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Report Highlights:

China’s marketing year (MY) 22/23 soybean production is forecast to reach a near-record 19 million metric tons (MMT) on higher yields. Post maintains forecasted MY 22/23 soybean imports at 96.5 MMT on higher demand for soybean meal (SBM) for swine and poultry and vegetable oil demand for food sector use. Import growth is forecast to be partially constrained by higher domestic soybean production, ongoing sales of state reserve soybeans, and ongoing uncertainty regarding People’s Republic of China (PRC) COVID restrictions. MY 21/22 soybean imports were 91.6 MMT, 8.1 MMT lower than the previous year, on weak demand for SBM and vegetable oil.

Production

Total oilseed production is forecast at 64.6 million metric tons (MMT) in MY 22/23, up 0.8 MMT from Post's previous forecast on higher soybean production. The 5.7 percent year-on-year production growth is based on higher yields. Planted area of 25.15 million hectares (MHa), 4.8 percent higher than the previous year, is unchanged from Post's previous forecast. Government incentives for oilseed production (particularly soybeans), high prices for major oilseeds, and growing conditions in major soybean producing regions drove increases in area and yield.

Soybeans

The People's Republic of China's (PRC) push to increase soybean production, particularly in Heilongjiang, Inner Mongolia, and other Northeast provinces, has boosted production to near record volumes. MY 22/23 soybean production is estimated at 19 MMT – up from 18.1 MMT on higher yields in leading soybean producing regions. These offset production losses in other minor producing regions which alternately suffered from drought and heat and heavy rainfall and flooding. Estimated MY 22/23 soybean planted area is unchanged at 9.35 MHa. Soybean yield is estimated at 2.03 MT/Ha, up 4 percent from the previous year. Favorable weather conditions facilitated record yields in the four northeast provinces.

The China Central Meteorological Center (CCMC) reported that as of the end of September, weather conditions in major soybean producing regions remained favorable. Adequate rainfall and sunshine combined with moderate temperature facilitated sprouting and growth throughout the Northeast[1], China's leading soybean-producing region. By contrast, soybean growth in Henan, Anhui, Jiangsu, Hunan, Hubei and Sichuan provinces, already impacted by severe heat and drought in July and August (see Oilseeds and Products Update CH2022-0098 for more information) continued to receive less rain and experienced higher temperatures in September (see Table 1).

Table 1. China: September Weather Conditions in Major Soybean Growing Regions

Regions	Sep Temperature (C⁰)	Change (C⁰)	Sep Rainfall (mm)	Change (%)	Sep Sunlight (hours)	Change (%)
Northeast	16.7	+1.2	75.1	+35.6	233.0	+3.6
North China	20.2	+1.3	9.3	-83.4	255.4	+20.9
Yellow/Huai River	23.0	+0.4	47.4	-47.5	177.7	+0.3
Yangtze/Huai River	22.4	+1.1	29.7	-59.7	213.5	+18.6

Source: China Central Meteorological Center; "Change" refers Sep/2022 data compared to NAMM recorded Sep average

[1] The provinces comprising Northeast China are: Liaoning, Jilin, Heilongjiang, and Inner Mongolia. The provinces comprising North China include Hebei and parts of Shandong. The provinces comprising the Yellow and Huai River region include parts of Shandong, Henan, Anhui and Jiangsu. The provinces comprising the Yangtze and Huai River region include southern Henan, Anhui and Jiangsu.

Weather has generally been favorable for soybean harvests in October, the peak period of harvest in the Northeast. A China Agricultural Supply and Demand Estimate (CASDE) report indicated soybean harvest was 60 percent completed by October 10. An industry source reported that soybean harvest in Heilongjiang was completed by October 15.

Recent reports on soybean area and production vary by source, though all point to higher overall production. The October CASDE report maintains total soybean planted area at 9.93 MHa in MY 22/23 and production at 19.5 MMT, up 18.3 percent and 18.8 percent, respectively, from the previous year. In its October report, China National Grain and Oils Information Center (CNGOIC) estimates MY 22/23 soybean production at 19.7 MMT. However, a leading industry source, maintains its forecast MY 22/23 production at 18 MMT in its October report, up 9.6 percent from the previous year.

An outlier in their assessment, the "Grain and Oilseed Daily"[2] reported a production estimate on October 11 of 22.7 MMT for MY 22/23 soybeans, an increase of 6 MMT or 36.2 percent from the previous year. The reported noted the production gain is a combination of 21.7 percent growth in planted area to 10.05 MHa, and yield gain of 12.2 percent to 2.25MT/Ha. Specifically, in the 4 northeast provinces, the report estimates total area of 6.45 MHa, up 28.7 percent year-on-year, and yields of 2.25 MT/Ha. Soybean production is also up in all other regions on yield growth despite drought in some regions, together with 11.1 percent of area expansion. The report said the record yield, 7.5 percent higher than the previous estimate, is based on actual yields on already harvested areas.

Soybean prices remain high, averaging above RMB 6,400 (U.S. $915)/MT in wholesale markets, 8.7 percent higher than the previous year. However, China State Grain Reserve offered prices were RMB 5,650 to 6,000 (U.S. $807 to 857)/MT based on quality when the agency began to purchase of soybeans in Heilongjiang on October 8. Although a price gap is expected between farm gate purchased beans and wholesale beans, the price difference suggests the Grain Reserve's offered price is lower than the current market.

Rapeseed

Estimated rapeseed production for MY 22/23 is unchanged at 15.4 MMT, up from an estimated 14.45 MMT in MY 21/22. Rapeseed area has expanded moderately in the Yangtze River region, including Sichuan, Hubei, and Hunan, driven by local demand for rapeseed oil and rising rapeseed prices. CNGOIC's October estimate for MY22/23 rapeseed production remains at a record 5.6 MMT on expected increased area and yield (see more Oilseeds and Products Update CH2022-0098).

China's autumn-harvested rapeseed in western regions[3] accounts for approximately 10 to 15 percent of area and production. Industry sources reported favorable growing conditions in the region with higher yields expected in Xinjiang and Qinghai.

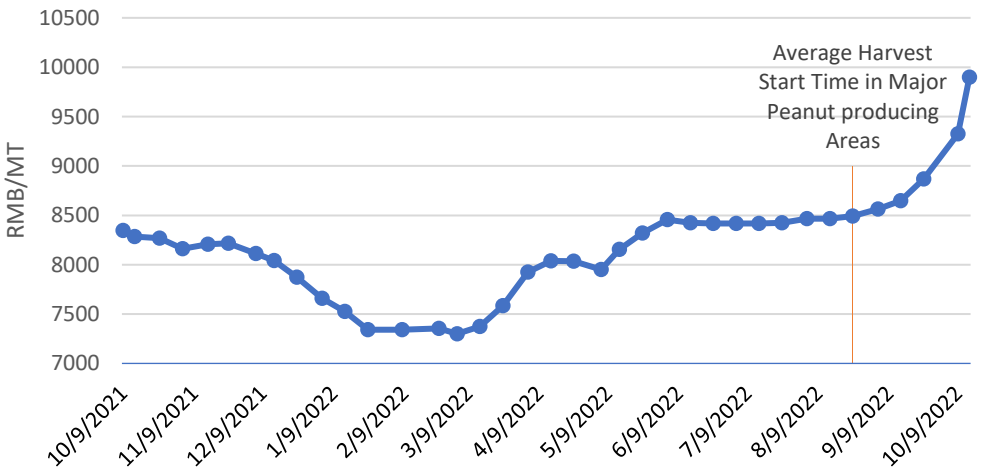
[2] The Grain and Oilseed Daily is a quasi-official newspaper focusing on the grain and oilseed industry.
[3] The areas comprising Western China include parts of Inner Mongolia, Qinghai, Gansu, and Xinjiang.

