



# Oil Crops Outlook: February 2026

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## 2025/26 Global Soybean Stocks Increased on Higher Production for Brazil and Paraguay

Global soybean stocks for marketing year (MY) 2025/26 are forecast at a record high level of 125.5 million metric tons, up 1.1 million metric tons from last month's forecast on higher production for Brazil and Paraguay, more than offsetting the demand growth. Global soybean production is raised this month by 2.5 million metric tons to 428.2 million metric tons. Brazil's soybean production is forecast to reach another record high of 180.0 million metric tons, on higher harvested acreage and yield. Similarly, record soybean production is forecast for Paraguay at 11.5 million metric tons, driven by higher yields. Soybean yields are increased due to favorable weather conditions in the major soybean growing regions during January.

Global soybean trade is unchanged this month at 187.6 million metric tons. China's soybean import forecast is unchanged at 112.0 million metric tons. Global soybean crush for MY 2025/26 is forecast higher at 368.0 million metric tons, driven by higher crush in Brazil and Paraguay. Brazil's crush forecast is raised 1.0 million metric tons, to a record of 61.0 million metric tons, on strong demand for soybean products.

# Domestic Outlook

## U.S. Soybean Supply and Demand Forecasts Are Unchanged

The U.S. soybean supply and demand projections are unchanged this month. Ending stocks for MY 2025/26 are at 350 million bushels. The U.S. soybean season-average price received by farmers is forecast unchanged at \$10.20 per bushel.

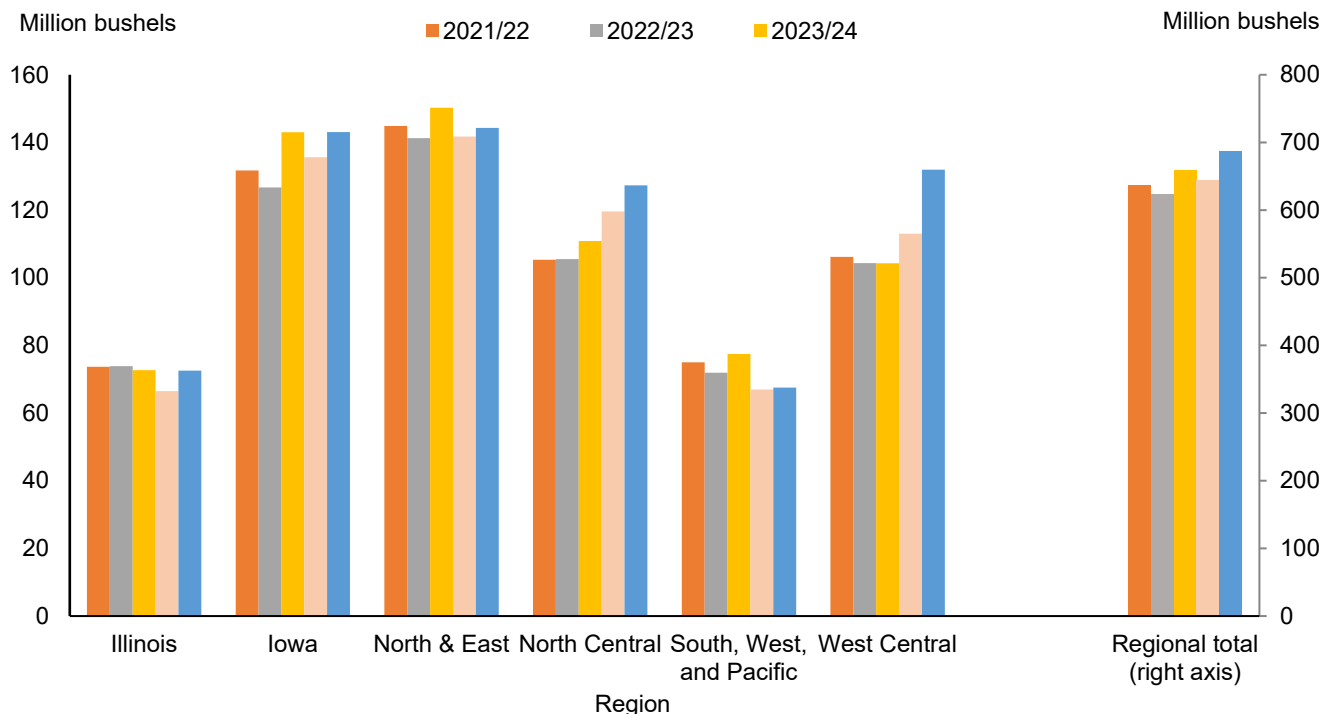
The U.S. soybean export forecast remains unchanged. According to USDA, Federal Grain Inspection Service soybean inspections for September–January 2026 totaled 22.3 million metric tons (818.5 million bushels), down 35 percent from the same period last year. Soybean shipments to China totaled 4.5 million metric tons (166.5 million bushels), while shipments to the rest of the world are up nearly 9 percent from last year. U.S. soybean exporters faced strong competition from Brazil, which reported a record harvest.

