



MONTHLY PRICE UPDATE

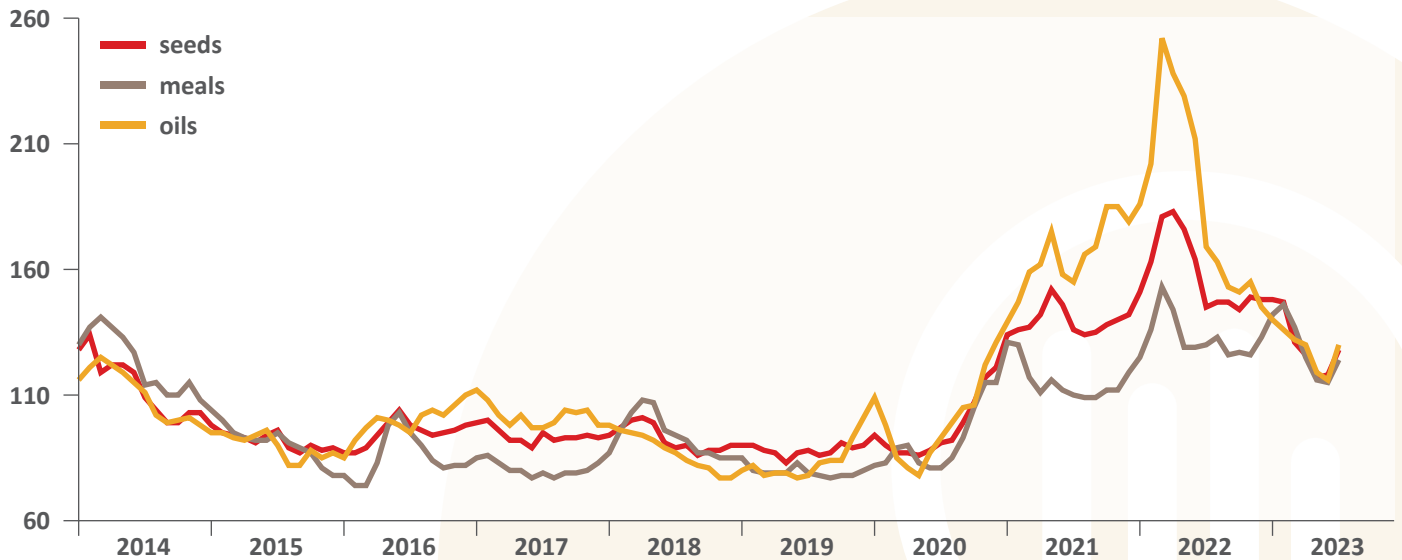
OILSEEDS, OILS AND MEALS

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In July, the FAO price index for oilseeds increased for the second successive month, rising by 10.6 points (9.0 percent) from June, while the oilmeal index also rose by 9.2 points (8.0 percent) month-on-month. In the meantime, the price index for vegetable oils averaged 129.8 points, up 14.0 points (12.1 percent) from June and marking the first increase after seven months of consecutive declines. Despite these monthly increases, all three price indices remained below their respective levels a year ago.

The continued increase of the oilseed index mainly reflected higher world quotations of soybeans, rapeseed and sunflower seed. International soybean prices rose by nearly 9 percent in July, chiefly driven by concerns over lingering dryness in some major growing areas in the United States of America. In addition, reviving global import purchases, particularly from China, coupled with firm domestic demand in Brazil and the United States of America, amid attractive crushing margins, also supported

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>.

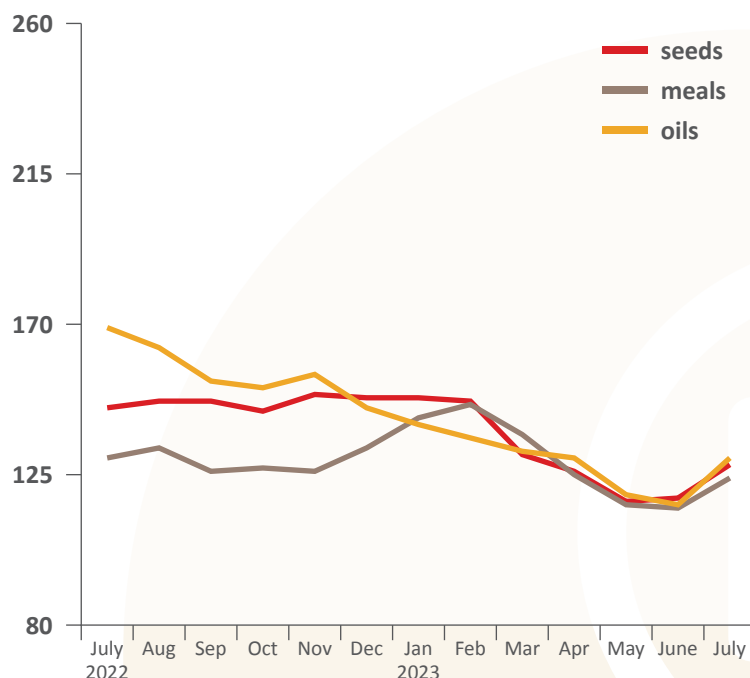
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the firmness in world soybean prices. Meanwhile, international rapeseed quotations rose for the second consecutive month, primarily influenced by dry weather conditions across southern Canadian Prairies and the northern parts of Europe, hampering production prospects for these regions. In the case of sunflower seed, world prices rebounded moderately in July, following the decision by the Russian Federation to terminate the implementation of the Black Sea Grain Initiative. Nevertheless, as growing conditions in both the Russian Federation and Ukraine remained largely favourable, the upside of the price increase was somewhat restrained.

As for oilmeals, the marked increase of the price index mostly reflected higher international soymeal values. Besides a considerable output reduction in Argentina following sharply lower soybean production, world soymeal prices were buoyed by the prospective seasonal decline of crushings in the United States of America before the 2023/24 crop harvest.

With regard to vegetable oils, the pronounced increase of the price index in July was driven by higher world quotations across sunflower, palm, soy and rapeseed oils. International sunflower oil prices rose by more than 15 percent month-on-month, primarily underpinned by renewed uncertainties surrounding the exportable supplies out of the Black Sea region after the termination of the Black Sea Grain Initiative. In the meantime, world palm oil prices also rose markedly, reflecting subdued production growth prospects in leading producing regions and a pickup in purchases by major importing countries to replenish stocks. As for soy and rapeseed oils, international prices increased on continuing concerns over the production outlooks for soybeans in the United States of America and rapeseed in Canada. Higher world crude oil quotations also lent support to the rise in vegetable oil prices.

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 - 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
2023 - July	128	124	130
^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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