SUNSEEDMAN

Your Sunflower Market Eye

DAILY SUN COMPLEX PANORAMA

08 SEPTEMBER 2022

DAILY QUOTE: Beware the fury of a patient man… John DRYDEN

PAGE 2 – SUNSEED LOCAL MARKETS

PAGE 3 – SUNSEED FOREIGN MARKETS

PAGE 4- SUNOIL/SUNMEAL LOCAL MARKETS

PAGE 5 – SUNOIL FOREIGN MARKETS

PAGE 6- WEATHER FORECAST

PAGE 7- OTHER NEWS

VEYSEL KAYA/SUNSEEDMAN, www.sunseedman.com, veyselkaya@sunseedman.com

SUNSEED LOCAL MARKETS

A) THE ROLE OF SUNSEED IN TURKISH OILSEEDS/IMPORT LEGISLATION:

- **By 2021/22 season**, the leader with **1.65 Mln Ton** of **3.19 Mln Ton** of Turkish Oilseeds output.
- One of the highest oil-bearing Oilseeds with **40-45**% even **45-50**% oil contents.
- The most important Turkish Oilseed since Sunoil is the most consumed local vegoil.
- Till **31 Dec 2022**; **Nil** of **Import-Duty.**

B) TURKISH 2022/23 SEASON LOCAL-BASED ACREAGE AND NEW-CROP SIZE FORECASTS:

- We share our latest **2022/2023 new-season** acreage and new-crop size (**record acreages/new-crop size potentials**) forecasts, The break-downs as per the regions are as followings;

- **Cukurova**, **100 Kha** (2021/22, **80** & 2020/21, **65** & 19/20, **80** & 2018/19, **60** & 2017/18, **70**), **250 Kmt** (2021/22, **150** & 2020/21, **110** & 2019/20, **150** & 2018/19, **140** & 2017/18, **175**),
- **Thrace**, **425 Kha** (2021/22, **375** & 2020/21, **365** & 2019/20, **370** & 2018/19, **325** & 2017/18, **365**), **900 Kmt** (2021/22, **800** & 2020/21, **750** & 2019/20, **800** & 2018/19, **700** & 2017/18, **765**),
- **Central Anatolia**, **130 Kha** (2021/22, **100** & 2020/21, **75** & 2019/20, **80** & 2018/19, **90** & 2017/18, **110**), **400 Kmt** (2021/22, **325** & 2020/21, **250** & 2019/20, **320** & 2018/19, **315** & 2017/18, **365**),
- **Black Sea**, **120 Kha** (2021/22, **100** & 2020/21, **80** & 2019/20, **75** & 2018/19, **70** & 2017/18, **80**), **325 Kmt** (2021/22, **250** & 2020/21, **225** & 2019/20, **215** & 2018/19, **175** & 2017/18, **220**),
- **South Marmara**, **50 Kha** (2021/22, **40** & 2020/21, **40** & 2019/20, **35** & 2018/19, **30** & 2017/18, **30**), **100 Kmt** (2021/22, **85** & 2020/21, **80** & 2019/20, **80** & 2018/19, **70** & 2017/18, **65**),
- **Others**, **35 Kha** (2021/22, **20** & 2020/21, **15** & 2019/20, **15** & 2018/19, **15** & 2017/18, **20**), **75 Kmt** (2021/22, **40** & 2020/21, **35** & 2019/20, **35** & 2018/19, **30** & 2017/18, **35**).

As a result; with **860 Kha** of the acreage (2021/22, **715** & 20/21, **640** & 2019/20, **655** & 2018/19, **590** & 2017/18, **675**), **2050 Kmt** (2021/22, **1.650** & 2020/21, **1450** &2019/20, **1.600** & 2018/19, **1.430** & 2017/18, **1.625**) of new-crop size. **LESS FERTILIZER REQUIREMENTS HAVE APPEALED SUNSEED PLANTINGS!!! EARLIER CUKUROVA REGION HARVESTINGS ARE TOTALLY OVER. Others are 20/25% !!!**

C) THE LATEST LOCAL PRICES/IMPORT COSTS:

- **Local prices in Thrace/Anatolia were 10250 - 10500 TL/mt.**
- **600 $/mt** CIF Marmara, is **indicatively/theoretically** around **10490 TL/mt** for **40 basis** (**CIF Mersin, 10890**).