Despite drought challenges across major production areas including Sichuan, Hubei, and Hunan, MARA data show 2022 winter rapeseed planting was 58 percent complete by October 20, with an expectation for planting to be completed by the end of October.

Peanuts

Forecast MY 22/23 peanut production is lowered by 1.2 MMT to 16.8 MMT from Post's previous estimate, reflecting lower yield and planted area. Declining prices and weaker demand lowered profitability compared to other crops during the spring planting season. The low prices, combined with unfavorably dry planting conditions in some regions, forced some farmers to forego planting typically higher margin peanuts for other crops. Farmers that did manage to plant faced drought and heat conditions during the latter part of the growing season in Sichuan, Henan and Hubei, while those farther north in Shandong, Liaoning and Jilin faced excessive rainfall near harvest. The full extent of peanut crop loss remains unclear. MARA has yet to release data on MY22/23 production and industry sources and media reports offer varying assessments based on local conditions. Some local sources have reported production declines as high at 22 percent from the previous year, though Post believes high losses are likely limited to a few regions. Post's preliminary estimate for average yield is lowered 6.6 percent from the previous estimate to reflect lower reported yields. The rapid increase of peanut prices since harvest began in mid-September reflects expectations for significantly lower MY 22/23 production.

Chart 1. China: Peanut Kernel (Crushing) Price Increased Since Harvest



Source: National Bureau of Statistics (NBS)

Cottonseed

Post maintains estimated MY 22/23 cotton seed production at 9.7 MMT based on yield gain and a slight recovery of cotton area. The higher area was driven by a relative increase in cotton prices during the sowing season and stable government subsidies.

Based on its August survey, the China Cotton Association (CCA) raised its forecast MY 22/23 cotton production to 5.92 MMT, up 2.6 percent from the previous year on higher yields. A separate survey done in August by cncotton.com echoed CCA trends, noting area expansion of 2.5 percent and a yield gain of 1.4 percent from the previous year, resulting in a 4 percent

production increase to 6.03 MMT in MY 22/23. Notably, MARA's October CASDE report forecast MY 22/23 cotton production at 5.86 MMT, up from the 5.73 MMT for MY 21/22.

Consumption

Estimated total oilseeds for crushing in MY 22/23 is unchanged at 131.8 MMT, up from an estimated 126.5 MMT in MY 21/22. Post lowered MY 21/22 soybean crush by 1 MMT to 91 MMT on weaker than expected consumption in the 3rd quarter of 2022.

Post maintains MY 22/23 soybean crush at 95 MMT, up from 91 MMT in MY 21/22. The recovery is expected to be supported by improved profits for animal husbandry and forecasted moderate economic growth, driving demand for animal products and in turn, SBM use. SBM consumption for feed is estimated unchanged at 72.8 MMT in MY 22/23, up 3.6 percent from the previous year. Soybean oil use is also expected to increase on expected demand recovery due to lower soybean oil prices and limited supply of sunflower oil. These factors are expected to drive soybean crushing higher in MY 22/23 while crushing of other oilseeds is expected to remain generally stable. Industry estimates for MY 21/22 and MY 22/23 soybean crush continue to vary by sources as follows.

Table 2. China: Soybean Crush Estimates by Sources (in MMT; as of October)

Source	CASDE	CNGOIC	Industry Source	FAS/China
MY 21/22	90.5	92.1	95.1	91
MY 22/23	94.8	96.8	96.5	95
Year-on-year change in %	+4.7	+5.1	+1.5	+4.4

The swine and poultry industries enjoyed higher margins in the months leading up to the Chinese National Day Holiday in October (see Chart 3 below). Greater margins often coincide with higher Soybean Meal (SBM) inclusion rates, however high SBM prices, which reached record levels in October, and low soybean stocks dampened demand. Overall consumption growth continues to be hampered by weak economic growth, partly due to the PRC's zero-COVID policy; PRC leaders have given no indication of revising the policy in the near term. Accordingly, significant uncertainty remains in forecasting China's demand for soybeans and other oilseed products.

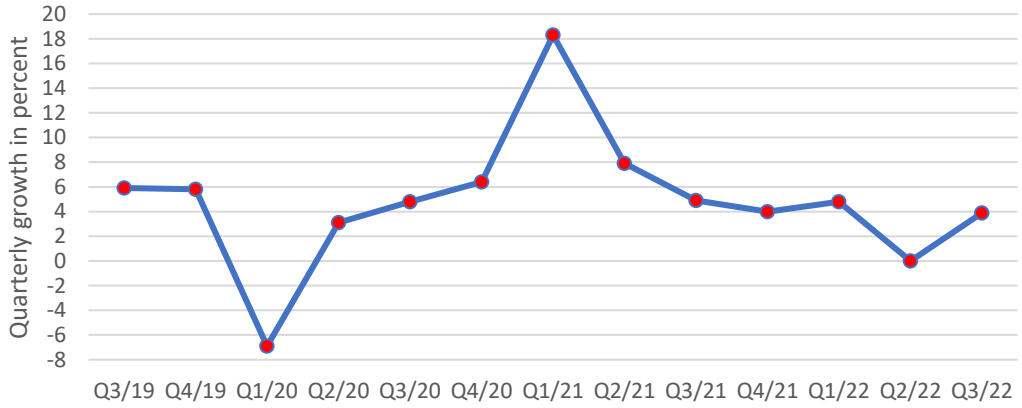
Updated Economic Outlook

China's National Bureau of Statistics (NBS) data show GDP growth was 3 percent for the first 9 months of 2022 with 3rd quarter growth rebounding to 3.9 percent (see Chart 2). At the end of September, the World Bank lowered its forecast for China's GDP growth to 2.8 percent in 2022, below the Bank of China's forecast of 3.5 percent. Both forecasts are far below the PRC's target of 5.5 percent.

China's unemployment rate remains high. Based on NBS, the unemployment rate in September increased to 5.5 percent from the 5.3 percent in August due to COVID related control measures. Though an improvement from 19.9 percent in July, youth unemployment remained near record highs in September at 17.9 percent. Following the 20th Party Congress in mid-October, a Hong

Kong traded index of Chinese companies plummeted to levels not seen since the 2008 financial crisis. On October 25, the Chinese yuan traded at 7.3 to the U.S. dollar, a level not seen since 2007.

Chart 2. China: GDP Growth Remains Lackluster
(Year-on-Year Quarterly Change from 3rd Q 2019 to 3rd Q 2022)



Source: NBS

Animal Products Production

Based on NBS data, in the first 9 months of 2022, combined production of pork, beef, mutton and poultry meat was 67.11 MMT, an increase of 2.83 MMT or 4.4 percent over the same period the previous year. Production of major animal products all showed growth from the previous year with pork production at 41.5 MMT, up 5.9 percent year-on-year. Data from the Ministry of Agriculture and Rural Affairs (MARA) data show sow inventory maintained 5 consecutive months of growth with 43.62 million heads by the end of September, above the target level of 41 million heads.

