

# Bi-weekly Bulletin

March 31, 2000

Vol. 13 No. 6

## VEGETABLE OIL: SITUATION AND OUTLOOK

**For 1999-2000, world vegetable oil prices are expected to average significantly lower than 1998-1999. This is due to a significant increase in palm oil production and, to a lesser extent, increased rapeseed/canola oil production. In addition, the market has been pressured by a major decrease in US soybean exports which was partly related to China's policy to import seed to maintain a high rate of domestic crush rather than importing vegetable oil. For 2000-2001, vegetable oil prices are expected to remain weak as increased carry-in stocks, combined with higher production, offset the continued increase in world demand. The medium-term outlook for vegetable oil consumption and production looks bright, but major structural changes are anticipated within the industry. This issue of the *Bi-weekly Bulletin* examines the situation and outlook for vegetable oil.**

The vegetable oil market is strongly correlated to the protein meal market as both are largely co-products resulting from the processing of oilseeds. Supply and demand conditions in one market affect the other (see *Bi-weekly Bulletin, Volume 12, No. 11, Protein Meal: Situation and Outlook*).

For 1999-2000, world **production** of edible oil is estimated at 86.4 million tonnes (Mt), consisting of 85.2 Mt of vegetable oil and 1.2 Mt of marine oil. The percentage distribution of vegetable oil production by type is as follows: soybean (28), palm (25), rapeseed/canola (16), and sunflowerseed (11). The remainder consists of cottonseed oil, peanut oil, coconut oil, olive oil, palm kernel oil, and flaxseed oil.

The production of vegetable oil is forecast to increase by about 5% for 1999-2000, largely due to the increased production of rapeseed/canola and palm oils. Production of rapeseed/canola oil is expected to increase significantly, due partly to higher rapeseed/canola

output in Canada, the EU, Eastern Europe, and Australia which in turn pressured the prices of the raw seed. Meanwhile, strong demand for edible oil resulted in the increased crushing of rapeseed/canola in the EU, China, and India. Similarly, production of palm oil increased sharply in 1999 due to a return to near normal yields.

**Consumption** of vegetable oil is expected to increase by about 5% to 84.9 Mt due to the sharp increase in the usage of palm and canola oil at the expense of soybean. World usage of palm oil is expected to rise by about 12% with most of the increase in consumption occurring in India, the EU, Malaysia and Indonesia. By comparison, the majority of the expected 14% increase in rapeseed/canola oil consumption occurs in China, India, the EU and Japan as those countries take advantage of increased disposable income and lower prices. Consumption of soybean is expected to decline by about 1.5% , however, due to a decrease in usage within China, India, Pakistan, and the Former Soviet Union.

World **trade** in vegetable oil is expected to increase marginally, largely due to the expansion of trade in palm oil which offsets a decline in exports of soybean. Exports of palm oil have increased with the largest rise in imports occurring in India, China, and the EU.

**Carry-out stocks** of vegetable oil are expected to increase by about 8% in 1999-2000 with the largest buildup in stocks occurring in palm oil in Malaysia. Carry-out stocks of rapeseed/canola oil is expected to increase by almost 20%.

### SOYBEAN

World soybean production is forecast by the USDA to decrease marginally for 1999-2000 partly due to the reduction in raw soybean supplies which is offsetting support from stable crush margins. Consumption of soybean is expected to decline due to competition from palm oil and rapeseed/canola oil. Exports of soybean are expected to decline while carry-out stocks are forecast to remain unchanged from 1998-1999. World trade in soybean has decreased largely as the result of the decline in exports from the US and



Brazil and to a smaller degree, the EU. Exports of soyoil from Argentina are expected to remain stable. The largest decline in soyoil imports is expected to occur in China, and India, which is partly offset by a slight increase in Latin American imports.

