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Oil Crops Outlook: September 2026

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2026/27 U.S. Soybean Production Increased on Higher Acreage and Yield

In the latest *Crop Production* report, the USDA, National Agricultural Statistics Service (NASS) increased the marketing year (MY) 2026/27 national average soybean yield from the previous forecast of 52.7 bushels per acre to 52.8 bushels per acre. The planted and harvested acreage are increased by 0.1 million acres to 86.9 million acres and 85.9 million acres, respectively. With higher acreage and marginally higher yield, the MY 2026/27 U.S. soybean production forecast was raised by 16.0 million bushels to 4.5 billion bushels. With higher supply, the U.S. soybean export forecast is raised this month by 25 million bushels to 1.69 billion bushels. The soybean crush forecast is unchanged and stands at 2.78 billion bushels. Soybean ending stocks for MY 2026/27 are forecast at 310.0 million bushels, 10.0 million bushels lower than last month's forecast. The MY 2026/27 U.S. season-average soybean price forecast is raised this month to \$12.00 per bushel.

The global rapeseed and sunflowerseed production forecasts for MY 2026/27 are raised by 1.9 million metric tons, and 1.0 million metric tons to nearly 100 million metric tons and 63.7 million metric tons, respectively. In addition to more supplies, the strong demand for vegetable oils is supporting global rapeseed and sunflowerseed crush. The MY 2025/26 and MY 2026/27 rapeseed crush is increased this month mainly for the European Union, Bangladesh, and Canada. The global sunflowerseed crush forecast is also increased this month for both MY 2025/26 and MY 2026/27. The higher supply of rapeseed oil and sunflowerseed oil for MY 2026/27 more than offset the lower palm oil production forecast for Indonesia. The Indonesian palm oil production forecast for MY 2026/27 is reduced to 47.2 million metric tons on marginally lower yield.

Domestic Outlook

Higher Yield and Acreage Increase Outlook for U.S. Soybean Production

Based on a higher acreage and higher soybean yield forecast, this month's USDA, NASS *Crop Production* report raised the MY 2026/27 soybean production up 16.0 million bushels to 4.5 billion bushels. The soybean planted and harvested area increased this month by 0.1 million acres on higher planted and harvested acreage in North Dakota and South Dakota. The season's national average yield is forecast at 52.8 bushels per acre, compared with 52.7 bushels last month. Higher forecast yields this month in Iowa, Indiana, Ohio, Minnesota, Nebraska, Kentucky, South Dakota, and Louisiana more than offset the reduced yields in Illinois, Kansas, Mississippi, North Dakota, and Michigan. If realized, the forecasted yield will be a record high for Alabama, Arkansas, Indiana, Iowa, Illinois, North Carolina, and Ohio.

The harvested soybean acreage is forecast at 85.9 million acres, up 0.1 million acres from last month, with a gain in harvested acreage in North Dakota and South Dakota. Higher soybean production (combined with unchanged beginning stocks) brings total soybean supply for MY 2026/27 at 4.9 billion bushels, up 16.0 million bushels from last month and up 273 million bushels from MY 2025/26.

