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Oil Crops Outlook: August 2026

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U.S. Soybean Production Is Forecast at a Record for Marketing Year 2026/27

USDA's National Agricultural Statistics Service (NASS) published the first survey-based soybean yield forecast for the marketing year (MY) 2026/27 at 52.7 bushels per acre. This forecast is down 0.3 bushels per acre from last month's trend-based yield of 53.0 bushels per acre. The U.S. harvested acreage forecast is raised 1.4 million acres this month to 85.8 million acres on higher planted area, mainly in the Delta and Central Plains regions. Consequently, the soybean production forecast for MY 2026/27 is raised by 44.0 million bushels to 4.52 billion bushels. Soybean exports for MY 2026/27 are unchanged this month at 1.66 billion bushels. The U.S. soybean crush volume forecast is raised by 30 million bushels to 2.78 billion bushels. U.S. soybean ending stocks for MY 2026/27 are estimated at 320 million bushels, 10 million bushels higher than last month's forecast. The MY 2026/27 season-average soybean farm price forecast is unchanged this month and stands at \$11.40 per bushel.

The global soybean crush forecast for MY 2026/27 is raised by 0.6 million metric tons to 384.8 million metric tons and up nearly 11 million metric tons from revised crush for MY 2025/26. The strong demand for soybean meal and oil drives the global soybean crush. The MY 2025/26 soybean crush is increased this month for Brazil, Egypt, India, Pakistan, Paraguay, and the United States. The global soybean meal consumption for MY 2026/27 is forecast to grow 3 percent compared to nearly 6 percent in MY 2025/26. Global soybean oil use is forecast to expand by 3 percent compared with 5 percent in MY 2025/26.

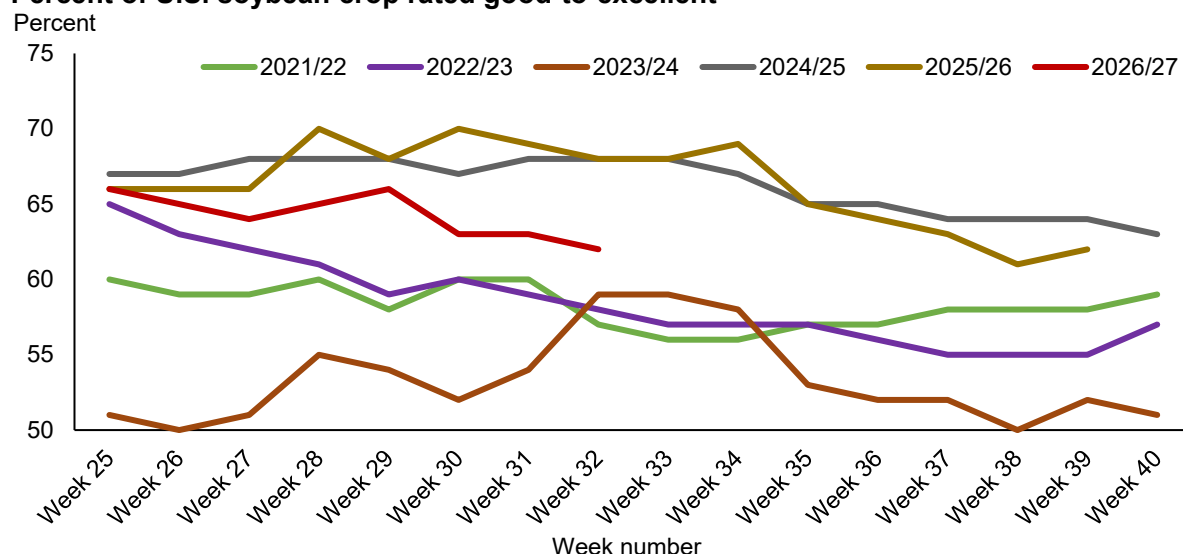
Domestic Outlook

U.S. Soybean Production for MY 2026/27 Increased on Higher Acreage

The U.S. soybean crop has developed ahead of the 5-year average due to earlier planting and favorable weather conditions. By the middle of May, 49 percent of U.S. soybean acreage was planted, compared to the 5-year average of 36 percent. The planting progress was ahead in all soybean producing U.S. States except Michigan. In Michigan, by the middle of May, 12 percent of the crop was planted compared to the 5-year average of 26 percent. Consequently, 62 percent of the soybean crop was setting pods as of August 2, 2026, compared to 56 percent in the same period last year and the 5-year average of 55 percent. High temperatures throughout July have helped push along the progress of soybeans in major producing States. However, precipitation in July across the soybean belt was lower than last year and the previous 5-year average. On August 2, 63 percent of the 2026/27 U.S. soybean crop was rated as good to excellent compared to 69 percent this time last year (figure 1). The August finishing weather will be critical for soybean development and final yield.