In the **US**, supplies of soyoil are expected to rise due to the aggressive crush pace by US processors as they crush for the relatively strong protein meal market. This has pressured world soyoil prices and increased US supplies to burdensome levels, which in turn, pressures the prices of palmoil and rapeseed oil. However, US crush volumes declined during the first quarter of 2000 as processors shut

down plants due to low profits. Because of the increase in world production, US exports of soyoil are expected to decline by 30% due to increased competition from palm oil supplies and China's switch to importing seed rather than vegetable oil. Lower shipments to China, Hong Kong, and the Republic of Korea have partly offset an increase in exports to Mexico.

Domestic consumption of soyoil is projected to increase by 0.16 Mt as the increase in supplies and lower prices stimulate consumption. Carry-out stocks are

expected to increase by 40%, to 0.97 Mt, a burdensomely high level, while the US season average price is forecast to decrease to US\$0.155 a pound (/lb) versus US\$0.199/lb for 1998-1999.

In **Brazil**, production of soyoil in 1999-2000 is expected to decrease marginally, while exports of soybeans

### VEGETABLE OIL: TRADE \*

	1996	1997	1998	1999
	-1997	-1998	-1999	-2000
.....million tonnes.....				
<b>SOYOIL</b>				
Major Exporters				
Argentina	1.79	2.10	3.08	3.12
European Union	0.62	0.63	0.66	0.68
Brazil	1.29	1.18	1.50	1.30
United States	0.92	1.40	1.08	0.70
Major Importers				
China	1.67	1.65	0.95	0.75
European Union	0.56	0.53	0.58	0.55
<b>RAPESEED/CANOLA OIL</b>				
Major Exporters				
European Union	0.61	0.77	0.71	0.75
Canada	0.66	0.84	0.79	0.76
Major Importers				
India	0.03	0.07	0.23	0.35
China	0.37	0.44	0.21	0.10
United States	0.50	0.50	0.50	0.55
<b>PALMOIL</b>				
Major Exporters				
Malaysia	6.90	7.50	8.10	8.90
Indonesia	2.08	2.36	3.00	3.00
Major Importers				
European Union	1.96	2.03	2.07	2.22
China	1.85	1.49	1.42	1.65
Pakistan	1.02	1.21	1.05	1.09
India	1.40	1.68	2.68	3.16

\* Selected countries

Source: FAS, USDA, Oil World, AAFC

### WORLD: OILSEED AND VEGETABLE OIL SUPPLY AND DISPOSITION

	1998	1999	2000
	-1999	-2000	-2001f
.....million tonnes.....			
<b>OILSEEDS</b>			
<b>PRODUCTION</b>			
Soybeans	159.0	153.5	158.0
Rapeseed/Canola	35.9	42.6	40.0
Other <sup>1</sup>	<u>100.7</u>	<u>102.6</u>	<u>99.0</u>
<b>Total</b>	<b>295.6</b>	<b>298.7</b>	<b>297.0</b>
<b>CRUSH</b>			
Soybeans	134.0	134.3	136.0
Rapeseed/Canola	32.5	37.4	37.0
Other <sup>1</sup>	<u>74.5</u>	<u>76.6</u>	<u>76.0</u>
<b>Total</b>	<b>241.0</b>	<b>248.3</b>	<b>249.0</b>
<b>VEGETABLE OILS</b>			
<b>PRODUCTION</b>			
Soyoil	24.3	24.2	24.5
Palmoil	19.3	21.0	21.7
Rapeseed/Canola oil	12.1	13.8	13.7
Other <sup>2</sup>	<u>26.8</u>	<u>27.4</u>	<u>27.0</u>
<b>Total</b>	<b>82.5</b>	<b>86.4</b>	<b>86.9</b>
<b>TRADE</b>			
Soyoil	7.9	7.3	7.5
Palmoil	12.5	13.4	13.5
Rapeseed/Canola oil	2.8	2.7	2.5
Other <sup>2</sup>	<u>8.6</u>	<u>8.7</u>	<u>8.5</u>
<b>Total</b>	<b>31.8</b>	<b>32.1</b>	<b>32.0</b>
<b>CARRY-OUT STOCKS</b>			
Soyoil	2.3	2.3	2.3
Palmoil	2.5	3.0	3.0
Rapeseed/Canola oil	0.6	0.7	0.5
Other <sup>2</sup>	<u>2.5</u>	<u>2.5</u>	<u>2.2</u>
<b>Total</b>	<b>7.9</b>	<b>8.5</b>	<b>8.0</b>