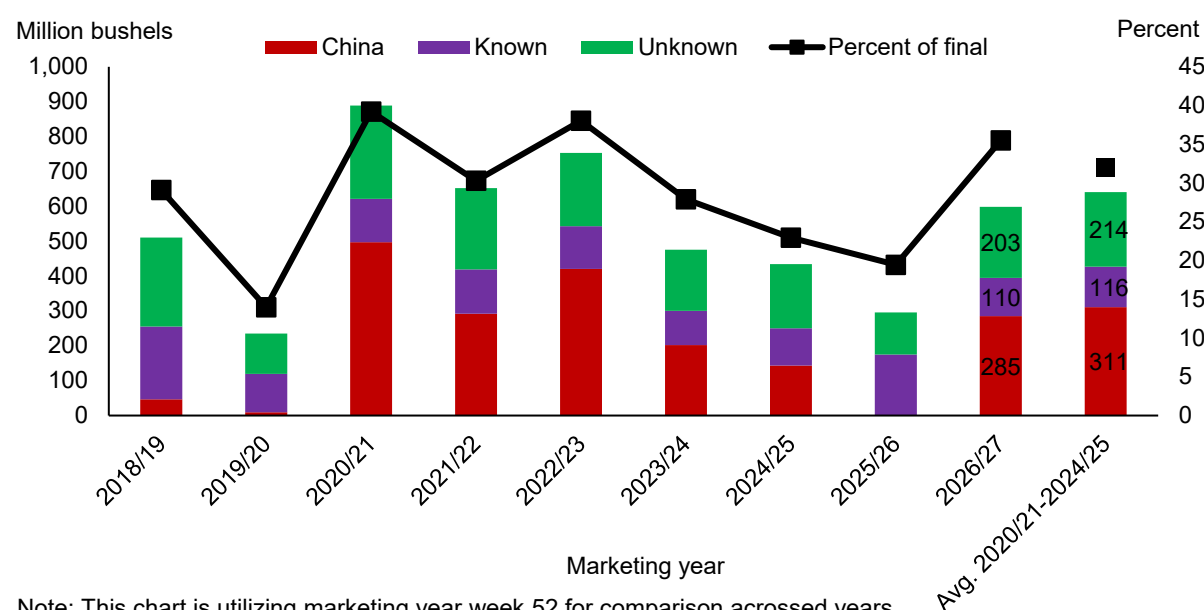
August is a key period for weather as soybean plants go through the development and filling of soybean pods that are important for final yields. Across soybean growing regions, weather in August was mixed. Much of the Central Plains and lower Mississippi Valley regions experienced modestly warm weather and precipitation patterns were more variable. Most of the Delta, Central and Southern Plains, Southwest, and West regions recorded below-normal rainfall. Additionally, drier-than-normal conditions also persisted across parts of the upper Mississippi Valley and Great Lakes regions. In contrast, areas of the Northern Plains, Middle Mississippi Valley, Ohio Valley, and portions of Mid-Atlantic Coast States received above-normal rainfall. As a result, topsoil moisture continued to decline across much of the West and Plains regions, while the Eastern Corn Belt had adequate to surplus topsoil moisture levels. USDA, NASS's objective yield surveys for 11 major soybean-producing U.S. States (Arkansas, Illinois, Indiana, Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, Ohio, and South Dakota) found that the number of soybean pods with beans per 18 square feet was 5 percent below the final counts for 2025 but marginally higher than the last 3-year average. The September-finishing

weather will determine the final pod weights and yield. Soybean harvesting in many areas will soon commence, as 13 percent of the U.S. soybean crop is dropping leaves as of August 30, 3 percentage points ahead of last year and 4 percentage points ahead of the 5-year average.

The U.S. soybean export forecast for 2026/27 is raised by 25.0 million bushels to 1.69 billion bushels, 165 million bushels above the MY 2025/26 export estimate of 1.52 billion bushels. As of August 27, the USDA, Foreign Agricultural Service *Export Sales* report noted that the next year (MY 2026/27) outstanding sales at 598 million bushels, up from last year at the same period but down nearly 7 percent from the 5-year average of 2020/21–2024/25 (figure 1).

Figure 1

U.S. soybean new-crop outstanding sales at the end of August



Note: This chart is utilizing marketing year week 52 for comparison across years.

Source: USDA, Economic Research Service using data from USDA, Foreign Agricultural Service, *U.S. Export Sales* report.

U.S. soybean sales to China, a top market, were at 285 million bushels as of week 52 compared to zero sales in the same period last year due to ongoing trade disputes, and the 5-year average of 311 million bushels. China has purchased more soybeans ahead of the start of the 2026/27 marketing year, while the purchases of the other foreign known buyers are down 37 percent compared to the same period last year.

U.S. soybean crush forecast for MY 2026/27 is unchanged this month and stands at 2.78 billion bushels, supported by strong demand for soybean products. U.S. soybean meal export forecasts for both MY 2025/26 and MY 2026/27 are unchanged this month. U.S.

Soybean meal imports are raised for MY 2025/26 and 2026/27 on higher imports to date and stronger demand for organic soybean meal. The soybean meal price forecast for MY 2026/27 is raised to \$340 per short ton, up \$30 per short ton from last month's forecast and up \$15 per short ton from MY 2025/26.

