



# MONTHLY PRICE UPDATE

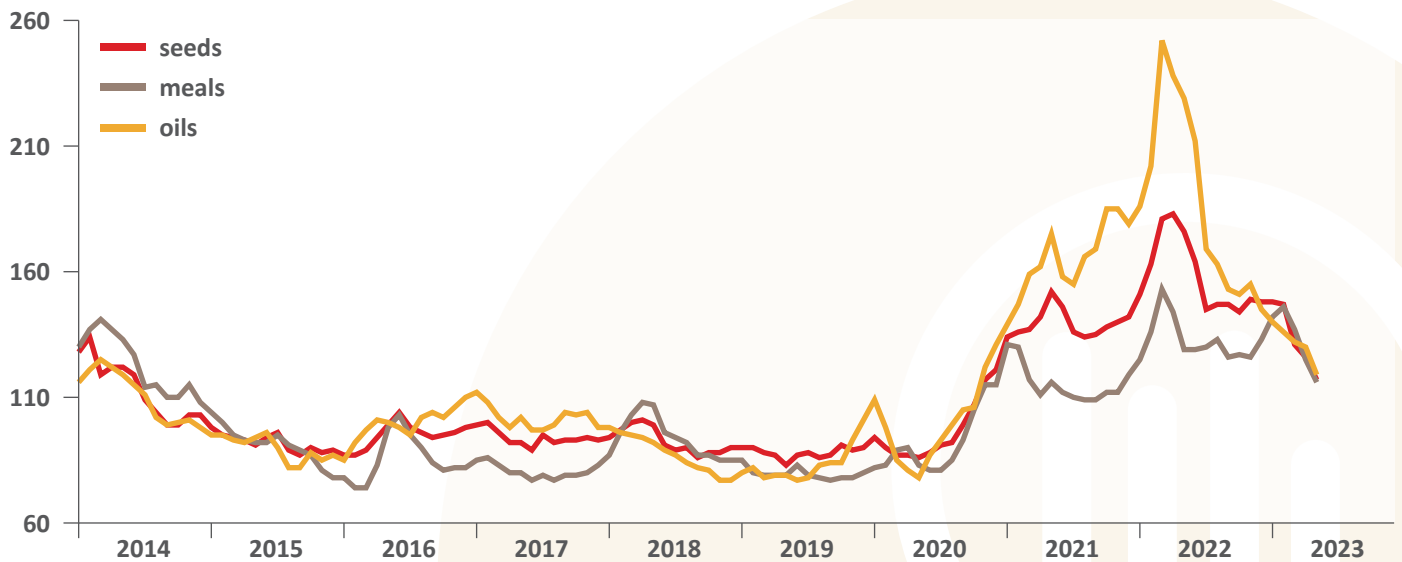
## OILSEEDS, OILS AND MEALS

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The month of May saw all three FAO price indices trailing the oilcrops complex continued to fall. The price indices for oilseeds and oilmeals dropped by, respectively, 8.2 and 9.3 points (6.5 and 7.4 percent) from April, while the vegetable oil index fell by 11.3 points (8.7 percent) month-on-month. Compared with the corresponding month of last year, the indices for oilseeds and oilmeals stood 33.2 percent and 10.0 percent lower, respectively, whereas the vegetable oil price index was down by as much as 48.2 percent from its year-earlier level.

The continued decline of the oilseed index in May chiefly reflected lower world soybean and rapeseed prices, more than offsetting slightly higher sunflower seed quotations. International soybean prices fell for the third consecutive month in May, marking the lowest level since the beginning of 2021. On the supply side, besides the persistent harvest pressure stemming from a bumper crop in Brazil, world soybean prices were also pressured by conducive conditions and solid planting progress in the United States of America, which could potentially lead to a

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



Source: FAO, 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>.

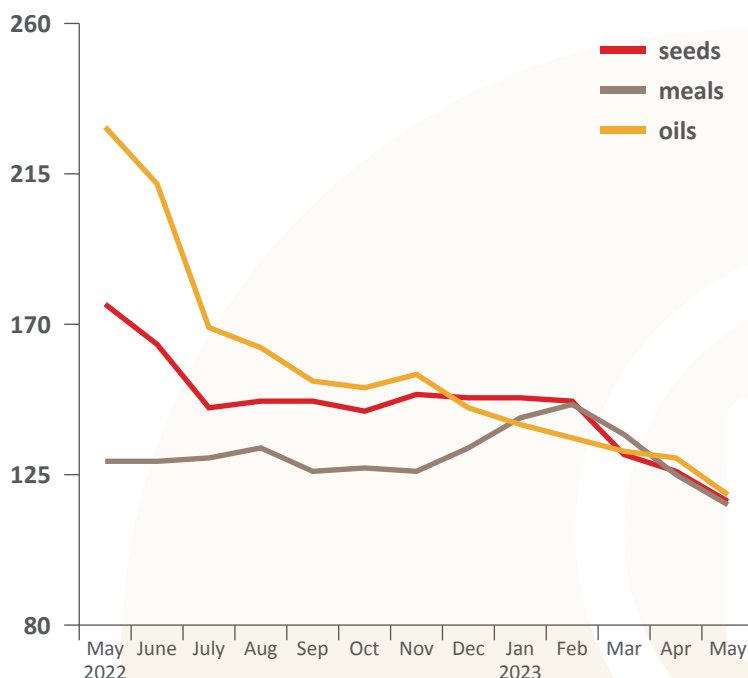
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record production in the upcoming 2023/24 season. Meanwhile, on the demand side, international purchases remained lukewarm, with the buying interest from China continuing to be passive amid unattractive crush margins. As for rapeseed, international prices declined uninterrupted since December 2022, mainly underpinned by lingering abundant global supplies and prospects of favourable 2023/24 rapeseed outputs in the European Union. By contrast, world sunflower seed prices recovered somewhat from the previous month. The slight uptick was primarily fuelled by uncertainties over the Black Sea Grain Initiative at the beginning of May, although prices fell again in the following weeks after renewal of the agreement.

Regarding oilmeals, the drop of the price index was mainly driven by lower soymeal quotations – the leading component with a predominant weight in the index. Reduced feed consumption of soymeal was not only reported in China, but also in several member states of the European Union, tied to declining pork production.

As for vegetable oils, the further decline in the index in May reflected lower world prices across palm, soy, rapeseed and sunflower oils. International palm oil prices fell markedly from April, as protracted weak global import purchases coincided with prospects of rising outputs in major producing countries. Indeed, with palm oil still more expensive relative to those of some rival vegetable oils, import demand continued to be low. In the meantime, world soyoil prices dropped for the sixth consecutive month, largely underpinned by the seasonal harvest pressure from Brazil and higher-than-expected stocks in the United States of America, where higher supplies of alternative feedstock partially replaced the uptake from the biodiesel industry. As for rapeseed and sunflower oils, international prices continued to decline on ample global supplies.

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



Source: FAO, 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	132	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
<b>Monthly</b>			
2022- May	176	129	229
2022- June	164	129	212
2022- July	145	130	169
2022- August	147	133	163
2022- September	147	126	153
2022- October	144	127	151
2022- November	149	126	155
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
<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.			
Source: FAO, based on Oil World data.			

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