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# Oil Crops Outlook: June 2025

**Maria Bukowski**

**Bryn Swearingen**

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

U.S. soybean ending stocks for marketing year (MY) 2025/26 are projected at 295 million bushels, unchanged from last month, but 55 million bushels lower than forecasted stocks for MY 2024/25. The U.S. soybean supply and total demand forecasts for MY 2025/26 are unchanged this month. The 2025/26 U.S. season-average farm price for soybeans is forecast at \$10.25 per bushel, compared with \$9.95 per bushel in MY 2024/25. Soybean meal and oil price forecasts are unchanged this month and stand at \$310.00 per short ton and \$0.46 per pound, respectively.

For the foreign oilseed market, this month's outlook is for higher rapeseed production in the European Union in MY 2025/26 and higher sunflowerseed production in Argentina for MY 2024/25. Furthermore, higher palm oil production is projected in Malaysia for both MY 2024/25 and MY 2025/26.

Global soybean ending stocks for MY 2025/26 are projected higher this month on higher carry over from MY 2024/25, especially in China. China's soybean crush forecast for MY 2024/25 is reduced by 1.0 million metric tons this month, while MY 2025/26 crush is left unchanged.

# Domestic Outlook

## U.S. Soybean Supply and Demand Forecasts for MY 2025/26 Are Unchanged This Month

U.S. soybean production for MY 2025/26 is projected to be unchanged at 4.3 billion bushels, on 83.5 million planted acres and a trend yield of 52.5 bushels per acre. The projected yield is based on a weather-adjusted trend model and assumes normal weather. Planting progress for the 2025/26 U.S. soybean crop is off to a good start. As of June 8, an estimated 90 percent of this year's crop was planted, which is 2 percentage points higher than the 5-year average, and 75 percent has emerged. Although favorable weather conditions have proven beneficial thus far, the coming months will be pivotal for crop development. The latest USDA, National Agricultural Statistics Service's Crop Progress report indicates 68 percent of the crop is rated in good-to-excellent condition and 27 percent is rated as fair.

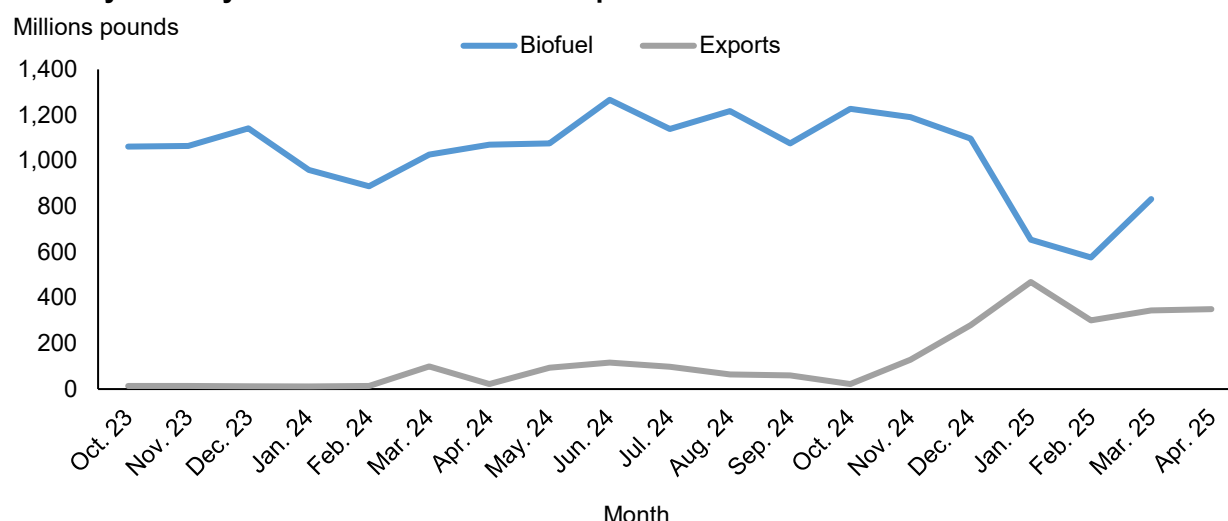
The U.S. soybean export forecast for MY 2025/26 is unchanged this month and sits at 1.8 billion bushels. The U.S. soybean crush is forecast at a record-high 2.49 billion bushels, unchanged from last month's forecast, but 70 million bushels higher than MY 2024/25. Higher crush volumes year over year are expected to meet the projected 2-percent increase in domestic soybean meal demand, as well as a growth in soybean meal exports. The growth in domestic meal demand is forecast in tandem with domestic pork and poultry production forecasts, and competitive soybean meal prices compared with other feed ingredients. U.S. soybean meal export forecast for MY 2025/26 is unchanged this month and stands at 18.0 million short tons.