D) FOREIGN TRADE/LEGISLATION:

- Officially, by **Jul16/Jun17**, **544.0 kmt** (**29.5 kmt of ARG, 210 kmt of RU, 172 kmt of MD, 74.5 kmt of BG, 29.5 kmt of RO, 28.0 kmt of UA as well as 0.5 kmt of Bosnia**) of Sunseed and **24.0 kmt** (**22.5 of BG and 1.5 of Bosnia**) of SunFlour imports were performed.
- Officially, by **Jul17/Jun18**, **636.0 kmt** (**37.5 kmt of RU, 303.5 kmt of Moldova, 99.0 kmt of Bulgaria, 186.5 kmt of Romania, 5.0 kmt of Ukraine, 3.0 kmt of Bosnia,1.0 kmt of Kazakhstan and 0.5 kmt of China**) of Sunseed and **1.5 kmt** (**1 of UA and 0.5 of Bosnia**) of SunFlour imports were performed.
- Around **965 kmt** of Sunseed imports (**RO/BG/MD/HU/CRO/UA/ARG/SER/SK**) in **Jul18/June19** for local crushings as per our line-ups. **1040 kmt** already by **July19/June20** for local crushings as per our line-ups.
- **795 kmt from Bulgaria, Ukraine, France, Bosnia, Russia, Serbia, Moldova, Kazakhstan, Argentina and Romania in Jul20/Jun21**. **470 kmt July21/Jun22 (from UA/RO/MD/SER/BG).**
- **140 kmt by July/Sep22 as UKR/RO/MD origin.**
- Till **31 Dec 2022**; **Nil** of **Import-Duty.**

E) PRICE PROJECTION:

- **10250 +/- 250 TL/mt for 40/8/2-3 basis is likely for Thrace/Anatolia.**

VEYSEL KAYA/SUNSEEDMAN, www.sunseedman.com, veyselkaya@sunseedman.com

SUNSEED FOREIGN MARKETS

A) THE ROLE OF SUNSEED IN GLOBAL OILSEEDS:

- In **2021/22 season**, the 3rd biggest Oilseed (**after Soy and Rape**) with **59.5 Mln T** output of **590 Mln Ton** global Oilseeds output.

- One of the highest oil-bearing Oilseeds with **40-45**% even **45-50**% oil contents.

- **The Black Sea Basin**, covering also **Turkey**, has been raising more than **2/3** of global Sunseed output and so we call Sunseed as " **Black Sea Gold** ".

B) 2022/23 SEASON ACREAGE/NEW-CROP SIZE FORECASTS FOR MAJOR BSEA COUNTRIES:

- In **Black Sea**, we already share our figures for **2022/23** with our first tentative forecasts as belows;

- **Bulgaria**, **875 Kha** (21/22, **850** & 20/21, **810**), **1.9 Mln T** (21/22, **2.1** & 20/21, **1.7**),

- **Romania**, **1.300 Kha** (21/22, **1200** & 20/21, **1.150**), **2.5 Mln T** (21/22, **3.1** & 20/21, **2.25**),

- **Moldova**, **450 Kha** (21/22, **425** & 20/21, **415**), **850 Kmt** (21/22, **1.000** & 20/21, **800**),

- **Ukraine**, **5.0 Mln Ha** (21/22, **7.1** & 20/21, **6.8**), **10.5 Mln T** (21/22, **17.75** & 20/21, **14.25**),

- **Russia**, **11.0 Mln Ha** (21/22, **9.85** & 20/21, **8.75**), **17.5 Mln T** (21/22, **16.1** & 20/21,**14.25**) **(Including the currently occupied fields in Ukraine).**

