

# The Importance of Global Soybean Meal Demand Growth to the Global Supply of Soybean Oil

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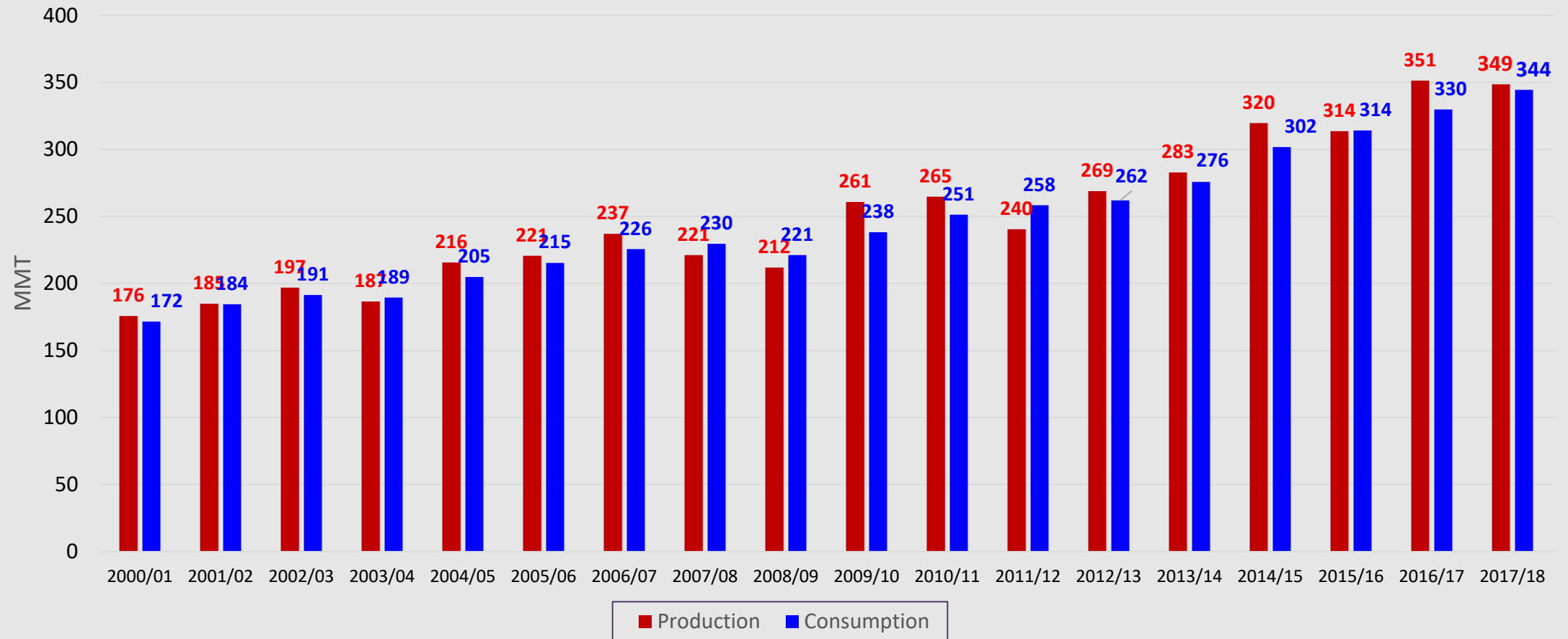
January 20, 2018



## Soybeans Are More of a Protein Seed Than an Oilseed

- Unlike sunflower seed and rapeseed soybeans normally are not processed primarily for their oil content.
- Instead they are processed to produce soybean meal for use primarily as a protein source in animal feed.
- The soybean oil that is produced finds a market in the food and industrial sector at a competitive price.
- It is the demand for soybean meal that largely determines the volume of soybeans that is processed.
- The more soybean meal that is produced the more soybean oil that is available.

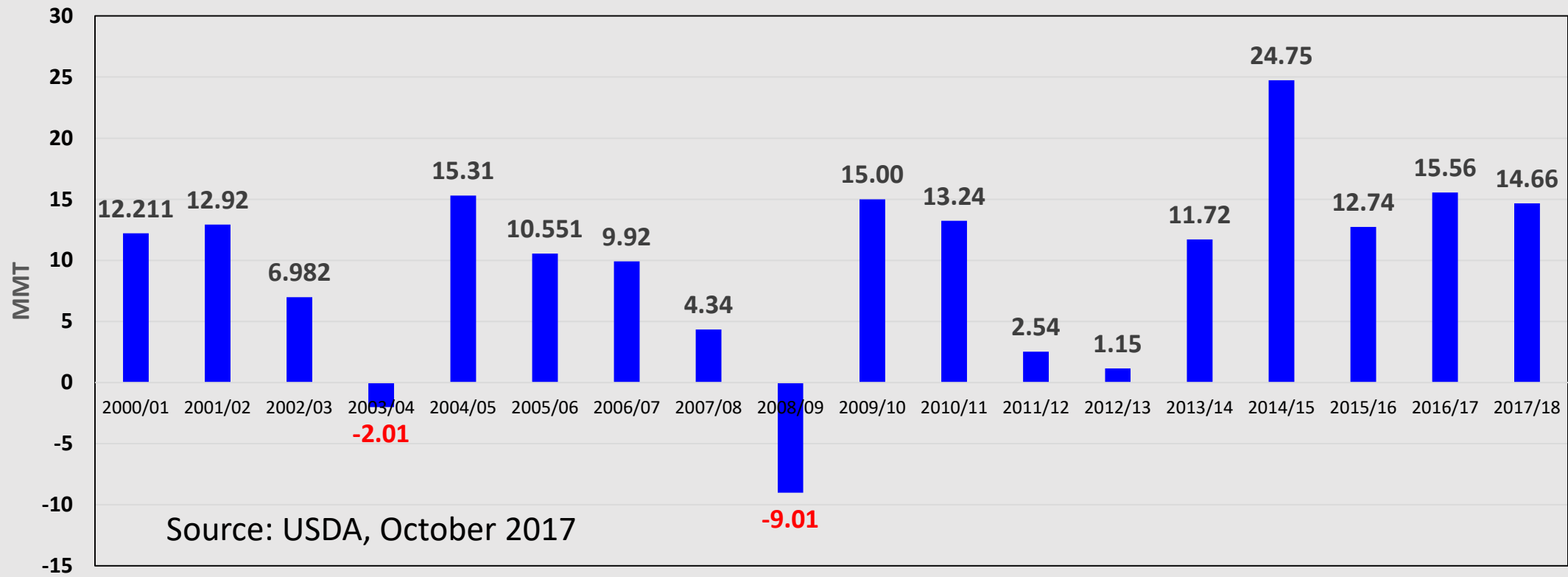
# Global Production and Consumption of Soybeans 2000/01 – 2016/17 and USDA Forecast for 2017/18



# Annual Growth in Global Soybean Consumption

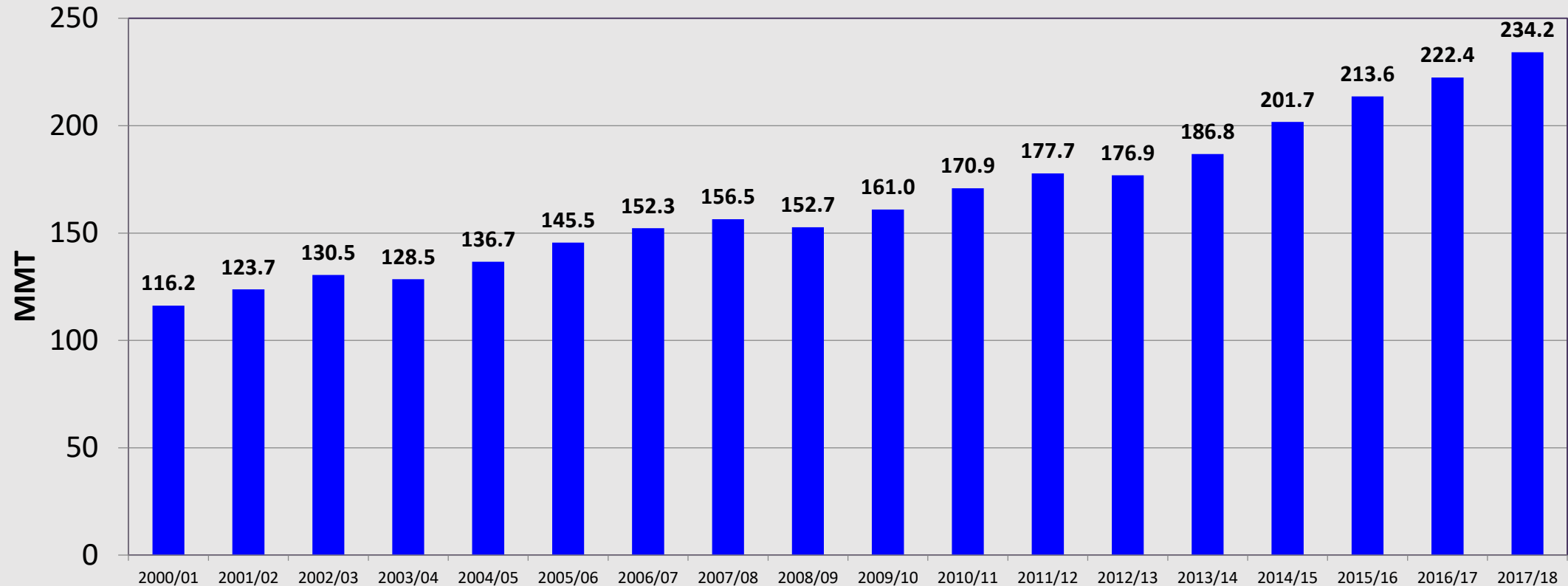
2000/01 – 2016/17 and USDA Forecasts for 2017/18

