



## ***OILSEEDS, OILS & MEALS*** **MONTHLY PRICE UPDATE \***

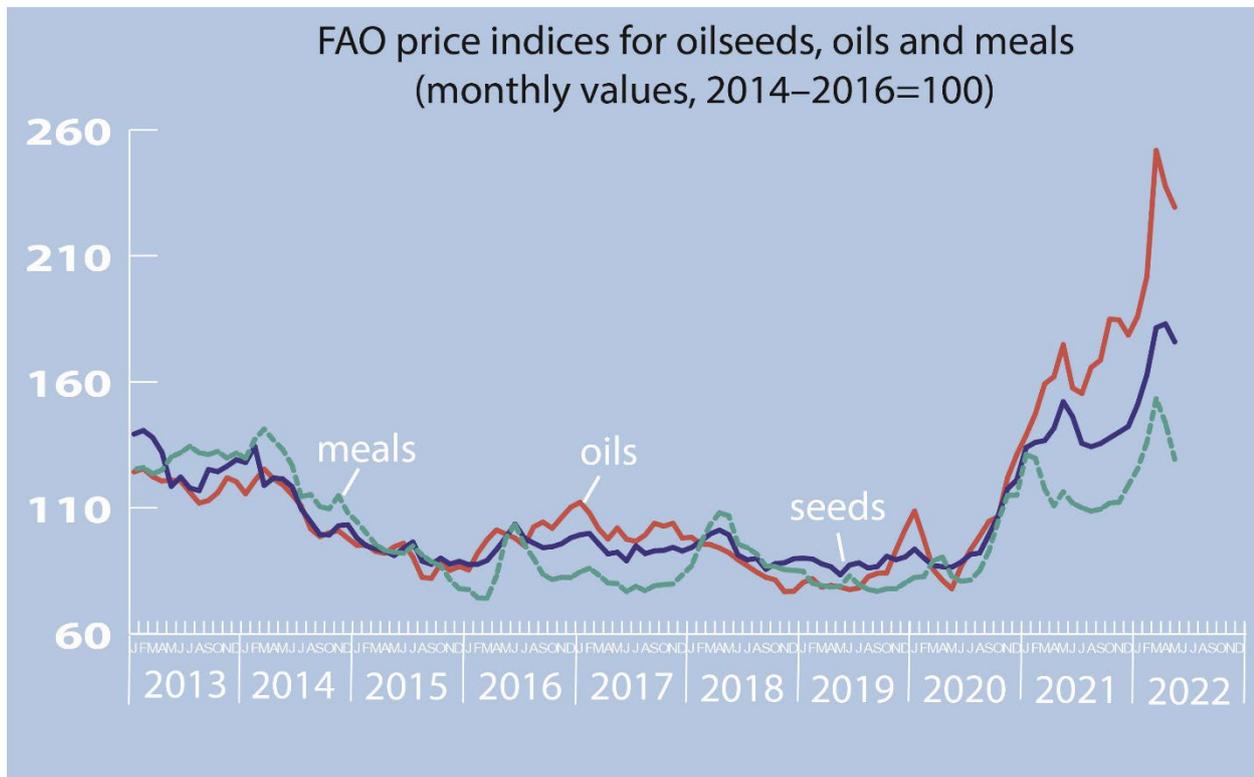
*No. 155, June 2022*

The month of May saw all three price indices trailing the oilcrops complex declining from the previous month. The oilseed index dropped by 7.1 points (or 3.9 percent) from the all-time high registered in April, while the oilmeal index fell by 14.5 points (or 10.1 percent). The vegetable oil index also dropped, shedding 8.3 points (or 3.5 percent) month-on-month. However, all three indices remained above their year-earlier levels, with the vegetable oil index standing over 30 percent of its corresponding value last year.

The fresh drop of the oilseed index mainly

reflected lower world soybean and rapeseed prices, whereas sunflowerseed quotations remained virtually unchanged. After rising for six months in a row, international soybean prices fell moderately in May, as concerns over sluggish demand in China due to Covid-19-related regional lockdowns coincided with lower-than-expected crushings in the United States of America. In addition, despite a below-average planting pace in a few US producing regions, signs of improved weather conditions also weighed on soybean prices. Towards the end of the month, however, world soybean quotations recovered somewhat,

– *cont'd on next page* –



\* The monthly *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>.

