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Report Highlights:

Modest growth in the animal protein sector is expected to raise China's soybean imports to 97 million metric tons (MMT) in Marketing Year (MY) 23/24. The People's Republic of China's (PRC) removal of COVID-related restriction in December 2022 is expected to boost overall oilseed consumption. However, relatively high prices for soybean meal (SBM) and low returns in the swine and poultry sector continue to disadvantage SBM inclusion in feed. Following a significant increase in soybean area and production in MY 22/23, PRC polices supporting soybeans are expected to continue, yielding an additional 400,000 metric tons (MT) of production in MY 23/24.

Executive Summary

- Following a steep decline in in MY 21/22 partly due to zero-COVID policies suppressing consumption, soybean import volumes rebounded nearly 5 percent the first 5 months of MY 22/23. Based on data from the General Administration of Customs of the People's Republic of China (GACC), imports surged following the removal of zero-COVID policies in December to reach a combined 16.2 MMT in January – February 2023, a 16 percent year-on-year increase.

- Prices for SBM have declined from peak levels; however, feed mills continue to exercise caution in purchasing SBM due to risks from relatively high prices and weak demand. This weaker demand and caution on the part of feed mills led to lower crush and commercial soybean stocks in MY 21/22, creating a boom-and-bust cycle that sustained higher SBM prices during periods of low availability. Higher imports and lower prices in MY 22/23 an MY 23/24 are expected moderate this cycle.

- Soybean crush volume is forecast at 95 MMT in MY 23/24, compared to an estimated 94 MMT in MY 22/23. Total MY 23/24 protein meal feed use is forecast to increase 1.4 percent year-on-year to 98.1 MMT.

- Vegetable oil imports are forecast flat in MY 23/24, after rebounding to an estimated 11.2 MMT in MY 22/23. Lower prices and higher demand in the food processing sector is expected to boost palm oil imports to a record 7.1 MMT in MY 23/24.

- The PRC continues to emphasize greater oilseed production, particularly soybeans, in MY 23/24. Following significant gains in area and production in MY 22/23, more modest gains are forecast for MY 23/24. The extent to which area and production are maintained or increased will largely depend on subsidy levels provided for planting soybeans compared to corn.

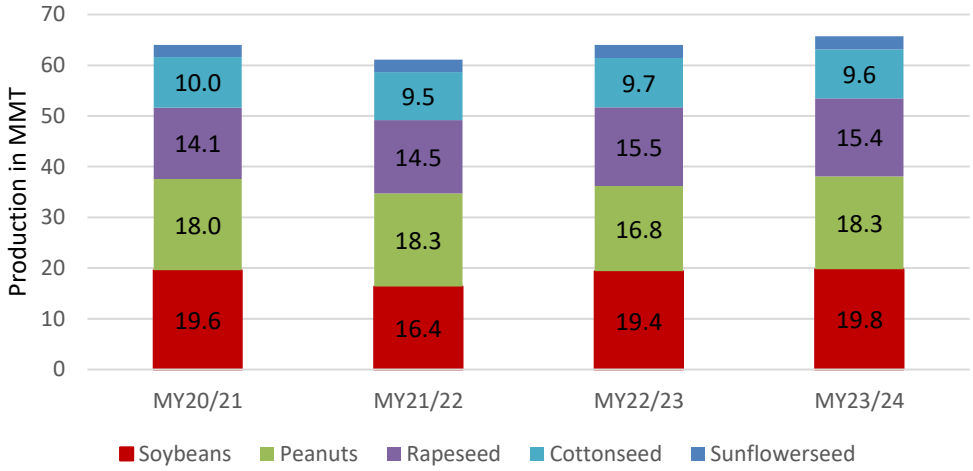
- Despite industry expectations for full commercial cultivation of genetically engineered (GE) corn in 2023, the Ministry of Agriculture and Rural Affairs (MARA) appears to be taking a more cautious approach by expanding existing GE pilot programs. The delay of commercial cultivation of GE corn until at least 2024 may constrain the expansion of soybean area at the expense of corn planted area.

I Oilseeds Situation and Outlook

China's oilseed production is forecast at 65.7 million metric tons (MMT) in MY 23/24, up from an estimated 64 MMT in MY 22/23. The increase is based on government subsidies and policies to support "oilseed revitalization" through expanded area. The 1.4 percent year-on-year increase in oilseed planted area is led by gains in peanut and soybean. Higher domestic oilseed production is expected to limit imports. Post forecasts oilseed imports at 100.6 MMT in MY 23/24 compared to an estimated 100.5 MMT the previous year. Imports are forecast to account for 60.7 percent of total domestic oilseed consumption in MY 23/24, a slight decrease from MY 22/23. Oilseed consumption for MY 23/24 is forecast at 165.7 MMT, up from an estimated 163.1 MMT in MY 22/23 on slightly higher demand in the animal feed sector and recovery in vegetable oil consumption.

China's major oilseed crops include soybeans, rapeseed, cottonseed, peanuts, and sunflower seed (see Chart 1). Major suppliers of oilseeds include Brazil, the United States, Argentina, and Canada, which accounted for 96 percent of China's oilseed imports in MY 21/22.

Chart 1. China: Major Oilseed Production
(MY 20/21 to MY 23/24)



Source: MY 20/21 to MY 21/22 – National Bureau of Statics (NBS); Production for soybeans and peanut for MY 22/23 and all cottonseed production – FAS/China estimates; MY 23/24 – FAS/China forecasts

Soybeans

Production

Soybean production for MY 23/24 is forecast at 19.8 MMT based on area of 10.05 million hectares (MHa). Through a variety of incentives and initiatives, soybean area expanded significantly in MY 22/23, reaching 9.85 MHa. PRC policies are expected to continue supporting soybean expansion in MY 23/24, though at a lower rate than the previous year as less area is expected to switch from corn to soybean.

In December 2022, China's National Bureau of Statistics (NBS) announced record soybean production of 20.3 MMT for MY 22/23, up 3.9 MMT or nearly 24 percent from the previous year. Official data indicates the record production was the result of a combination of planted area reaching 10.24 MHa and average yields of 1.98 MT/Ha, a 21.7 percent, and 1.7 percent increase, respectively, from the previous year. Various national and provincial policies enacted to encourage soybean production appear to have incentivized some farmers to shift production (for more information on subsidies and incentives for increasing soybean production in MY 22/23, see GAIN Report Oilseeds and Products Update | CH2022-0075).

According to NBS, four Northeast provinces actively expanded soybean planting area through rotations of corn to soybeans and the expansion of production area into alkaline soils and other marginal, lower-grade lands. Additionally, MARA and NBS reported increased use of intercropping of soybeans and corn in the Yellow River, Huai River and Hai River regions, the Northwest and Southwest regions[1]. Although initial MY 22/23 estimates from MARA and China's National Grain and Oils Information Center (CNGOIC) forecast lower production (19.5 MMT and 19.7 MMT, respectively), following the NBS announcement both adopted the higher soybean production number.

Despite official pronouncements, industry sources call into question NBS production data for MY 22/23, often citing the significant increase in area (nearly 1.9 MHa) compared with MY 21/22 data. To achieve such a significant increase in soybean area, the majority of area gained would likely come from rotations of corn to soy; however official data on corn area shows only a modest area decline of 300,000 Ha between MY 21/22 and MY 22/23. Although some added soybean area may be derived from soy intercropping with corn and thus not result in a one for one decline in corn area, Post assesses it highly unlikely that such practices could account for approximately 1.3 MHa (1.9 MHa of area increase minus 300,000 Ha of corn area decrease) of additional soybean area from other sources. Local officials may also find it challenging to properly count intercropped area. Additionally, soybean expansion on lower-grade, marginal lands or alkaline soils are likely to result in lower yields, conditions not reflected in official data.

Based on the above observations, Post estimates of MY 22/23 production at 19.4 MMT, a 400,000 metric ton (MT) increase from MY 21/22, on planted area of 9.85 MHa.

In February 2023, the PRC released its No.1 Document, an annual policy document focused on agriculture and rural development. The document outlines, in broad terms, a plan to continue the "revitalization" of the oilseed sector, including soybeans in 2023. Specifically, the document calls for optimizing subsidies for soybeans and corn, implementing trial programs to cover full cost insurance for soybean production, intercropping of corn and soybeans, grain and soybean rotation, and further developing saline-alkali land to grow soybeans. Accordingly, MARA established a target for MY 23/24 total oilseed area (including soybeans) to reach 350 million Mu (23.33 MHa), up 10 million Mu (0.67 MHa) from the previous year.

[1] Northwest: Gansu, Ningxia, Xinjiang and Qinghai; Southwest: Yunnan, Sichuan, Guizhou and Chongqing; Yellow River, Huai River and Hai River: Part of Shandong, Jiangsu, Anhui and Henan

Table 1. China: Soybean Production by Province (MY 20/21 to MY 23/24)

Production (in MMT)	MY20/21	MY21/22	MY22/23	MY23/24
Total	19.6	16.4	20.3	19.8**
Northeast Provinces	12.53	9.78	12.86*	
---Heilongjiang	9.2	7.1	9.53*	
---Inner Mongolia	2.35	1.87	2.45*	
---Jilin	0.75	0.61	0.64*	
---Liaoning	0.23	0.2	0.24*	
Henan	0.96	0.85		
Anhui	0.9	0.83		
Shandong	0.55	0.47		
Others	4.65	4.52		
Average Yield (MT/Ha)	1.98	1.95	1.98	1.97**

Source: NBS; *Based on MARA, media reports; **FAS/China forecast
Note: Northeast provinces include Heilongjiang, Inner Mongolia, Jilin, and Liaoning

Achieving such a lofty goal, particularly following gains made during MY 22/23, will be a challenge. Chinese farmers face an increasingly complex set of factors in considering which crops to plant. Government subsidies favoring soybeans vis-à-vis corn are broadly expected to continue in MY 23/24. Though details of subsidy rates have not yet been published, industry sources expect the rates to remain favorable to soybeans. A review of profits received by farmers growing corn compared to soybeans in MY 22/23 suggests a significant increase in the soybean subsidy is required to bridge the profit gap between the two crops.

Under pressure to increase soybean production, Jilin Province, one of China's major corn producers, announced it will continue to provide its soybean farmers with planting subsidies in 2023 that are 220 to 320 yuan/Mu ($475-685/Ha) higher than corn. Subsidies for crop rotation and intercropping are also expected to continue. But based on profits received in the previous year, subsidies may need to be raised further to achieve the increase in area.

Table 2. China: Soybean and Corn Subsidy Rates and Area for Heilongjiang (2020-2022)

	2020		2021		2022	
Crop	Corn	Soybeans	Corn	Soybeans	Corn	Soybeans
Subsidy/Yuan/Ha	570	3,570	1,020	3,720	420	3,720
Planted area (1,000 Ha)	5,500	4,832	6,500	3,810	6,200*	4,932

Source: NBS; Subsidy rates are estimates by industry source; *Estimates based on China's media reports

Based on its survey, the Heilongjiang Soy Industry Association reported that MY 22/23 corn profits were about 2,300 yuan/Ha ($330/Ha) higher than soybeans in Heilongjiang. Inner Mongolia provincial data show soybean profits in MY 22/23 averaged 2,390 yuan/Ha ($341/Ha), down 7.5 percent from MY 21/22 due to increased costs for fertilizer, pesticide, land rent, and labor inputs. Despite an even sharper decline in net profits for corn (29.1 percent), overall corn margins remained considerably higher at 5,570 yuan ($796/Ha).