f: AAFC forecast, March 2000

<sup>1</sup> Includes cottonseed, sunflowerseed, peanut, copra, palm kernel, flaxseed and marine oils.

<sup>2</sup> Includes cottonseed, sunflowerseed, peanut, coconut, flaxseed, and palm kernel oils.

Source: USDA

rise, largely as a result of the removal of export taxes on soybean products, which occurred in 1996. Before 1996, soybeans had a higher export tax than meal or oil. It has switched from being a major exporter of soybean products to a major exporter of raw soybeans. For Brazil, supplies of soyoil are expected to decrease by 3% to 4.2 Mt, due to lower carry-in stocks and the marginal decrease in production to 3.9 Mt. Exports of soyoil are expected to decline to 1.3 Mt from 1.5 Mt for 1998-1999.

By contrast, in **Argentina** the tax system penalizes the export of unprocessed beans but gives a rebate to exporters of meal and oil. As a result, exports of soyoil have doubled since 1995-1996, while exports of soybeans are expected to make up less than 20% of total production for 1999-2000. The increase in soyoil exports has also been facilitated by the increase in crushing capacity and by the fact that most of the soybeans are grown within a relatively short distance from its ports, be it the Paraná River or along the coast. Most of the new capacity operates at a far lower cost than the older and smaller-scale mills in Brazil, which are also not as well placed geographically. In Argentina, supplies of soyoil are forecast to increase marginally to 3.5 Mt for 1999-2000 as a slight increase in production, to 3.2 Mt, offsets a slight decline in carry-in stocks. Exports are forecast to increase marginally from 1998-1999 to 3.1 Mt for 1999-2000, versus 2.1 Mt for 1997-1998.

## PALMOIL

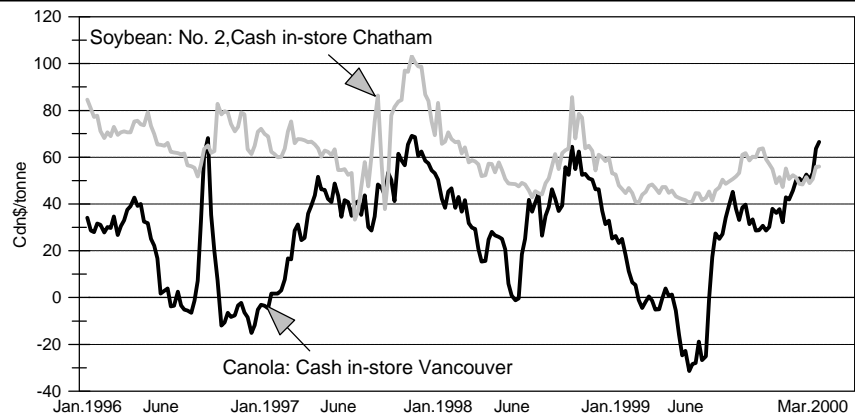
Investors in palm tree plantations face numerous risks, including time, weather, politics, exchange rate risk, technology risk and environmental risk. It takes a minimum of three years between clearing the land and first harvest, with breakeven not

occurring until year 7 or 8, longer than the typical loan period in Asia. A typical plantation is expected to last 25 years. Trees are vulnerable to drought and other vagaries of weather. Turmoil in some regions has resulted in some borrowers defaulting on loans and has caused concerns among other shareholders. While palmoil exports are generally in US dollars, which has

alleviated the impact of the financial crisis, some operators have been affected by export restrictions.

