

Supply and Demand

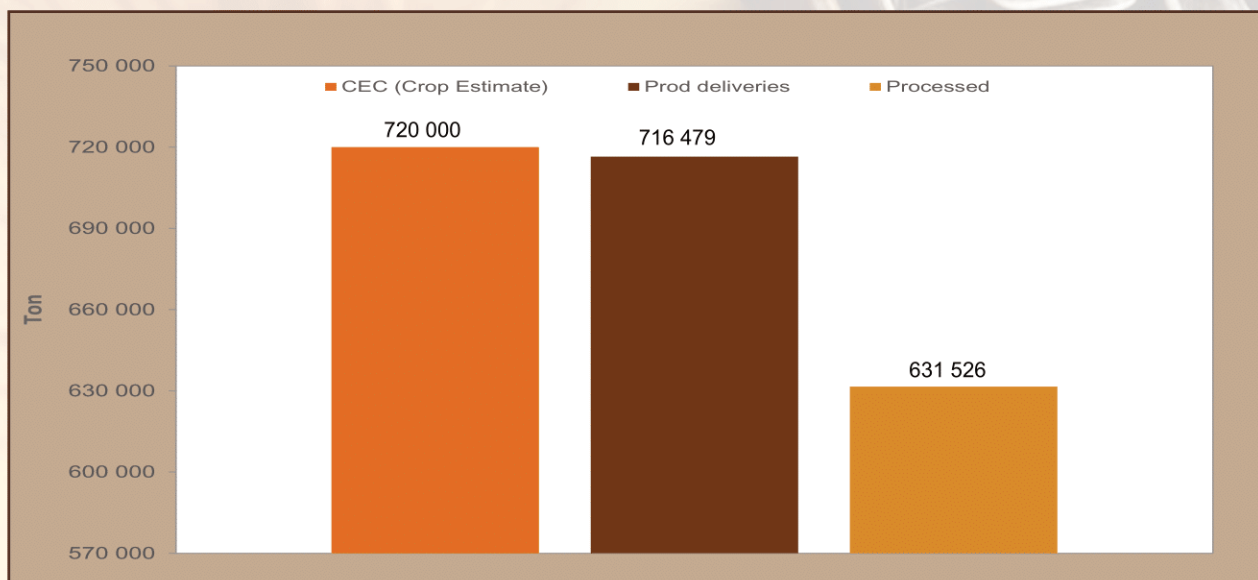
The sunflower seed marketing season dates from March to February. According to SAGIS supply and demand figures for the 2023/24 marketing season to date (March 2023 to January 2024), opening stock more than doubled compared to the previous marketing season. It is however still 21% (19 821 tons) lower than the 10-year average.

To date, 11 835 tons of sunflower and sunflower seed products have been imported compared to the 6 805 and 1 256 tons of the previous two seasons respectively. The 10-year import average is 27 523 tons. Of the 631 526 tons of sunflower seeds processed so far, only 1 870 tons (0.3%) was used for human consumption and 4 999 tons (0.8%) for animal feed. The vast majority of sunflower seed is crushed to produce oil and oilcake. The amount of sunflower seeds crushed to date is almost 23% less than in the previous season and also 19% lower than the 10-year average of 774 741 tons.

Sunflower and canola are crushed predominantly for the vegetable oil market. Due to the combination of limited consumer spending and sharp price increases, vegetable oil consumption has slowed in recent years. By 2032, total vegetable oil consumption is expected to rise by 22% from 2022 levels, according to *BFAP Baseline*. The biggest share of total use is however attributed to imported palm oil, with imports expected to rise to more than 580 000 tons by 2032. 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.

Exports to date amount to only 43 tons, compared to the 170 and 217 tons of the two previous seasons respectively. Globally, Ukraine, followed by Russia, Argentina and the United States were the largest exporters of sunflower seeds during 2022/23. Ukraine (5.4 million metric tons) and Russia (4.2 million metric tons) accounted for 70% of total sunflower oil exports worldwide in the corresponding period (*National Sunflower Association website www.sunflowernsa.com, Table updated January 16, 2024; Source: Oil World & USDA*).

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



Information provided by SAGIS.