Table 3. China: Inner Mongolia Soybean Production Costs/Profits, Percent of Change (MY 21/22 vs. MY 22/23)

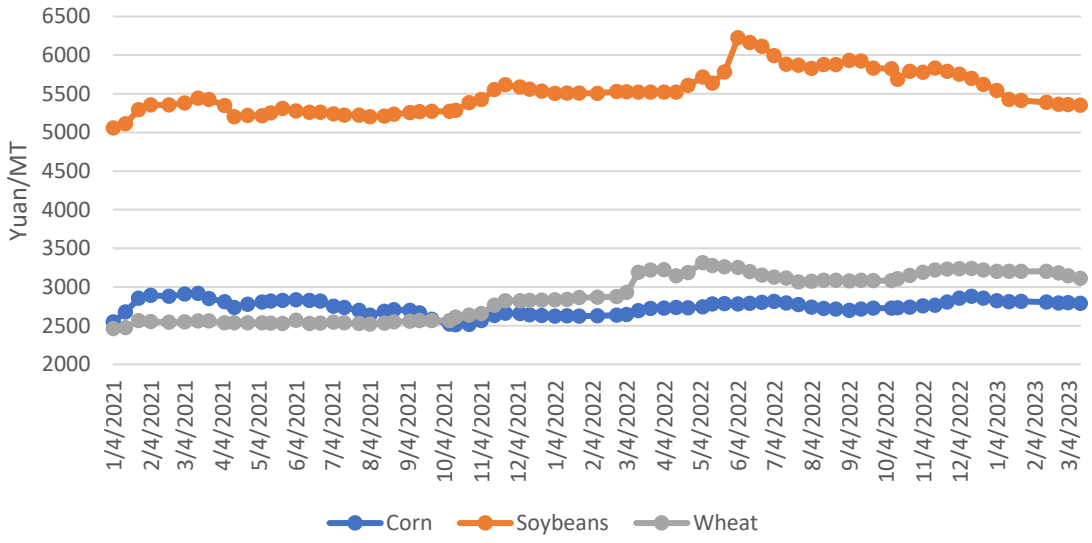
MY 22/23 vs MY 21/22 Change %	Yield	Price	Total costs	--Cost of fertilizers	--Cost of pesticides	Net profits
Soybeans	+10.5	-0.9	+12.7	+42.3	+30.9	-7.5
Corn	-8.1	+5.7	+11.7	+35.8	+4.6	-29.1

Source: Inner Mongolia Development and Reform Commission

The lack of profit advantage for soybeans in MY 22/23 will limit significant area growth in MY 23/24. Despite a high price at the start of harvest in September 2022, prices have been declining through February 2023. According to NBS, prices for MY 22/23 domestic soybeans reached 6,100 yuan/MT ($871/MT) in September 2022, declining to 5,400 yuan/MT ($771/MT) in mid-February 2023. Although prices remain slightly higher than the same period of 2022, the declining trend may negatively affect farmer's soybean planting intention for MY 23/24.

MARA appears to recognize the narrowing soybean and corn profitability concern. At a February 28 press briefing, MARA's Chief Economist noted declining soybean prices and rising corn prices "further widened the gap in the income from soybean and corn planting" encouraging farmers to "switch to corn." The official noted MARA would "actively seek to increase support and strive to increase the subsidy level of soybean producers."

Chart 2. China: Corn, Wheat, and Soybean Prices
(Jan 2021 to Mar 2023)



Source: NBS

Recent PRC efforts to increase soybean production through expanded planted area have yielded positive if modest results. However, greater expansion of soybean area remains constrained by limited arable land and will likely come at the expense of corn area. An opportunity to shift corn area to soy may present itself in the coming years as the PRC moves forward with commercial cultivation of GE crops. Reports indicate up to 20 varieties of GE corn have been approved for planting in Spring 2023 as part of

a large-scale pilot project extending across several provinces. Although GE soybeans are also included in the pilot project, it is expected that corn will be the first widely commercially cultivated GE crop in China, perhaps as soon as MY 24/25.

The shift towards GE corn and what should be a resulting yield increase will allow the PRC to maintain grain output while diverting additional area to soybean cultivation. Industry contacts estimate up to 1 to 2 MHa of soybeans to be planted in the coming two years, much of it at the expense of corn area. Increasing domestic soybean production will not come without challenges. Domestic soybeans are non-GE, consumed nearly exclusively for food use, contain less oil than their imported counterparts and are priced significantly higher. Current production already exceeds food use consumption by about 2 MMT per year. Expanded area could add 2-4 MMT to this amount.

To overcome this, the PRC may need to more strictly enforce laws against the illicit flow of GE soybeans into food production, something MARA has already begun. Higher domestic non-GE soybean production may also result in greater enforcement of the PRC's zero-tolerance for imports containing unapproved GE events, including those products currently marketed as non-GE. By some estimates, 2-3 MMT of GE soybeans illegally enter the food processing channel annually, partly driven by the artificially high price differential between domestic non-GE soybeans and imported GE varieties. Although the oil content on local non-GE soybeans is lower, crushers can earn a premium on the oil that could make up for some of the price disparity with imports. The over-supply of local soybeans may also result in additional soybean purchases by state companies. This occurred last October when, at the request of MARA, state-owned grain company, Sinograin, offered to purchase soybeans at prices ranging 5,800 to 6,000 yuan/MT ($828 to $860/MT - based on protein level) in the northeast. Although the purchased volume is not available, it was probably limited as the offered price was lower than farmers expected.

Based on the above observations, Post estimates MY 22/23 production at 19.4 MMT, a 400,000 MT increase from MY 21/22, on planted area of 9.85 MHa. Soybean production for MY 23/24 is forecast at 19.8 MMT based on area of 10.05 MHa.

Consumption

Soybean consumption for MY 23/24 is forecast at 116 MMT, a slight increase from 114.9 MMT in MY 22/23. The end of zero-COVID policies is expected to raise consumption in general, though demand for vegetable oil is expected to increase more rapidly than demand for meal (see the Meals and Oils section below for further analysis). High prices for SBM and low returns in the swine and poultry sector continue to disadvantage SBM inclusion in feed, constraining overall demand in MY 22/23. Vertically integrated swine companies have slashed SBM inclusion rates, particularly for hogs in the growing-finishing stage, with some dropping rates below 10 percent. Industry contacts expect more favorable returns on hogs in June and July as supply adjusts to demand. A return to profitability in the sector will likely increase demand for SBM, which remains the most widely used protein feed ingredient.

Crush

Soybean crush is forecast at 95 MMT in MY 23/24, up from an estimated 94 MMT in MY 22/23 on moderate growth in feed demand. Soybean crush volumes rebounded significantly in the first four months of MY 22/23 due partly to surging hog prices in October and November. This led many

producers to extend fattening periods in hopes of higher profits. The end of zero COVID policies also boosted oil demand.

Estimates of MY 22/23 crush volumes vary, including 94.8 MMT from MARA, 97.1 from CNGOIC and 96.5 MMT from a leading industry source. Annual crush capacity is estimated at about 145 MMT – and is significantly underutilized. Utilization rates typically range from 55 to 70 percent with facilities frequently adjusting operations to balance crushing margins and demand for soybean products.

Food Use
Food use of soybeans is expected to reach 16 MMT in MY 23/24, an increase of 100,000 MT on the previous year. China's food use consumption of soybeans historically followed population, which is now declining. Recent growth in food use consumption has been driven by changing dietary trends favoring plant-derived protein as an alternative to animal proteins. A 2022 survey by the China Soybean Industry Association shows soybean for food use reached 15.3 MMT in 2021, up 5 percent from the previous year. Out of total consumption, 61 percent was for soy-based foods (i.e., tofu, soymilk, etc.), 24 percent was used as ingredients for processed food products (i.e., soy protein for sausage etc.) and 15 percent was for direct consumption, including home use.

Feed, Seed, Waste Use
Soybean for feed use in the form of extruded full-fat soybean (FFSB) is expected to be stable at 5 MMT in MY 23/24. FFSB is primarily used in piglets and gestating and lactating sows for its palatability and ability to reduce overall feed intake. Data from the National Development Reform Commission (NDRC) suggests that China uses approximately 78.3 kilograms/Ha of seeds. Thus, based on MY 23/24 area, seed use may reach 790,000 tons.

Trade
Soybean imports are forecast to increase to 97 MMT in MY 23/24 on moderate demand growth in the feed sector. Estimated MY 22/23 imports are increased to 96 MMT from Post's previous estimate. Based on data from GACC, imports surged following the removal of zero-COVID policies in December to reach a combined 16.2 MMT in January – February 2023, a 16 percent year-on-year increase. In the first five months of MY 22/23 imports reach 38.2 MMT, a 4.8 percent increase from MY 21/22.

Low margins continue to drive swine and poultry producers to trim feed costs. Weaker demand from animal producers coupled with the high price of SBM have led feed mills to exercise extreme caution in purchasing SBM - with most buying only what they need to cover existing orders and carrying minimal inventory. These risk management approaches to procurement by the feed mills have carried over into the inventories of crushing facilities, adding volatility to commercial stock levels. Ultimately, this chain of dampened demand and risk mitigation reduces imports and self-perpetuates a boom-bust cycle that sustains higher SBM prices during periods of low availability.

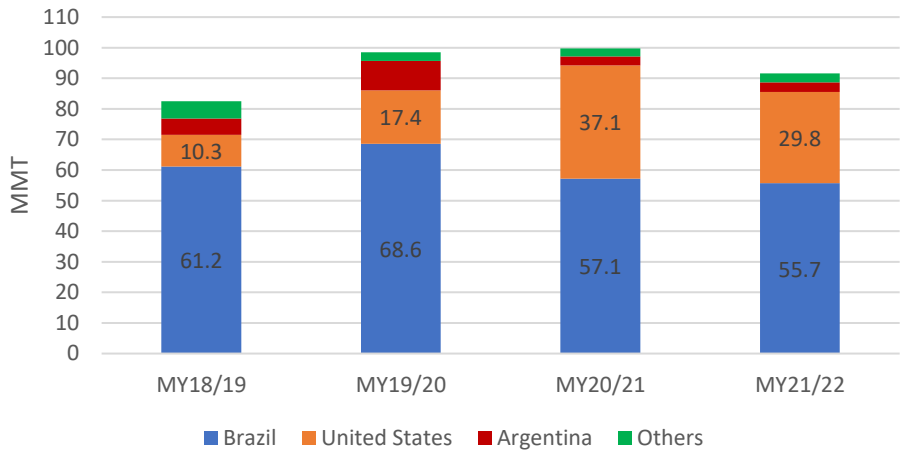
Forecasts for MY 22/23 soybean imports range 95 MMT by CNGOIC and 95.2 MMT by MARA to 96.5 MMT by a leading industry source. Despite Brazil's expected record soybean crop, China buyers remain hesitant to purchase big volumes at current prices - with weak downstream demand leading to more spot purchases. These factors, along with reports of slower harvests due to inclement weather, are expected to lower Brazilian exports in February and March, typically high-volume months. Purchases are expected

to increase in the 2nd half of MY 22/23 with estimated net import growth of 3 MMT from the previous year.

China's imports of U.S. soybeans reached a near record 37.1 MMT in MY 20/21, accounting for 37.2 percent of all soybean imports. The surge in imports from the United States followed the return to 3 percent duties under a tariff exclusion process the PRC instituted after the signing of the Phase One Agreement. This coincided, as well, with PRC officials reporting a recovery in the swine sector following a major outbreak of African swine fever which is now believed to be endemic. However, weak overall demand in MY 21/22, partly due to the PRC's zero-COVID policy, resulted in an 8.2 MMT decline in total soybean imports; disproportionately affecting U.S. origin soybeans, which declined 7.2 MMT compared to the prior year (see Chart 3 below).

Soybean imports from the United States in the first quarter of MY 22/23 remained almost unchanged from the previous year. Based on the USDA Export Sales Report, as of March 2, 2023, total U.S. accumulated sales to China reached 28.4 MMT for MY 22/23, higher than 25.2 MMT during the same period in 2022. However, the expected increase in MY 23/24 world soybean production, mainly on an expected bumper Brazilian soybean crop, is expected to reduce the volume of U.S. soybeans in March - May.

Chart 3. China: Soybean Imports by Origin
(MY 18/19 to MY 21/22)



Source: Trade Data Monitor, LLC.

Currently, fifteen countries have market access to export soybeans to the PRC (GAIN Report: Market Access Diversification Expands). Although the PRC continues to seek ways to diversify its basket of soybean suppliers, its ability to add soybean imports from new suppliers faces hurdles from production availability to logistics. The ability to shift significant volumes of purchases to suppliers outside of Brazil, the United States and Argentina, is limited and likely to remain so for the foreseeable future. Total soybean imports from all other suppliers peaked at 5.7 MMT in MY 18/19, falling to an average of 2.8 MMT in MY 19/20 through MY 21/22.

Exports
China's MY 23/24 soybean exports, primarily for food use, are forecast to reach 200,000 MT, unchanged from the previous year but almost double from MY 21/22, based greater availability due to production exceeding domestic demand for food use. Top markets for China's non-GE soybeans include Japan, Korea, and Taiwan.

Stocks
Soybean ending stocks for MY 23/24 are forecast lower at 27.9 MMT, compared to an estimated 28.2 MMT the previous year. The PRC does not publish data on the volume of state-managed soybean reserves. The state reserves are held at the national and provincial level and composed of both domestic and imported soybeans, with imports comprising the vast majority of stocks held. Central reserves are predominantly held by state-owned China Grain Reserve Corp (Sinograin) and COFCO Corp.

