

Monthly Oilseeds Report

OCTOBER 2023

AMT



ENQUIRIES

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Report compiled by:
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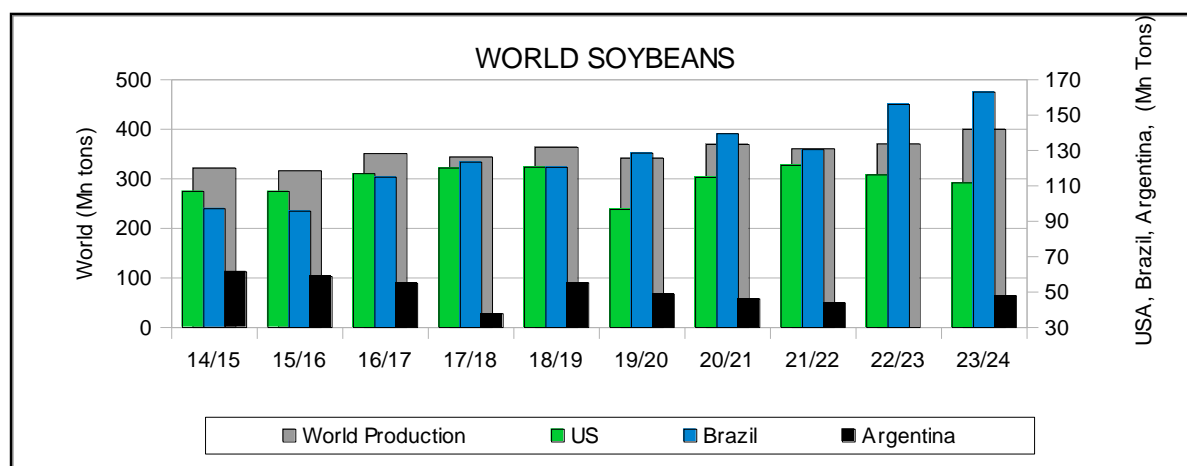
AMT MONTHLY OILSEEDS REPORT – October 2023.

Monthly Prices	Oct. 2023	m-on-m	Sept. 2023	y-on-y	Oct. 2022
CBOT Soybeans (\$/t)	471.27	-1.40%	477.82	-7.60%	509.86
SAFEX Soybeans (R/t)	9 302	-1.60%	9 450	-15.10%	10 950
US\$/ZAR- exchange rate	18.7681	-0.60%	18.8783	2.30%	18.3484

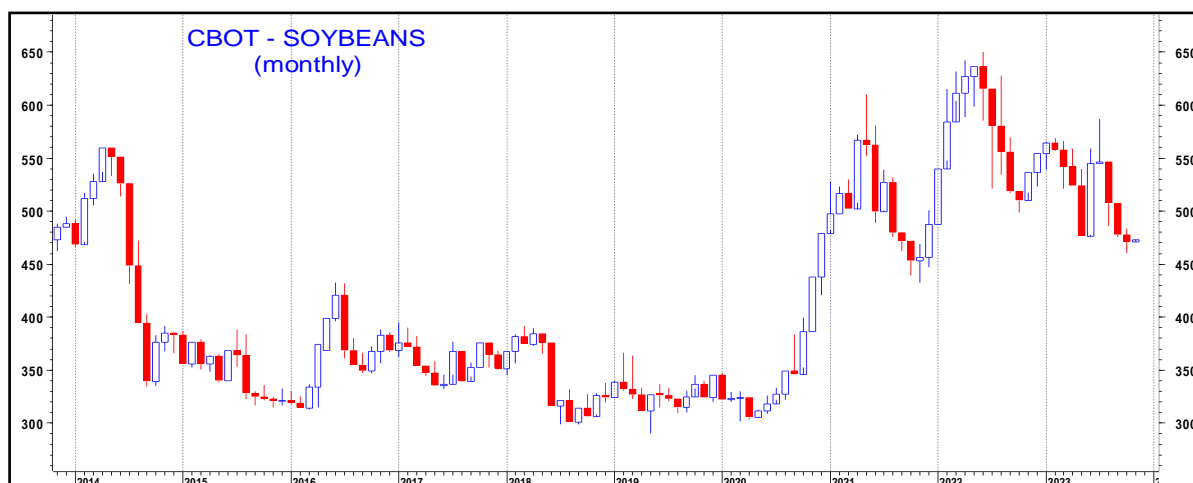
OVERVIEW FOR 2023/24:

