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Oil Crops Outlook: December 2025

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2025/26 U.S. Soybean Ending Stocks Forecast Is Unchanged This Month

U.S. soybean ending stocks forecast for marketing year (MY) 2025/26 is projected at 290.0 million bushels, unchanged from last month. The U.S. soybean supply and demand forecasts for MY 2025/26 are unchanged this month. The 2025/26 U.S. season-average farm price for soybeans is forecast at $10.50 per bushel, unchanged from last month's forecast but higher than the MY 2024/25 price of $10.00 per bushel. With unchanged domestic supply and demand for soybean meal and soybean oil, meal and oil price forecasts are unchanged this month and stand at $300.00 per short ton and $0.53 per pound, respectively.

For the foreign oilseed market, this month's outlook is for higher soybean production in Russia and India—along with higher rapeseed production in Australia, Canada, and Russia. Higher rapeseed and soybean production more than offset lower sunflowerseed production in Ukraine and Russia for MY 2025/26. In addition, palm oil production in Indonesia for both MY 2024/25 and MY 2025/26 is reduced.

Global rapeseed and soybean crush forecasts are raised this month due to higher supply, while sunflowerseed crush is reduced. Global soybean and rapeseed ending stocks for MY 2025/26 are projected higher this month on higher production, while sunflowerseed stocks are reduced to the lowest level since MY 2020/21.

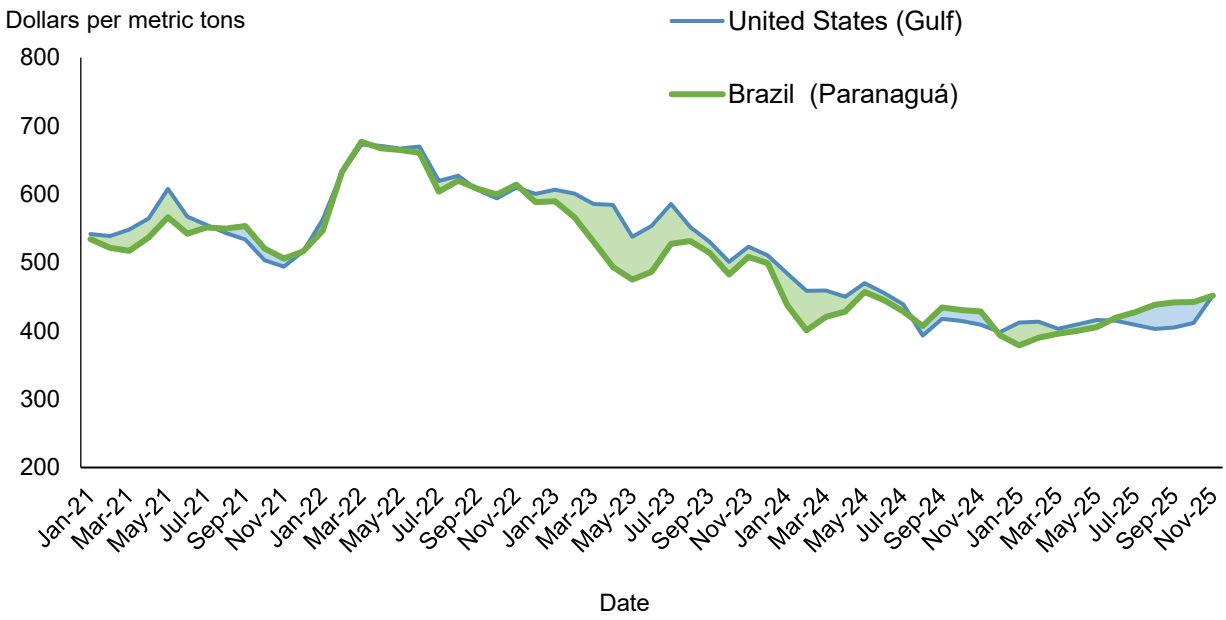
Domestic Outlook

U.S. Soybean Supply and Demand Forecast Is Unchanged This Month

U.S. soybean supply forecast for MY 2025/26 is unchanged at 4.59 billion bushels, but down 156 million bushels from MY 2024/25. In January, the USDA, National Agricultural Statistics Service will release the *Crop Production Annual Summary* report, offering a final estimate for the 2025/26 crop before subsequent revisions in September 2026. The *Crop Production Annual Summary* report will incorporate findings from the December Agricultural Survey, which typically has a sample size of more than 70,000 farmers, significantly larger than the nearly 6,700 sample size in the November survey.