On March 14, 2022, the PRC began to sell state-reserve soybeans to meet market demand. Industry sources indicate the last auction was held on November 25, 2022. Out of the 15.9 MMT of soybeans offered at auction, 3.94 MMT or 24.8 percent were sold. Sales prices fluctuated with demand throughout the selling period with prices starting from Yuan 5,000 yuan/MT ($714/MT) in the first auctions and peaking at 5,400 yuan/MT ($770/MT) in October and November. Though it is not uncommon for significant volumes of soybeans to be cycled out of state reserves for crushing, the auctions and their consistent, relatively transparent public offering of stocks, likely reduced overall import demand in MY 21/22 and to a lesser extent MY 22/23. As of this report, there are currently no public plans to restart the auctions in 2023.

Trade Policy
The two primary regulations governing oilseeds trade are the Administrative Measures regarding the Inspection and Quarantine for the Entry and Exit of Grain and Oilseeds, also referred to as AQSIQ Decree 177 (see GAIN report CH16003), and the Supervision and Management Measures for the Inspection and Quarantine of Import and Export Feed and Feed Additives, also referred to as AQSIQ Decree 118 (see GAIN report CH9071). Imports of GE soybeans require a biosafety certificate from MARA (see GAIN Report 2022 Agricultural Biotechnology Annual).

In December 2022, GACC published an updated List of Grains and Plant Derived Feed Materials Approved Market Access to China by Country/Regions (GAIN Report: Market Access Diversification Expands). Compared to the previous list published May 1, 2021, the updated list adds three new countries for export of soybeans to China (Kyrgyzstan, Malawi, and South Africa) and market access for U.S. cottonseed exports to China.

In December 2022, GACC made changes to the China Import Food Enterprise Registration (CIFER) Single Window system. GACC removed a number of oilseeds from CIFER which was managed by the Bureau of Import/Export Food Safety and placed these select oilseeds under the authority of the Department of Animal and Plant Quarantine. The PRC's trading partners had their facility lists updated including the additional listing of 30 U.S. establishments approved for exporting oilseeds to the PRC. The oilseeds, which exclude soybeans due to their inclusion on a separate U.S. Grains Exporter list, include peanuts, cottonseed, sesame seeds, flaxseed, sunflower seed, and brown mustard seed.

Rapeseed

Production

Rapeseed production for MY 23/24 is forecast at 15.4 MMT, down slightly from the previous year based on a slight expansion of acreage to 7.35 MHa and lower yields, in line with the three-year average.

China has two planting periods for rapeseed. The winter crop is typically planted in November/December and harvested in April/May. The summer crop is planted in June and harvested in September.

MARA estimated MY 22/23 rapeseed area at 7.27 MHa, an increase of 3.8 percent, and production at 15.5 MMT, up 0.8 MMT or 5.5 percent year-on-year. Notably, industry estimates of rapeseed production are significantly lower than official data. Industry contacts note that, based on estimated crushing volumes, actual production may be a low as half the volume reported in official data.

Table 4. China: Rapeseed Production by Province

MY/Production (in MMT)	MY20/21	MY21/22	MY22/23	MY23/24 *
Total	14.05	14.71	15.53	15.4
Sichuan	3.17	3.39		
Hubei	2.41	2.52		
Hunan	2.29	2.3		
Anhui	0.85	0.91		
Guizhou	0.76	0.81		
Jiangxi	0.68	0.73		
Northwest Provinces**	1.06	1.11		
Others	2.83	2.93		

Source: NBS; *FAS/China forecast based on the trend of official production data and other market information; **Inner Mongolia, Xinjiang, Gansu, Qinghai, Xizang and Ningxia

Expanding rapeseed production continues to be a PRC priority. The 2023 No.1 Document notes planting winter crop rapeseed in southern China. Leading rapeseed-producing provinces are expected to continue to provide incentives for rapeseed. MARA has indicated additional subsidies will be provided for winter rapeseed planting in 2023, although specific rates have not been published.

Rapeseed area growth in MY 23/24 may be partly driven by improved rapeseed profits received by farmers in MY 22/23. According to an official survey, MY 22/23 rapeseed prices increased about 7 percent from the previous year, leading to larger farmer profits. In Hubei province, (a top rapeseed producer) farmers averaged 1,515 Yuan/Ha ($216/Ha), a 14 percent increase year-on-year. In Sichuan, the largest rapeseed-producing province, profits in MY 22/23 reached 3,000 yuan/Ha ($428/Ha) compared to the negative margins the previous year. Rapeseed farming is partly driven by a preference for rapeseed oil in Sichuan and Hubei provinces – as well as by tourism as travelers descend on rural areas during the Spring rapeseed flowering.

Photo: Rapeseed flowering in Guangxi Province, March 2023. Courtesy of FAS China staff.

MARA's survey indicated winter rapeseed planted area reached 110 million Mu (7.3 MHa) in MY 23/24, surpassing the estimated 104 million Mu (6.9 MHa) in the previous year. Rapeseed area in Sichuan, Hunan, and Jiangxi provinces all show moderate growth in MY 23/24 with combined net area growth of 200,000 Ha from the previous year. As of early February, MARA rated crop growth in most rapeseed-producing regions as "good", noting adequate sunlight hours, average temperatures, lower precipitation, and minimal disease and pest impact.

Trade

Canada provides nearly all of the PRC's rapeseed imports. Trade tensions led to a significant decline in imports of Canadian rapeseed beginning in MY 18/19, with volumes dropping to 1.6 MMT in MY 21/22 from a record 4.7 MMT in MY 17/18. Post expects imports to reach 2.9 MMT in MY 22/23 and 3 MMT in MY 23/24 on improving bilateral relations and strong Canadian production. In the first quarter of MY 22/23, Canada accounted for 92 percent of China's rapeseed imports.

Policy

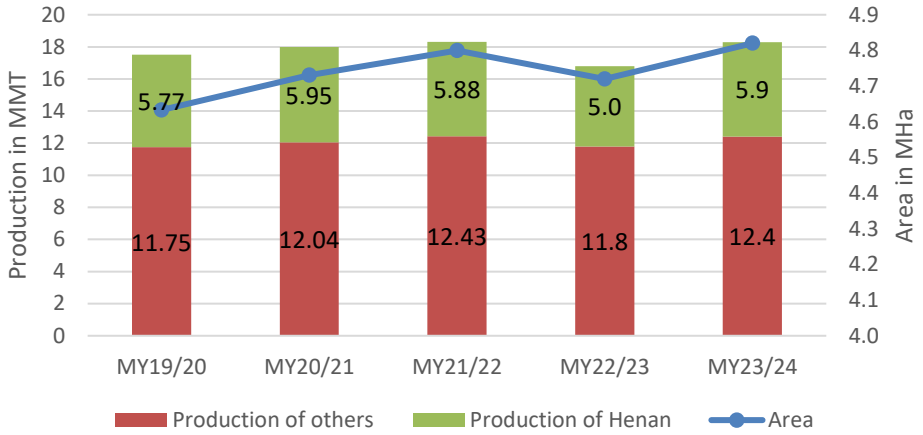
The PRC national government provides a planting seed subsidy of 150 yuan/Ha ($22/Ha). Some provincial governments provide additional subsidies.

Peanuts

Production

Peanut production is forecast at 18.3 MMT in MY 23/24, up from an estimated 16.8 MMT in MY 22/23. The strong rebound is based on area growth driven by higher peanut prices, post-harvest profits (see Chart 5 below) and expected yield recovery.

Chart 4. China: Peanut Production and Area
(MY 19/20 to MY 23/24)

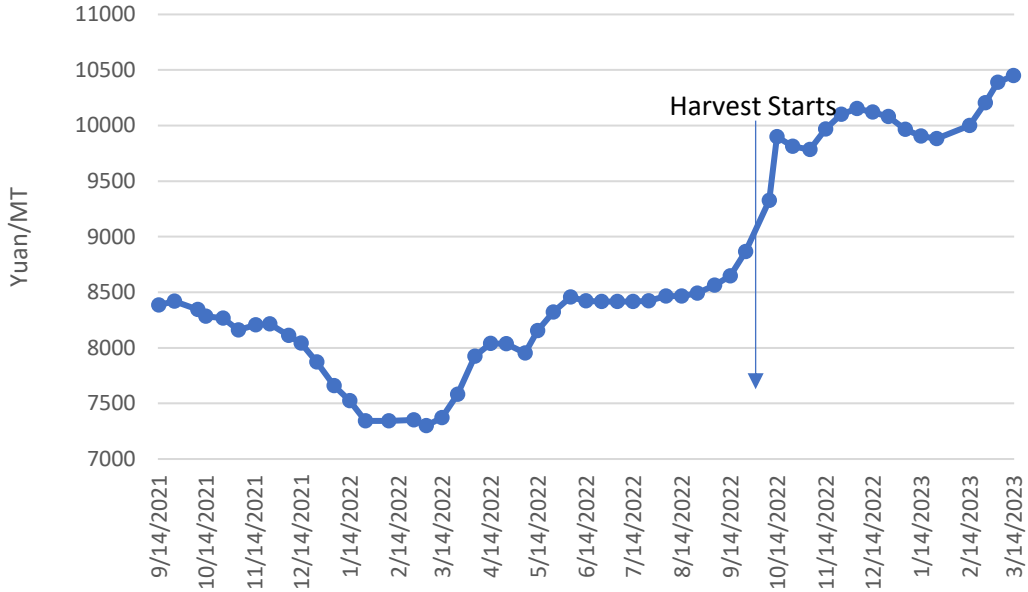


Source: NBS and data for MY 22/23 and MY23/24 are FAS China estimate/forecast

Post estimates MY 22/23 peanut production at 16.8 MMT, a significant decline from the 18.3 MMT produced MY 21/22 based on lower yield and planted area. Declining prices and weaker demand lowered profitability compared to other crops during the spring planting season; reducing planted area. Subsequently, unfavorable weather conditions including drought and heat in the growing stage in some regions and excessive rainfall near harvest in others attributed to low yields in MY 22/23.
Industry sources reported dry weather from April to June in parts of the two largest peanut-producing provinces, Henan and Shandong, resulted in delayed planting and poor crop growth. Drought and high temperatures in southern Henan in August and part of Shandong in June further negatively impacted crop growth and yield. In Liaoning Province, excessive rainfall in June and July, 67 percent higher than average, reduced peanut yield and quality. The effects of these conditions are seen in a recent survey by a leading industry source which estimates MY 22/23 peanut production will fall below 16 MMT. Perhaps most telling of the supply situation, peanut prices since harvest in September have increased significantly.

Despite price fluctuations, peanut profits in recent years have exceeded those from cotton, corn, and soybeans in most peanut-producing regions. As shown in Chart 5, peanut prices increased rapidly since the harvest of MY 22/23 crop and have continued to surge through mid-March 2023. Higher prices and stronger demand following the end of zero-COVID policies are expected to result in relatively good profits for many peanut farmers, despite lower yields. Based on profitability, continued government subsidies, and expectations for higher demand, Post forecasts moderate growth of peanut area in MY 23/24.

Chart 5. China: Peanut Kernel Price Trend
(Sep 2021 to Mar 2023)



Source: NBS

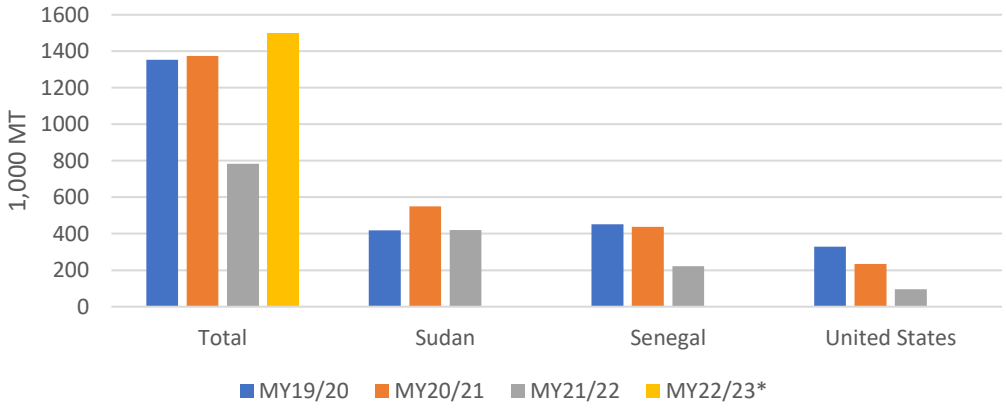
Trade

China's peanut imports are forecast at 1 MMT in MY 23/24, down from an estimated 1.5 MMT on a rebound in production. Peanut imports plummeted in MY 21/22 mainly due to weak consumption - partially stemming from the PRC's zero-COVID policy. Domestically produced peanuts dominate the food and snack food sectors and supply a large share of the crush volume, while imports primarily fill excess demand for crush.

