



# MONTHLY PRICE UPDATE

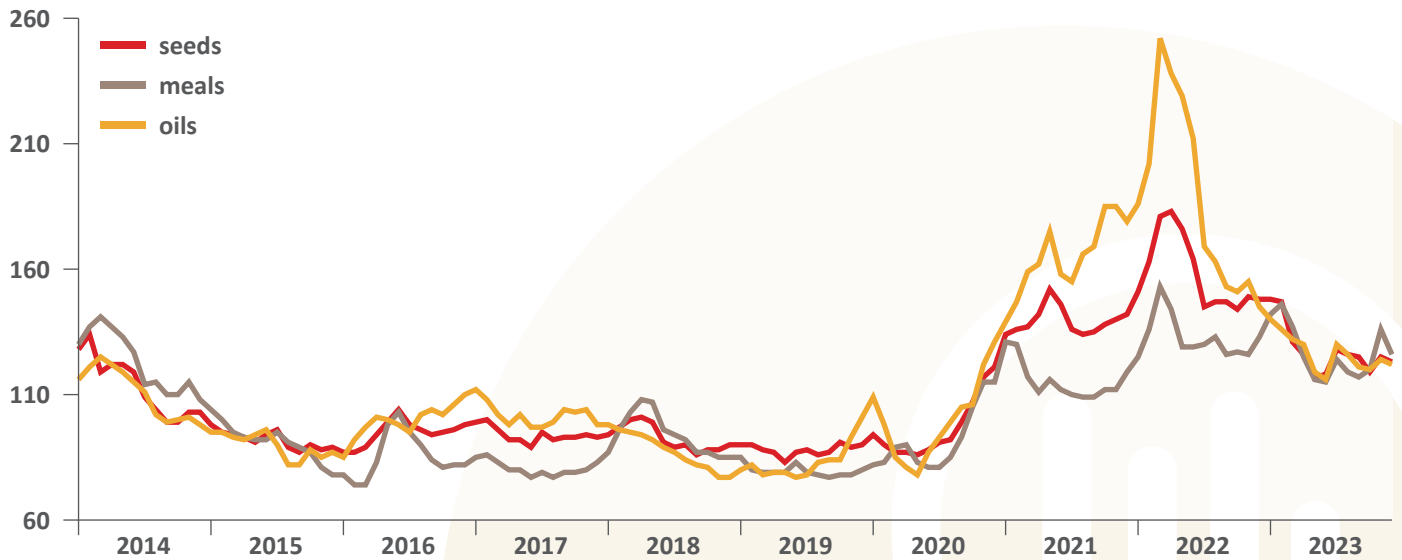
## OILSEEDS, OILS AND MEALS

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In December 2023, all three FAO price indices tracking the developments in the prices of the oilcrop complex contracted from the previous month. The oilseed and vegetable oil price indices declined marginally month-on-month by 1.4 and 1.5 percent, respectively, while the oilmeal price index fell by 7.4 percent from November. All three price indices stood below their respective year-earlier levels.

The marginal drop of the oilseed index was mostly driven by lower global soybean prices, more than offsetting higher rapeseed and sunflower seed quotations. After rising temporarily in November, international soybean prices declined by more than 2 percent in December. On the supply side, improving weather conditions in several major growing regions in Brazil, coupled with continued abundant rainfall in Argentina, exerted downward pressure on world

**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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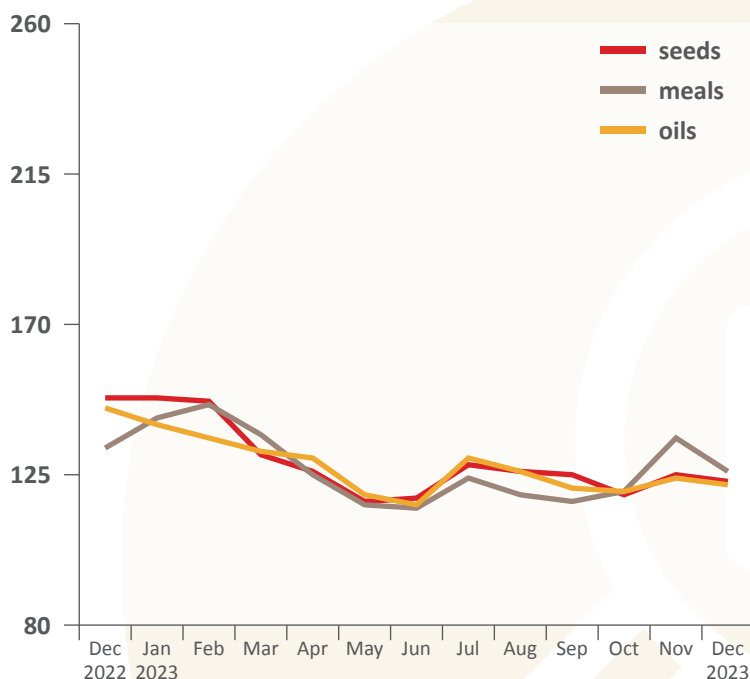
soybean prices. Meanwhile, from the demand side, despite a series of import purchases by China in late 2023, the country's consumption prospects for the 2023/24 season (October/September) remain subdued amid unfavourable margins in the livestock sector. By contrast, world rapeseed prices continued to increase in December, underpinned by concerns over somewhat unfavourable planting conditions for the 2024 crop in Europe, offsetting the impact of ongoing harvest from Australia. In the case of sunflower seed, international prices also strengthened for the second consecutive month, buoyed by reserved farmer sales, as well as lingering logistical constraints in Ukraine.

With regard to oilmeals, the marked drop in the price index was chiefly driven by lower soymeal quotations – the dominant component of the index. Besides sluggish global protein meal demand from the livestock sector, particularly in China, world soymeal prices were influenced by prospects of ample supplies in the coming months, largely thanks to favourable soybean production outlook in Argentina, the world's leading soymeal exporter.

As for vegetable oils, the decline of the price index reflected lower global prices across palm, soy, rapeseed and sunflower seed oils. In December, international palm oil prices contracted marginally from the previous month, chiefly influenced by recurring subdued purchases from major importers, overshadowing the impact of seasonally lower outputs in leading producing countries. Meanwhile, world soyoil prices dropped by more than 3 percent from November as a result of a slowdown in demand from the biodiesel sector, as well as improving weather conditions in parts of the main growing regions in Brazil. International rapeseed and sunflower seed oils prices declined on tame global import demand.

For 2023 as a whole, the annual averages of all three price indices declined year-on-year. While the indices for oilseeds and oilmeals contracted by, respectively, 19.2 and 4.2 percent, the vegetable oil index dropped sharply by 32.7 percent, marking a three-year low amid improved global supplies.

**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) <sup>a</sup> |                |                |
|--|--|----------------|----------------|
|  | Oilseeds                                       | Oilcakes/meals | Vegetable oils |
| <b>Annual (Oct/Sep)</b>  |  |                |                |
| 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            |
| <b>Monthly</b>   |  |                |                |
| 2022 - December  | 148  | 133            | 145            |
| 2023 - January   | 148  | 142            | 140            |
| 2023 - February  | 147  | 146            | 136            |
| 2023 - March   | 131  | 137            | 132            |
| 2023 - April   | 126  | 125            | 130            |
| 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            |
| <sup>a</sup> 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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