Figure 1

Percent of U.S. soybean crop rated good-to-excellent



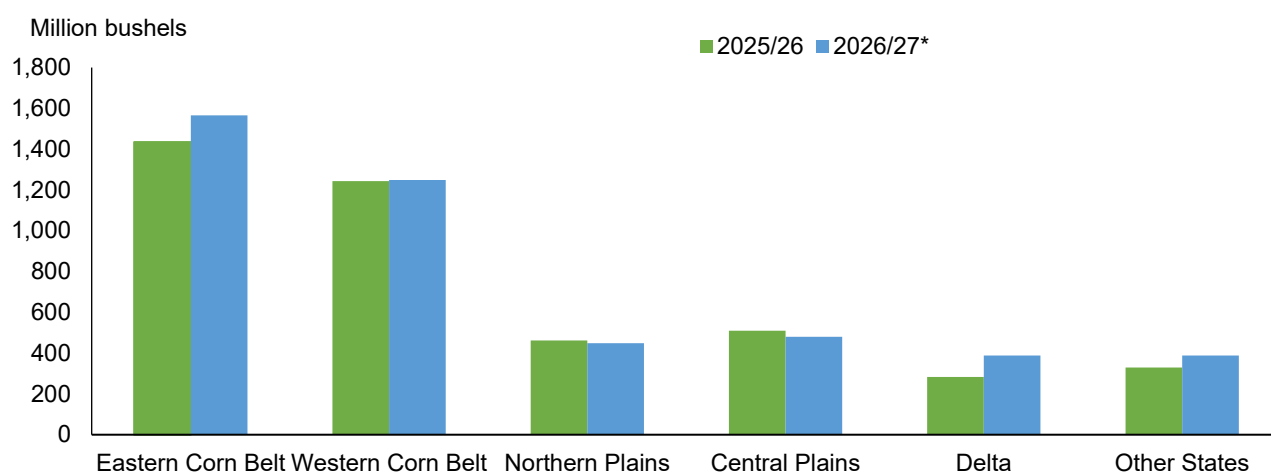
Source: USDA, Economic Research Service using data from USDA, National Agricultural Statistics Service, *Crop Progress*, August 9, 2026.

USDA's National Agricultural Statistics Service (NASS) released the *Crop Production* report that showed that U.S. farmers planted 86.8 million soybean acres and are projected to

harvest 85.8 million acres. This month's forecast is 1.4 million acres higher than the June *Acreage* report. The Delta and Central Plains regions account for the majority of the acreage increase this month.

The U.S. soybean yield at 52.7 bushels per acre is USDA's first survey-based forecast for MY 2026/27. The soybean yield forecasts for the Delta and Eastern Corn Belt regions are higher than final yields for last year. Conversely, yields are lower for the Western Corn Belt and the Central and Northern Plains. The net result of the yield and acreage changes lift the MY 2026/27 soybean production estimate to 4.52 billion bushels from the previous forecast of 4.48 billion bushels, with higher production across all regions except the Northern and Central Plains (figure 2). Total soybean supplies for MY 2026/27 are forecast to be up 39 million bushels, as the production increase is partially offset by lower beginning stocks, due to lower soybean carryover from MY 2025/26.

Figure 2
Soybean production by region



Eastern Corn Belt = Illinois, Indiana, Ohio, Michigan, and Wisconsin. Western Corn Belt = Iowa, Minnesota, and Missouri. Central Plains = Kansas and Nebraska. Northern Plains = North Dakota and South Dakota. Delta = Arkansas, Louisiana, and Mississippi. Other States = Alabama, Delaware, Georgia, Kentucky, Maryland, New Jersey, New York, North Carolina, Oklahoma, Pennsylvania, South Carolina, Tennessee, Texas, and Virginia.

Note: Asterisk (*) denotes forecast.

Source: USDA, Economic Research Service using USDA, National Agricultural Statistics Service *Quickstats* data.