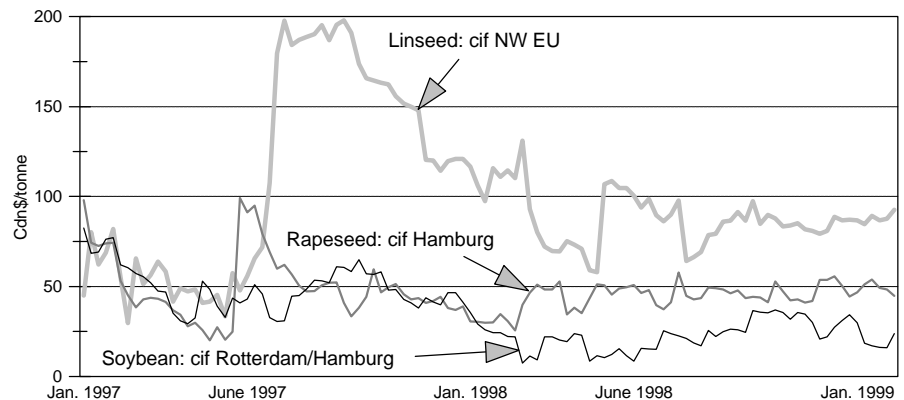
Malaysia and Indonesia account for about 75% of palmoil world production which is estimated at 21 Mt for 1999-2000 versus 19.3 Mt for 1998-1999. Supplies of palmoil are forecast to increase by 13% due to significantly

### CANADA : CANOLA AND SOYBEANS CRUSH MARGINS



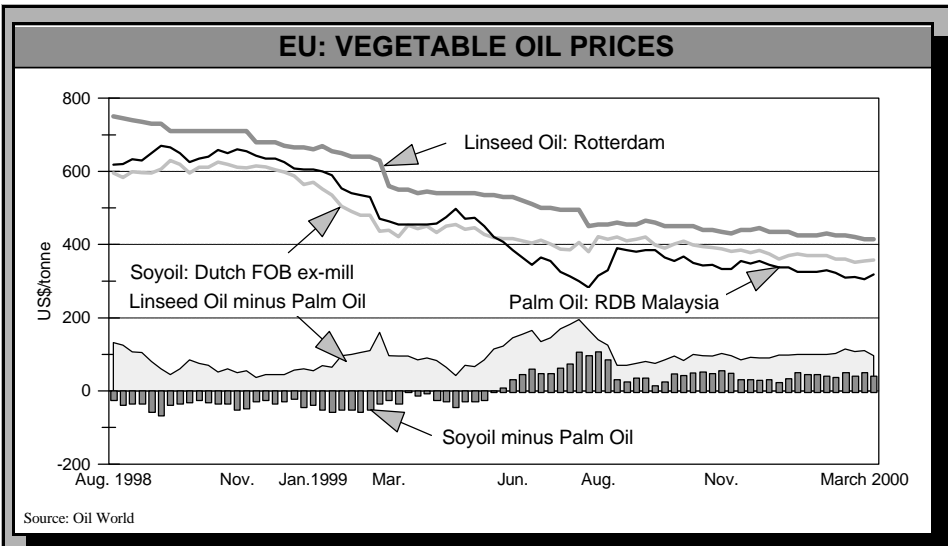
Source: Chicago Board of Trade, Winnipeg Commodity Exchange, Ontario Soybean Growers

### EU: OILSEED CRUSH MARGINS



Source : Oil World

Crush margins for Canada have been quite variable compared to the EU. Canola crush margins have varied by about \$80/t from high to low during 1999-2000 while in the EU, the crush margins for canola have been remained steady at around \$50/t. The lower crush margins in Canada reflects lower world vegetable oil prices, as reflected by the Chicago Board of Trade soyoil contract. Canola crush margins in Canada have been at a discount to soybeans for most of 1999-2000, due to weak vegetable oil prices relative to protein meal, while in the EU, the soybean crush margin has been at a discount to canola for almost two years. The EU linseed crush margin increased significantly during 1997 due to the concurrent slide in Canadian flaxseed prices from \$380/t in March of 1997 to \$309/t by July 25 of the same year.