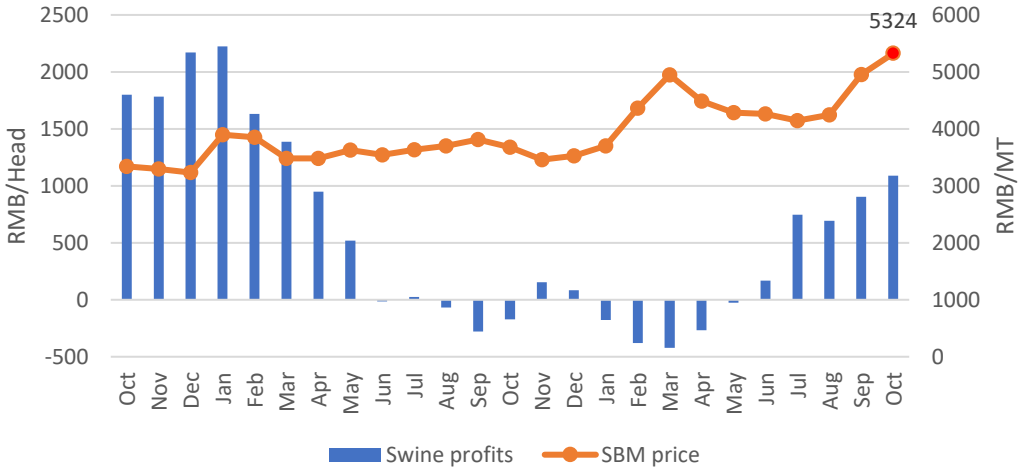
Table 3. China: Production of Animal Products, First 9 Months of 2022

	Total meat	Pork	Poultry meat	Beef	Mutton	Eggs	Milk
Production MMT	67.11	41.5	17.3	4.85	3.46	24.99	27.09
Change in %*	+4.4	+5.9	+1.7	+3.6	+1.5	+2.7	+7.7

Source: NBS; *Year-on-year change

Higher domestic animal production has driven reductions in meat and poultry imports. Year-over-year, pork imports plunged 62.4 percent to 1.06 MMT in the first 8 months of 2022 and chicken meat imports declined 6.4 percent. (please see FAS China Livestock and Products Annual CH2022-0096 and Poultry and Products Annual CH2022-0100 reports for more information).

Chart 3. China: Swine Profits and SBM Prices
(Monthly Average; October 2020 to October 2022)

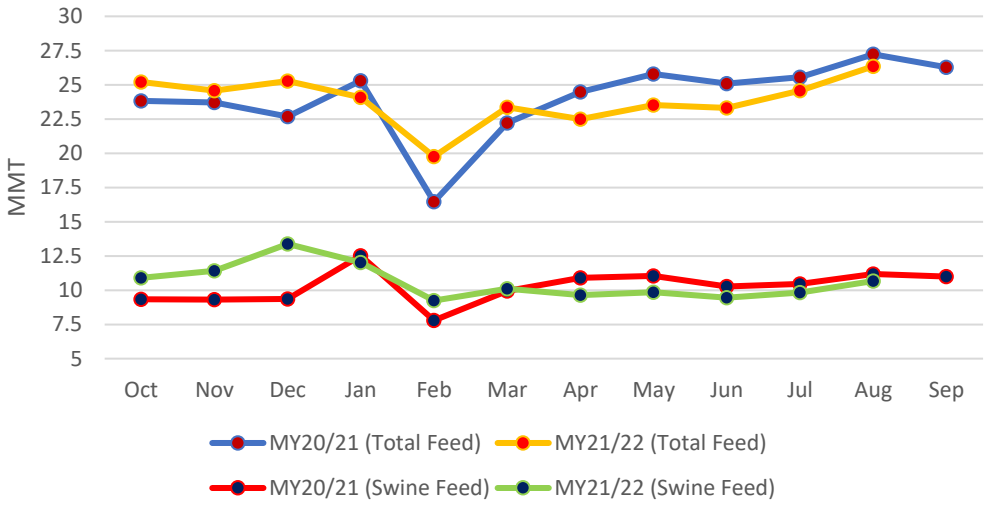


Source: Industry Source

Feed Demand

Based on MARA statistics, total feed production in the first 8 months of 2022 was 187.46 MMT, down 5 percent from the previous year with feed for swine at 80.81 MMT, layers at 20.45 MMT, and broilers at 56.46 MMT, down 7.9 percent, 5.4 percent, and 6.8 percent, respectively, from the previous year. Feed for aquaculture and ruminant animals, with combined share of about 15 percent of total feed production, both increased, up 15.1 percent and 3.3 percent, respectively, from the previous year. Total feed production in August rebounded moderately from July to 26.35 MMT but is 6.7 percent lower than August 2021.

Chart 4. China: Feed Production Declined from the 2nd Quarter of 2022



Source: MARA

SBM Inclusion Rates in Feed

Record high SBM prices continue to incentivize industry to seek feed alternatives. Although lower SBM inclusion rates appear to be due to price driven calculations by feed producers and end users, as opposed to a long-term shift towards lower SBM use, prolonged high prices have the potential to displace some SBM use longer term.

China's feed industry continues to explore alternatives to higher-priced protein resources. In addition to making use of limited protein substitutes such as wheat and DDGS, China's animal nutritionists are exploring feed formulations with amino acids and enzyme additives to reduce SBM inclusion rates. Partly driven by export demand, the growth of China's amino acid production since 2018 has also been driven by domestic consumption.

Table 4. China: Total Production of Amino Acids

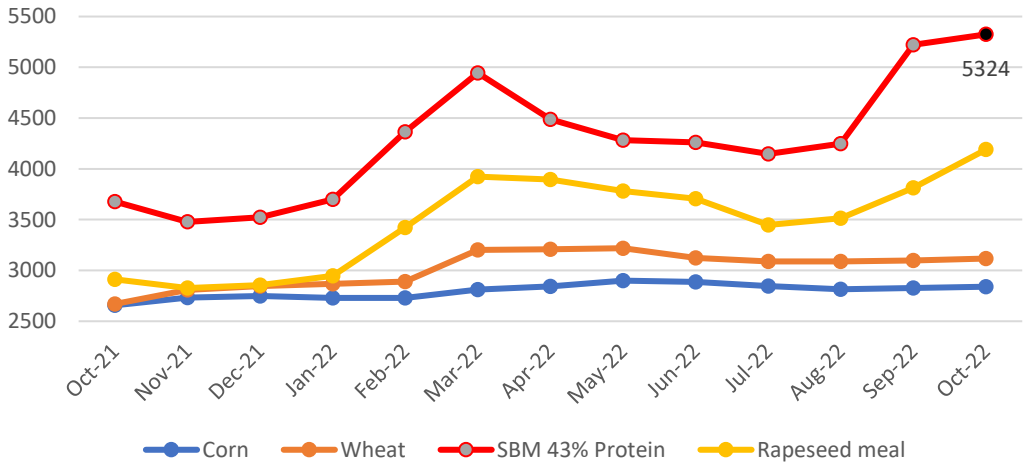
	Total production of amino acids MT	Year-on-year change %	Lysine production MT*
2018	2,850,000	+21.5	1,715,000
2019	3,250,000	+10.5	1,930,000
2020	3,697,000	+12.0	1,750,000
2021	4,255,000	+15.1	1,800,000

Source: China Feed Industry Association; *Industry sources

High prices for SBM, which have risen rapidly since September and hit record high of RMB 5,324/MT (U.S. $760/MT) in the first half of October 2022, are likely to incentivize greater use of feed substitutes in the near terms and, ultimately, encourage more soybean crushing for SBM production in MY 22/23.

MARA's Feed Production Report indicates SBM inclusion rates in compound and concentrate were 15.6 percent in July and August, 1.6 and 1.4 percentage points higher, respectively, than the same period in 2021.

