

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

THIS REPORT CONTAINS ASSESSMENTS OF COMMODITY AND TRADE ISSUES MADE BY USDA STAFF AND NOT NECESSARILY STATEMENTS OF OFFICIAL U.S. GOVERNMENT POLICY

Required Report - public distribution

Date: 10/5/2017

GAIN Report Number: TR7039

Turkey

Oilseeds and Products Update

Turkey Oilseeds and Products Update 2017

Approved By:

Christine Strossman, Agricultural Counselor

Prepared By:

Ibrahim Sirtioglu, Sr. Agricultural Marketing Specialist

Report Highlights:

MY 2017/18 total sunflowerseed area and production are estimated at 700,000 hectares and 1.55 million MT of which 1.45 million is oilseed and the rest confection seed. MY 2017/18 sunflowerseed production represents a record due to favorable weather and improved quality of seeds. During the first eleven months of MY 2016/17, oilseed sunflowerseed imports doubled compared to the same period a year ago, reaching 583,000 MT due to increased demand in domestic and export markets.

Sunflowerseed meal imports were also up about twenty-five percent reaching 931,000 MT during the same period. Also, sunflowerseed oil imports and exports were both up eleven percent during first eleven months of the MY 2016/17 to 725,000 MT and 595,000 MT respectively.

Post:

Ankara

Production

MY 2017/18 total sunflowerseed for oil and confection planting area and production are now estimated at 700,000 hectares and 1.55 MMT. Oilseed sunflowerseed area and production for the year is estimated at 650,000 hectares and 1.45 MMT which is a record. Last May and June were the rainiest months in the history of the Thrace region where about half of the local oilseed sunflowerseed production takes place. Cukurova region also received timely and abundant rains. While country-wide planting increased about eight percent, production increased about twenty percent as result of favorable weather conditions in all regions during the season and improved seed quality. Turkey also produces about 100,000 MT of confection sunflowerseed annually at 50,000 hectares.

MY 2016/17 sunflowerseed meal production has increased about thirty-three percent as a result of large domestic oilseed sunflowerseed production and increased oilseed imports. MY 2017/18 sunflowerseed meal production is expected to continue to increase even though modestly reaching 1.02 MMT.

Sunflowerseed oil production increased about thirty-two percent as a result of an increase in domestic oilseed production and higher oil content that is supported by favorable weather conditions and improved seed quality. Average oil content of local sunflowerseeds has been increasing in recent years reaching 43.5 percent in MY2016/17 and 45 percent in MY2017/18 as a result of advances in seed quality.

Turkey continues to have a net deficit in sunflowerseed production due to large domestic consumption of sunflowerseed oil and exports. Sunflowerseed planting competes with other crops such as wheat in the Thrace region and corn in the Central Anatolian and Cukurova regions hence sustainability of production will be dependent on farmers' satisfaction with income from sunflowerseed production.

Consumption

Domestic sunflowermeal consumption in MY 2016/17 increased twenty-seven percent reaching 1.9 MMT due to an increase in local feed production as a result of growth in poultry and livestock usage. Additionally, a regulation change that forbids usage of poultry rendering products in poultry feed positively affected sunflowerseed meal utilization.

Sunflowerseed oil is the most consumed oil in Turkey. In MY 2016/17 sunflowerseed oil consumption recovered following import tax and reference price adjustments by the Government of Turkey (GOT). As a result, MY 2016/17 sunflowerseed oil domestic consumption increased about fourteen percent reaching 880,000 MT. Sunflowerseed oil domestic consumption is projected to continue to increase in MY 2017/18 reaching 950,000MT.

Policy

The GOT, in an effort to protect local production from an inflow of cheaper imports and to prevent the illegal mixing of oils and invoice irregularities, on 18 August announced a new set of reference prices, upwardly adjusting all the major oilseed and sunflowerseed oil reference prices. Accordingly, the reference price for sunflowerseed increased to US\$ 570 per MT, safflower to US\$ 675 per MT, Canola to US\$ 1050 per MT, flaxseed to US\$1,200 per MT and unshelled sunflowerseed to US\$ 1,500 per MT. The sunflowerseed oil reference price increased to US\$ 1,150 per MT.

Trade

Sunflowerseed imports during the first eleven months of the MY 2016/17 were 598,000 MT of which 583,000 MT were oilseeds and the rest 15,000 MT were confection seeds. Russia (219,000 MT), Moldova (205,000 MT), and Bulgaria (81,000 MT) were the leading suppliers.