Shelled peanut imports from Senegal and Sudan, which enter China duty free, continue to dominate the import market. Shelled peanuts from these origins accounted for 72 percent (converted into in-shell volume at about 1 MMT) of China's peanut imports in MY 20/21 and 82 percent in MY 21/22. Peanut imports from the United States are almost all in-shell peanuts, a trend likely to continue as importing U.S. in-shell peanuts for processing remains cost effective.

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 the PRC on shelled peanuts (as of March 14, 55 Brazilian peanut and shelled peanut exporting facilities have access to the PRC market). Brazilian peanut exports to China, which hadn't begun as of the end of 2022, may commence during MY 22/23. On average, over the last three years, Brazil has exported 260,000 MT of shelled peanuts per year.

Chart 6. China: Peanut Imports from Major Origins
(MY 19/20 to MY 22/23)



Source: Trade Data Monitor, LLC.; *MY22/23 total imports are FAS China estimate

Peanut imports are subject to a 15 percent MFN import duty and a 10 percent value-added tax. The PRC implements a tariff exclusion process for Section 301 retaliatory tariffs on U.S. peanuts since March 2020.

The PRC's peanut exports, mainly shelled or processed, are forecast at 500,000 MT in MY 23/24, based on higher production. Exports are expected to remain limited due to strong domestic demand. In MY 21/22, Asian countries including Japan, South Korea, and ASEAN nations were the major destinations of China's peanut exports.

Policy
Peanut farmers receive a 150 yuan/Ha ($22/Ha) planting seed subsidy from the central government.

Cottonseed

Production
Cottonseed production for MY 23/24 is forecast to decline 100,000 MT to 9.6 MMT based on an expected decline in cotton area due to low cotton prices in MY 22/23.

A recent survey of planting intentions by the China Cotton Association shows MY 23/24 cotton planted area falling 1 percent from the previous year. Another leading industry source estimates MY 23/24 cotton planted area will decline 3.5 percent from the previous year with Xinjiang, the Yellow River and the Yangtze River regions down 1.7 percent, 11 percent and 15 percent, respectively. The decline in planted area in Xinjiang is a result of increased production costs and decreased profits in MY 22/23. The combined cotton planted area in the Yellow River and the Yangtze River regions accounts for only 16 percent of total area. The significant decline in planting intention in these regions is due to higher production costs - particularly for labor due to a lack of mechanization.

The PRC's direct subsidy to cotton farmers in Xinjiang in MY 23/24 is likely to remain unchanged from the previous year. The target price was set at 18,600 yuan/MT ($2,950/MT) for three years starting from MY 20/21. Although some specifics of the subsidy policy remain unclear, the 2023 No.1 Document

states the government will "optimize the cotton direct subsidy policy" in 2023, which is generally interpreted as a continuation of current policy.

Trade

China's cottonseed imports are forecast to increase to 400,000 MT in MY 23/24 on stronger demand in the feed sector. Though still an insignificant volume in the context of the China's total oilseed complex, the increase reflects efforts to diversify oilseed and protein meal sources. The majority of domestic cottonseed is produced in Xinjiang This is relatively far from primary consumption areas, providing an opportunity for imports when prices allow.

Other Oilseeds

Camellia production continues to grow in China's southern provinces, including Hunan, Jiangxi, and Guangxi. However, due to low yields, production has grown slowly, with oil production nearly flat at about 700,000 MT in 2021. Production continues to be below government targets of 1 MMT in 2020 and 2 MMT by 2025. Along with soybeans and rapeseed, camellia is referenced in the 2023 No.1 Document. The document states that the government will support the development of woody oil plants by expanding Camellia acreage and raising the yield and efficiency of the existing trees in 2023, though like other areas of the policy document, no specifics are provided.

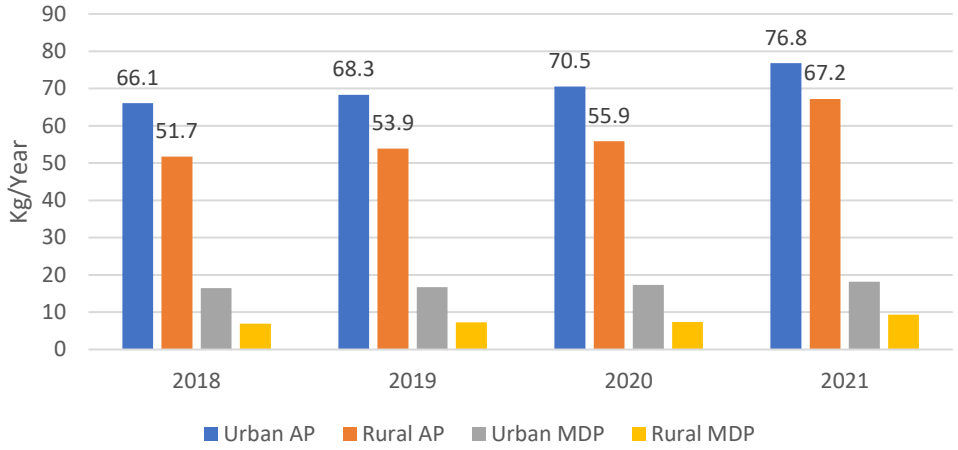
II Oilseed Meal Situation and Outlook

Consumption

Despite lower economic growth and a declining population, higher demand for animal protein continues to drive demand for oilseed meal. On March 5, at the launch of China's annual legislative session, Premier Li Keqiang announced Beijing's target GDP growth rate for 2023 would be 5 percent. Though lower than the 5.5 percent targeted for 2022, which was missed by 2.5 percent when China posted its slowest growth in decades due to zero-COVID and policies affecting the real estate and technology sectors, the targeted growth level will result in higher consumption of animal protein if it is achieved. Official 2022 data for animal and dairy product consumption is not yet available. However, despite lower rates of growth, total consumption of animal and dairy products is expected to continue rising (see Chart 7 below), particularly among middle-income urban populations.

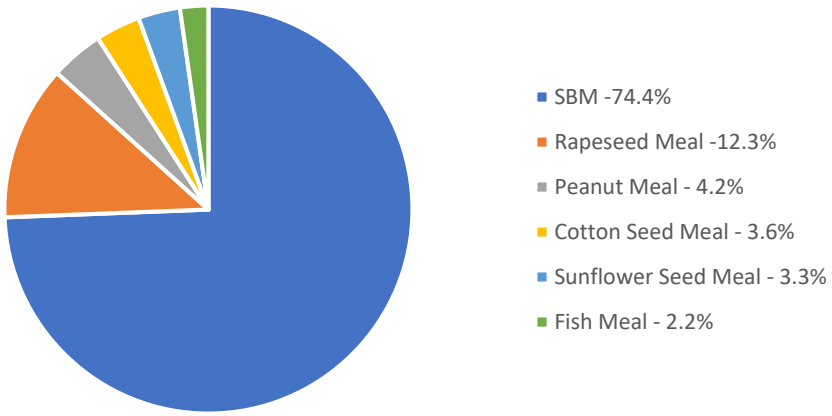
Protein meal use for feed is forecast to rise moderately to 98.1 MMT in MY 23/34, up 1.3 percent from 96.8 MMT in MY 22/23 on higher animal populations. Protein meal use in MY 22/23 was up significantly from MY 21/22 on higher animal production and feed consumption. SBM feed use continues to dominate protein meal consumption and is expected to account for over 74 percent of feed meal use in MY 23/24, down slightly from the previous year. Total SBM feed use is forecast to increase to 73 MMT in MY 23/24 from an estimated 72.4 MMT the previous year.

Chart 7. China: Per Capita Consumption of Animal and Dairy Products



Source: NBS; Note: AP-Animal products including pork, beef and mutton, poultry, eggs and aquatic products; MDP- milk and dairy products

Chart 8. China: Share of Protein Meals for Feed in MY 23/24

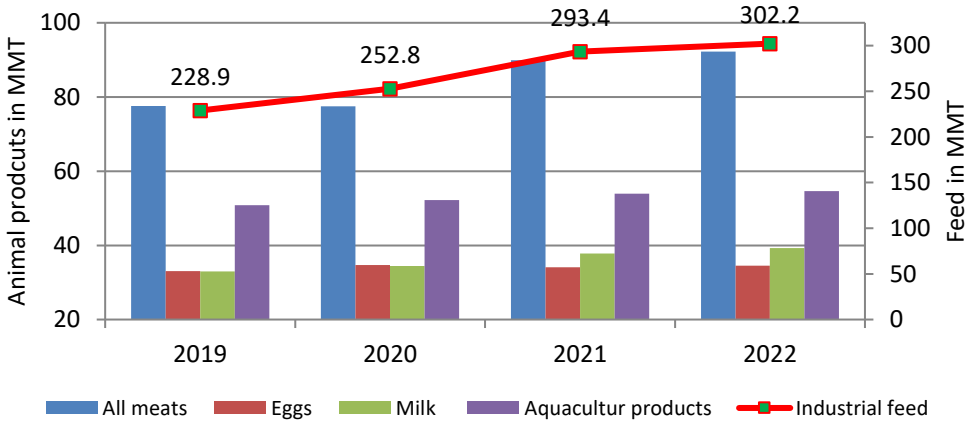


Source: FAS/Beijing Forecast

Recovered sow and hog inventories in 2022, combined with high poultry production capacity and steadily increasing ruminant and aquaculture production, are expected to boost feed demand in 2023 and beyond. According to MARA, as of the end of January 2023, sow inventories remained high at 43.7 million head, 6.5 percent higher than their target of 41 million and 1.8 percent higher than the previous year. As of the end of 2022, live hog inventory stood at 452.56 million head, up 0.7 percent from the previous year. In 2022, total meat production reached 92.27 MMT, an increase of 3.39 MMT or 3.8 percent over the previous year. The output of poultry eggs and milk all increased year-on-year. Pork production was 55.41 MMT, an increase of 2.46 MMT or 4.6 percent higher over the previous year. Total slaughtered pigs hit 695.95 million heads in 2022, a net growth of 28.7 million from the previous year.

MARA reports industrial feed production reached 302.2 MMT in 2022. This is an increase of 3 percent from the previous year despite low margins among swine and poultry producers. Compared to 2021, compound feed increased 3.7 percent, accounting for 280.2 MMT, and concentrate decreased 8.1 percent, accounting for 14.3 MMT. By feed category, swine feed accounted for 136 MMT, up 4 percent, ruminant feed accounted for 16.2 MMT, up 9.2 percent, aquaculture feed accounted for 25.3 MMT, up 10.2 percent, pet food accounted for 1.24 MMT, up 9.5 percent, and feed for poultry (for meat production) accounted for 89.25 MMT, up 0.2 percent. However, feed for poultry (for egg production) was 32.1 MMT, down 0.6 percent from the previous year. Increased compound feed production and declining production of concentrates and feed pre-mix with additives reflects an increase in larger-scale production.

Chart 9. China: Feed and Animal Products Production (2019 – 2022)

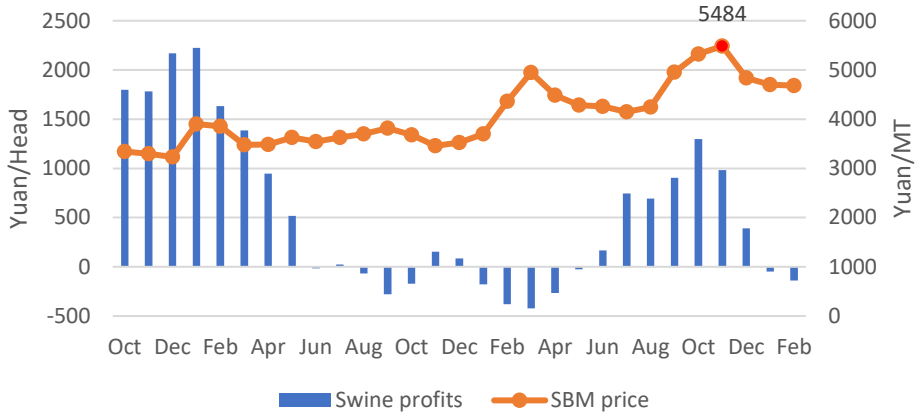


Source: NBS; The 2022 aquaculture production is FAS/Beijing estimate

Despite being profitable in the first quarter of MY 22/23, swine farming profits turned negative in January and fell further in February 2023. Currently, industry contacts uniformly agreed that feed demand (and in turn soybean import demand) in the first half of 2023 will remain weak. Feed companies continue to seek every possible alternative to SBM and to purchase SBM on an as needed basis to avoid risks from high prices. Contacts see a continuation of last year's buying patterns at least through June, which were mostly driven by low to negative margins in the poultry and swine sectors. Low margins in the animal protein sector perpetuate a cyclical buying pattern where weak demand from feed mills causes crushers to reduce crushing, resulting in lower soybean imports and stocks. The low stock levels at crushing facilities ultimately results in unavailability of SBM, driving SBM prices higher, as crushers wait for more imports to arrive. High prices for SBM continue to incentivize use of protein-rich feed alternatives, including synthetic amino acids.

