

Voluntary Report – Voluntary - Public Distribution

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Report Name: Oilseeds and Products Market Update

Country: Bulgaria

Post: Sofia

Report Category: Oilseeds and Products

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Report Highlights:

Following the conclusion of Bulgaria's rapeseed harvest in late July, Ministry of Agriculture (MinAg) and industry reports indicate lower than expected yields and production. Post revises its rapeseed production forecast to 280,000 metric tons (MT). On August 28, 2020, MinAg reported total rapeseed production at 258,000 MT, a 36-percent decline from marketing year (MY) 2019/20. Reported area harvested and average yields were 25 percent and 14 percent, respectively, lower from last year. The sunflower harvest began in mid-August and was at 78 percent complete as of September 10. Hot and dry weather in July and August negatively affected yields. Post reduces its forecast for the sunflower crop to 1.8 million metric tons (MMT).

Weather Overview

Daily temperatures in late July and throughout most of August typically reached between 35°C (95°F) and 39°C (102°F) ([EU MARS Bulletin Vol 28 No 8](#)). Following a wet June, precipitation decreased dramatically in central and eastern Bulgaria, while Western regions continued to receive near- or above-average rainfall. After mid-July soil moisture under spring crops reached below-average levels, except in western regions (see Maps 1 and 2, [Crop Explorer](#) and [Bulgaria data](#)).

According to MinAg, 10,700 hectares (HA) of winter crops (wheat, barley, and rapeseed) were lost in 2020, particularly around Bourgas, Dobrich, Varna, Shoumen, and Sliven (along the Black Sea and Northeastern Bulgaria) due to drought. These areas are close in proximity to port facilities and are export oriented. As a result, it is estimated that the cost of oilseeds exports will increase.

During a Post field trip in northcentral Bulgaria (Pleven, Veliko Turnovo, Lovech) in early September, farmers reported the last significant rainfall was in early June, followed by light showers in July. During the sunflower harvest in late August, strong winds and high temperatures reportedly further reduced yields and quality. See field photos in the Appendix below.

MY 2020/21 Forecast

According to MinAg, the rapeseed area harvested as of late August was 115,000 HA, a 25-percent decline from last year. Average yields were 2.25 MT/HA and production was 258,000 MT (Table 1). Post revises its rapeseed production estimate down to 280,000 MT (2.43 MT/HA). Further adjustments may be forthcoming, pending final harvest data (Table 2).

The sunflower harvest began in the second half of August. As of August 28, MinAg reported 29 percent of the sunflower crop was harvested, behind MY 2019/20 when 40 percent was complete by that date (Table 1). As of September 10, 78 percent of sunflower was harvested. Reported average yields, to date, are 1.94 MT/HA, a 16-percent decline from last year, due to the hot and dry weather. Production is reported at 1.22 MMT, a 16-percent decline from the same period in MY 2019/20. Private yield estimates vary from 2.0 MT/HA to 2.6 MT/HA and for production from 1.7 MMT to 2.1 MMT. Although the sunflowers were well pollinated, the heads and seeds are smaller and lighter compared to MY 2019/20. Post forecasts production lower at 1.8 MMT (2.22 MT/HA). Post may revise its estimate further pending updated harvest data (Table 2).

Oilseeds Trade

Early season MY 2020/21 rapeseed exports are lower due to the smaller crop. As of September 10, MinAg reported exports at 93,000 MT compared to 195,000 MT exported during the same period in MY 2019/20.

MY 2019/20 sunflower exports continued to decline in favor of higher domestic use. MinAg reported 507,000 MT of exports as of late August (including 105,000 MT to non-EU markets), compared to 745,000 MT exported last year. Domestic demand for crush has been favorable over 1.5 MMT sunflower seeds this season, a 36-percent increase over last year (1.1 MMT). Sunflower shelling demand has been stable at 560,000 MT. As of August 28, Bulgaria imported close to 750,000 MT of sunflower seeds due to meet local processors' needs.

Appendix:

Table 1: Oilseeds Area Planted and Harvested, MY 2020/21 and MY 2019/20, August 2020