Annual Rate of Growth Of Almost 16 MMT Since 2013/14



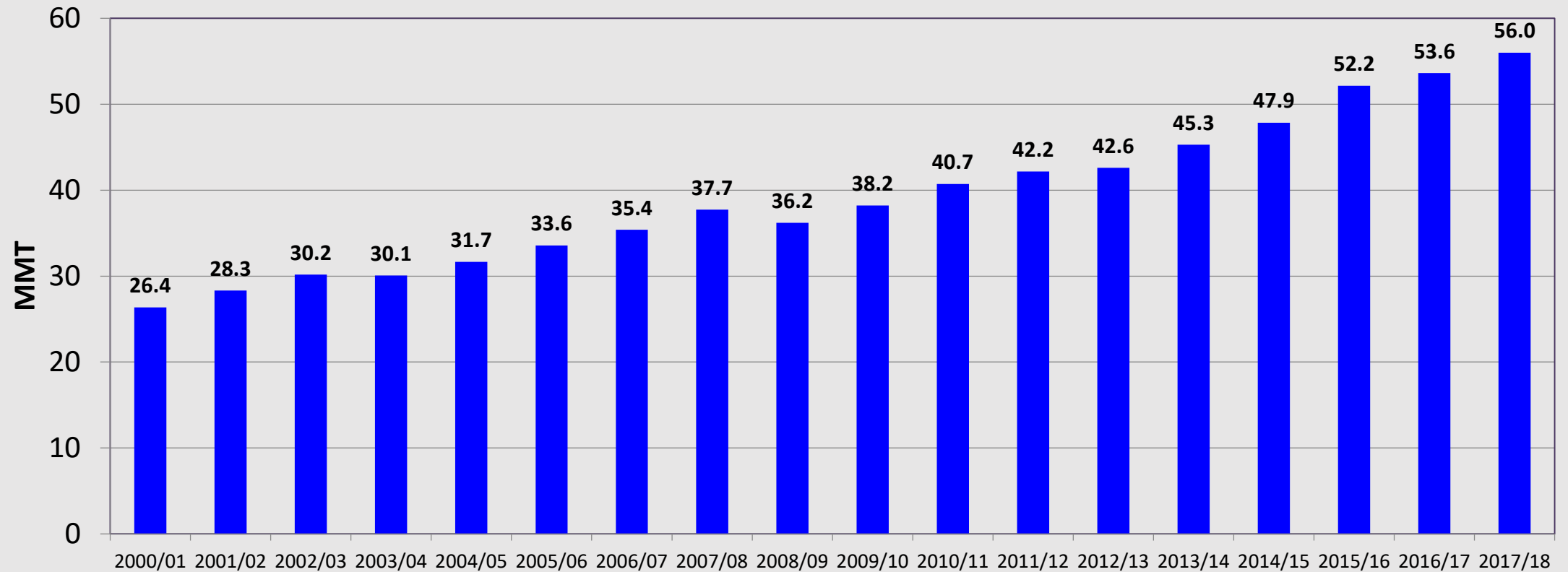
# Global Soymeal Consumption

2000/01 – 2016/17 and USDA Forecasts for 2017/18



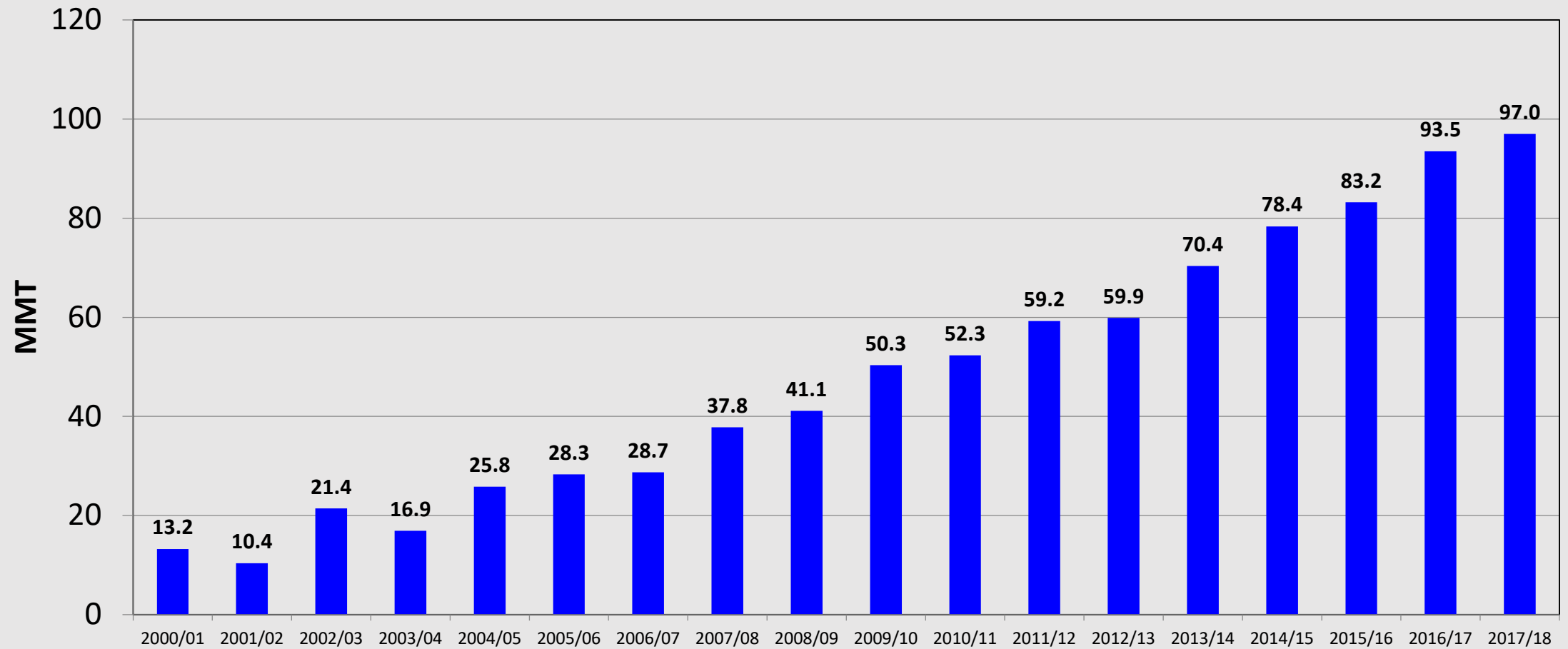
# Global Soyoil Consumption

## 2000/01 – 2016/17 and USDA Forecasts for 2017/18

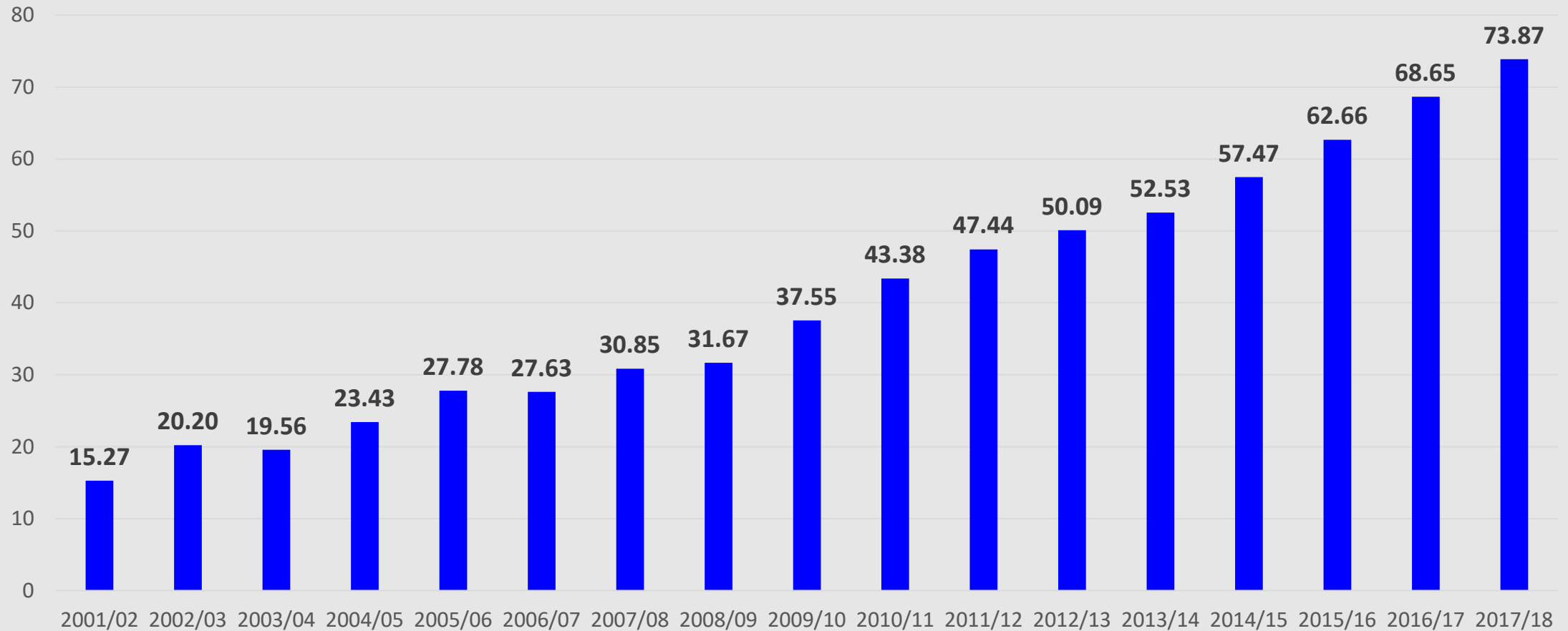




# China's Imports of Soybeans for Crushing 1995/96 – 2016/17 and USDA Forecast for 2017/18

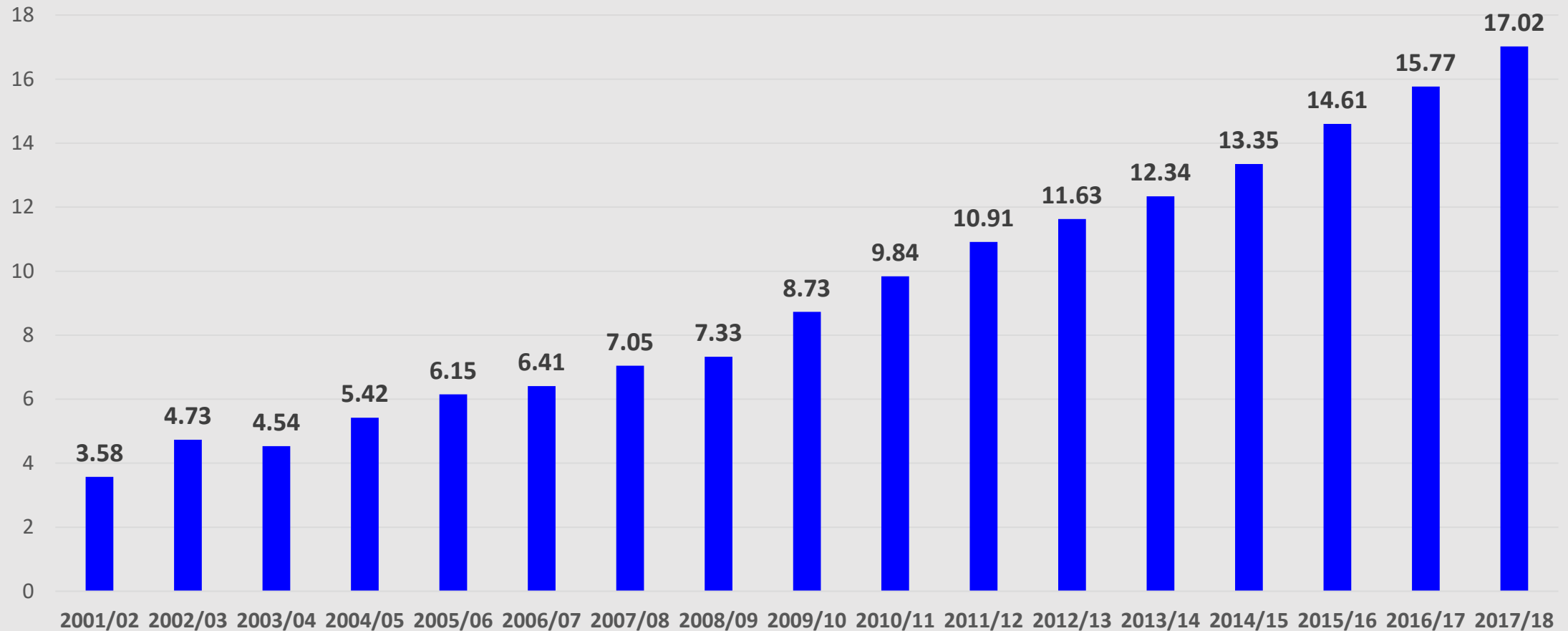


# China's Consumption of Soybean Meal 2001/02 – 2016/17 and USDA Forecast for 2017/18

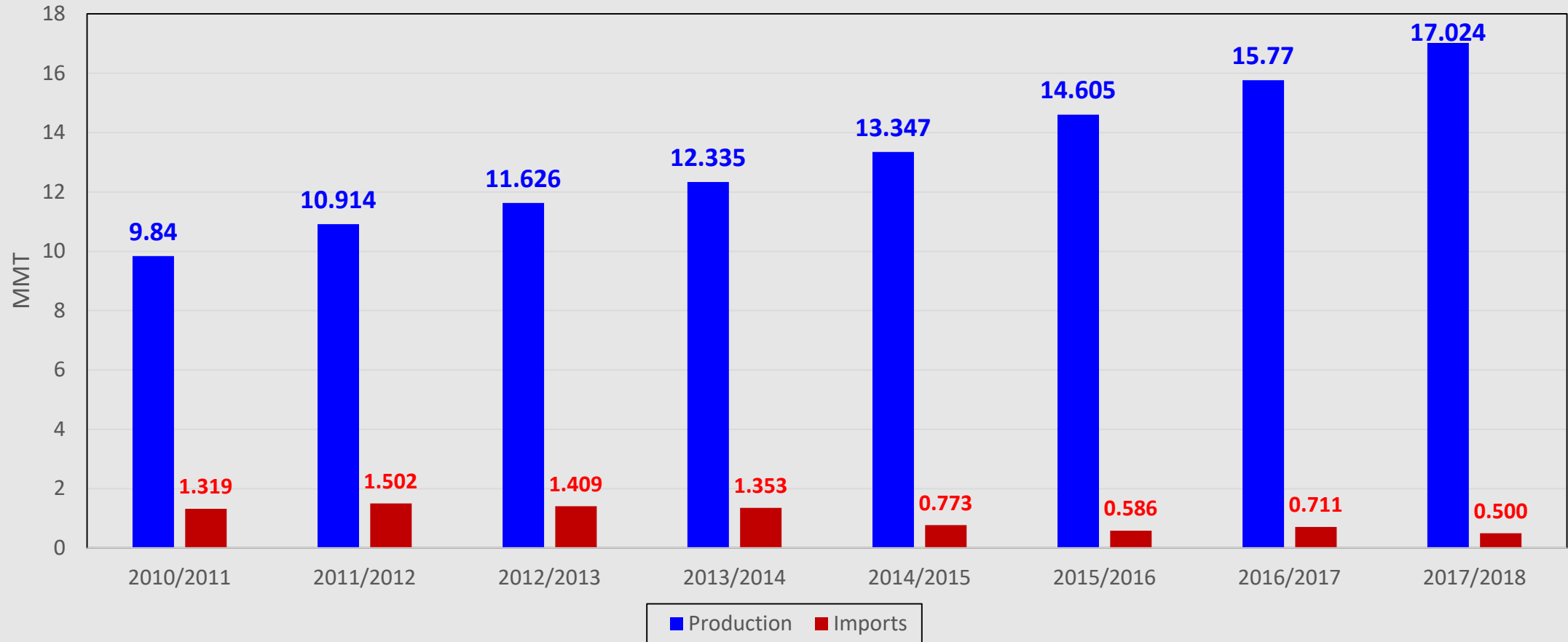




# China's Consumption of Soybean Oil 2001/02 – 2016/17 and USDA Forecast for 2017/18



# China's Production and Imports of Soybean Oil 2010/11 – 2016/17 and USDA Forecast for 2017/18



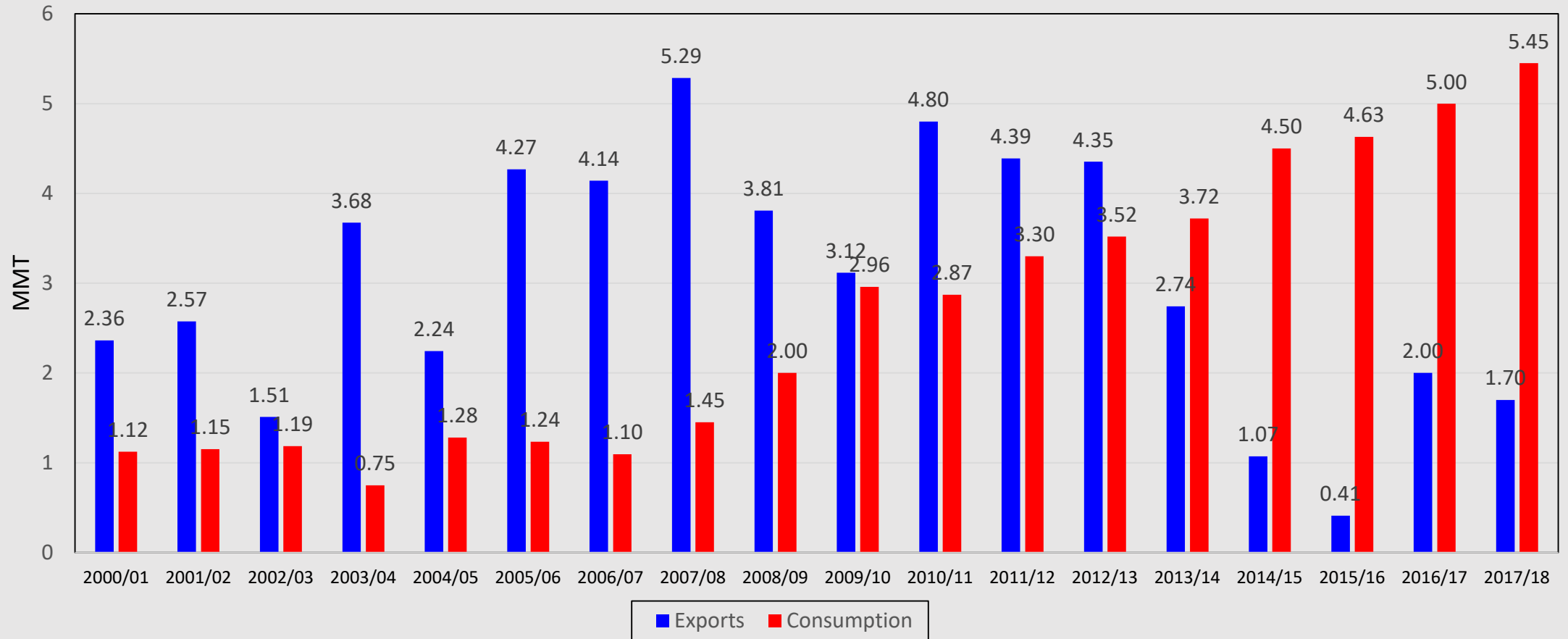
