

Market Report March 2023

■ GENERAL OILS AND FATS COMPLEX

Soybean Oil

Argentina's harvest expectations had to be lowered again due to the unusual cold weather. Global production for the current season (October 22/September 23) is now estimated by experts at 60.4 million tons, only slightly higher than in the previous period. At the same time, demand from the biodiesel industry is expected to be lower, as it is switching to cheaper feedstocks (e.g. rapeseed oil), especially in the USA. Many consumers in the food industry have switched their demand to sunflower oil and rapeseed oil due to the current favourable prices.



Sunflower Oil

Sunflower oil prices have continued to decline in recent weeks. This is mainly due to the high stocks of Russian oil. Ukrainian exporters have been trying for some time to ship the largest possible quantities via the Black Sea, as the future of the current corridor is uncertain at the end of this month. Also large Argentine harvest will be putting pressure on the market.



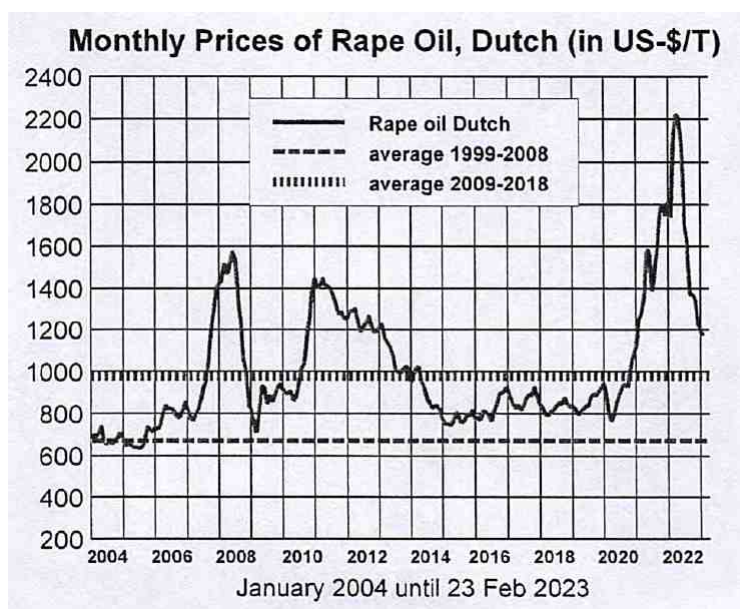
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Rapeseed Oil

Rapeseed oil prices started to come under pressure. The demand in Europe is below original expectations, which leads to higher stocks and puts pressure on prices. The favourable listings are leading to increased interest, especially from China, which was almost completely absent as a buyer last year. Demand from the biodiesel industry could also increase again.



Quelle: Oil World

Outlook

Many consumers in the EU have larger backlogs of purchases in already concluded contracts due to the drop in demand, which leads to additional stock at the oil mills and thus putting pressure on the prices for the forward dates. Uncertainty remains as to whether and how the agreement on the export corridor across the Black Sea, which expires at the end of the month, will be extended, after the Russian side has already announced that it will only agree to an extension if sanctions on the export of Russian agricultural products are lifted. After the end of the strict Corona restrictions, China will again act as an importer in the foreseeable future, which will increase global demand again. Thus, it is not completely out of the question that price levels could also move in the opposite direction again.

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■ KEY PRODUCTS FROM THE GUSTAV HEESS PRODUCTION IN THE USA

Pistachio Oil

This week was the largest annual gathering of pistachio growers, processors, and industry professionals. The 2023 American Pistachio conference met in a snow covered southern California to discuss the current state of the pistachio industry and the long term plans for the future. The state of the industry speech was broken up into 2 parts. The first portion of the speech was described as things that help people in the pistachio industry sleep at night. The American Pistachio production is consistent and steadily growing. As global demands for pistachios continue to grow, our industry is growing alongside it in a sustainable way. In 2000 Pistachios were California's 18th largest export. Today Pistachios are California's 3rd largest export for the 5th year in a row. We are also seeing major growth in some new developing markets. Exports to the UAE and India are up as much as 600%. The second part of the speech was described as the things that keep the pistachio industry up at night. The largest issue facing the pistachio industry was shipping issues at the ports. This has been mostly resolved and barring another Covid shutdown will not be an issue going forward. The other concern in the industry is the combination of worldwide recession and a strong dollar impacting sales.

■ AMENDED SPECIFICATIONS

216122 Apricot kernel oil refined organic
DE-ÖKO-001

Click [here](#) for all actual specifications.

- Each month we will send you current information on the vegetable oils and fats market in form of this market report. Stay tuned and assess the current developments. If you have any questions, please do not hesitate to contact your usual contact person.

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