SBM inclusion rates in the swine sector are generally thought to be between 15-16 percent. However, vertically integrated producers can lower rates to below 10 percent, especially during later stage feeding. As shown in Chart 11, Muyuan Group, China's largest swine company with its own feed supply capacity, achieved an average 6.9 percent SBM inclusion rate compared to a 15.3 percent average for the feed industry in 2021. Other large feed companies such as New Hope Group and Haid Group reported 10.7 percent and 12 percent SBM inclusion rate, respectively, in 2021.

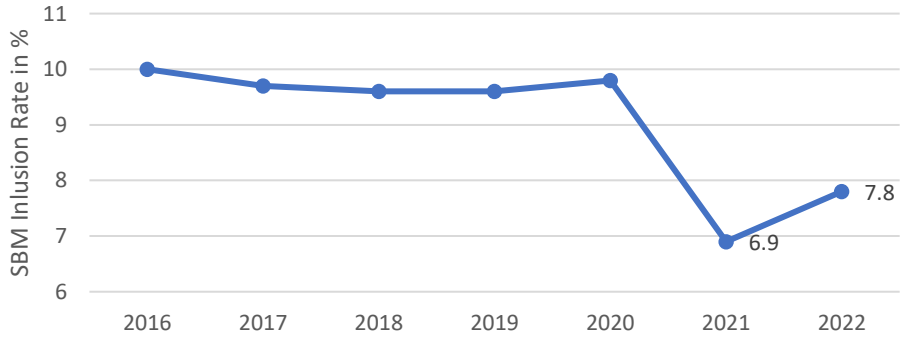
Chart 10. China: Swine Farming Profits and SBM Prices
(Oct 2020 to Feb 2022)



Source: China JCI Consulting Co.

Vertically integrated companies have more flexibility to reduce SBM inclusion as they are not beholden to outside customers who may question the quality of feed with lower rates of SBM.
Tight margins have led feed mills to seek new ways to provide cost competitive products to small and medium swine producers. This trend has led to feed mills expanding ingredients and offering greater varieties of feed, including rations that target hogs in the fattening stage, since it's still possible to reach acceptable growth at this stage with lower levels of SBM.

Chart 11. China: Muyuan Group SBM Inclusion Rate (2016 – 2022)



Source: Muyuan Group Report on MARA website

Efforts to reduce SBM inclusion aside, meal demand continues to be bolstered by the shift towards more large-scale swine production, raising the use of compound feed. MARA's total 2022 compound feed production of 280.2 MMT is 10 MMT higher than 2021, and a striking 22 percent increase or net growth of about 50 MMT from 2020. MARA data show total slaughtered pigs from the scale farms (classified as annual slaughter of 500 or more hogs by MARA) under survey continue to rise to 285.4 million heads in 2022, up 7.8 percent year-on-year.

According to MARA, in 2022, corn use in feed increased 30 percent and its inclusion rate in compound feed increased 7 percentage points from the previous year. Use of other protein meals, including rapeseed meal and cottonseed meal, in feed increased 11.5 percent. Use of wheat bran, rice bran and

DDGS also increased while wheat and barley use dropped significantly from 2021. Though SBM remains irreplaceable in the overall feed diet, expanded use of other protein meals is expected to continue so long as SBM prices remains high.

Although Post forecasts the year-on-year growth rate of protein meal feed use to slow in MY 23/24, it remains to be seen to what extent government calls for and industry's adoption of a "lower protein ration" will contribute to this slower growth. Industry contacts expressed the need for feed companies to design their own formulas, operating with maximum flexibility in mind to balance availability and costs of energy and protein ingredients in determining the most economical formulation. Accordingly, high SBM prices, and challenging margins for both swine and poultry sectors are expected to slow the growth of SBM use.

One bright spot for SBM use is the aquaculture sector. According to NBS, China remained the world's top aquaculture producer in 2021 with an output of 53.9 MMT, up 3.3 percent from the previous year. Post estimates China's aquaculture production up 1.2 percent in 2022, with growth expected to continue in 2023 (see 2022 China Fishery Products Annual). Aquaculture feed production, an indicator of future demand, increased 10.2 percent to 25.3 MMT in 2022. China's declining wild caught seafood is expected to increase the intensity of aquaculture production. This requires higher protein levels - which could push the industry's average SBM inclusion rate beyond the current 28 to 30 percent.

Protein Meal Trade

Protein meal imports are forecast at 6.4 MMT in MY 23/24, up slightly from an estimated 6.2 MMT in MY 22/23. Rapeseed meal imports, which are primarily used by the aquaculture sector, are forecast at 2 MMT in MY 23/24 - unchanged from the previous year on stable rapeseed production and relatively high rapeseed imports. As part of the protein diversification program, palm kernel meal imports, also popular for their price advantage, are forecast to rise to 1.1 MMT in MY 23/24 from an estimated 1 MMT in MY 22/23. Sunflower seed meal imports are forecast at 2.5 MMT in MY 23/24 from an estimated 2.3 MMT in MY 22/23 on slightly higher imports from Ukraine. Post estimates for sunflower seed meal imports are based on a continuation of current trade conditions, including the Black Sea Grain Initiative, which if not extended would expire March 18, 2023.

Fish meal imports for MY 23/24 are forecast at 1.8 MMT, unchanged from the estimate for MY 22/23 based on a stable demand in the aquaculture sector. Industry statistics indicate global fish meal production and prices were relatively stable in 2022, allowing China to maintain imports of 1.8 MMT. In 2022, Peru remained China's top fish meal supplier with exports of about 900,000 MT, accounting for 48.3 percent of the market. U.S. fish meal exports to China declined to 50,000 MT, valued at $65 million in 2022.

China's protein meal exports are limited and comprised almost entirely of SBM to Japan and South Korea. Protein meal exports are forecast at 800,000 MT in MY 23/24.

Policy

In November 2022, GACC approved 33 Brazilian facilities for exports of SBM to China**.** This compares with 1,392 Brazilian soybean facilities approved to export to the PRC. Industry sources expect more Brazilian facilities will be approved, though exports are expected to be minimal as the PRC's underutilized crushing industry will make most SBM exports uneconomical. Instead, the approvals are

part of a larger effort by the PRC to diversify imports as broadly as possible to mitigate impacts from any future bilateral or multilateral trade disruptions. In 2022, China imported only 51,000 MT of SBM and to date in 2023 has not imported from Brazil.

III Vegetable Oil Situation and Outlook

Production

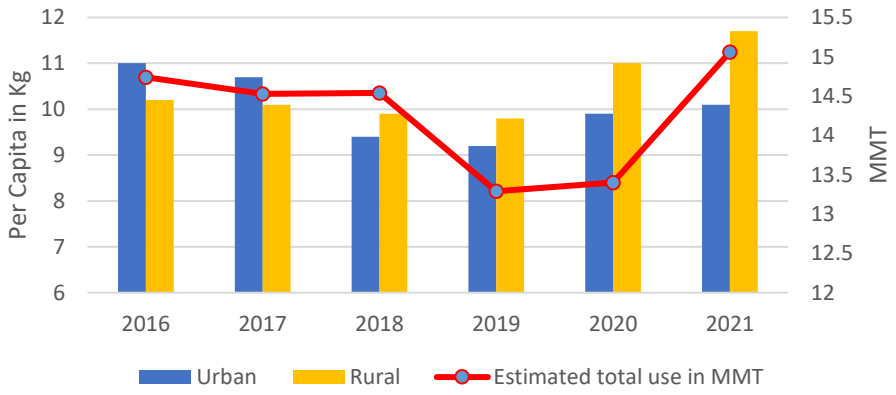
Vegetable oil production for MY 23/24 is forecast at 29 MMT, up from 28.4 MMT in MY 22/23 on increased soybean, rapeseed and peanut crush. Soybean oil will remain China's primary domestically produced vegetable oil. It is projected to account for 58.7 percent of total oil production in MY 23/24, followed by rapeseed oil and peanut oil, at 24.1 percent and 11.3 percent, respectively. Production of specialty oils also continues to grow, though at a rate slower than government targets. Top domestically produced specialty oils include camellia oil, sesame oil, corn oil, and rice oil.

Consumption

MY 23/24 food consumption of vegetable oil is forecast at 36 MMT, up 2 percent from the previous year. Though slowing, recovering GDP growth, urbanization, and increasing rural consumption in the post-COVID era continue to increase demand for vegetable oil. China's per capita vegetable oil consumption is recovering to about 25 Kg in MY 22/23. Growth is expected to continue in MY 23/24. Consumption is higher than comparable markets such as Taiwan and South Korea mainly due to consumer dietary preferences.

Per capita and yearly consumption of oils and fats for home use (see Chart 12) trended downward starting in 2016. However, this trend reversed in 2020 with the onset of the COVID pandemic increasing home use. In the post-COVID era, home use is expected to decline as growth of vegetable oil consumption is forecast to mainly occur through demand in the food service and food processing sectors in MY 22/23 and beyond.

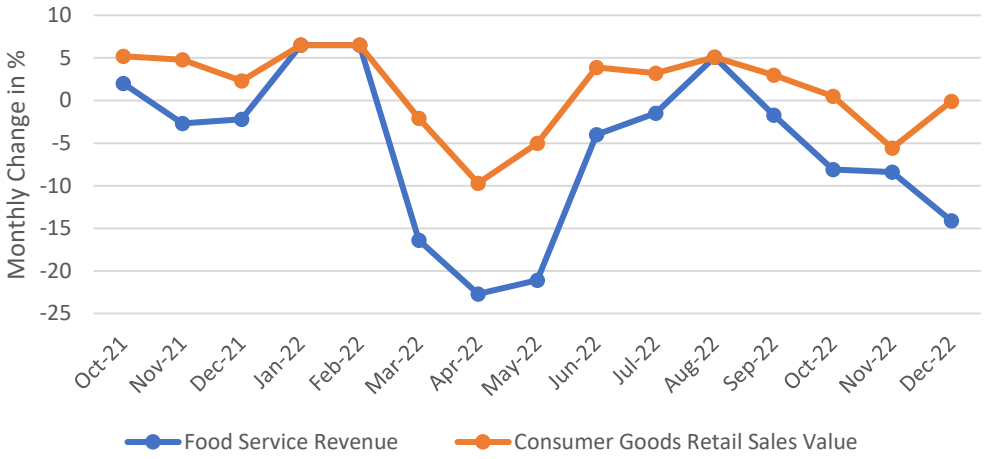
Chart 12. China: Per Capita and Total Consumption of Vegetable Oils and Fats
(2016 to 2021)



Source: NBS; The per capita consumption covers home use, and the estimated total is calculated based on NBS data on urban and rural population

China’s food service sector remains a major consumer of vegetable oil. According to NBS data, food service revenue declined 6.3 percent in 2022 from the previous year. Following the ending of zero-COVID policy in December 2022, the sector was boosted by travelers during the first Spring Festival in late January. As of this report, dine-in service restaurants have resumed nationwide, schools and universities are open, institutional food service and cafeterias for businesses and organizations are opened. Events drawing large crowds including conferences, seminars, banquets, and other activities have generally resumed. Non chain store restaurants and hotels appear to be lagging their competitors in recovering, and international travel is at a fraction of the pre-COVID level. Participation at certain types of events – such as trade shows – continues to be similarly affected. Businesses continue to be concerned about consumption growth.

