

February 2023 MARKET REPORT

- Chicago market report - soyaoil

CRUDE SOYBEAN OIL IN CHICAGO SINCE 2001

cents / Livre (Pound)



In Brazil, the soybean is in progress, but harvest has been delayed by bad weather. Meanwhile, we expect an all-time high competing with the North American market.

In Argentina, drought persists and continues to impact crops.

The U.S. Department of Agriculture, said farmers will plant more corn in 2023 than they did a year earlier, taking advantage of declining input costs and prices that remain relatively high.

Corn seedings were pegged at 91.0 million of acres, up from 88.6 million last year, and soybean seedings at 87.5 million of acres, unchanged from last year. For soybeans, the government projected a crop of 4.510 billion bushels with a record yield of 52.0 bushels per acre.

Brazilian government will decide the mandatory blend of biodiesel in a meeting scheduled to take place in March. The biodiesel industry was expecting a decision on a potential increase in the mixture.

C. Giraud & Cie, de 1927 à aujourd'hui...

Téléphone: +33(0) 491 49 33 01 - Fax: +33(0) 491 85 07 13 - E-mail: giraud@cgiraudcie.fr

Adresse: 30, rue des Electriciens - BP 70042 - 13375 Marseille cedex 12 - www.cgiraudcie.com

S.A.S. au capital de 40.000 € - RCS Marseille B 055 803 282 - TVA n° FR 80 055 803 282 - APE : 4617B

<u>USDA Report - February 2022</u>		Estimation USDA	Market expected	Last month estimation
US 2022-23 soybean crop	<i>in million of bushels</i>	4 276		4 276
	<i>in million of tons</i>	116,37		116,37
US 2022-23 soybean ending stocks	<i>in million of bushels</i>	225	236	210
	<i>in million of tons</i>	6,12	6,42	5,72
Brazil 2022-23 soybean crop	<i>in million of tons</i>	153	152.01	153
Argentina 2022-23 soybean crop	<i>in million of tons</i>	41	42.34	46

NOPA members estimates - in U.S.A:

- Soyoil supplies as of January 31 rose to 1.829 billion of pounds (lbs), up from 1.791 billion lbs at the end of December.

- 179 million of bushels of soybeans have been crushed last month, up (+0.8%) from last month and (+1.08%) from last year at the same period.

▪ Palm oil

Refined palm oil since 2010, Ex-works R'dam



In Malaysia, palm oil futures tracked rival soybean oil prices.

Heavy rainfalls across the country have raised risks of flood hampering production. Data from an association of millers showed that production during Feb. 1-20 had declined by 6.71% versus the same period last month.

The Bursa Malaysia Palm Oil Conference took place from 6 to 8 March. India and China may need to replenish their stockpile in the coming months.

MPOB Report <i>(Malaysian Palm oil Board)</i>	STOCKS <i>in tons</i>	PRODUCTION <i>in tons</i>	EXPORTS <i>in tons</i>
January 2023	2,268,198	1,380,410	1,135,498
December 2022	2,196,574	1,618,833	1,473,846
January 2022	1,551,151	1,253,577	1,250,614

C. Giraud & Cie, de 1927 à aujourd'hui...

Téléphone: +33(0) 491 49 33 01 - Fax: +33(0) 491 85 07 13 - E-mail: giraud@cgiraudcie.fr

Adresse: 30, rue des Electriciens - BP 70042 - 13375 Marseille cedex 12 - www.cgiraudcie.com

S.A.S. au capital de 40.000 € - RCS Marseille B 055 803 282 - TVA n° FR 80 055 803 282 - APE : 4617B

Exports of Malaysian palm oil products for February fell 0.4% to 1,062,057 tons from 1,066,287 tons shipped during January, *AmSpec Agri* said.

Malaysian government expects the price of crude palm oil to average 4,000 ringgit per ton this year, production is expected to be higher than last year due to improved labour supply.

