



LIPSA

May 2022

1. Evolution of reference markets

2. Sunflower Oil (SFO)

3. Rapeseed Oil (RSO)

4. Palm Oil (CPO)

5. Lauric Oils

6. Soybean Oil (SBO)

1.1 EVOLUTION OF REFERENCE MARKETS

		26/04/2022	13/05/2022	Unidad	Dif	Dif %
Crude Palm Oil (Ago)	FOB MALASYA	6400	6133	MYR/ MT	-267	-4,2%
Crude Palm Oil (Ago)	CIF RDM	1610	1570	USD/ MT	-40	-2,5%
CCNO Phil/ Indo (Ago/ Sept)	CIF RDM	1860	1670	USD/ MT	-190	-10,2%
CPKO (Ago/ Sept)	CIF RDM	1870	1640	USD/ MT	-230	-12,3%
Crude Sunflower Oil (Jul)	FOB ARGENTINA	2010	2150	USD/ MT	140	7,0%
Crude Rape Oil (Ago/ Sept/ Oct)	FOB DUTCH MILL	1850	1810	€/MT	-40	-2,2%
Crude Soya Oil (Jul)	FOB ARGENTINA	1884	1860	USD/ MT	-24	-1,3%
EUR/ USD	SPOT	1,0636	1,0411		-0,023	-2,1%
USD/ MYR	SPOT	4,3535	4,3960		0,042	1,0%
Brent Crude	SPOT	104,99	111,55	US \$/ BRL	6,56	6,2%
Gas Oils	SPOT	1167,5	1107	US \$/ MT	-60,50	-5,2%

Prices of most vegetable oils declined from highs reached at the end of April. Fund long liquidation has been a major feature on the CBOT and other futures markets during last week. Indonesian export ban is seen as temporary. Weather developments and political decisions, key factors to closely follow in coming weeks. Global supplies remains tight and large productions are necessary to replenish stocks.

SOURCES: REUTERS/APK INFORM/AGROSUD/AGRICENSUS

1.2 EVOLUTION OF REFERENCE MARKETS



SOURCES: REUTERS

1.3 EVOLUTION OF REFERENCE MARKETS



SOURCES: REUTERS

1.4 EVOLUTION OF REFERENCE MARKETS

4 MAJOR VEGETABLE OILS : Prices Trebled Since 2019 (in US-\$/Tonne for Nearest Forward Shipment)

	Apr 28 2022	Apr 2022	Apr 2021	Jan Apr 2022	Jan Apr 2021	Jan Apr 2020	Jan Apr 2019	Jan Apr 2018	Jan Apr 2017	Jan Apr 2016	Avge 2016- 2020
Soybean oil, Argentina, fob .	2008	1842	1220	1623	1135	679	654	758	743	687	704
Sunflower oil, Argentina, fob	2100	2178	1529	1828	1418	724	646	748	734	754	721
Rape oil, Dutch, fob ex-mill .	2260	2222	1359	1976	1252	854	815	817	867	784	827
Palm olein RBD, Mal, fob . . .	1860	1694	1080	1592	1033	649	543	656	726	639	643

Prices of the 4 major vegetable oils have trebled since 2019. The tightness of supplies has become more severe as a result of the Ukraine war and has aggravated further after the implementation of the Indonesian total export ban on palm oil.

Increasing concerns about food price inflation and food supply deficits in many developing countries. A new "Food versus Fuel debate" has started.

SOURCES: OIL WORLD

2.1 SUNFLOWER OIL (SFO)



Some Black Sea shipping is operating

There are still ships entering the Black Sea region. Our map, from www.vesselfinder.com, shows the level of activity in the region, with each arrow representing a ship on March 29th. While there are no ships going to ports in Ukraine, such as Odessa, there are still vessels going to and from Novorossiysk in Russia. The port of Constanta in Romania is also still operating.

Black Sea ship activity (29-03-2022)



April export of sunflower oil from Ukraine was 151,529 MT, according to official data, which is 28% higher than the March export figure. We think that it will be difficult to see higher volumes in coming months, due to huge logistical issues.

Since the beginning of the 2021/22 season, September to May, Ukraine has exported 3.36 million MT of sunflower oil, which is 14% lower than last season. Larger exports that expected in case of sunflower seed.

SOURCES: VESSELFINDER / AGRICENSUS

2.1 SUNFLOWER OIL (SFO)



PORTS OF UKRAINE DURING THE WAR

TOP LEAD

Almost all Ukrainian ports are closed due to occupation, blockade, mine danger, and the danger of piracy by Russia.

- 3** are working
- 6** entry and exit is not possible
- 4** don't work
- 5** occupied since 2014



90% of port turnover

75% of foreign trade in peacetime passed through sea lanes

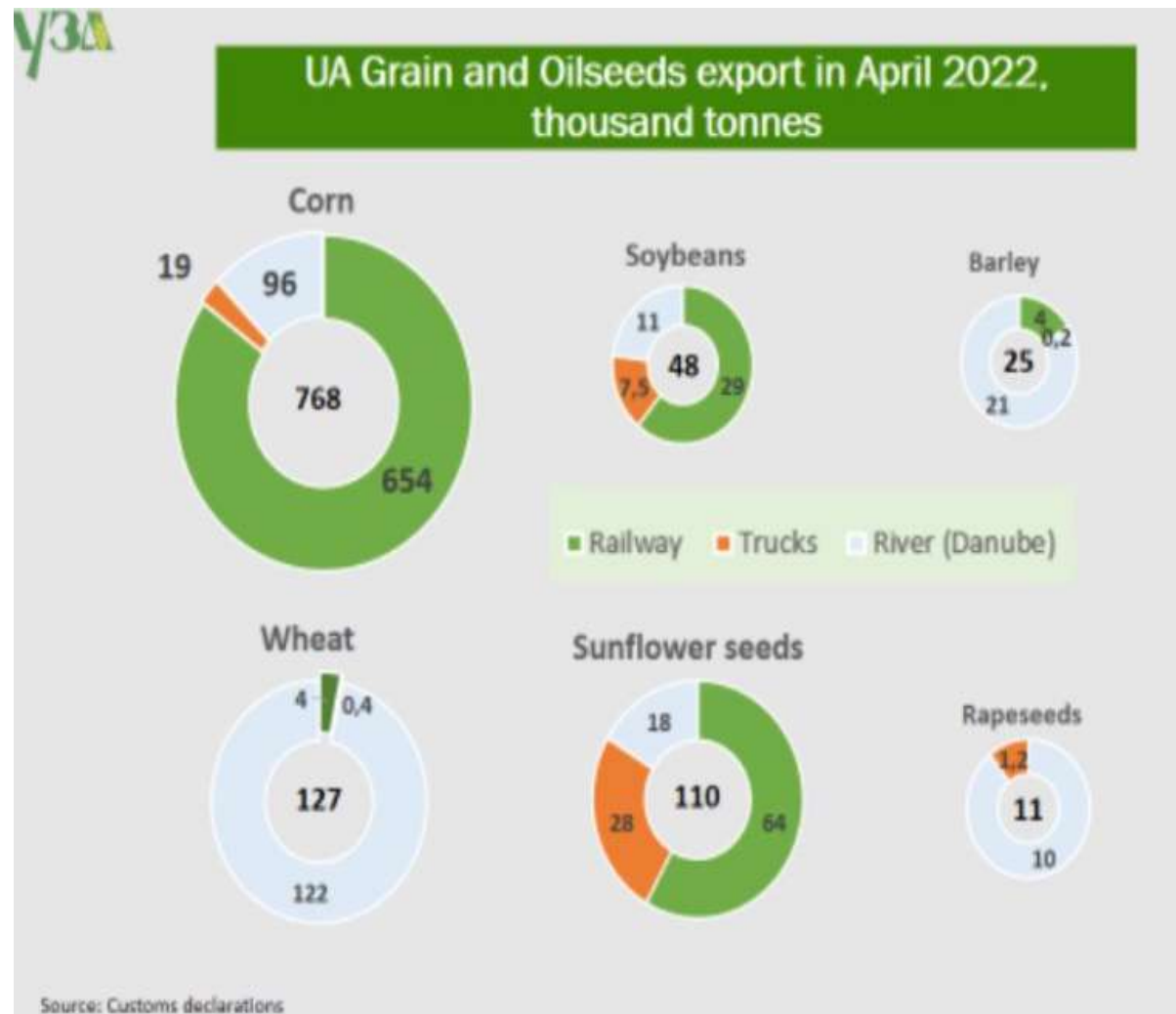
70 ships are blocked in ports

≈10% of annual exports of cereals and pulse crops are blocked in Ukrainian ports

\$170 mln a day are Ukraine's losses due to the blockade of ports

Sources: CMR Center, UNFPA Representative Martin Frick Svob and Diba, Deputy Minister of Infrastructure of Ukraine Yurij Vasylev during a briefing at the Ukraine — Uzinform Media Center, data as of May 6, 2022; losses per day — data as of April 21, 2022; Vice President of the Kyiv School of Economics Oleh Hrygulyk.