The *World Agricultural Supply and Demand Estimates (WASDE)* report and USDA forecasts assume the current policy in place. On February 4, 2026, it was reported that China is considering purchasing 20 million tons of soybeans this season, up from the 12 million previously announced. While China's consideration of purchasing 20 million tons of U.S. soybeans does not represent the policy in place, such volumes would imply record counter-seasonal U.S. shipments to China and signal major global shifts in trade and export price spreads, given their scale.

In December, U.S. soybean crush totaled nearly 230 million bushels, more than 9 million bushels higher than in November and 12 million bushels higher than the crush in the same period last year. The monthly crush of 230 million bushels implied a new record-high daily crushing rate of 7.42 million bushels for December, up 1 percent from the previous month's daily crushing rate. For the October-December period, U.S. soybean crush totaled 686.7 billion bushels, up 43.2 million bushels from same period last year. The highest increase in the first quarter of the marketing year was in the West Central region (figure 1).

Figure 1

**U.S. soybean crush volume by region for October–December**



Note: North and East region = Indiana, Kentucky, Maryland, Ohio, Pennsylvania, and Virginia. North Central region = Michigan, Minnesota, North Dakota, and South Dakota. South, West, and Pacific region = Alabama, Arkansas, California, Georgia, Louisiana, Mississippi, North Carolina, and South Carolina. West Central region = Kansas, Missouri, and Nebraska.  
 Source: USDA, Economic Research Service estimates using USDA, National Agricultural Statistics Service *Fats and Oils: Oilseed Crushings, Production, Consumption, and Stocks* report.

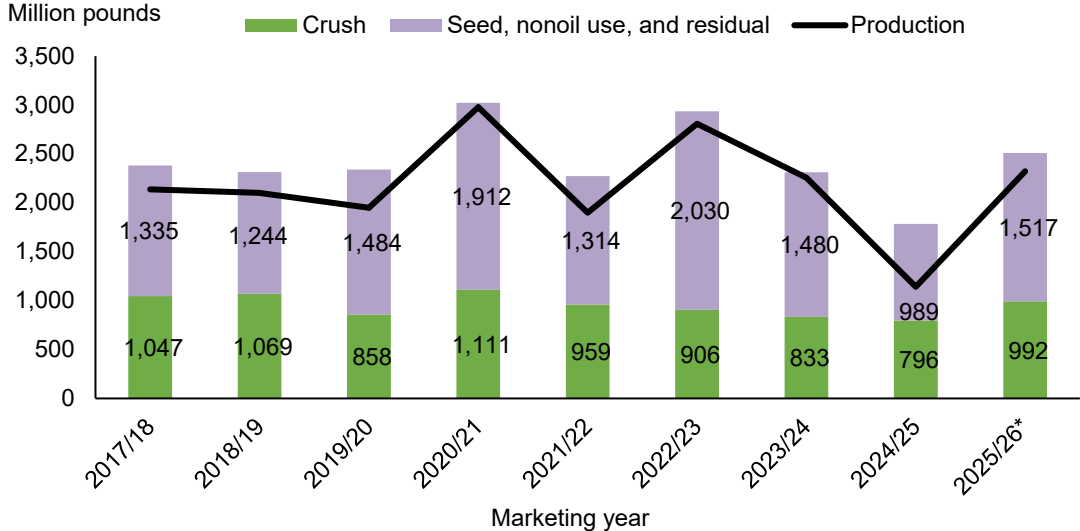
The annual soybean crush volume for MY 2025/26 is forecast at 2.57 billion bushels, unchanged from the previous month’s forecast, as the total soybean meal demand is unchanged this month. The soybean crush is supported by strong domestic and foreign demand for soybean meal. According to the USDA, Foreign Agricultural Service *Export Sales* report, as of January 29, 2026, the United States exported a total of 5.8 million metric tons, 14 percent higher than the same period last year. The U.S. soybean meal export forecast for MY 2025/26 remains unchanged at 19.4 million short tons this month.

Soybean meal prices in Central Illinois increased during January and averaged \$299.25 per short ton, down 4 percent from the previous month and down nearly 6 percent from the previous year. The MY 2025/26 season-average soybean meal price is unchanged this month and is forecast at \$295.00 per short ton.

