



Exploring Opportunities with MPOC

European Region – Update of the EU Potential for Palm Oil
in the Face of Russia – Ukraine Conflict

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Total Size of the Market



Country	Palm Oil Import, MT	Total disappearance, , MT
Russia	1,100,000	4,800,000
Ukraine	225,000	900,000
Belarus	11,000	300,000
Kazakhstan	50,000	500,000
Uzbekistan	70,000	600,000
TOTAL (APPROX)	1,500,000	7,100,000

Market Dynamics - SFO



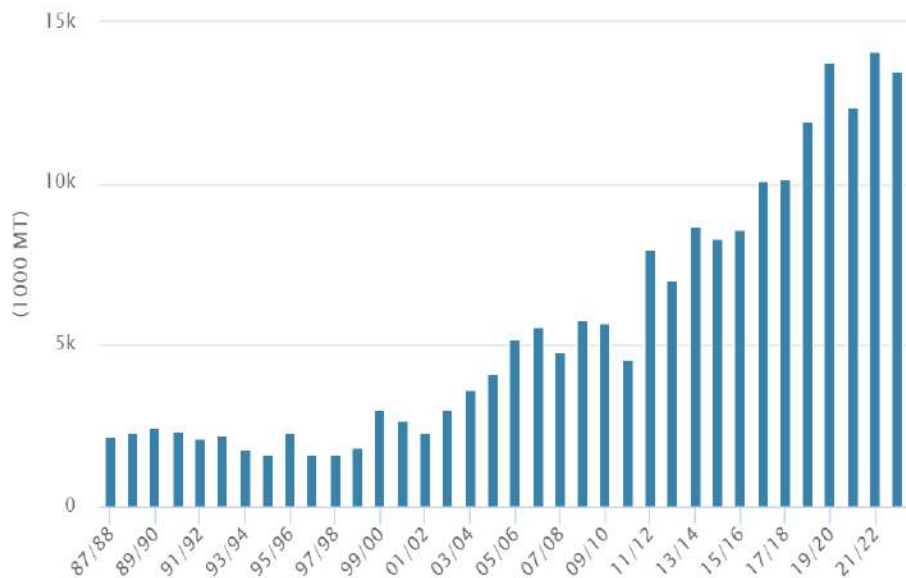
Oilseed, Sunflowerseed Russia as of June 2022							
Attribute	22/23 Jun'22	Change	22/23 May'22	21/22	20/21	19/20	18/19
Area Harvested (1000 HA)	8,700	-	8,700	9,612	8,345	8,363	7,944
Beginning Stocks (1000 MT)	1,118	-	1,118	171	136	228	179
Production (1000 MT)	14,500	-	14,500	15,572	13,269	15,305	12,710
MY Imports (1000 MT)	45	-	45	50	70	56	52
Total Supply (1000 MT)	15,663	-	15,663	15,793	13,475	15,589	12,941
MY Exports (1000 MT)	600	-	600	150	554	1,253	363
Crush (1000 MT)	13,500	-	13,500	14,100	12,400	13,800	11,950
Food Use Dom. Cons. (1000 MT)	200	-	200	200	175	200	200
Feed Waste Dom. Cons. (1000 MT)	225	-	225	225	175	200	200
Total Dom. Cons. (1000 MT)	13,925	-	13,925	14,525	12,750	14,200	12,350
Ending Stocks (1000 MT)	1,138	-	1,138	1,118 ▲	171	136	228
Total Distribution (1000 MT)	15,663	-	15,663	15,793	13,475	15,589	12,941
Yield (MT/HA)	1.67	-	1.67	1.62	1.59	1.83	1.60