t.me/uawarinfographics

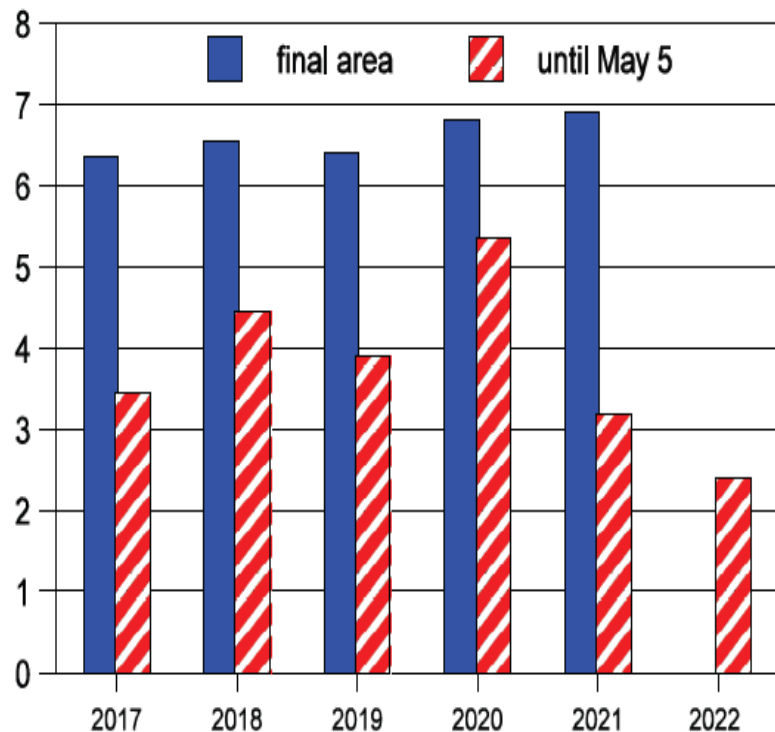


SOURCES: VESSELFINDER / AGRICENSUS

2.2 SUNFLOWER OIL (SFO)



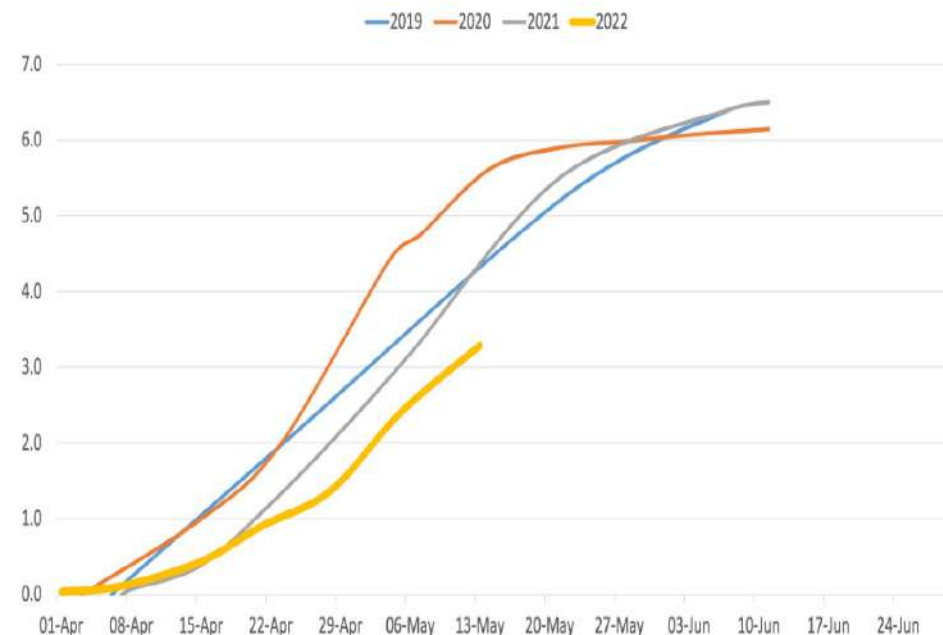
UKRAINE : Plantings of Sunseed (Mn ha)



green square agro consulting

independent crop forecasting services, assessing Black Sea crops since 2014

Ukraine planting progress, sunflower MHA



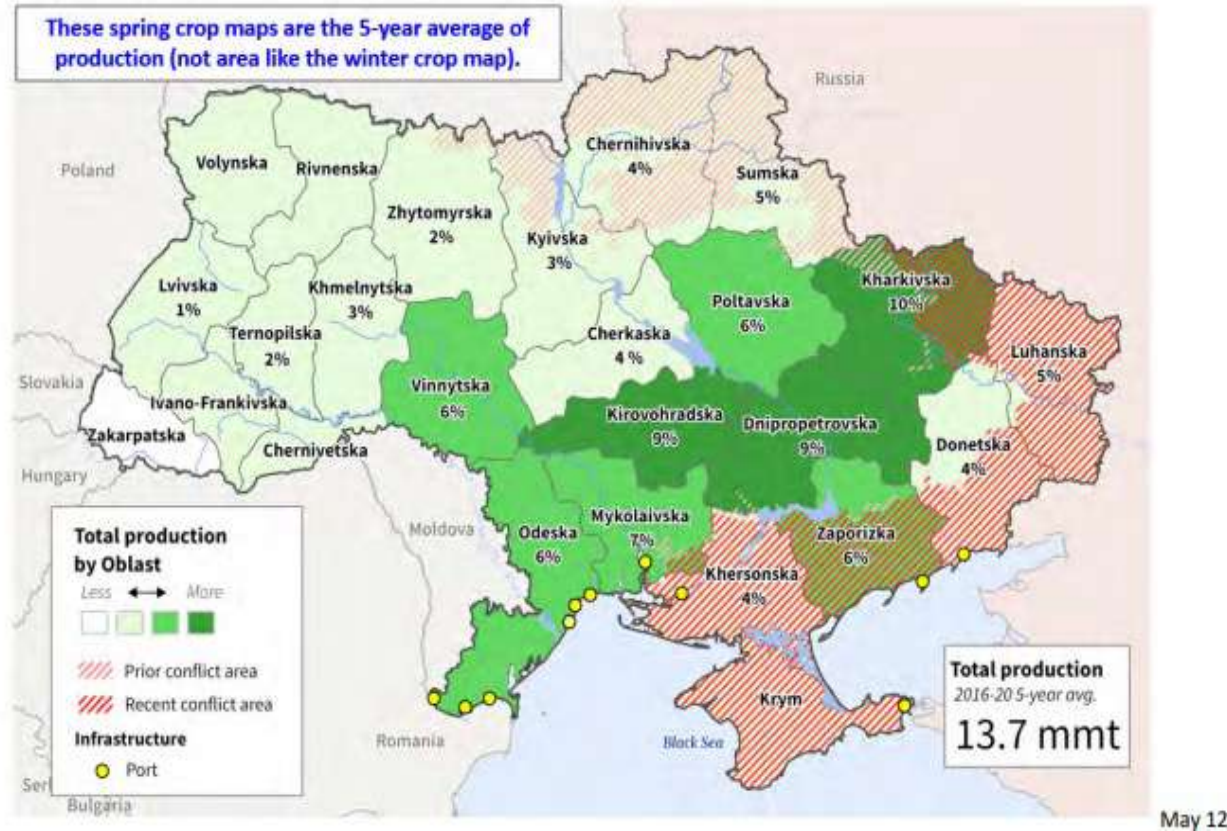
Ukrainian sowing of sunflower is expanding: **3.3 Mha** have been planted, it is **50%** of the last year's sowing area, vs **4.6 Mha** or **71%** last year completed by the same date. Farmers and businesses are spending less on basic things such as seeds or herbicides, but there are problems with supply of fuel.

SOURCES: OIL WORLD/APK INFORM/GREEN SQUARE/AGRICENSUS/UGA/USDA

2.2 SUNFLOWER OIL (SFO)



Ukraine: Sunflower Seed Production and Conflict Areas



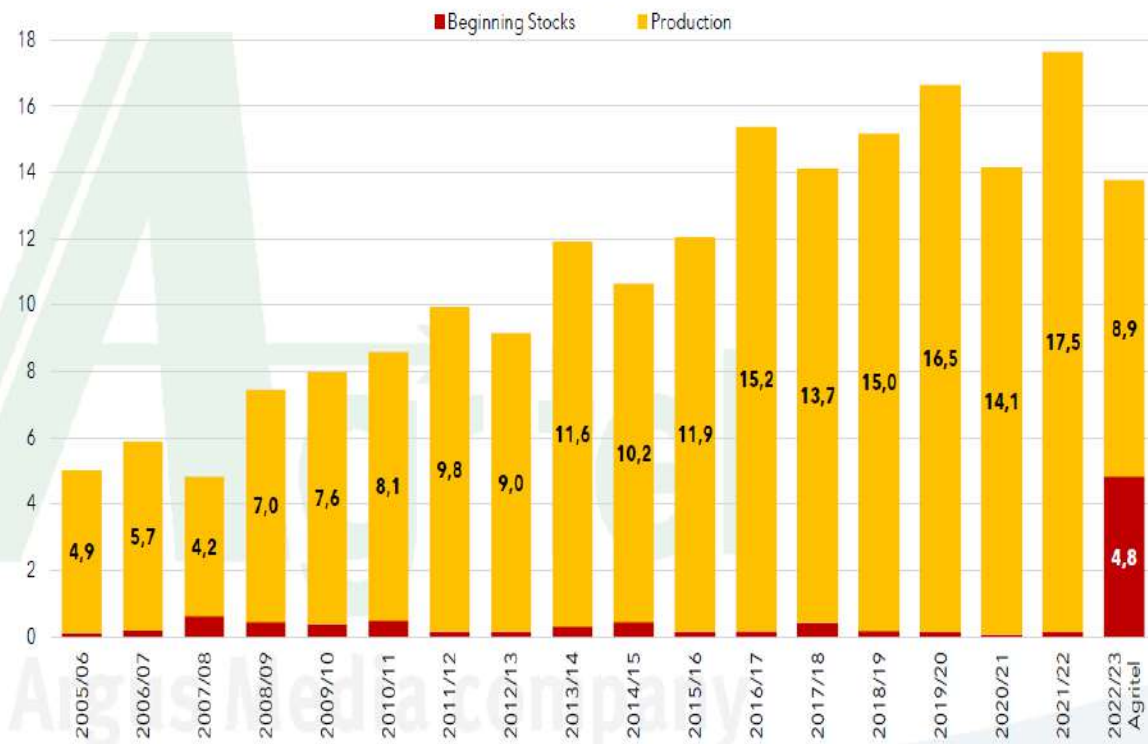
Local authorities estimate that Ukrainian farmers will sow about 14.2 million hectares of agricultural land this season, which is around 80% of last year's 16.9 Mha. The official target for sunflower is 5 Mha, however we currently see little likelihood to reach more than 4.5 Mha.

SOURCES: OIL WORLD/APK INFORM/GREEN SQUARE/AGRICENSUS/UGA/USDA

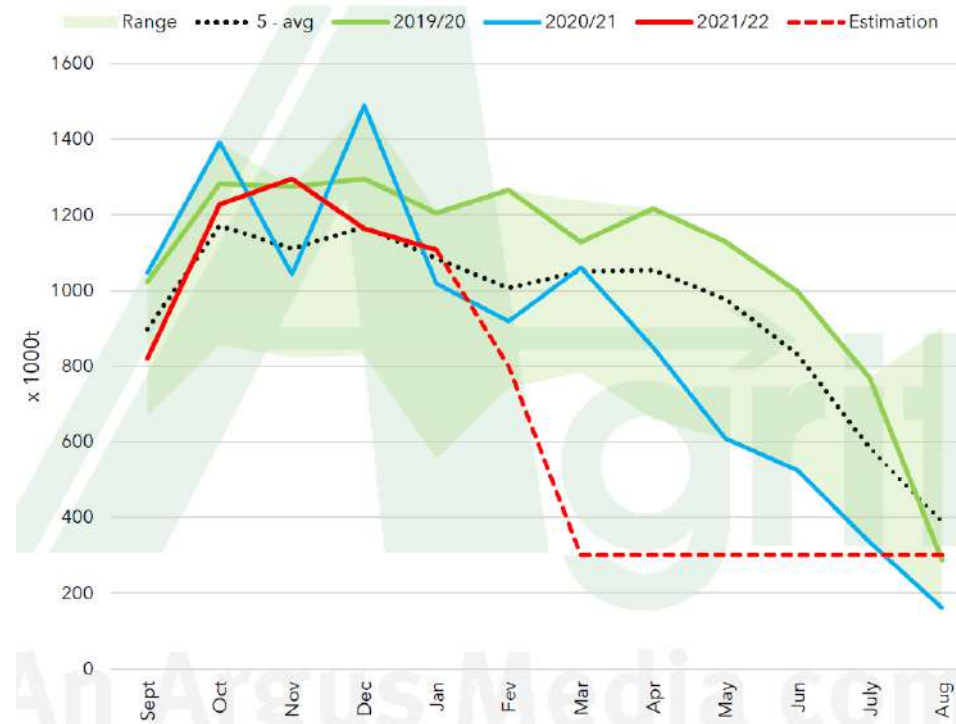
2.3 SUNFLOWER OIL (SFO)



Sunflower seed supply in Ukraine (Mt)



Ukrainian Sunflower seed crushing
[figures represent 77% of total crush]



Main analysts have sharply reduced their estimate of sunflower seed crushing in Ukraine until new season, resulting in huge ending stocks of 4.5 – 4.8 Mts (million metric tonnes).