Global oilseed production is forecast down 2.0 million tons mainly on smaller India and United States soybean crops. Oilseed exports are down 1.0 million tons on lower Canada rapeseed and Ukraine sunflower seed. Global oilseed crush is up primarily on higher Ukraine sunflower seed and China soybean processing; meal consumption is up for the same reasons; vegetable oil trade is up 1.0 million tons on higher sunflower seed and soybean oil exports. Oil stocks are down 500 000 tons, with lower storage of sunflower seed oil in Russia and the EU and soybean oil in China. The projected U.S. Season-average farm price for soybeans is unchanged at \$12.90 per bushel.

SOYBEANS



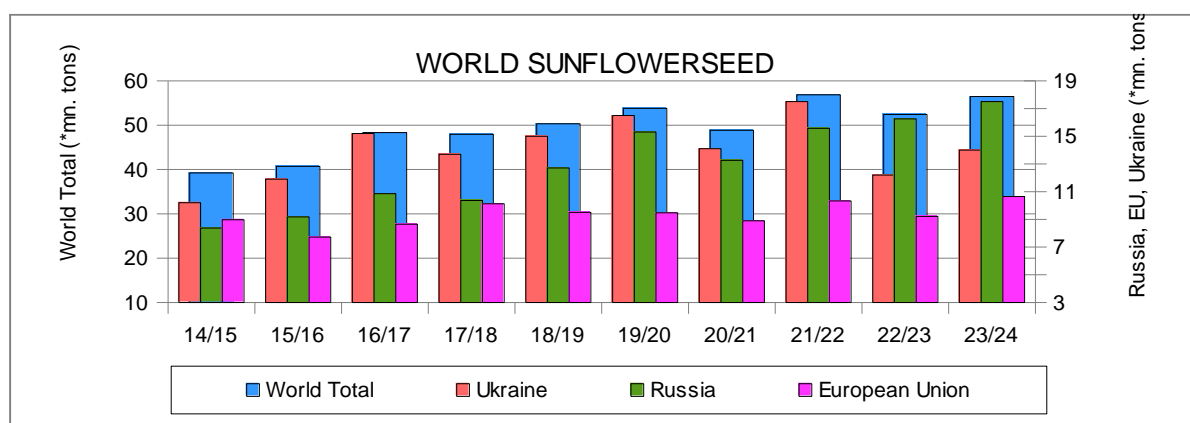
Growing U.S. demand for soybean oil driven by low-carbon fuel mandates will continue to suppress soybean oil exports in 2023/24, widening the trade gap and pushing the United States out of the global soybean oil export market. U.S. production of renewable diesel grew significantly in recent years. While new crushing facilities and expansion of existing facilities may increase domestic supplies of soybean oil, higher biomass-based diesel demand in the United States has caused major shifts in vegetable oil imports.