Oilseed, Sunflowerseed Ukraine as of June 2022							
Attribute	22/23 Jun'22	Change	22/23 May'22	21/22	20/21	19/20	18/19
Area Harvested (1000 HA)	4,600	-700(-13.21%)	5,300	7,100	7,000	6,400	6,500
Beginning Stocks (1000 MT)	5,401	+850(+18.68%)	4,551	141	58	140	172
Production (1000 MT)	9,500	-1500(-13.64%)	11,000	17,500	14,100	16,500	15,000
MY Imports (1000 MT)	10	-	10	20	24	31	23
Total Supply (1000 MT)	14,911	-650(-4.18%)	15,561	17,661	14,182	16,671	15,195
MY Exports (1000 MT)	750	-	750	1,000	191	53	105
Crush (1000 MT)	9,500	-250(-2.56%)	9,750	10,500	13,750	16,425	14,800
Food Use Dom. Cons. (1000 MT)	50	-	50	50	50	50	50
Feed Waste Dom. Cons. (1000 MT)	550	-	550	710	50	85	100
Total Dom. Cons. (1000 MT)	10,100	-250(-2.42%)	10,350	11,260	13,850	16,560	14,950
Ending Stocks (1000 MT)	4,061	-400(-8.97%)	4,461	5,401 ▲	141	58	140
Total Distribution (1000 MT)	14,911	-650(-4.18%)	15,561	17,661	14,182	16,671	15,195
Yield (MT/HA)	2.07	(-.48%)	2.08	2.46	2.01	2.58	2.31

Market Dynamics - SFO

Oilseed, Sunflowerseed.Russia.Crush for all Years.

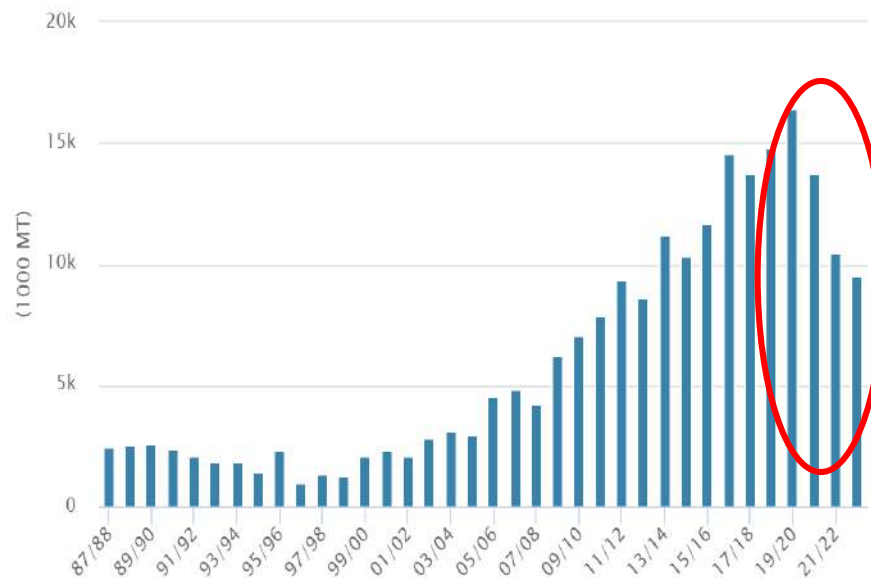
Forecast Data reported on: 6/2022



Source: FAS/USDA

Oilseed, Sunflowerseed.Ukraine.Crush for all Years.

Forecast Data reported on: 6/2022



Source: FAS/USDA



Market Dynamics – Palm Oil

- Sharp drop in both countries Russia and Ukraine;
- Ukraine's in demand for palm oil.
- Russia switched (reportedly?) to sunflower recipes - high stocks, low domestic price;
- Quality at doubt - ignore trans-fats;
- Logistic disruptions in both countries;