If the war continues beyond June, crushing will probably be closer to 11.5 Mts and stocks correspondingly higher.

SOURCES: AGRITEL/OIL WORLD/APK INFORM/AGRICENSUS

2.3 SUNFLOWER OIL (SFO)



Supply and demand balances of sunflower seed in Ukraine

	2020/21 '000 tonnes	2021/22 '000 tonnes	2022/23 '000 tonnes	Changes, %	
				2021/22- 2020/21	2022/23- 2021/22
Beginning stocks	16,6	43,6	4 739,2	up 2,6 t.	up 108,7 t.
Planted areas, '000 ha	6 457,2	6 790,0	4 200,0	+5,2%	-38,1%
Harvested areas, '000 ha	6 480,9	6 722,1	4 171,7	+3,7%	-37,9%
Yield in clean weight (APK-Inform), t/ha	2,12	2,46	2,20	+16,0%	-10,6%
Production in clean weight (APK-Inform)	13 755,4	16 549,8	9 177,6	+20,3%	-44,5%
Imports	23,9	22,0	22,0	-7,9%	=
Total supply	13 796,0	16 615,4	13 938,9	+20,4%	-16,1%
Consumption	13 561,5	11 776,2	13 299,6	-13,2%	+12,9%
processing for oil	13 357,7	10 700,0	13 100,0	-19,9%	+22,4%
seeds	34,0	21,0	30,8	-38,2%	+46,7%
others	59,5	58,3	57,3	-2,0%	-1,6%
losses	110,4	996,9	111,5	up 9 t.	-88,8%
Exports	190,8	100,0	300,0	-47,6%	up 3 t.
General distribution	13 752,4	11 876,2	13 599,6	-13,6%	+14,5%
Ending stocks	43,6	4 739,2	339,2	up 108,7 t.	-92,8%
Stocks-to-distribution ratio	0,3%	39,9%	2,5%		

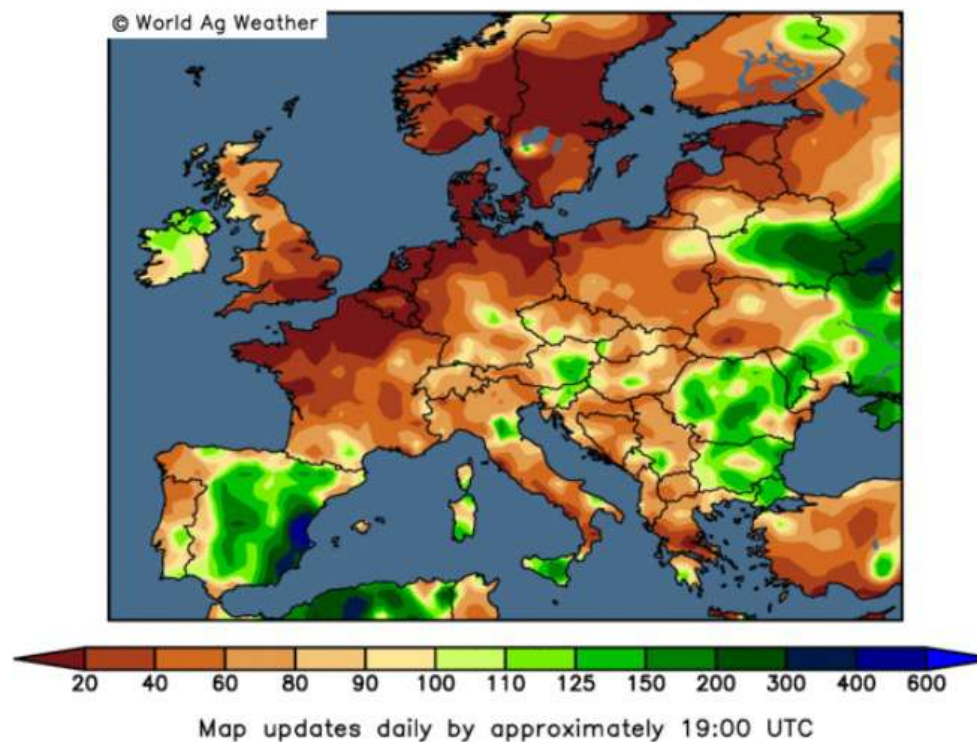
Production in 22/23 will be lower than our previous ideas: 8.8–9.3 Mts if weather conditions are favourable. So far weather has not been positive, due to lack of rain, when crops have only just begun to emerge.

SOURCES: AGRITEL/OIL WORLD/APK INFORM/AGRICENSUS

2.4 SUNFLOWER OIL (SFO)

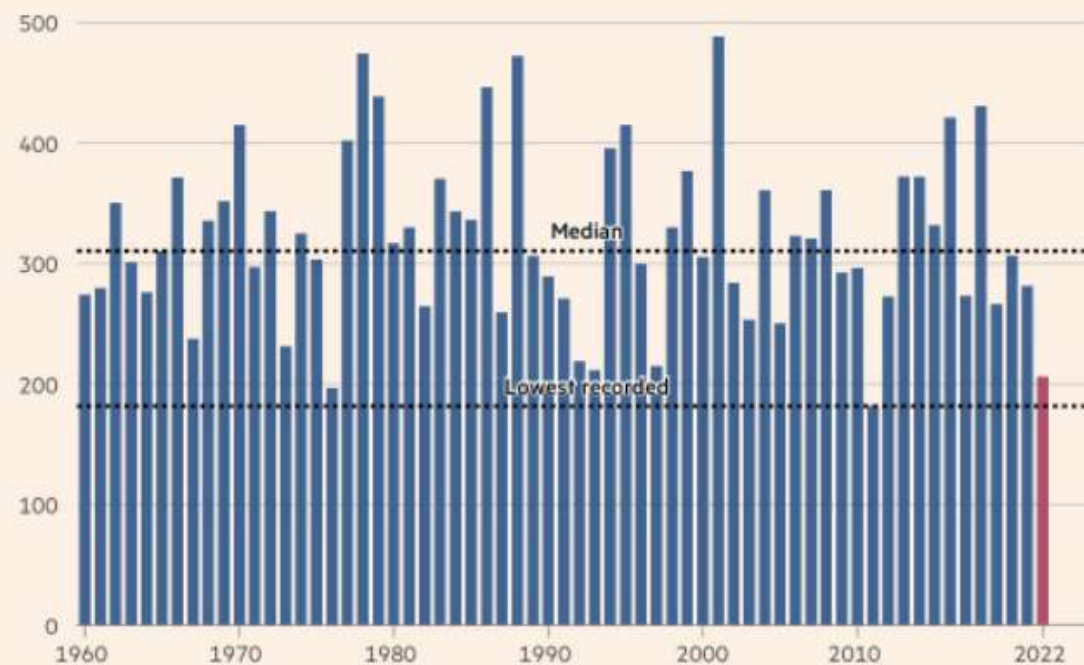


30-day Precipitation Analysis
Percent of normal through 9 May 2022



Recent rain levels in France are among the lowest in the past 60 years

Rain in millimetres between January 1 and May 9 of each year in France



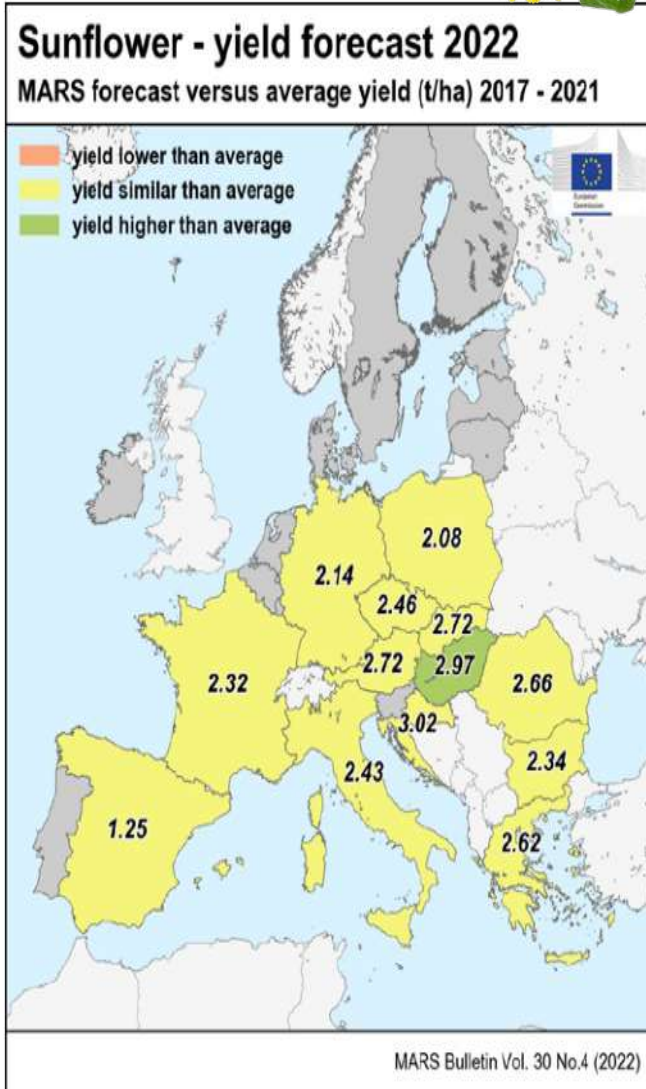
In Romania, Hungary, Bulgaria and Ukraine dry conditions slightly delayed the beginning of the sowing campaign, and more rainfall is needed to ensure optimal emergence.

SOURCES: EUC

2.4 SUNFLOWER OIL (SFO)



Country	Sunflower (t/ha)				
	Avg 5yrs	2021	MARS 2022 forecasts	%22/5yrs	%22/21
EU	2.33	2.35	2.38	+ 2.4	+ 1.5
AT	2.72	3.05	2.72	+ 0.1	- 11
BE	—	—	—	—	—
BG	2.31	2.38	2.34	+ 1.0	- 2.0
CY	—	—	—	—	—
CZ	2.48	2.62	2.46	- 1.1	- 6.2
DE	2.20	2.60	2.14	- 3.0	- 18
DK	—	—	—	—	—
EE	—	—	—	—	—
EL	2.66	2.58	2.62	- 1.3	+ 1.7
ES	1.25	1.26	1.25	+ 0.3	- 0.5
FI	—	—	—	—	—
FR	2.39	2.76	2.32	- 3.2	- 16
HR	3.04	3.00	3.02	- 0.5	+ 0.7
HU	2.85	2.60	2.97	+ 4.1	+ 14
IE	—	—	—	—	—
IT	2.40	2.40	2.43	+ 1.0	+ 1.3
LT	—	—	—	—	—
LU	—	—	—	—	—
LV	—	—	—	—	—
MT	—	—	—	—	—
NL	—	—	—	—	—
PL	2.12	2.35	2.08	- 2.1	- 12
PT	—	—	—	—	—
RO	2.58	2.43	2.66	+ 3.3	+ 10
SE	—	—	—	—	—
SI	—	—	—	—	—
SK	2.66	2.71	2.72	+ 2.2	+ 0.4



In France and Germany, dry conditions of the end of March created favourable conditions for soil preparation and sunflower sowing, which started in early April and is currently ongoing. In southern Spain, the campaign progresses well.