Chart 13. China: Food Service Revenue Declined in the Early Months of MY 22/23
(Oct 2021 to Dec 2022)



Source: NBS

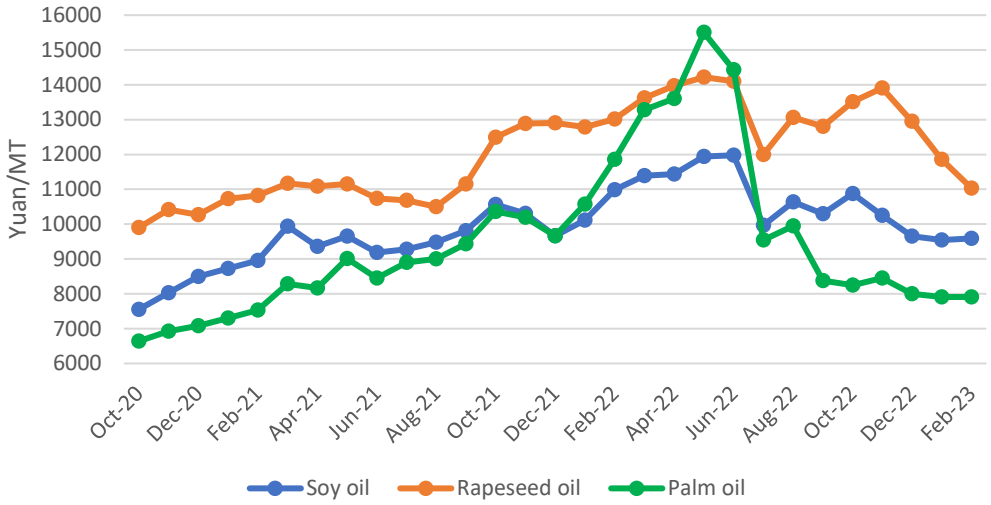
China’s food processing industry is also a driving force for vegetable oil consumption. Per capita consumption of baked food is far below the world average and has room to grow. Based on a survey by a leading industry source, despite COVID related restrictions, the bakery sector grew by more than 7 percent in 2022 - as compared to average yearly growth at 11 percent from 2016 to 2020. The source estimated total production of bakery food at 19.6 MMT in 2022, up from the 17.5 MMT in 2020. Sales of cakes, pastries, cookies, and breads are increasing (see China's Rising Bakery Sector for more information), as is consumption of instant noodles, a major end-user of palm oil.

Vegetable oil, particularly soybean and palm oil due to their ready availability, is also consumed in the feed sector. The vegetable oil inclusion rate varies widely among feed mills and feed varieties and is affected by prices of oil and other feed ingredients. Post estimates feed use of vegetable oil at 1 MMT in MY 22/23 and forecasts it at 1.1 MMT in MY 23/24.

Prices for major vegetable oils increased rapidly from 2020, peaking in June 2022 before dropping significantly (see Tables 28-30). Given its current price advantage, palm oil consumption for food is expected to re-gain market share in MY 22/23 and MY 23/24, reaching 4.2 MMT and 4.6 MMT,

respectively. Soybean oil use for food is expected to grow in MY 22/23 and MY 23/24 due to its availability and price advantage over rapeseed oil.

Chart 13. China: Prices for Major Vegetable Oils
(Oct 2020 to Feb 2023– Monthly Average)



Source: China JCI Consulting Co.

Trade

Vegetable oil imports for MY 23/24 are forecast at 11.3 MMT, unchanged from the estimate for MY 22/23. This due to a moderate domestic production increase and slowing consumption growth. High prices and weak domestic demand in MY 21/22 led to a dramatic decline in vegetable oil imports. As prices dropped from their peak in summer 2022, and demand began to recover, low stocks levels led to a surge in imports during the first quarter of MY 22/23 (see Chart 14). An ongoing rebound in domestic consumption and decreased import prices are expected to push vegetable oil imports to 11.3 MMT in My 22/23.

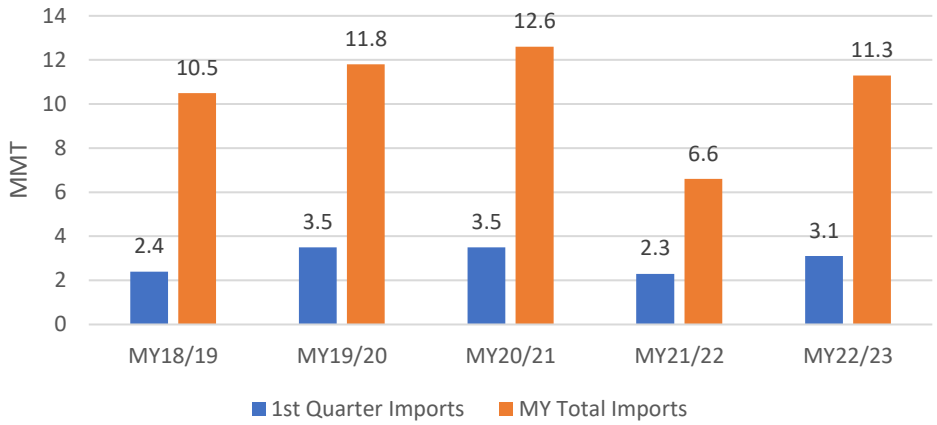
Imports of palm oil are forecast at 7.1 MMT in MY 23/24, up from estimate of 7 MMT for MY 22/23. Palm oil imports plummeted in MY 21/22 due to record high prices and restrictive export policies by Indonesia, the largest producer and China's largest supplier.

Rapeseed oil imports are forecast at 1.9 MMT in MY 23/24, unchanged from the previous year on expected increase in imports of Canadian rapeseed by China's crushing sector. Peanut oil imports are forecast at 250,000 MT in MY 23/24 on high domestic crushing, down from an estimated 350,000 MT in MY 22/23 (equivalent to approximately 1 MMT of in-shell peanuts).

Imports of sunflower seed oil, mainly from Ukraine and Russia, are expected to reach 1.1 MMT in MY 22/23 and MY 23/24, up from 500,000 MT in MY 21/22, following Russia's invasion of Ukraine and subsequent trade disruptions. Imports of sunflower oil in the first quarter of MY 22/23 rebounded to 300,000 MT from 200,000 MT the previous year. Yearly sunflower oil imports had averaged 1.7 MMT in MY 20/21 and MY 21/22. Post estimates for sunflower seed oil imports are based on a continuation

of current trade conditions, including the Black Sea Grain Initiative, which if not extended would expire March 18, 2023.

Chart 14. China: Q1 Imports of Vegetable Oils vs Total Imports
(MY 18/19 – MY 22/23)



Source: Trade Data Monitor, LLC.; Total includes 1st Quarter imports of 7 oils (palm oil, rapeseed oil, sunflower seed oil, soybean oil, peanut oil, cotton seed oil and copra oil); MY22/23 total is estimate by FAS China

Stocks

Forecast MY 23/24 total vegetable oil ending stocks are 3.2 MMT, up from the estimated 2.7 MMT in MY 22/23. The PRC maintains a strategic vegetable oil reserve. Although information about the volume of the reserve is not publicly available, the State Food and Strategic Reserve Administration rotates its reserve through auctions when it considers necessary to regulate market supply and price. Assessing the quantity and timing rotations from the state vegetable oil reserve is difficult due to the role state-owned enterprises in the process and the lack of clear and transparent data or public announcements.

Total Oilseeds, Total Meal, and Total Oil Production, Supply, and Distribution (PSD) Tables

Table 5. China: Total Oilseeds

PSD Table						
Country	**China, Peoples Republic of**					
Commodity	**Total Oilseeds (1000 tons; 1000Ha)**					
	2021/22		**2022/23**		**2023/24**	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2021		10/2022		10/2023
Area Planted	17,242	24,002	19,170	25,817		26,190
Area Harvested	24,199	24,002	26,140	25,817		26,190
Beginning Stocks	33,367	33,367	32,741	29,672		31,177
Production	62,344	61,132	67,491	64,030		65,720
MY Imports	94,460	94,460	100,800	101,480		102,080
TOTAL SUPPLY	190,171	188,959	201,032	195,182		198,977
MY Exports	994	1,028	900	950		1,050
Crush Dom. Cons.	125,350	126,673	131,000	130,900		132,900
Food Use Dom. Cons.	23,200	23,160	24,300	23,930		24,430
Feed, Seed, Waste Dom. Cons.	7,886	8,426	8,761	8,225		8,325
TOTAL Dom. Consumption	156,436	158,259	164,061	163,055		165,655
Ending Stocks	32,741	29,672	36,071	31,177		32,272
TOTAL DISTRIBUTION	190,171	188,959	201,032	195,182		198,977

Table 6. China: Total Meals

PSD Table						
Country	**China, Peoples Republic of**					
Commodity	**Total Meal (1000 tons)**					
	2021/22		**2022/23**		**2023/24**	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2021		10/2022		10/2023
Crush	126,450	127,673	132,100	132,000		134,000
Extr. Rate, 999.9999						
Beginning Stocks	0	0	0	0		0
Production	88,451	90,252	92,604	93,360		94,681
MY Imports	6,170	6,170	6,350	6,240		6,410
TOTAL SUPPLY	94,621	96,422	98,954	99,600		101,091
MY Exports	502	502	414	617		817
Industrial Dom. Cons.	1,777	1,985	1,827	2,160		2,160
Food Use Dom. Cons.	0	0	0	0		0
Feed Waste Dom. Cons.	92,342	93,935	96,713	96,823		98,114
TOTAL Dom. Consumption	94,119	95,920	98,540	98,983		100,274
Ending Stocks	0	0	0	0		0
TOTAL DISTRIBUTION	94,621	96,422	98,954	99,600		101,091

Table 7. China: Total Oils

PSD Table						
Country	**China, Peoples Republic of**					
Commodity	**Total Oils (1000 tons)**					
	2021/22		**2022/23**		**2023/24**	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2021		10/2022		10/2023
Crush	125,350	126,673	131,000	130,900		132,900
Extr. Rate, 999.9999						
Beginning Stocks	3,756	3,756	1,551	1,673		2,661
Production	27,334	27,476	28,434	28,424		28,970
MY Imports	6,551	6,542	12,160	11,270		11,270
TOTAL SUPPLY	37,641	37,774	42,145	41,367		42,901
MY Exports	153	153	131	130		152
Industrial Dom. Cons.	1,050	1,800	2,200	2,300		2,450
Food Use Dom. Cons.	34,887	33,148	37,340	35,276		35,987
Feed Waste Dom. Cons.	0	1,000	0	1,000		1,100
TOTAL Dom. Consumption	35,937	35,948	39,540	38,576		39,537
Ending Stocks	1,551	1,673	2,474	2,661		3,212
TOTAL DISTRIBUTION	37,641	37,774	42,145	41,367		42,901

Oilseeds PSD Tables

Table 8. China: Soybeans

PSD Table						
Country	**China, Peoples Republic of**					
Commodity	**Oilseed, Soybean (1000 tons; 1000 Ha)**					
	2021/22		**2022/23**		**2023/24**	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2021		10/2022		10/2023
Area Planted	8,450	8,415	10,270	9,850		10,050
Area Harvested	8,415	8,415	10,240	9,850		10,050
Beginning Stocks	31,145	31,145	31,404	28,309		29,109
Production	16,395	16,400	20,280	19,400		19,800
MY Imports	91,566	91,566	96,000	96,500		97,500
Total Supply	139,106	139,111	147,684	144,209		146,409
MY Exports	102	102	100	200		200
Crush	87,500	91,000	92,000	94,000		95,000
Food Use Dom. Cons.	15,000	14,800	15,900	15,900		16,000
Feed Waste Dom. Cons.	5,100	4,900	5,400	5,000		5,000
Total Dom. Cons.	107,600	110,700	113,300	114,900		116,000
Ending Stocks	31,404	28,309	34,284	29,109		30,209
Total Distribution	139,106	139,111	147,684	144,209		146,409

Table 9. China: Rapeseed

PSD Table						
Country	**China, Peoples Republic of**					
Commodity	**Oilseed, Rapeseed (1000 tons;1000 Ha)**					
	2021/22		**2022/23**		**2023/24**	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2021		10/2022		10/2023
Area Planted		6,900		7,267		7,350
Area Harvested	6,992	6,900	7,100	7,267		7,350
Beginning Stocks	1,597	1,597	1,120	984		1,689
Production	14,714	14,450	14,700	15,530		15,400
MY Imports	1,657	1,657	3,200	2,900		3,000
Total Supply	17,968	17,704	19,020	19,414		20,089
MY Exports	0	0	0	0		0
Crush	16,400	16,200	17,000	17,200		17,900
Food Use Dom. Cons.	0	0	0	0		0
Feed Waste Dom. Cons.	448	520	450	525		525
Total Dom. Cons.	16,848	16,720	17,450	17,725		18,425
Ending Stocks	1,120	984	1,570	1,689		1,664
Total Distribution	17,968	17,704	19,020	19,414		20,089