Indonesia could suspend some palm oil export permits to secure domestic supply amid rising cooking oil prices ahead of Islamic festivals. The government currently allows export volumes of six-times what the companies have sold locally.

Rumours of the country lowering its B35 biodiesel mandate.

On the other hand, the government is boosting efforts to ensure a scheme to replant palm oil to lift flagging yields.

In India, January palm oil imports fell 25% from December to their lowest in six months as a narrowing discount to rival oils prompted refiners to increase purchases of soybean and sunflower oils. Imports of soyoil gained 45% to 366,625 tons and sunflower oil imports jumped about 138% to a record 461,458 tons.

Later this month, however, the country has decided to scrap a duty-free imports quota of 2 million tons of crude sunflower oil for the next fiscal starting from April 1, as the government tries to support local farmers. The move could lead to higher imports of palm oil.

- **Rapeseed oil**

Refined rapeseed oil since 2010, Ex-works supplier's plant



Rapeseed oil is still relatively cheap compared to other vegetable oils.

In the European Union, 2022/23 rapeseed imports were revised up to 5.6 million tons from 5.1 million. Ending stocks were kept at 0.5 million as forecast domestic use was increased.

C. Giraud & Cie, de 1927 à aujourd'hui...

Téléphone: +33(0) 491 49 33 01 - Fax: +33(0) 491 85 07 13 - E-mail: giraud@cgiraudcie.fr

Adresse: 30, rue des Electriciens - BP 70042 - 13375 Marseille cedex 12 - www.cgiraudcie.com

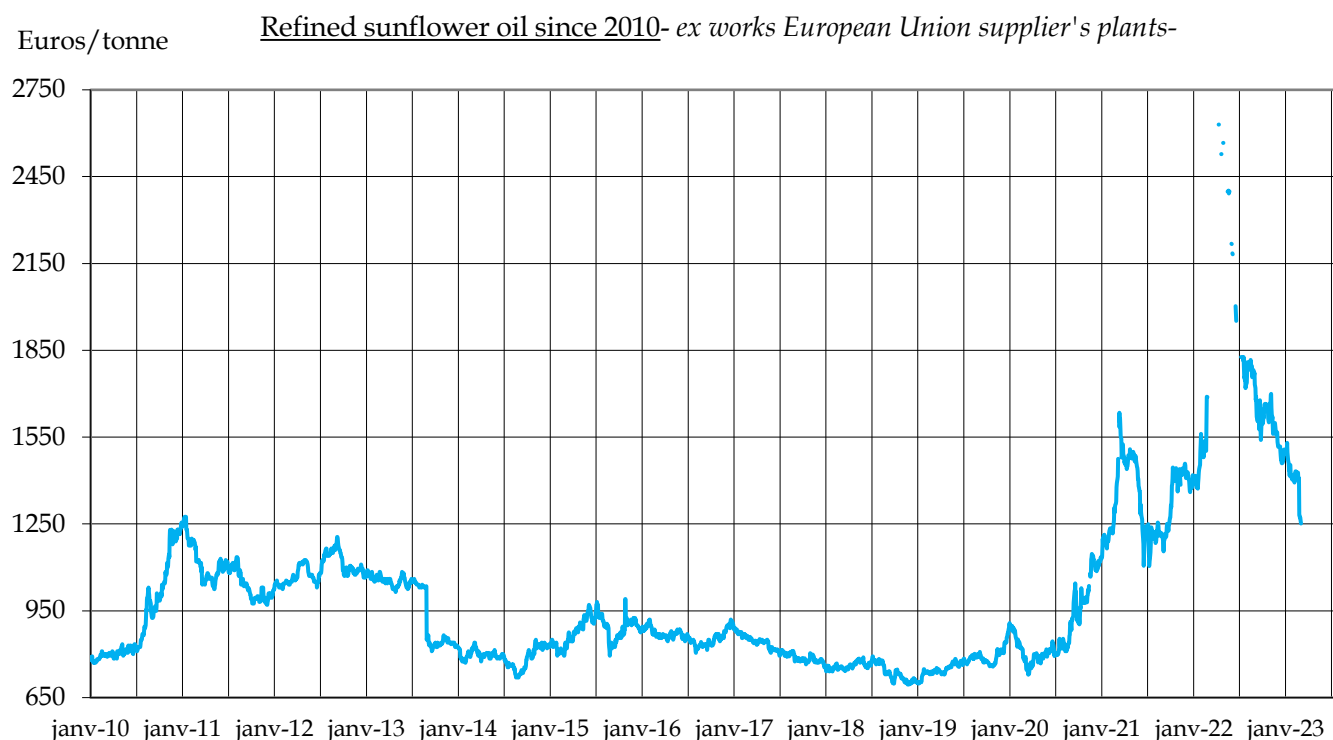
S.A.S. au capital de 40.000 € - RCS Marseille B 055 803 282 - TVA n° FR 80 055 803 282 - APE : 4617B

