Vegetable oils shipments abroad in 2017

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Note 1: Vegetable oils' shipments abroad from Argentina fell by 4.7% in 2017, compared to the previous year. They went from 6.17 million tons in 2016 to 5.88 million.

In 2017, shipments of vegetable oils abroad, from the entire national port complex, accumulated 5,879,409 tons. This amount implies a fall with respect to the previous year of 292,515 tons, but staying above the records of 2014 and 2015. The figures reported in this note compute the following oils: soybean (from Argentine, Paraguayan and Bolivian origin), sunflower and cotton.

These records are still far from the one reached in 2007. In that year, vegetable oils were shipped abroad for a total of 7.59 million tons, an amount that exceeds by 2 million tons the average of the shipments of the last 5 years. However, it should be mentioned that in that period, the large biodiesel factories in Argentina were just being installed, which today demand significant amounts of vegetable oils for conversion into biofuels. This product is currently exported by our country, at the same time that part of what is produced is used internally by the local automotive fleet and agricultural machinery. If this structural change is taken into account in the national productive framework and its impact on the markets, the volumes of vegetable oils shipped from recent years abroad -including 2017- can be considered as a great performance.

The slight drop observed in oil shipments, which is also replicated in the case of by-products, can be explained by several factors. The largest export of grains, where the quantity sent abroad grew in 2017 with respect to 2016 (it went from 47.8 Mt in 2016 to 48.2 Mt). The lower soybean and sunflower industrialization compared to 2016, due to the low gross processing margins that the local industry had (in 2017, 41.7 Mt of soybeans were processed against 44.4 Mt in 2016). To this must be added that the commercialization of soybeans in the physical market was lower in 2017 compared to the previous year, which is why the final stocks of the 2016/2017 campaign grew.

The decrease in shipments was carried out by the ports of the northern area of the Gran Rosario, located in San Lorenzo and Puerto General San Martín. In the ports of these localities, shipments of oils fell by 264 thousand tons compared to 2016, a decrease of 5% year-on-year.

The growth in maritime ports stands out, especially in Quequén, which increased it oil shipments by 342% compared to 2016. However, this increase has a very low impact on the national aggregates since its share in total shipments it does not reach 0.1 percent.

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Table N° 1: Argentina. Oil shipments by port. Comparison with previous years -In tons-

Ports /Terminal	Year (tons)				Variation 2017 vs 2016	
	2017	2016	2015	2014	In tn.	%
BAHIA BLANCA	**121.695**	**114.065**	**79.179**	**68.895**	***7.630***	***7%***
Cargill	81.290	59.065	74.827	39.985		
Pto.Galván	40.405	55.000	4.352	28.910		
QUEQUEN	**7.332**	**1.660**	**0**	**0**	***5.672***	
ACA		1.660				
Sitio 0	7.332					
RAMALLO	**14.300**	**54.000**	**57.800**	**103.265**	***-39.700***	***-74%***
Terminal	14.300	54.000	57.800	103.265		
ROSARIO	**693.922**	**695.616**	**846.398**	**630.451**	***-1.694***	***0%***
Gral.Lagos	235.518	211.533	401.386	166.107		
Guide				78.418		
Villa Gob. Gálvez	458.404	484.083	445.012	385.926		
S.LORENZO/S.MARTIN	**5.042.160**	**5.306.583**	**4.742.192**	**4.160.981**	***-264.423***	***-5%***
ACA	4000	7400	26.000	19.575		
Akzo Noble	413.254	390.411	707.171	490.083		
Cofco	19.138	182.630	209.587	393.670		
Bunge Dempa	165.922	156.788	217.347	191.453		
Bunge Pampa	7.150	18.900	305	17.000		
Cargill Quebracho	745.018	621.965	445.877	385.095		
Renova	1.197.931	1.055.797	795.677	763.126		
Molinos San Benito	415.780	638.781	642.603	335.496		
Terminal VI	1.230.194	1.383.309	847.812	916.238		
Timbúes (Dryfs)	307.355	285.473	326.554	210.576		
Timbúes (Cofco)	264.394	255.976	330.690	289.378		
El Tránsito	157.870	224.928	85.069	36.501		
Vicentin	114.154	84.225	107.500	112.790		
GENERAL TOTAL	**5.879.409**	**6.171.924**	**5.725.569**	**4.963.592**	***-292.515***	***-5%***
Gran Rosario's Ports	**5.736.082**	**6.002.199**	**5.588.590**	**4.791.432**	***-266.117***	***-4%***
% Gran Rosario / general total	**98%**	**97%**	**98%**	**97%**		
Sea ports	129.027	115.725	79.179	68.895	*13.302*	*11%*
River ports	5.750.382	6.056.199	5.646.390	4.894.697	*-305.817*	*-5%*
% Sea ports	2%	2%	1%	1%		
% River ports	98%	98%	99%	99%		