## Pakistan is Now Primarily an Importer of Soybeans for Processing Instead of a Soybean Meal Importer

- Beginning in the 2014/15 marketing year Pakistan began to be import and process soybeans to produce soybean meal.
- This resulted in it also being a producer of soybean oil.
- Since then Pakistan's imports of soybean meal have sharply declined and its production of soybean oil has increased.
- In the current year Pakistan is forecasted to import and process 2 MMT of soybeans to produce 1.56 MMT of soybean meal and 355,000 MT of soybean oil all of which will be consumed in Pakistan.
- Pakistan's consumption of soybean oil is forecasted at 520,000 MT in 2017/18, up from only 46,000 MT in 2012/13.
- Pakistan's consumption of soybean meal is forecasted at 2 MMT, up from 632,000 MT in 2012/13.

# India's Soymeal Exports and Consumption

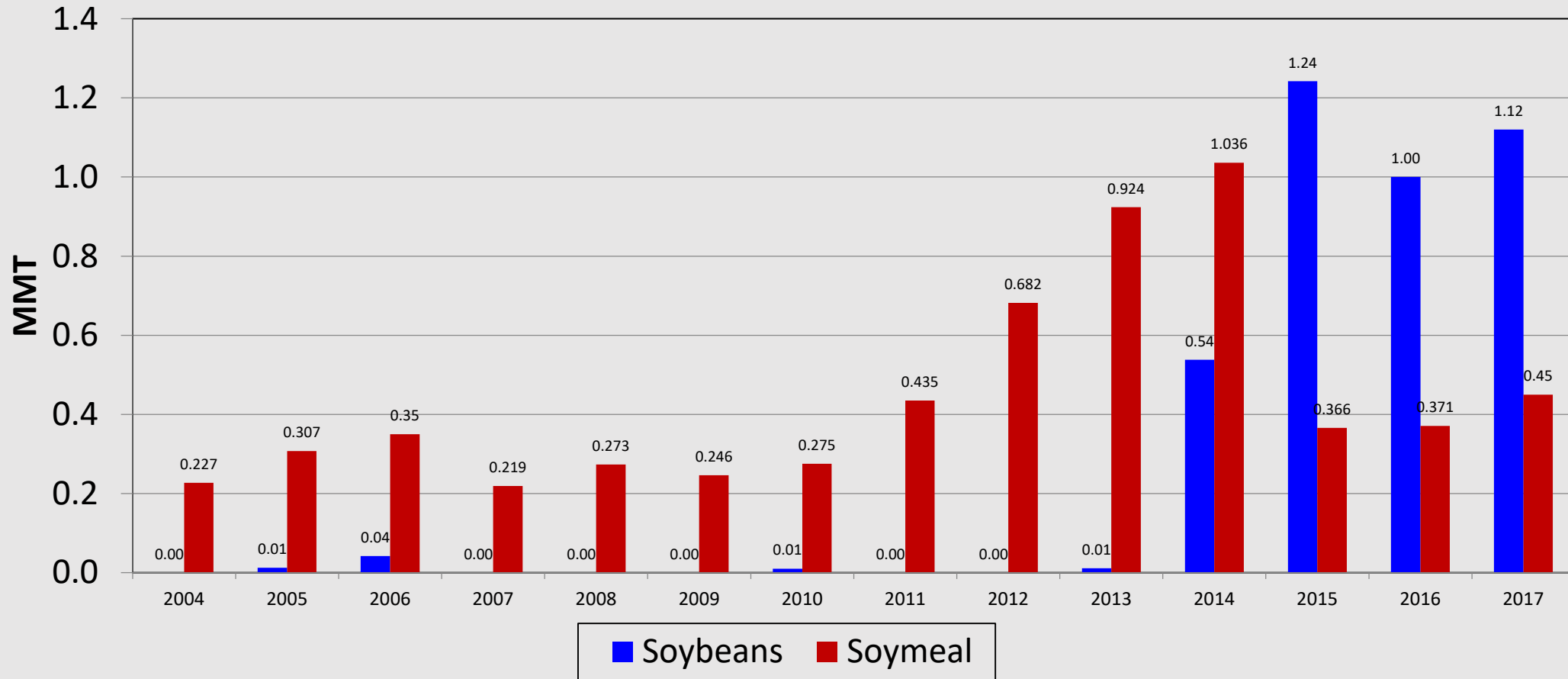
## 2000/01 – 2016/17 and USDA Forecasts for 2017/18

Reduced Indian Soymeal Exports Encouraged Building Soybean Crush Plants in Pakistan