U.S. soybean exports in MY 2026/27 are unchanged this month at 1.66 billion bushels. The U.S. soybean crush forecasts for MY 2025/26 and MY 2026/27 are raised this month to record high levels, supported by demand for soybean meal and oil. Soybean meal exports are revised upwards for both MY 2025/26 and MY 2026/27 on strong demand and relatively lower prices, compared to other feed ingredients. In July, Ag Processing Incorporated (AGP) completed the

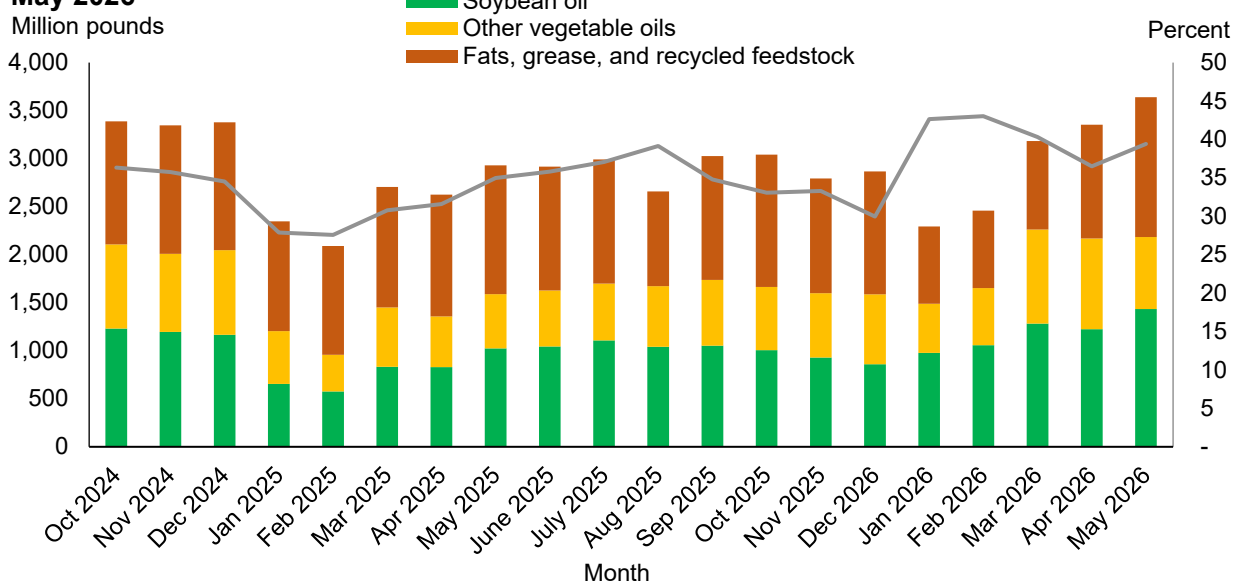
expansion of a terminal at the Port of Grays Harbor providing more capacity to export meal to international markets, especially Southeast Asia. In addition, the domestic soybean meal consumption forecast is raised to nearly 44 million short tons, up 1 percent from MY 2025/26. The soybean meal price for MY 2026/27 is forecast at \$310 per short ton, unchanged from last month's forecast and down \$10 per short ton from MY 2025/26.

Soybean oil domestic demand for MY 2026/27 is raised this month to 33.1 billion pounds on higher food, feed and other industrial usage. In MY 2025/26, soybean oil total domestic use is raised this month, on higher imports and lower exports. Soybean oil biofuel use in MY 2025/26 is raised to 14.7 billion pounds on higher biofuel production and the recent elevated shares of soybean oil in total use of feedstocks for biofuel production.

The U.S. Energy Information Administration (EIA) reported 39 percent of U.S. feedstock-based biofuel production utilized soybean oil in May 2026. This is 2 percentage points higher than in April, as use of soybean oil in biofuel production partially offset lower use of canola oil and corn oil. Overall, the share of vegetable oils in total use of feedstocks in the production of biomass-based diesel declined to 60 percent in May from 65 percent in April. The share of animal fats, used cooking oil, and grease increased from 35 percent in April to 40 percent in May. The total reported use of feedstocks in May reached a monthly record of 3.6 billion pounds (figure 3).

Figure 3

**Feedstocks consumed for production of biofuels since October 2024–
May 2026**



Note: Other vegetable oils includes corn oil, canola, oil, and other vegetable oils.