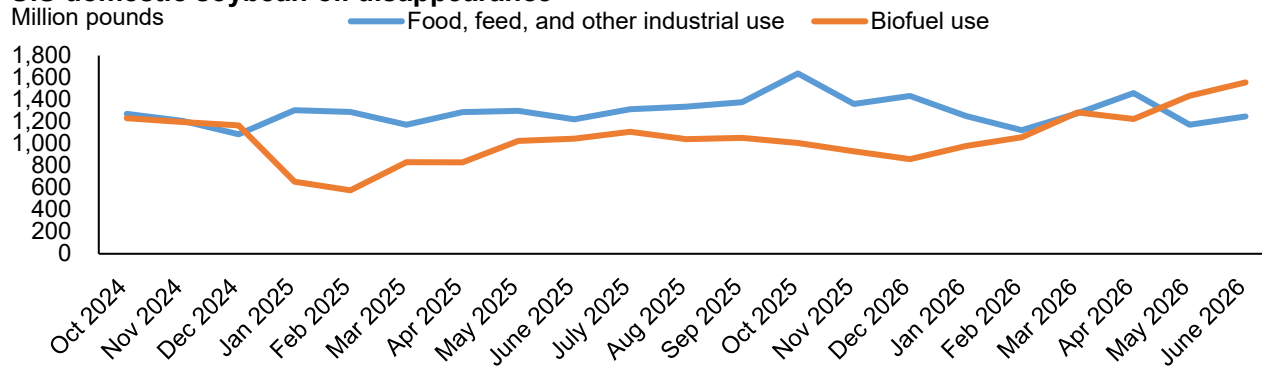
Soybean oil domestic disappearance for MY 2026/27 is forecast at 33.1 billion pounds, unchanged from last month's forecast and up 2.8 billion pounds from revised use in MY 2025/26. Soybean oil disappearance captured under the food, feed, and other industrial category is unchanged this month and is expected to account for 46 percent of annual domestic disappearance. Soybean oil use for biofuels for MY 2026/27 is forecast at 17.8 billion pounds, unchanged from last month's forecast but 3.0 billion pounds higher than revised use for MY 2025/26. For MY 2025/26, soybean oil use in biofuel production is revised higher to 14.8 billion pounds on expansion in biofuel production and the elevated shares of soybean oil in total use of feedstocks for biomass-based diesel production in calendar year 2026.

In June, the U.S. Department of Energy, Energy Information Administration reported soybean oil use in biomass-based diesel production reached a monthly record of 1,556 million pounds, exceeding the monthly use of soybean oil for the food, feed and other industrial use (figure 2). Soybean oil accounted for about 40 percent of total feedstocks consumed for biomass-based diesel production. Additionally, total biomass-based diesel production reached a record, resulting in overall higher feedstock use. In June, producers of biodiesel used 790 million pounds of soybean oil, 6 percent above last month. Renewable diesel producers also increased the use of soybean oil to 766 million pounds, up 11 percent from the previous record.

Figure 2

U.S domestic soybean oil disappearance

Million pounds



Source: USDA, Economic Research Service using data from USDA, National Agricultural Statistics Service, *Fats and Oils: Oilseed Crushings, Production, Consumption, and Stocks* report and U.S. Department of Energy, Energy Information Administration (EIA), *Feedstocks consumed for production of biofuels*, August 31, 2026.