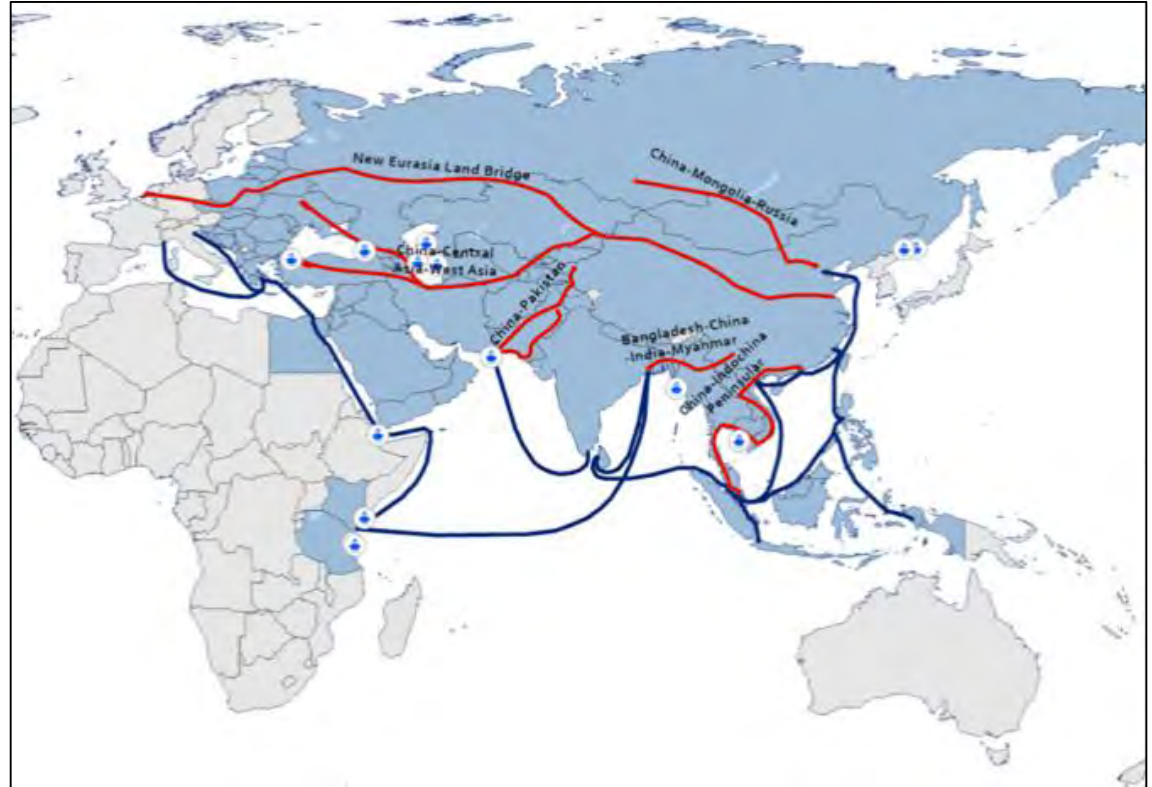
Oil, Palm Russia as of June 2022							
Attribute	22/23 Jun'22	Change	22/23 May'22	21/22	20/21	19/20	18/19
Area Harvested (1000 HA)	0	-	0	0	0	0	0
Beginning Stocks (1000 MT)	327	-	327	357	339	349	169
Production (1000 MT)	0	-	0	0	0	0	0
MY Imports (1000 MT)	950	-	950	950	▼ 1,078	1,053	1,098
Total Supply (1000 MT)	1,277	-	1,277	1,307	1,417	1,402	1,267
MY Exports (1000 MT)	15	-	15	15	15	13	18
Industrial Dom. Cons. (1000 MT)	215	-	215	215	210	200	190
Food Use Dom. Cons. (1000 MT)	725	-	725	750	835	850	710
Feed Waste Dom. Cons. (1000 MT)	0	-	0	0	0	0	0
Total Dom. Cons. (1000 MT)	940	-	940	965	1,045	1,050	900
Ending Stocks (1000 MT)	322	-	322	327	357	339	349
Total Distribution (1000 MT)	1,277	-	1,277	1,307	1,417	1,402	1,267
Yield (MT/HA)	0	-	0	0	0	0	0

Oil, Palm Ukraine as of June 2022							
Attribute	22/23 Jun'22	Change	22/23 May'22	21/22	20/21	19/20	18/19
Area Harvested (1000 HA)	0	-	0	0	0	0	0
Beginning Stocks (1000 MT)	25	-	25	46	27	31	33
Production (1000 MT)	0	-	0	0	0	0	0
MY Imports (1000 MT)	125	-	125	125	▼ 246	212	214
Total Supply (1000 MT)	150	-	150	171	273	243	247
MY Exports (1000 MT)	1	-	1	1	2	1	6
Industrial Dom. Cons. (1000 MT)	5	-	5	5	5	5	5
Food Use Dom. Cons. (1000 MT)	125	-	125	140	220	210	205
Feed Waste Dom. Cons. (1000 MT)	0	-	0	0	0	0	0
Total Dom. Cons. (1000 MT)	130	-	130	145	225	215	210
Ending Stocks (1000 MT)	19	-	19	25	46	27	31
Total Distribution (1000 MT)	150	-	150	171	273	243	247
Yield (MT/HA)	0	-	0	0	0	0	0