Strategie Grains has increased its forecast for 2023 EU rapeseed output to 19.6 million tons, up from 19.5 million estimated last month. This slight increase could contribute to a further swelling in rapeseed stocks next season.

In France, the expected area for winter rapeseed for this year's harvest was increased to 1.34 million hectares from 1.29 million estimated in December, now 9% above last year's level and nearly 11% higher than the five-year average.

In Canada, canola (rapeseed) stocks are estimated at 11.4 million of tons on Dec 31., up 29.3% from last year reflecting higher production, according *StatScan*.

- **Sunflower Oil**



Ukraine will ask Turkey and the United Nations to start talks to roll over the Black Sea grain deal, seeking an extension of at least one year that would include the ports of Mykolaiv.

As a reminder, the agreement that had been signed in July 2022 was extended in November and will expire on March 18.

Strategie Grain's estimated this year's sunflower seed harvest at 11.2 million tons from 11.3 million previously, up 22% above last year's crop. Sunflower seed planting is expected to start soon, though dryness in southern Spain may hamper early field work.

India has decided to scrap a duty-free imports quota of 2 million tons of crude sunflower oil for the next fiscal starting from April 1, as the government tries to support local oilseed farmers, causing sunflower oil prices to fall.

In Ukraine, farmers may face a shortage of fertilizers for 2023 spring sowing. Most of the country's fertilizer plants were stopped due to the conflict.