Table 10. China: Peanuts

PSD Table						
Country	**China, Peoples Republic of**					
Commodity	**Oilseed, Peanut (1000 tons; 1000 Ha)**					
	2021/22		**2022/23**		**2023/24**	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2021		10/2022		10/2023
Area Planted	4,805	4,800	4,800	4,720		4,820
Area Harvested	4,805	4,800	4,800	4,720		4,820
Beginning Stocks	0	0	0	0		0
Production	18,308	18,308	18,300	16,800		18,300
MY Imports	784	784	1,100	1,500		1,000
Total Supply	19,092	19,092	19,400	18,300		19,300
MY Exports	454	488	450	400		500
Crush	10,350	10,000	10,300	9,800		10,200
Food Use Dom. Cons.	7,300	7,460	7,500	7,100		7,500
Feed Waste Dom. Cons.	988	1,144	1,150	1,000		1,100
Total Dom. Cons.	18,638	18,604	18,950	17,900		18,800
Ending Stocks	0	0	0	0		0
Total Distribution	19,092	19,092	19,400	18,300		19,300

Table 11. China: Sunflower Seed

PSD Table						
Country	**China, Peoples Republic of**					
Commodity	**Oilseed, Sunflower seed (1000 tons; 1000 Ha)**					
	2021/22		**2022/23**		**2023/24**	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2021		10/2022		10/2023
Area Planted	887	887	950	950		960
Area Harvested	887	887	950	950		960
Beginning Stocks	625	625	217	379		379
Production	2,424	2,424	2,650	2,600		2,620
MY Imports	156	156	200	180		180
Total Supply	3,205	3,205	3,067	3,159		3,179
MY Exports	438	438	350	350		350
Crush	1,550	1,388	1,500	1,400		1,400
Food Use Dom. Cons.	900	900	900	930		930
Feed Waste Dom. Cons.	100	100	100	100		100
Total Dom. Cons.	2,550	2,388	2,500	2,430		2,430
Ending Stocks	217	379	217	379		399
Total Distribution	3,205	3,205	3,067	3,159		3,179

Table 12. China: Cottonseed

PSD Table						
Country	**China, Peoples Republic of**					
Commodity	**Oilseed, Cottonseed (1000 tons; 1000 Ha)**					
	2021/22		**2022/23**		**2023/24**	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2021		10/2022		10/2023
Area Planted (Cotton)	3,100	3,000	3,150	3,030		3,010
Area Harvested (Cotton)	3,100	3,000	3,050	3,030		3,010
Seed to Lint Ratio	0	0	0	0		0
Beginning Stocks	0	0	0	0		0
Production	10,503	9,550	11,561	9,700		9,600
MY Imports	297	297	300	400		400
Total Supply	10,800	9,847	11,861	10,100		10,000
MY Exports	0	0	0	0		0
Crush	9,550	8,085	10,200	8,500		8,400
Food Use Dom. Cons.	0	0	0	0		0
Feed Waste Dom. Cons.	1,250	1,762	1,661	1,600		1,600
Total Dom. Cons.	10,800	9,847	11,861	10,100		10,000
Ending Stocks	0	0	0	0		0
Total Distribution	10,800	9,847	11,861	10,100		10,000

Meal PSD Tables

Table 13. China: Soybean Meal

PSD Table						
Country	**China, Peoples Republic of**					
Commodity	**Meal, Soybean (1000 tons)**					
	2021/22		**2022/23**		**2023/24**	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2021		10/2022		10/2023
Crush	87,500	91,000	92,000	94,000		95,000
Extr. Rate, 999.9999	0.792	0.792	0.792	0.792		0.792
Beginning Stocks	0	0	0	0		0
Production	69,300	72,072	72,864	74,448		75,240
MY Imports	56	56	50	40		50
Total Supply	69,356	72,128	72,914	74,488		75,290
MY Exports	484	484	400	600		800
Industrial Dom. Cons.	1,100	1,336	1,150	1,500		1,500
Food Use Dom. Cons.	0	0	0	0		0
Feed Waste Dom. Cons.	67,772	70,308	71,364	72,388		72,990
Total Dom. Cons.	68,872	71,644	72,514	73,888		74,490
Ending Stocks	0	0	0	0		0
Total Distribution	69,356	72,128	72,914	74,488		75,290

Table 14. China: Rapeseed Meal

PSD Table						
Country	**China, Peoples Republic of**					
Commodity	**Meal, Rapeseed (1000 tons)**					
	2021/22		**2022/23**		**2023/24**	
	USDA Official	Post Estimate	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2021		10/2022		10/2023
Crush	16,400	16,200	17,000	17,200		17,900
Extr. Rate, 999.9999	0.59	0.59	0.59	0.59		0.59
Beginning Stocks	0	0	0	0		0
Production	9,678	9,558	10,032	10,148		10,561
MY Imports	2,225	2,225	2,000	2,000		2,000
Total Supply	11,903	11,783	12,032	12,148		12,561
MY Exports	11	11	10	10		10
Industrial Dom. Cons.	475	499	475	500		500
Food Use Dom. Cons.	0	0	0	0		0
Feed Waste Dom. Cons.	11,417	11,273	11,547	11,638		12,051
Total Dom. Cons.	11,892	11,772	12,022	12,138		12,551
Ending Stocks	0	0	0	0		0
Total Distribution	11,903	11,783	12,032	12,148		12,561

Table 15. China: Peanut Meal

PSD Table						
Country	**China, Peoples Republic of**					
Commodity	**Meal, Peanut (1000 tons)**					
	2021/22		**2022/23**		**2023/24**	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2021		10/2022		10/2023
Crush	10,350	10,000	10,300	9,800		10,200
Extr. Rate, 999.9999	0.4	0.4	0.4	0.4		0.4
Beginning Stocks	0	0	0	0		0
Production	4,140	4,000	4,120	3,920		4,080
MY Imports	119	119	90	90		50
Total Supply	4,259	4,119	4,210	4,010		4,130
MY Exports	2	2	0	2		2
Industrial Dom. Cons.	0	0	0	0		0
Food Use Dom. Cons.	0	0	0	0		0
Feed Waste Dom. Cons.	4,257	4,117	4,210	4,008		4,128
Total Dom. Cons.	4,257	4,117	4,210	4,008		4,128
Ending Stocks	0	0	0	0		0
Total Distribution	4,259	4,119	4,210	4,010		4,130

Table 16. China: Sunflower Seed Meal

PSD Table						
Country	**China, Peoples Republic of**					
Commodity	**Meal, Sunflower seed (1000 tons)**					
	2021/22		**2022/23**		**2023/24**	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2021		10/2022		10/2023
Crush	1,550	1,388	1,500	1,400		1,400
Extr. Rate, 999.9999	0.545	0.545	0.545	0.545		0.545
Beginning Stocks	0	0	0	0		0
Production	845	757	818	763		763
MY Imports	1,946	1,946	2,500	2,300		2,500
Total Supply	2,791	2,703	3,318	3,063		3,263
MY Exports	3	3	4	4		4
Industrial Dom. Cons.	62	0	62	0		0
Food Use Dom. Cons.	0	0	0	0		0
Feed Waste Dom. Cons.	2,726	2,700	3,252	3,059		3,259
Total Dom. Cons.	2,788	2,700	3,314	3,059		3,259
Ending Stocks	0	0	0	0		0
Total Distribution	2,791	2,703	3,318	3,063		3,263

Table 17. China: Cottonseed Meal

PSD Table						
Country	**China, Peoples Republic of**					
Commodity	**Meal, Cottonseed (1000 tons)**					
	2021/22		**2022/23**		**2023/24**	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2021		10/2022		10/2023
Crush	9,550	8,085	10,200	8,500		8,400
Extr. Rate, 999.9999	0.433	0.433	0.433	0.433		0.433
Beginning Stocks	0	0	0	0		0
Production	4,138	3,501	4,420	3,681		3,637
MY Imports	5	5	10	10		10
Total Supply	4,143	3,506	4,430	3,691		3,647
MY Exports	0	0	0	0		0
Industrial Dom. Cons.	140	150	140	160		160
Food Use Dom. Cons.	0	0	0	0		0
Feed Waste Dom. Cons.	4,003	3,356	4,290	3,531		3,487
Total Dom. Cons.	4,143	3,506	4,430	3,691		3,647
Ending Stocks	0	0	0	0		0
Total Distribution	4,143	3,506	4,430	3,691		3,647

Table 18. China: Fish Meal

PSD Table						
Country	**China, Peoples Republic of**					
Commodity	**Meal, Fish (1000 tons)**					
	2021/22		**2022/23**		**2023/24**	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		1/2021		1/2022		1/2023
Catch for Reduction	1,100	1,000	1,100	1,100		1,100
Extr. Rate, 999.9999	0.318	0.364	0.318	0.364		0.364
Beginning Stocks	0	0	0	0		0
Production	350	364	350	400		400
MY Imports	1,819	1,819	1,700	1,800		1,800
Total Supply	2,169	2,183	2,050	2,200		2,200
MY Exports	2	2	0	1		1
Industrial Dom. Cons.	0	0	0	0		0
Food Use Dom. Cons.	0	0	0	0		0
Feed Waste Dom. Cons.	2,167	2,181	2,050	2,199		2,199
Total Dom. Cons.	2,167	2,181	2,050	2,199		2,199
Ending Stocks	0	0	0	0		0
Total Distribution	2,169	2,183	2,050	2,200		2,200

Table 19. China: Palm Kernel Meal

Commodity	Meal, Palm Kernel (1000 tons)					
	2021/22		2022/23		2023/24	
	USDA Official	Post Estimate	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2021		10/2022		10/2023
Crush	0	0	0	0		0
Extr. Rate, 999.9999	0	0	0	0		0
Beginning Stocks	0	0	0	0		0
Production	0	0	0	0		0
MY Imports	865	865	1,100	1,000		1,100
Total Supply	865	865	1,100	1,000		1,100
MY Exports	0	0	0	0		0
Industrial Dom. Cons.	0	0	0	0		0
Food Use Dom. Cons.	0	0	0	0		0
Feed Waste Dom. Cons.	865	865	1,100	1,000		1,100
Total Dom. Cons.	865	865	1,100	1,000		1,100
Ending Stocks	0	0	0	0		0
Total Distribution	865	865	1,100	1,000		1,100

Oil PSD Tables

Table 20. China: Soybean Oil

PSD Table						
Country	**China, Peoples Republic of**					
Commodity	**Oil, Soybean (1000 tons)**					
	2021/22		**2022/23**		**2023/24**	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2021		10/2022		10/2023
Crush	87,500	91,000	92,000	94,000		95,000
Extr. Rate, 999.9999	0.179	0.179	0.179	0.179		0.179
Beginning Stocks	1,033	1,033	240	499		754
Production	15,680	16,289	16,486	16,845		17,005
MY Imports	291	291	1,000	700		700
Total Supply	17,004	17,613	17,726	18,044		18,459
MY Exports	114	114	90	90		110
Industrial Dom. Cons.	0	0	0	0		
Food Use Dom. Cons.	16,650	16,000	17,100	16,200		16,300
Feed Waste Dom. Cons.	0	1,000	0	1,000		1,100
Total Dom. Cons.	16,650	17,000	17,100	17,200		17,400
Ending Stocks	240	499	536	754		949
Total Distribution	17,004	17,613	17,726	18,044		18,459

Table 21. China: Rapeseed Oil

PSD Table						
Country	**China, Peoples Republic of**					
Commodity	**Oil, Rapeseed (1000 tons)**					
	2021/22		**2022/23**		**2023/24**	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2021		10/2022		10/2023
Crush	16,400	16,200	17,000	17,200		17,900
Extr. Rate, 999.9999	0.39	0.39	0.39	0.39		0.39
Beginning Stocks	1,686	1,686	1,052	774		1,027
Production	6,396	6,318	6,630	6,708		6,981
MY Imports	973	973	2,320	1,900		1,900
Total Supply	9,055	8,977	10,002	9,382		9,908
MY Exports	3	3	3	5		5
Industrial Dom. Cons.	0	0	0	0		0
Food Use Dom. Cons.	8,000	8,200	8,800	8,350		8,600
Feed Waste Dom. Cons.	0	0	0	0		0
Total Dom. Cons.	8,000	8,200	8,800	8,350		8,600
Ending Stocks	1,052	774	1,199	1,027		1,303
Total Distribution	9,055	8,977	10,002	9,382		9,908

Table 22. China: Peanut Oil

PSD Table						
Country	**China, Peoples Republic of**					
Commodity	**Oil, Peanut (1000 tons)**					
	2021/22		**2022/23**		**2023/24**	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2021		10/2022		10/2023
Crush	10,350	10,000	10,300	9,800		10,200
Extr. Rate, 999.9999	0.32	0.32	0.32	0.32		0.32
Beginning Stocks	0	0	0	0		0
Production	3,312	3,200	3,296	3,136		3,264
MY Imports	166	166	300	350		250
Total Supply	3,478	3,366	3,596	3,486		3,514
MY Exports	11	11	10	10		10
Industrial Dom. Cons.	0	0	0	0		0
Food Use Dom. Cons.	3,467	3,355	3,586	3,476		3,504
Feed Waste Dom. Cons.	0	0	0	0		0
Total Dom. Cons.	3,467	3,355	3,586	3,476		3,504
Ending Stocks	0	0	0	0		0
Total Distribution	3,478	3,366	3,596	3,486		3,514

