



LIPSA

First half April, 2021

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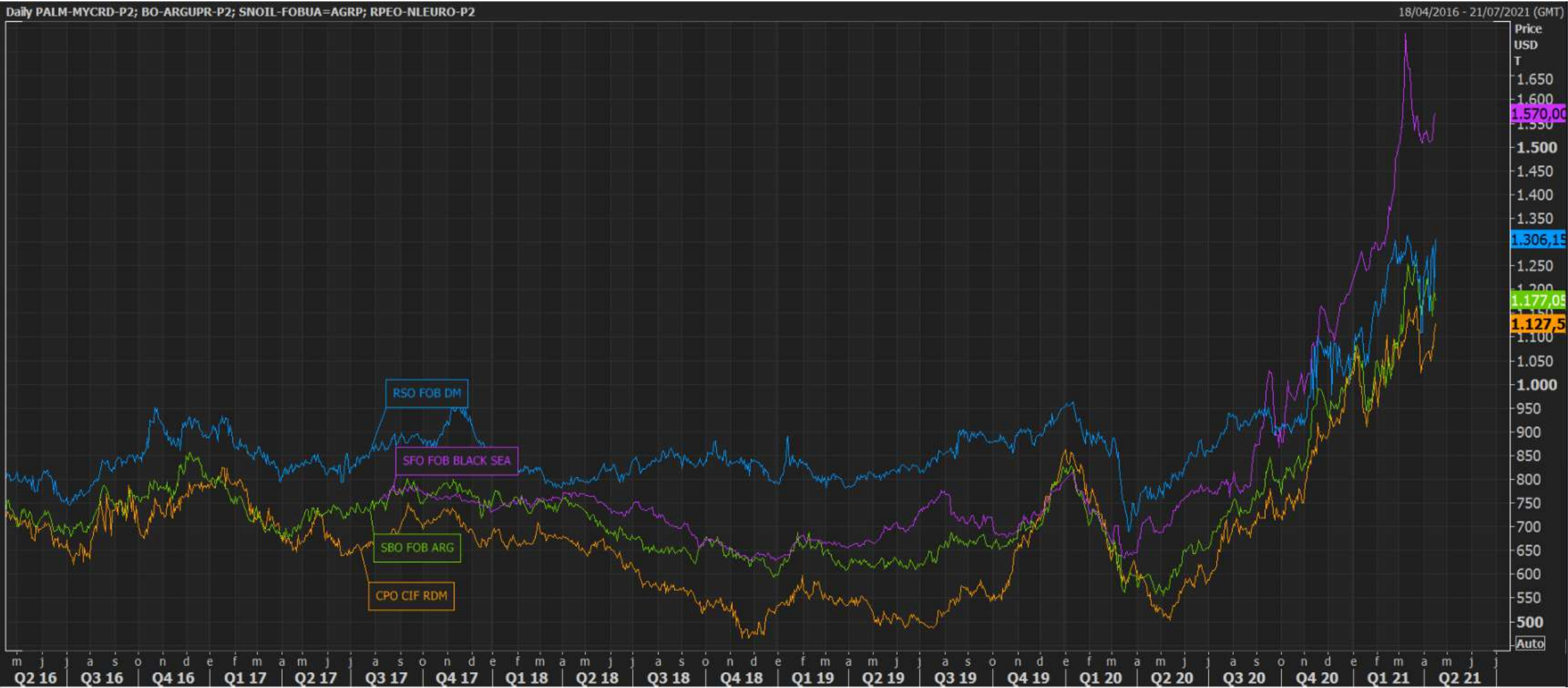
1.1 EVOLUTION OF REFERENCE MARKETS

		01/04/2021	16/04/2021	Unidad	Dif	Dif %
Crude Palm Oil (Jun)	FOB MALASYA	3956	3922	MYR/ MT	-34	-0,9%
Crude Palm Oil (Jun)	CIF RDM	1000	1078	USD/ MT	78	7,8%
CCNO Phil/Indo (Jun/Jul)	CIF RDM	1460	1523	USD/ MT	63	4,3%
CPKO (Jun/Jul)	CIF RDM	1340	1420	USD/ MT	80	6,0%
Crude Sunflower Oil (Jul/Ago/Sept)	FOB 6 PORTS	1540	1610	USD/ MT	70	4,5%
Crude Rape Oil (May/Jun/Jul)	FOB DUTCH MILL	1040	1090	€/MT	50	4,8%
Crude Soya Oil (Jun)	FOB DUTCH MILL	1085	1150	€/MT	65	6,0%
EUR/USD	SPOT	1,1762	1,1983		0,0221	1,9%
USD/MYR	SPOT	4,144	4,1240		-0,0200	-0,5%
Brent Crude	SPOT	64,86	66,77	US \$/ BRL	1,9	2,9%
Gas Oils	SPOT	496,25	531,5	US \$/ MT	35,3	7,1%

During the first half of April, vegetable oil prices showed a generalized recovery. Firmer energy prices, weaker dollar and improved macroeconomic data were the main external factors.

FUENTE: REUTERS

1.2 EVOLUTION OF REFERENCE MARKETS



FUENTE : REUTERS

1.3 EVOLUTION OF REFERENCE MARKETS



FUENTE : REUTERS

2. DOLLAR AND PETROL



Globally dollar has weakened during first two weeks of April, which supported commodity prices.

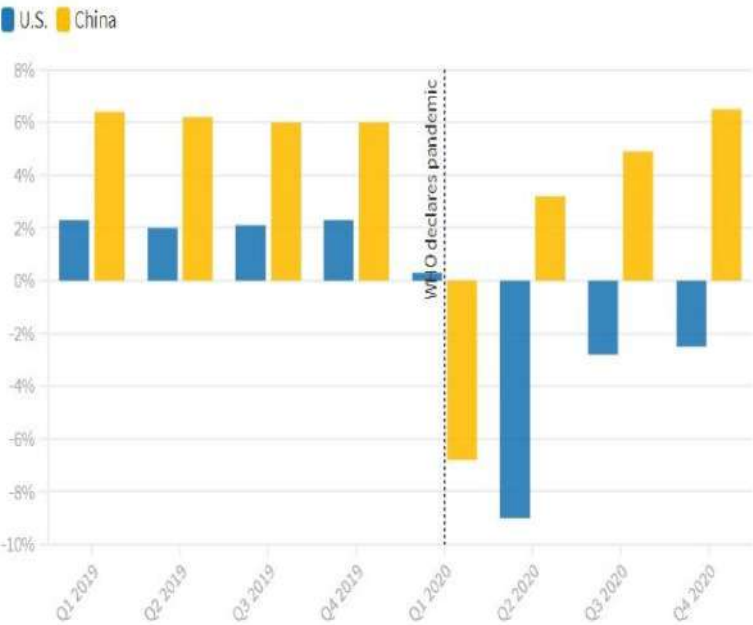


As expected, oil prices recovered during the first half of April, which contributed to the price rally.