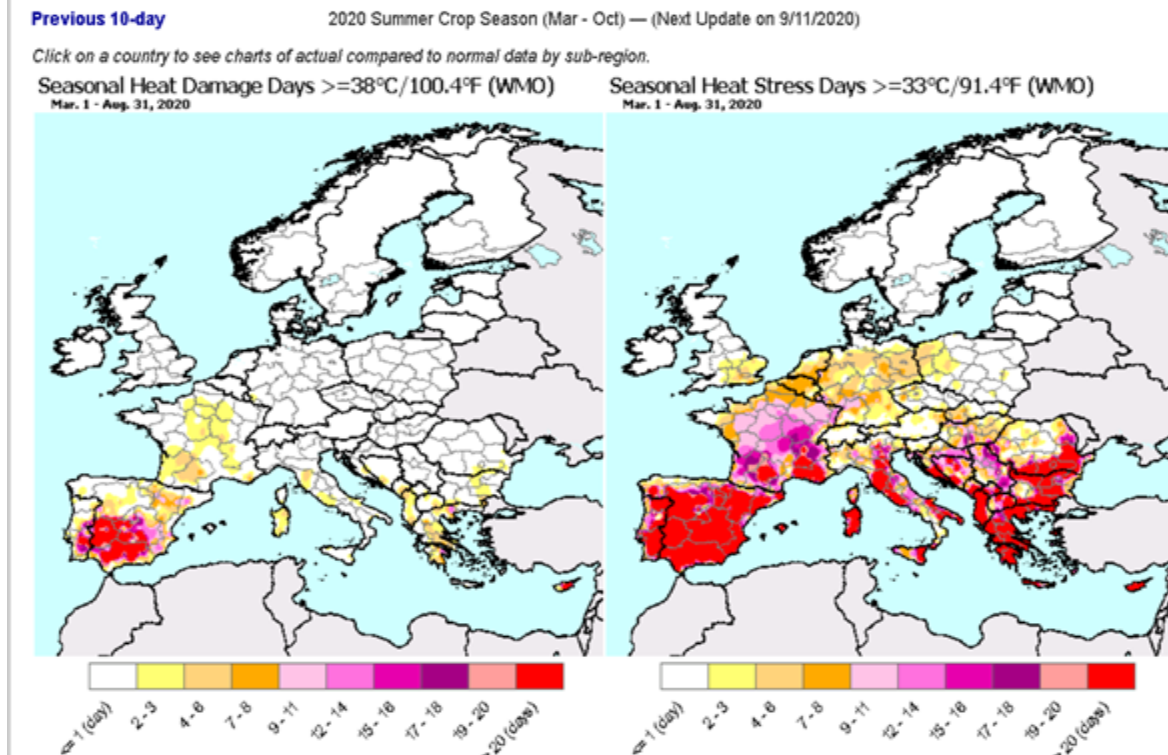
Area Planted and Harvested Oilseed Crops, MY 2019/20 and MY 2020/21, HA			
	August 2019	August 2020	Difference, in Percentage
Soybeans (planted)	2,900	NA	NA
Rapeseed	156,961 (planted) 152,375 (harvested as of August 29, 99.9%)	114,732 (planted) 114,652 (harvested as of August 28, 99.9%)	-25.0% -25.0%
Sunflower	743,479 (planted) 293,919 (harvested as of August 29, 40%)	809,693 (planted) 235,209 (harvested as of August 27, 29%)	+8.9% -20.0%

Source: MinAg Bulletins

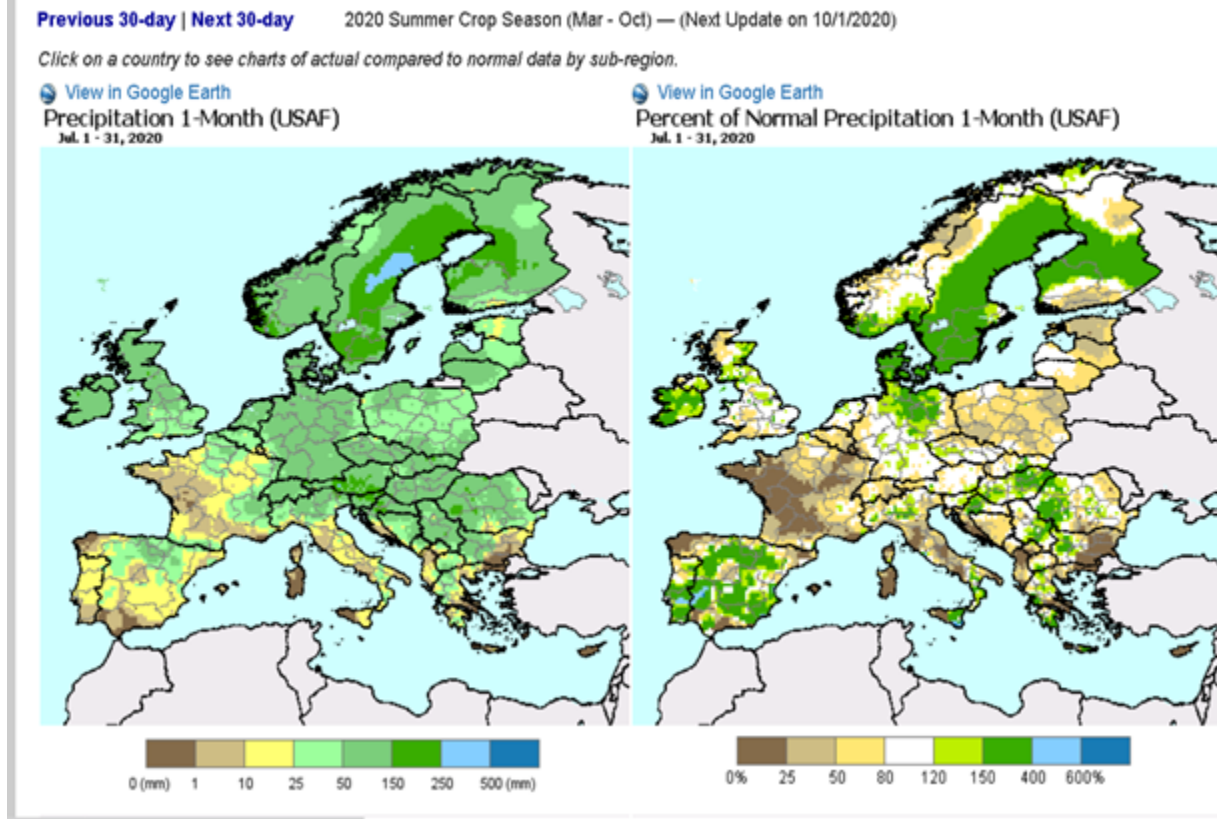
Table 2: Post MY 2020/21 Estimates for Major Oilseeds as of September 2020