- For **2019/20 season;** globally, we also suppose a **RECORD** crop size of around **56.25 Mln T.**
- For **2020/21 season;** globally, we also suppose a crop size of around **51.6 Mln T.**
- For **2021/22 season;** globally, we also suppose **a RECORD crop size** of around **59.5 Mln T.**
- For **2022/23 season;** globally, we also suppose **a new-crop size** of around **53.50 Mln T.**
- **Already initiated plantings already at earlier northern fields of Argentina.**
- **Some harvestings in BSea. URGENT BENEFICIAL RAINS ARE STRICTLY NEEDED FOR LATE CROPS!!!**

C) THE LATEST PRICE MOVEMENTS:
- In Constanza/Varna, for **Sep22** FOB prices are at **575 - 600 $/mt** **vs** **675 – 725 $/mt ???** **theoretically.**

- Refer to **CIF Marmara/DAP Kapikule**, **THEO.** **600 – 625 even 650 $/mt** offers vs **550 - 575 $/mt** bids**???**

D) PRICE PROJECTIONS:

- In such Outlook; as per the fundementals of Sunseed;
  MOSTLY NEUTRAL (**600 +/- 50 $/mt CIF Marmara/DAP Kapikule/DAP Thrace**).
- **Russia has banned Sunseed exports till 31 Aug 2022.**
- **Soybean and Rapeseed as well as Sunoil/Sunmeal global prices, buyer/seller interest and weather conditions globally/BSea** will draw the direction in FOB/CIF prices. **RU/UKR tension/war ???**

E) OTHER NEWS:

- Due to **Ukrainian/Russian war** and so the troubles with **crushings, logistics, payments and the trade**, **3.5 Mln T** of **Ukrainian** and **2.5 Mln T** of **Russian old-crop Sunseed** wered carried-over to **2022/23 season**.

- **This will of course create some relief on global supplies of 22/23**. Nevertheless, **the progress of the war, Ukrainian Grain/Food Corridor and global markets** should be watched closely.

VEYSEL KAYA/SUNSEEDMAN, www.sunseedman.com, veyselkaya@sunseedman.com

SUNOIL/SUNMEAL LOCAL MARKETS

A) THE ROLE OF SUNOIL IN TURKISH VEGOILS/IMPORT LEGISLATION:

- **By 2021/22 season**, the leader with 870 kmt of 1.51 Mln Ton of Turkish Vegoils output.
- Sunoil has as higher as 80% share in Turkish liquid Vegoils consumption.
- Sunoil is the **most exported Vegoil** of Turkey and has also **the second position in the imports** after Palmoil.
- **Crude Sunoil**, 0% till **31 Dec 2022**, but **Refined Sunoil**, 67.5%.

B) THE LATEST PRICE MOVEMENTS:

- **ALBEIT PL prices of 150 – 152.50 TL/5 L PET (26500/27000 TL/mt of Crude Sunoil conversion),**
- **Weaker Sunmeal local prices/stronger crushing costs with more loadings on Sunoil shoulders,**
- **Rebounded USD/TL parity (18.25 now),**
- **RU/UKR tension;**
- **Weaker demands, zeroized Sunseed/Sunoil import-duties,**
- **TMO option and cheaper local sales/buyings,**
- **Active crushings seasonally.**

May create SLUGGISH outlook on local Sunoil prices vs 24000 +/- 250 TL/mt (1.325 +/- 10 $/mt EXW theoretically.

C) IMPORT COSTS:

- The cost from the **imported Sunseed** of 600 $/mt CIF is 24435 TL/mt **min (3100 of Low-pro SFM). ???**
- And the **direct import cost of Crude Sunoil** of 1200 $/mt CIF Marmara/Izmir is also 22085 TL/mt, but this is CPT Refiner (**including 450 - 500 TL/mt of logistics vs local EXW levels**) and better quality! **???**
- **NON-WORKABLE Sunseed and WORKABLE Sunoil.**

D) FOREIGN TRADE:

- Officially, by **Jul16/Jun17**, 789.5 kmt of Sunoil imports (**473.5 kmt** of Russian origin) and 651.5 kmt of Sunoil exports (**388.5 kmt** to Iraq) were performed. But, as per our calculations, around 885 kmt of Sunoil imports/arrivals and 650 kmt of Sunoil exports were performed.
- Officially, **Jul17/Jun18**, 505.5 kmt of Sunoil imports (**384.0 kmt** of Russian origin) and 380.5 kmt of Sunoil exports (**99.5 kmt** to Iraq **& 101.5 kmt** to Syria) were performed. As per our calculations, by **Jul17/Jun18**, around 555 kmt of Sunoil imports/arrivals and 380 kmt of Sunoil exports were performed.
- As per our calculations, by **Jul18/June19**, around 610 kmt of Sunoil imports/arrivals including the ones underway/loading and 430 kmt of Sunoil exports were performed.
- 860 kmt of imports and 575 kmt exports of Sunoil in **July19/Jun20**.
- 765 kmt of imports (excluding the transits) and 520 kmt exports of Sunoil in **July20/Jun21**.
- 1045 kmt of imports (excluding the transits) and 485 kmt exports of Sunoil in **July21/June22**.
- 175 kmt of imports (excluding the transits) and 115 - 120 kmt exports of Sunoil in **July/Sep22**.

E) PRICE PROJECTION:

- **Indeed, purchasing policies of Refiners, PL prices, local/foreign Sunseed/Sunmeal prices, USD/TL parity, Legislation and Inward Processing Regime will be major market determinants.**

F) SUNMEAL:

- **26/28 P Sunmeal** prices are moving around **3100 +/- 50 TL/mt (170 +/- 5 $/mt) EXW** in **Thrace**.

- In addition to volatile USD/TL parity, confusing Wheat Bran and other feedstuffies.

- **Therefore, high-pro Sunmeal prices, legislation, logistics, weather conditions, the resistance of Crushers as well as USD/TL parity will be quite crucial!**

VEYSEL KAYA/SUNSEEDMAN, www.sunseedman.com, veyselkaya@sunseedman.com

SUNOIL FOREIGN MARKETS

A) THE ROLE OF SUNOIL IN GLOBAL VEGOILS:

- In **2021/22 season**, the 4th biggest Vegoil (**after Palmoil, Soyoil and Rapeoil**) with **20 Mln T** output of **215 Mln Ton** global Vegoils output.

- **Ukraine** and and **Russia** have been performing **more than half** of global Sunoil output and exports.

- **India**, similar to other Vegoils, is **the biggest global Sunoil export destination**.

- **Rotterdam** is the CBOT of Sunoil markets.

B) THE LATEST PRICE MOVEMENTS:

- There was once **LOST** mode in **Black Sea** Sunoil markets **theoretically** (**indeed not so many actual/traded prices due to Russian/Ukrainian tension/war)**).

- In **Ukraine**, **1075 – 1100 $/mt ???** vs **1125 – 1175 $/mt ???** for **Oct22** shipment. **Still partly solid USD/UAH parity (36.70 ???), Russian/Ukrainian export tax news (Russian export tax of 8621,30 RUB/mt for Sep22), import-duty cut India as well as solid alternative vegoils VERSUS promising record crop pressure and sluggish demand potentials**!

- **Russian** FOB prices were **1050 – 1075 $/mt ???** vs **1125 – 1175 $/mt ???** for **Oct22** shipment. **Still somehow solid USD/RUB parity (60.79 ???), Russian/Ukrainian export tax news (Russian export tax of 8621,30 RUB/mt for Sep22), import-duty cut by India, and limited sellers as well as solid alternative vegoils VERSUS promising record crop pressure and sluggish demand potentials**!

- **ARG Oct22** FOB prices were at **1150 – 1175 $/mt** vs **1325 – 1375 $/mt**.

- **Rotterdam** Sunoil prices also comprised as **1250 vs 1300 $/mt** for **Oct/Dec22 as well as** **1260 vs 1310 $/mt** for **Jan/Mar23** and **1270 vs 1320 $/mt** for **Apr/Jun23.**

- The Premium of Sunoil for **Oct22** is **MINUS** vs Soyoil (in **Rotterdam, 1300 vs 1615**). **???**

- **MINUS** of CIF India for **Oct22** as **1275 – 1325** **theo.** vs **1350 – 1360 $/mt**,

- **PLUS** **210 $/mt** vs RBD Palmoil for **Oct22** (**Ukrainian Sunoil FOB vs Malaysian RBD Palmoil FOB**) **???**

C) THE LATEST OFFERS FOR TURKEY:

- With strict negotitation, cool **BSEA** Sunoil of **Oct22** delivery was possible with around **1175 $/mt** CIF Marmara/Izmir theoretically.