The U.S. soybean export forecast for MY 2025/26 remains unchanged at 1.64 billion bushels this month. According to USDA, Agricultural Marketing Service, *Federal Grain Inspection Service* weekly reports, from September through November, the United States shipped 12.3 million metric tons of soybeans to markets outside of China, up 30 percent from the previous year, while shipments to China during this time period were less than 0.1 million metric tons. At the end of October, the United States announced a trade deal with China that included soybean purchases. Following the announcement, the soybean price spread between the United States and Brazil narrowed (figure 1). The USDA, Foreign Agricultural Service reports both year-to-date commitments through November 6 and flash sales through December 8 to China totaled more than 3.0 million metric tons. While shipments are expected to rise to China, the price rally in November reduced the U.S. price competitiveness to other countries.

Figure 1
Monthly average soybean free-on-board export prices



Note: Shading denotes the spread between the countries prices and which one is lower.
Source: USDA, Economic Research Service using data from International Grains Council.

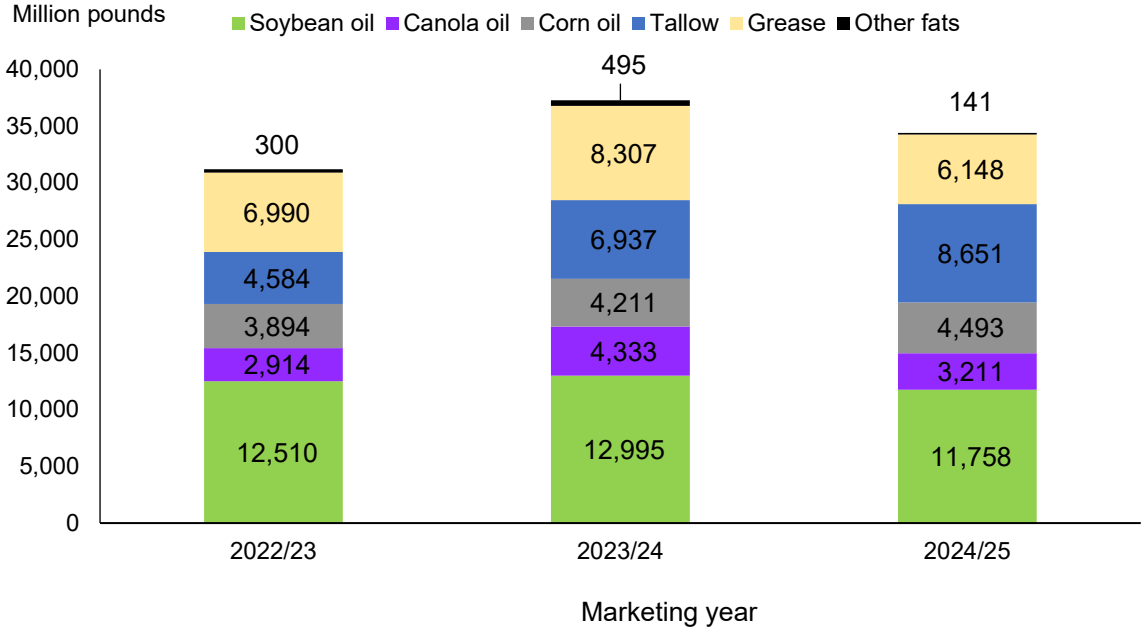
The U.S. soybean crush is forecast at a record-high 2.56 billion bushels, unchanged from last month's forecast, but 110 million bushels higher than MY 2024/25. This record crush is expected to meet the projected meal and oil demand. The growth in domestic meal demand is forecast to align with domestic pork and poultry production forecasts and with competitive soybean meal prices, relative to other feed ingredients. The U.S. soybean meal export forecast for MY 2025/26 remains unchanged this month at 19.2 million short tons, up 0.9 million short tons from MY 2024/25. As of November 6, 2025, soybean meal total commitments (shipments and sales) stand at 6.6 million metric tons, up 7 percent from the same period last year.

Furthermore, the forecast for higher soybean crush volumes is also supported by soybean oil demand. Total soybean oil demand for MY 2025/26 and MY 2024/25 is unchanged. In MY 2025/26, the soybean oil export forecast is 0.9 billion pounds, down 1.6 billion pounds from MY 2024/25. As per the USDA, FAS *Weekly Export Sales* report, soybean oil total commitments (shipments and sales) stand at 0.4 billion pounds, down 28 percent from the same period last year. While the October and November sales of soybean oil have been strong, new sales are expected to be limited. The soybean oil prices are projected to increase in 2026 as use of soybean oil in biomass-based diesel production is expected to increase under the proposed Renewable Volume Obligations for 2026. The soybean oil use in biomass-based diesel production is forecast unchanged at 15.5 billion pounds, up 3.7 billion pounds from the final MY 2024/25.

