Market Report February 2026

CONTENT

LIPSA

Market highlights

MARKET HIGHLIGHTS

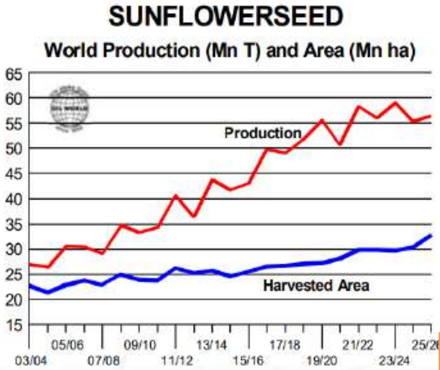
- **SFO (Sunflower Oil):** Price premiums over competing vegetable oils have started to narrow but remain elevated due to tight supply and ongoing concerns about the situation in Ukraine. Demand rationing is now taking place due to high prices, and the arrival of a very large crop from Argentina is also likely to limit further upside potential.
- **RSO (Rapeseed Oil):** Prices have been supported by the appreciation of the energy prices and the preliminary agreement between China and Canada, which is expected to ease pressure on Canadian stocks. However, total global supply remains very ample. In Europe, declining RME margins could weigh on demand for RSO from the biofuel sector.
- **High stocks, weaker export performance** due to limited fresh destination buying, and the persistent strength of the ringgit have maintained selling pressure on Malaysian palm oil futures. However, expectations of a seasonal production decline and the strength of soybean oil (SBO) on CBOT have helped limit losses.
- **SBO (Soybean Oil):** US prices are currently disconnected from the rest of the market, having rallied on expectations of larger U.S. biofuel mandates that would boost domestic biodiesel and HVO production. In contrast, South American export prices remain under pressure amid prospects of higher soybean output and processing, particularly in Brazil.

SOURCES: AGRURAL/APK INFORM/ ARGUS/ BCBA/ETG/FASTMARKETS/OIL WORLD/REUTERS/STONEX/STRATEGIE GRAINS/USDA

Sunflower oil market

SUNFLOWER OIL MARKET

Sunflower oil remains relatively expensive compared to other vegetable oils



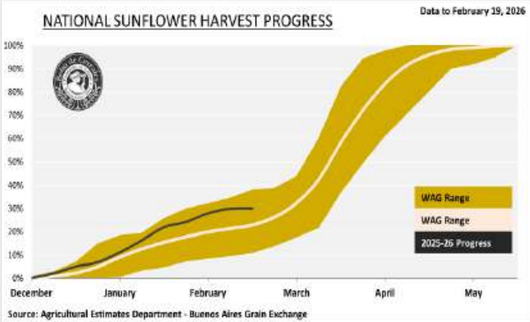
SUNFLOWER	OIL WORLD					
	Avg 4-Y	2024/25	2025/26 Forecats		Changes vs	
			Jun	Feb	Jun (MnT)	Jun (%)
RUSSIA	16,5	17,5	19,1	**17,8**	-1,3	-7 %
UKRAINE	14,1	12,1	14,0	**11,1**	-2,9	-21 %
EU-27	9,5	8,74	10,1	**8,6**	-1,5	-15 %
Romania	2,08	1,87	2,40	**1,95**	-0,5	-19 %
Hungary	1,80	1,85	1,80	**1,72**	-0,1	-4 %
Bulgaria	1,69	1,61	2,15	**1,64**	-0,5	-24 %
France	1,69	1,48	1,75	**1,44**	-0,3	-18 %
Spain	0,81	0,84	0,90	**0,74**	-0,2	-18 %
ARGENTINA	4,0	5,25	4,4	**6,1**	1,7	39 %
REST OF THE WORD	12,0	11,91	12,9	**12,9**	-0,0	-0 %
TOTAL	56,05	55,50	60,57	56,54	-4,0	-7 %

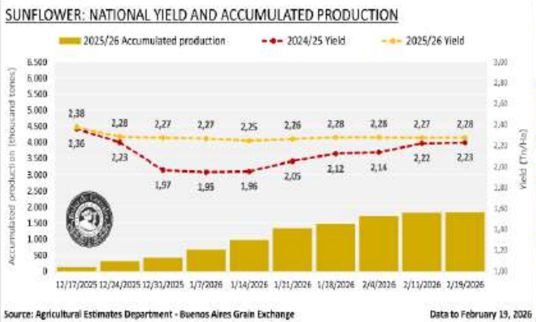
- SFO prices reached a four-year high in January.
- Drought-related losses of 5–6 MnT of sunflower seed in the Black Sea region last summer were only partially offset by a bumper crop in Argentina.
- A risk premium persists due to ongoing attacks on infrastructure in Ukraine.
- The price premium of SFO over SBO has started to narrow but remains wide.

SOURCES: ARGUS/BCBA/BCR/OIL WORLD/STRATEGIE GRAINS

SUNFLOWER OIL MARKET

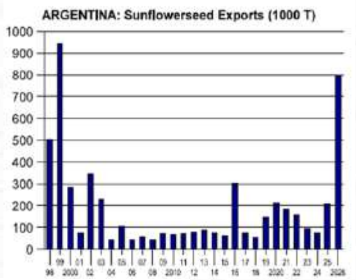
Another bumper crop in Argentina, but above 6 MnT? Market relief from strong sunflower seeds and SFO exports





ARGENTINA : Sunflowerseed Balance (1000 T)

January / December	2026F	2025	2024	2023	2022
Open. stocks	460*	183*	272*	231*	477*
Output	6100*	5200*	3840*	4130*	3360*
Imports	2*	2	1	1	1
Exports	780*	214	77	93	159
Crushings . . .	5300*	4626	3781	3926	3384
Other use. . . .	92*	84*	72*	70*	64*
Ending stocks	390*	460*	183*	272*	231*



- With around 30% of the area harvested, the market expects production above 6 MnT.
- Significant crop variability persists in Buenos Aires Province and La Pampa due to the uneven distribution of rainfall. Final output could come in slightly below current estimates.
- Even so, Argentina will record its largest crop in many years.
- Sharply increasing crushing and exports of sunflower seed in Argentina have started to ease the shortage on the world market.

