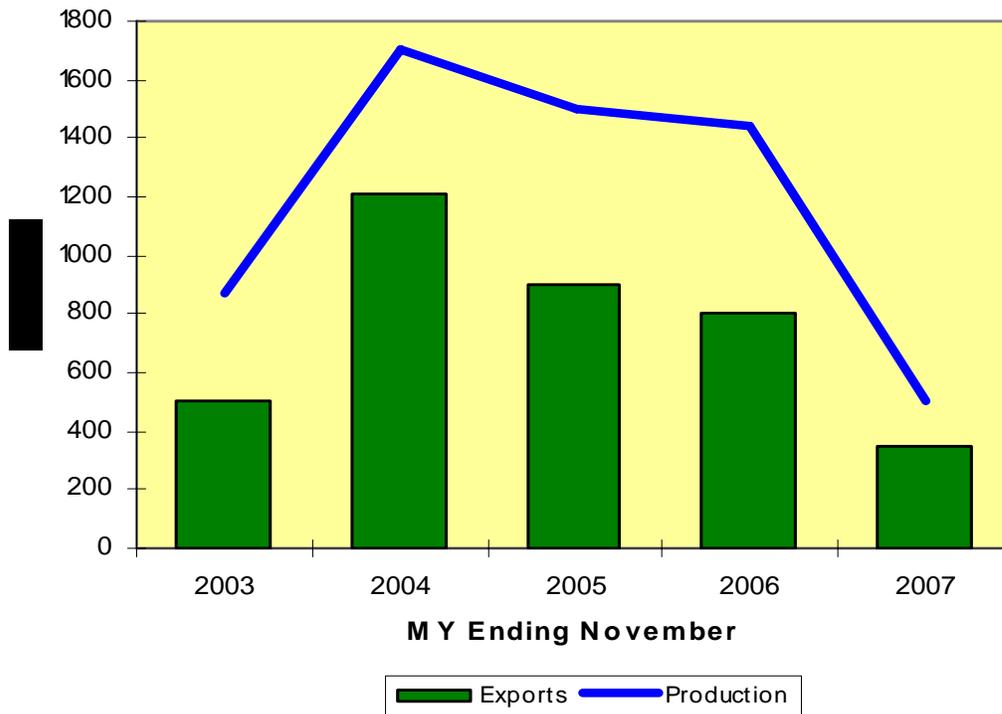




Oilseeds: World Markets and Trade

Drought Forecast to Reduce Australian Rapeseed Exports in 2007



Australia's rapeseed exports are forecast to decline nearly 60 percent to 350,000 tons in 2007. Lower exports are in response to this season's dry weather that has cut production by two-thirds relative to last season. Production in 2007 is forecast to reach 500,000 tons. This would be the smallest crop since 1995 when considerably fewer hectares were planted.

Reduced Australian exports will require traditional markets in Asia to look to Canada for additional rapeseed. Accordingly, Canada's 2006/07 rapeseed export forecast was increased 200,000 tons this month to 5.5 million tons. Tight rapeseed supplies in Australia have also forced the local processor to turn to Canada for additional rapeseed. Currently, imports are forecast to reach 50,000 tons in the coming year. This would be the first imports of rapeseed by Australia since 1983 when 18,000 tons were imported.