Supply and Demand

Please note that the marketing years of sunflower has changed from 1 January - 31 December to 1 March - 28 February. All SAGIS information provided in this report is reported according to the amended marketing years.

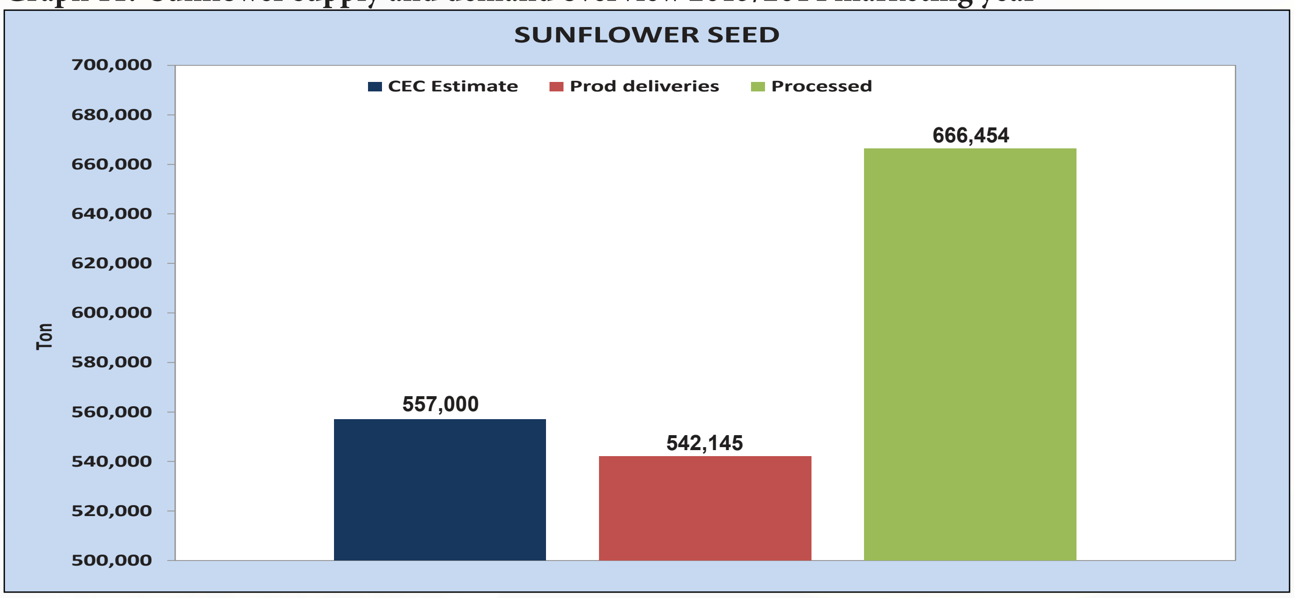
Opening stock decreased by almost 30 000 tons compared to the previous marketing year and was lower than the ten year average. During the 2013/2014 marketing year 94 475 tons of sunflower and sunflower seed products were imported compared to the 11 737 tons of the previous year. South Africa is a net importer of vegetable oils. Domestic consumption of sunflower oil is projected to increase by 1.7% per year over the baseline period to a total of 439 000 tons in 2022 (BFAP Baseline, Agricultural Outlook 2013 – 2022).

Of the 666 454 tons of sunflower seeds processed during this year, only 1 162 tons was used for human consumption and 2 770 tons for animal feed (mainly pet bird feeds). The vast majority of sunflower seed is crushed to produce oil and oilcake. The amount of sunflower seeds crushed this year increased by 16.5% (93 929 tons) compared to the previous year. According to BFAP, contrary to soybean oilcake consumption that has tripled in the past decade, the demand for sunflower oilcake has remained flat and is projected to remain relatively flat around 400 000 tons with no further major increase in the level of demand anticipated.

No significant exports occurred. Globally, the USA and Ukraine are the largest exporters of sunflower seeds and Russia and the Ukraine the largest exporters of sunflower oil (combined 69% of total oil exports).

Ending stock is 43% lower than last year, due to an increase in total demand.

Graph 11: Sunflower supply and demand overview 2013/2014 marketing year



Information provided by SAGIS.