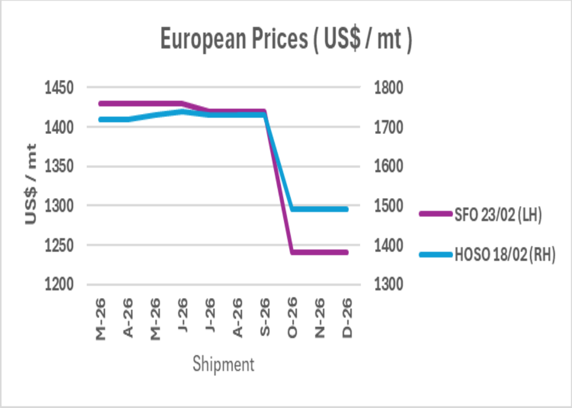
SOURCES: ARGUS/BCBA/BCR/OIL WORLD/STRATEGIE GRAINS

SUNFLOWER OIL MARKET

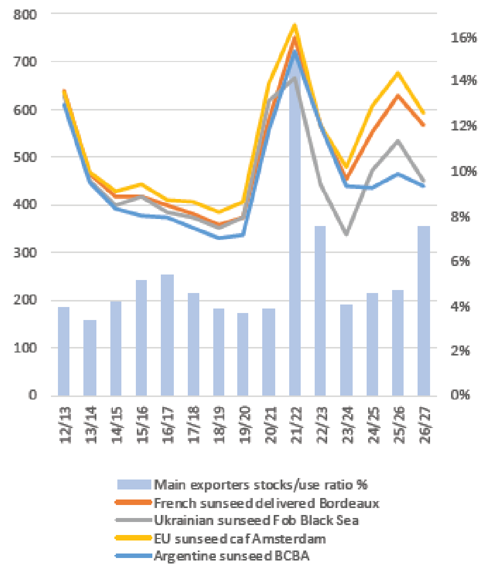
Global sunflower seeds production expected to increase strongly in 2026/27 – sharply inverted market

2.1. WORLD SUNSEED BALANCE

Sunseed (Mt)	2025/26		2026/27	
August-July	28/11/25	30/1/26	28/11/25	30/1/26
carry-in	4.2	4.2		4.1
production	56.1	56.2		63.8
trade	3.2	4.2		3.2
crush	51.1	51.3		56.6
other cons.	4.9	5.0		5.4
carry-out	4.3	4.1		5.8
stock/use ratio	7.7%	7.3%		9.4%



2.2. STOCKS-TO-USES RATIO FOR SUNSEED AND WORLD PRICES ($/T)

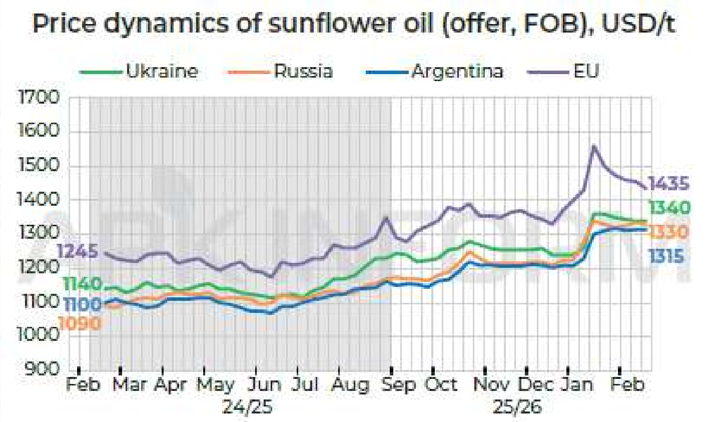


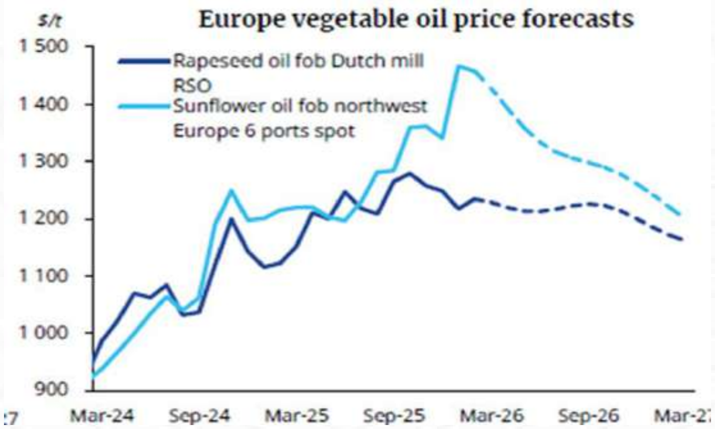
- Global sunflower seed area is expected to expand in response to attractive relative prices.
- **Under normal weather conditions, world production could increase by around 6-7 MnT in 2026/27.** The market is sharply inverted (old crop vs. new crop).
- Given current relative price levels and the pronounced inverse, demand is expected to be rationed as much as possible.

