

The background features abstract, overlapping geometric shapes in various shades of green, ranging from light lime to dark forest green. The shapes are primarily triangles and polygons, creating a dynamic, layered effect. The overall composition is clean and modern, with the text centered in the white space.

PALM OIL IN SAUDI ARABIA & MIDDLE EAST CURRENT TRENDS AND FUTURE PROSPECTS

FOCUS ON SAUDI ARABIA

GEOGRAPHICAL LOCATION



DEMOGRAPHY OF MAJOR COUNTRIES

MILLIONS

- ▶ EGYPT 99
- ▶ SAUDI ARABIA 32
- ▶ YEMEN 26
- ▶ UAE 9.5
- ▶ Turkey 81
- ▶ Iran 82
- ▶ Total Population: 330 Million.
- ▶ (6 MILLION PILGRIMS ON AVERAGE ARRIVE FOR HAJJ AND UMRAH EVERY UEAR)

MAJOR OILS

► SOYBEAN OIL:

Mostly used for industrial purposes for Alkyd Resin, Mayonnaise preparation and blend with other oils for cooking applications.

Another major consumption of Soybean oil is in Poultry Feed industries.

100% soybean oil is not acceptable for cooking purposes by and large.

MAJOR OILS

► Sunflower Oil

It is highly acceptable as cooking oil because of its low color and comparatively less prone to oxidation.

It is also considered to be good oil for blending with super Olein to bring the CP below 3C.

■ CORN OIL

As cooking oil it is accepted in niche segment. Very strong brands are available in the entire region like Sunflower oil.

MAJOR OILS

▶ CANOLA OIL

Awareness about this oil is limited in the region specially in Saudi Arabia. However, some brands have been launched and gradually creating its space in the market.

MAJOR OILS

▶ PALM OIL & ITS FRACTIONS

Palm Olein is widely used as frying oil in almost all snack industries in the region and Saudi Arabia.

Almost all fast food chains are using Palm Olein for frying purpose.

It is widely accepted in HORECA segment.

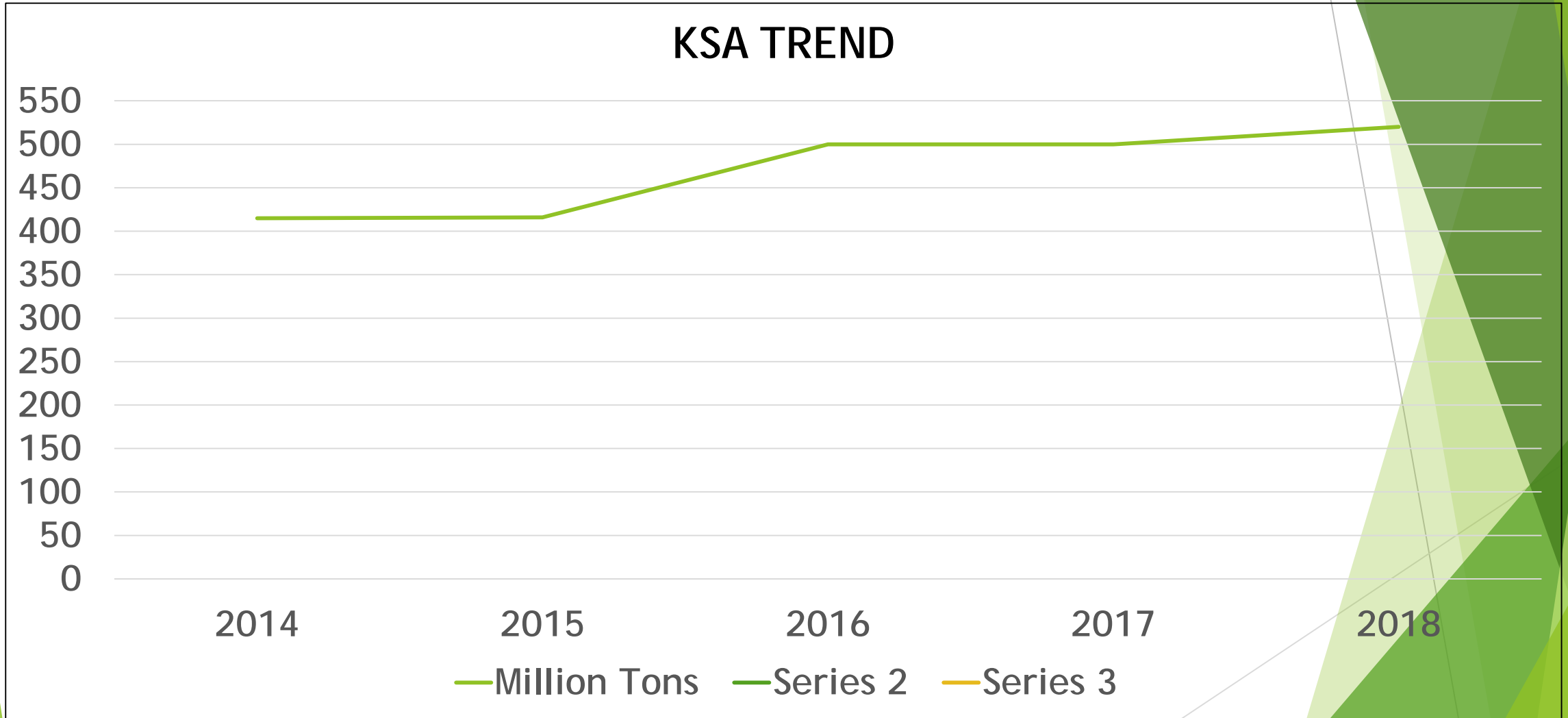
Some poultry feed industries also use Palm Olein.