2.2 CHINA

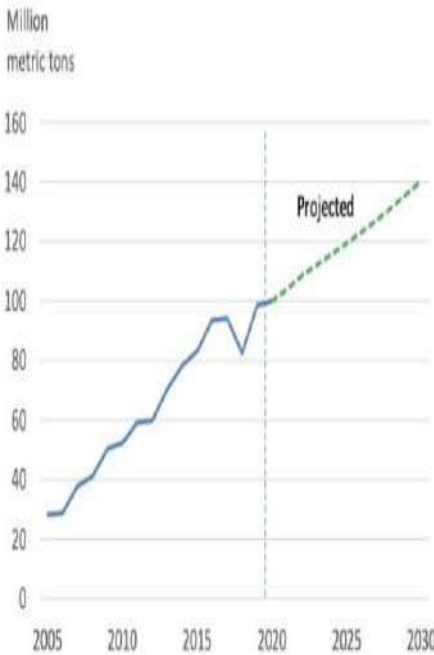
Covid pandemic hit to U.S. and China economies

Real GDP, percentage change from a year ago

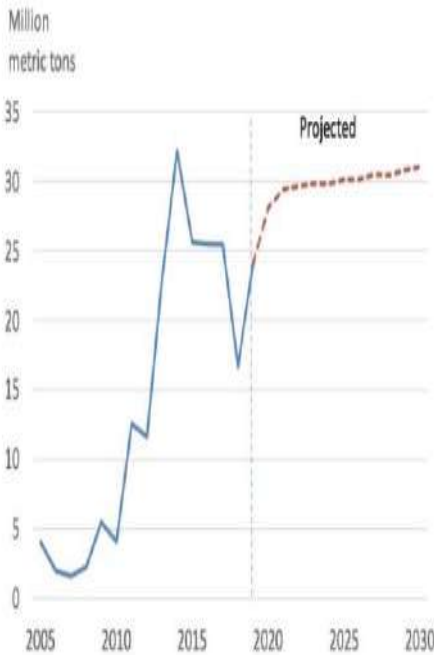


China's economy has recovered fast and strongly and its imports pace **continues to grow**

China's soybean imports



China's grain imports



Source: USDA Agricultural Projections to 2030.

In vegetable oils it will probably reduce its purchases slightly **due to higher local production** and higher crushing, but 20/21 will again be a season of very strong imports, **exceeding 13 MTs.**

CHINA, P.R.: Imports of 17 Oils & Fats (Mn T)

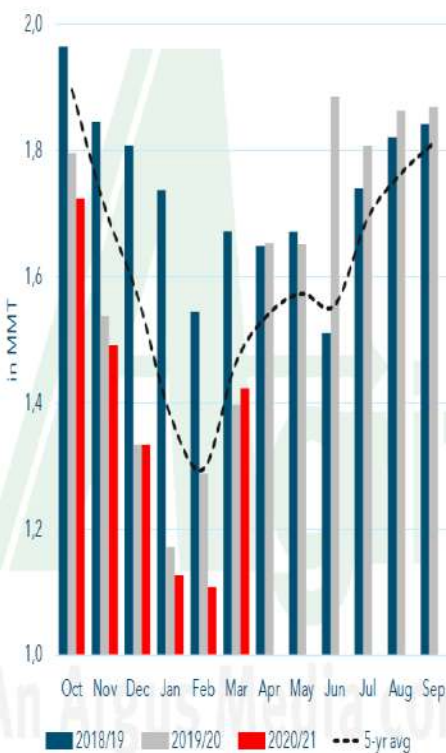
	October / September				
	20/21F	19/20	18/19	17/18	16/17
Soybean oil . . .	.72*	1.00	.78	.48	.71
Groundnut oil . .	.32*	.23	.17	.11	.11
Sunflower oil . .	1.66*	1.75	1.03	.78	.73
Rapeseed oil . .	2.05*	1.94	1.51	1.07	.80
Palm oil	6.80*	6.84	6.89	5.42	5.02
Palmkern oil . . .	.79*	.78	.89	.70	.59
Coconut oil . . .	.17*	.15	.18	.14	.13
Other oils & fats	.71*	.64	.60	.65	.59
Total	13.22*	13.33	12.05	9.35	8.68