SOURCES: APK INFORM/ARGUS/BCBA/BCR/OIL WORLD/STRATEGIE GRAINS

SUNFLOWER OIL MARKET

Assuming no further escalation in Ukraine, sunflower oil prices have downside risk





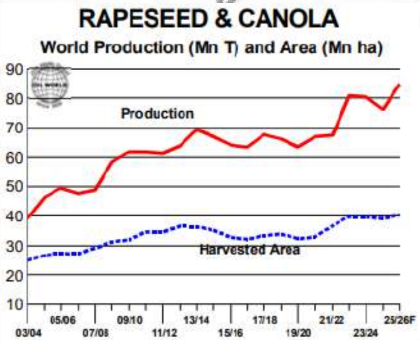
The current high premium of sunflower oil is likely to narrow if the expected production rebound materializes in the last quarter of this year.

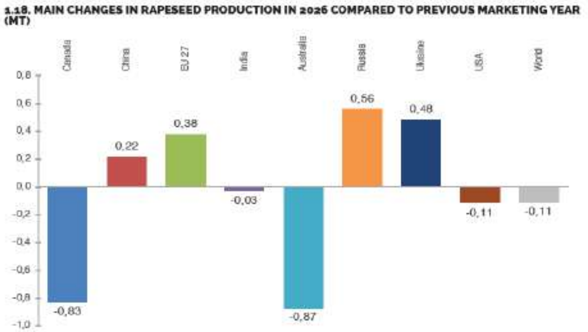
SOURCES: APK INFORM/ARGUS/OIL WORLD

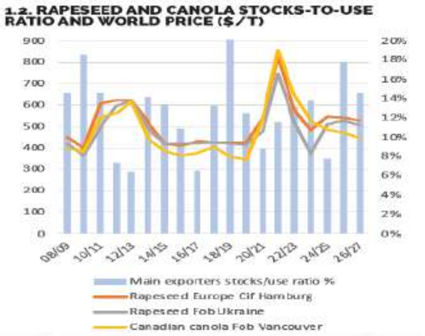
Rapeseed oil market

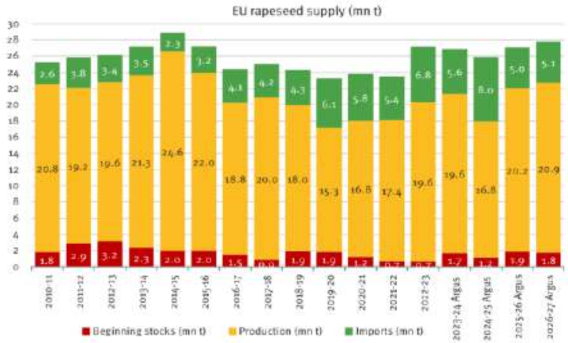
RAPESEED OIL MARKET

Record global supplies of rapeseed & canola in 2025/26; Strong production outlook also for 2026/27







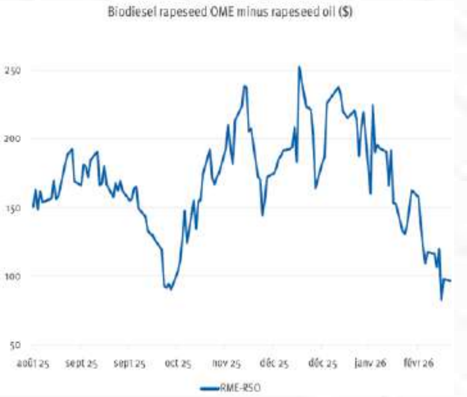


- World rapeseed and canola production reached exceptionally high in the 2025/26 season: Canada 21.8 MnT (+2.4), EU 20.4 MnT (+3.2), Russia 5.6 MnT (+1.1), and Australia (+0.7).
- Global production increased by 9.2 MnT in 2025/26, while opening stocks declined by 3.2 MnT ➡ **net supply increase of around 6.0 MnT.**
- Preliminary estimates suggest global production could remain at similar levels next season under favorable weather conditions, keeping overall supply ample.
- in Ukraine, very low temperatures and limited snow cover in key regions may increase the risk of winterkill in rapeseed crops.

SOURCES: ABARES/ARGUS/OILWORLD/STATSCAN/STRATEGIE GRAINS

RAPESEED OIL MARKET

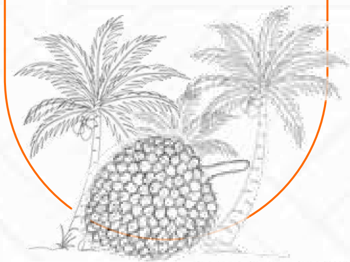
Prices have appreciated in February



- The recent rally in US SBO, together with higher energy prices amid escalating US-Iran tensions, has supported RSO prices. However, **ample global supply is limiting further upside potential.**
- A key trigger going forward will be the announcement of the U.S. biofuel program and its potential impact on Canadian canola oil. The reopening of the Chinese market for Canadian canola, scheduled for early March, is expected to improve export prospects in the coming months. European demand and downstream outlets for non-GMO canola meal limit large-scale imports of Canadian canola.
- In Europe, rising RSO prices and elevated RME stocks have squeezed biodiesel margins and capped near-term demand for RSO, which could put additional pressure on prices. Buyers are awaiting clarification regarding the GHG quota under RED III in Germany.