Feedstocks Used in Biomass-Diesel Production Are Finalized for MY 2024/25

On November 28, 2025, the U.S. Department of Energy, Energy Information Administration's (EIA) *Feedstocks Consumed for Production of Biofuels* report finalized MY 2024/25 feedstock usage. The total U.S. vegetable oils and fats used in biomass-based diesel production in MY 2024/25 was down nearly 3 billion pounds from MY 2023/24 to 34 billion pounds (figure 2). In calendar year 2025, biomass-based diesel producers have faced a lot of uncertainty surrounding the Renewable Volume Obligations and small refinery exemptions. This uncertainty curtailed production of biofuels, resulting in lower overall feedstock use. The vegetable oil share in biomass-based diesel production continued to decline this year to 55 percent, with soybean oil accounting for 34 percent of total feedstock used. Soybean oil use for biofuels in MY 2024/25 was finalized at 11.8 billion pounds, down more than a billion pounds from MY 2023/24. In addition to lower soybean oil use, canola oil use in biofuels was also finalized at 3.2 billion pounds, more than 1 billion pounds lower than the previous year. The decline in soybean oil and canola oil use was partially offset by record corn oil and tallow use in biomass-based diesel production.

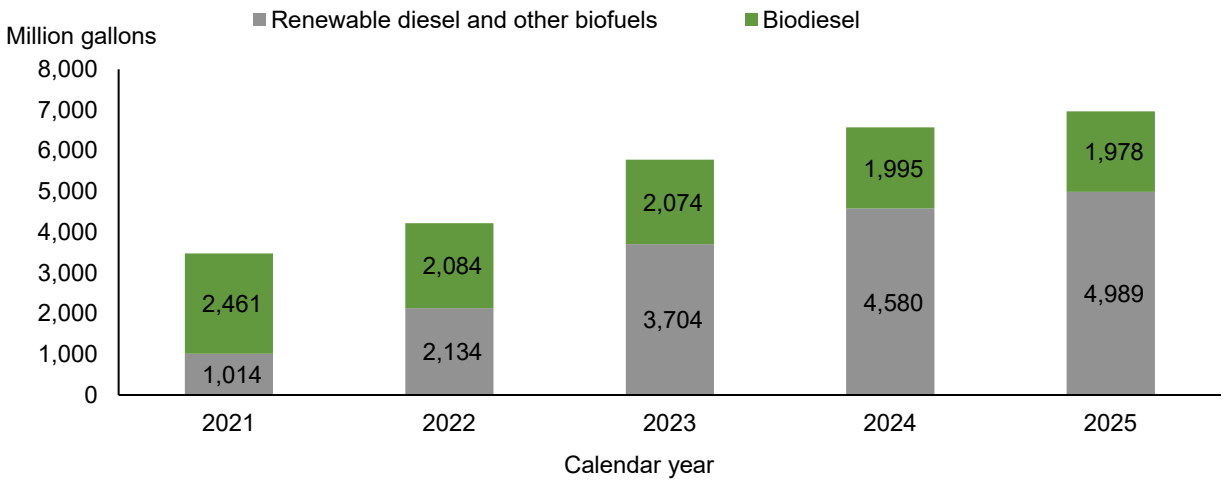
Figure 2
Feedstock usage in U.S. biomass-based diesel production, MY 2022/23 – MY 2024/25



MY = Marketing year.
Note: Total feedstocks used in biomass-based diesel production shown here only include those feedstocks that were disclosed.
Source: USDA, Economic Research Service using data from U.S. Department of Energy, Energy Information Administration.

EIA also released the *Biofuels Operable Production Capacity* report, which indicates that as of September 2025, the U.S. renewable capacity reached nearly 5 billion gallons. This number is a 9-percent increase from September 2024 but up almost 4 billion gallons since September 2021, when renewable diesel capacity started expanding. The biodiesel capacity stands at 1.98 billion gallons, marginally lower than the same period last year, but down 0.5 billion gallons since September 2021. The growth in U.S. renewable diesel capacity is attributable to increased targets for State and Federal renewable fuel programs. The soybean oil and canola oil forecasts for MY 2025/26 are unchanged this month.

Figure 3
U.S. biomass-based diesel operable production capacity as of the end of September



Source: USDA, Economic Research Service using data from U.S. Department of Energy, Energy Information Administration.

International Outlook

Global Sunflowerseed Stocks Decline on Lower Production for Russia and Ukraine

The global sunflowerseed production forecast for MY 2025/26 is reduced this month by 2.5 million metric tons to 51.8 million metric tons, on lower sunflowerseed output for both Russia and Ukraine. With a lower sunflowerseed supply, MY 2025/26 global sunflowerseed crush is lowered by 2.3 million metric tons. Furthermore, sunflowerseed ending stocks are forecast to decline to 2.8 million metric tons, the lowest since MY 2020/21.