- Cool **BSEA** Sunoil of **Oct22** delivery offers were also at **1200 - 1225 $/mt** CIF Turkey theoretically.

D) PRICE PROJECTION:

- **TODAY**, most probably **ALMOST FLATTISH** mode is likely by following Soyoil and Palmoil as well as Crude movements.

- **Solid/weaker other vegoils may create some support and/or additional weakness! Please pay attention for weather conditions globally and in BSea!**

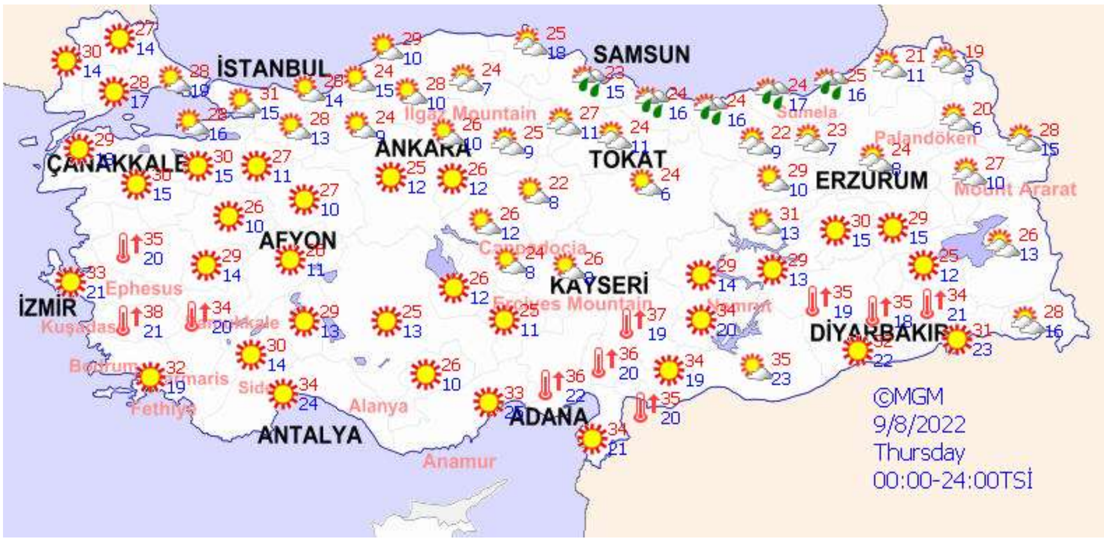
- **For Crude Sunoil**, **1200 +/- 50 $/mt** **CIF TURKEY** prices are more likely for **Oct22 theoretically.**