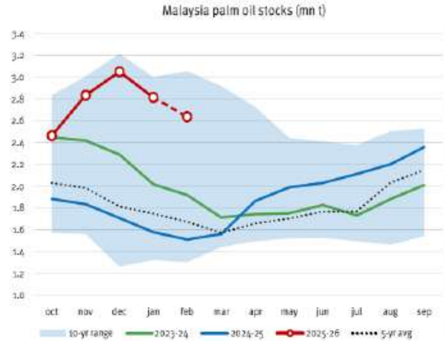
SOURCES: ARGUS/OIL WORLD/REUTERS

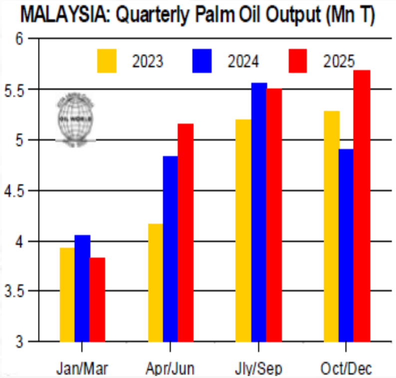
Palm oil market

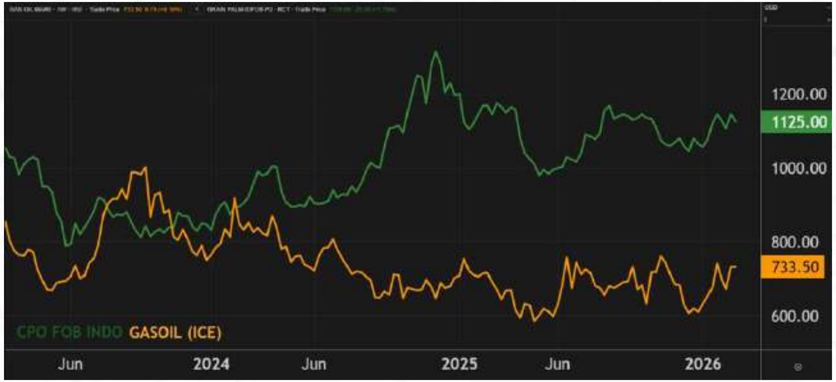


PALM OIL MARKET

Palm oil prices lower than previously expected



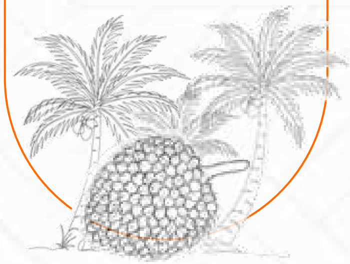




The bullish sentiment observed in Sept/Oct last year did not materialize. The main reasons are:

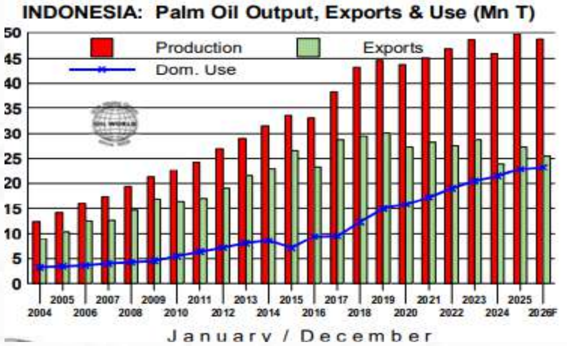
- Stronger-than-expected global palm oil production in Q4 2025, particularly in Malaysia, but also in Latin America.
- Malaysian stocks rose more than anticipated due to solid output and intense export competition from Indonesia.
- A wide price differential versus gas oil, which has reduced biodiesel competitiveness. Gas Oil or Fossil diesel has remained relatively cheap compared to palm- and soybean oil-based biodiesel, increasing the need for subsidies ➡ Indonesia confirmed the B40 mandate for 2026. We will see.
- More comfortable global soybean stocks.

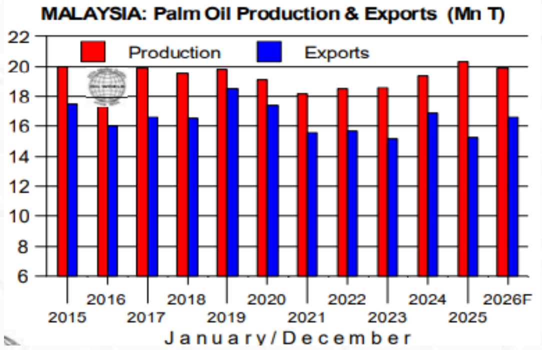
SOURCES: ARGUS/FASTMARKETS/MPOB/OILWORLD/REUTERS



PALM OIL MARKET

Global production in 2026 expected to decline





PALM OIL : World Production (Mn T)

	2026F	2025	2024	2023	2022
Indonesia	48.80*	49.60*	45.93*	48.53*	46.82
Malaysia	19.87*	20.28	19.34	18.55	18.45
Thailand	3.66*	3.85	3.27	3.32	3.24*
C&S Amer	6.25*	5.77*	5.34	5.93	5.64
Africa (a)	4.00*	3.85*	3.77	3.60	3.51
Oth ctrs	1.92*	1.89*	1.72	1.77	1.79
WORLD	**84.50***	**85.24**	**79.37**	**81.70**	**79.45**

(a) 12 countries.

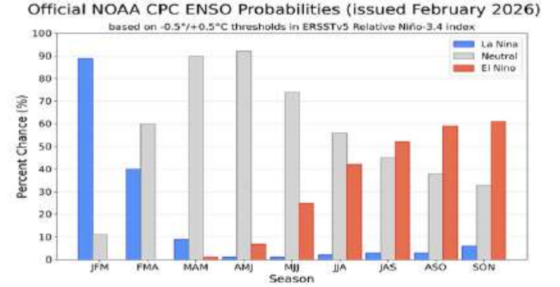


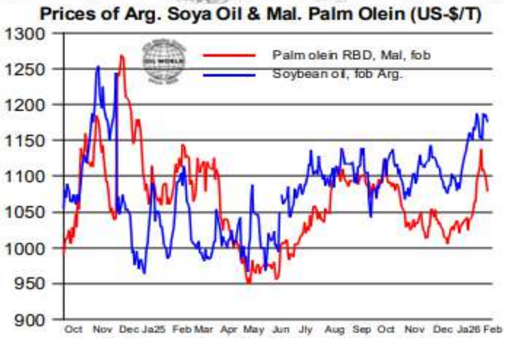
Figure 7. Official ENSO probabilities for the Niño 3.4 relative sea surface temperature index (5°N-5°S, 120°W-170°W). Figure updated 12 February 2026.