Crops	Area Harvested, HA	Production, MT
Soybeans	5,000	6,000
Rapeseed	115,000	280,000
Sunflower	810,000	1,800,000

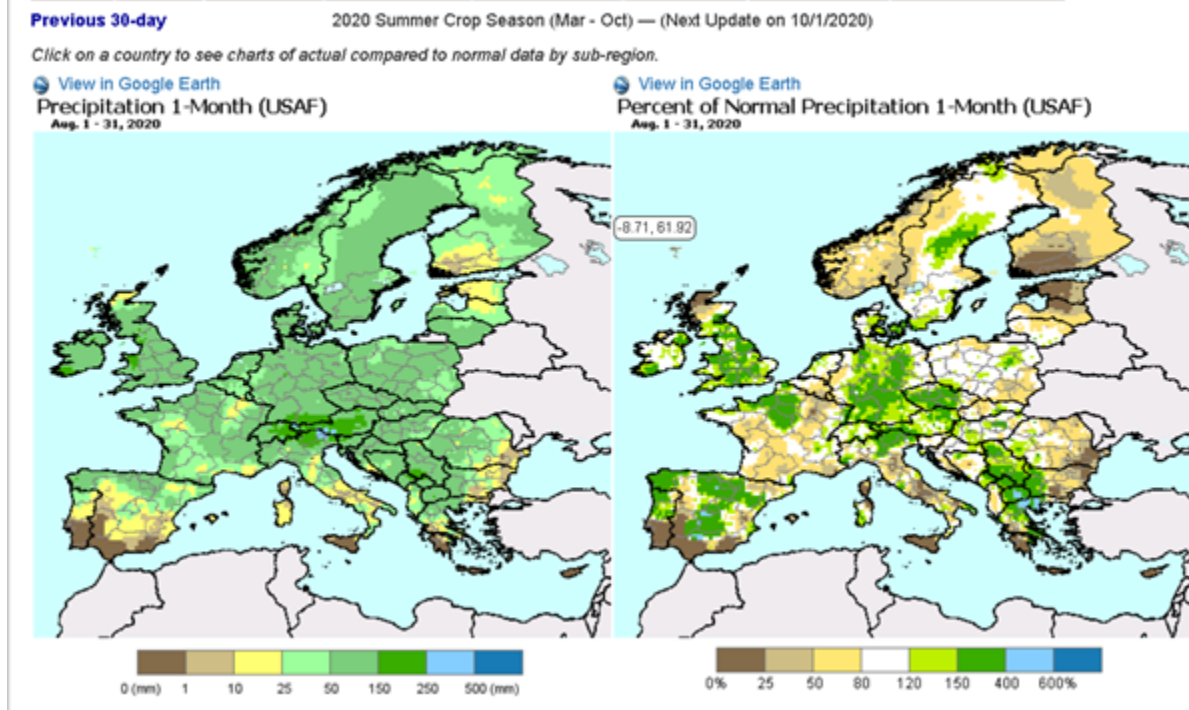
Map 1: Europe, Seasonal Heat Damage Days March 1-August 31, 2020



Map 2: Europe, Precipitation and Percent of Normal Precipitation in July 2020



Map 3: Europe, Precipitation and Percent of Normal Precipitation in August 2020



FAS Sofia Corn Field Photos from Northcentral Bulgaria



Oil-bearing sunflower heads and seeds



Striped sunflower used for bird seed

Attachments:

No Attachments.