FUENTES: EDF / USDA / OIL WORLD

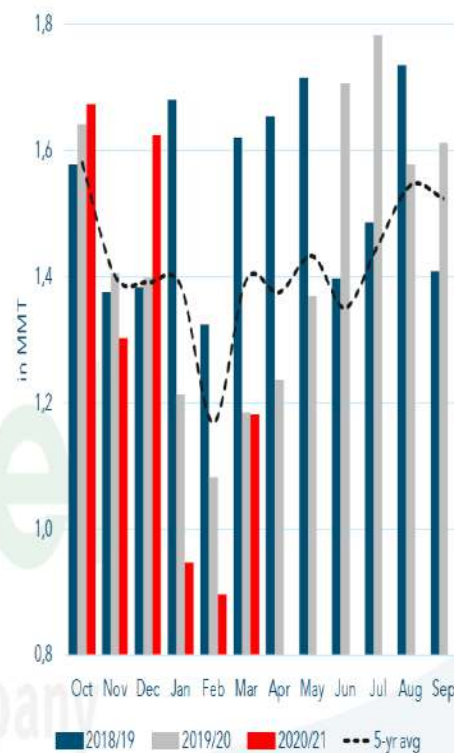
3.1 PALM OIL



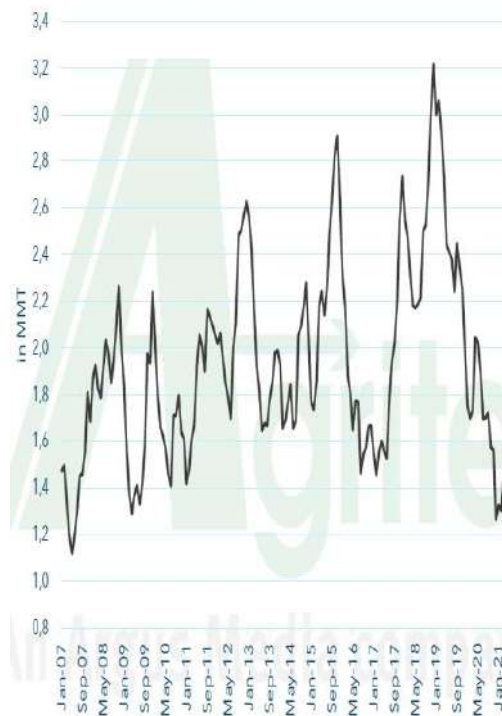
Monthly Malaysian Palm Oil Production



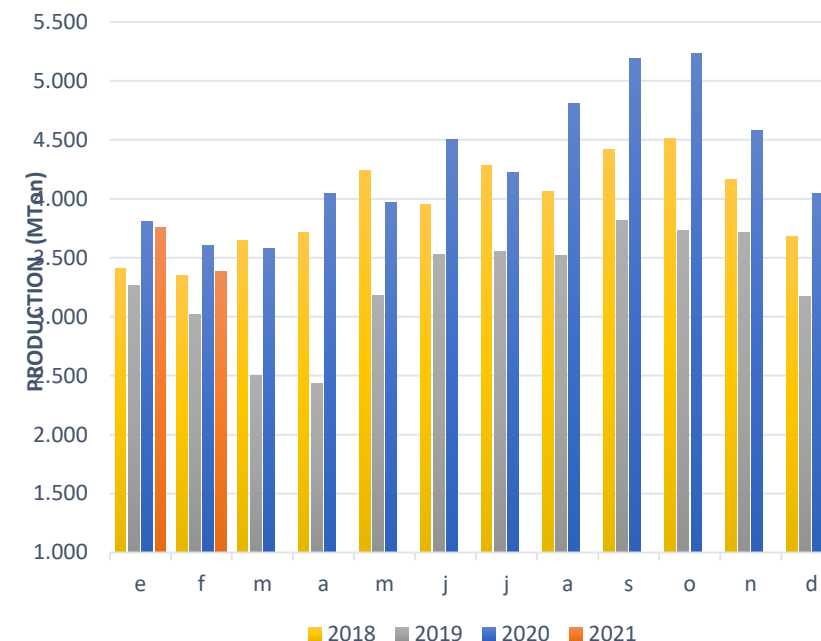
Monthly Malaysian Palm Oil Exports



Monthly Malaysian Palm Oil Stocks



Indonesia: Production

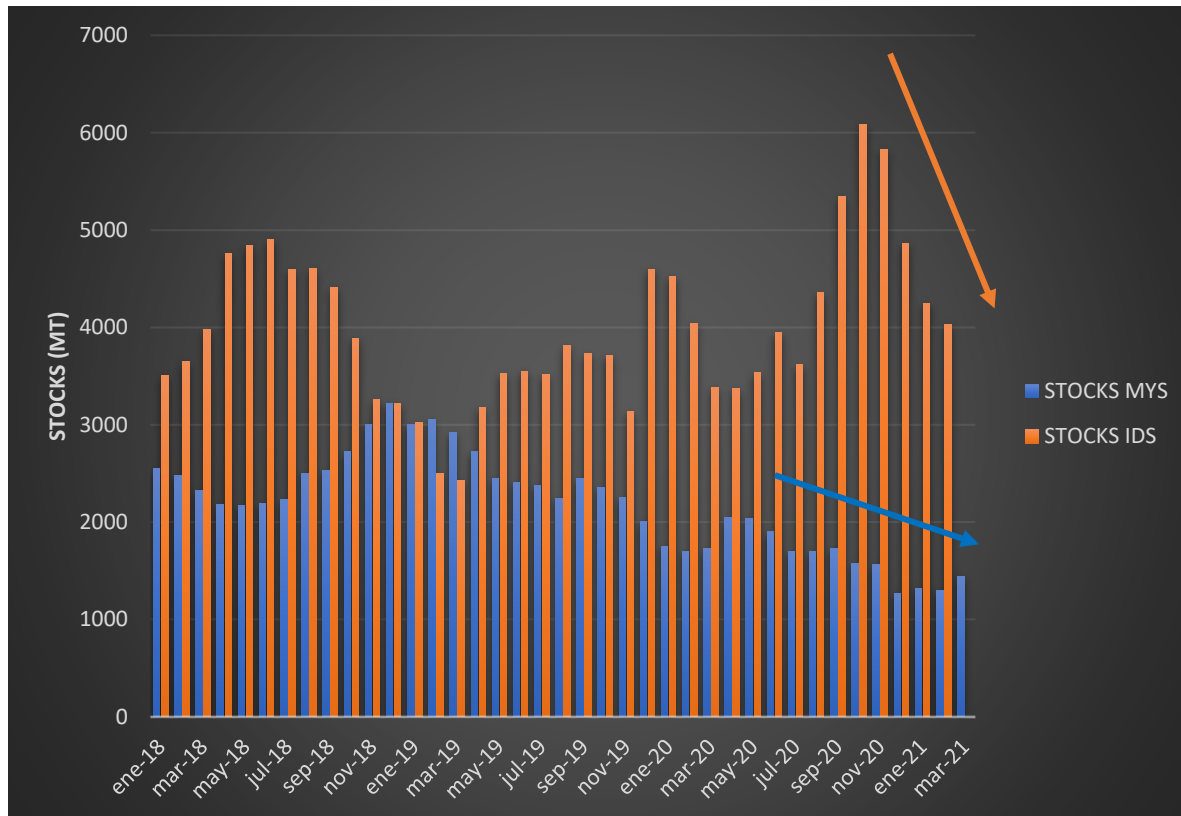


Strong recovery of CPO production in Malaysia during March: +28.43% vs. Feb, although still below the 5-year average. We are heading into a seasonal moment where production should **continue to grow**. USDA lowered its estimate from **19.6 MTs to 19 MTs**. For the first time this year exports exceeded 1 million MTs, although the strong growth has more to do with the poor records of Jan/Feb.

Indonesian production **has been falling since October**, although it remains at levels similar to previous years. USDA maintained its estimate at 43.5 Mts.

FUENTE: MPOB / AGRITEL / POA / GAPKI / USDA

3.2 PALM OIL



The recovery of Malaysian stocks in March were much larger than expected by the market: **10.72% (1,445 MTs) vs. 1.50% (1,320MTs)**. However, they still remain very low. Indonesian stocks have fallen **sharply since October**.