Source: USDA

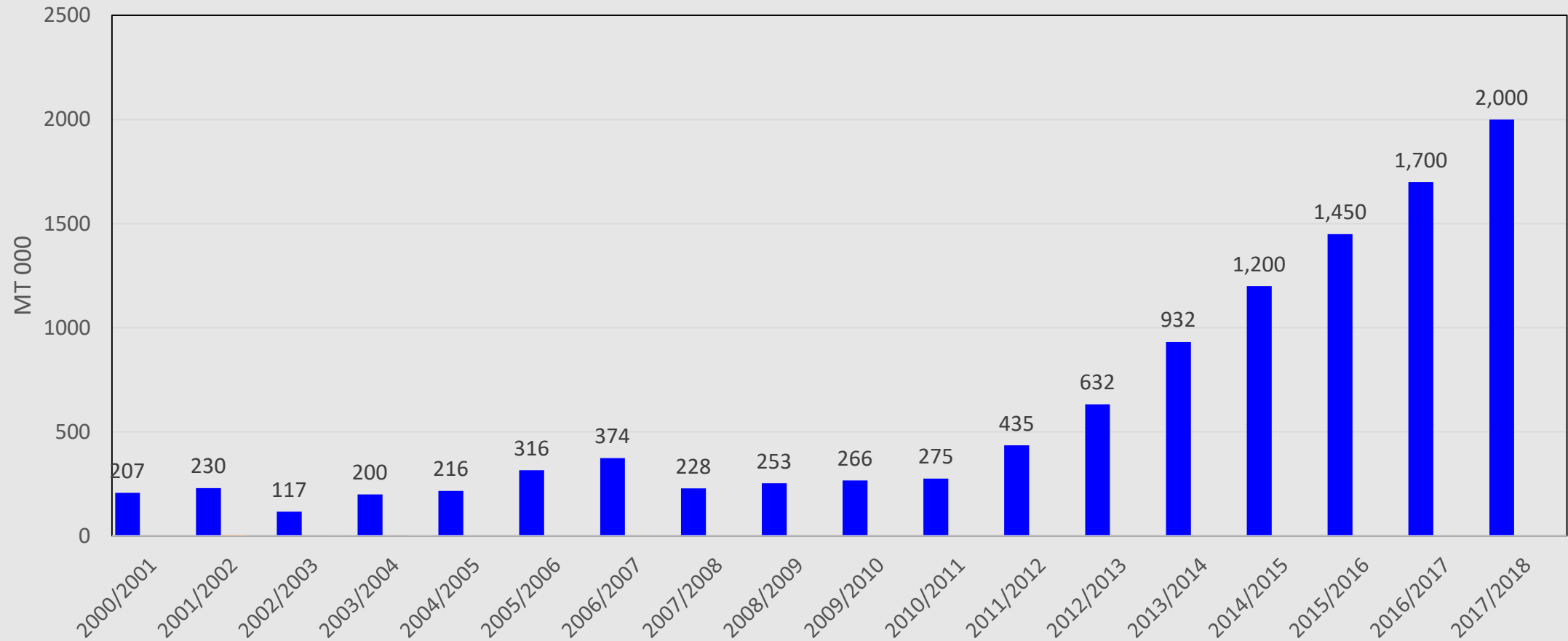
# Pakistan's Imports of Soybeans and Soymeal 2004/15 – 2016/17 and USDA Forecast for 2017/18



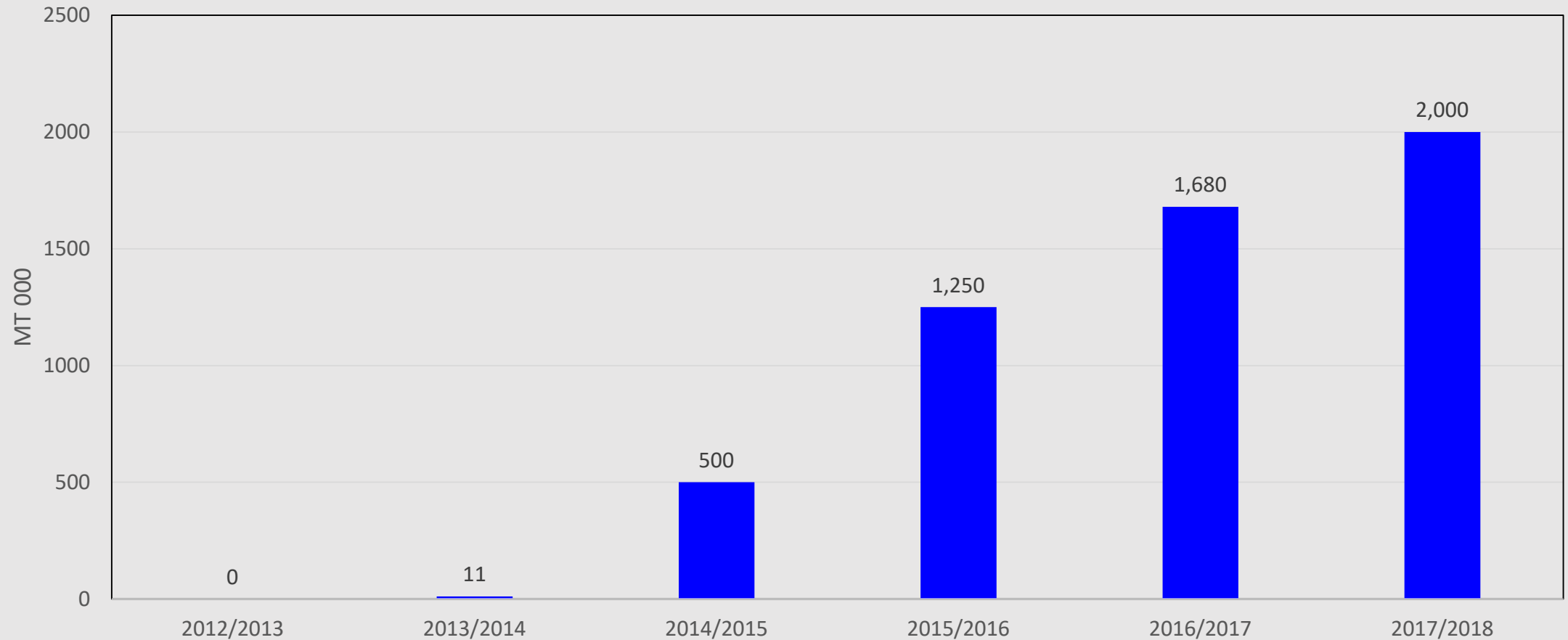
# The Bottom Line

- Pakistan's sharply rising demand for soybean meal and its processing of soybeans has greatly benefited Pakistan's edible oil industry.
- The edible oil industry now has a large and growing supply of locally-produced soyoil available on a continuous basis.
- It is the interest of the edible oil industry for Pakistani demand for soybean meal to continue to increase to make more soybean oil available.
- Animal feed producers also benefit because soybean processors have a large local demand for their soybean oil.