- Malaysian palm oil production in 2026 is expected to fall below 2025 levels, particularly in the second half of the year.
- Indonesia's land seizure policy could negatively affect yields and production, especially in the second half of 2026.
- Central America and Africa are expected to post another strong production year.
- Is El Niño coming back?

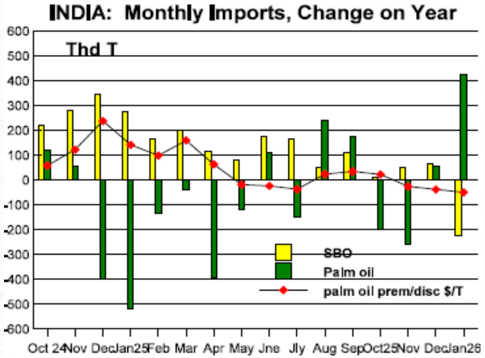
SOURCES: ARGUS/FASTMARKETS/GAPKI/MPOB/NOAA/OIL WORLD

PALM OIL MARKET

Sentiment now neutral to slightly bullish (1)



Daily prices from Oct 2024 until 6 Feb 2026



Biofuels has failed to deliver a bullish trigger

Daily Crude Palm Oil 3rd Month Contract Price, Aug 24 – Feb 26

- High global palm oil stocks are limiting upside in the very short term, despite the seasonal production slowdown in Q1.

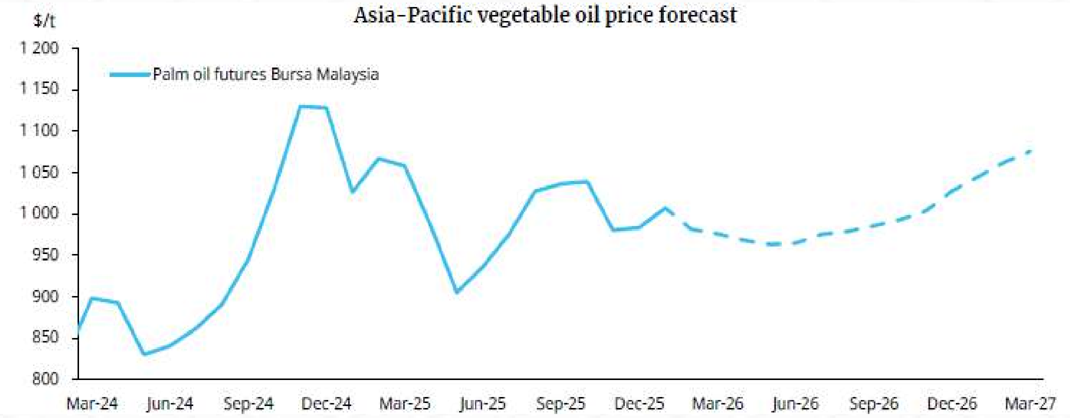
- Palm oil prices have recently been highly competitive, stimulating price-sensitive demand (notably from India). This could support prices from April onward, along with any recovery in energy prices. Land seizures in Indonesia and renewed speculation about a B50 mandate in 2027 may provide additional support.

- However, ample soybean supplies and rising sunflower and rapeseed oil production are likely to cap gains in July–December 2026.

SOURCES: FASTMARKETS/GAPKI/GLEANUK/OIL WORLD/STONEX

PALM OIL MARKET

Sentiment Now Neutral to Slightly Bullish (2)



Palm oil outlook:

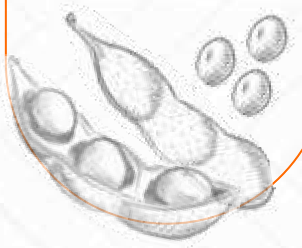
- Dorab Mistry: Expected range of MYR 3,800–4,300 until July 2026.
- Thomas Mielke: Forecast for Malaysian RBD palm olein (FOB): Jan/June 2026: USD 1,000–1,200 and in July/Dec 2026: USD 1,100–1,350.

Key drivers ahead:

- Biodiesel policies in the U.S., Indonesia, and Brazil.
- Palm oil production: Is El Niño returning? What will be the impact of government intervention in Indonesia?
- If CPO falls below RM 4,000, Indonesia is likely to accelerate B45/B50 implementation to stabilize domestic demand.

