



MONTHLY PRICE UPDATE

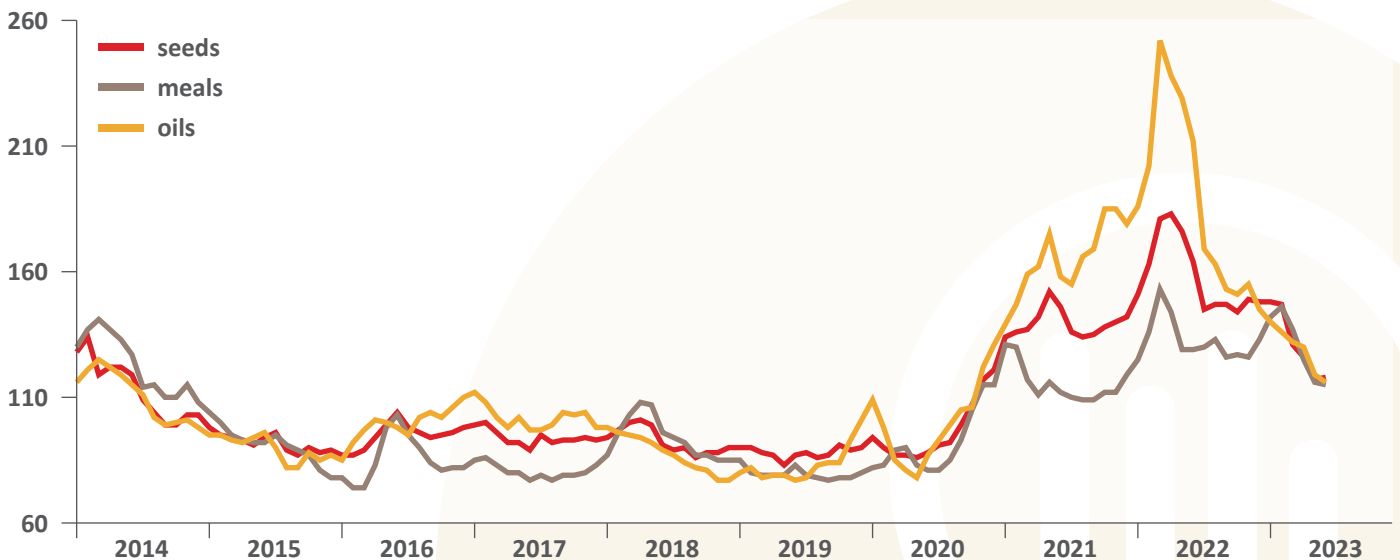
OILSEEDS, OILS AND MEALS

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In June, the FAO oilseed price index edged up by 0.3 points (0.3 percent) from May, while the oilmeal index weakened marginally (0.6 points or 0.5 percent), marking the lowest level since December 2021. Meanwhile, the price index for vegetable oils continued to decline, dropping 2.9 points (2.4 percent) month-on-month. All three indices trailing the oilcrops complex remained well below their respective values a year ago, with the vegetable oil index standing as much as 45.3 percent below its year-earlier level.

The slight recovery of the oilseed index was mainly driven by higher soybean and rapeseed prices, more than offsetting lower sunflower seed quotations. After declining for three consecutive months, international soybean prices started to rebound in early June amid excessive dryness in pockets of major growing regions in the United States of America and persistent robust demand from the biodiesel industry in the country. Although beneficial rainfall in late June somewhat eased concerns over yield potentials, soybean prices received additional

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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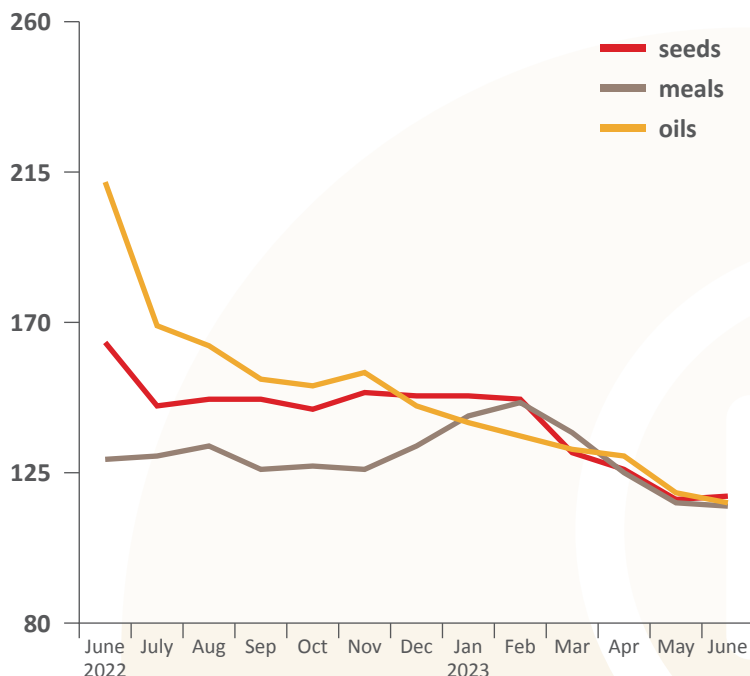
support from lower-than-expected soybean plantings in the United States of America for the 2023/24 harvest, as indicated by USDA's Acreage report on 30 June. In the case of rapeseed, world prices also recovered moderately after falling nearly uninterruptedly since December 2022. Besides uncondusive growing conditions in parts of Canada, a few countries in northern Europe also experienced overly hot and dry weather, impeding production outlooks of these areas. By contrast, international sunflower seed prices dropped markedly, mainly reflecting favourable crop conditions across the Black Sea region.

Regarding oilmeals, the marginal decline of the price index chiefly reflected lower international soymeal quotations. Despite lower soymeal supplies out of Argentina following this season's considerably lower soybean production, higher-than-anticipated crushings in Brazil boosted exportable availabilities from South America in recent months. Moreover, from the demand side, world protein meal consumption remained subdued, particularly in

China and the European Union, thus weighing on soymeal prices.

The continued decline of the vegetable oil price index was driven by lower world prices of palm and sunflower oils, more than offsetting higher soy and rapeseed oil quotations. International palm oil prices dropped for the second consecutive month in June, mainly reflecting prospects of seasonally higher outputs from leading producing countries that coincided with lingering subdued global import demand. Meanwhile, world prices of sunflower oil also continued to fall amid ample global exportable supplies. By contrast, international soyoil prices rebounded from the previous month amid concerns over the production prospects in the United States of America, although the recovery was partially compensated by the impact of lower-than-expected blending mandates for the next few years by the United States Environmental Protection Agency. Similarly, rapeseed oil prices recovered following higher world rapeseed quotations.

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) ^a		
	Oilseeds	Oilcakes/meals	Vegetable oils
Annual (Oct/Sep)			
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
Monthly			
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
2023 - June	118	115	116
^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.			
Source: FAO, based on Oil World data.			

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