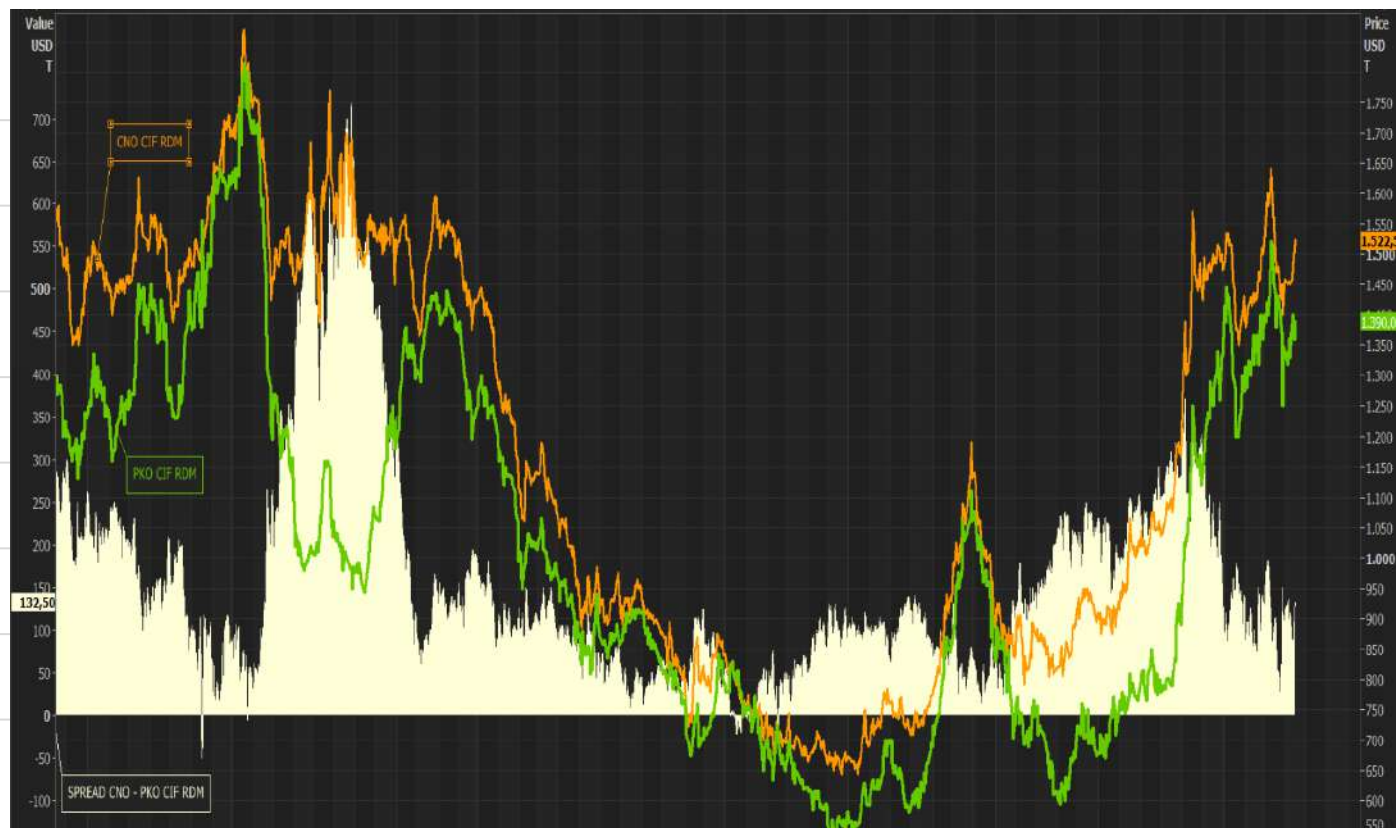
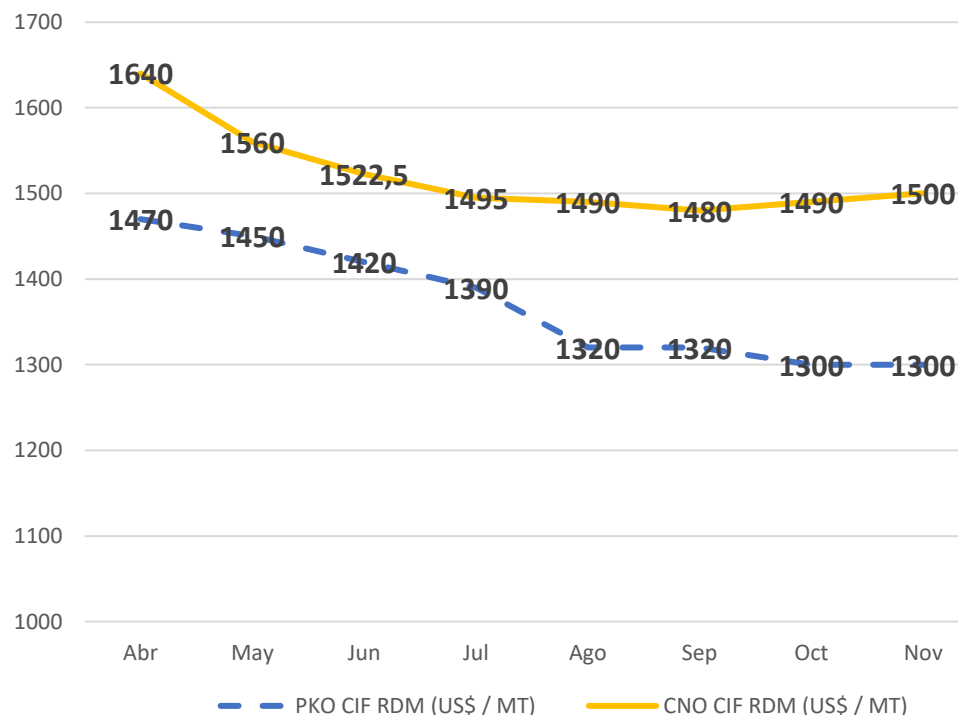
Prices remain historically high, but the level of competitiveness of CPO vs. other oils is good. We continue to expect a correction in Q3-Q4 if Asian production improves and northern hemisphere weather is good for oilseed production.