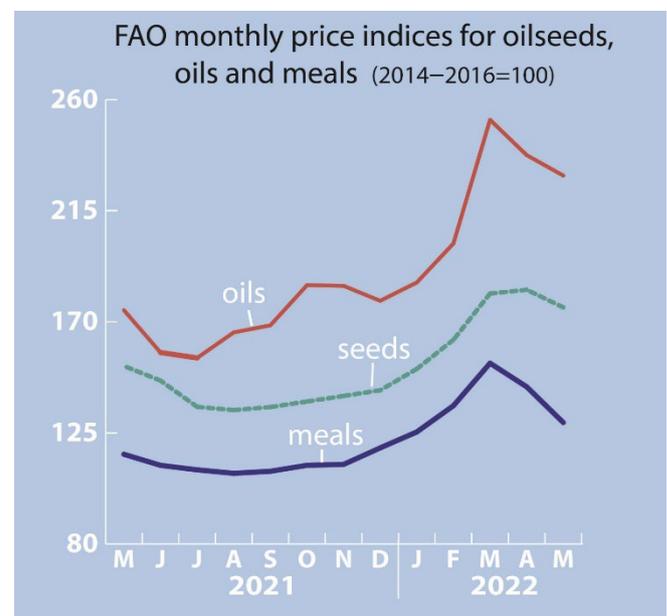
## Global price review – cont'd

supported by a firmer demand outlook in China amid easing lockdown measures. As for rapeseed, international prices declined from the record highs reached in April. This is notwithstanding protracted global supply tightness and a delayed new crop planting progress in Canada due to unfavourable weather conditions. In the meantime, world sunflowerseed quotations stayed practically unchanged. Noticeably, with Ukraine's ports at the Black Sea remaining closed due to the war, the country started to export sunflowerseed by truck or rail to neighbouring countries, although the amount was limited owing to logistical bottlenecks.

With regard to oilmeals, the index declined for the second consecutive month in May, driven by lower soy, sunflower and rapeseed meal prices. In South America, while soymeal supplies from Brazil appeared abundant thanks to lucrative crush margins, availabilities from Argentina also recently improved owing to higher farmer selling activities following seasonal harvest pressure. On the demand side, protein meal consumption in China remained sluggish, weighed by poor profitability margins in the hog sector.

As for vegetable oils, the price index fell moderately in May, yet remained markedly above its year-earlier level. The monthly decline mainly reflected lower world prices across palm, sunflower, soy, and rapeseed oils. International palm oil prices dropped moderately in May. Apart

from demand rationing, the removal of Indonesia's short-lived export ban on palm oil exerted additional downward pressure on prices, although a further price drop was contained by lingering uncertainties over the country's export prospects. Meanwhile, world price quotations for sunflower oil fell from recent record highs, with stocks continuing to accumulate in Ukraine owing to logistical obstacles. International soy and rapeseed oil prices also declined somewhat in May, chiefly due to sluggish import demand in view of the elevated costs in recent months.



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	FAO price indices (2014–2016=100) *		
	Oilseeds	Vegetable oils	Oilcakes/ meals
<b>Annual (Oct/Sep)</b>			
2009/10	100	109	92
2010/11	133	159	102
2011/12	133	143	111
2012/13	132	120	129
2013/14	120	116	128
2014/15	95	93	99
2015/16	93	95	85
2016/17	95	103	81
2017/18	94	94	93
2018/19	88	80	81
2019/20	90	93	84
2020/21	133	149	115
<b>Monthly</b>			
2021 - January	134	139	131
2021 - February	136	147	130
2021 - March	137	159	117
2021 - April	142	162	111
2021 - May	152	175	116
2021 - June	146	158	112
2021 - July	136	155	110
2021 - August	134	166	109
2021 - September	135	169	109
2021 - October	138	185	112
2021 - November	140	185	112
2021 - December	142	179	119
2022 - January	151	186	125
2022 - February	163	202	136
2022 - March	181	252	153
2022 - April	183	238	144
2022 - May	176	229	129

\* 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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