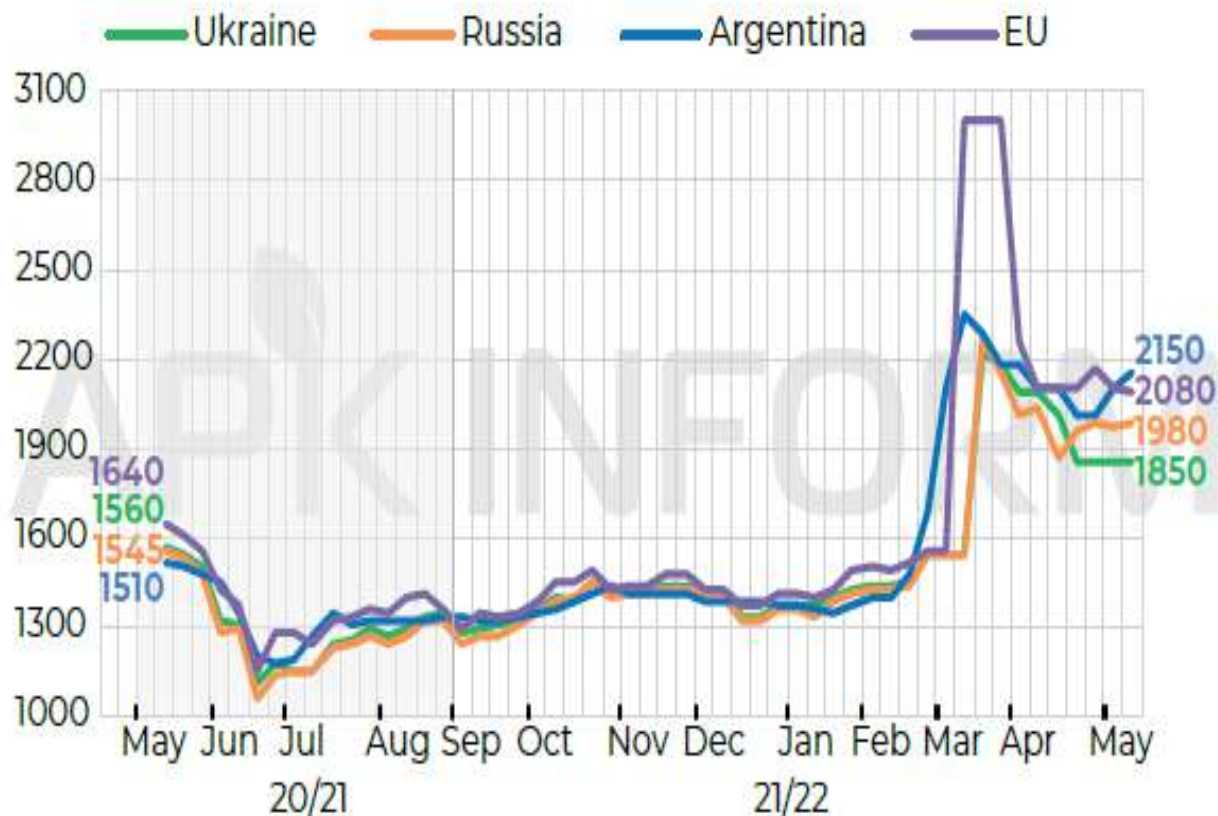
A significant increase in the area sown is expected in Italy, Spain, Greece, and Bulgaria, partially at the expense of corn.

SOURCES: EUC

2.5 SUNFLOWER OIL (SFO)



Price dynamics of sunflower oil (offer, FOB), USD/t



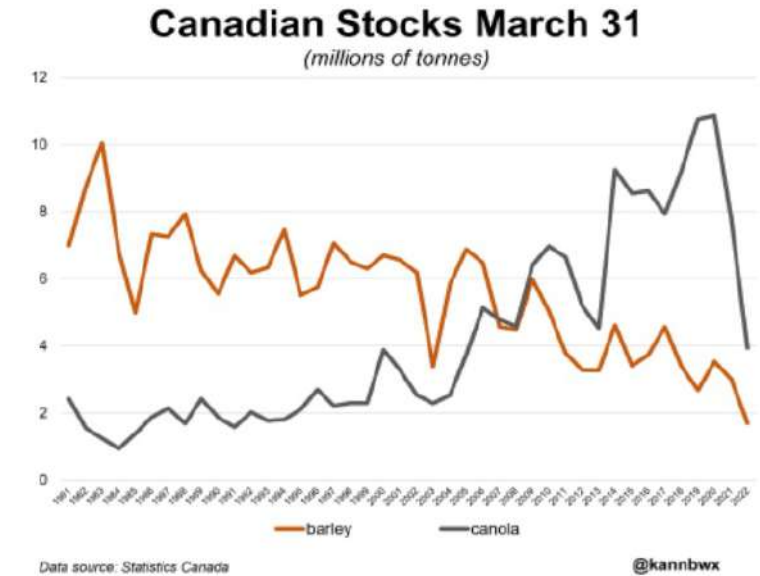
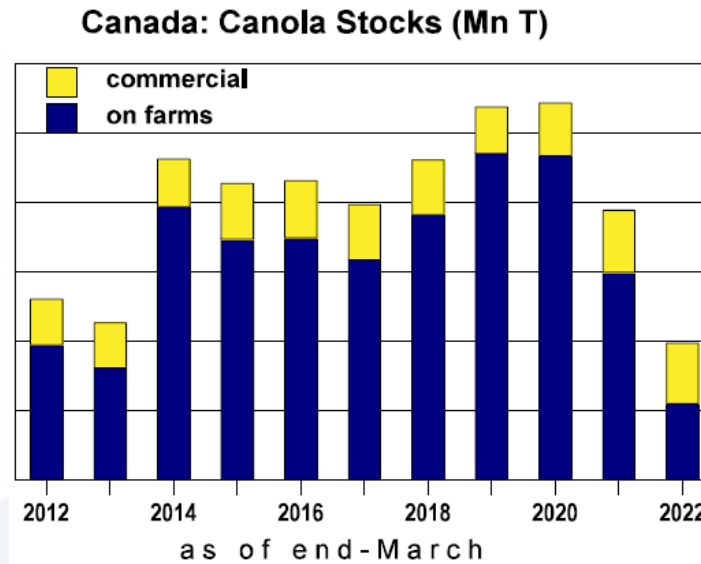
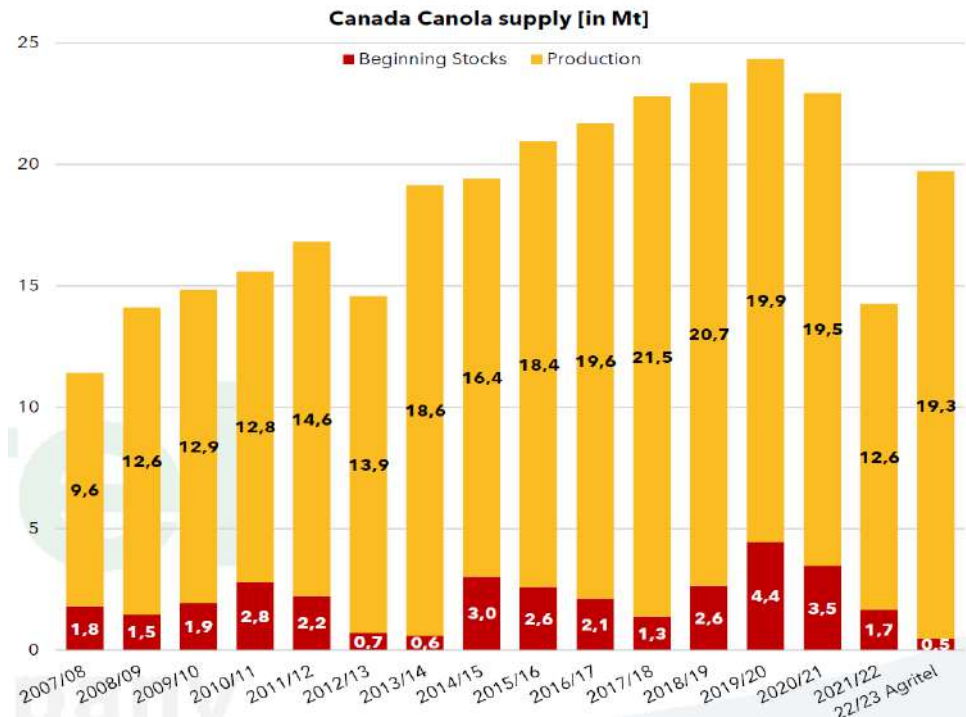
RUSSIA : Sunflower Oil Export Taxes				
(US-\$/T)	floating index price	export tax	calculated net price	tax rate in %
2021				
September	1242,9	169,9	1073,0	14
October . . .	1324,7	227,2	1097,5	17
November	1277,9	194,5	1083,4	15
December	1395,4	276,7	1118,7	20
2022				
January . .	1401,0	280,8	1120,2	20
February . .	1359,1	251,4	1107,7	19
March	1371,7	260,1	1111,6	19
April	1447,2	313,0	1134,2	22
May	1531,8	372,2	1159,6	24
June	1750,0	525,0	1225,0	30

Despite of relative calm in prices in recent weeks, we think that transition between old and new season could be complicated. Logistics out of Ukraine are very complicated, so exports in coming months will be limited. In addition, the slow flow of stocks prevent crushing, because financial and storage problems.

We do not see a quick solution in Ukraine and it will be difficult to replace the lack of its exports.

