



MONTHLY PRICE UPDATE

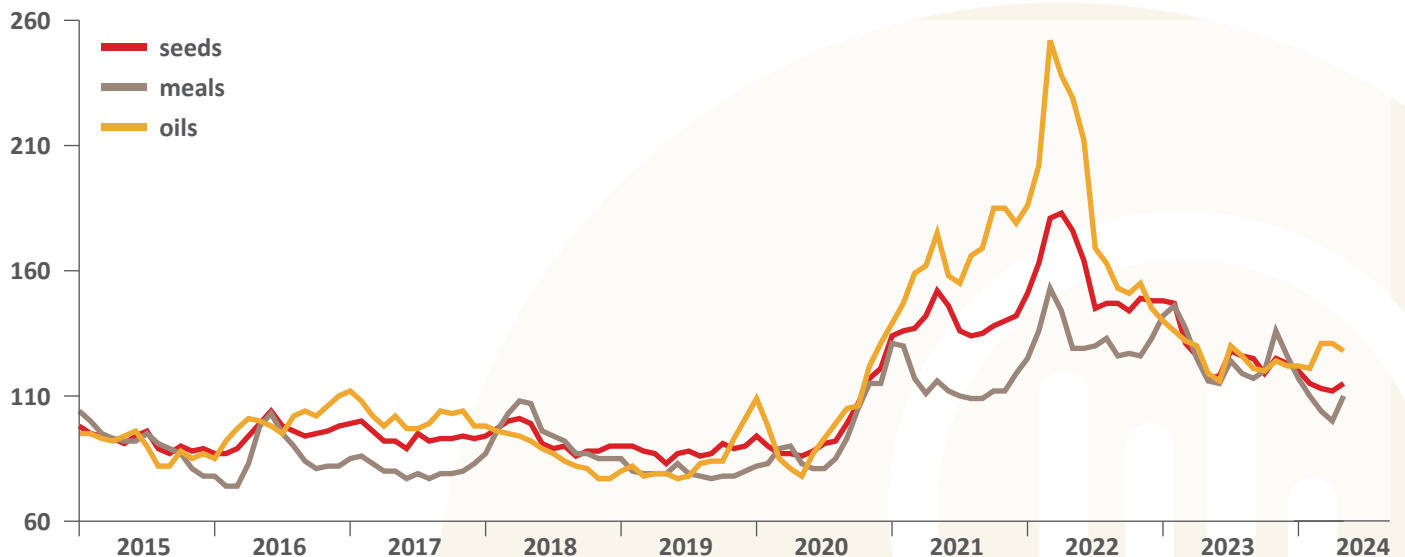
OILSEEDS, OILS AND MEALS

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In May 2024, the FAO price indices for oilseeds and oilmeals rebounded after declining continuously since December 2023, up 3.1 and 9.8 points (2.7 and 9.8 percent), respectively, compared to the previous month. By contrast, the vegetable oil price index declined, shedding 3.1 points (2.4 percent) from its April level. While the indices for oilseeds and oilmeals remained moderately below their respective levels of a year ago, the vegetable oil index stood 7.7 percent above its year-earlier level.

The latest recovery of the oilseed price index reflected higher global quotations for soybeans, rapeseed and sunflower seed. After touching multiyear lows in the preceding month, international soybean prices rebounded slightly in May, mainly underpinned by concerns over reduced output in Brazil following excessive rainfall and floodings in the southern part of the country during the harvest. Moreover, in spite of favourable production prospects in Argentina, limited farmer selling amid uncertain

Figure 1. FAO price indices for oilseeds, oils and meals (monthly values, 2014–2016=100)



Source: FAO's own elaboration, based on Oil World data.

* The *Monthly Price Update* is an information product provided by the oilseeds desk of the Markets and Trade Division of FAO. It reviews the development of international prices for oilseeds, oils and meals as reflected by FAO's price indices. Previous issues can be downloaded from the FAO website at the following webpage: <https://www.fao.org/markets-and-trade/publications/en/?querystring=oilseeds>