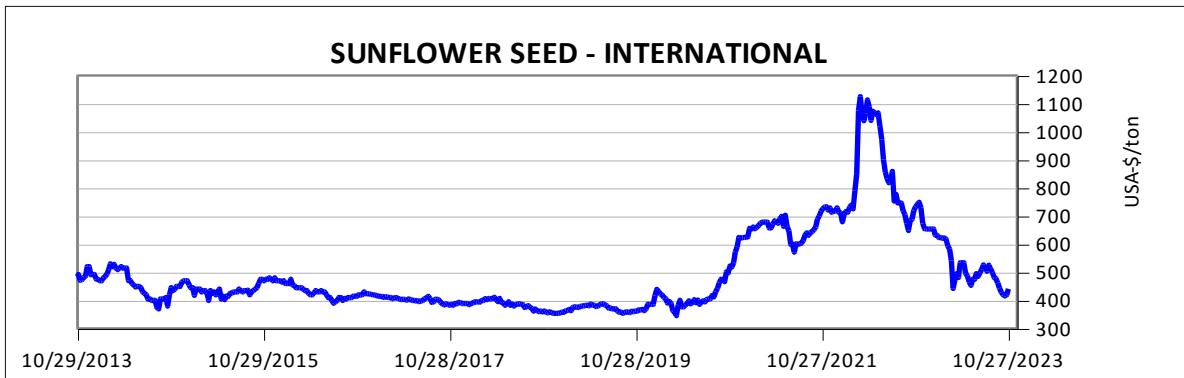
Soybean export prices moved lower this month, especially in the United States where the new crop began to arrive on the market while shipments from a record Brazil crop infringed on the U.S. export season. Additional negative pricing pressure was provided by a higher-than-anticipated U.S. Quarterly stocks report. Argentine prices were little changed on tight supplies, while Brazil prices were down modestly. Vegetable oil was a particularly strong driver of oilseed prices this month. Palm oil prices fell to a 3-month low on seasonally-high production and competition from other oils including sunflower seed oil, which is currently trading at an unusual discount. In the United States, smaller-than-expected August crush volume as well as lower Renewable Fuel Standard credit (RIN) prices moved average soybean oil prices \$104/ton this month.

SUNFLOWER SEED

Monthly Prices	Oct. 2023	m-on-m	Sept. 2023	y-on-y	Oct. 2022
Sunflower Seed Int. (\$/t)	424	-6.40%	453	-40.00%	707
SAFEX Sunflower Seed (R/t)	9 235	2.40%	9 015	-22.40%	11 900
US\$/ZAR- exchange rate	18.7681	-0.60%	18.8783	2.30%	18.3484

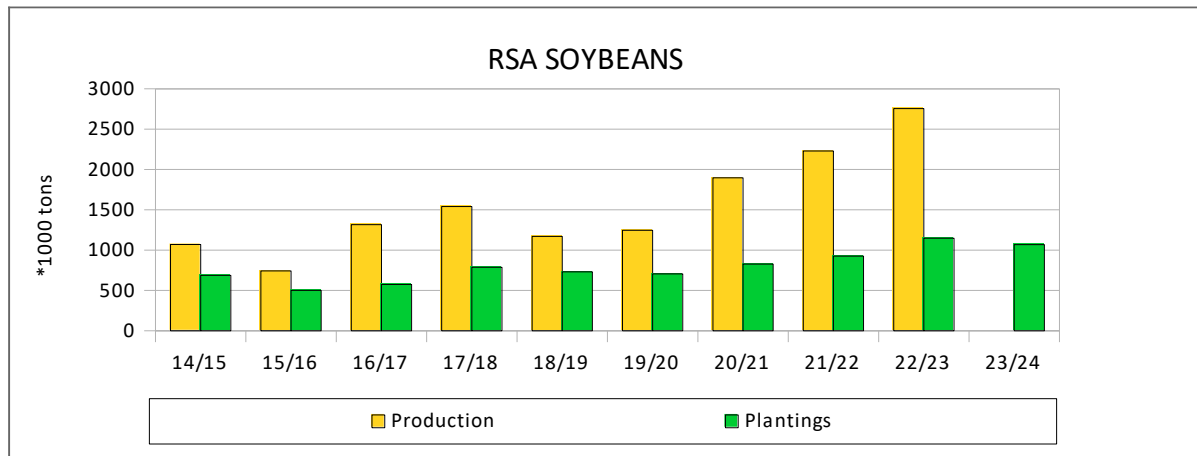


This month, the expectation for Ukraine sunflower seed oil exports in 2022/23 (Sept/Aug) was revised upwards 400 000 tons to 5.6 million. With this change, sunflower oil exports are roughly in line with levels seen prior to the invasion. Ukraine exported an unprecedented amount of whole sunflower seed to Europe during the first half of the marketing year due to the high supplies. After the Black Sea Grain Initiative allowed shipments of products to resume from July 2022, shipments of sunflower seed oil also picked up pace.