Source: USDA, Economic Research Service using data from U.S. Department of Energy, Energy Information Administration (EIA), *Feedstocks consumed for production of biofuels*, July 31, 2026.

In addition, the U.S. Environmental Protection Agency's Renewable Identification Number (RIN) generation data showed a continued increase in overall biofuel production in June, likely resulting in higher feedstock use. While soybean oil consumption for biofuels in MY 2025/26 is raised, the MY 2026/27 forecast remains unchanged at 17.8 billion pounds. Soybean oil ending stocks for MY 2026/27 are forecast at 1.9 billion pounds, unchanged from the previous forecast as the higher soybean oil production is offset by higher food, seed, and other industrial use. The soybean oil price for MY 2026/27 is forecast at 70 cents per pound, unchanged from last month's forecast.

U.S. Peanut Stocks Are Expected To Fall but Remain Elevated

The MY 2026/27 outlook for peanuts is for nearly unchanged supplies from last month, with higher beginning stocks offsetting lower production. In the USDA, NASS *Crop Production* report, peanut production is forecast at 5.4 billion pounds, down 25 percent from MY 2025/26 on lower harvested area partially offset by higher yield. With elevated stocks going into MY 2026/27, U.S. producers planted 1.4 million acres of peanuts, down 27 percent from MY 2025/26. In addition, NASS reported yields at 3,956 pounds per acre, up 5 percent from last year.

Despite lower supplies than MY 2025/26, MY 2026/27 peanut consumption, crush, and exports are forecast to be higher than last year. Peanut food consumption in MY 2026/27 is forecast to grow by 2 percent, while crush is expected to remain elevated at 875 million pounds. In addition, peanut exports in MY 2026/27 are projected to be at 1.4 billion pounds, up slightly from MY 2025/26 as low prices and high stocks are expected to keep the U.S. price competitive on the international market. With higher domestic use and higher exports, peanut ending stocks are forecast to decline in MY 2026/27. U.S. season-average peanut price for MY 2026/27 is forecast at 24 cents per pound, up 2 percent from MY 2025/26 but down 6 percent from the previous 5-year average.

International Outlook

Global Soybean Crush Increases for MY 2026/27 on Strong Demand for Soybean Meal and Oil

Global soybean crush for MY 2026/27 is forecast to reach a record level of 384.8 million metric tons, up nearly 11.0 million metric tons from revised soybean crush volume in MY 2025/26. Soybean crush for MY 2025/26 was revised by 1.4 million metric tons this month on higher crush for Brazil, Egypt, India, Pakistan, Paraguay, and the United States. The demand for soybean products and expansion in crush capacity support the increase in soybean crush volume.