With the lower sunflowerseed crush forecast—global sunflowerseed oil production, trade, consumption, and ending stocks are lowered this month. Global sunflowerseed oil consumption is reduced by 0.8 million metric tons to nearly 19.0 million metric tons—with lower consumption mainly in China, India, and the European Union.

In Russia, the 2025/26 sunflowerseed production declined this month by 1.0 million metric tons to 17.5 million metric tons, due to lower reported harvested area and yield. The harvested area was reduced by 0.2 million hectares to 10.5 million hectares. The yield is estimated at 1.67 metric tons per hectare, down 4 percent from last month and 5 percent from last year. According to the Russian Ministry of Agriculture, 89 percent of the harvest was completed as of November 25, on par with the average harvest progress. Despite the reduced production forecast, if realized, this will be a record sunflowerseed crop in Russia.

In Ukraine, farmers had harvested 93 percent of the sunflowerseed crop as of November 27, according to the Ukraine Ministry of Agriculture. The harvest yield results are lower than expected, so yield is reduced by 9 percent this month to 1.88 metric tons per hectare. Consequently, the 2025/26 sunflowerseed production forecast was lowered by 1.5 million metric tons to 10.5 million metric tons. If this forecast materializes, it will be the lowest sunflowerseed output for Ukraine since MY 2014/15.

With lower domestic supply, the sunflowerseed crush forecast for MY 2025/26 for Russia and Ukraine is reduced this month by 0.9 million metric tons and 1.2 million metric tons, respectively. Furthermore, sunflowerseed oil and sunflowerseed meal exports are reduced from both countries.

Global Rapeseed Production Is Raised for MY 2025/26

Global rapeseed production forecast for MY 2025/26 is raised by 3.0 million metric tons to 95.3 million metric tons on higher output for Australia, Canada, and Russia. With a record global rapeseed supply, trade and crush for MY 2025/26 are raised by 0.9 million metric tons and 1.6 million metric tons, respectively. Higher rapeseed imports are forecast for the European Union, Japan, Mexico, Pakistan and the United Arab Emirates. Global rapeseed ending stocks are forecast at 12.5 million metric tons, with Canada accounting for 30 percent of those stocks.

Australia's rapeseed production is estimated at 7.2 million metric tons, 0.5 million metric tons higher than last month's forecast, on higher harvested acreage and yield. Harvested area increased by 6 percent to 3.6 million hectares. Yield is forecast at 2.0 metric tons per hectare, up 1.5 percent from last month's forecast. As a result of higher supply, Australia's rapeseed export forecast is raised by 0.4 million metric tons to 5.5 million metric tons.

Canada's rapeseed production forecast for MY 2025/26 has increased due to the higher acreage and yield, in line with the latest report from Statistics Canada. Yield increased 9 percent to a record of 2.53 metric tons per hectare, while harvested acreage is 1.2 percent higher this month and estimated at 8.7 million hectares. With higher domestic supplies, Canada's crush, feed and residual use, exports, and ending stocks are revised higher. Crush is revised to 11.8 million metric tons, boosting available oil and meal supplies. According to Statistics Canada, Canada's rapeseed crush from August through October totaled 2.9 million metric tons, up slightly from MY 2024/25. The additional oil and meal supplies resulted in slightly higher domestic use.

Russia's rapeseed production forecast is raised this month by 0.5 million metric tons to 6 million metric tons, on higher yield as the harvest is nearly finished. Yields are estimated at 2.07 metric tons per hectare, compared to 1.75 metric tons per hectare in MY 2024/25. The rapeseed crush is projected to reach a record high of 4.3 million metric tons. With a higher supply of domestic rapeseed oil and rapeseed meal, the domestic consumption and trade are forecast to increase for these products.

Slower Growth for Indonesia's Palm Oil Production Is Projected in 2025/26

Indonesia's palm oil output for MY 2025/26 is forecast at 46.7 million metric tons, 0.8 million metric tons lower than last month’s forecast but 1.2 million metric tons higher than the revised MY 2024/25 production forecast. The MY 2024/25 Indonesia palm oil production is reduced this month by 0.5 million metric tons, on lower yields. The harvested area and yield for MY 2025/26 are lowered this month to 14.0 million hectares and 3.34 tons per hectare, respectively. Indonesia’s palm oil export forecast for MY 2025/26 is reduced by 0.3 million metric tons. With overall lower exports, imports for China and Pakistan are forecasted to be lower. Palm oil ending stocks for Indonesia for MY 2025/26 are projected at 4.7 million metric tons, down from last month’s forecast but 0.1 million metric tons above last year’s ending stocks.

Note: The information in this report reflects data available at the time of publication of the December 9, 2025, *World Agricultural Supply and Demand Estimates (WASDE)* report, unless otherwise specified.

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