Furthermore, the forecast for higher soybean crush volumes year over year is also supported by soybean oil demand. Total soybean oil demand for MY 2024/25 and MY 2025/26 is unchanged this month. This month, the MY 2024/25 soybean oil export forecast is raised by 200 million pounds to 2.6 billion pounds on higher shipments. In April, U.S. soybean oil exports totaled 351 million pounds, the highest amount for a month of April since April 2008. As of May 29, 2025, soybean oil-total commitments (shipments and sales) stand at 2.3 billion pounds according to USDA, *FAS Weekly Export Sales* report. With palm oil priced above soybean oil until mid-April, and uncertainty surrounding the domestic biofuels policy, U.S. soybean oil exports increased especially to India, followed by Colombia. For October 2024–April 2025, soybean oil shipments to India totaled 437 million pounds and accounted for more than 23 percent of total shipments. The higher soybean oil exports are offset by lower soybean oil use for biomass-based diesel production (figure 1). In March, soybean oil use for biomass-based diesel production totaled 832

million pounds, with use for biodiesel at 502 million pounds and renewable diesel 331 million pounds.

Figure 1

### Monthly U.S. soybean oil biofuel use and exports

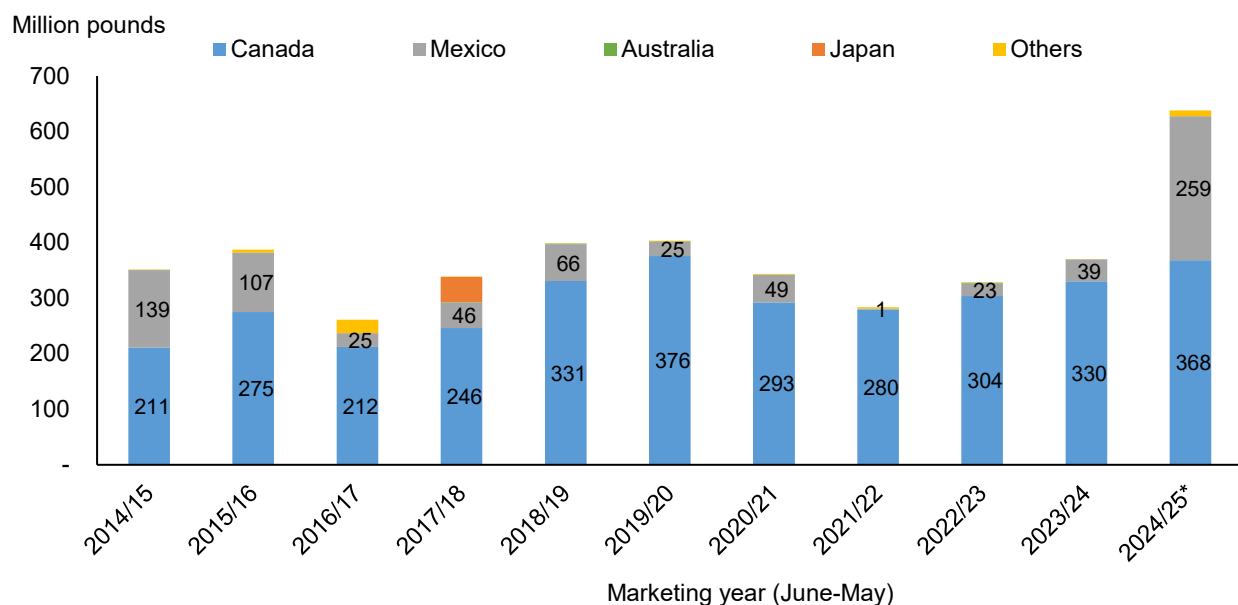


Source: USDA, Economic Research Service using data from U.S. Department of Energy, Energy Information Administration (EIA) Monthly Biofuels Capacity and Feedstocks Update, U.S. Department of Commerce, Bureau of the Census.