# Pakistan's Consumption of Soybean Meal 2000/01- 2016/17 and USDA Forecast for 2017/18

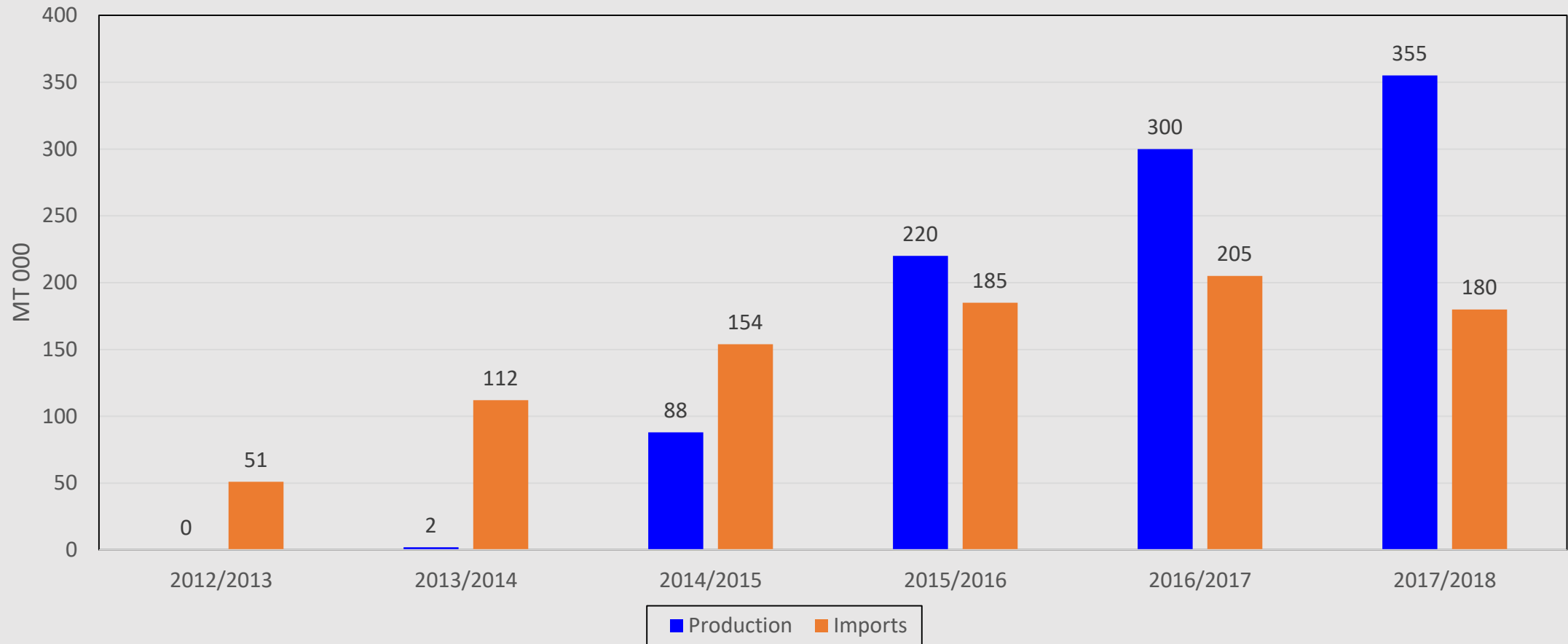


# Pakistan's Soybean Crush Volume 2012/13 – 2016/17 and Forecast for 2017/18

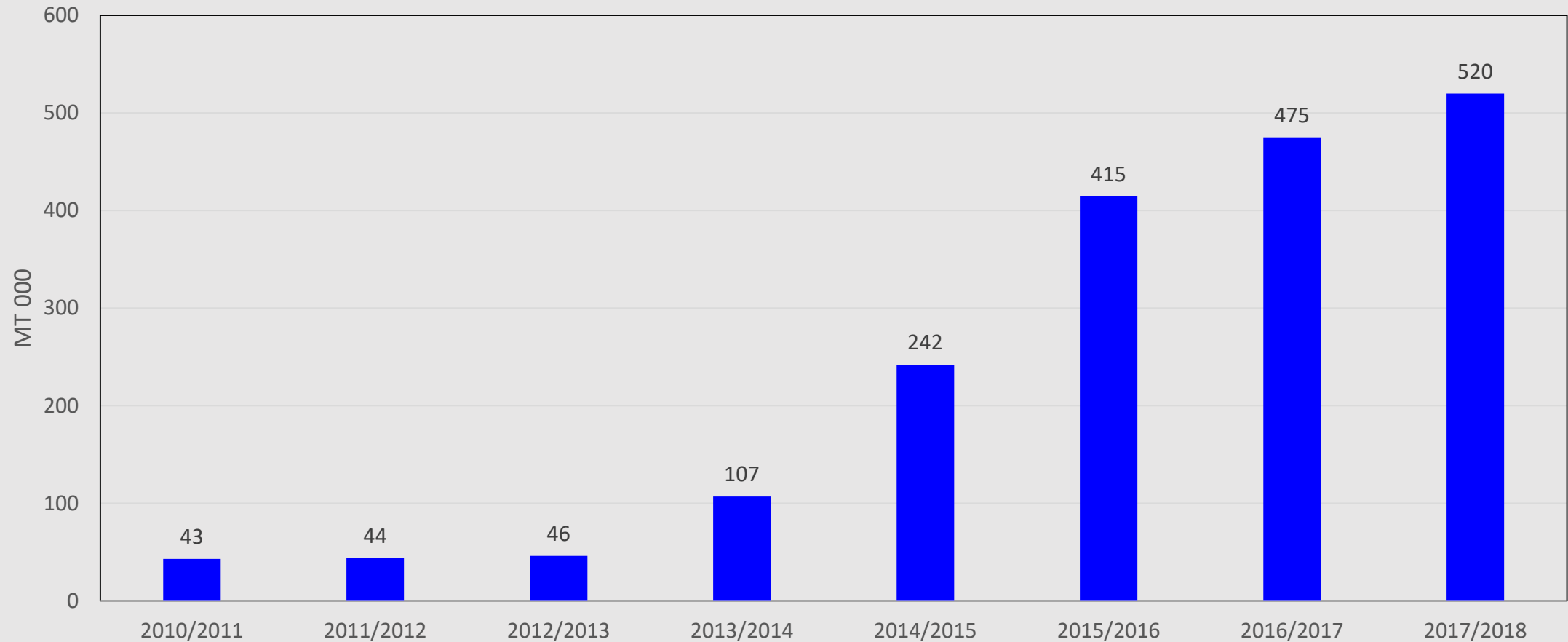




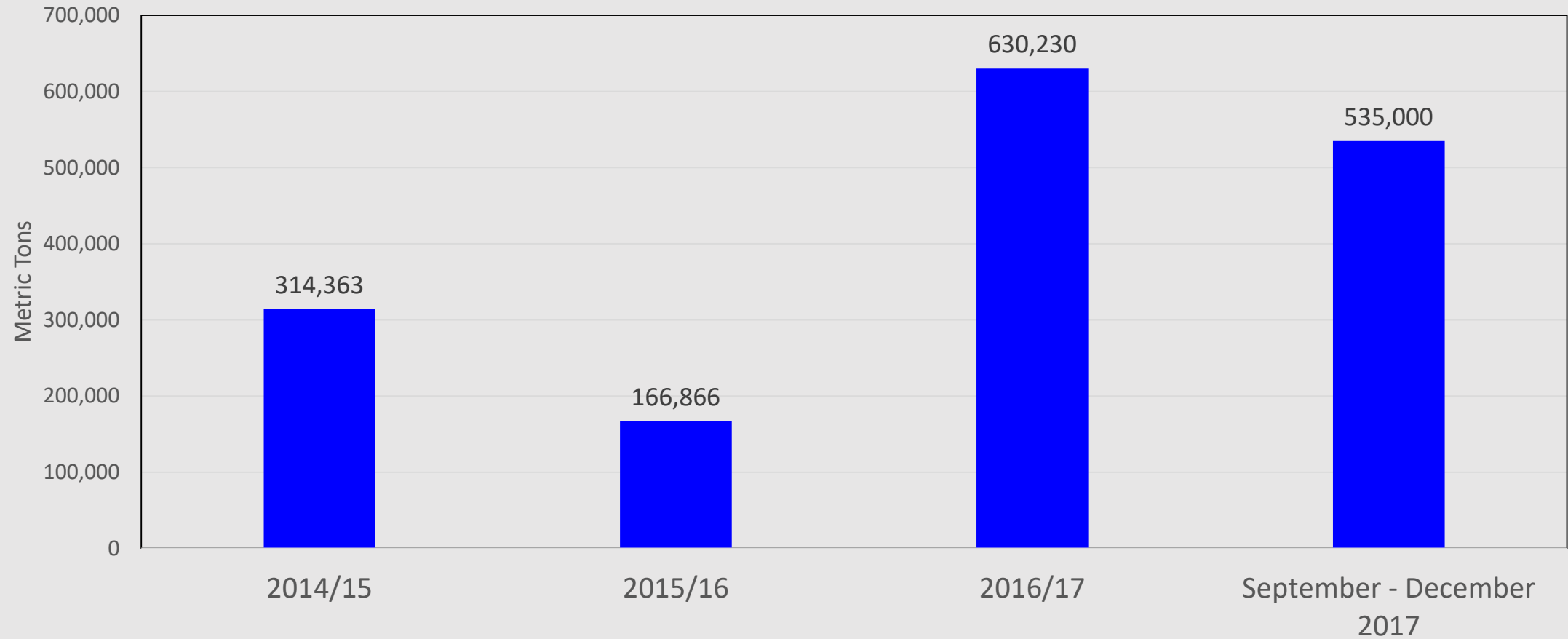
# Pakistan's Production and Imports of Soybean Oil 2012/13 – 2016/17 and Forecast for 2017/18



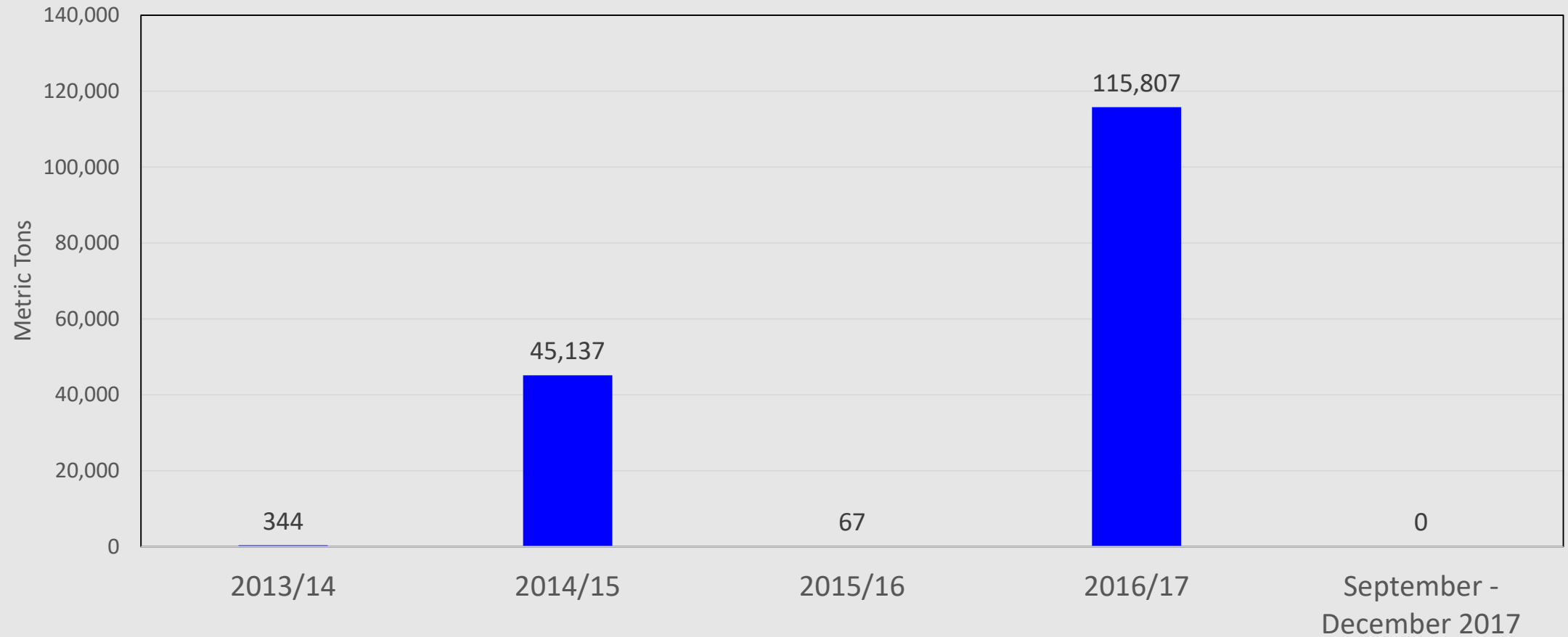
# Pakistan's Consumption of Soybean Oil 2010/11 – 2016/17 and Forecast for 2017/18



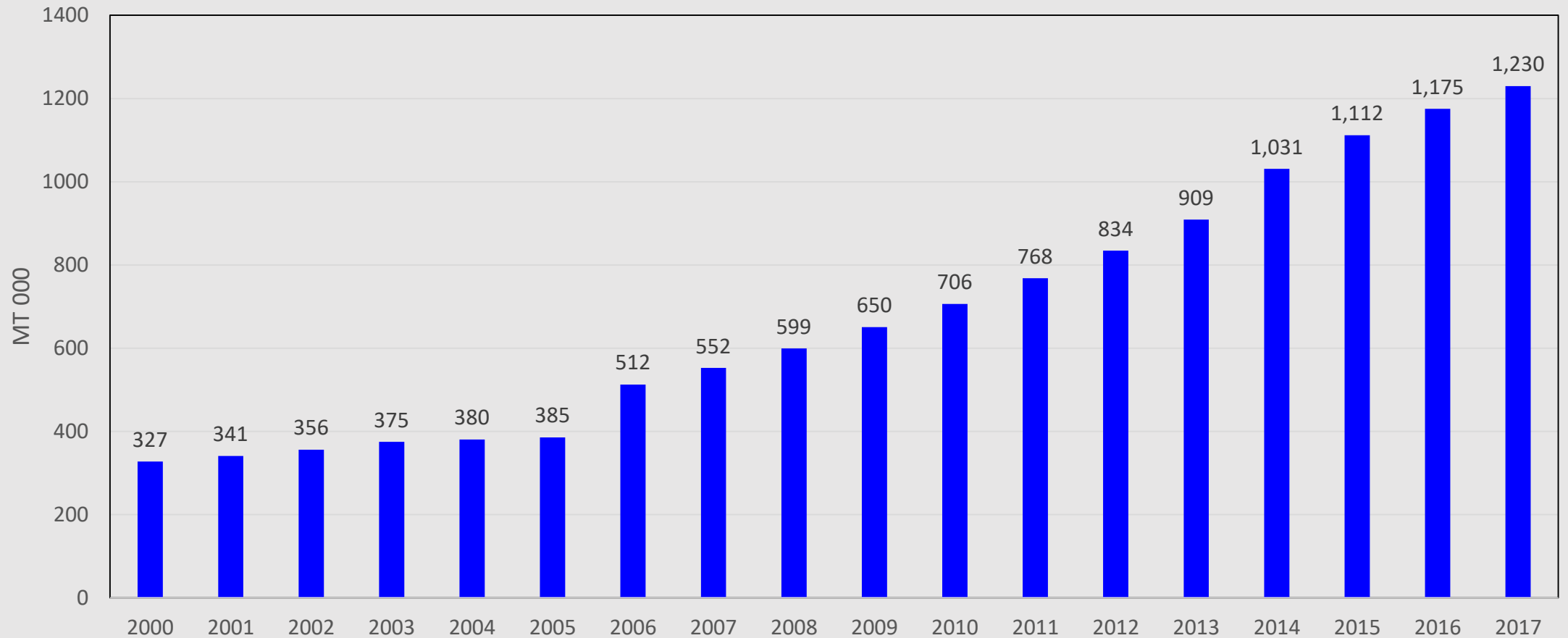
# U.S. Soybean Exports to Pakistan 2014/15 – 2016/17 and September – December 2017



