



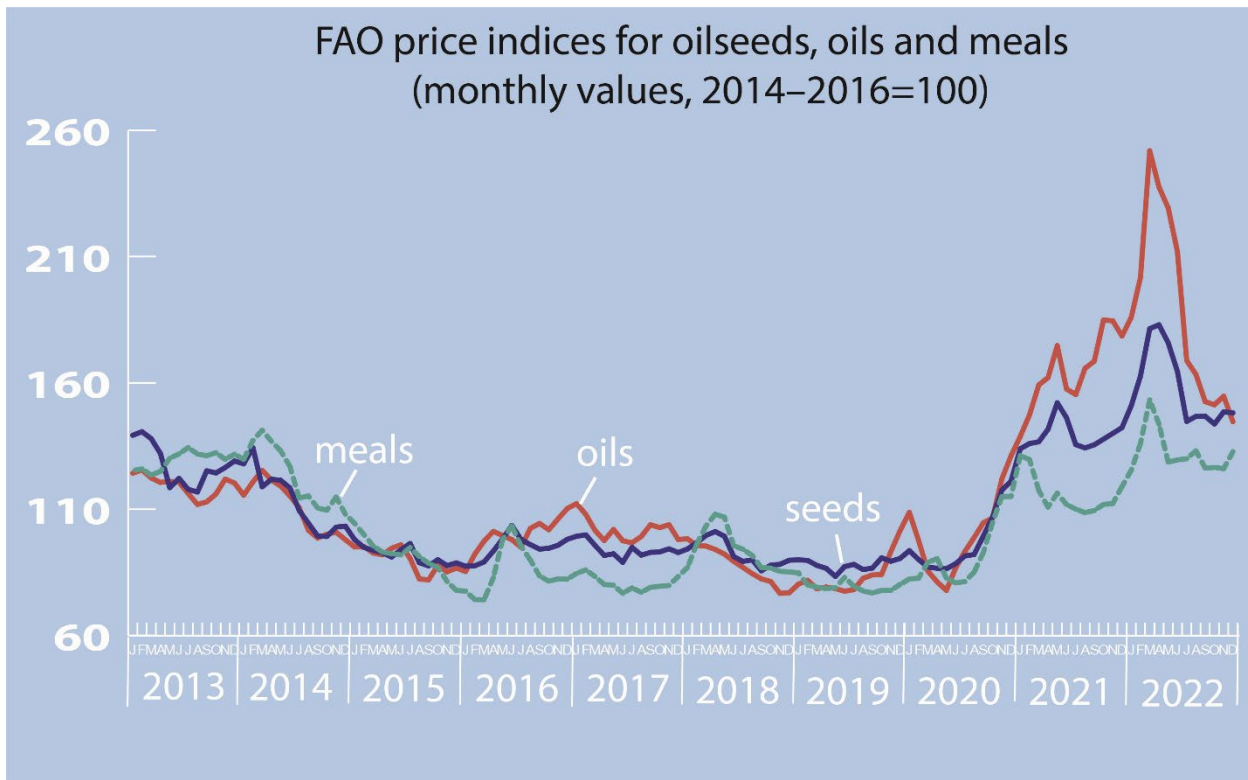
OILSEEDS, OILS & MEALS **MONTHLY PRICE UPDATE ***

No. 162, January 2023

In December, the FAO price index for oilseeds dropped marginally (0.4 points, or 0.3 percent) month-on-month, whereas the oilmeal index rebounded by 6.7 points (5.3 percent). In the meantime, the vegetable oil index declined markedly, down 10.1 points (6.5 percent) from November and hitting its lowest level since February 2021. While the price indices for oilseeds and oilmeals remained above their respective year-earlier levels, the vegetable oil index was down by nearly 20 percent from its value in the corresponding month a year ago.

The marginal decline of the oilseed index reflected the combined effect of steady soybean prices and moderately lower rapeseed and sunflowerseed values. International soybean prices in December remained virtually unchanged around multi-year highs, chiefly supported by persistent dry conditions across major growing regions in Argentina and robust demand for exports from the United States of America. However, the upside momentum of prices was contained, as global soybean production is still seen rebounding to a record high in the 2022/23

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* 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

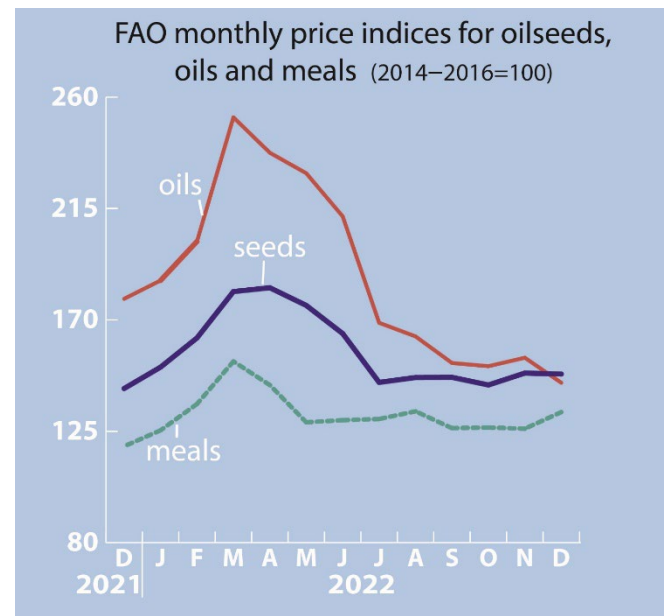
marketing season, tied to a potential bumper crop in Brazil due to generally conducive weather conditions. In addition, rising COVID-19 cases in China since early December curbed domestic consumption temporarily and kept soybean prices under check. As for sunflowerseed, international prices declined slightly in December amid favourable yield outcomes in the Russian Federation. Likewise, world rapeseed quotations also dropped after rising for two consecutive months, reflecting a positive global production outlook.

With regard to oilmeals, the price index diverged from the downtrend observed for the oilseed index and rose markedly on higher world soymeal values. Lower soybean crop prospects and reduced crushing activities in Argentina, the world's leading soymeal exporter, fuelled increases in global soymeal quotations.

As for vegetable oils, the decrease in the index in December was driven by lower international quotations across palm, soy, rapeseed and sunflowerseed oils. World palm oil prices dropped by nearly 5 percent after a short-lived recovery in November, chiefly underpinned by a sluggish global import demand, despite lower outputs in major palm oil-producing countries due to excessive rainfalls. Meanwhile, world soyoil prices fell markedly, largely due to positive prospects of seasonally rising production in South America, with a prospective record harvest in Brazil more than offsetting lower crop prospects

in Argentina. As for rapeseed and sunflowerseed oils, international prices dropped on account, respectively, of ample global supplies and subdued import demand, particularly from the European Union. Lower crude mineral oil prices also exerted downward pressure on world vegetable oil quotations.

For 2022 as a whole, the annual averages of all three price indices firmed markedly compared with their 2021 values. The indices for oilseeds, oilmeals and vegetable oils rose by 19, 17, and 23 points (or 13, 15, and 14 percent), respectively, reaching their record annual highs.



For comments or queries please use the following Email contact: FAO-oilcropsmarkets@fao.org

	FAO price indices (2014–2016=100) *		
	Oilseeds	Vegetable oils	Oilcakes/ meals
Annual (Oct/Sep)			
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
2021/22	156	196	129
Monthly			
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
2022 - June	164	212	129
2022 - July	145	169	130
2022 - August	147	163	133
2022 - September	147	153	126
2022 - October	144	151	127
2022 - November	149	155	126
2022 - December	148	145	133
* 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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