SOURCES: OIL WORLD/APK INFORM/VESPER/REUTERS

3. RAPESEED OIL (RSO)

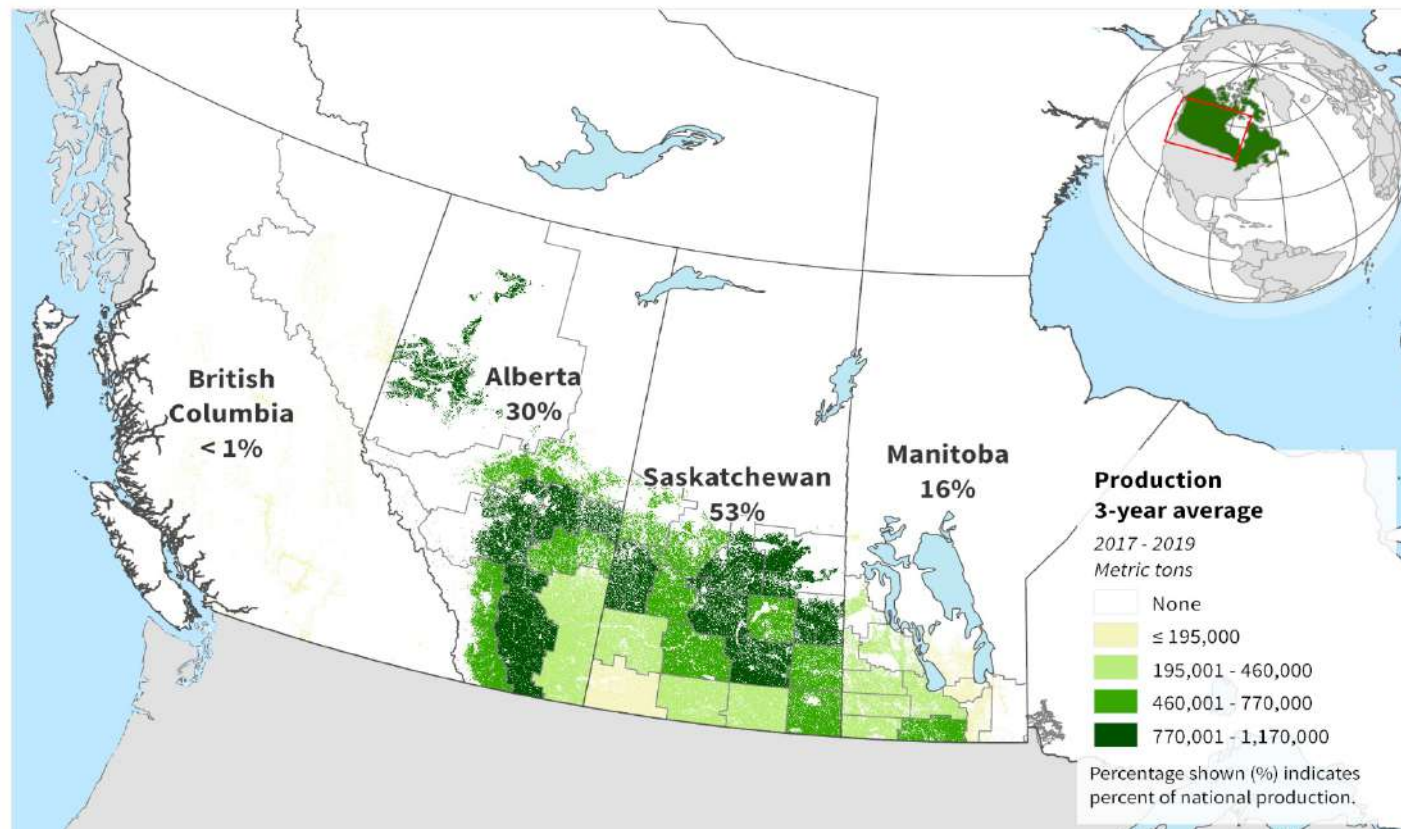


Statistics Canada estimates total canola inventories at only 3.9 Mts at the end of March, down 49% on the year and the lowest level since March 2005. Canadian farmers have reduced their inventories to minimum levels due to record prices.

SOURCES: OIL WORLD/AGRITEL/USDA/AGRICENSUS/REUTERS/STATSCAN/K BRAUM

3. RAPESEED OIL (RSO)

Canada: Canola Production

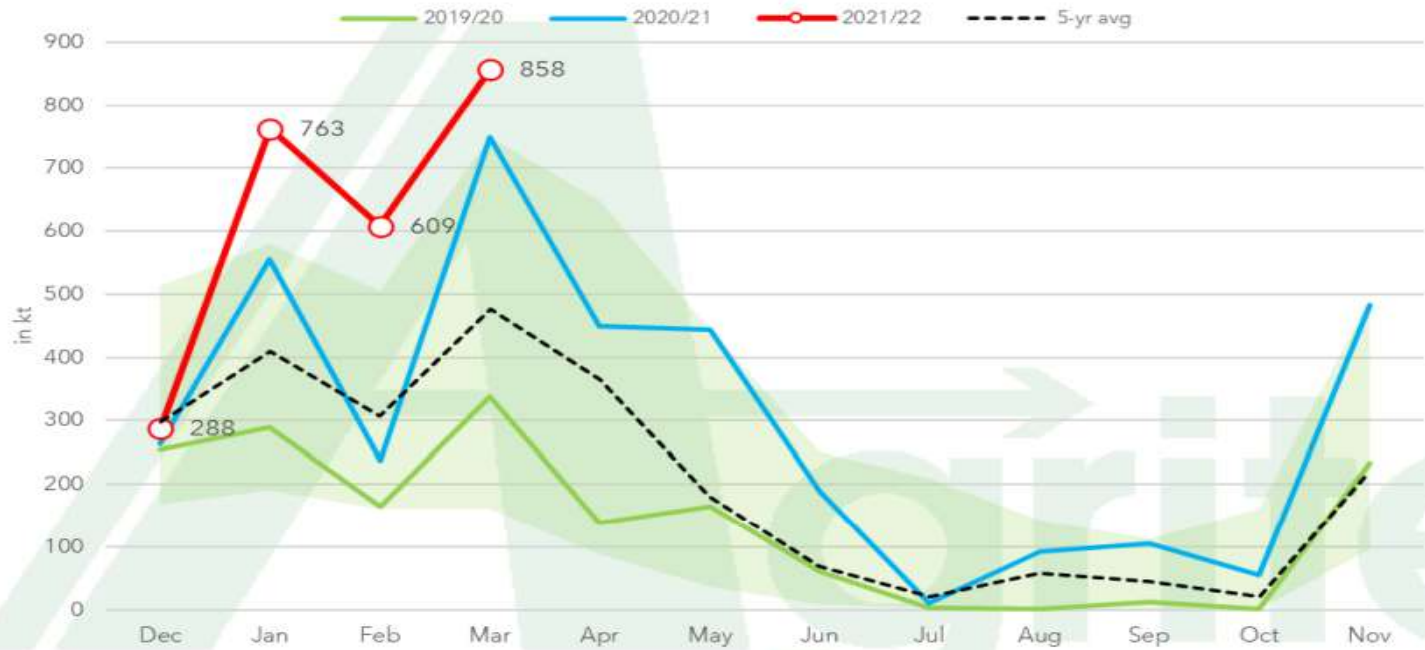


Weather conditions vary significantly across the country: severe flooding in parts of Manitoba, good conditions in Saskatchewan and dry conditions in Alberta. There is concern about planting delays.

SOURCES: OIL WORLD/AGRITEL/USDA/AGRICENSUS/REUTERS/STATSCAN/K BRAUM

3. RAPESEED OIL (RSO)

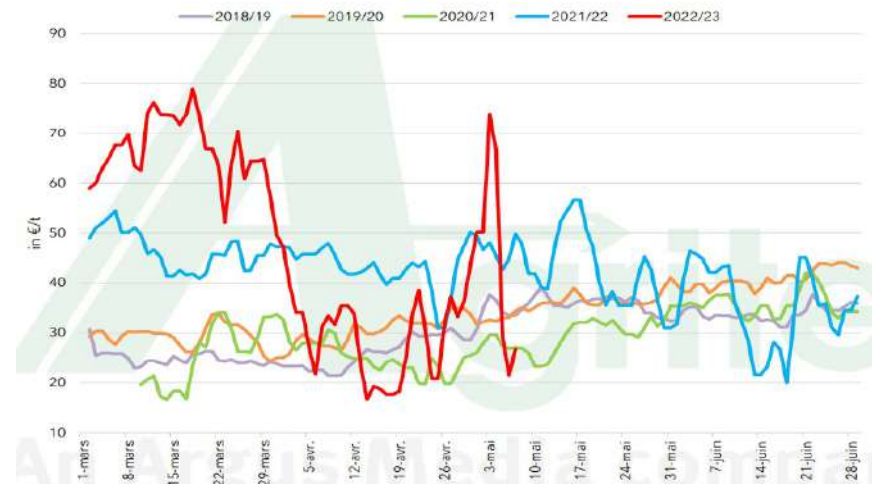
Australian canola exports



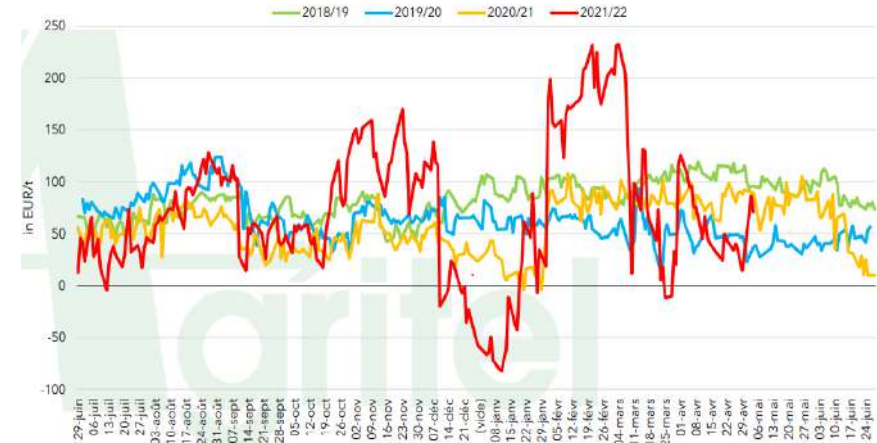
Booming exports of Australian canola are considerably easing the tightness on the world market created by the Canadian supply shortfall. However, at this pace, Australia will be sold out in July and so price reactions can be expected.

We have seen some pressure from reports that German government is considering to reduce usage of crop-based biofuels below the current mandate as a reaction to the current tight supply situation and high prices.