Ukrainian sunflower seed oil prices have fallen drastically (about 70 percent) from their post-invasion peak in March 2022 and are now trading at an unusual discount to other vegetable oils. The EU, Turkey and India made large purchases from Ukraine in 2022/23, taking advantage of the discount pricing relative to other edible oils and abundant global supplies. In the EU and Turkey, a significant portion of the imports were also refined and re-exported to partners in Africa and the Middle East.

DOMESTIC SOYBEANS



THE SOUTH AFRICAN SUPPLY-AND-DEMAND PROJECTIONS FOR SOYBEANS AT THE END OF OCTOBER 2023:

SOYBEANS (2023/24 Season)

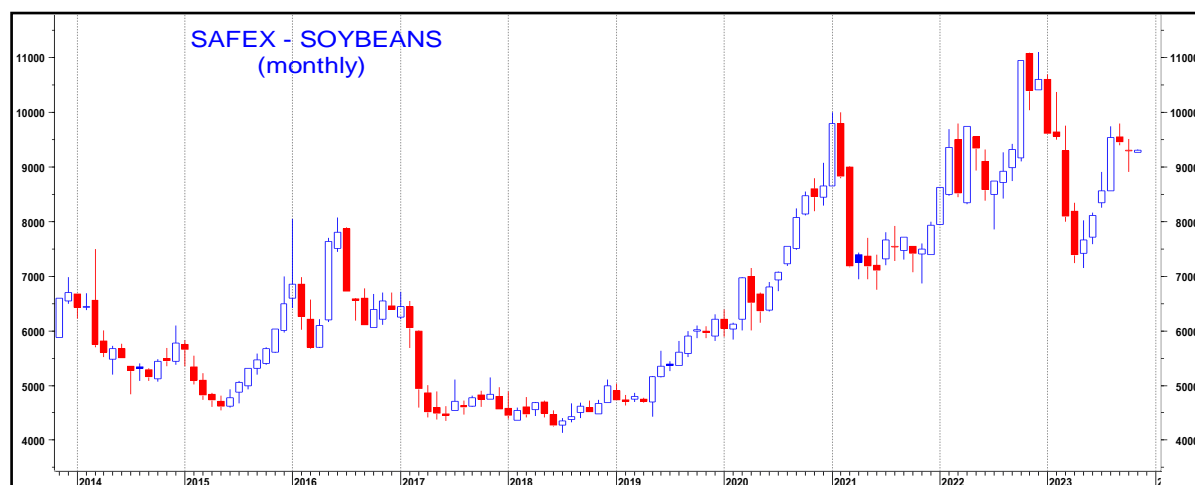
Supply: The total supply of soybeans is projected at 2 884 497 tons for the 2023/24 marketing season. This includes an opening stock level (on 1 March 2023) of 171 897 tons, local commercial deliveries of 2 705 300 tons, 2 800 tons of soybean imports for South Africa and a surplus of 4 500 tons.

Demand: The total demand (domestic plus exports) for soybeans is projected at 2 525 050 tons. This includes 23 000 tons processed for human consumption, 190 000 tons processed for animal (full-fat) feed, 1 800 000 tons for crush (oil and oil-cake), 200 tons withdrawn by producers, 400 tons released to end-consumers, 11 000 tons seed for planting purposes, and a balancing figure of 450 tons (net receipts and net dispatches). A quantity of 500 000 tons soybeans is estimated for exports in the 2023/24 marketing season.