FUENTES: MPOB / POA / GAPKI / REUTERS

4. LAURIC OILS



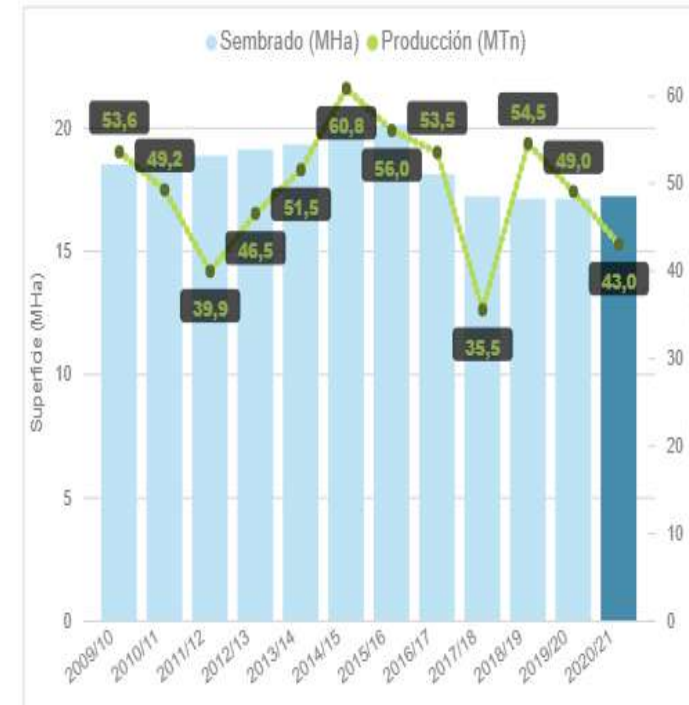
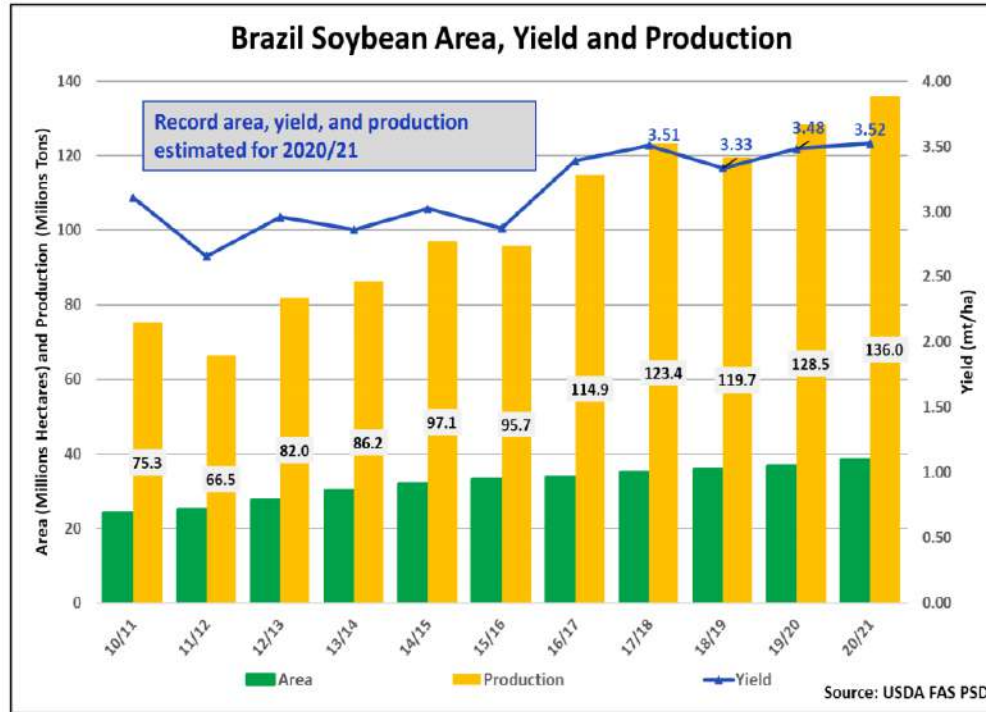
PRICES CIF ROTTERDAM



The price of lauric oils **has been firmer** during the first half of April, as a **consequence of an improvement in vegetable oil** prices in general. The spread between CNO - PKO has returned to above 100 US\$ / Mt. The PKO market with strong inverse. Very low liquidity in the CNO market for the first positions.

FUENTES: REUTERS / HENDRIX / OZINGA & POELMAN T / TSL

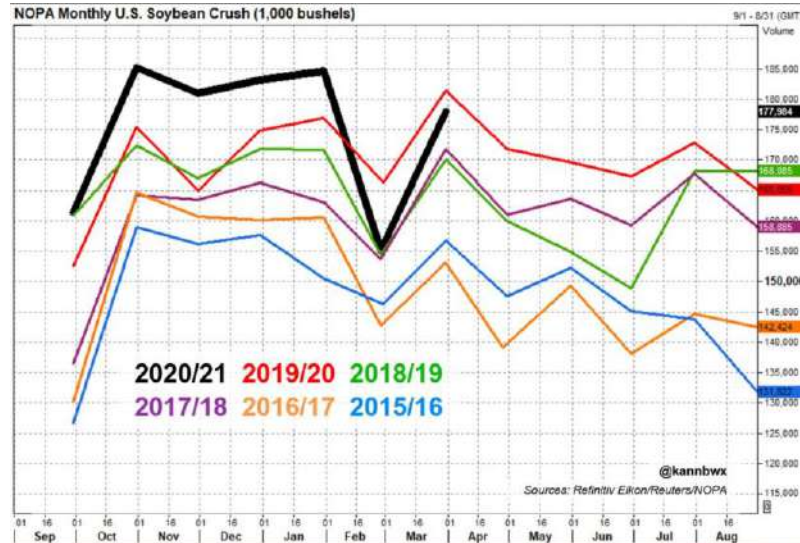
5.1 SOYBEAN OIL



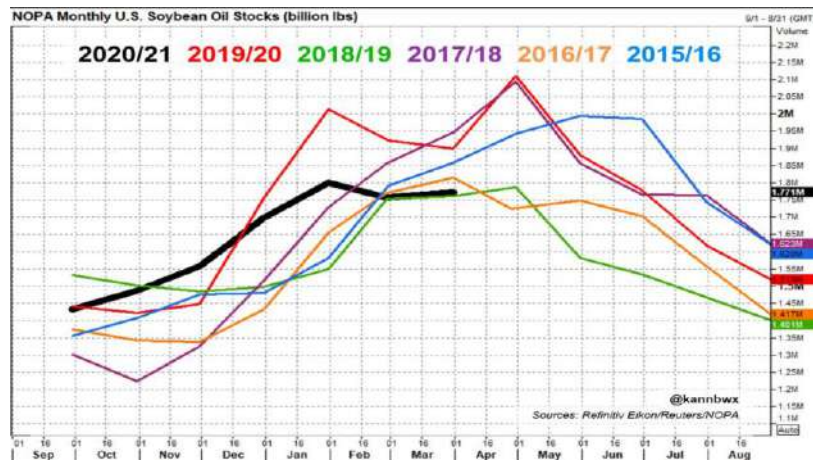
USDA increased its production estimate **for Brazil to 136 MTs, vs. 134 MTs the previous month**. In the case of Argentina, production remained unchanged at 47.5 MTs, when the market expected to see a significant reduction. USDA will have to "confirm" this projection, although the market is probably already considering it. The Buenos Aires Grain Exchange estimates production at 43 MTs.