Chart 5. China: Major Feed Ingredient Prices
(Monthly average; October 2021 to October 2022)

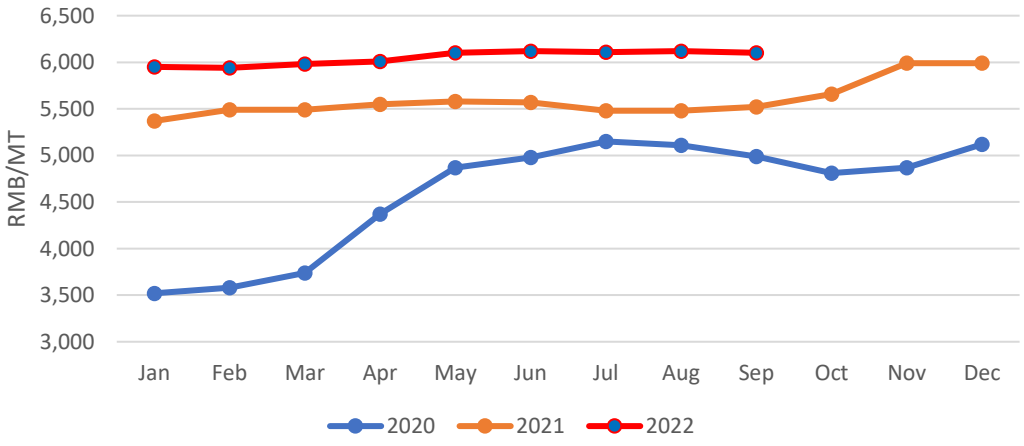


Source: Industry Source

Demand for Food Use Soybeans

Post maintains soybeans for food use demand at 15.4 MMT in MY 22/23, up 4 percent year-on-year. Prices for food use soybeans continued to reach record highs through September 2022 (see Chart 6). The high prices reflect growing demand coupled with a low domestic soybean production in MY 21/22. However, the October CASDE report forecasts declining soybean prices in MY 22/23 in the range of RMB5,800 to 6,000 (U.S.$828 to 857)/MT on increased domestic soybean production.

Chart 6. China: Domestic Soybean (Food Use) Prices
(Monthly; January 2020 to September 2022)

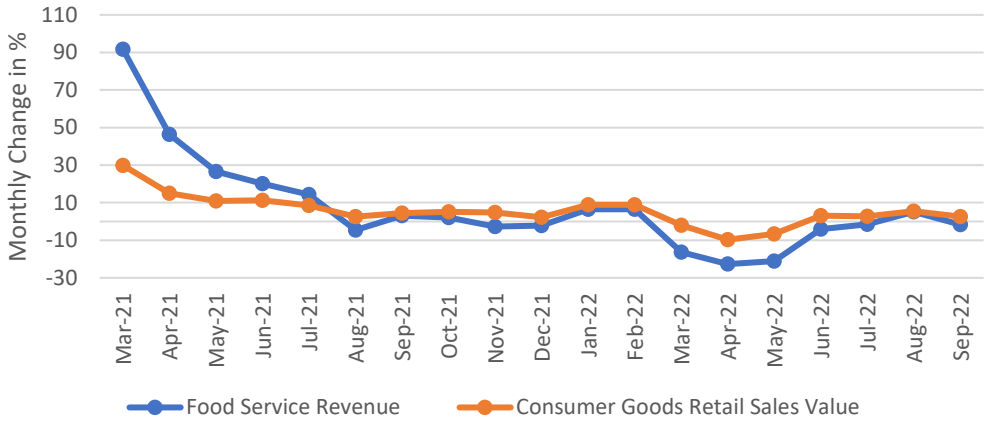


Source: Industry Source

Vegetable Oil Demand
Post's estimate of vegetable oil consumption for food use remains unchanged at 33 MMT and 35.7 MMT in MY 21/22 and MY 22/23, respectively, unchanged from the previous report. Post maintains forecast vegetable oil use for feed at 1.2 MMT in MY 22/23, unchanged from previous report.

According to NBS, food service revenue in the first 9 months of 2022 declined 4.6 percent year-on-year with September's revenue down 1.7 percent. The PRC's COVID-related restrictions remain in place. Many events originally postponed in the first half of 2022 and rescheduled for after the Party Congress in November have been rescheduled for 2023 or canceled as limited COVID outbreaks continue to be identified nationwide, resulting in lockdowns. Accordingly, food service sector vegetable oil consumption has declined significantly along with food service revenues (see Chart 7), a trend only partially compensated for by increased home food use.

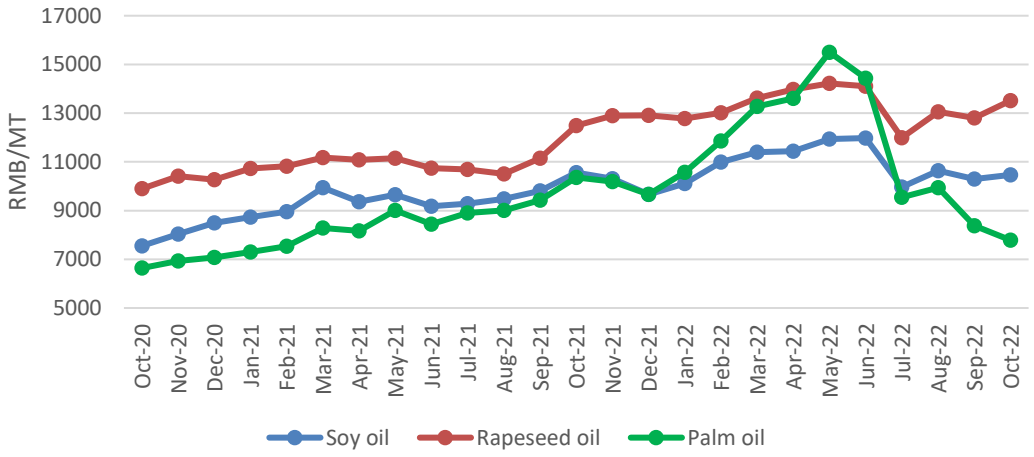
Chart 7. China: Food Service Revenue and Consumer Goods Retail Sales
(March 2021 to September 2022; Year-on-year change)



Source: NBS

Vegetable oil consumption (mostly soybean oil) for feed use in MY 21/22 is unchanged at 1 MMT, a 50 percent decline from the previous year as higher prices force feed mills to use less costly substitutes, including lower priced animal fats. Forecast vegetable oil for feed use in MY 22/23 is 1.2 MMT, unchanged from Post's previous forecast. Given the competitive price for palm oil, it is likely that feed mills will switch part of the soybean oil in feed to palm oil to reduce costs. The vegetable oil inclusion ratio in feed increased during 2020 and 2021 in response to increased use of wheat and rice to replace higher-priced corn, with the oil adding calories and improving palatability.

Chart 8. China: Prices for Major Vegetable Oils Surged in MY 21/22
(Monthly Average; October 2020 to October 2022)



Source: Industry Source

In its October report, CNGOIC forecast total vegetable oil consumption to recover to 40.25 MMT in MY 22/23, up 2.8 MMT or 7.4 percent from MY 21/22 while vegetable oil for food use was reported up 5.1 percent to 35.9 MMT in MY 22/23. MARA's October CASDE report maintains total vegetable oil consumption at 36.3 MMT for MY 22/23 but lowered estimate consumption to 35.8 MMT for MY 21/22.

Trade

Soybeans
According to Trade Data Monitor, LLC., MY 21/22 soybean imports reached 91.6 MMT, slightly lower than Post's estimate of 92 MMT. The 8.1 MMT year-over-year drop in soybean imports reflects weaker demand for SBM in the swine and poultry sectors and vegetable oil use in the food service sector. Post maintains its forecast for MY 22/23 soybean imports at 96.5 MMT on expected higher demand for SBM in the swine and poultry industry and vegetable oil demand for food sector use. Import growth is forecast to be partially constrained by higher domestic soybean production, ongoing sales of state reserve soybeans, and uncertainty due to COVID restrictions.