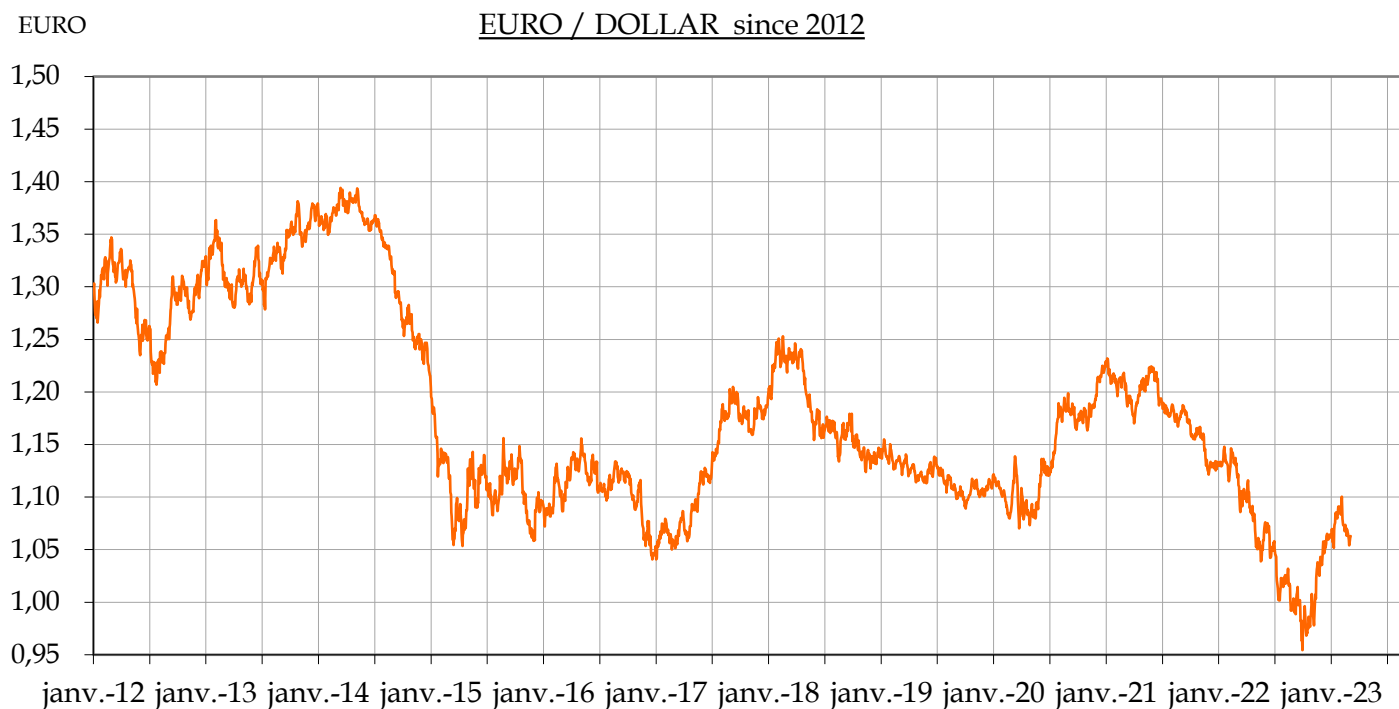
C. Giraud & Cie, de 1927 à aujourd'hui...

Téléphone: +33(0) 491 49 33 01 - Fax: +33(0) 491 85 07 13 - E-mail: giraud@cgiraudcie.fr

Adresse: 30, rue des Electriciens - BP 70042 - 13375 Marseille cedex 12 - www.cgiraudcie.com

S.A.S. au capital de 40.000 € - RCS Marseille B 055 803 282 - TVA n° FR 80 055 803 282 - APE : 4617B

- Euro/dollar



The dollar held firm after a strong US jobs report.

Federal Reserve hiked rates by 25 basis points and promised "ongoing increases" in borrowing costs as part of its still unresolved battle against inflation. The U.S. economy was enjoying "modest growth" and "robust" job gains, with policymakers still "highly attentive to inflation risks."

ECB also raised interest rates by 50 basis points as expected, with the latter signaling the tide was turning in its battle against high inflation.

According to the European commission, economic growth in the euro zone was likely to be 0.9% this year, rather than 0.3% predicted last November. Euro zone consumer inflation, which hit record highs of 10.6% last October, is to forecast to decelerate to 5.6% this year and 2.5% in 2024.

EU vowed to increase pressure on Moscow as it adopted a package of sanctions on Russia, after the first anniversary of the invasion of Ukraine on 2th Feb 2022.

The package imposes tighter export restrictions on another several entities for supporting Russia's military and industrial complex.

- Crude oil

The OPEC raised its 2023 oil demand forecast by 2.32 million barrels per day (bpd), or 2.3%, raising the forecast from February by 100,000 bpd, citing the reopening of the Chinese economy after COVID restrictions.

Crude oil supply concerns after the earthquake shuttered a major export terminal in Turkey and a field in the North Sea shut unexpectedly.