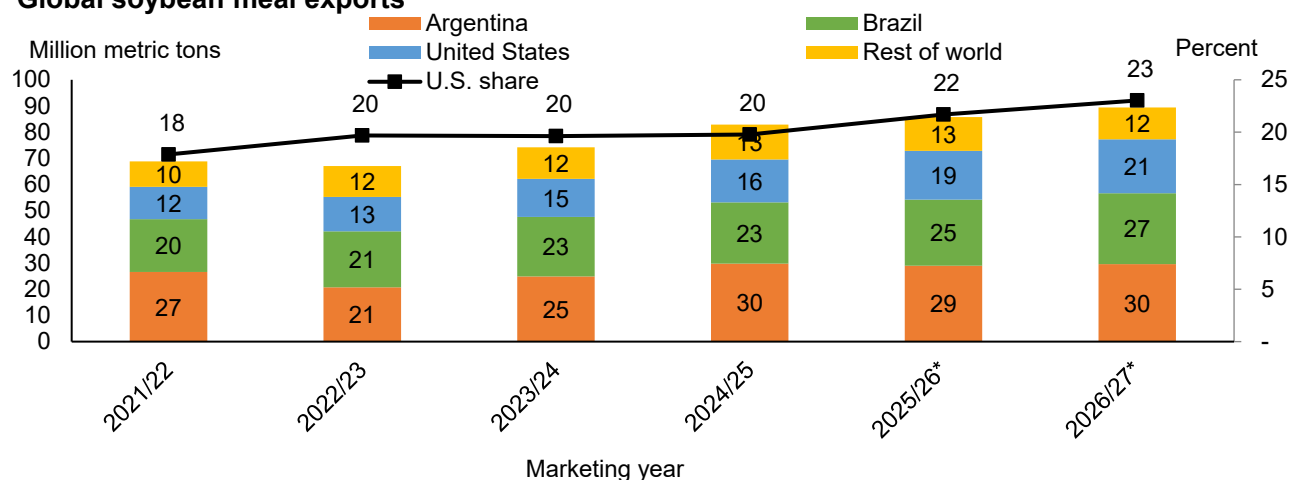
Over the last 5 years, major soybean producing and importing countries have continued to increase crush through higher utilization and capacity expansion. Brazil is forecast to reach a record-crush of 65 million metric tons in MY 2026/27. In 2025, Brazilian Association of Vegetable Oil Industries (ABIOVE) reports that Brazil has a crush soybean capacity of 76.4 million metric tons, up 6 percent from 2024. Based on in country sources, crush capacity in MY 2026/27 is expected to increase contributing to a record soybean crush forecast in MY 2026/27. In MY 2025/26, Paraguay crush is forecast at a record-high 3.8 million metric tons. According to the USDA Attaché, Paraguay is expected to have a new crush facility in MY 2026/27, bringing total crush capacity to 4.7 million metric tons. Additionally, soybean crush in MY 2026/27 for Egypt is forecast at 5.0 million metric tons, up 0.2 million from revised MY 2025/26 crush. In addition to larger international availability of soybeans, Egypt has increased its crush utilization rates while crush capacity has remained at 10 million metric tons. In the last half of 2025, Cevital, a large food processor in Algeria, opened a new crush facility in 2025 with a capacity of about 11,000 metric tons per day. As a result of recent expansions, Algeria's soybean crush for MY 2025/26 increased to 2.2 million metric tons from 1.7 million metric tons in MY 2024/25 and it is forecast to increase further in MY 2026/27 to 2.5 million metric tons. Furthermore, Pakistan is expected to increase soy crush to 3.3 million metric tons, with estimated oilseed crush capacity around 8 million metric tons. With the expansion in crush capacity and higher utilization of the existing crush capacity not only in these countries, but also the United States and the rest of the world, global soybean meal production for MY 2026/27 is forecast to reach a record of 301.5 million metric tons.

The global soybean meal usage forecast for MY 2026/27 is raised this month by 1.1 million metric tons to 297.1 million metric tons on higher usage in the European Union, Turkey, Ecuador, Philippines, the United States, Thailand, Mexico, and Ecuador. Higher demand for soybean meal is driven by growth in the livestock sector and competitiveness compared to other feed ingredients. Soybean meal is a preferred feed ingredient, largely in poultry and swine rations due to the higher protein content and balanced amino acid profile.

The growth in global soybean meal consumption is met through higher global soybean meal trade that is forecast to reach 89.4 million metric tons in MY 2026/27. This is up 1.0 million metric tons from last month's forecast and 3.7 million metric tons from revised estimates for MY 2025/26. The estimates for MY 2025/26 are raised this month by 1.1 million metric tons on higher exports from Brazil, India, Paraguay, the United States, and other countries. The U.S. share in global soybean meal trade is projected to increase to 23 percent in MY 2026/27 compared with the 5-year average of 20 percent (figure 4).

Figure 4

Global soybean meal exports



Note: Asterisk (*) denotes forecast.

Source: USDA, Economic Research Service using data from USDA, Foreign Agricultural Service, *Production, Supply and Distribution* database, August 2026.

Global soybean meal ending stocks for MY 2026/27 are forecast at 19.7 million metric tons, up 0.5 million metric tons from MY 2025/26. In addition, global soybean ending stocks for MY 2026/27 are forecast at 124 million metric tons, nearly unchanged from last month's forecast and down 0.9 million metric tons from MY 2025/26.

Dryness in European Union Impacts the Sunflowerseed Crop

The European Union sunflowerseed output for MY 2026/27 is reduced this month by 0.3 million metric tons to 9.5 million metric tons due to dryness in France, Spain, and Hungary that is partially offset by better conditions in Bulgaria and Romania. Summer in France, Spain, and Hungary has brought extreme dryness and record-setting heat, leading to the crop reduction. These weather conditions have pushed the sunflowerseed crop 2 weeks ahead of normal development at this point in the season. As a result, the EU sunflowerseed yield forecast is revised down this month by 4 percent and stands at 1.9 metric tons per hectare.