It remains to be seen how the PRC will implement COVID related restrictions in MY 22/23. The polices currently in place have led to lockdowns of millions of residents across multiple urban centers, restricted domestic and international travel, and prohibited most large social gatherings. This leads to weak consumer demand - lowering soybean imports. Current forecasts for MY 22/23 soybean imports vary among PRC government and industry sources, ranging from 95 MMT to 96.5 MMT.

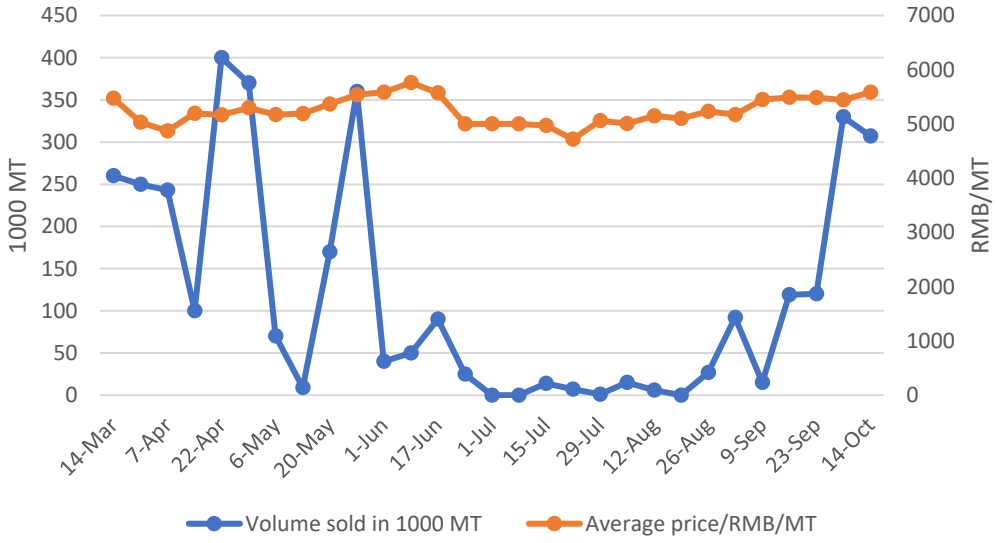
Table 5. China: Estimates of Soybean Imports by Sources (MMT; October)

Source	CASDE	CNGOIC	Industry Source	FAS/China
MY 21/22	91.02	91	92.5	91.6
MY 22/23	95.2	95	96.5	96.5
Year-on-year change in %	+4.6	+4.4	+4.3	+6.0

In MY 21/22, soybean imports from the United States were 29.8 MMT, down 19.5 percent by volume. U.S. market share was 32.6 percent compared to 37.2 percent the previous year. Soybean imports from Brazil reached 55.67 MMT, down 2.6 percent from the previous year and accounting for 60.8 percent of China's imports.

Beginning on March 14, with weekly auctions commencing April 1, cumulative sales of state reserve soybeans (imported soybeans offered only for crushing) reached 3.5 MMT as of October 14, accounting for 24 percent of the volume offered. Purchase rates have recovered since early September, with prices rising to nearly RMB5,600 (U.S. $800)/MT in late September in response to the sharp increase in SBM prices. Post expects the weekly auctions to continue for the foreseeable future.

Chart 9. China: Sales of State Reserve Soybeans in 2022



Source: China's Industry Source; Note: On July 1, 8 and 22 and Aug 5 and 19, the volume sold was zero out of the 0.5 MMT offered, and the prices shown in chart is the floor price at about RMB5,000/MT

Rapeseed

Post maintains rapeseed imports for MY 22/23 at 2.7 MMT, up from the 1.66 MMT in MY 21/22. Rapeseed imports have declined since 2019 due to PRC trade tensions with Canada, its primary supplier. In a sign of easing tensions, China lifted its ban on two large Canadian rapeseed suppliers in mid-May; however, the move has not resulted in higher imports in MY

21/22 due to seasonal issues and low Canadian production as well as relatively higher prices for imported rapeseed. Rapeseed imports are expected to recover in MY 22/23 on higher Canadian production and competitive prices. However, they are not expected to reach 2018-2019's record volume of 4 MMT given increased domestic production and China's relatively high imports of rapeseed oil and meal.

Peanuts

Peanut imports reached 786,000 MT in MY 21/22 and are forecast to increase to 1.7 MMT in MY 22/23 on lower domestic production. In MY 21/22, peanut imports plummeted 43.5 percent year-on-year as high production and weak consumption of peanut oil and shelled peanuts reduced the competitiveness of imports. Combined shelled peanut imports from China's two largest suppliers, Senegal and Sudan, were 481,000 MT, down 35 percent from the previous year. China's imports from the United States, mainly inshell peanuts, declined to 96,000 MT, down 59 percent from the previous year. Forecast MY 22/23 imports are increased to a record 1.7 MMT on lower domestic production and recovering consumption. Imports from Senegal and Sudan are expected to recover as higher prices are expected to increase their competitiveness. Lower domestic production may also create an opportunity for Brazilian peanuts to enter the market following the July 19, 2022 signing of a phytosanitary protocol between Brazil and China on shelled peanuts. Brazil has exported an average of 260,000 MT of shelled peanuts per year over the last 3 years.

Meals

China's significant crushing capacity and vegetable oil market will continue to advantage oilseed imports for crushing over meal imports, though meal imports are expected to continue to fill gaps in demand.

Post maintains forecast rapeseed meal imports at 1.75 MMT in MY 22/23, down from 2.22 MMT in MY 21/22. Moderately higher domestic production and an increase in rapeseed imports is expected to reduce rapeseed meal imports. Driven by China's growing aquaculture production and limited rapeseed imports, rapeseed meal imports remained strong MY 21/22, up 13 percent year-on-year. Aquaculture), a significant user of rapeseed meal, is expected to continue growing in 2022 as China's wild-caught seafood production declines.

Post maintains forecast sunflower seed meal imports at 1.7 MMT for MY 22/23, down from 1.95 MMT in MY 21/22 on smaller imports from Ukraine due to the ongoing Russian invasion of Ukraine. Recent Russian statements suggesting a halt to an UN-brokered deal to allow Ukrainian agricultural exports from the Black Sea could further reduce China's sunflower seed meal imports in MY 22/23.

On Oct 1, 2022, GACC approved imports of rapeseed meal and SBM from Belarus. Based on GACC procedure, imports may start in MY 22/23. The Impact on China's meal imports is expected to be limited given Belarus's limited exports of rapeseed and soybean meal. Over the last three years they averaged 0.13 MMT and 0.29 MMT annually, respectively. The top destinations for these exports were Russia, Lithuania, and Poland.

Fishmeal imports in the first 9 months of 2022 reached 1.42 MMT, down 3.5 percent from the previous year on lower global fish meal production and higher prices. Post maintains forecast fishmeal imports at 1.6 MMT in 2022 on continued stable demand from the aquaculture sector.

Forecast SBM exports for MY 22/23 are unchanged at 1 MMT from the previous report, up from 484,000 MT in MY 21/22. SBM exports to nearby markets are expected to rebound along with China's overall soybean crush.

Vegetable Oil

Total vegetable oil imports for MY 21/22 are 6.55 MMT, down a striking 48 percent from the previous year. The sharp decline underscores weaker demand, particularly in the food service sector, as a result of COVID-related restrictions. The decline was worsened by high international vegetable oil prices, Indonesia's month-long ban on palm oil exports, and greatly reduced exports of sunflower oil from Ukraine. Post maintains MY22/23 vegetable oil imports at 11.55 MMT in MY 22/23 on rebounding consumer demand and lower prices, particularly for palm oil (see Chart 8).