Palmoil prices declined by about 50% from September 1999 to March 2000, switching to a discount from a premium vis-à-vis soyoil in May 1999 due to the unexpectedly high rebound in yields of Malaysian palm trees. Linoil continues to enjoy an approximate \$100/t premium over palmoil due to its specialized use in paints and upscale toilette products. Prices of rapeseed/canola oil follow soyoil closely and are not displayed due to the overlap between the two.

higher carry-in stocks which supplement the rise in production. Consumption of palmoil is also expected to rise sharply, due in part to

the increase in available supplies, decrease in prices, and improved financial outlook in some importing countries. As a result, trade in palmoil is expected to rise by 7%. However, carry-out stocks are projected to rise by 20% to 3.0 Mt as the sharp rise in supplies exceed the growth in consumption, and the stocks-to-use-ratio increases to 15% versus 14% for 1998-1999.

For **Malaysia**, production of palmoil increased by 27% to 10.6 Mt for 1999-2000, as yields increased to 3.87 tonnes per hectare (t/ha) from 3.27 t/ha in 1998-1999 due to better moisture conditions. For 1999, exports of palmoil rose by almost 10% from the previous calendar year with India, the EU and Pakistan being the largest importers. Carry-out stocks are projected to increase by 25% for 1999-2000 as production outstrips demand.

In **Indonesia**, the production of palmoil increased by 0.6 Mt, as the mature area of palm trees rose by 12% and was complemented by higher yields. As a result, total supplies of palmoil are expected to rise by 12% as the increase in production supplements a major rise in carry-in stocks. Exports of palmoil are expected to remain unchanged. Carry-out stocks are expected to increase significantly for 1999-2000.

**RAPSEED/CANOLA OIL**

**World** production of rapeseed/canola oil is projected to rise by 14% in 1999-2000 (October-September) due to increased crush in China, the EU and India. Total supplies of rapeseed/canola oil are expected to rise by 12%, to 14.4 Mt, as an increase in carry-in stocks supplements the rise in production. Total disappearance is expected to rise to 13.5 Mt for 1999-2000, from 11.9 Mt the previous year. Exports of rapeseed/canola oil are expected to fall slightly to

2.7 Mt, due to an increase in crushing in the consuming countries, and lower shipments from Canada. Carry-out stocks are forecast to increase slightly. In 1998-1999, **China** restricted imports of vegetable oil by enforcing the tariffs on soy and canola oils, limiting the amount of import licenses issued and by cracking down on the smuggling of vegetable oils in an apparent attempt to support its domestic crushing industry. The result was a sharp decrease in the imports of rapeseed/canola oil from around 0.4 Mt in 1997-1998 to about 0.1 Mt expected for 1999-2000, while imports of rapeseed/canola seed rose to an estimated 3.2 Mt from 0.3 Mt in 1998-1999. Imports of raw oilseeds were supported by relatively low tariffs. For 1999-2000, the crushing of rapeseed/canola in China is forecast to increase by 30% to 12.5 Mt, resulting in canola oil output rising to 4.4 Mt, versus 3.6 Mt the previous year.