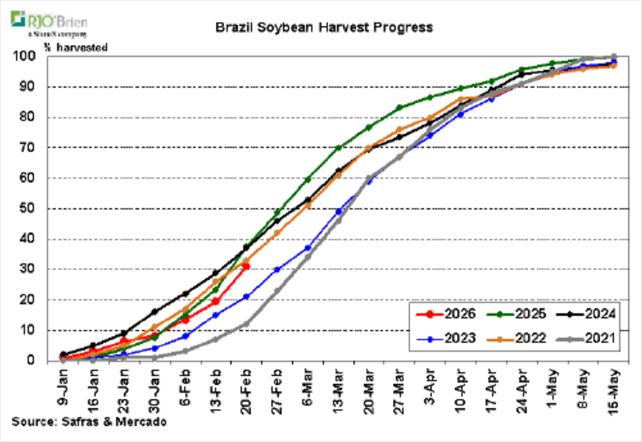
SOURCES: ARGUS/GODREJ/OIL WORLD

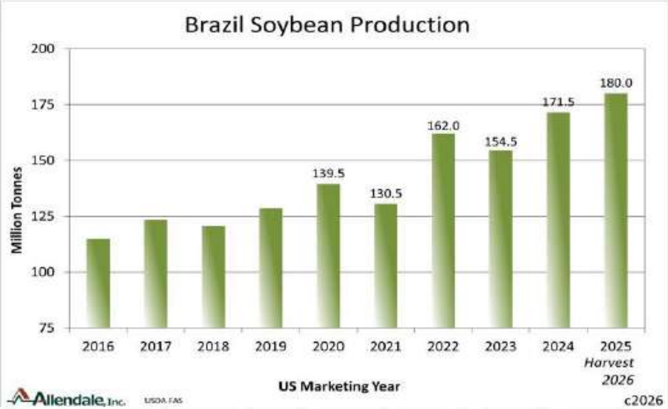
Soybean oil market



SOYBEAN OIL MARKET

Brazilian soybean production outlook has turned slightly less favorable





As of February 21st, Brazil's soybean harvest was 30% complete, vs 36% a year ago.

- Excessively wet conditions in several parts of central and northern Brazil are complicating fieldwork and slowing harvest progress.
- In contrast, dryness and heat in Rio Grande do Sul, the southernmost state, have stressed the soybean crop. Recent rainfall has brought some relief, but additional precipitation is still required.

Production estimates range widely between 178 and 185 MnT, with the majority of forecasts clustered around 179–181 MnT. Storage availability is tightening in northern Brazil.

SOURCES: ALLENDE/AGRESOURCES/CONAB/ETG/OILWORLD/RJO OBRIEN/SAFRAS & MERCADO

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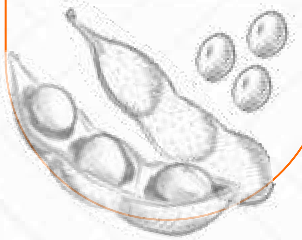
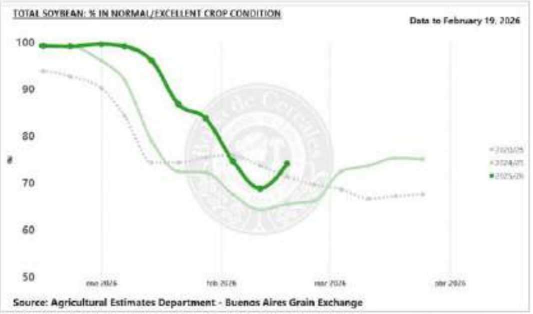
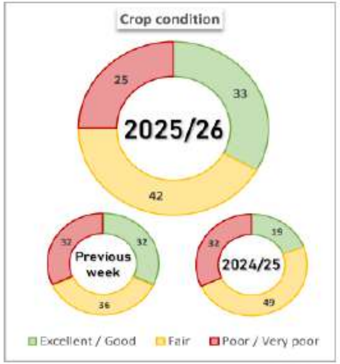
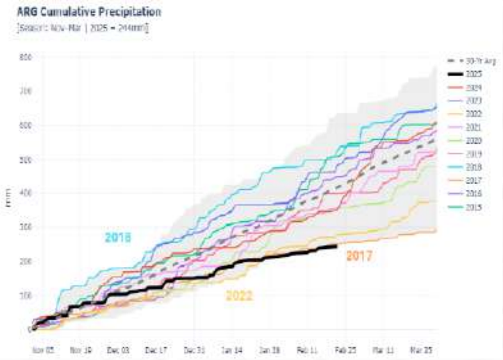


SOYBEAN OIL MARKET

Some improvement in Argentine crops, still affected by lack of rainfall







Argentina	2024-25 Argus	2025-26 Argus
Harvested areas (mn ha)	17.5	16.1
Yield (t/ha)	2.93	2.95
Beginning stocks (mn t)	6.7	4.8
Production (mn t)	51.1	47.6
Imports (mn t)	6.5	7.5
Total supply (mn t)	64.4	59.8
Exports (mn t)	12.6	5.0
Crush (mn t)	40.0	41.0
Food consumption (mn t)	0.0	0.0
Feed and other demand (mn	7.0	7.2
tal domestic demand (mn t)	47.0	48.2
Total demand (mn t)	59.6	53.2
Ending stocks (mn t)	4.8	6.6
Stocks/use ratio (%)	8%	12%
Stock/use ratio (days)	29.1	45.4

Argentina soybean supply could tighten before the new crop, due to very strong exports. Recent rainfall in central Argentina has stabilized crop conditions, with signs of slight improvement.

However, significant soil moisture deficits persist in several regions of Buenos Aires province, continuing to stress crops.

Current production estimates range between 46.0 and 49.0 MnT, with the Buenos Aires Grain Exchange pointing to 48.5 MnT. Weather conditions over the next 2–3 weeks will be critical for yield development.