Palm oil imports for MY 21/22 reached 4.39 MMT, a nearly 36 percent decline from the previous year on weaker demand and high prices and export restrictions by Indonesia. Industry sources reported a more than 60 percent decline in palm oil for food use in the first months of MY 21/22 as prices surged and became significantly higher than soybean oil. Post's forecast of MY 22/23 palm oil imports is increased 100,000 tons to 7 MMT on expected demand recovery for food processing, home and food service use - along with significantly lower palm oil import prices. Industry is likely to resume blending palm oil with other oils given palm oil's significant price advantage.

Sunflower seed oil imports for MY 21/22 declined 68.7 percent to 0.51 MMT on lower availability and weaker demand. Imports from Ukraine, China's largest supplier, declined to 0.36 MMT, 67.8 percent lower than the previous year. Forecast sunflower seed oil imports for MY 22/23 are lowered to 1.1 MMT from 1.2 MMT on lower production and uncertain export volumes from Ukraine.

MY 21/22 rapeseed oil imports are 0.97 MMT, down 58.8 percent from the previous year. Forecast MY 22/23 rapeseed oil imports remain unchanged at 1.9 MMT.

MY 21/22 soybean oil imports plummeted to 0.29 MMT on weak demand and high prices. Imports in MY 22/23 are expected to rebound to 1 MMT on higher vegetable oil demand, unchanged from the previous report.

Exchange rate: $1=RMB 6.9 in 2020; $1=RMB 6.4 in 2021; $1= RMB 6.3 and up to over 7 in the October 2022

Oilseeds PSD Tables

Table 6. China: Soybeans

PSD Table						
Country	**China, Peoples Republic of**					
Commodity	**Oilseed, Soybean (1000 tons; 1000 Ha)**					
	2020/21		**2021/22**		**2022/23**	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2020		10/2021		10/2022
Area Planted	9,900	9,900	8,400	8,415	8,900	9,350
Area Harvested	9,883	9,866	8,400	8,415	9,350	9,350
Beginning Stocks	24,612	24,612	31,164	29,884	30,744	27,048
Production	19,602	19,602	16,400	16,400	18,400	19,000
MY Imports	99,759	99,740	90,000	91,566	98,000	96,500
Total Supply	143,973	143,954	137,564	137,850	147,144	142,548
MY Exports	70	70	100	102	100	80
Crush	93,000	95,000	87,000	91,000	96,000	95,000
Food Use Dom. Cons.	14,700	14,400	14,800	14,800	15,400	15,400
Feed Waste Dom. Cons.	5,039	4,600	4,920	4,900	5,189	4,900
Total Dom. Cons.	112,739	114,000	106,720	110,700	116,589	115,300
Ending Stocks	31,164	29,884	30,744	27,048	30,455	27,168
Total Distribution	143,973	143,954	137,564	137,850	147,144	142,548

Table 7. China: Rapeseed

PSD Table						
Country	**China, Peoples Republic of**					
Commodity	**Oilseed, Rapeseed (1000 tons;1000 Ha)**					
	2020/21		**2021/22**		**2022/23**	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2020		10/2021		10/2022
Area Planted		6,680		6,900		7,100
Area Harvested	6,765	6,680	6,800	6,900	7,100	7,100
Beginning Stocks	1,253	1,253	1,597	1,597	1,163	984
Production	14,049	14,049	14,714	14,450	14,700	15,400
MY Imports	2,795	2,795	1,800	1,657	2,300	2,700
Total Supply	18,097	18,097	18,111	17,704	18,163	19,084
MY Exports	0	0	0	0	0	0
Crush	16,000	16,000	16,500	16,200	16,200	17,200
Food Use Dom. Cons.	0	0	0	0	0	0
Feed Waste Dom. Cons.	500	500	448	520	450	525
Total Dom. Cons.	16,500	16,500	16,948	16,720	16,650	17,725
Ending Stocks	1,597	1,597	1,163	984	1,513	1,359
Total Distribution	18,097	18,097	18,111	17,704	18,163	19,084

Table 8. China: Peanuts

PSD Table						
Country	**China, Peoples Republic of**					
Commodity	**Oilseed, Peanut (1000 tons; 1000 Ha)**					
	2020/21		**2021/22**		**2022/23**	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2020		10/2021		10/2022
Area Planted	4,731	4,731	4,750	4,800	4,800	4,720
Area Harvested	4,731	4,731	4,750	4,800	4,800	4,720
Beginning Stocks	0	0	0	0	0	0
Production	17,993	17,993	18,308	18,308	18,300	16,800
MY Imports	1,374	1,374	750	786	1,100	1,700
Total Supply	19,367	19,367	19,058	19,094	19,400	18,500
MY Exports	459	459	450	487	450	400
Crush	10,100	10,474	10,300	10,000	10,300	10,100
Food Use Dom. Cons.	7,550	7,334	7,300	7,494	7,500	7,000
Feed Waste Dom. Cons.	1,258	1,100	1,008	1,113	1,150	1,000
Total Dom. Cons.	18,908	18,908	18,608	18,607	18,950	18,100
Ending Stocks	0	0	0	0	0	0
Total Distribution	19,367	19,367	19,058	19,094	19,400	18,500

Table 9. China: Sunflower Seed

PSD Table						
Country	**China, Peoples Republic of**					
Commodity	**Oilseed, Sunflower seed (1000 tons; 1000 Ha)**					
	2020/21		**2021/22**		**2022/23**	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2020		10/2021		10/2022
Area Planted	873	866	1,100	887	1,000	950
Area Harvested	873	866	1,100	887	1,000	950
Beginning Stocks	463	463	445	237	215	279
Production	2,570	2,347	2,900	2,424	2,800	2,600
MY Imports	137	137	160	156	200	180
Total Supply	3,170	2,947	3,505	2,817	3,215	3,059
MY Exports	475	475	440	438	350	430
Crush	1,200	1,200	1,850	1,200	1,650	1,300
Food Use Dom. Cons.	950	935	900	900	900	930
Feed Waste Dom. Cons.	100	100	100	0	100	100
Total Dom. Cons.	2,250	2,235	2,850	2,100	2,650	2,330
Ending Stocks	445	237	215	279	215	299
Total Distribution	3,170	2,947	3,505	2,817	3,215	3,059

Table 10. China: Cottonseed

PSD Table						
Country	**China, Peoples Republic of**					
Commodity	**Oilseed, Cottonseed (1000 tons; 1000 Ha)**					
	2020/21		**2021/22**		**2022/23**	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2020		10/2021		10/2022
Area Planted (Cotton)	3,250	3,220	3,100	3,000	3,150	3,030
Area Harvested (Cotton)	3,200	3,220	3,100	3,000	3,000	3,030
Seed to Lint Ratio	0	0	0	0	0	0
Beginning Stocks	0	0	0	0	0	0
Production	11,600	10,000	10,503	9,550	10,973	9,700
MY Imports	72	72	260	297	200	100
Total Supply	11,672	10,072	10,763	9,847	11,173	9,800
MY Exports	0	0	0	0	0	0
Crush	9,700	8,550	9,500	8,085	9,800	8,200
Food Use Dom. Cons.	0	0	0	0	0	0
Feed Waste Dom. Cons.	1,972	1,522	1,263	1,762	1,373	1,600
Total Dom. Cons.	11,672	10,072	10,763	9,847	11,173	9,800
Ending Stocks	0	0	0	0	0	0
Total Distribution	11,672	10,072	10,763	9,847	11,173	9,800

