

Supply and Demand

The soybean marketing season dates from March to end of February. According to SAGIS' supply and demand figures for the current marketing season to date (March 2023 to January 2024), the amount of soybeans imported (3 346 tons) is even less than the 4 154 tons imported during the previous season. The ten-year import amount average is 67 957 tons. China remains the largest importer of soybeans worldwide, with 104.50 million metric tons during the 2022/23 season, followed by the European Union.

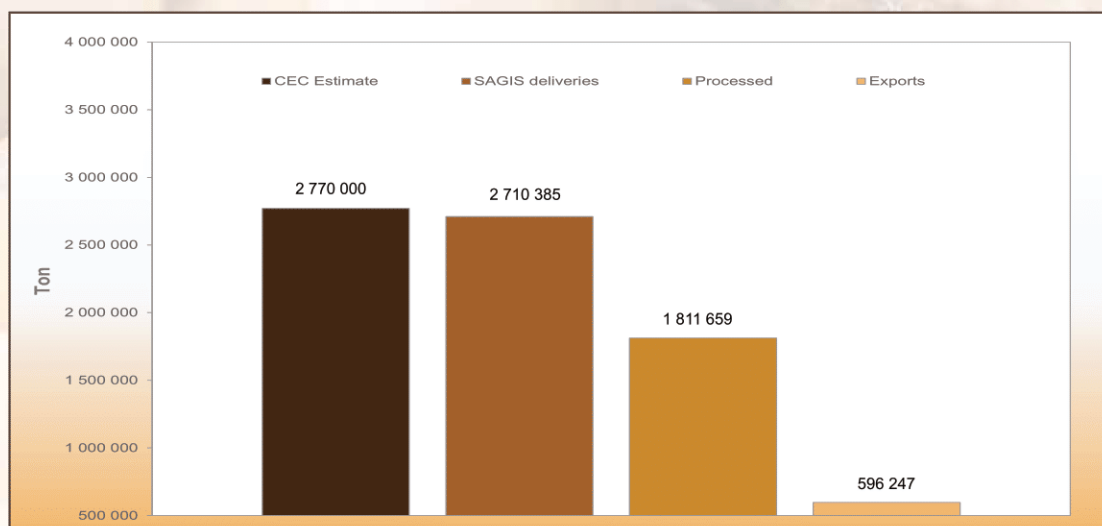
Oilseeds such as soybeans and sunflowers are crushed, producing both vegetable oil for human consumption and oilcake as well as protein meal for inclusion in animal feed rations. Soybeans yield more protein meal which is widely used in the animal feed industry. Of the 1.81 million tons of soybeans processed locally to date, 1.1% was used for human consumption, 8.3% for animal feed as full fat soya and the bulk crushed to produce oil and oilcake. The quantity of soybeans crushed so far, is 3% less than the total quantity crushed during the previous season, but 50% more than the 10-year average.

According to *BFAP Baseline*, rising poultry production could benefit soybean processing, which is set to expand by almost 40% by 2032, compared to the 2020-2022 base period. This expansion reflects a combination of additional use as a protein source in the poultry sector as well as further replacement of traditionally imported soybean meal. It will also enable further import replacement of vegetable oil, although the smaller oil yield from soybeans compared to sunflowers suggest that the replacement of imported vegetable oil will be slower than that of protein meal.

While South Africa's production of soybean, sunflower and canola oil is expected to rise, processing growth is substantially slower than in the past decade and imported oils will therefor still constitute around two thirds of additional vegetable oil consumption in South Africa by 2032 relative to 2022.

Soybean and soybean product exports have more than doubled compared to the previous season. 596 247 tons of soybeans/products have been exported so far this season compared to the 277 504 tons of the previous season and the 38 681 tons of the 10-year average. Exports to countries outside the African continent (Bangladesh, China, Malaysia, Thailand and Vietnam) have increased considerably over the last two years. Globally, soybean exports during the 2022/23 season amounted to an estimated 171.96 million metric tons, with Brazil exporting 56% and the United States 32% of this figure. The projected world soybean exports for the 2023/24 season currently stands at 173.61 million metric tons. Brazil and Argentina, followed by the USA are the largest exporters of soybean meal and Argentina and Brazil the largest exporters of soybean oil (*WASDE - 646*).

Graph 11: Soybean supply and demand overview for the current marketing season (Mar 2023 - Jan 2024)



Information provided by SAGIS.