Seasonal rapeseed crush margin on new crop

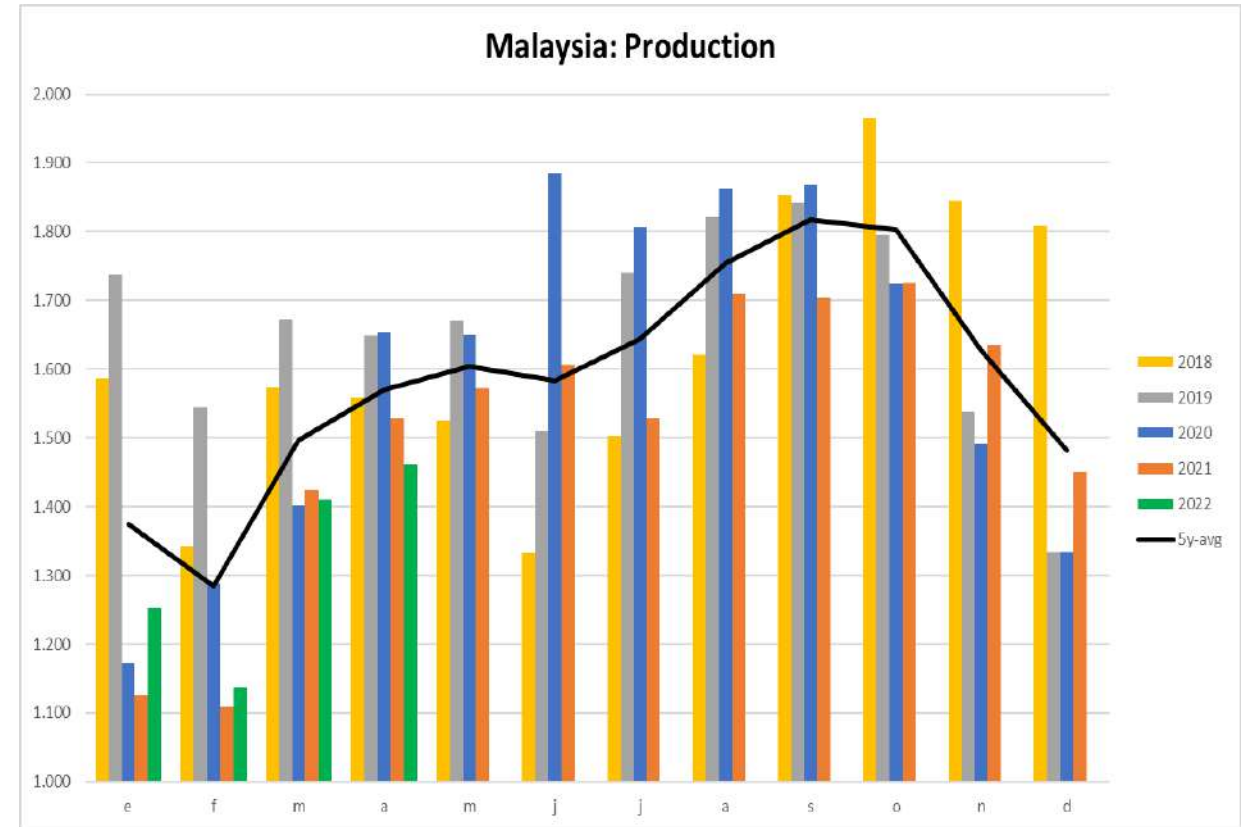
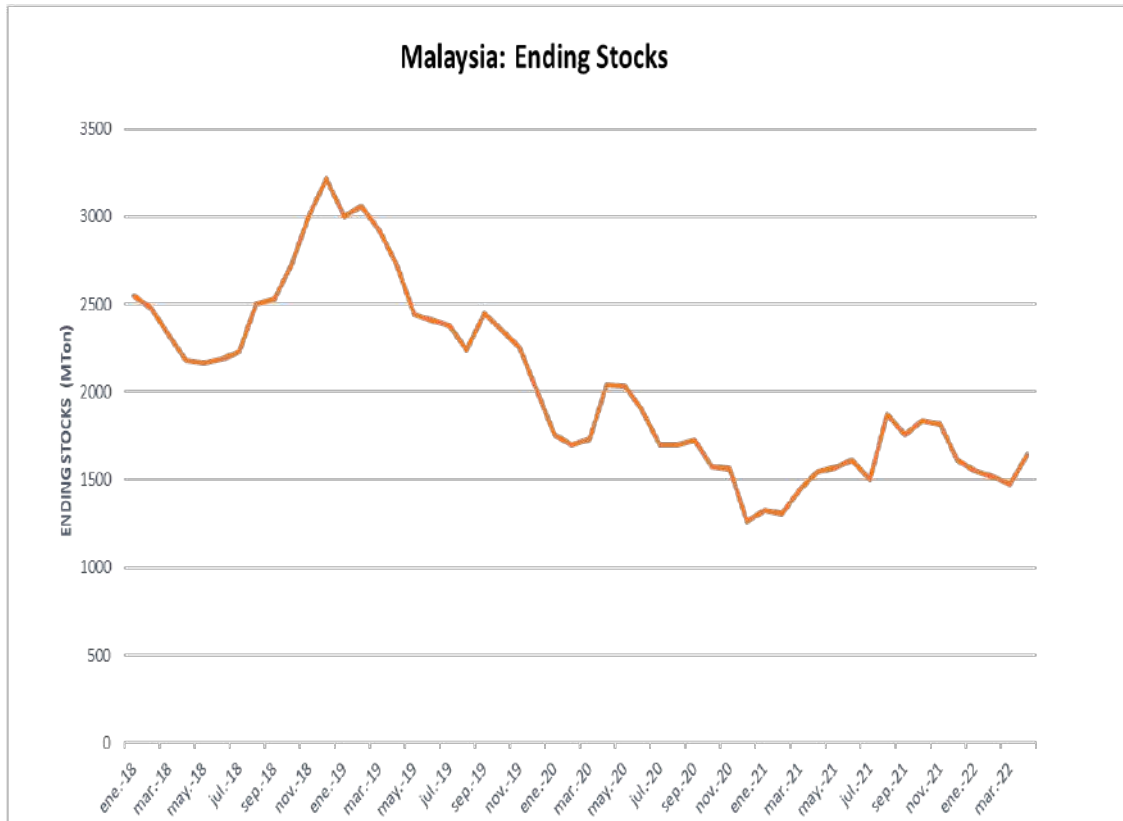


Spread | Rapeseed biodiesel - Rapeseed Oil [on ASO]



SOURCES: OIL WORLD/AGRITEL/USDA/AGRICENSUS/REUTERS/STATSCAN/K BRAUM

4.1 PALM OIL (CPO)

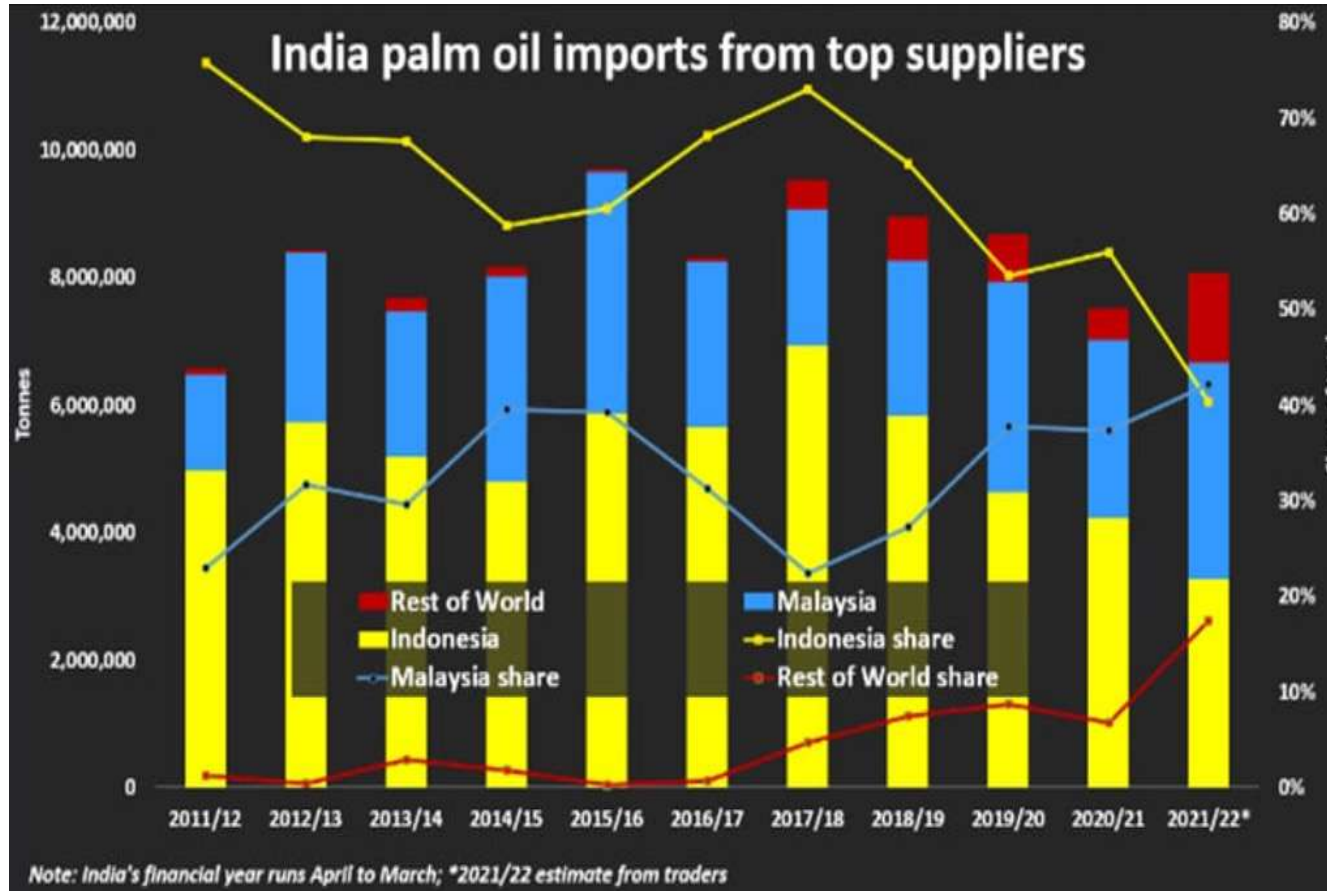


Malaysian ending stocks rose at its highest in 8 months to 1.64 million MT or up 11.48% from March and 6.2% above the same time last year. However, balance remains tight.

Production was 3.6% better than in March, year-to-date rise is 1.50% in the first 4 months. However, it has been the lowest production for April in last 6 years.

SOURCES: MPOB/POA/STONEX/VESPER/ITS

4.1 PALM OIL (CPO)



Malaysia 1-10 May 2022 vs. 1-10 Apr 2022 export (in mt)
 ITS: 390,938 vs 278,621 (+112,317 or up 40.31%)
 Amspec:
 SGS :

Production is expected to stay higher in May as Malaysia enters high output season aided by favorable weather outlook but limited by insufficient labour supply. Malaysia 1-10 May export rose by a solid 40% rebounding from the lows in April and benefitting from the Indonesia export ban.

In Indonesia, some sources are talking about lower than expected palm oil production in Jan/Mar.