Meal PSD Tables

Table 11. China: Soybean Meal

PSD Table						
Country	**China, Peoples Republic of**					
Commodity	**Meal, Soybean (1000 tons)**					
	2020/21		**2021/22**		**2022/23**	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2020		10/2021		10/2022
Crush	93,000	95,000	87,000	91,000	96,000	95,000
Extr. Rate, 999.9999	0.792	0.792	0.792	0.792	0.792	0.792
Beginning Stocks	0	0	0	0	0	0
Production	73,656	75,240	68,904	72,072	76,032	75,240
MY Imports	74	74	60	56	50	60
Total Supply	73,730	75,314	68,964	72,128	76,082	75,300
MY Exports	1,052	1,052	500	484	1,000	1,000
Industrial Dom. Cons.	1,125	1,342	1,100	1,336	1,175	1,500
Food Use Dom. Cons.	0	0	0	0	0	0
Feed Waste Dom. Cons.	71,553	72,920	67,364	70,308	73,907	72,800
Total Dom. Cons.	72,678	74,262	68,464	71,644	75,082	74,300
Ending Stocks	0	0	0	0	0	0
Total Distribution	73,730	75,314	68,964	72,128	76,082	75,300

Table 12. China: Rapeseed Meal

PSD Table						
Country	**China, Peoples Republic of**					
Commodity	**Meal, Rapeseed (1000 tons)**					
	2020/21		**2021/22**		**2022/23**	
	USDA Official	Post Estimate	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2020		10/2021		10/2022
Crush	16,000	16,000	16,500	16,200	16,200	17,200
Extr. Rate, 999.9999	0.59	0.59	0.59	0.59	0.59	0.59
Beginning Stocks	0	0	0	0	0	0
Production	9,442	9,442	9,737	9,558	9,560	10,148
MY Imports	1,967	1,967	2,200	2,225	2,000	1,750
Total Supply	11,409	11,409	11,937	11,783	11,560	11,898
MY Exports	5	5	10	11	10	10
Industrial Dom. Cons.	475	475	475	499	480	480
Food Use Dom. Cons.	0	0	0	0	0	0
Feed Waste Dom. Cons.	10,929	10,929	11,452	11,273	11,070	11,408
Total Dom. Cons.	11,404	11,404	11,927	11,772	11,550	11,888
Ending Stocks	0	0	0	0	0	0
Total Distribution	11,409	11,409	11,937	11,783	11,560	11,898

Table 13. China: Peanut Meal

PSD Table						
Country	**China, Peoples Republic of**					
Commodity	**Meal, Peanut (1000 tons)**					
	2020/21		**2021/22**		**2022/23**	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2020		10/2021		10/2022
Crush	10,100	10,474	10,300	10,000	10300	10100
Extr. Rate, 999.9999	0.4	0.4	0.4	0.4	0.4	0.4
Beginning Stocks	0	0	0	0	0	0
Production	4,040	4,190	4,120	4,000	4120	4040
MY Imports	51	51	100	119	90	90
Total Supply	4,091	4,241	4,220	4,119	4210	4130
MY Exports	0	0	2	2	0	0
Industrial Dom. Cons.	0	0	0	0	0	0
Food Use Dom. Cons.	0	0	0	0	0	0
Feed Waste Dom. Cons.	4,091	4,241	4,218	4,117	4210	4130
Total Dom. Cons.	4091	4241	4218	4117	4210	4130
Ending Stocks	0	0	0	0	0	0
Total Distribution	4091	4241	4220	4119	4210	4130

Table 14. China: Sunflower Seed Meal

PSD Table						
Country	**China, Peoples Republic of**					
Commodity	**Meal, Sunflower seed (1000 tons)**					
	2020/21		**2021/22**		**2022/23**	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2020		10/2021		10/2022
Crush	1,200	1,200	1,850	1,200	1,650	1,300
Extr. Rate, 999.9999	0.55	0.55	0.54	0.55	0.54	0.55
Beginning Stocks	0	0	0	0	0	0
Production	654	654	1,008	654	899	709
MY Imports	2,233	2,233	1,900	1,946	1,500	1,700
Total Supply	2,887	2,887	2,908	2,600	2,399	2,409
MY Exports	5	5	2	3	4	10
Industrial Dom. Cons.	62	0	62	0	62	0
Food Use Dom. Cons.	0	0	0	0	0	0
Feed Waste Dom. Cons.	2,820	2,882	2,844	2,597	2,333	2,399
Total Dom. Cons.	2,882	2,882	2,906	2,597	2,395	2,399
Ending Stocks	0	0	0	0	0	0
Total Distribution	2,887	2,887	2,908	2,600	2,399	2,409

Table 15. China: Cottonseed Meal

PSD Table						
Country	**China, Peoples Republic of**					
Commodity	**Meal, Cottonseed (1000 tons)**					
	2020/21		**2021/22**		**2022/23**	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2020		10/2021		10/2022
Crush	9,700	8,550	9,500	8,085	9,800	8,200
Extr. Rate, 999.9999	0.43	0.43	0.43	0.43	0.43	0.43
Beginning Stocks	0	0	0	0	0	0
Production	4,203	3,702	4,116	3,501	4,246	3,551
MY Imports	10	10	5	5	10	10
Total Supply	4,213	3,712	4,121	3,506	4,256	3,561
MY Exports	0	0	0	0	0	0
Industrial Dom. Cons.	140	150	140	150	140	160
Food Use Dom. Cons.	0	0	0	0	0	0
Feed Waste Dom. Cons.	4,073	3,562	3,981	3,356	4,116	3,401
Total Dom. Cons.	4,213	3,712	4,121	3,506	4,256	3,561
Ending Stocks	0	0	0	0	0	0
Total Distribution	4,213	3,712	4,121	3,506	4,256	3,561

Table 16. China: Fish Meal

PSD Table						
Country	**China, Peoples Republic of**					
Commodity	**Meal, Fish (1000 tons)**					
	2020/21		**2021/22**		**2022/23**	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		1/2020		1/2021		1/2022
Catch for Reduction	1,100	1,000	1,100	1,000	1,100	1,000
Extr. Rate, 999.9999	0.32	0.36	0.32	0.36	0.32	0.36
Beginning Stocks	0	0	0	0	0	0
Production	350	364	350	364	350	364
MY Imports	1,836	1,836	1,650	1,600	1,650	1,650
Total Supply	2,186	2,200	2,000	1,964	2,000	2,014
MY Exports	0	0	0	0	0	0
Industrial Dom. Cons.	0	0	0	0	0	0
Food Use Dom. Cons.	0	0	0	0	0	0
Feed Waste Dom. Cons.	2,186	2,200	2,000	1,964	2,000	2,014
Total Dom. Cons.	2,186	2,200	2,000	1,964	2,000	2,014
Ending Stocks	0	0	0	0	0	0
Total Distribution	2,186	2,200	2,000	1,964	2,000	2,014

Table 17. China: Palm Kernel Meal

Commodity	Meal, Palm Kernel (1000 tons)					
	2020/21		2021/22		2022/23	
	USDA Official	Post Estimate	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2020		10/2021		10/2022
Crush	0	0	0	0	0	0
Extr. Rate, 999.9999	0	0	0	0	0	0
Beginning Stocks	0	0	0	0	0	0
Production	0	0	0	0	0	0
MY Imports	890	890	920	865	1,000	1,000
Total Supply	890	890	920	865	1,000	1,000
MY Exports	0	0	0	0	0	0
Industrial Dom. Cons.	0	0	0	0	0	0
Food Use Dom. Cons.	0	0	0	0	0	0
Feed Waste Dom. Cons.	890	890	920	865	1,000	1,000
Total Dom. Cons.	890	890	920	865	1,000	1,000
Ending Stocks	0	0	0	0	0	0
Total Distribution	890	890	920	865	1,000	1,000