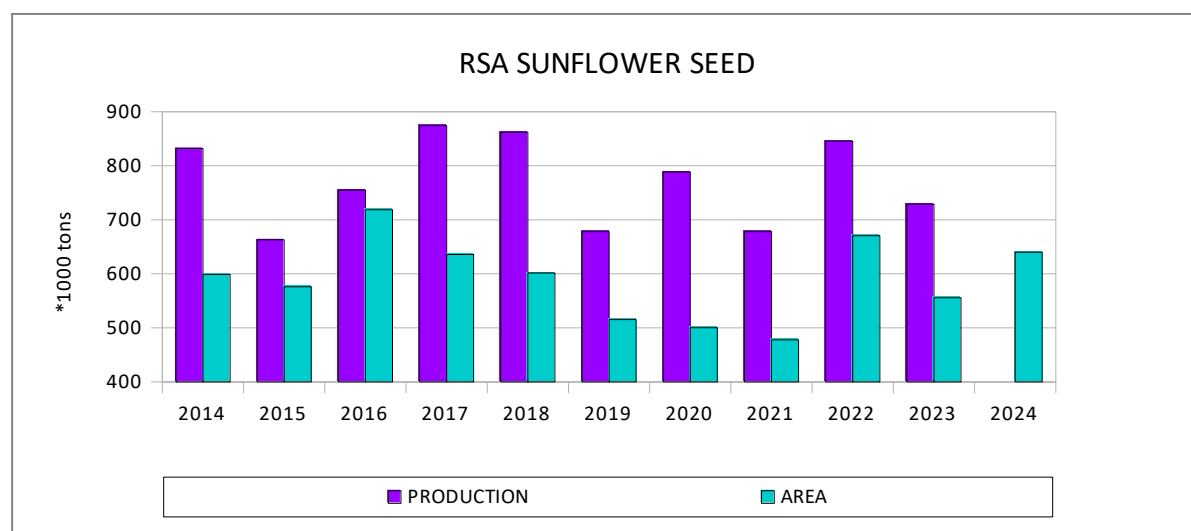
Stock levels: The projected closing stock level for 28 February 2024 is estimated at 359 447 tons. At an average processed quantity of 167 750 tons per month, this represents available stock levels for 2.1 months or 65 days.

Please note: When utilizing 45 days' stock as a proxy, there is potential for 610 000 tons of soybeans available for exports for the 2023/24 marketing season (provided there is efficient logistical capacity).

Source: NAMC



SUNFLOWER SEED



THE SOUTH AFRICAN SUPPLY-AND-DEMAND PROJECTIONS FOR SUNFLOWER SEED AT THE END OF OCTOBER 2023:

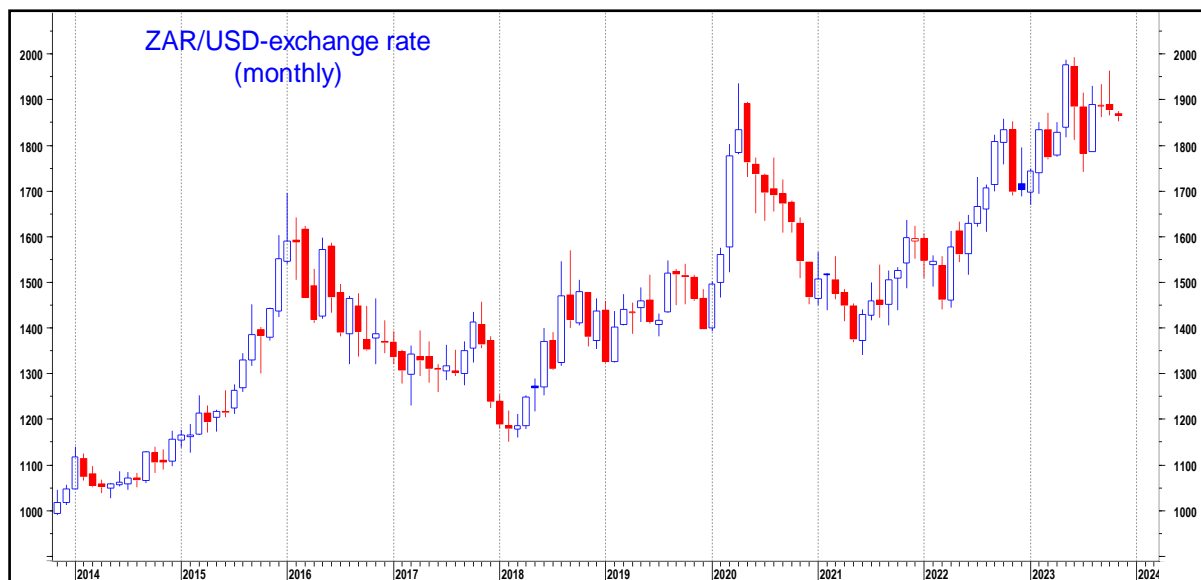
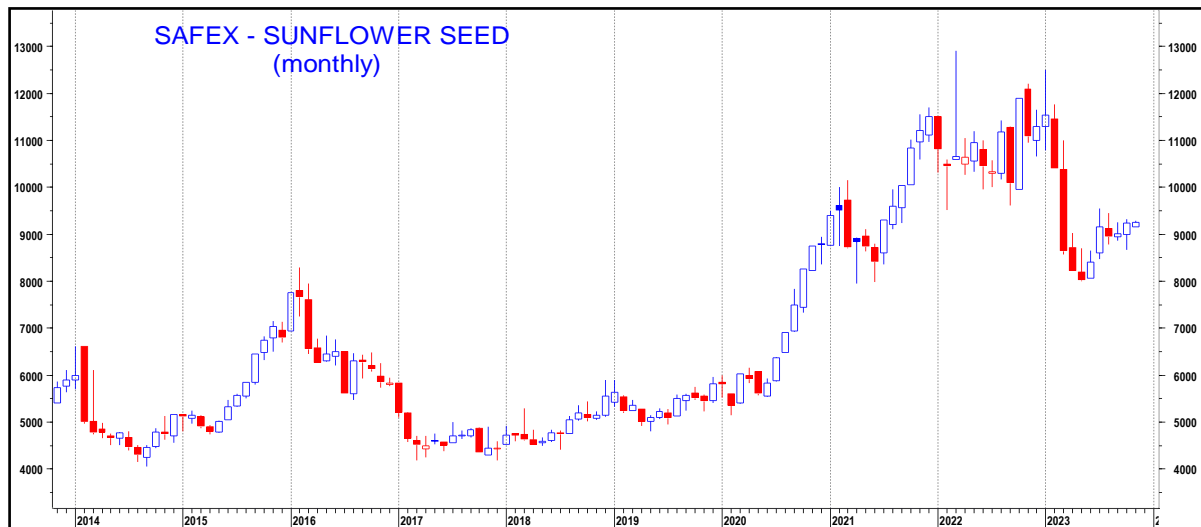
SUNFLOWER SEED (2023/24 Season)

Supply: The total supply of sunflower seed is projected at 818 127 tons for the 2023/24 marketing season. This includes an opening stock level (on 1 March 2023) of 73 517 tons, local commercial deliveries of 729 110 tons, sunflower seed imports of 11 000 tons for South Africa and a surplus of 4 500 tons.

Demand: The total demand (domestic plus exports) for sunflower seed is projected at 731 670 tons. This includes 1 900 tons processed for human consumption, 6 000 tons processed for animal consumption, 720 000 tons for crush (oil and oil-cake), 400 tons withdrawn by producers, 250 tons released to end-consumers, 2 400 tons seed for planting purposes and a balancing figure of 600 tons (net receipts and net dispatches). A quantity of 120 tons is estimated for exports in the 2023/24 marketing season.

Stock levels: The projected closing stock level for 28 February 2024 is estimated at 86 457 tons. At an average processed quantity of 60 658 tons per month, this represents available stock levels for 1.4 months or 43 days.

Source: NAMC



USD to ZAR forecast on Wednesday, November, 8: exchange rate 18.23 Rand, maximum 18.50, minimum 17.96. USD to ZAR prediction on Thursday, November, 9: exchange rate 18.34 Rand, maximum 18.62, minimum 18.06. USD to ZAR forecast on Friday, November, 10: exchange rate 18.30 Rand, maximum 18.57, minimum 18.03. USD to ZAR prediction on Monday, November, 13: exchange rate 18.28 Rand, maximum 18.55, minimum 18.01. USD to ZAR forecast on Tuesday, November, 14: exchange rate 18.29 Rand maximum 18.56, minimum 18.02.