SOURCES: MPOB/POA/STONEX/VESPER/ITS

4.2 PALM OIL (CPO)



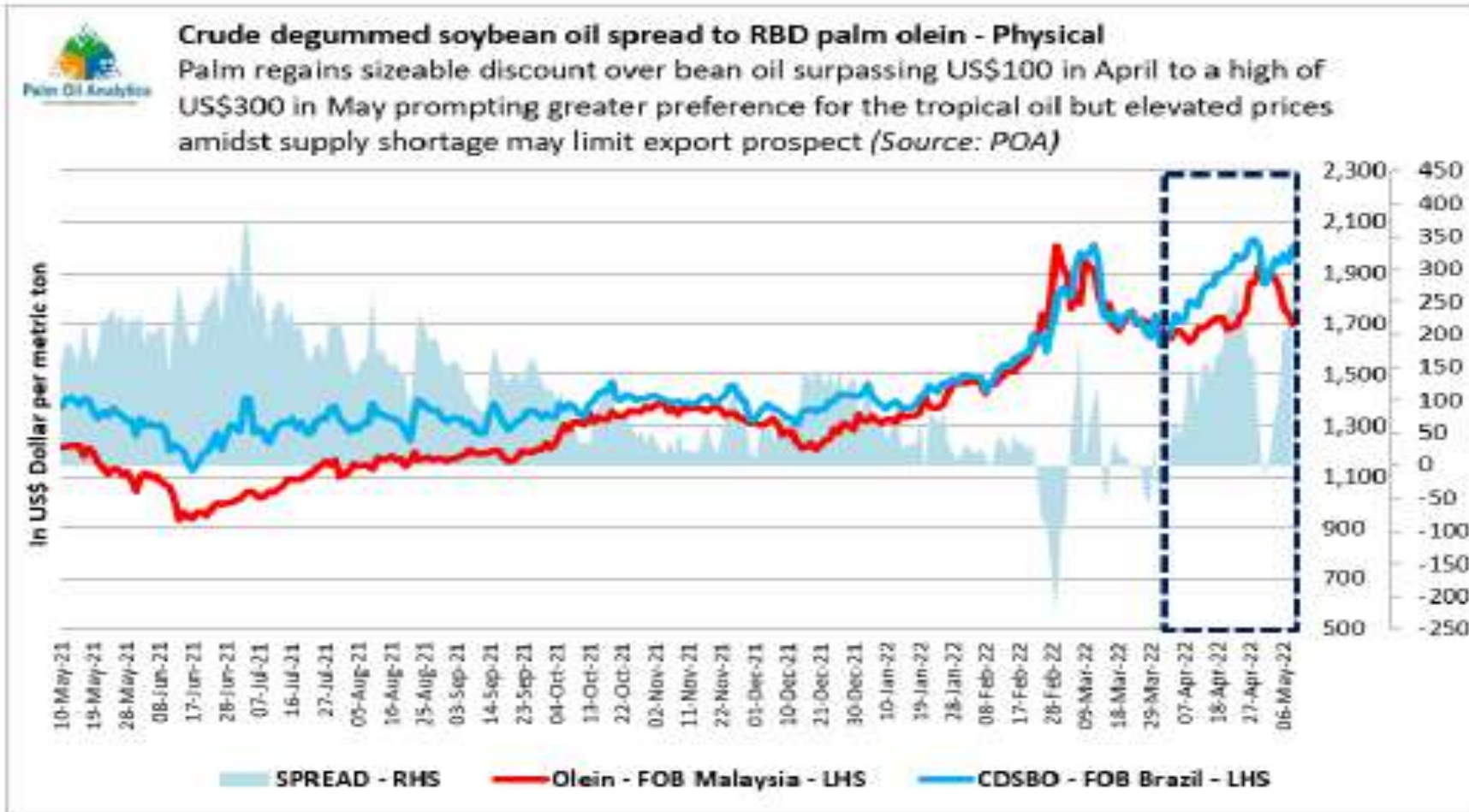
On the Bursa Malaysia, prices have been under selling pressure during last days.

The current Indonesian export ban on palm oil is reducing palm oil supplies globally in the nearby. Indonesian palm oil exports in Jan/March 2022 was 5.2 Mts, the lowest level in 10 years. Domestic prices have already started to decline, but they are still above government target.

However, with Indonesia palm oil stocks very large and rising, the Indonesian export ban should be only temporary (2 / 4 weeks?).

SOURCES: MPOB/POA/STONEX/VESPER/ITS/OIL WORLD

4.2 PALM OIL (CPO)

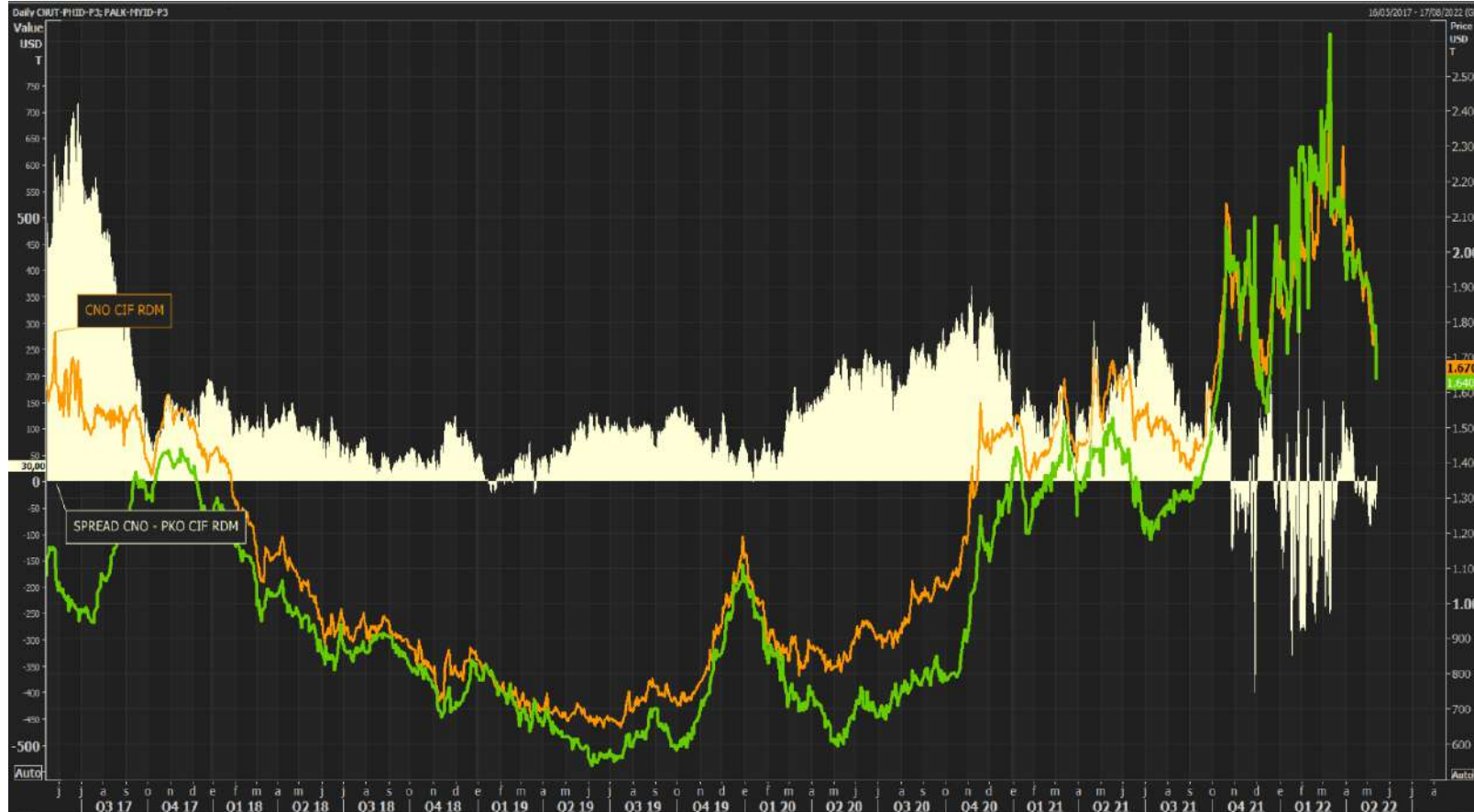


Malaysian Government is considering a temporary reduction of export tax by 2 - 4% from the current 8%. Besides, they are analyzing to reduce the biodiesel mandate for the remainder of this year.

A more comfortable supply situation is expected worldwide in palm oil in the second half of this year.

SOURCES: MPOB/POA/STONEX/VESPER/ITS/OIL WORLD

5. LAURIC OILS



PHILIPPINES : Exports of Coconut Oil & Meal

(1000 T)	Coconut Oil			Copra Meal		
	2022	2021	2020	2022	2021	2020
Jan.	99	56	118	39	20	31
Feb.	109	60	68	27	26	18
Mar.	94p	76	96	24*	26	25
Apr.	126p	61	67	24*	13	34
May.		54	63		30	16
June.		72	96		28	18
July.		81	34		32	10
Aug.		83	92		28	14
Sept.		86	92		42	16
Oct.		95	70		21	22
Nov.		97	66		37	30
Dec.		100	59		36	31
Jan/Dec		922	920		339	264
Jan/April	428p	254	349	114*	85	108

COCONUT OIL: Exports of 2 Key Countries (1000 T)

Exports of	Jan/Mar		Oct / Mar		
	2022	2021	21/22	20/21	19/20
Indonesia. . . .	157	140	313	282	310
Philippines. . .	302	192	595	387	552
Total	459	332	908	669	863

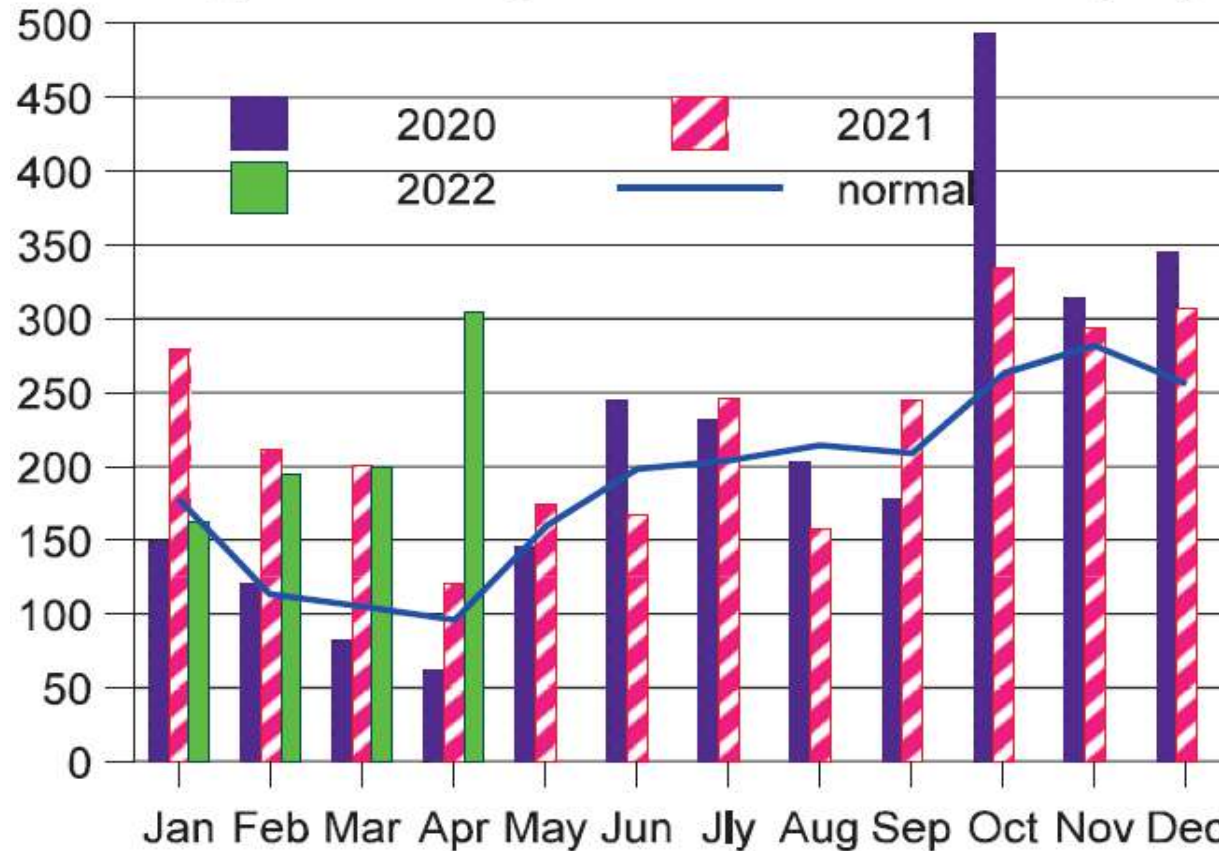
Lauric oils prices have been under pressure due to better supplies and lower demand from China. Philippines's export have increased 57% during first quarter of 2022 vs 2021.

