

Large Oilseed Imports in China During 1st QTR MY 1999. Soymeal Imports Slow.

Due to a short-term over supply situation for soybeans and meal, as well as policy uncertainty, the 1998/99 forecast for soybean meal imports was reduced 500,000 tons to 3.9 million tons. The import forecast for soybeans remains unchanged at 3.6 million tons. The rapeseed import forecast for 1998/99 Oct-Sep was increased 100,000 tons to 1.6 million tons. As the chart indicates, the crackdown on vegetable oil smuggling has resulted in a steep increase in oilseed imports during the first quarter of 1999. While some of this increase is seasonal, most of the increase can be attributed to improved crush margins that resulted from the slowdown in unofficial trade.

OIL IMPORT LIMITATIONS HAVE LED TO INCREASE IN SEED IMPORTS OVER MEAL: NEW POLICY WILL LIMIT MEAL IMPORTS FURTHER