Potentials and opportunities

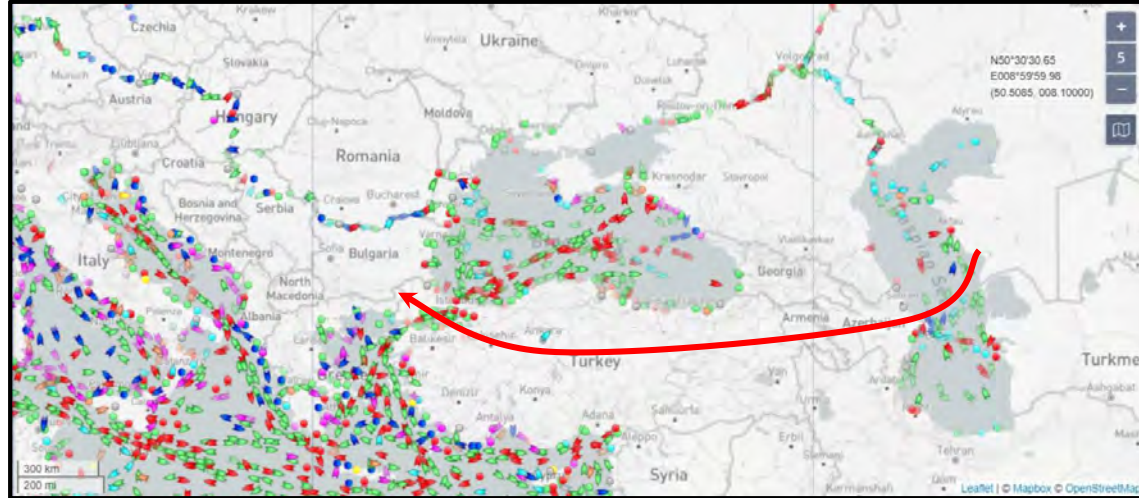


- Sanctions against Russia Forced China to Reconsider Logistics Routes
- The Kazakhstan route to Europe has a southern branch to the Caspian seaport of Aktau. 470 km From Aktau is Azerbaijan port of Baku. From there, TEUs connect with rail links across the Caucasus, through Georgia. There is a rail link to Turkey's national rail network.
- From Georgia, it is easy to get by rail to the Azerbaijani port of Baku and further to the port of Aktau, from where you can get to China.
- From there you can get to the Iranian port of Anzali, connecting to the Iranian railway network further to the ports of Chabahar or Bandar Abbas. This gives maritime access to India, to the Persian Gulf, and also to East Africa.

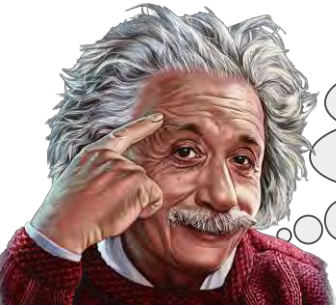


Potentials and opportunities

- Setting up a HUB in CAR;
- Securing Financial flows;
- Providing high Quality;
- High demand for veg.oils in Uzbekistan;
- Slowing down transit in China...



Source: Marine Traffic



"In the middle of every difficulty lies opportunity."

Albert Einstein

Potential for collaborations with Malaysian industry players

Markets of Russia and Ukraine are in big trouble. Out of 20 major international container lines that were present on the Russian market, 14 (70% of the cargo turnover) have left. Ukraine's seaports remain blocked.

- Central Asia is a highly potential market for palm oil.
- Uzbekistan imposed 0 import duty on palm oil till the end of 2022.
- Kazakhstan seaport Aktau is an important point on the way to Europe.
- Creation of a HUB in CAR is your golden key to unlock this door.



Conclusions

The Malaysian Palm Oil Council is well aware of the situation in the region and is always ready to provide support to companies wishing to enter the market with their products.

The situation differs significantly in different parts of the region. Everywhere there are opportunities to promote their products.

Money doesn't grow on trees - It's an easy walk for those who trade on FOB asking 100% down payment. For the rest we are welcome at MPOC Moscow.



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