SOURCES: OIL WORLD/POA/REUTERS

5. LAURIC OILS



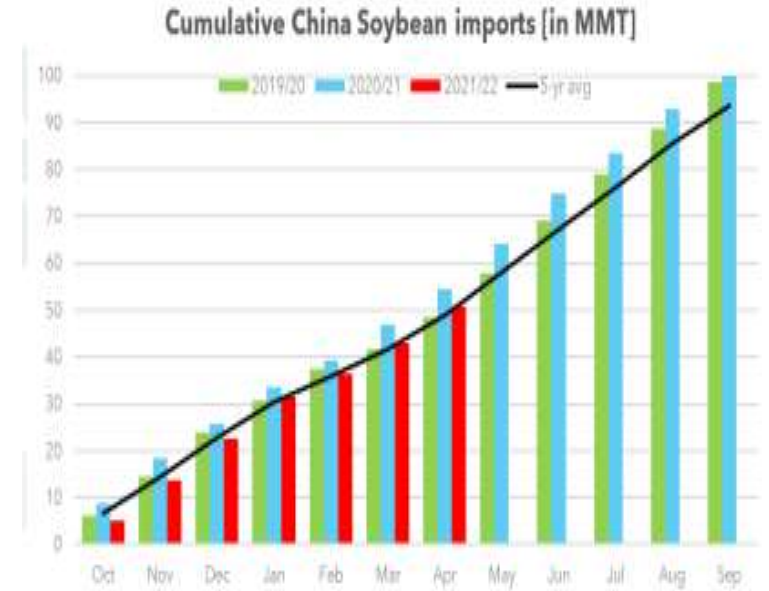
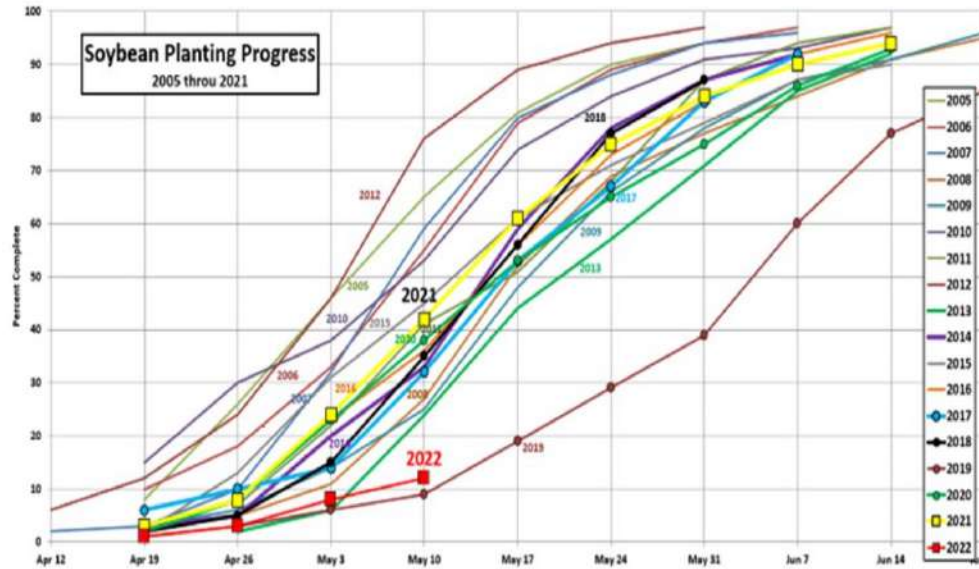
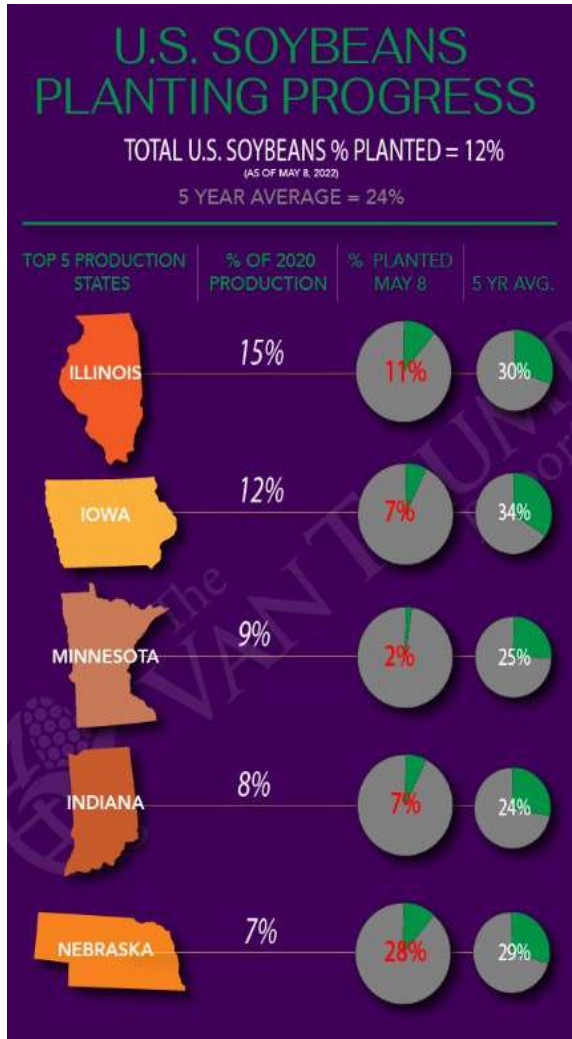
Philippines: Average Rainfall at Sel. Stations (mm)



Large production of copra is expected in the medium term due to ample precipitation during Oct/Mar 2021/22.

SOURCES: OIL WORLD/POA/REUTERS

6. SOYBEAN OIL (SBO)



US Soybean progress came in at 12% complete, near record lows. Next week we should see that pick up significantly, maybe pushing up close to 30%. Lower import to come China, hard to predict how much.

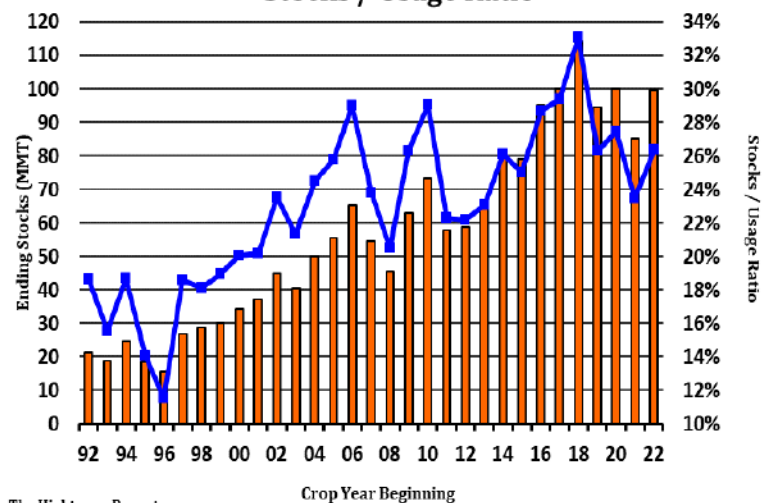
Complex supported by soybean oil.

SOURCES: HEARTLAND/VAN TRUMP/AGRITEL/RJO BRIEN/OIL WORLD/USDA

6. SOYBEAN OIL (SBO)



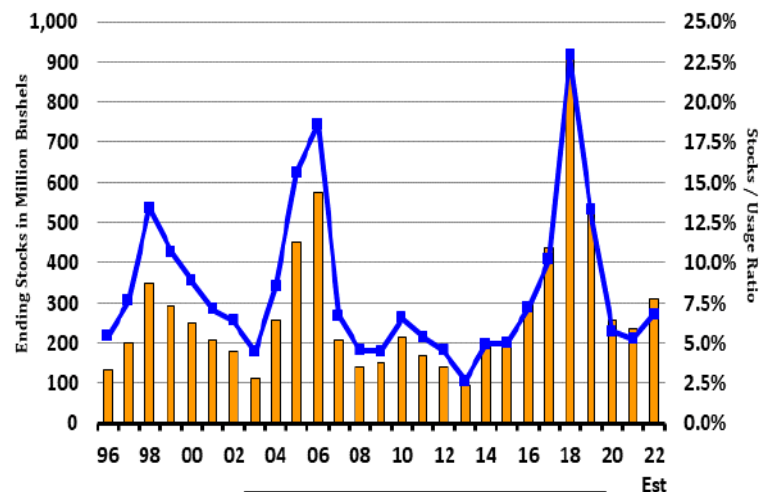
World Soybeans - Ending Stocks vs. Stocks / Usage Ratio



The Hightower Report
Most Recent: As Of 05/12/2022

Ending Stocks Stocks / Usage Ratio

US Soybean Ending Stocks vs Stocks / Usage Ratio



Most Recent: As Of 05/12/2022

Ending Stocks Stocks / Usage Ratio

The Hightower Report

World Soybean Production

Country or Region	2021/2022		2022/2023	
	Estimate	Change from April 8	Forecast	Change from 2021/2022
----- Million Tons -----				
World	349.4	-1.3	394.7	45.3
United States	120.7	--	126.3	5.6
Foreign	228.7	-1.3	268.4	39.8
Argentina	42.0	-1.5	51.0	9.0
Brazil	125.0	--	149.0	24.0
Paraguay	4.2	--	10.0	5.8
Canada	6.3	--	6.3	**
India	11.9	--	11.5	-0.4
China	16.4	--	17.5	1.1

-- No change. **Rounds to zero.

First estimations in the last USDA report for 2022/23

US soybean production is estimated at 126,3 Mts vs 120,7 Mts in 21/22. US ending stocks for 22/23 are expected at 8.43 Mts, below previous expectations but well above the 6.39 Mts estimated for the current season.

SOURCES: HEARTLAND/VAN TRUMP/AGRITEL/RJO BRIEN/OIL WORLD/USDA

The LIPSA logo features a stylized 'L' symbol to the left of the word 'LIPSA' in a bold, sans-serif font. The background of the entire image is a black and white photograph of an industrial facility with large storage tanks, pipes, and a truck.

A WORLD OF VEGETABLE OILS

www.lipsa.es