C. Giraud & Cie, de 1927 à aujourd'hui...

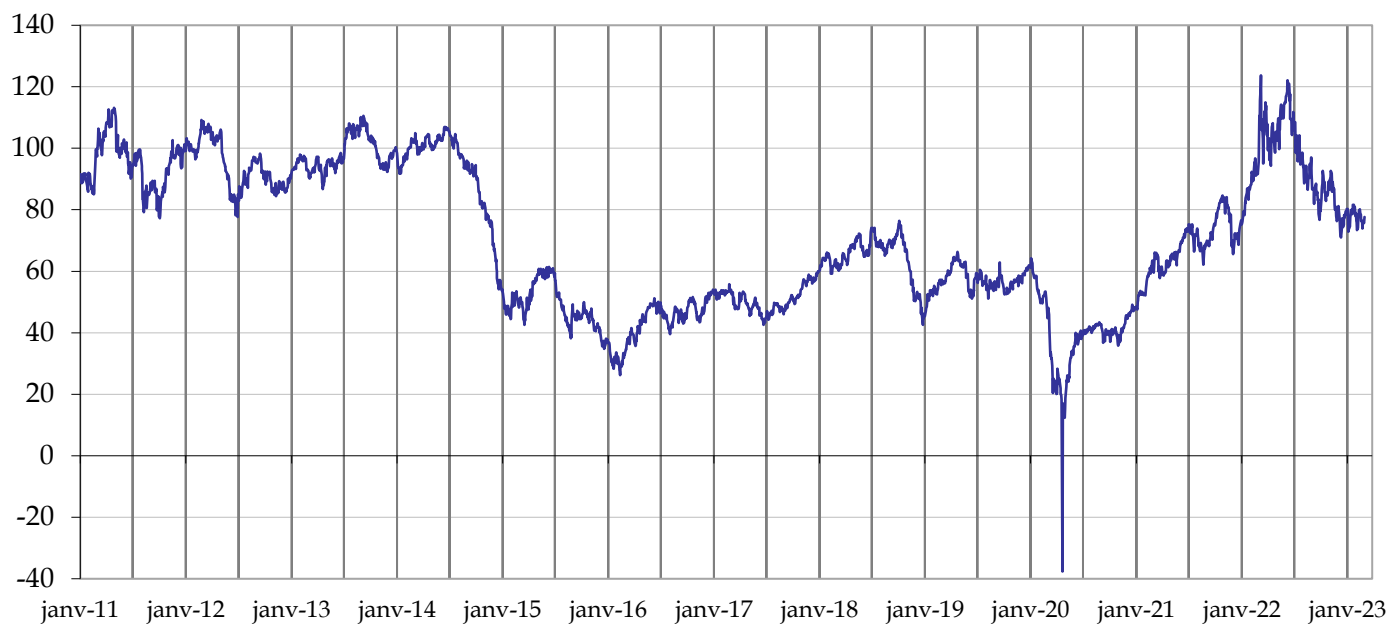
Téléphone: +33(0) 491 49 33 01 - Fax: +33(0) 491 85 07 13 - E-mail: giraud@cgiraudcie.fr

Adresse: 30, rue des Electriciens - BP 70042 - 13375 Marseille cedex 12 - www.cgiraudcie.com

S.A.S. au capital de 40.000 € - RCS Marseille B 055 803 282 - TVA n° FR 80 055 803 282 - APE : 4617B

Dollar

Crude mineral oil barrel in New-York since 2011



Russia plans to cut crude oil production by 500,000 barrels per day, or about 5% of its output, in March after the West imposed price caps on Russian oil and oil products over the invasion of Ukraine. The country plans to cut crude exports from its western ports by up to 25% in March versus February.

The U.S. Department of Energy would sell 26 million barrels of oil from its Strategic Petroleum Reserve, a release that would likely push the reserve to its lowest level since 1983.

C. Giraud & Cie, de 1927 à aujourd'hui...

Téléphone: +33(0) 491 49 33 01 - Fax: +33(0) 491 85 07 13 - E-mail: giraud@cgiraudcie.fr

Adresse: 30, rue des Electriciens - BP 70042 - 13375 Marseille cedex 12 - www.cgiraudcie.com

S.A.S. au capital de 40.000 € - RCS Marseille B 055 803 282 - TVA n° FR 80 055 803 282 - APE : 4617B