VEYSEL KAYA/SUNSEEDMAN, www.sunseedman.com, veyselkaya@sunseedman.com

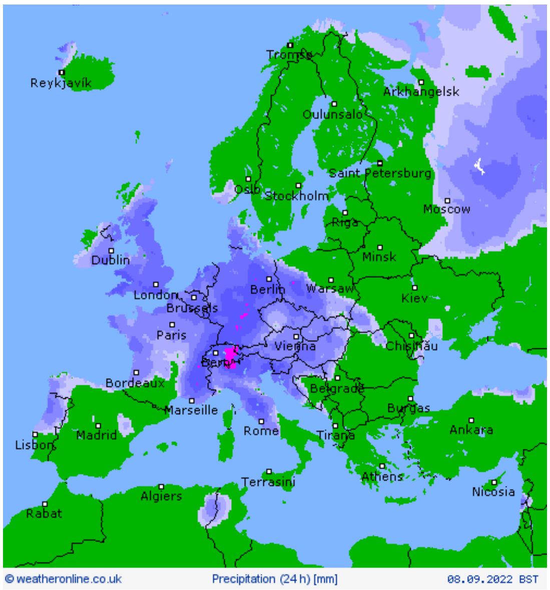
WEATHER FORECAST

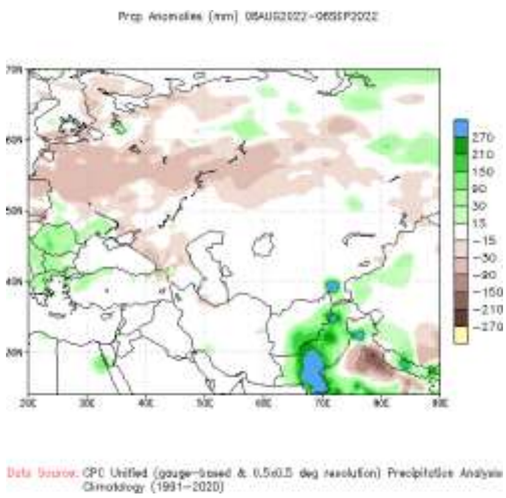
a) In **Thrace**, **by YDAY, some light local short-time rains near Istanbul only.** The highest daytime temperature at **Edirne city centre** was measured **27.5 C** (**the lowest nighttime, 14.0 C**) and will move at **27/34 C** range (at mornings, **12/19 C**) during the next 10 days. **Nil precipitation is likely by TODAY. Farmers are praying for URGENT beneficial rains for summer crops.**

b) **Anatolia** was **fortunately beneficial local rains by YDAY, AND once some local precipitation is likely by TODAY. Farmers are praying for URGENT beneficial rains for summer crops.**



c) **Black Sea** was **fortunately beneficial rainy in parts of the region by YDAY, AND some more beneficial precipitation is likely in parts of the region by TODAY. As you may notice from 1-Month Precipitation Anomaly, MIXED precipitation vs averages.**





SOURCE : WEATHERONLINE (DAILY FORECAST) & NOAA (LAST 1-MONTH PREC. ANOMALY)

OTHER NEWS

- Today, let's **FINALIZE** our **2021/22 season global Sunseed** old-crop forecasts. Moreover, let's also share our latest **2022/23 season global Sunseed** new-crop forecasts.

- Refer to **2021//22 season**, with higher acreages (**with the support of huge price appreciations recently**) and normal weather conditions (**not so much detriemental ones of 2020/21 season**), we now forecast a record **global Sunseed** old-crop size of as higher as **RECORD** **59.5 Mln T.** **However, we had to revise down our earlier forecasts owing to recent drier and hotter conditions.**

- As per our latest forecasts, **2022/23 season global Sunseed** new-crop size might be also favorable with lucrative prices, solid acreages of less fertilizer requirements vs alternatives and normal weather conditions.

- **However, RUSSIAN/UKRAINIAN WAR and the future of UKRAINE as well as plantings/harvestings there are really unknown and confusing.**

- **Ukrainian Sunseed plantings** were around **5 Mln Ha** (**last season, 7.1**) of acreage due to input, equipment and employment shortages.

- However, **Russian Sunseed acreage** was record **11 Mln Ha** (**last season, 9.85**) including currently **occupied fields** in **Ukraine**.

- **Hope n pray all becomes favorable for Ukraine and Russia asap!!!**

- **Argentinian Sunseed** plantings were initiated (**around 20% pace nationally**) at earlier northern fields with promising acreage intentions. Also progressing harvestings already in **BSea**.

- **Turkish Sunseed harvestings** are also underway (**100% Cukurova, 20-25% others**).

- Meanwhile, current drier and hotter weather conditions locally and globally have been jeopardizing the new-crop size. Urgent beneficial rains are strictly needed.

- **We made some downward revisions already for Balkans and EU.**

- For more details in the figures, please find our enclosed **GLOBALSUNSEEDBYSUNSEEDMAN** sheet.

BY TOMORROW, AS ALL FDAYS MOSTLY, IT'S OUR WEEKLY PANORAMA TIME!!!

VEYSEL KAYA/SUNSEEDMAN, www.sunseedman.com, veyselkaya@sunseedman.com