Shortening, Margarine & butter blends and confectionary fats are 90% dependent upon Palm Oil and its fractions.

IMPORTS OF PALM OIL (1000 M.TONS)

YEAR	KSA	EGYPT	UAE	YEMEN	TURKEY	IRAN
2014	415	1489	373	146	608	195
2015	416	1038	300	155	634	382
2016	500	1323	420	150	612	452
2017	500	1250	430	155	650	500
2018	520	1300	450	160	700	500
Growth	20000	50000	20000	5000	50000	0
Growth %	4	4	4.65	3.23	7.7	0

TREND



MAJOR PLAYERS IN KSA

- ▶ Saudi Oil and Fat consumer market heavily relies on Trade imports Mainly from UAE, Oman, Egypt, Malaysia and Indonesia. while the industrial segment is 100% catered by indigenous production.
- ▶ Total refining and packing capacity in Saudi Arabia is approximately 5000 TPD
- ▶ Savola, IFFCO, Arab Malaysia are present with all up and down stream facilities.

EDGE OF PALM OIL OVER OTHER OILS

- Palm Oil is the only oil which can cater over a wide range of uses without going through chemical manipulation. Cooking, Frying, baking and customized purposes.
- Available in wide range of Slip Point from 16 C to 52C. And SFC from 5% to 45% @ 20C
- Higher thermal and oxidative stability. Resistant to Polymerization.
- Virtually Trans Fat Free.
- Cost effective & commercially viable.

CHALLENGES

- ▶ Growth in last 5 years is marginal. It indicates that the relevant Industry is at maturity stage and getting growth shall be demanding extra ordinary efforts.
- ▶ Departure of 1.2 Million Expats affecting adversely on Palm Olein business.
- ▶ Despite all merits Palm Oil and its fractions failed to establish itself as strong brand in consumer market.
- ▶ Even consumer packs are sold according to international commodity market rates.
- ▶ Consumer Perception about its health effect. Strong social media campaign against Palm Oil

RECOMENDATIONS

- ▶ Strong marketing by MPOC. Social Media, electronic media campaign in Arabic and relevant languages Turkish and Persian.
- ▶ Advisory service for value added products
- ▶ Promotion of Red Palm Olein with special focus on its health benefits. Red palm Olein has great capability and potential to show its strong acceptance & presence in premium segment.