The lower sunflowerseed production this month is partially offset by higher imports. The EU sunflowerseed imports for MY 2026/27 were revised up by 0.1 million metric tons and are expected to reach 1.2 million metric tons, but down 0.2 million metric tons from the revised import forecast for MY 2025/26. The MY 2026/27 sunflowerseed crush is reduced this month by 0.2 million metric tons to 8.9 million metric tons, but up 1.3 million metric tons from revised MY 2025/26 crush. The sunflowerseed ending stocks in the European Union are unchanged this month at 565,000 metric tons.

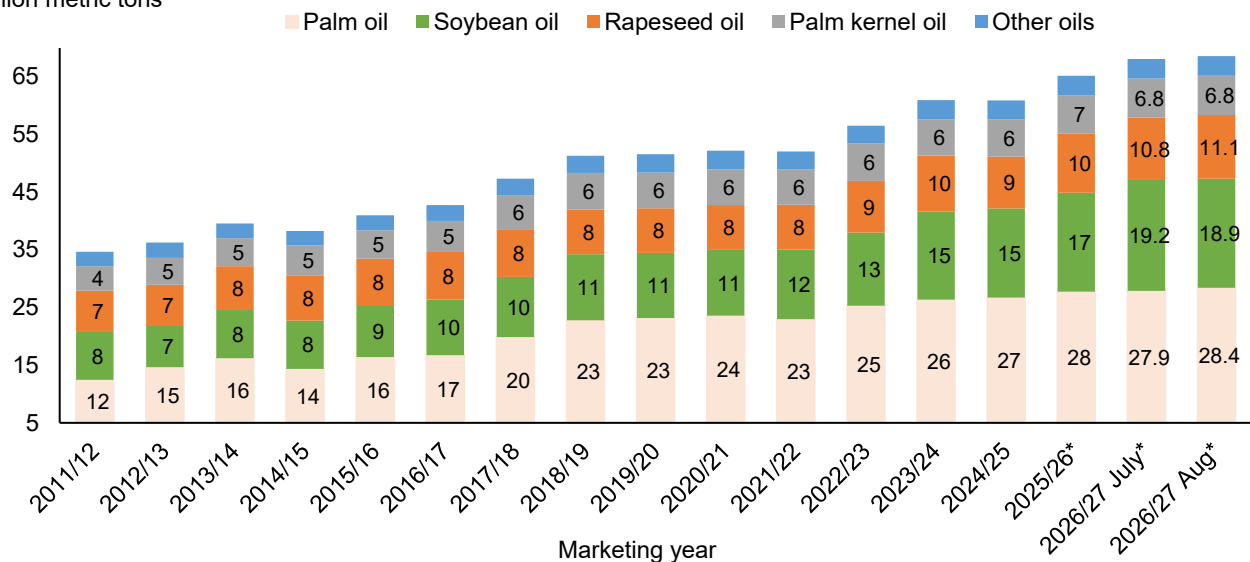
Industrial Use of Vegetable Oils Is Forecast To Increase in MY 2026/27

Industrial use of vegetable oils for MY 2026/27 is forecast to reach 68.6 million metric tons, up 0.5 million metric tons from last month's forecast and 3.4 million metric tons from MY 2025/26 (figure 5). Soybean oil accounts for more than 50 percent of that growth, followed by rapeseed oil and palm oil. Use of vegetable oils for industrial applications is primary for biofuel production (but also includes use for cosmetics, lubricants, paints, and printing inks).

Figure 5

Global industrial domestic consumption of vegetable oils

Million metric tons



Note: Other oils = coconut oil, cottonseed oil, peanut oil, sunflowerseed oil. Asterisk (*) denotes forecast.

Source: USDA, Economic Research Service using data from USDA, Foreign Agricultural Service, *Production, Supply and Distribution* database, August 2026.

Palm oil industrial use is raised this month in Indonesia on higher demand from the biodiesel industry. On July 1, 2026, Indonesia implemented the B50 biodiesel mandate which require all domestic diesel fuel to consist of a 50-percent palm oil blend. This policy accelerates the nation's shift from the prior B40 standard. The policy aims to reduce Indonesia's fossil fuel imports while utilizing more biodiesel produced from domestically produced palm oil. As a result, Indonesia's domestic palm oil industrial use forecast for MY 2026/27 is raised to 15.9 million metric tons, while palm oil exports are reduced to 23.7 million metric tons, marginally lower than exports for MY 2025/26.