# U.S. Soybean Meal Exports to Pakistan 2014/15 – 2016/17 and October – December 2017

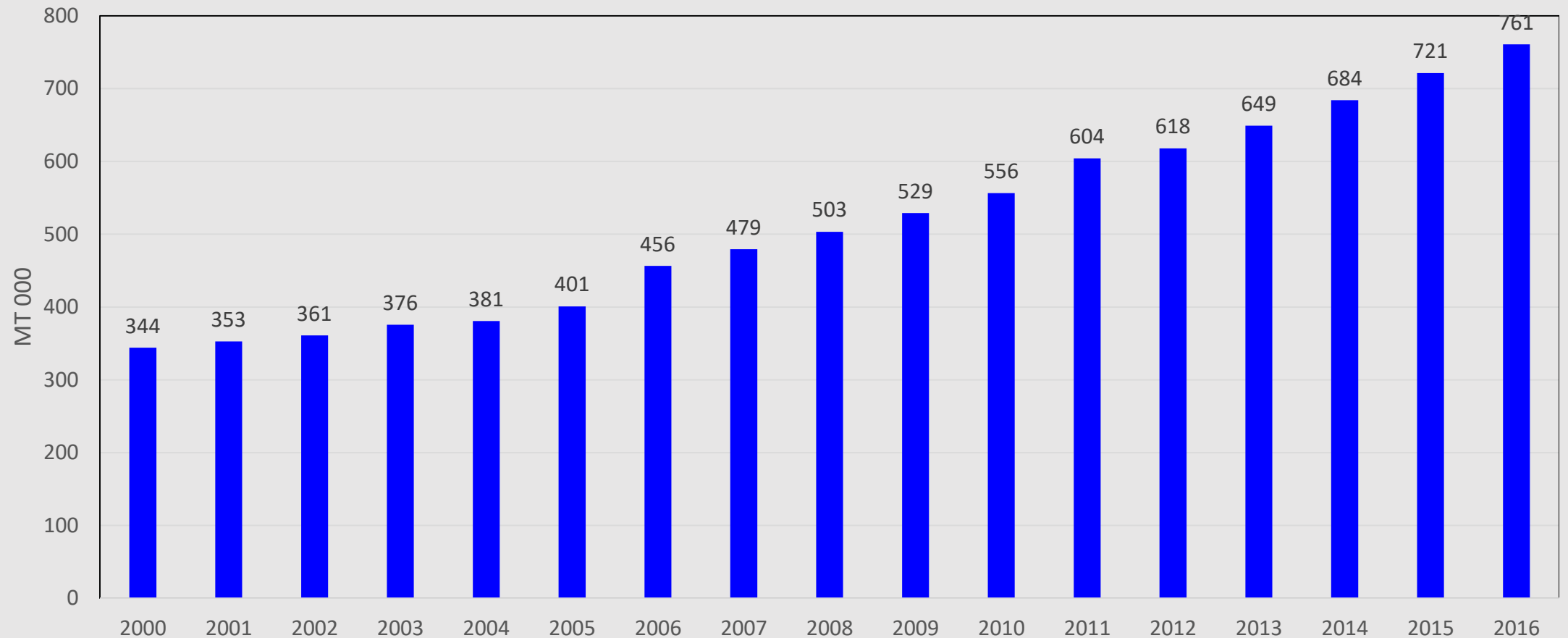


# Pakistan's Production of Chicken Meat 2000 - 2017



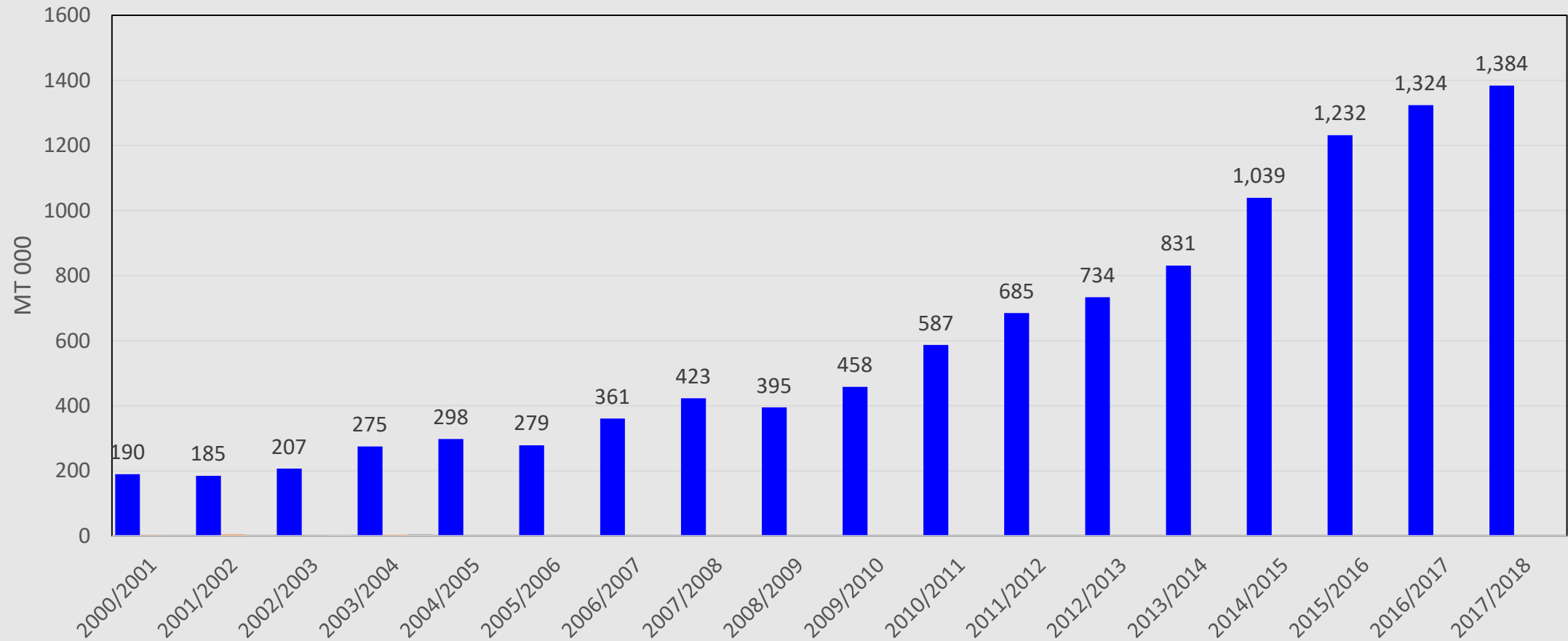
Source: FAO, Oil World

# Pakistan's Production of Eggs 2000 - 2016

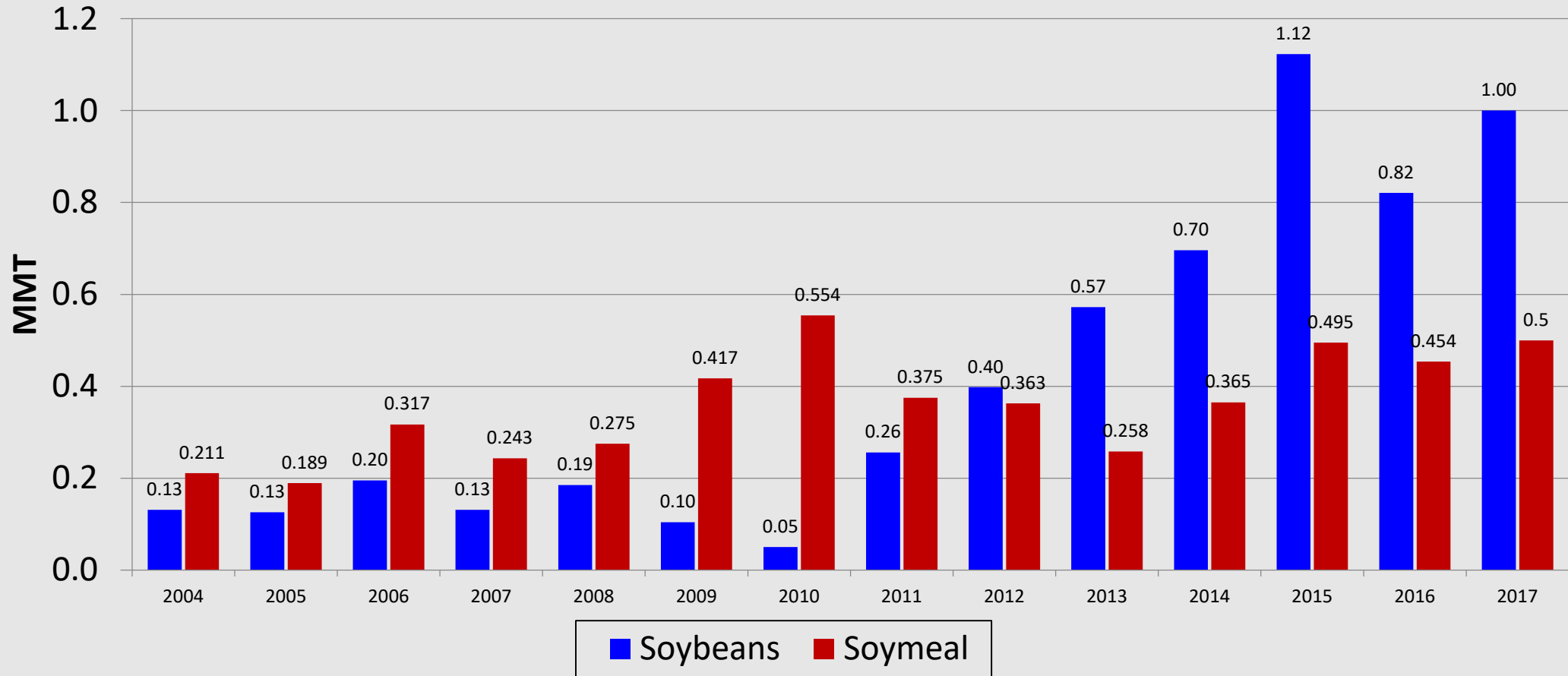


Source: Food and Agriculture Organization (FAO)