## U.S. Minor Oilseeds Updates

U.S. canola supply and demand for MY 2025/26 is unchanged this month. There are few changes for MY 2024/25. As we approach the tail end of the 2024/25 canola marketing year (June–May), U.S. imports of canola for April totaled 26 million pounds and were the lowest for the month of April since 2003. As a result, U.S. canola imports for MY 2024/25 are reduced by 38 million pounds and are estimated at 494 million pounds. In contrast, the canola exports forecast is increased by 20 million pounds this month to 655 million pounds on higher year-to-date exports, especially to Mexico. U.S. canola shipments to Mexico for June 2024–April 2025 reached a record high level of nearly 260 million pounds, on higher crush volumes and accounted for more than 40 percent of total marketing-year exports to date (figure 2). The leading destination for U.S. canola exports is traditionally Canada. If this forecast materializes, total U.S. canola exports will be the highest since MY 2007/08. The canola trade forecast for MY 2025/26 is unchanged this month.

Figure 2

**U.S. canola exports by country**

Note: Asterisk (\*) denotes trade from June through April.

Source: USDA, Economic Research Service using data from USDA, Foreign Agricultural Service, Global Agricultural Trade System Online database, June 2025.

The MY 2024/25 canola crush estimate now stands at 4.75 billion pounds, down 50 million pounds from last month. In addition to lower canola crush, the forecast for canola oil imports is reduced this month by 300 million pounds to 6.6 billion pounds. Consequently, the total supply of canola oil is reduced and estimated at 8.6 billion pounds for the 2024/25 marketing year (October–September).

Canola oil demand in MY 2024/25 is reduced due to lower use of canola oil for biomass-based diesel production and use in food and other category. The use in biomass-based diesel is expected to be down 0.2 billion pounds and stands at 3.7 billion pounds. The canola oil usage forecast for MY 2025/26 is unchanged this month.

U.S. cottonseed production forecast for MY 2025/26 is reduced this month by 90,000 short tons, to 4.39 million short tons, on lower forecast for cotton production. Cotton production is lowered this month on reduced harvested acreage and a lower yield projection month to month. Harvested cotton area is lowered 2 percent to 8.19 million acres, following extensive rainfall and delayed planting in the Delta.

With a lower cottonseed production forecast, the cottonseed usage for crush and other categories is reduced this month by 50,000 short tons and 40,000 short tons, respectively.

# International Outlook

## Rapeseed Production Forecast for The European Union Is Increased for MY 2025/26

The European Union rapeseed production forecast for MY 2025/26 is increased this month by 0.2 million metric tons, to 19.35 million metric tons, on a higher yield. The yield is raised by 1 percent to 3.25 tons per hectare, on favorable weather conditions in Romania. Area is forecast at 5.95 million hectares, unchanged this month, but up 4 percent from MY 2024/25 acreage.

With higher domestic supply, the EU rapeseed import forecast for MY 2025/26 is reduced by 0.1 million metric tons this month to 5.7 million metric tons. The EU rapeseed crush volume forecast is unchanged and stands at 24 million metric tons, shy 0.4 million metric tons from the record-high observed in MY 2023/24.

In addition to the unchanged rapeseed crush forecast, the EU soybean crush forecast remains unchanged. The EU's soybean meal consumption and import forecast for MY 2025/26 is increased this month. Soybean meal consumption is at 28.8 million metric tons, 0.3 million metric tons higher than last month's forecast, but 0.7 million metric tons lower than the revised consumption in MY 2024/25. EU soybean meal consumption for MY 2024/25 is raised to a record 29.5 million metric tons on higher usage, supported by growth in the livestock's sector, less availability of other mid-protein meals (including rapeseed meal) and competitive prices for soybean meal as a feed ingredient. Soybean meal imports for MY 2024/25 are expected to reach a record of 18.8 million metric tons, 0.4 million metric tons higher than last month's forecast, and 2.3 million metric tons higher than MY 2023/24. Furthermore, the soybean meal import forecast for MY 2025/26 is raised by 0.2 million metric tons to 17.1 million metric tons.