Global rapeseed oil use for industrial applications in MY 2026/27 is forecasted at 11.1 million metric tons, 0.3 million metric tons higher than last month and 0.8 million metric tons higher than revised use for MY 2025/26. The use of rapeseed oil is raised this month for Canada, with offsetting reduction in soybean oil use in biofuel driven by revised soybean oil import forecast. In addition, Canada rapeseed crush for MY 2026/27 is increased to a record 13.7 million metric tons on higher rapeseed oil demand and larger rapeseed production.

Global soybean oil industrial use for MY 2026/27 is forecast at 18.9 million metric tons, 0.3 million metric tons lower than last month's forecast but 1.8 million metric tons higher than revised use for MY 2025/26. Use of soybean oil for biofuel production is forecast to increase not only in the United States but also in Brazil.

Canada's Rapeseed Production Increases on Higher Yield

In MY 2026/27, Canada's rapeseed production is forecast to reach a record-high as a result of expansion in area to 9.4 million hectares, up 8 percent from MY 2025/26. This month, Canada's MY 2026/27 production is revised up 0.5 million metric tons to 22.5 million metric tons on higher yields. During the 2026 growing season, the prairies received abundant rainfall and have remained largely free of drought. However, drier weather arrived in late July, potentially resulting in pockets of stress. As a result, the rapeseed yield is forecast to rise to 2.39 metric tons per hectare, up from last month but remaining below last year's record yield.

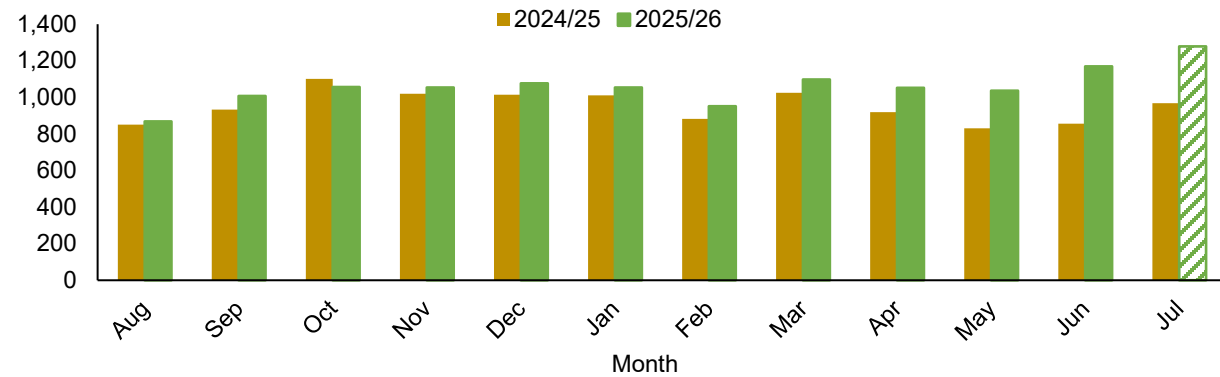
With total rapeseed supplies in Canada rising to 24.7 million metric tons, crush is forecast to expand to 13.7 million metric tons, up 1.0 million metric tons from last year's revised crush. In addition to more supplies, Canada has experienced expansion in its crushing industry. Louis Dreyfus Company recently expanded its canola processing complex in Yorkton, Saskatchewan, doubling its canola crush capacity to over 2 million metric tons per year. Cargill opened the Regina canola facility in April 2026, adding 1 million metric tons of processing capacity. With more supplies expected to be crushed, rapeseed exports are forecast to be down 0.5 million metric tons from last year to 7.9 million metric tons. Due to lower carry-in stocks from MY 2025/26, MY 2026/27 ending stocks are revised down 0.4 million metric tons to 2.4 million metric tons.

In MY 2025/26, Canada's rapeseed crush and exports are forecast up based on near final data. With the expansion in crush capacity and strong crush margins, Canada's monthly rapeseed crush has continued to exceed expectations (figure 6). Canada's MY 2025/26 rapeseed export estimate was raised this month. Consequently, MY 2025/26 ending stocks are revised down to 2.0 million metric tons.

Figure 6

Canada monthly rapeseed crush

Thousand metric tons



Source: USDA, Economic Research Service using data from Statistics Canada and USDA, Foreign Agricultural Service, *Production, Supply and Distribution* database, August 2026.

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