	0	0	0	0	0	0
-	0	0	0	0	0	0
Total Dom. Cons.	2,950	3,000	3,400	3,200	3,500	3,400
Ending Stocks	247	364	216	422	176	447
Total Distribution	3,197	3,369	3,617	3,632	3,676	3,847
CY Imports	1,120	958	1,600	1,000	1,700	1,100
CY Imp. from U.S.	10	113	2	15	2	15
CY Exports	0	0	1	0	0	0
CY Exp. to U.S.	0	0	0	0	0	0
TS=TD		0		0		0

Table 6. India: Commodity, Oil, Sunflower seed, PSD
(Unit in 1000 metric tons and Extraction rate in Percent)

Oil, Sunflowerseed India	2012/2013		2013/2014		2014/2015	
	Market Year Begin: Oct 2012		Market Year Begin: Oct 2013		Market Year Begin: May 2014	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	620	520	585	520	560	520
Extr. Rate, 999.9999	0.	0.3615	0.	0.3615	0.	0.3615
Beginning Stocks	138	444	116	272	172	388
Production	220	188	210	188	200	188
MY Imports	939	940	1,528	1,528	1,500	1,600
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from EU	0	0	0	0	0	0
Total Supply	1,297	1,572	1,854	1,988	1,872	2,176
MY Exports	1	0	2	0	2	0
MY Exp. to EU	0	0	0	0	0	0
Industrial Dom. Cons.	0	0	0	0	0	0
Food Use Dom. Cons.	1,180	1,300	1,680	1,600	1,750	1,700
Feed Waste Dom. Cons.	0	0	0	0	0	0
Total Dom. Cons.	1,180	1,300	1,680	1,600	1,750	1,700
Ending Stocks	116	272	172	388	120	476
Total Distribution	1,297	1,572	1,854	1,988	1,872	2,176
CY Imports	1,084	1,078	1,550	1,084	1,600	1,200
CY Imp. from U.S.	0	0	0	0	0	0
CY Exports	0	0	0	0	0	0
CY Exp. to U.S.	0	0	0	0	0	0
TS=TD		0		0		0

Table 7. India: Commodity, Meal, Rapeseed, PSD
(Units in 1000 metric tons, Extraction rate in Percent)

Meal, Rapeseed India	2012/2013		2013/2014		2014/2015	
	Market Year Begin: Oct 2012		Market Year Begin: Oct 2013		Market Year Begin: May 2014	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	6,000	6,000	6,300	6,300	6,500	6,500
Extr. Rate, 999.9999	1.	0.59	1.	0.5905	1.	0.6062
Beginning Stocks	21	402	30	592	30	441
Production	3,540	3,540	3,720	3,720	3,840	3,940
MY Imports	0	0	0	0	0	0
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from EU	0	0	0	0	0	0
Total Supply	3,561	3,942	3,750	4,312	3,870	4,381
MY Exports	901	750	1,300	1,071	1,000	1,200
MY Exp. to EU	2	0	2	0	2	0
Industrial Dom. Cons.	0	0	0	0	0	0
Food Use Dom. Cons.	0	0	0	0	0	0
Feed Waste Dom. Cons.	2,630	2,600	2,420	2,800	2,840	3,000
Total Dom. Cons.	2,630	2,600	2,420	2,800	2,840	3,000
Ending Stocks	30	592	30	441	30	181
Total Distribution	3,561	3,942	3,750	4,312	3,870	4,381
CY Imports	0	0	0	0	0	0
CY Imp. from U.S.	0	0	0	0	0	0
CY Exports	882	800	1,200	800	1,000	800
CY Exp. to U.S.	0	0	0	0	0	0
SME	1,871	1,850	1,722	1,992	2,021	2,135
TS=TD		0		0		0

Table 8. India: Commodity, Oil, Palm, PSD
(Unit in 1000 metric tons and Extraction rate in Percent)

Oil, Palm India	2012/2013		2013/2014		2014/2015	
	Market Year Begin: Oct 2012		Market Year Begin: Oct 2013		Market Year Begin: Oct 2014	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	0	0	0	0	0	0
Area Harvested	0	0	0	0	0	0
Trees	0	0	0	0	0	0
Beginning Stocks	669	218	802	718	499	173
Production	50	75	50	80	50	80
MY Imports	8,308	8,350	7,847	7,875	8,750	9,000
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from EU	0	0	0	0	0	0
Total Supply	9,027	8,643	8,699	8,673	9,299	9,253
MY Exports	0	0	0	0	0	0
MY Exp. to EU	0	0	0	0	0	0
Industrial Dom. Cons.	325	325	350	350	400	400
Food Use Dom. Cons.	7,900	7,600	7,850	8,150	8,510	8,600
Feed Waste Dom. Cons.	0	0	0	0	0	0
Total Dom. Cons.	8,225	7,925	8,200	8,500	8,910	9,000
Ending Stocks	802	718	499	173	389	253
Total Distribution	9,027	8,643	8,699	8,673	9,299	9,253
CY Imports	8,478	7,100	8,200	7,100	8,700	7,100
CY Imp. from U.S.	0	0	0	0	0	0
CY Exports	0	0	0	0	0	0
CY Exp. to U.S.	0	0	0	0	0	0
TS=TD		0		0		0