SOURCES: AGRESOURSES/ARGUS/BCBA/BCR/ETG/INTA/OILWORLD/RJOOBRIEN

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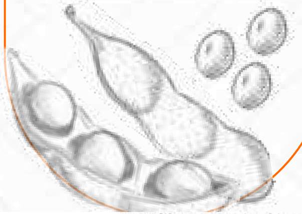
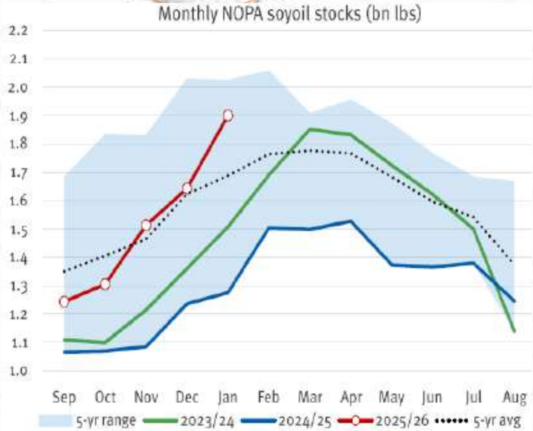
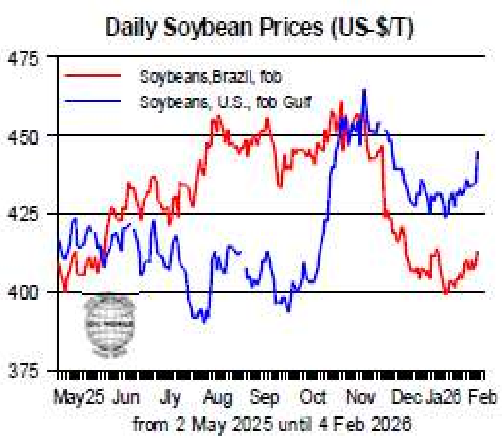


SOYBEAN OIL MARKET

US soybean prices disconnected from the rest of the market





There is significant uncertainty surrounding US biofuel policies and import tariffs, as well as the possibility of additional Chinese soybean purchases. The final EPA proposal is expected by March.

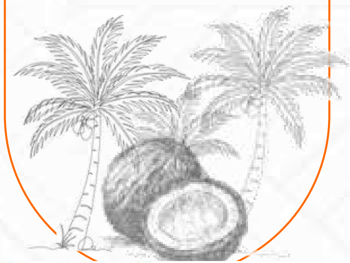
US SBO stocks have risen steadily since the start of the season. Nevertheless, the US SBO market is likely to remain tight and supported by strong domestic demand from biodiesel, renewable diesel, and SAF production, along with some exports to India.

CBOT futures could trade around the 60-cent level, while South American cash basis levels remain deeply negative.

South American prices will depend on harvest progress and logistics in Brazil, weather developments and farmer selling in Argentina, as well as Indian and Chinese demand. China is expected to continue acting as an exporter of soybean oil.

SOURCES: AG RESOURSES/ARGUS/GODREJ/OIL WORLD/REUTERS

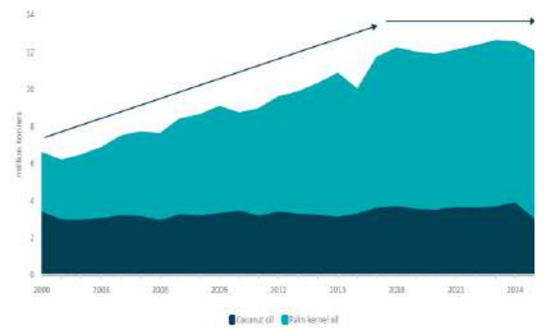
Lauric oils market



LAURIC OILS MARKET

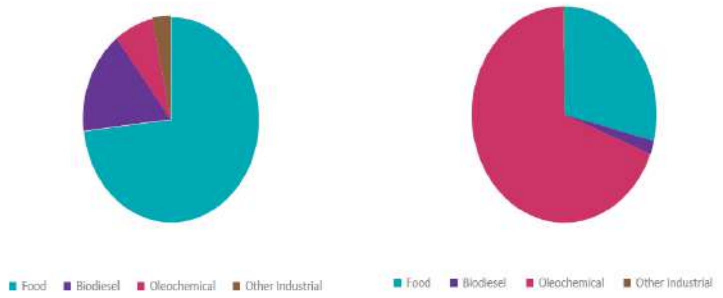
Structurally lauric oil supply is stagnating, while demand is comparatively inflexible

Limited prospects for growth



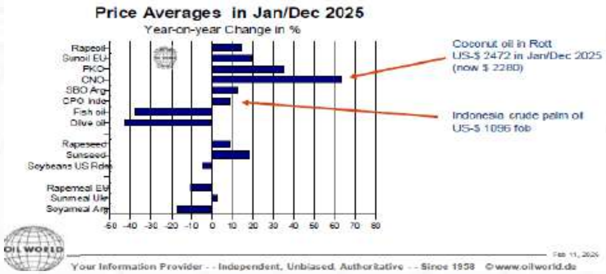
Annual global palm kernel oil and coconut oil output, 2000-2025

Given the structural tightness in lauric oils, which end use will cede market share?



Global vegetable oil demand by end use

Lauric vegetable oil demand by end use

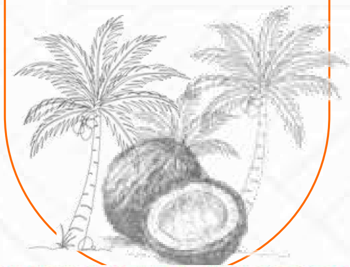


- Slowing growth in palm oil area in Indonesia and Malaysia, together with a stagnant coconut industry, has left lauric oil supply flat to declining.
- Unlike other vegetable oils, lauric oil demand is highly concentrated in two main end uses: oleochemicals and specialty fats. This demand is relatively inflexible.
- As a result, when CNO production is severely affected (typhoons, El Niño, etc.), prices tend to react very strongly.
- Downward price corrections are often even sharper.