**EU** production of rapeseed/canola oil is forecast to increase by 8% to 3.8 Mt for 1999-2000 as a result of stable crush margins. Supplies are expected to rise to 4.1 Mt versus 3.8 Mt in 1998-1999 as the higher production is supplemented by an increase in carry-in stocks. Domestic usage of rapeseed/canola oil is forecast to rise

<b>CANADA: CANOLA OIL EXPORTS BY COUNTRY OF DESTINATION</b>				
	1996	1997	1998	1999
	-1997	-1998	-1999	-2000f
.....thousand tonnes.....				
United States	424.4	418.9	408.6	580.0
Hong Kong	85.7	156.1	85.2	70.0
South Korea	40.0	101.9	101.0	30.0
India	5.6	14.6	20.1	20.0
Japan	24.3	31.4	7.9	10.0
China	42.5	71.2	63.6	10.0
Malaysia	0.0	0.0	39.8	10.0
Other	18.7	45.0	63.8	25.0
<b>Total</b>	<b>641.2</b>	<b>839.1</b>	<b>790.0</b>	<b>755.0</b>

f: AAFC forecast, March 2000  
Source: Statistics Canada

by 7% to 2.9 Mt largely due to the expansion in the industrial use of canola oil, especially biodiesel. Exports of rapeseed/canola oil are forecast to rise by almost 6% to 0.75 Mt.

In **India**, production of rapeseed/canola oil is expected to rise by 14% to 1.8 Mt due to higher domestic crush resulting from the 16% increase in rapeseed production combined with a sharp decrease in the output of peanuts (groundnuts) and soybeans.

In **Canada**, due to burdensome supplies of edible oils on the world market, the pace of canola crush was slower than warranted by the crush margins. Production and supply of canola oil in Canada are expected to decrease slightly.

Canola crush volumes are expected to increase in the second half of 1999-2000 as a reduction in export demand for canola, lower prices, and large supplies of canola increase the profitability of crushing canola. Canola oil exports are expected to decrease by 4%, as lower exports into Asian countries more than offset higher shipments to the US.

Due to the strong demand for protein meals, crushing of soybeans in Canada is expected to increase to a record 1.8 Mt for 1999-2000 causing production of soyoil to increase by about 17%. Domestic consumption is expected to increase slightly, while exports increase significantly.

#### OUTLOOK: 2000-2001

**World** output of vegetable oil is expected to increase due to the higher output of soyoil and palmoil which more than offsets a lower production of rapeseed/canola oil. The supplies of edible oil is expected to rise due to a 5% increase in carry-

in stocks, in addition to higher production. Consumption of vegetable oil is forecast to increase at the trend rate of 4%, to 88-89 Mt, due to strong global economic growth, combined with higher disposable incomes. Because of the modest increase in production and relatively strong rise in usage, carry-out stocks are forecast to decline to 8.0 Mt which will support the price of vegetable oil.

**US soyoil** production is forecast by the USDA to increase by 3% to 18.5 Mt due to an increase in soybean crushing to satisfy the strong demand for protein meal. Supplies of soyoil are expected to rise as increased carry-in stocks supplement the rise in production.

Exports of soyoil are forecast to increase partly in response to the stronger Asian economy. Domestic consumption is forecast to rise by 2%, to around 7.4 Mt. As a result, carry-out stocks of soyoil are expected to rise by 10% to about 1.1 Mt, while the price of soyoil is forecast to decline to US\$0.15/lb. This is expected to continue pressuring worldwide vegetable oil prices.

**South American** soybean production is forecast to decrease slightly in 2000-2001 in response to lower world soybean prices, which will

decrease crush. Production of soyoil is expected to decline by 0.25-0.5 Mt to about 3.5-3.75 Mt. Domestic consumption is forecast to remain steady, resulting in a 0.25 to 0.5 Mt drop in exports of soyoil. Carry-out stocks of soyoil are expected to remain unchanged at around 0.7 Mt.