FUENTE: USDA / BCBA / NOPA / KAREN BRAUN

5.2 SOYBEAN OIL



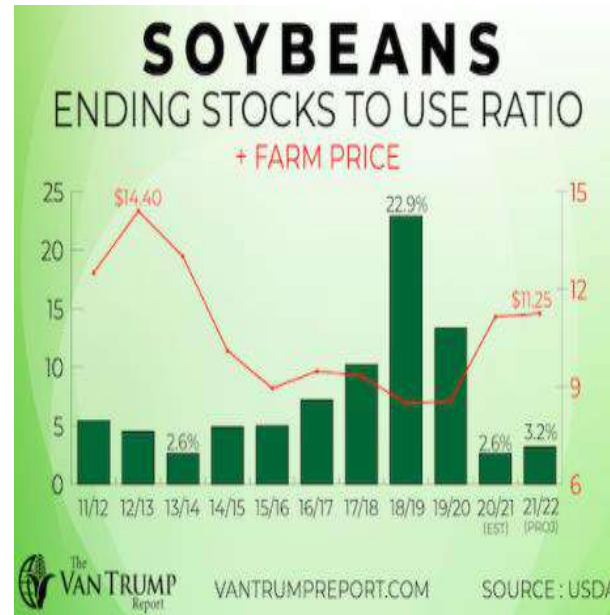
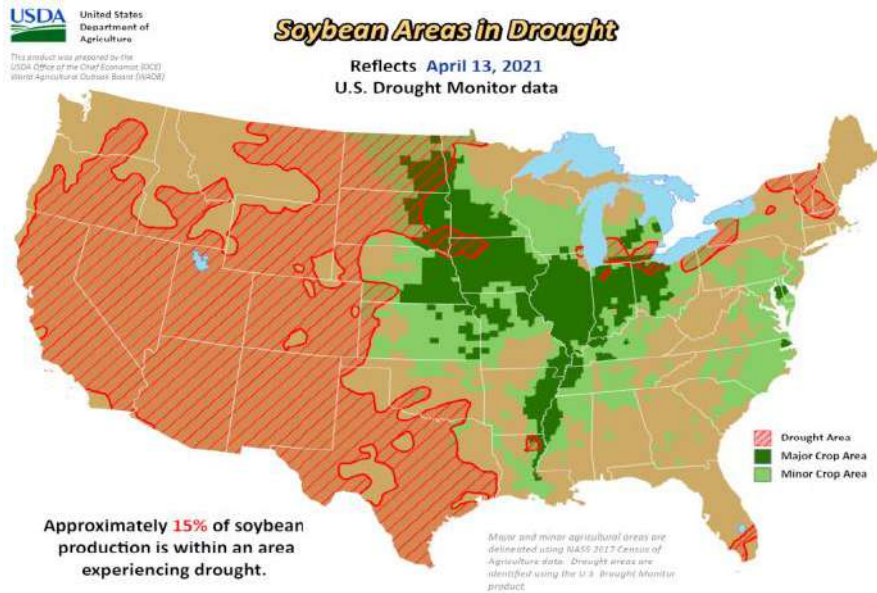
The NOPA reported a U.S. milling level that, although under expectations, was the **second highest for a March month**.



SBO stocks **finished lower than expected**, and are the lowest in at least the last 6 years. Strong soybean complex exports **from Brazil, Argentina and Paraguay** could limit the upside potential in the near term, provided conditions in the northern hemisphere do not deteriorate.

FUENTE: USDA / BCBA / NOPA / KAREN BRAUN

5.3 SOYBEAN OIL



4.20: ARGENTINA, BRAZIL, USA: SOY OIL BALANCES (MT)

	Argentina			Brazil			USA		
	2019/20	2020/21	2021/22	2019/20	2020/21	2021/22	2019/20	2020/21	2021/22
Carry-in stocks	0.14	0.10	0.31	0.33	0.38	0.47	0.80	0.93	0.77
Production	7.51	7.49	7.90	8.80	9.19	9.32	11.48	11.64	11.82
Imports	0.00	0.00	0.00	0.06	0.25	0.05	0.15	0.16	0.16
Exports	5.57	5.79	5.69	1.16	1.35	1.30	1.28	1.38	1.35
Industrial use	1.61	1.13	1.61	4.06	4.34	4.58	3.56	3.89	3.93
Food use	0.38	0.36	0.41	3.60	3.65	3.71	6.66	6.69	6.76
Other uses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Carry-out stocks	0.10	0.31	0.51	0.38	0.47	0.26	0.93	0.77	0.72
stocks-to-use	1%	4%	7%	4%	5%	3%	8%	6%	6%

Managed Money Net Position – CBOT Soyoil



In the US, the 20/21 supply and demand will end up as **the tightest since 13/14**. Despite the expected production recovery due to area growth, the stock/consumption ratio for 21/22 would have only a slight improvement.

Although it is early, the lack of moisture to start planting in some producing areas is a concern. The funds have a very long position in soybeans and soybean oil, which could magnify the effects at the time of closing positions. For the time being, no significant improvement is expected in the **SBO supply&demand for the 21/22 season**.

FUENTES: USDA / VANTRUMP / STRATEGIE GRAINS / AGRITEL

6.1 SUNFLOWER OIL AND HIGH OLEIC SUNFLOWER OIL



EU-27: Sunflowerseed Area, Yield & Production

	2021F	2020	2019	2018	2015-2019
Harv.Area(Mn ha)	4.62*	4.40	4.32	4.11	4.22
Yields (T/ha)	2.25*	1.98	2.19	2.31	2.15
Crop (Mn T)	10.38*	8.70	9.47	9.48	9.06
thereof: Romania	3.10*	1.90*	2.90*	2.60*	2.36*
Bulgaria	2.00*	1.70*	1.91	1.93	1.89
Hungary	1.86*	1.67	1.71	1.83	1.80
France	1.60*	1.61	1.30	1.24	1.30
Spain	.82*	.88	.77	.95	.82
Italy	.30*	.30	.27	.25	.25

First Oil World estimate for Europe: **+5% in planted area.**

With good yields, production could grow up to 19% (+1.7 MTs).

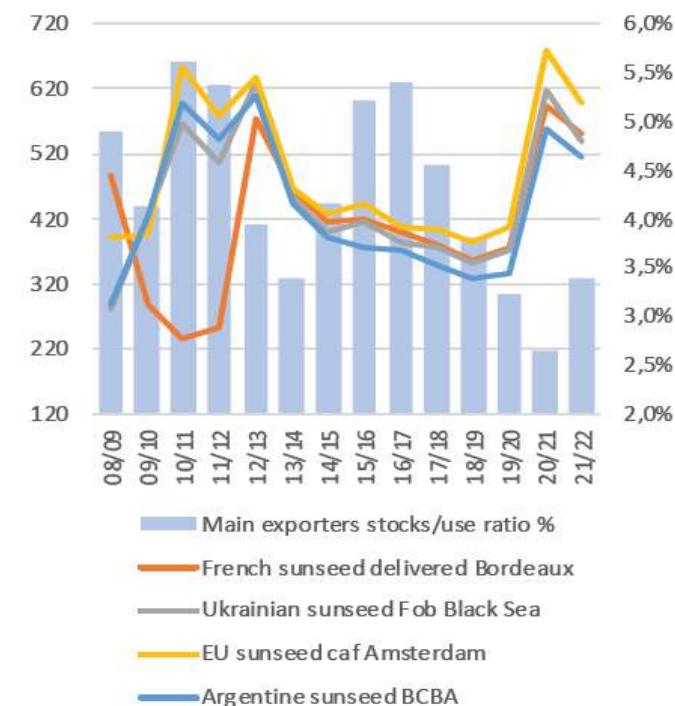
RUSSIA : Spring Planting Progress (Mn ha)

	AgMin Forecast		Planted as of April 10		
	2021	2020	2021	2020	2019
Spring grains . .	29.28	29.17	.63	3.47	1.55
Wheat	12.68	12.18	.01	.55	.11
Barley	7.70	7.87	.22	1.85	.82
Corn	2.82	2.73	.	.35	.06
Sunflowerseed.	8.29	8.11	.	.78	.19
Spring rapeseed	1.24	1.29	.	.05	.02
Sugar beet . . .	1.06	1.03	.07	.39	.21

In Russia, planting of spring crops is very slow and if this continues some of them could switch to sunflower, corn or soybeans. **Weather conditions are good.**

In Ukraine, production could reach a record 16.4 MTs due to a 6% increase in area, according to APK Inform.