USD to ZAR prediction on Wednesday, November, 15: exchange rate 18.47 Rand, maximum 18.75, minimum 18.19. USD to ZAR forecast on Thursday, November, 16: exchange rate 18.48 Rand, maximum 18.76, minimum 18.20. USD to ZAR prediction on Friday, November, 17: exchange rate 18.29 Rand, maximum 18.56, minimum 18.02. USD to ZAR forecast on Monday, November, 20: exchange rate 18.26 Rand, maximum 18.53, minimum 17.99. USD to ZAR prediction on Tuesday, November, 21: exchange rate 18.47 Rand, maximum 18.75, minimum 18.19.

USD to ZAR forecast on Wednesday, November, 22: exchange rate 18.26 Rand, maximum 18.53, minimum 17.99. USD to ZAR prediction on Thursday, November, 23: exchange rate 17.98 Rand, maximum 18.25, minimum 17.71. USD to ZAR forecast on Friday, November, 24: exchange rate 18.00 Rand, maximum 18.27, minimum 17.73. USD to ZAR prediction on Monday, November, 27: exchange rate 17.80 Rand, maximum 18.07, minimum 17.53. USD to ZAR forecast on Tuesday, November, 28: exchange rate 17.97 Rand, maximum 18.24, minimum 17.70.

USD to ZAR prediction on Wednesday, November, 29: exchange rate 17.99 Rand, maximum 18.26, minimum 17.72. USD to ZAR forecast on Thursday, November, 30: exchange rate 18.10 Rand, maximum 18.37, minimum 17.83. USD to ZAR prediction on Friday, December, 1: exchange rate 18.40 Rand, maximum 18.68, minimum 18.12.

Source: randforecast

	SOYBEANS	SOYBEANS
Marketing Season	Final for 2022/23	Projection for 2023/24
	tons	tons
CEC (Crop Estimate)	2 230 000	2 755 300
Retentions	0	50 000
SUPPLY		
Opening Stock (1 March)	168 387	171 897
Product Deliveries	2 186 711	2 705 300
Imports for South Africa	4 154	2 800
Surplus	7 570	4 500
Total Supply	2 366 822	2 884 497
DEMAND		
Processed	1 907 982	2 013 000
- human	21 739	23 000
- animal feed (full-fat soya)	189 605	190 000
- crush (oil/oil-cake)	1 696 638	1 800 000
Withdrawn by Producers	0	200
Released to End-Consumers	130	400
Seed for Planting Purposes	8 971	11 000
Net Receipts (1)/disp(+)	338	450
Deficit	0	0
Exports	277 504	500 000
Total Demand	2 194 925	2 525 050

Closing Stocks (28Feb.)	171 897	359 447
- processed per month	158 999	167 750
- month's stock	1,1	2,1
- days stock	33	65

Source: NAMC

	SUNFLOWER SEED	SUNFLOWER SEED
Marketing Season	Final for 2022/23	Projection for 2023/24
	tons	tons
CEC (Crop Estimate)	845 550	729 110
SUPPLY		
Opening Stock (1 March)	31 790	73 517
Product Deliveries	841 784	729 110
Imports for South Africa	6 805	11 000
Surplus	11 241	4 500
Total Supply	891 620	818 127
DEMAND		
Processed	815 258	727 900
- human	1 656	1 900
- animal	6 058	6 000
- crush (oil and oil-cake)	807 544	720 000
Withdrawn by Producers	392	400
Released to end-consumers	106	250
Seed for Planting Purposes	1 775	2 400
Net Receipts (1)/disp(+)	402	600
Deficit	0	0
Exports	170	120
Total Demand	818 103	731 670
Closing Stocks (28 Feb.)	73 517	86 457
- processed per month	67 938	60 658
- month's stock	1,1	1,4
- days stock	33	43