Table 23. China: Cotton Seed Oil

PSD Table						
Country	**China, Peoples Republic of**					
Commodity	**Oil, Cottonseed (1000 tons)**					
	2021/22		**2022/23**		**2023/24**	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2021		10/2022		10/2023
Crush	9,550	8,085	10,200	8,500		8,400
Extr. Rate, 999.9999	0.146	0.145	0.146	0.145		0.145
Beginning Stocks	0	0	0	0		0
Production	1,390	1,172	1,484	1,233		1,218
MY Imports	0	0	0	0		0
Total Supply	1,390	1,172	1,484	1,233		1,218
MY Exports	4	4	5	3		4
Industrial Dom. Cons.	0	0	0	0		0
Food Use Dom. Cons.	1,386	1,168	1,479	1,230		1,214
Feed Waste Dom. Cons.	0	0	0	0		0
Total Dom. Cons.	1,386	1,168	1,479	1,230		1,214
Ending Stocks	0	0	0	0		0
Total Distribution	1,390	1,172	1,484	1,233		1,218

Table 24. China: Sunflower Seed Oil

PSD Table						
Country	**China, Peoples Republic of**					
Commodity	**Oil, Sunflower Seed (1000 tons)**					
	2021/22		**2022/23**		**2023/24**	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2021		10/2022		10/2023
Crush	1,550	1,388	1,500	1,400		1,400
Extr. Rate, 999.9999	0.359	0.358	0.359	0.359		0.359
Beginning Stocks	0	0	0	0		0
Production	556	497	538	502		502
MY Imports	513	513	1,100	1,100		1,100
Total Supply	1,069	1,010	1,638	1,602		1,602
MY Exports	6	6	3	2		3
Industrial Dom. Cons.	0	0	0	0		0
Food Use Dom. Cons.	1,063	1,004	1,635	1,600		1,599
Feed Waste Dom. Cons.	0	0	0	0		0
Total Dom. Cons.	1,063	1,004	1,635	1,600		1,599
Ending Stocks	0	0	0	0		0
Total Distribution	1,069	1,010	1,638	1,602		1,602

Table 25. China: Palm Oil

PSD Table						
Country	**China, Peoples Republic of**					
Commodity	**Oil, Palm (1000 tons)**					
	2021/22		**2022/23**		**2023/24**	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2021		10/2022		10/2023
Area Planted	0	0	0	0		0
Area Harvested	0	0	0	0		0
Trees	0	0	0	0		0
Beginning Stocks	1,037	1,037	259	400		880
Production	0	0	0	0		0
MY Imports	4,387	4,378	7,200	7,000		7,100
Total Supply	5,424	5,415	7,459	7,400		7,980
MY Exports	15	15	20	20		20
Industrial Dom. Cons.	1,050	1,800	2,200	2,300		2,450
Food Use Dom. Cons.	4,100	3,200	4,500	4,200		4,550
Feed Waste Dom. Cons.	0	0	0	0		0
Total Dom. Cons.	5,150	5,000	6,700	6,500		7,000
Ending Stocks	259	400	739	880		960
Total Distribution	5,424	5,415	7,459	7,400		7,980

Table 26. China: Coconut Oil

PSD Table						
Country	**China, Peoples Republic of**					
Commodity	**Oil, Coconut (1000 tons)**					
	2021/22		**2022/23**		**2023/24**	
	USDA Official	Post Estimate New	USDA Official	Post Estimate New	USDA Official	Post Estimate New
Market Year Begin		10/2021		10/2022		10/2023
Crush	0	0	0	0		0
Extr. Rate, 999.9999	0	0	0	0		0
Beginning Stocks	0	0	0	0		0
Production	0	0	0	0		0
MY Imports	221	221	240	220		220
Total Supply	221	221	240	220		220
MY Exports	0	0	0	0		0
Industrial Dom. Cons.	0	0	0	0		0
Food Use Dom. Cons.	221	221	240	220		220
Feed Waste Dom. Cons.	0	0	0	0		0
Total Dom. Cons.	221	221	240	220		220
Ending Stocks	0	0	0	0		0
Total Distribution	221	221	240	220		220

Oilseed, Meal, and Oil Product Price Tables

Table 27. China: Nation Average Soybean Prices, CY2020 - CY2022

Year/ Month	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Dec/Jan Change
2020	3,495	3,522	3,653	3,950	3,929	4,021	4,291	4,361	4,390	4,225	4,332	4,417	+26.4%
2021	4,635	4,792	4,989	5,098	5,114	5,187	5,198	5,205	5,223	5,268	5,415	5,291	+14.2%
2022	5,202	5,220	5,366	5,655	5,797	5,789	5,810	5,870	5,888	5,589	5,504	5,479	+5.3%

Table 28. China: Soybean Meal Prices, CY2020 - CY2022

Year/ Month	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Dec/Jan Change
2020	2,818	2,869	3,054	3,168	2,842	2,779	2,976	2,968	3,092	3,341	3,298	3,232	+14.7%
2021	3,899	3,854	3,480	3,484	3,628	3,543	3,631	3,698	3,814	3,678	3457	3524	-9.6%
2022	3,699	4,365	4,945	4,488	4,284	4,260	4,147	4,247	5,221	5,324	5,484	4,838	+30.8%

Table 29. China: Soybean Oil (Grade 4) Prices, CY2020 - CY2022

Year/ Month	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Dec/Jan Change
2020	7,024	6,257	5,436	5,596	5,638	5,880	6,190	6,876	7,352	7,479	7,920	8,408	+19.7%
2021	8,728	8,959	9,940	9,356	9,656	9,325	9,354	9,532	9,830	10,576	10,300	9,693	+11.1%
2022	10,117	10,989	11,393	11,433	11,939	11,977	9,966	10,638	10,296	10,872	10,252	9,658	-4.5%

Table 30. China: Rapeseed Oil Prices, CY2020 - CY2022

Year/ Month	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Dec/Jan Change
2020	8,179	8,154	7,513	7,297	7,408	7,900	8,690	9,260	9,492	9,899	10,418	10,267	+25.5%
2021	10,729	10,824	11,172	11,086	11,152	10,738	10,684	10,500	11,153	12,494	12,893	12,910	+20.3%
2022	12,784	13,017	13,621	13,975	14,220	14,104	11,994	13,058	12,808	13,510	13,904	12,953	+1.3%

Table 31. China: Palm Oil Prices, CY2020 - CY2022

Year/ Month	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Dec/Jan Change
2020	6,573	5,828	4,934	4,923	4,868	5,302	5,626	6,105	6,458	6,641	6,926	7,079	+7.7%
2021	7,304	7,534	8,286	8,162	9,011	8,448	8,900	9,004	9,434	10,360	10,195	9,662	+32.3%
2022	10,575	11,862	13,279	13,605	15,503	14,433	9,542	9,944	8,381	8,246	8,446	8,000	-24.3%

Table 32. China: Comparison of Prices for Grade 4-Soy Oil and Palm Oil in CY2022

Unit: Yuan/MT; 2022 Exchange Rate: Yuan 6.73 =US$1.0												
CY2022	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Soybean Oil	10,117	10,989	11,393	11,433	11,939	11,977	9,966	10,638	10,296	10,872	10,252	9,658
Palm Oil	10,575	11,862	13,279	13,605	15,503	14,433	9,542	9,944	8,381	8,246	8,446	8,000
Diff % Palm vs Soy Oil	4.5%	7.9%	16.6%	19.0%	29.9%	20.5%	-4.3%	-6.5%	-18.6%	-24.2%	-17.6%	-17.2%
Average palm oil price is historically 1.8 percent higher than Grade 4 soy oil in CY2022, while this was 7.8% lower in CY2021 and 11% lower in CY2020.												

Source: All prices are based on China JCI Consulting Co.

Taxes & Duties Tables (Jan 01-Dec 31, 2023)

Table 33. China: Oilseeds

HS Code	Description	M.F.N. (%)	Additional Duty for U.S.	VAT Rate%	ED Rate %
Seed					
12011000	Soybeans, seed	0	5	9	
12019011	Yellow soybean non-GMO	3	30.5	9	
12019019	Yellow soybean others	3	30.5	9	
12019020	Black soybean	3	28	9	
12019030	Green soybean	3	8	9	
12019090	Other soybean	3	8	9	
12023000	In shell peanut, seed	0	5	9	
12024100	In shell peanut, other	15	25	9	
12024200	Shelled peanut	15	40	9	
12040000	Linseed	5	40	9	9
20081110	Peanut kernels, in airtight containers	5	27.5	13	13
20081120	Roasted peanuts	5	20	13	13
20081130	Peanut butter	5	20	13	13
20081190	Other processed peanuts	5	30	13	9 or 13*
12051010	Low erucic acid rape seed, seed	0	5	9	
12051090	Low erucic acid rape seed, other	9	14	9	
12059010	Other rapeseed, seed	0	5	9	
12059090	Other rapeseed, other	9	14	9	9
12060010	Sunflower seeds, seed	0	0	9	9
12060090	Sunflower seeds, other	15	40	9	9
12072100	Cottonseeds for cultivation	0	5	9	9
+12072900	Cottonseeds, other	15	20	9	9
12074010	Sesame seeds for cultivation	0	5	9	9
12074090	Sesame seeds, other	10	15	9	9

Note: Note: VAT – Value Added Tax Rate; ED – Export Drawback Rate (full or partial VAT refund upon export)

Table 34. China: Oils

HS Code	Description	M.F.N. (%)	Additional Duty for U.S.	VAT Rate%	ED Rate %
Oil					
15071000	Crude soybean oil	9	34	9	
15079000	Other soybean oil	9	34	9	
15081000	Crude peanut oil	10	35	9	
15089000	Other peanut oil	10	35	9	
15092000	Extra virgin olive oil	10	35	9	
15093000	Virgin olive oil	10	35	9	
15094000	Other virgin olive oils	10	35	9	
15099000	Olive oil, other	10	35	13	
15111000	Palm oil, crude	9	14	9	
15119010	Palm oil, liquid	9	14	9	
1511902001	Stearin (50-56 ºC)	8	7	9	
1511902002	Stearin (44-50 ºC)	8	13	9	
15119090	Palm oil, other	9	14	13	
15121100	Crude sunflower seed oil	9	34	9	
15121900	Other sunflower seed oil	9	34	13	
15122100	Crude cottonseed oil	10	15	9	
15122900	Other cottonseed oil	10	20	13	
15131100	Crude coconut oil	9	34	9	
15131900	Other coconut oil	9	34	9	
15132100	Crude palm kernel oil	9	14	9	
15132900	Other palm kernel oil	9	14	13	
15141100	Crude low erucic acid rape or colza oil	9	34	9	
15141900	Other crude low erucic acid rape oil	9	14	9	
15149110	Crude rape or colza oil	9	14	9	
15149190	Crude mustard oil	9	14	9	
15149900	Other rape oil	9	34	13	

Note: Note: VAT – Value Added Tax Rate; ED – Export Drawback Rate

Table 35. China: Meals

HS Code	Description	M.F.N. (%)	Additional Duty for U.S.	VAT Rate%	ED Rate %
Meal					
12081000	Soy flour	9	14	13	
12089000	Other	15	20	13	13
23012010	Fish meal	2	0	0	
23025000	Legume sweepings	5	10	9	
23040010	Soy meal, oil cake	5	0	9	
23040090	Soy meal, other	5	30	9	
23050000	Peanut meal	5	0	0	
23061000	Cottonseed meal	5	0	0	9
23062000	Linseed meal	5	0	0	9
23063000	Sunflower seed meal	5	0	0	9
23064100	Low erucic acid rapeseed meal	5	0	0	9
23064900	Other rapeseed meal	5	5	0	9
23065000	Cake of coconut or copra	5	5	9	9
2306600010	Oil residue cake and solid residue of endangered palm fruit or kernel	5	5	9	0
2306600090	Other palm fruit or kernel oil cake and solid residue	5	5	9	9
23069000	Other oilseed cakes	5	25	9	0 or 9 or 13*
23080000	Vegetable materials and waste, vegetable residues	5	5	9	0 or 9 or 13*

Note: VAT--Value Added Tax Rate; ED--Export Drawback Rate

* Different rates apply to sub-HS codes with 10 digitals; Additional Note: Additional duty for U.S. can be excluded upon application by traders

Attachments:

No Attachments