# Bangladesh's Consumption of Soybean Meal 2000/01- 2016/17 and USDA Forecast for 2017/18

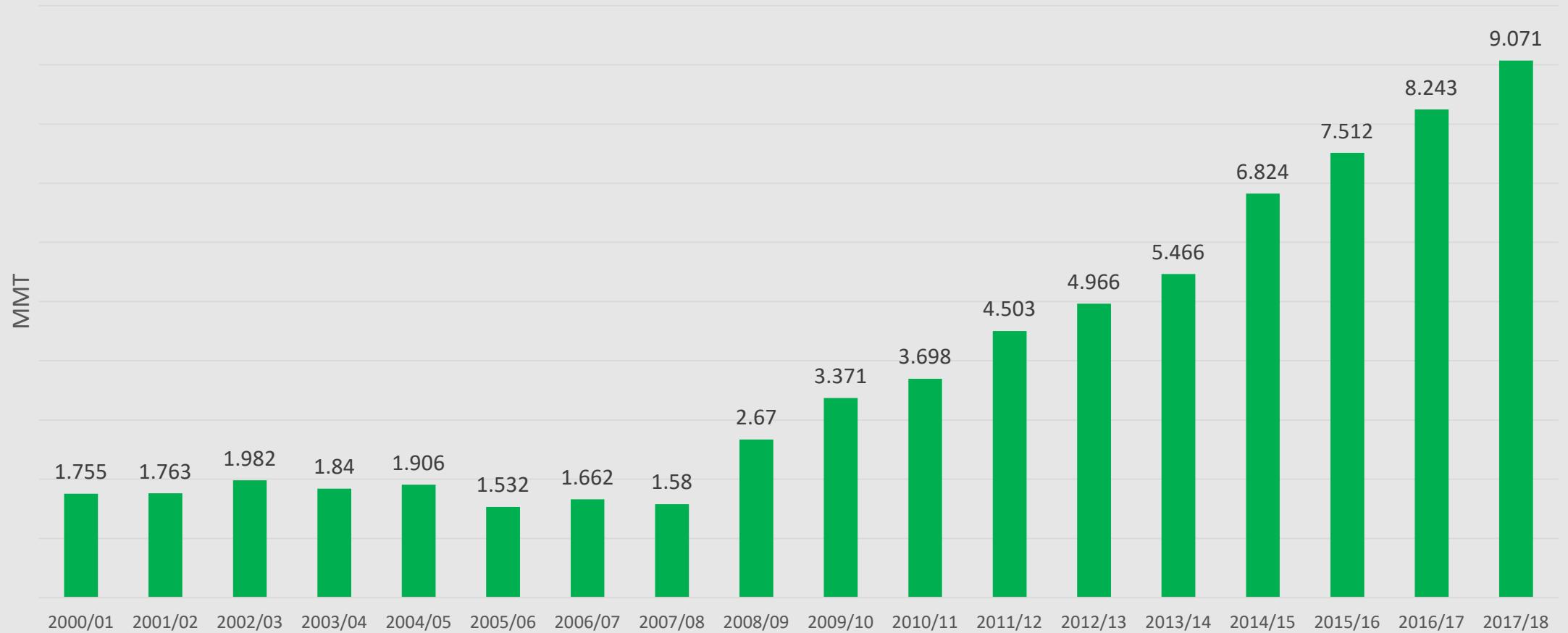


## Bangladesh's Imports of Soybeans and Soymeal 2000/01 – 2016/17 and USDA Forecast for 2017/18

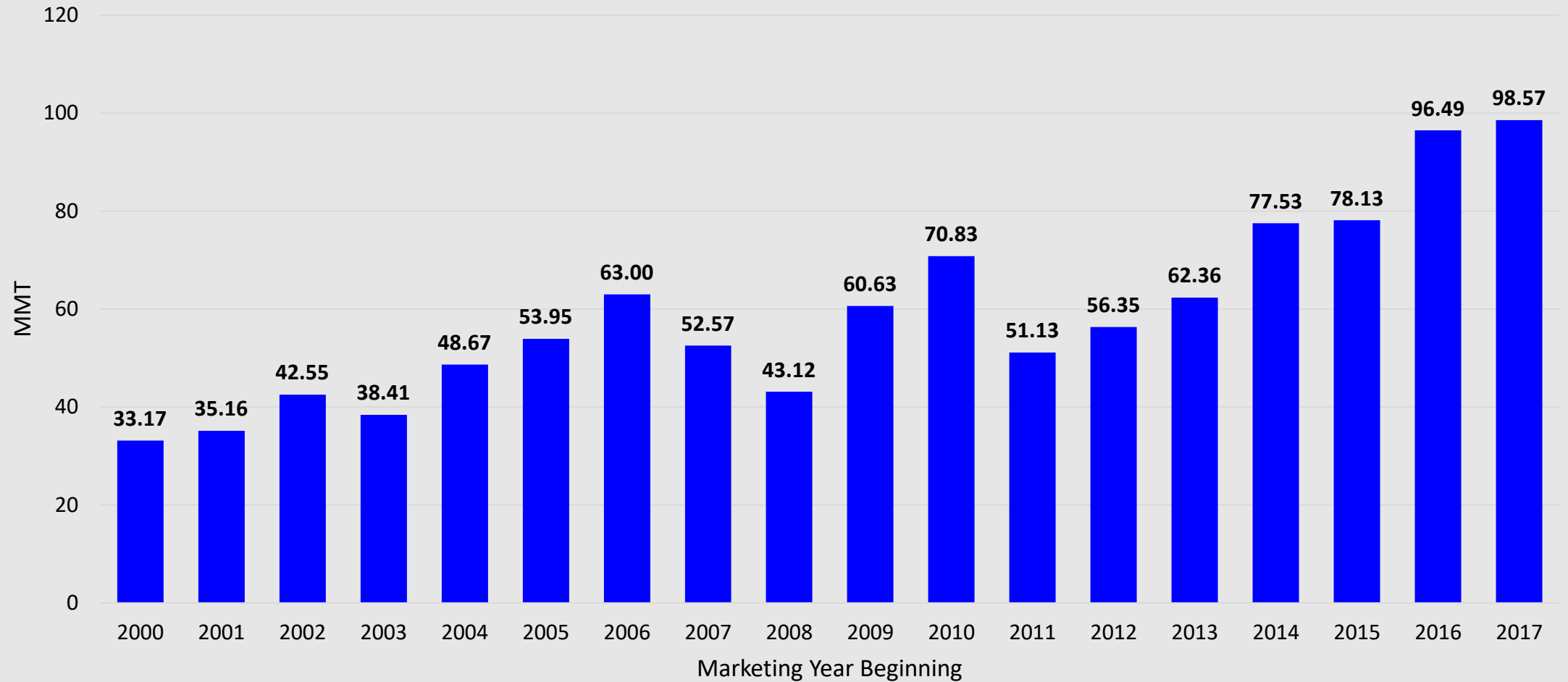




# Asian Subcontinent's Soymeal Consumption 2000/01 – 2016/17 and USDA Forecasts for 2017/18



# Global Soybean Ending Stocks 2000/01 – 2016/17 and USDA Forecast 2017/18

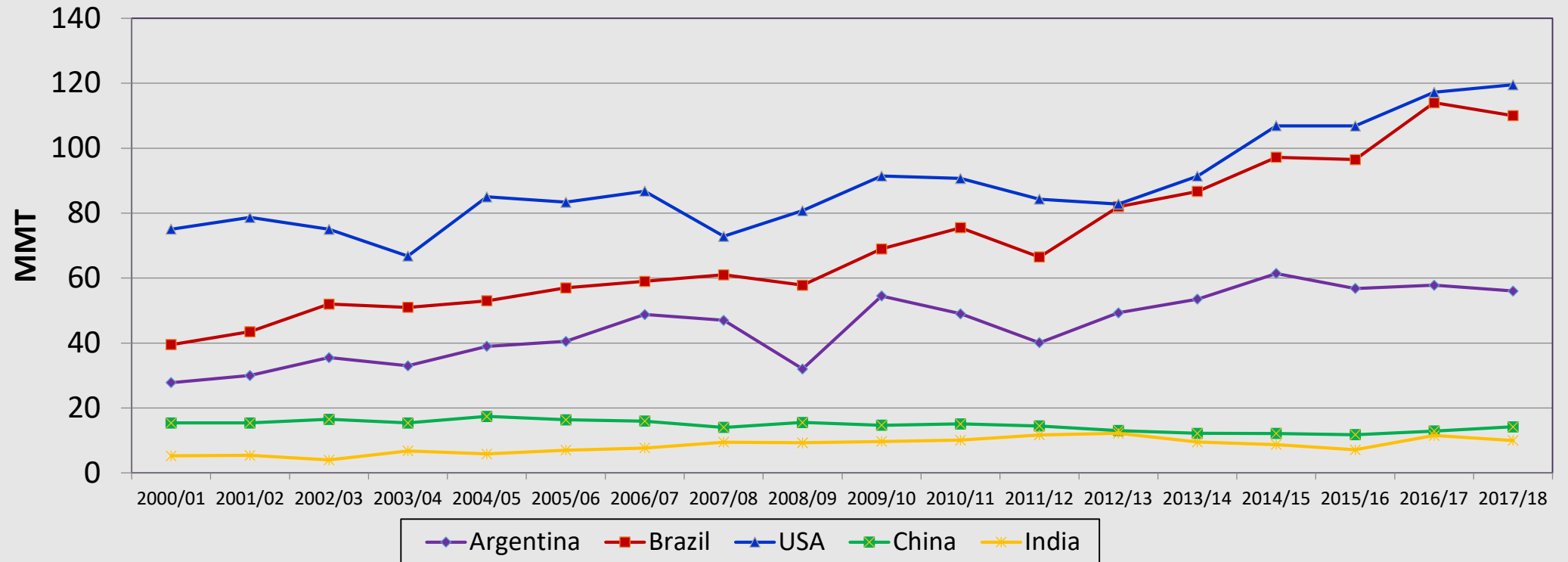


Source: USDA

# Soybean Production

U.S., Argentina, Brazil, China and India

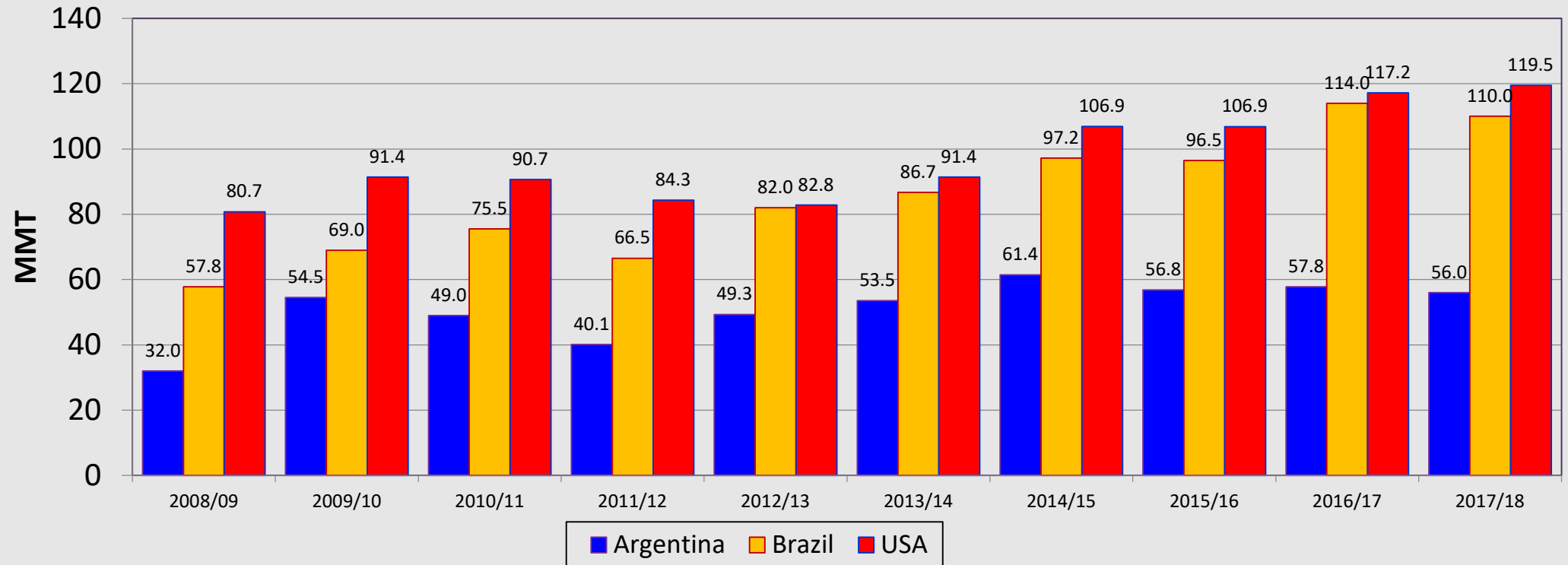
2000/01 – 2016/17 and USDA Forecast for 2017/18