2026/27 U.S. Peanut Beginning Stocks Forecast Is at a Record

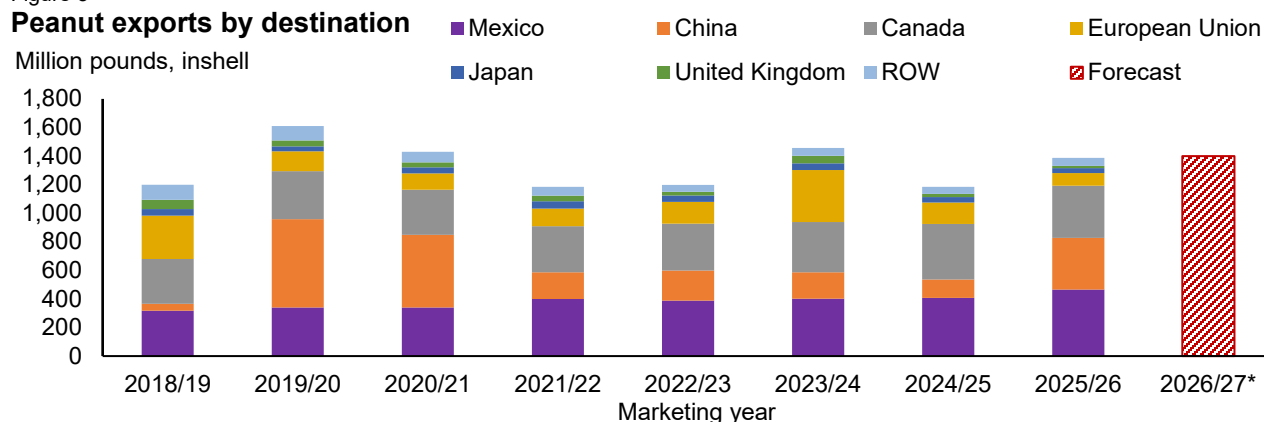
In MY 2026/27, U.S. peanut supplies are forecast this month up 103 million pounds to 8.6 billion, driven by record-high carry-in stocks from MY 2025/26 that more than offset lower production. USDA, NASS released in the latest *Crop Production* report that yields and harvested area were forecast down from last month. The harvested area was revised down to 1.36 million acres on lower planted acreage mainly for Alabama, North Carolina, Oklahoma, South Carolina, and Texas. The national average yield is forecast at 3,879 pounds per acre, up 112 pounds per acre from 2025. In addition to the change in production, the USDA, NASS *Peanut Stocks and Processing* report showed finalized MY 2025/26 ending stocks at a record of 3.2 billion pounds. In MY 2025/26, farmers planted nearly 2.0 million acres of peanuts, resulting in record peanut production. However, peanut food use declined in MY 2025/26, while exports and crush only increased 0.2 billion pounds, resulting in higher stocks.

With these ample supplies in MY 2026/27, peanut food use is forecast to grow 3 percent from last year. Additionally, crush is forecast marginally higher at 900 million pounds on strong crush margins. U.S. peanut exports are forecast up fractionally year to year, and remain elevated on continued strong shipments to key destinations (figure 3). There were reports in MY 2025/26 of lower quality peanuts, which supported shipments particularly to China. Ample beginning stocks are expected to support elevated shipments. In addition, Mexico is projected to continue to have strong peanut consumption in MY 2026/27. Overall, with higher total use expected and nearly unchanged supplies, peanut ending stocks in MY 2026/27 are forecast down from last year to 2.3 billion pounds. The larger stocks are forecast to continue to put pressure on peanut prices at 24 cents per pound, up from last year but down from the previous 5-year average.

Figure 3

Peanut exports by destination

Million pounds, inshell



Source: USDA, Economic Research Service using data from USDA, Foreign Agricultural Service Global Agricultural Trade System and *Production, Supply and Distribution* database.

International Outlook

Global Rapeseed Crush Is Forecast To be Raised on Higher Supplies

Global rapeseed production in MY 2026/27 is forecast at nearly 100 million metric tons, up 1.9 million metric tons from last month's forecast driven by larger crops for Australia, Russia, Uruguay, and Kazakhstan. Rapeseed production in Australia is increased by 1.0 million metric tons on higher acreage and better than expected yields. According to Australian's Bureau of Agricultural and Resource Economics and Sciences (ABARES), western Australian rapeseed production is forecast to reach record high acreage at 2.2 million hectares. In addition, south Australia and Victoria are expected to see higher rapeseed acreage compared to MY 2025/26. Rapeseed yields in Australia are forecast to be down from last year at 2.05 metric tons per hectare, but up from last month's forecast on above average rainfall early in the growing season. Russia's rapeseed production is also revised higher on additional acreage. However, in Siberia—which this year accounts for 60 percent of the total spring rapeseed planted area—insufficient rainfall and high temperatures were experienced throughout the spring growing season, hindering crop development in that region. For more information, see USDA, Foreign Agricultural Service's September 2026 *World Agricultural Production* report. Additionally, Uruguayan rapeseed production is revised higher, driven by updated acreage statistics. Conversely, the hot and dry conditions across the European Union limited rapeseed yield potential, resulting in a rapeseed crop of 20.2 million metric tons, 0.4 million metric tons lower than last month's forecast.

