

## Supply and Demand

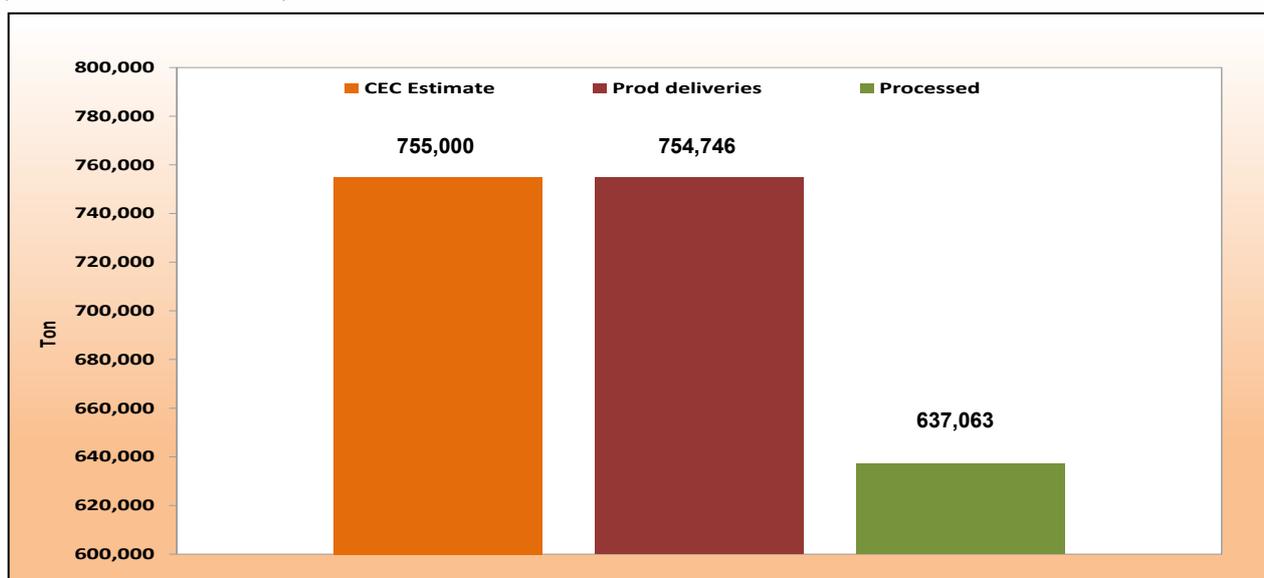
The sunflower seed marketing season dates from March to February. According to SAGIS supply and demand figures for the 2016/2017 marketing season to date (March 2016 to January 2017), opening stock decreased by more than half to 45 867 tons compared to the previous marketing season and is 53% of the ten year average.

To date 40 628 tons of sunflower and sunflower seed products were imported compared to the 36 064 and 63 180 tons of the previous two seasons respectively. South Africa is a net importer of vegetable oils. South African consumption of palm, sunflower, soya and canola oil during 2015 was estimated at more than one million tons, with palm oil comprising approximately 39%. Sunflower oil imports are projected to remain fairly constant over the coming decade at around 30 000 tons per annum (*BFAP Baseline, Agricultural Outlook 2016 – 2025*).

Of the 637 063 tons of sunflower seeds processed so far, only 992 tons (0.2%) was used for human consumption and 9 791 tons (1.5%) 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 15.1% less than during the 2015/2016 marketing season (737 810 tons). According to BFAP, the domestic consumption of sunflower oilcake is projected to increase marginally to just over 360 000 tons by 2025, from the 315 000 tons in 2016. Additional growth in demand will be need to provided by imports. Oilcake imports are projected to supply approximately 60 000 tons by 2025. In 2016, 100 000 tons were imported.

Exports to date amount to 200 tons (256 tons during 2015/2016). Globally, Argentina, Ukraine and the United States are the largest exporters of sunflower seeds. Russia's exports are expected to increase significantly during the 2016/2017 season. Ukraine, followed by Russia and Argentina account for 81% of total sunflower oil exports worldwide. (*2016 U.S. Sunflower Crop Quality Report*).

**Graph 11: Sunflower supply and demand overview for the current marketing season (Mar 2016 - Feb 2017)**



Information provided by SAGIS.