**World palmoil** production is forecast to rise to 21.7 Mt for 2000-2001 from 21.0 Mt the previous year, with the largest increase projected to occur in **Indonesia** where palmoil production is

### CANADA: CANOLA OIL AND SOYOIL SUPPLY AND DISPOSITION

<i>Crop Year (August-July)</i>	<b>1997 -1998</b>	<b>1998 -1999</b>	<b>1999 -2000f</b>	<b>2000 -2001f</b>
	.....thousand tonnes.....			
<b>CANOLA OIL</b>				
Carry-in Stocks <sup>11</sup>	22	23	20	20
Production <sup>12</sup>	1,364	1,283	1,260	1,350
Imports <sup>13</sup>	76	14	10	10
<b>Total Supply</b>	<b>1,462</b>	<b>1,320</b>	<b>1,290</b>	<b>1,380</b>
Exports <sup>13</sup>	839	790	755	835
Domestic Use <sup>14</sup>	600	510	515	525
<b>Total Use</b>	<b>1,439</b>	<b>1,300</b>	<b>1,270</b>	<b>1,360</b>
Carry-Out Stocks	23	20	20	20
<b>SOYOIL</b>				
Carry-in Stocks <sup>11</sup>	5	5	5	5
Production <sup>12a</sup>	264	277	324	325
Imports <sup>13</sup>	44	13	30	30
<b>Total Supply</b>	<b>313</b>	<b>295</b>	<b>359</b>	<b>360</b>
Exports <sup>13</sup>	31	32	75	75
Domestic Use <sup>14</sup>	277	258	279	280
<b>Total Use</b>	<b>308</b>	<b>290</b>	<b>354</b>	<b>355</b>
Carry-Out Stocks	5	5	5	5

f: AAFC forecast, March 2000

<sup>11</sup> Carry-in and carry-out stocks are estimated including many assumptions.

<sup>12</sup> For 1999-2000, Conversion factors: canola oil = 0.422 x canola crush; canola meal = 0.62 x canola seed

<sup>12a</sup> For 1999-2000, Conversion factors: soyoil = 0.18 x soybean crush; soybean meal = 0.82x soybean seed

<sup>13</sup> 1998-1999 based on Canadian Oilseeds Processors Data minus hydrogenated oil. Exports and imports of canola and soyoil include crude and refined oil, but exclude hydrogenated oil and processed products (margarine, salad oil and shortening).

<sup>14</sup> Domestic use=Total Supply minus Exports minus Carry-out Stocks. Domestic use includes exports of processed products.

Source: Statistics Canada, "Cereals and Oilseeds Review", Cat. No.22-007, Canadian Oilseeds Processors Association

projected to rise by 0.4 Mt to 6.8 Mt. **Malaysian** palmoil production is forecast to remain unchanged at 10.6 Mt. Assuming a 4% rise in palmoil consumption, world usage of palmoil is forecast to rise by about 1.2 Mt. As a result, carry-out stocks of palmoil are forecast to remain unchanged for 2000-2001, easing the pressure on world vegetable oil prices.

**World rapeseed/canola production** is expected to decline by about 5-10% for 2000-2001. Supplies of canola are forecast to decline only slightly, however, due to the large volume of carry-in stocks. The volume of crush and the production of rapeseed/canola oil are forecast to decrease slightly despite an increase in processing in China and India.

**World rapeseed/canola oil consumption** is forecast to rise by 4-5% to 14.7-14.9 Mt, in line with the increase in consumption of other vegetable oils. **Carry-out stocks** of rapeseed/canola oil are forecast to decline by 0.2 Mt for 2000-2001, in line with the projected decrease in carry-out stocks of palm oils.

**Chinese** demand for vegetable oil is forecast to remain strong for 2000-2001, resulting in an increased crushing of canola to around 12.5-13.5 Mt. **Indian** production of rapeseed/canola oil is forecast to remain steady at about 1.8-1.9 Mt, but strong domestic demand for vegetable oil, combined with possible low domestic supplies, is forecast to increase palmoil imports to 3.2-3.5 Mt for 2000-2001. **EU** production of rapeseed/canola oil is projected to rise by about 0.5 Mt, to around 9.5 Mt, due to stable crush margins in the Cdn\$50 per tonne (/t) range and excess crush capacity.