Turkey's sunflowerseed meal imports were 931,000 MT during the first eleven months of MY 2016/17, up about twenty-four percent compared to the same period last marketing year. Turkey continued to meet its sunflowerseed meal deficiency mostly from Russia (493,000 MT), Ukraine (329,000 MT), and Bulgaria (63,000 MT).

Turkey's imports of sunflowerseed oil are up about eleven percent to 725,000 MT during the first eleven months of the MY 2016/17. Russia and Ukraine were the main suppliers with 468,000 MT and 197,000 MT respectively.

Turkey's sunflowerseed oil exports were also up eleven percent during the same period reaching 595,000 MT. Iraq continues to be the leading importer with 350,000 MT followed by Syria 104,000 MT and Djibouti 17,000 MT. Turkey's sunflowerseed oil exports are projected to decline in MY 2017/18 due to an increase in local production in the leading export market, namely Iraq.

Sunflowerseed PSD (1000 Hectares / 1000 MT)

Oilseed, Sunflowerseed	2015/2016		2016/2017		2017/2018	
Market Begin Year	Sep 2015		Sep 2016		Sep 2017	
Turkey	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	550	550	600	600	650	700
Area Harvested	550	550	600	600	650	700
Beginning Stocks	45	56	47	78	60	100
Production	1100	1100	1320	1300	1425	1550
MY Imports	396	396	500	630	450	500
MY Imp. from U.S.	2	2	2	1	2	2
MY Imp. from EU	250	138	200	120	200	200
Total Supply	1541	1552	1867	2008	1935	2150
MY Exports	42	42	45	50	50	55
MY Exp. to EU	10	11	0	0	0	20
Crush	1350	1310	1650	1735	1700	1855
Food Use Dom. Cons.	100	120	110	120	120	125
Feed Waste Dom. Cons.	2	2	2	3	2	5
Total Dom. Cons.	1452	1432	1762	1858	1822	1985
Ending Stocks	47	78	60	100	63	110
Total Distribution	1541	1552	1867	2008	1935	2150
CY Imports	382	382	500	700	450	650
CY Imp. from U.S.	2	3	2	2	2	3
CY Exports	47	48	45	50	40	9
CY Exp. to U.S.	0	0	0	0	0	0

Sunflowerseed meal PSD (1000 MT)

Meal, Sunflowerseed	2015/2016		2016/2017		2017/2018	
Market Begin Year	Sep 2015		Sep 2016		Sep 2017	
Turkey	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	1350	1310	1650	1735	1700	1855
Extr. Rate, 999.9999	0.5504	0.55	0.5503	0.55	0.55	0.55
Beginning Stocks	143	143	133	160	206	191
Production	743	720	908	955	935	1020
MY Imports	801	801	920	980	800	1000
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from EU	0	63	0	100	0	110
Total Supply	1687	1664	1961	2095	1941	2211
MY Exports	4	4	5	4	5	5
MY Exp. to EU	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.	1550	1500	1750	1900	1780	1990
Total Dom. Cons.	1550	1500	1750	1870	1780	1990
Ending Stocks	133	160	206	191	156	216
Total Distribution	1687	1664	1961	2095	1941	2211
CY Imports	800	782	900	1000	800	1100
CY Imp. from U.S.	0	0	0	0	0	0
CY Exports	4	4	5	7	5	8
CY Exp. to U.S.	0	0	0	0	0	0

Sunflowerseed Oil PSD (1000 MT)

Oil, Sunflowerseed	2015/2016		2016/2017		2017/2018	
Market Begin Year	Sep 2015		Sep 2016		Sep 2017	
Turkey	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Crush	1350	1310	1650	1735	1700	1855
Extr. Rate, 999.9999	0.4304	0.4351	0.4303	0.4352	0.43	0.4501
Beginning Stocks	303	144	57	47	27	47
Production	581	570	710	755	731	835
MY Imports	686	686	900	800	850	700
MY Imp. from U.S.	0	0	0	0	0	0
MY Imp. from EU	0	0	0	0	0	0
Total Supply	1570	1400	1667	1602	1608	1582
MY Exports	583	583	650	650	550	520
MY Exp. to EU	0	0	0	0	0	0
Industrial Dom. Cons.	20	0	20	15	20	20
Food Use Dom. Cons.	900	770	960	880	970	950
Feed Waste Dom. Cons.	10	0	10	10	10	10
Total Dom. Cons.	930	770	990	905	1000	980
Ending Stocks	57	47	27	47	58	82
Total Distribution	1570	1400	1667	1602	1608	1582
CY Imports	750	738	900	900	850	800
CY Imp. from U.S.	0	0	0	0	0	0
CY Exports	550	601	600	600	550	550
CY Exp. to U.S.	0	0	0	0	0	0