## China's Soybean Crush Forecast Is Lowered for MY 2024/25

China's soybean crush for MY 2024/25 is lowered by 1 million metric tons to 103.0 million metric tons, while forecast for crush in MY 2025/26 is unchanged and stands at 108.0 million metric tons. The weekly soybean crush rate has picked up in recent weeks and is expected to continue to meet the revised forecast. With lower soybean crush, China's soybean domestic meal consumption is slightly lower. The lower soybean meal and oil consumption is partially offset by higher rapeseed meal and rapeseed oil consumption, due to higher rapeseed crush. The rapeseed crush forecast for MY 2024/25 is increased this month on higher rapeseed imports.

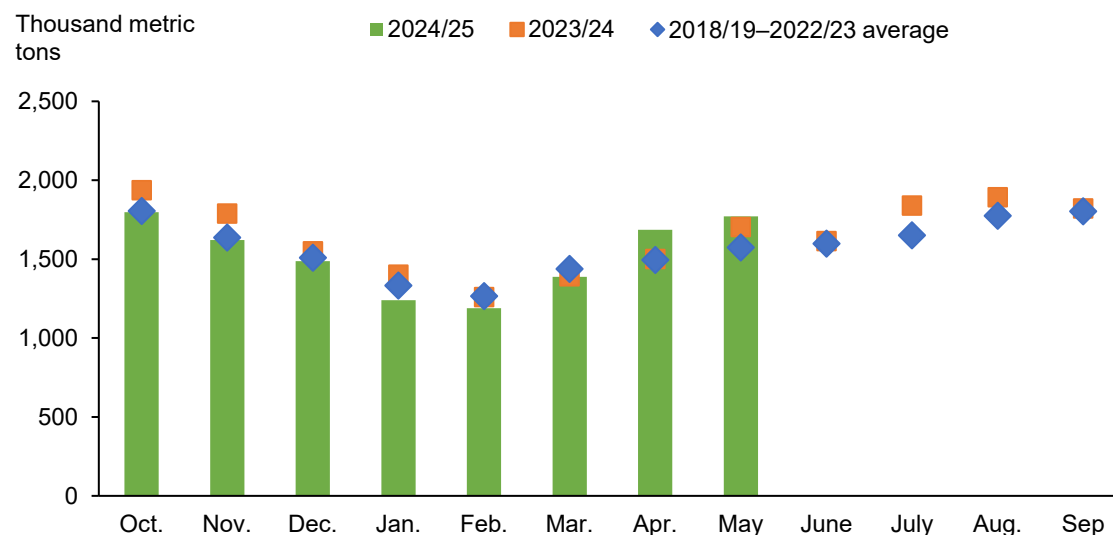
China's rapeseed import forecast for MY 2024/25 is raised by 0.5 million metric tons to 5.0 million metric tons. The forecast for MY 2025/26 is unchanged at 4.8 million metric tons.

## Malaysia Palm Oil Production Is Projected To Rebound in MY 2025/26

Malaysia's palm oil output for MY 2025/26 is forecast at 19.5 million metric tons, 0.3 million metric tons higher than last month's forecast and 0.1 million metric tons higher than the revised production forecast for MY 2024/25. The MY 2024/25 Malaysian palm oil production forecast is raised this month by 0.7 million metric tons on a higher yield. The Malaysian Palm Oil Board (MPOB) reported May palm oil production at 1.77 million metric tons, up 5-percent from April and 4-percent higher than last year (figure 3). Palm oil production in East Malaysia increased in May by nearly 10 percent compared to last year, while West Malaysia was unchanged.

Figure 3

### Malaysia's monthly palm oil production



Source: USDA, Economic Research Service using data from Malaysian Palm Oil Board (MPOB) report, June 2025.

With the increase to production, Malaysia's palm oil export forecast for MY 2024/25 and MY 2025/26 is raised by 0.5 million metric tons and 0.3 million metric tons, respectively. Main consumers of palm oil (China and India) are expected to import more palm oil. Malaysia's palm oil ending stocks in MY 2025/26 are projected to increase by 0.2 million metric tons to 2.2 million metric tons.

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