Oil PSD Tables

Table 18. China: Soybean Oil

PSD Table						
Country	**China, Peoples Republic of**					
Commodity	**Oil, Soybean (1000 tons)**					
	2020/21		**2021/22**		**2022/23**	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2020		10/2021		10/2022
Crush	93,000	95,000	87,000	91,000	96,000	95,000
Extr. Rate, 999.9999	0.179	0.179	0.179	0.179	0.179	0.179
Beginning Stocks	778	778	1,033	872	263	338
Production	16,666	17,005	15,590	16,289	17,203	17,005
MY Imports	1,231	1,231	400	291	1,000	1,000
Total Supply	18,675	19,014	17,023	17,452	18,466	18,343
MY Exports	42	42	110	114	90	50
Industrial Dom. Cons.	0	0	0	0	0	0
Food Use Dom. Cons.	17,600	16,100	16,650	16,000	17,800	16,500
Feed Waste Dom. Cons.	0	2,000	0	1,000	0	1,200
Total Dom. Cons.	17,600	18,100	16,650	17,000	17,800	17,700
Ending Stocks	1,033	872	263	338	576	593
Total Distribution	18,675	19,014	17,023	17,452	18,466	18,343

Table 19. China: Rapeseed Oil

PSD Table						
Country	**China, Peoples Republic of**					
Commodity	**Oil, Rapeseed (1000 tons)**					
	2020/21		**2021/22**		**2022/23**	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2020		10/2021		10/2022
Crush	16,000	16,000	16,500	16,200	16,200	17,200
Extr. Rate, 999.9999	0.39	0.39	0.39	0.39	0.39	0.39
Beginning Stocks	1,233	1,233	1,686	1,706	1,069	794
Production	6,240	6,240	6,435	6,318	6,318	6,708
MY Imports	2,365	2,365	1,050	973	2,420	1,900
Total Supply	9,838	9,838	9,171	8,997	9,807	9,402
MY Exports	2	2	2	3	3	5
Industrial Dom. Cons.	0	0	0	0	0	0
Food Use Dom. Cons.	8,150	8,130	8,100	8,200	8,400	8,375
Feed Waste Dom. Cons.	0	0	0	0	0	0
Total Dom. Cons.	8,150	8,130	8,100	8,200	8,400	8,375
Ending Stocks	1,686	1,706	1,069	794	1,404	1,022
Total Distribution	9,838	9,838	9,171	8,997	9,807	9,402

Table 20. China: Peanut Oil

PSD Table						
Country	**China, Peoples Republic of**					
Commodity	**Oil, Peanut (1000 tons)**					
	2020/21		**2021/22**		**2022/23**	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2020		10/2021		10/2022
Crush	10,100	10,474	10,300	10,000	10,300	10,100
Extr. Rate, 999.9999	0.32	0.32	0.32	0.32	0.32	0.32
Beginning Stocks	0	0	0	0	0	0
Production	3,232	3,352	3,296	3,200	3,296	3,232
MY Imports	346	346	150	166	300	350
Total Supply	3,578	3,698	3,446	3,366	3,596	3,582
MY Exports	11	11	10	11	10	10
Industrial Dom. Cons.	0	0	0	0	0	0
Food Use Dom. Cons.	3,567	3,687	3,436	3,355	3,586	3,572
Feed Waste Dom. Cons.	0	0	0	0	0	0
Total Dom. Cons.	3,567	3,687	3,436	3,355	3,586	3,572
Ending Stocks	0	0	0	0	0	0
Total Distribution	3,578	3,698	3,446	3,366	3,596	3,582

Table 21. China: Cotton Seed Oil

PSD Table						
Country	**China, Peoples Republic of**					
Commodity	**Oil, Cottonseed (1000 tons)**					
	2020/21		**2021/22**		**2022/23**	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2020		10/2021		10/2022
Crush	9,700	8,550	9,500	8,085	9,800	8,200
Extr. Rate, 999.9999	0.146	0.145	0.146	0.145	0.146	0.145
Beginning Stocks	0	0	0	0	0	0
Production	1,411	1,240	1,382	1,172	1,426	1,190
MY Imports	0	0	0	0	0	0
Total Supply	1,411	1,240	1,382	1,172	1,426	1,190
MY Exports	3	3	4	5	2	3
Industrial Dom. Cons.	0	0	0	0	0	0
Food Use Dom. Cons.	1,408	1,237	1,378	1,167	1,424	1,187
Feed Waste Dom. Cons.	0	0	0	0	0	0
Total Dom. Cons.	1,408	1,237	1,378	1,167	1,424	1,187
Ending Stocks	0	0	0	0	0	0
Total Distribution	1,411	1,240	1,382	1,172	1,426	1,190

Table 22. China: Sunflower Seed Oil

PSD Table						
Country	**China, Peoples Republic of**					
Commodity	**Oil, Sunflower Seed (1000 tons)**					
	2020/21		**2021/22**		**2022/23**	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2020		10/2021		10/2022
Crush	1,200	1,200	1,850	1,200	1,650	1,300
Extr. Rate, 999.9999	0.358	0.358	0.358	0.358	0.359	0.358
Beginning Stocks	0	0	0	0	0	0
Production	430	430	663	430	592	466
MY Imports	1,640	1,640	600	513	1,100	1,100
Total Supply	2,070	2,070	1,263	943	1,692	1,566
MY Exports	3	3	5	6	3	2
Industrial Dom. Cons.	0	0	0	0	0	0
Food Use Dom. Cons.	2,067	2,067	1,258	937	1,689	1,564
Feed Waste Dom. Cons.	0	0	0	0	0	0
Total Dom. Cons.	2,067	2,067	1,258	937	1,689	1,564
Ending Stocks	0	0	0	0	0	0
Total Distribution	2,070	2,070	1,263	943	1,692	1,566

Table 23. China: Palm Oil

PSD Table						
Country	**China, Peoples Republic of**					
Commodity	**Oil, Palm (1000 tons)**					
	2020/21		**2021/22**		**2022/23**	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2020		10/2021		10/2022
Area Planted	0	0	0	0	0	0
Area Harvested	0	0	0	0	0	0
Trees	0	0	0	0	0	0
Beginning Stocks	883	883	1,037	1,077	272	448
Production	0	0	0	0	0	0
MY Imports	6,818	6,818	4,300	4,387	7,200	7,000
Total Supply	7,701	7,701	5,337	5,464	7,472	7,448
MY Exports	14	14	15	16	20	10
Industrial Dom. Cons.	2,350	2,500	1,050	1,800	2,250	2,300
Food Use Dom. Cons.	4,300	4,110	4,000	3,200	4,650	4,300
Feed Waste Dom. Cons.	0	0	0	0	0	0
Total Dom. Cons.	6,650	6,610	5,050	5,000	6,900	6,600
Ending Stocks	1,037	1,077	272	448	552	838
Total Distribution	7,701	7,701	5,337	5,464	7,472	7,448

Table 24. China: Coconut Oil

PSD Table						
Country	**China, Peoples Republic of**					
Commodity	**Oil, Coconut (1000 tons)**					
	2020/21		**2021/22**		**2022/23**	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2020		10/2021		10/2022
Crush	0	0	0	0	0	0
Extr. Rate, 999.9999	0	0	0	0	0	0
Beginning Stocks	0	0	0	0	0	0
Production	0	0	0	0	0	0
MY Imports	172	172	200	221	200	200
Total Supply	172	172	200	221	200	200
MY Exports	0	0	0	0	0	0
Industrial Dom. Cons.	0	0	0	0	0	0
Food Use Dom. Cons.	172	172	200	221	200	200
Feed Waste Dom. Cons.	0	0	0	0	0	0
Total Dom. Cons.	172	172	200	221	200	200
Ending Stocks	0	0	0	0	0	0
Total Distribution	172	172	200	221	200	200

Attachments:
No Attachments