# Soybean Production

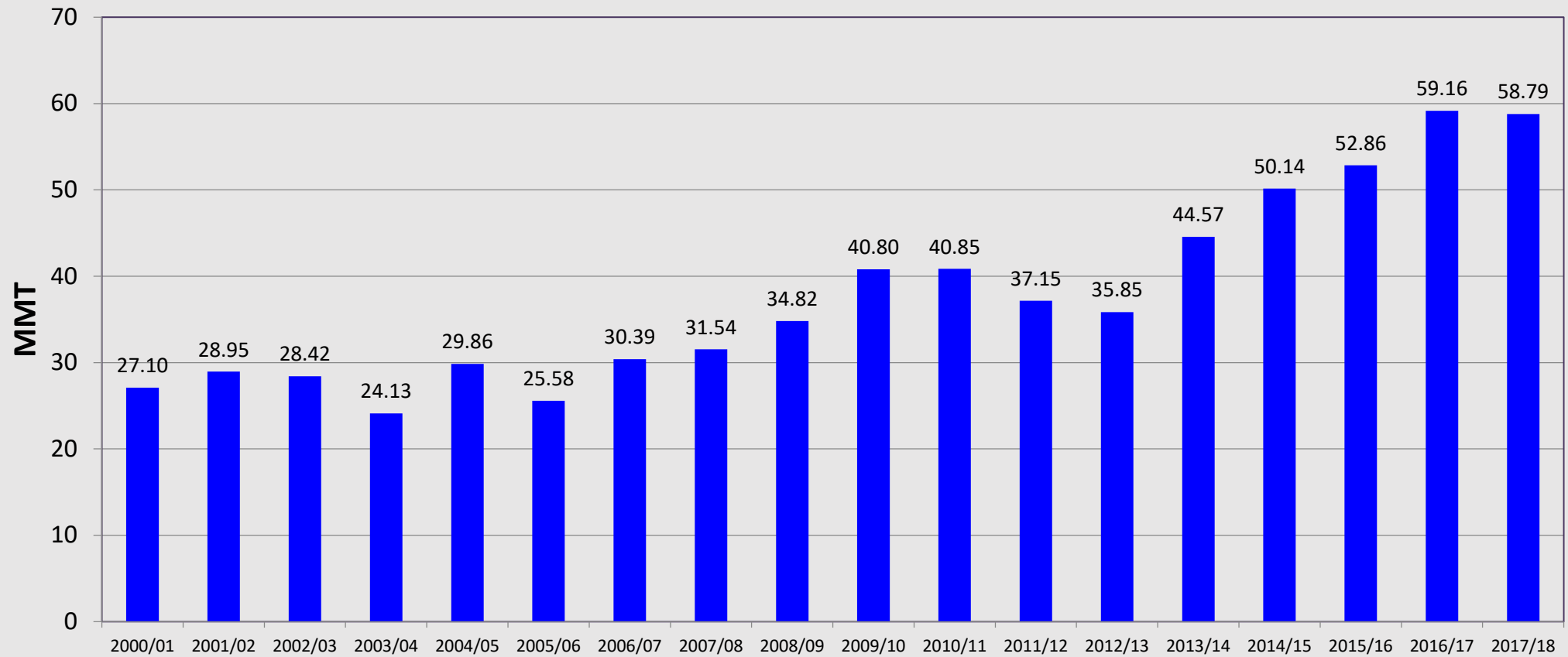
## U.S., Argentina and Brazil

2008/09 - 2016/17 and USDA Forecast for 2017/18

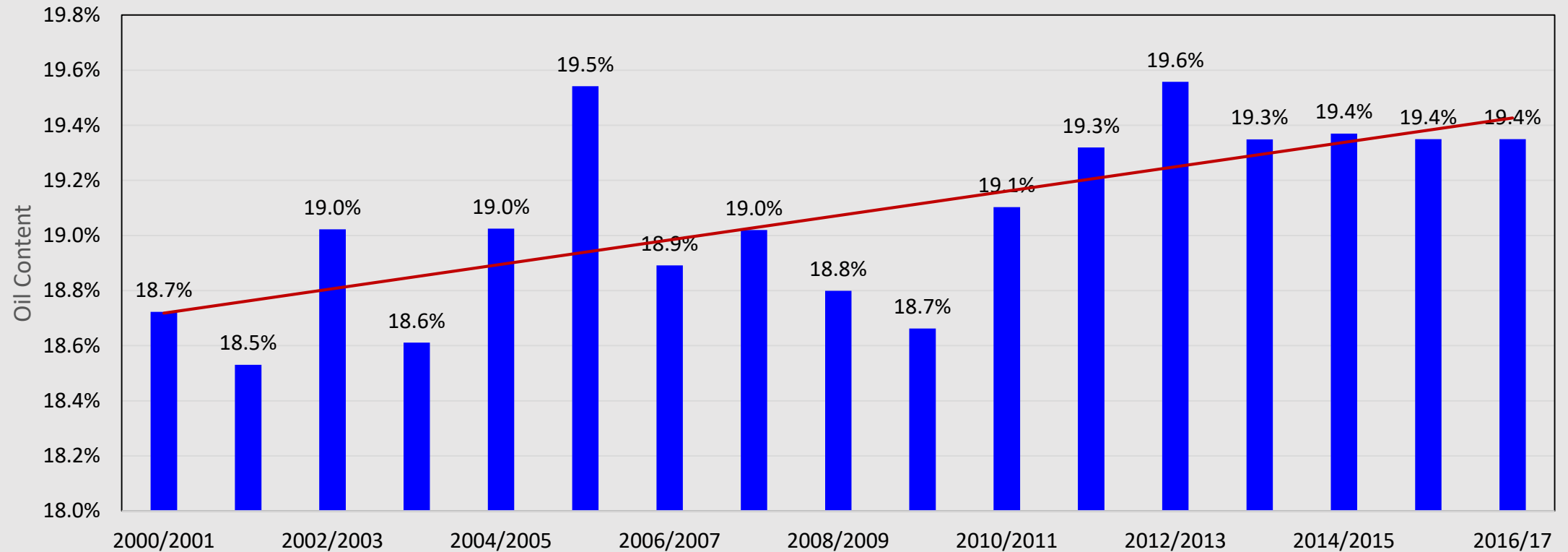


# U.S. Soybean Exports

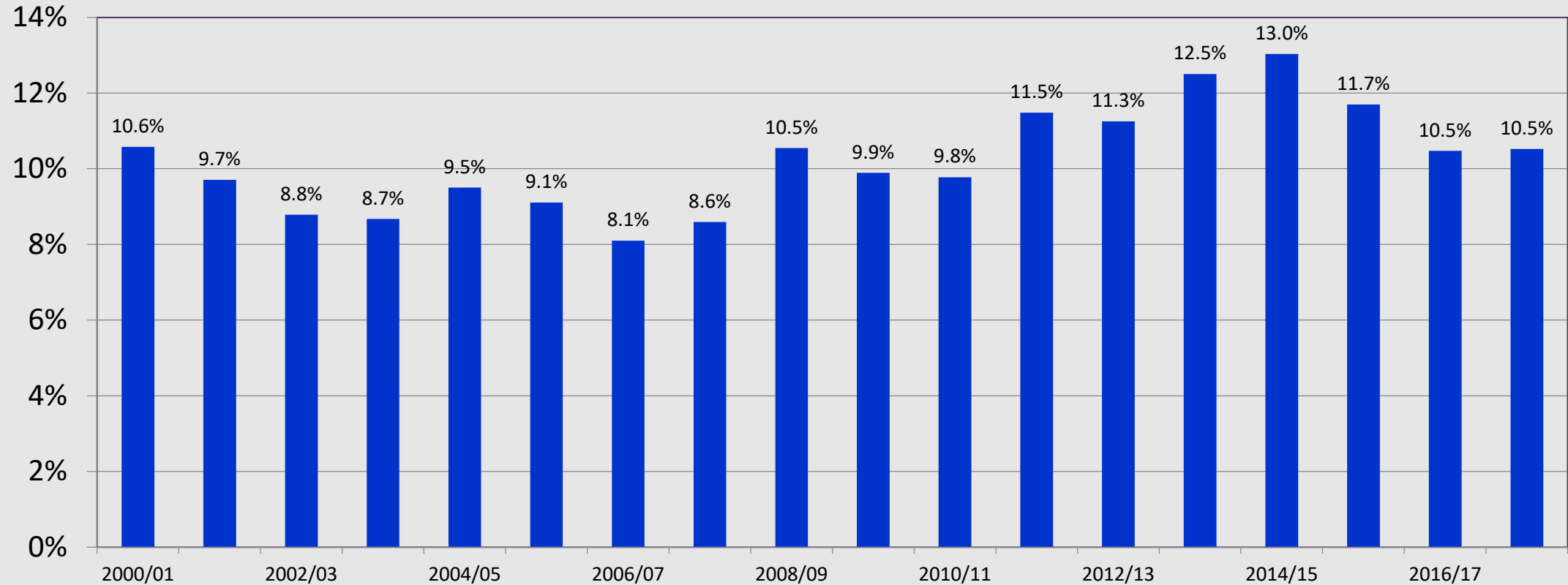
2000/01 – 2016/17 and USDA Forecast for 2017/18



# Average Oil Content of U.S. Soybeans 2000/01 – 2015/16 and Forecast for 2016/17

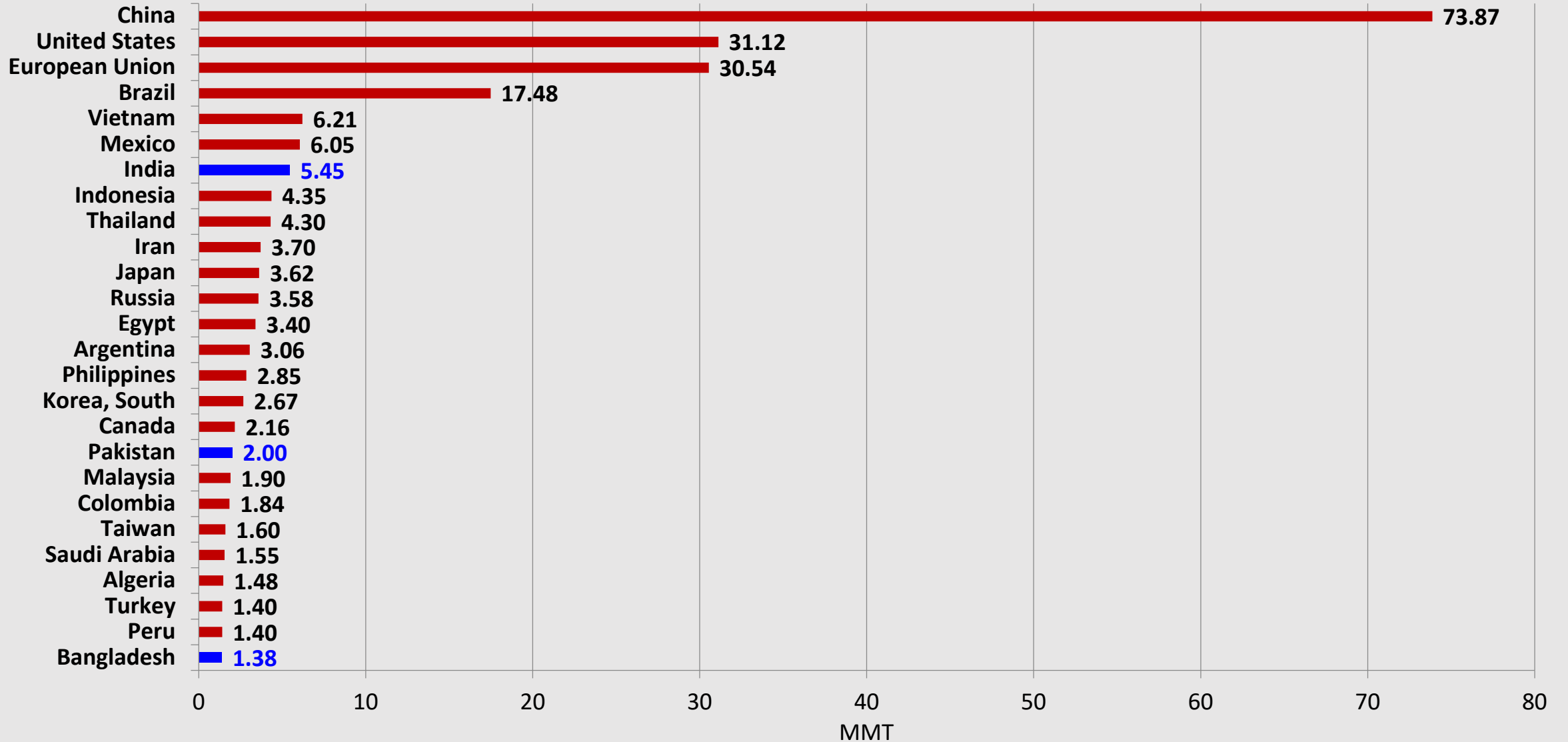


# Global Vegetable Oils Stocks to Use Ratio 2000/01 – 2016/17 and USDA Forecast for 2017/18



# World's Largest Soymeal Consumers

## Forecast for 2017/18 Marketing Year







# Questions?

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