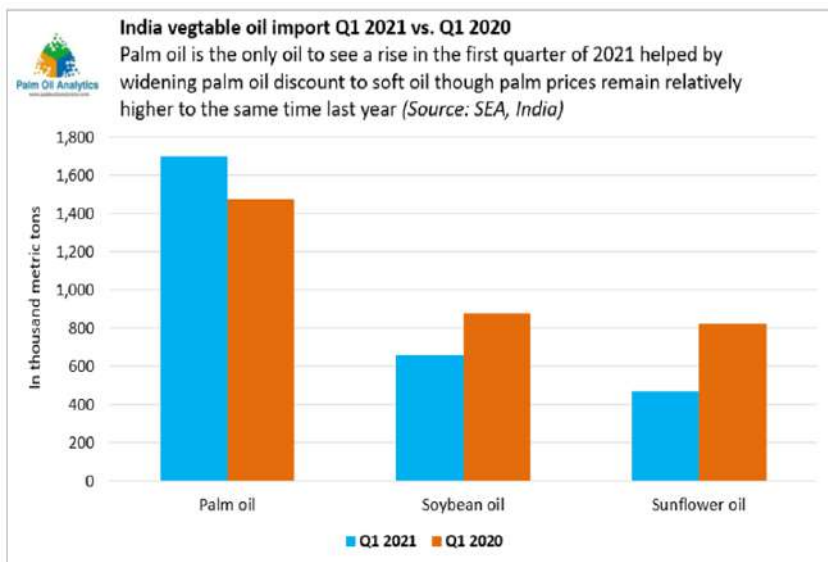
2.23: SUNSEED STOCKS-TO-USE RATIO AND WORLD PRICE (\$/T)



Strategie Grain estimates world production at 55.5 MTs. The stock/consumption ratio would **improve from 6.3% to 6.9%**, which still looks tight.

FUENTES: OIL WORD / APK INFORM / STRATEGIE GRAINS

6.2 SUNFLOWER OIL AND HIGH OLEIC SUNFLOWER OIL



PRICE DYNAMICS OF SUNFLOWER OIL (OFFER, FOB), USD/T

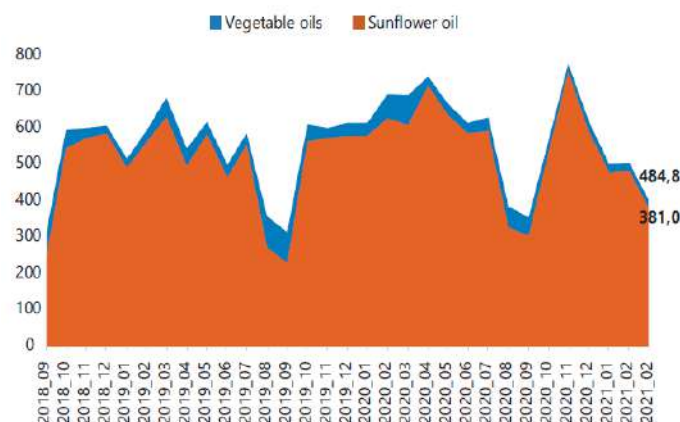


INDIA : Balance 8 Major Oils (a) (Mn T)

	October / September				
	20/21F	19/20	18/19	17/18	16/17
Production	7.02*	6.20	6.32	6.39	5.72
Imports	14.10*	14.03	15.59	14.77	15.48
Soybean oil	3.56*	3.61	3.00	3.02	3.47
Sunflower oil	1.75*	2.51	2.33	2.48	2.14
Rapeseed oil	.03*	.08	.06	.28	.30
Palm oil	8.60*	7.68	10.04	8.84	9.46
Exports	.28*	.11	.04	.05	.04
change in stocks	+.03*	-.52	-.03	-.16	+.32
Dom. Consumpt.(b)	20.81*	20.64	21.90	21.27	20.84
Stocks/use ratio(c)	9.9%	9.9%	11.7%	12.2%	13.2%
Population (Mn)	1393*	1380	1366	1353	1339
Caput use(kilos)	14.9	15.0	16.0	15.7	15.5

(a) Soya, palm, sunfl., rapeseed, palmkern, coconut, groundnut, cottonseed oils. (b)Residual. (c) in % of annual use.

Export of vegetable oils from Ukraine, thsd tonnes



From February onwards we have seen an expected rationalization of demand, mainly by India which substantially reduced SFO purchases by CPO. Oil World expects a 30% drop for the full season.

SFO exports from Ukraine during March were the lowest in 7 years for that month. However, military tensions between Russia and Ukraine and the possibility of restrictions on sunseed exports and oil taxes/quotas in Ukraine caused the market to react in recent days.

FUENTES: COFEED / OIL WORD / APK INFORM / STRATEGIE GRAINS

7.1 RAPESEED OIL

EU-27 : Rapeseed Area, Yields and Production

	2021F	2020	2019	2018	2017
Area (Mn ha)	5.15*	5.19	5.04	6.31	6.14
Germany	.99*	.96	.86	1.23	1.31
France	.98*	1.11	1.11	1.62	1.40
3 Baltics (a)	.52*	.50	.45	.40	.37
Czech Rep.	.38*	.37	.38	.41	.39
Romania	.35*	.34	.25*	.63	.60
Yields (T/ha)	3.19*	3.10	3.08	2.86	3.23
Crop (Mn T)	16.43*	16.09	15.51	18.04	19.80
Germany	3.68*	3.52	2.83	3.68	4.28
France	3.05*	3.25	3.52	4.98	5.24*
3 Baltics (a)	1.61*	1.65	1.29	.78	1.04
Czech Rep.	1.29*	1.25	1.19	1.41	1.15
Romania	.95*	.66	.69*	1.61	1.85*
EU-27 & U.K.	17.47*	17.16	17.27	20.06	21.96