With overall higher production, global rapeseed exports are forecast up 1.3 million metric tons to 19.9 million metric tons—with additional shipments out of Australia, Russia, Kazakhstan, and Uruguay expected. Part of these additional shipments are expected to go to the European Union. The European Union is forecasted to import 6.6 million metric tons of rapeseed, up 0.7 million metric tons from last month on smaller production and stronger demand. In addition, Pakistan, China, and Bangladesh imports are forecast to be up on higher crush margins and more available supplies.

Global rapeseed crush is forecast up 1.1 million metric tons to 93.6 million metric tons with higher crush expected in the European Union, Pakistan, Bangladesh, Canada, and Russia. The European Union is forecast to crush 25.4 million metric tons of rapeseed in MY 2026/27, up 0.3

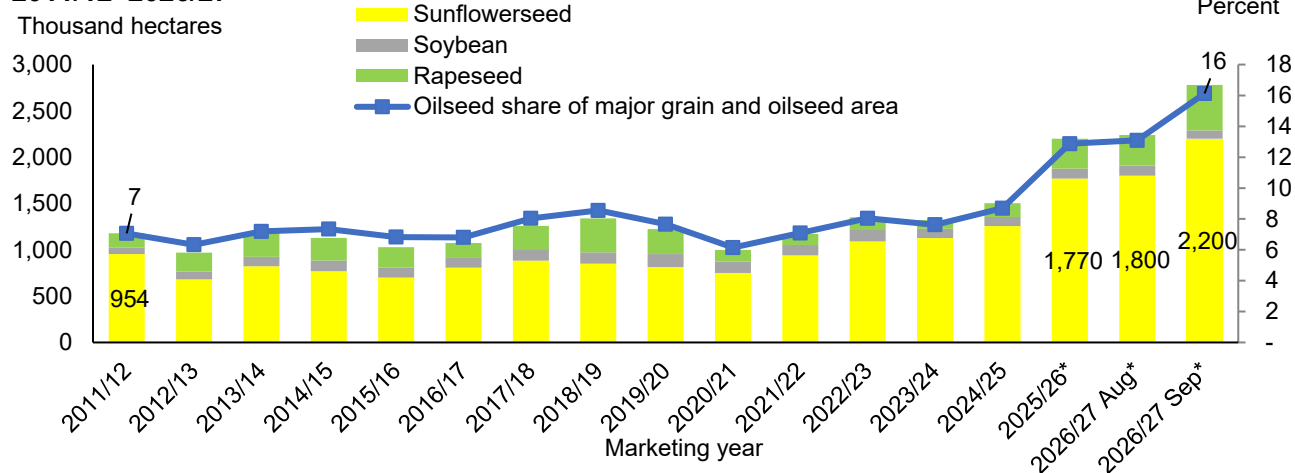
million metric tons from last month but down 0.4 million metric tons from the revised MY 2025/26 crush. The EU rapeseed crush is potentially limited by additional crush of the larger sunflowerseed crop in MY 2026/27. Russia's rapeseed crush is also forecast to increase to a record 4.9 million metric tons on higher production. Global rapeseed ending stocks are revised up to 12.3 million metric tons.

Kazakhstan Oilseed Production Increases Due to Higher Acreage

Kazakhstan's major oilseed (rapeseed, soybean and sunflowerseed) production for MY 2026/27 is forecast to reach a record high due to expansion in harvested acreage. The National Bureau of Statistics in Kazakhstan released the final acreage for MY 2026/27 and harvested acreage is estimated at 2.8 million hectares, up 24 percent from MY 2025/26. Over the last decade, oilseed acreage has nearly doubled while acreage for grains has declined, driven by more favorable returns for oilseeds (figure 4). While the magnitude of oilseed acreage is smaller than grains, oilseed acreage is forecast to reach 16 percent of total major grains and oilseed acreage, up from 7 percent in MY 2011/12.

Figure 4

Kazakhstan oilseed area and share of major grain and oilseed area, MY 2011/12–2026/27



Note: Major grains = barley, corn, millet, oat, rye, and wheat. Major oilseeds = sunflowerseed, soybeans, and rapeseed. Asterisk (*) denotes forecast.