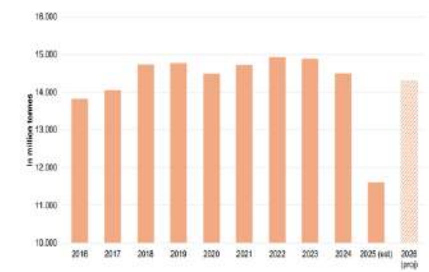
SOURCES: FASTMARKETS/GLENAUK/OIL WORLD

LAURIC OILS MARKET

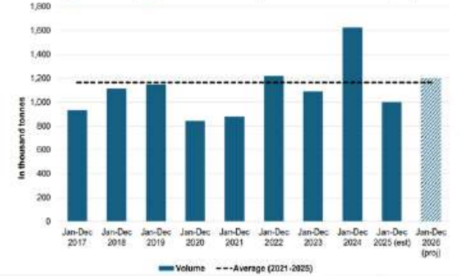
CNO recovery has been “next quarter” for over a year

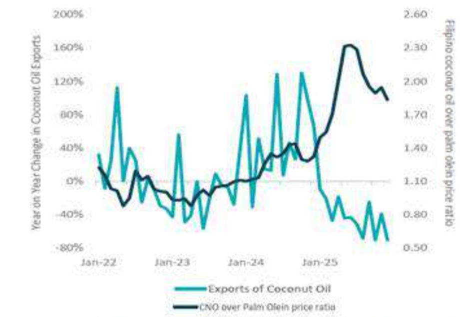


THE PHILIPPINES COCONUT PRODUCTION IS FORECAST TO RECOVER TO 2024 LEVELS



THE PHILIPPINES CNO EXPORT – 2026 exports to see a recovery, restoring part of the exports lost in 2025, up 20%





Filipino monthly coconut oil exports vs coconut oil premium over palm olein, Jan 2022-Jan 2026

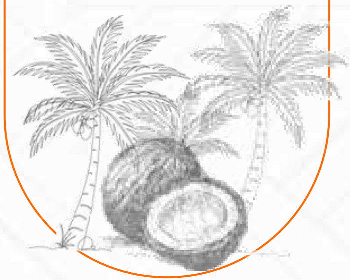
Indonesian monthly exports of products and coconut oil in nut equivalent, Jan-23 to Nov 25

- Philippine production of copra and coconut oil (CNO) is forecast to recover gradually this year, mainly in the second half. Coconut oil exports from the Philippines are expected to rise by 20% in 2026 to around 1.20 MNT, close to the 5-year average.

- However, Philippine export volumes have not yet improved significantly. In Indonesia, the gradual increase in coconuts processed into products for export (mainly coconut milk for China) is reducing CNO export supply. Glenauk affirms that Indonesian CNO exports may not recover to previous levels.

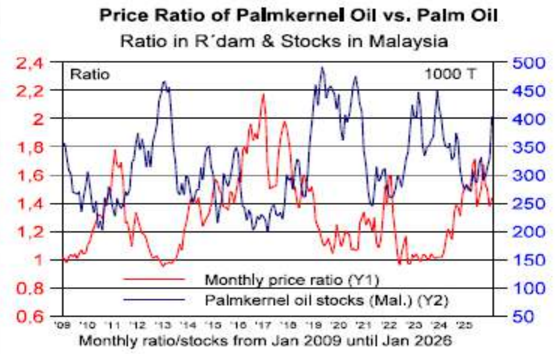
- Prices in the Rotterdam market declined until January but have rebounded in recent weeks, with notable price increases in the Philippines for both copra and coconut oil. The market is assessing whether the narrowing premium versus CPKO reflects the current supply situation.

SOURCES: FASTMARKETS/GLENAUK/UCAP/REUTERS

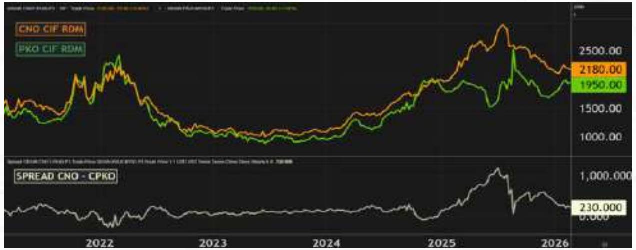


LAURIC OILS MARKET

2026 brings balance, not abundance, to laurics



		2021	2022	2023	2024	2025	2026	25 vs 24	26 vs 25
	Starting Stocks	1,021	971	1,408	1,398	987	890		
1	**Production**	6,764	7,138	7,239	7,095	7,455	7,451	5.1%	-0.1%
	Malaysia	2,049	2,097	2,117	2,136	2,249	2,183	5.3%	-3.0%
	Indonesia	4,714	5,041	5,123	4,959	5,206	5,269	5.0%	1.2%
2	**Oleochemical**	3,152	3,338	3,589	3,661	3,585	3,517	-2.1%	-1.9%
	Malaysia	992	1,125	1,145	1,106	1,051	1,004	-4.9%	-4.5%
	Indonesia	2,161	2,213	2,445	2,555	2,534	2,514	-0.8%	-0.8%
3	**Exports**	2,866	2,756	2,804	2,921	2,981	2,944	2.0%	-1.2%
	Malaysia	1,075	1,033	982	1,151	1,083	1,018	-5.9%	-6.0%
	Indonesia	1,791	1,722	1,822	1,770	1,898	1,926	7.2%	1.5%
	Imports	274	249	189	150	143	146	-4.5%	2.0%
	Domestic Food	1,067	853	1,027	1,075	1,130	1,185	5.1%	4.9%
	Ending Stocks	973	1,411	1,417	987	890	841		



CPKO prices in Rotterdam have risen to a five-month high, despite PKO stocks in Malaysia increasing to their highest level in over two years at the end of January.

Due to this stock accumulation, a short-term price correction is considered likely.

Looking ahead, with output expected to remain flat and only limited further decline in oleochemical demand, **Glenauk sees PKO stocks remaining relatively tight in 2026.**

SOURCES: FASTMARKETS/GLENAUK/OIL WORLD/UCAP/REUTERS

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