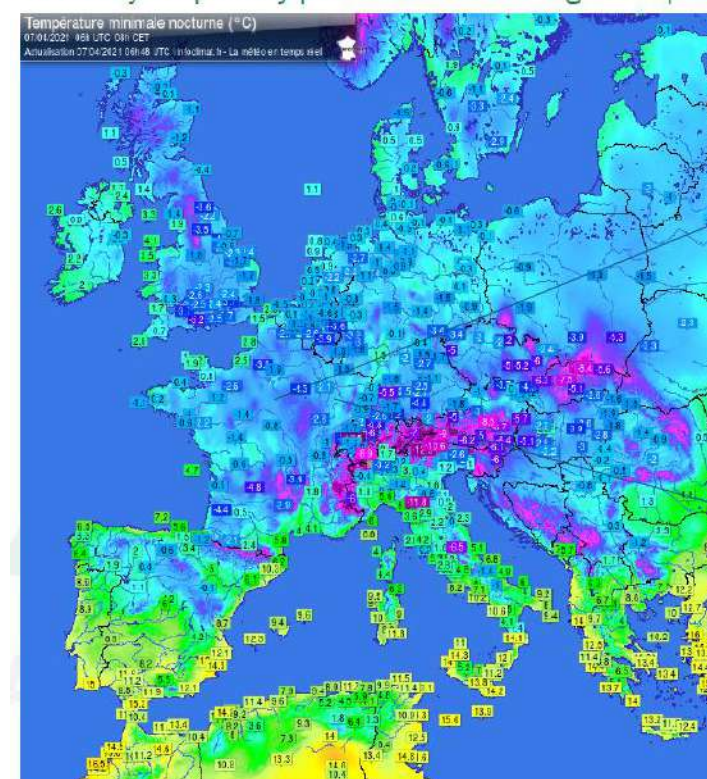
(a) Estonia, Latvia and Lithuania.

EU-27 : Rapeseed Supply & Demand (Mn T)

	21/22F	20/21	19/20	18/19	17/18
Opening stocks	.80*	1.00	1.78	1.89	1.09
Output	16.43*	16.09	15.51	18.04	19.80
Imports (a)	6.55*	6.62*	6.08	4.29	4.38
from: Australia	2.80*	2.25*	.99	1.34	1.86
Ukraine	1.95*	2.02*	2.75	2.17	1.73
Canada	1.45*	1.98*	2.03	.42	.47
Exports (a)	.27*	.25*	.34	.28	.32
Crushings	22.12*	22.15*	21.51	21.65	22.37
Other use	.52*	.51*	.53	.52	.67
Ending stocks	.87*	.80*	1.00	1.78	1.89

(a) Intra-EU trade is excluded.

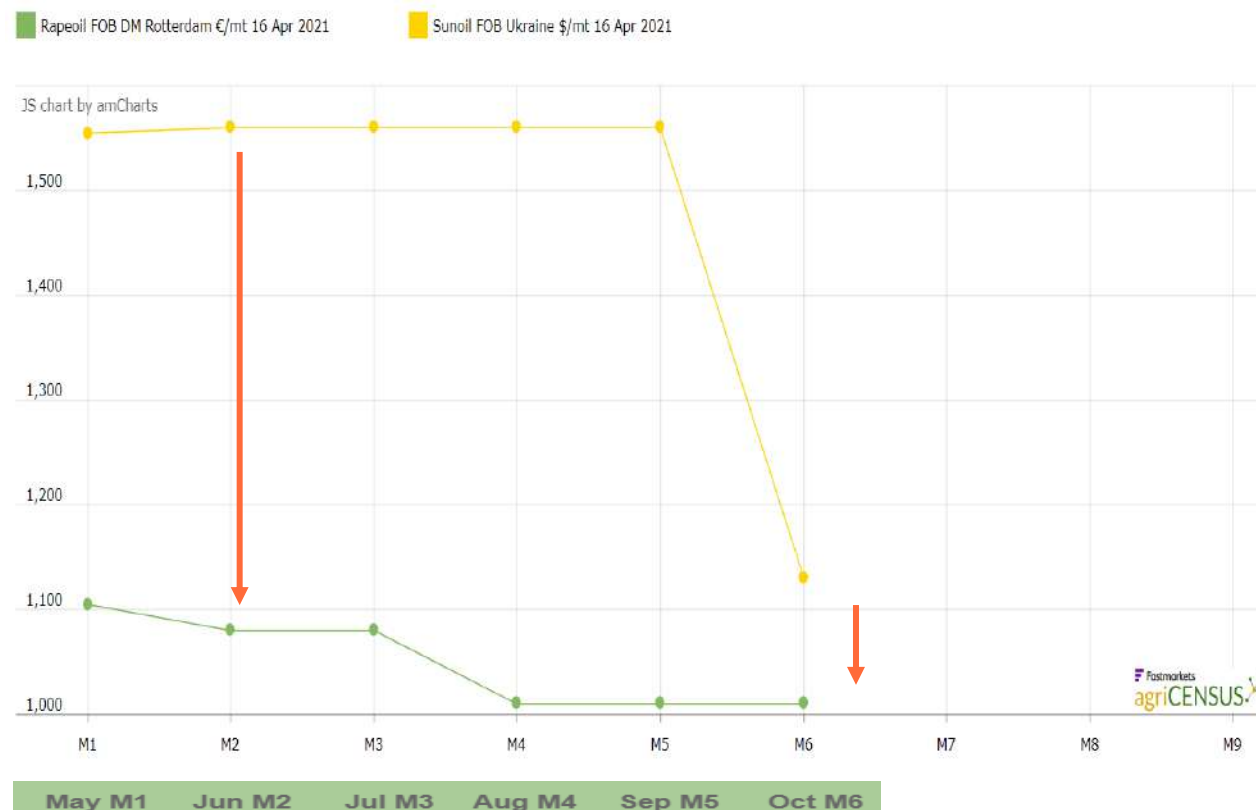
Too early to quantify potential cold damage to rapeseed



Crushing margins in Europe have been very strong and the first quarter crushing level comes in at 5.87 MTs vs. 5.45MTs a year earlier. As already said, rapessed **production in the EU will see a slight recovery** despite a slight drop in acreage, which continues to fail to recover. **Ending stocks for 21/22 are again expected to be very low, below 1 million tonnes.** Temperatures well below normal in France could affect yields. In Canada the situation is better than 15 days ago, but rains are still needed in important producing areas.

FUENTE: AGRITEL / OIL WORLD

7. 2 RAPESEED OIL



World rapeseed production continues to stagnate.

RSO is the oil with the tightest situation for the 21/22 season. The price differential between SFO and RSO for the new season is decreasing significantly, and we do not rule out that it could reverse again during the season if sunflower seed production is good.

FUENTE: AGRICENSUS



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