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

This month, Kazakhstan's major oilseed production for MY 2026/27 is raised by 0.7 million metric tons to 4.0 million metric tons, on higher rapeseed and sunflowerseed production more than offsetting a marginal decline in soybean production. During the 2026 growing season, the

major rapeseed growing regions (North Kazakhstan, Aqmola, and Qostanay) experienced favorable growing conditions. As a result, the rapeseed yield forecast is raised this month by 1 percent to 1.71 metric tons per hectare. Sunflowerseed yields are forecasted at 1.36 metric tons per hectare, marginally lower than last month and last year due to dryness in the major sunflowerseed province of Pavlodar that accounts for 18 percent of national production.

In addition to the growth in oilseeds area, the oilseed processing industry has invested to modernize and expand crushing plants. Total oilseed crush capacity in MY 2026/27 exceeds 5 million metric tons annually. The major oilseeds crush for MY 2026/27 is forecast to reach 3.4 million metric tons, up 0.4 million metric tons from last month's forecast and 0.6 million metric tons higher than crush in MY 2025/26. As a result, major vegetable oil output has grown from nearly 0.2 million metric tons in MY 2015/16 to 1.1 million metric tons in MY 2025/26. For MY 2026/27, major vegetable oil (rapeseed oil, sunflowerseed oil, and soybean oil) production is forecast to increase to 1.3 million metric tons on higher crush. With these additional vegetable oil supplies, Kazakhstan has positioned itself as a leading exporter of sunflower oil and meal—ranking among the world's top 5. China and Uzbekistan are the main destinations for Kazakhstan's exports of sunflowerseed oil and sunflowerseed meal (figure 5). Both sunflowerseed oil and meal exports are forecast to continue to expand in MY 2026/27.

Figure 5

Kazakhstan's sunflowerseed meal and oil exports by destination

Figure 5a

Sunflowerseed oil

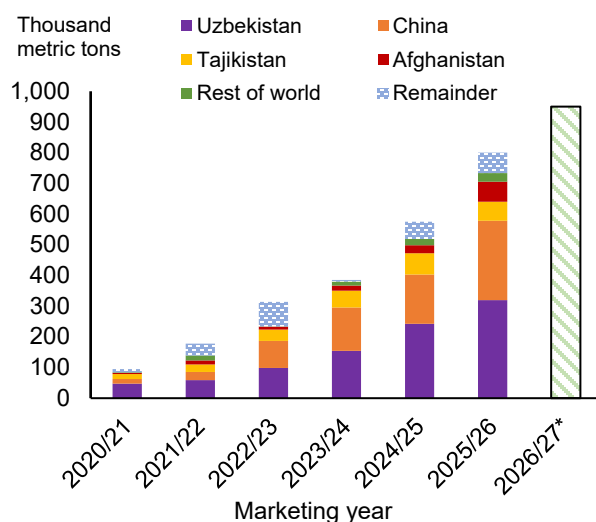
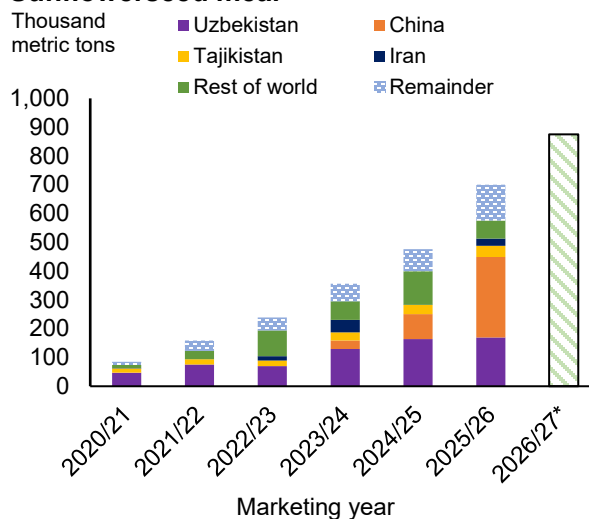


Figure 5b

Sunflowerseed meal



Note: Asterisk (*) denotes forecast. Marketing year is September through August. The destination breakout is reported September through June. Remainder represents Kazakhstan's July and August trade.

Source: USDA, Economic Research Service using data from Trade Data Monitor, LLC and USDA, Foreign Agricultural Services, *Production, Supply and Distribution* database, September 2026.

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