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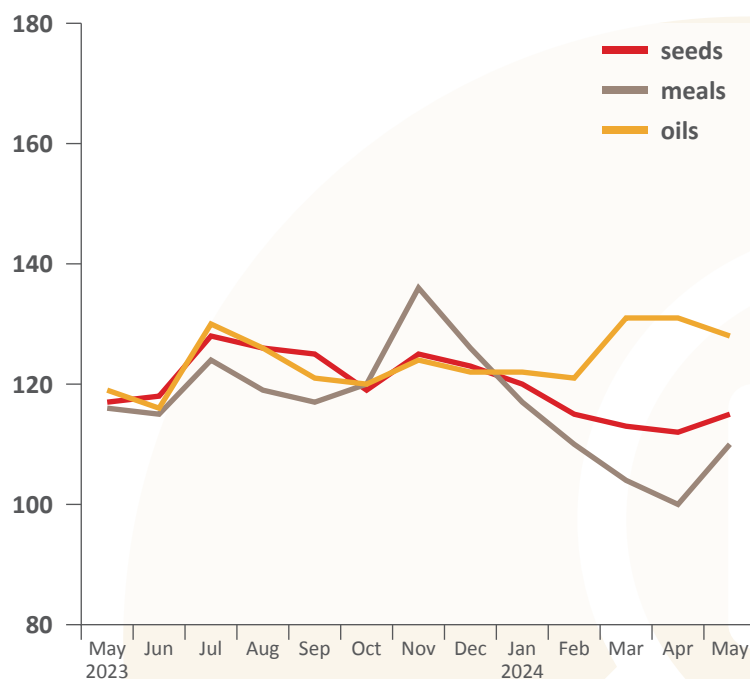
domestic economic outlook provided additional support to soybean quotations. Nevertheless, improved weather conditions in the United States of America, where sowing of the 2024/25 crop are ongoing, weighed on soybean values towards the end of the month. In the case of rapeseed, international prices rose markedly in May, primarily prompted by prospects of tightening global balance for the 2024/25 season amid unfavourable growing conditions in parts of major producing areas in the European Union and Australia. Meanwhile, international sunflower seed prices also increased, reflecting concerns over detrimental weather conditions in parts of the Russian Federation, which reportedly resulted in a slowdown in farmer sales of the previous harvest.

As for oilmeals, the marked rebound of the price index was predominantly driven by higher soymeal quotations. Notwithstanding prospects of ample supplies from South America despite flood-induced decline in soybean production in Brazil, international soymeal prices rose by more than 11 percent in May,

underpinned by rising demand from the livestock sector, particularly in China due to improving hog feeding margins. In addition, world oilmeal prices were also influenced by the spillover effects from strengthening wheat quotations which made protein meals a more attractive feeding option.

With regard to vegetable oils, the decrease of the price index was largely driven by lower palm oil quotations, more than offsetting higher soy, rapeseed and sunflower oil prices. International palm oil prices declined for the second consecutive month in May, as outputs across major producing countries in Southeast Asia seasonally increased amid a protracted weak global import demand. By contrast, world soyoil prices rebounded in May, broadly underpinned by increasing demand from the biofuel sector, particularly in Brazil. In the meantime, sunflower and rapeseed oil prices also firmed, mainly reflecting, respectively, seasonally diminishing export availabilities in the Black Sea region and the likelihood of tightening supplies in the upcoming 2024/25 season.

Figure 2. FAO monthly price indices for oilseeds, oils and meals (2014–2016=100)



Source: FAO's own elaboration, based on Oil World data.

	FAO price indices (2014–2016=100) ^a		
	Oilseeds	Oilcakes/meals	Vegetable oils
Annual (Oct/Sep)			
2012/13	131	129	120
2013/14	120	128	116
2014/15	95	99	93
2015/16	93	85	95
2016/17	95	81	103
2017/18	94	93	94
2018/19	88	81	80
2019/20	90	84	93
2020/21	133	115	149
2021/22	156	129	196
2022/23	134	127	133
Monthly			
2023 - May	117	116	119
2023 - June	118	115	116
2023 - July	128	124	130
2023 - August	126	119	126
2023 - September	125	117	121
2023 - October	119	120	120
2023 - November	125	136	124
2023 - December	123	126	122
2024 - January	120	117	122
2024 - February	115	110	121
2024 - March	113	104	131
2024 - April	112	100	131
2024 - May	115	110	128
^a FAO's price indices are based on the international Spot prices of five selected seeds, ten selected vegetable oils and five selected cakes and meals. The indices are calculated using the Laspeyres formula; the weights used are derived from the export values of each commodity for the 2014–2016 period.			
<i>Source: FAO's own elaboration, based on Oil World data.</i>			

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