Source: @BCRmercados based on Argentine Minister of Agroindustry

Note No. 2: "Gran Rosario" is the main exporter of vegetable oils and maintains its participation in the total: almost 98%.

In 2017, the excellent relative participation of the Gran Rosario's ports ("Up River Parana") in the national shipments of vegetable oils continues. These terminals sent 5,736,082 tons abroad, which represents 97.6% of the total vegetable oils shipped from Argentine ports. This total includes oils of Argentine, Paraguayan and Bolivian origin. The shipments of these last two countries rose in 2017 to 793,852 tons, when in 2016 they had been 733,716 tons. There is an 8% year-on-year growth of the oil that comes down from Paraguay and Bolivia in a barge to the Gran Rosario for its subsequent loading in ships and final dispatch abroad. This is a reflection of the greater Paraguayan production, product of the great growth in the grinding capacity that occurred in recent years in that country, which would be captured by the port terminals of the Up River to send abroad.

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Table N°2: Argentina. Oil shipments by product. Comparison with previous years -In tons-

Shipped products	2017	2016	2015	Diference 2017 vs 2016	
				tons	Variation
Girasol	269.269	266.849	133.651	2.420	1%
Soja	4.812.288	5.166.359	5.035.671	-354.071	-7%
Soja Paraguay	677.730	598.290	471.126	79.440	13%
Soja Bolivia	116.122	135.426	49.150	-19.304	-14%
Algodón	4.000	5.000	26.000	-1.000	-20%
Cártamo			9.971		
Argentine origin merchandise	**5.085.557**	**5.438.208**	**5.205.293**	**-352.651**	**-6,5%**
Bolivian and/or Paraguayan origin merchandise	793.852	733.716	520.276	60.136	8%
GENERAL TOTAL	**5.879.409**	**6.171.924**	**5.725.569**	**-292.515**	**-4,7%**

Source: @BCRmercados based on Argentine Minister of Agroindustry

Despite the increase in exports of soybean oil from Bolivia and Paraguay, there is a drop in shipments of merchandise of Argentine origin. Shipments of locally produced vegetable oils decreased by 352,651 tons, that is, by 6.5% compared to 2016.

This increase in merchandise of foreign origin is entirely due to what was done by Paraguay, which more overcompensated the drop in shipments of Bolivian soybean oil, which fell 14% year-on-year. Paraguayan soybean oil exported from Argentine ports continues to grow year by year in absolute terms, as well as in terms of its relative share in the total shipments departing from national ports.

Note No. 3: Renova and Terminal VI were the ports that shipped the largest volume of vegetable oils from Argentina last year. Together they embarked 41.3% of the national total.

In table N ° 3 the shipments of the different types of oils per terminal can be analyzed in the year 2017. It can be seen that Terminal VI of Puerto General San Martín, which belongs to Bunge and AGD, obtained the highest participation with a total of 1.197 million tons shipped, which were entirely from Argentine origin. The second place belongs to the terminal of Renova, owned by "Oleaginosas Moreno" and "Vicentín", also in Puerto General San Martín, with 1,067 million tons dispatched.

In third place was Cargill Quebracho in Puerto General San Martín with 745,018 tons. 63.6% of this volume dispatched belongs to soybean oil from Bolivia and Paraguay. The terminal of Quebracho is the most important in terms of oil shipment from external origin, this port refers to 59.7% of total vegetable oils originating in the bordering countries.

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