In **Canada**, crushing of canola is forecast to rise by 7% to 3.2 Mt for 2000-2001 due to large available

supplies of canola, stronger crush margins, and improved demand for vegetable oil.

#### MEDIUM-TERM OUTLOOK: 2000-2005

Over the medium-term, world production and consumption of vegetable oils are projected by *Oil World* to increase to about 140 Mt due largely to the continued rise in per capita disposable incomes and a demand for improved diets.

Palmoil is forecast to become the dominant vegetable oil by around 2020 by *Oil World*, as palm tree plantations expand into South America, Africa, and South-East Asia. Barring a return to more profitable prices, it will be difficult to maintain the area currently devoted to oilseeds in developed countries without the support of continued farm programs. Area seeded to soybeans in the US and rapeseed/canola in the EU are above levels justified by current market prices. However, given the strong growth in demand, prices for edible oils are expected to rise over the medium-term and, perhaps by as early as the latter half of 2000-2001.

**For more information please contact:**  
**Chris Beckman,**  
**Oilseeds Analyst**  
**Phone: (204) 984-4929**  
**E-mail: beckmac@em.agr.ca**

## PALMOIL: SUPPLY AND DISPOSITION

	1997 -1998	1998 -1999	1999 -2000f	2000 -2001f
.....million tonnes.....				
<b>WORLD</b> <sup>11</sup>				
Carry-in Stocks	1.9	1.6	2.5	3.0
Production	17.0	19.3	21.0	21.7
<b>Total Supply</b>	<b>18.9</b>	<b>20.9</b>	<b>23.5</b>	<b>24.7</b>
Consumption	17.3	18.4	20.5	21.7
Trade	11.1	12.5	13.4	13.5
<b>Carry-Out Stocks</b>	<b>1.6</b>	<b>2.5</b>	<b>3.0</b>	<b>3.0</b>
<b>MALAYSIA</b> <sup>11</sup>				
Carry-in Stocks	0.9	0.7	1.2	1.5
Production	8.6	9.8	10.6	10.6
<b>Total Supply</b>	<b>9.5</b>	<b>10.5</b>	<b>11.8</b>	<b>12.1</b>
Consumption	1.3	1.2	1.4	1.5
Exports	7.5	8.1	8.9	9.1
<b>Carry-Out Stocks</b>	<b>0.7</b>	<b>1.2</b>	<b>1.5</b>	<b>1.5</b>
<b>INDONESIA</b> <sup>12</sup>				
Carry-in Stocks	0.2	0.2	0.3	0.6
Production	5.0	5.8	6.4	6.8
<b>Total Supply</b>	<b>5.2</b>	<b>6.0</b>	<b>6.7</b>	<b>7.4</b>
Consumption	2.6	2.7	3.1	3.1
Exports	2.4	3.0	3.0	3.5
<b>Carry-Out Stocks</b>	<b>0.2</b>	<b>0.3</b>	<b>0.6</b>	<b>0.8</b>

f: AAFC forecast, March 2000

<sup>11</sup> crop year

<sup>12</sup> calendar years: 1997, 1998, 1999, and 2000 respectively.

Source: USDA (FAS/ERS)

#### Market Analysis Division Website:

<http://www.agr.ca/policy/winn/biweekly/index.htm>

The Bi-weekly Bulletin is published by the  
**Market Analysis Division,**  
**Policy Branch,**  
**Adaptation and Grain Policy Directorate,**  
**Agriculture and Agri-Food Canada,**  
**500-303 Main Street**  
**Winnipeg, Manitoba R3C 3G7**  
**Telephone: (204) 983-8473**  
**Fax: (204) 983-5524**

Director: Maggie Liu  
Chief: Fred Oleson

Information and articles in this newsletter  
may be reproduced with credit.

*Aussi disponible en français.*