# U.S. Sunflowerseed Crush Increased on Higher Demand

In MY 2025/26, sunflower production recovered to 2.3 billion pounds, more than double the production in MY 2024/25. Based on updated statistics from the National Sunflower Association, the MY 2025/26 sunflowerseed crush is raised to 992 million pounds, nearly 200 million pounds higher than the revised MY 2024/25 crush (figure 2). The MY 2024/25 sunflowerseed crush was raised to 796 million pounds. The seed, non-oil use and residual category for MY 2025/26 is revised down to 1.5 billion pounds but is still forecast to recover from MY 2024/25. With unchanged sunflowerseed exports, ending stocks are lowered slightly to 325 million pounds.

Figure 2  
**U.S. sunflowerseed production, crush, and residual use**



Note: Asterisk (\*) denotes forecast.  
 Source: USDA, Economic Research Service using data from USDA, World Agricultural Outlook Board, *World Agricultural Supply and Demand Estimates*.

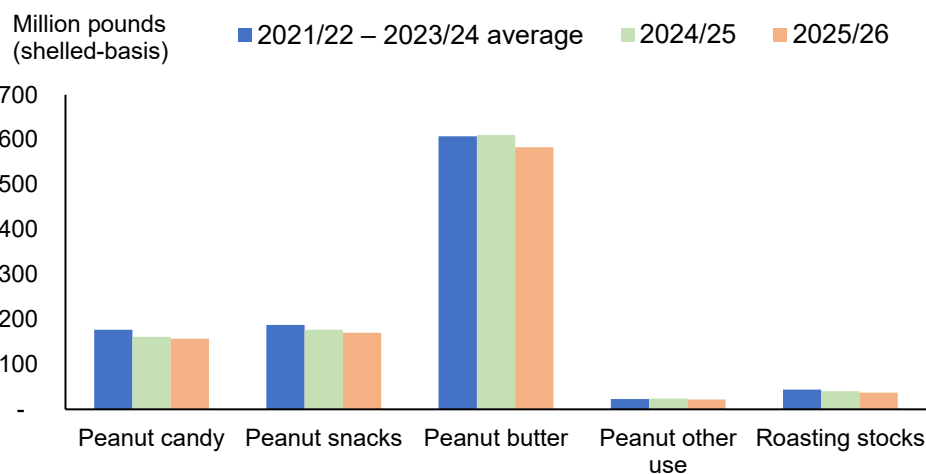
In both MY 2024/25 and MY 2025/26, sunflowerseed crush is supported by strong demand for sunflowerseed oil. Sunflowerseed oil domestic use for MY 2025/26 is raised to 702 million pounds, up 21 million pounds from the revised oil consumption in MY 2024/25. Sunflowerseed meal domestic disappearance is forecast up to 244,000 short tons, driven by higher supplies. As a result of strong crush and ample other meal supplies, the sunflowerseed meal price is down \$10 to \$135 per short ton.

## U.S. Peanut Stocks Are Higher on Lower Usage

In MY 2025/26, U.S. peanut production reached a record-high 7.2 billion pounds, up 11 percent from last year. Despite an increase in production, total peanut use is forecast to be nearly unchanged from MY 2024/25, with a decline in food use being offset by higher exports and crush. Domestic peanut food use has declined across all major categories from August through December (figure 3). Peanut butter consumption makes up the largest share of total peanut food use, and it is down 4 percent compared with last year and the previous 3-year usage average. Consequently, peanut food consumption is forecast at 3.1 billion pounds, down 1.6 percent from MY 2024/25.

Figure 3

### Peanut food consumption from August through December



Note: Asterisk (\*) denotes forecast.

Source: USDA, Economic Research Service using data from USDA, National Agricultural Statistics Service, Peanut Stocks and Processing report.

The U.S. peanut exports forecast is also reduced by 0.1 billion pounds to 1.3 billion pounds. From August through November, the United States has exported 0.35 billion pounds of peanuts, down 17 percent from MY 2024/25. While shipments have started off slowly, there have been reports of lower quality peanuts compared to last year, which could result in larger second-half shipments, particularly to China. With unchanged crush at 0.9 billion pounds, peanut ending stocks for MY 2025/26 are forecast to be up 0.4 billion pounds to 2.3 billion pounds. With larger stocks, the peanut season-average farm price is forecast at 24 cents per pound, down 2 cents from MY 2024/25.

# International Outlook

## Brazil's Soybean Production Is Forecast To Reach Another Record in MY 2025/26

Brazil's soybean production forecast is raised this month by 2.0 million metric tons to a record of 180.0 million metric tons, on higher acreage and yield. The harvested soybean acreage is forecast at 49.4 million hectares. This number is up 0.3 million hectares from the last month's forecast and 4 percent from last year, and 12 percent above the 5-year average. The soybean yield is forecast at a record 3.64 metric tons per hectare, up 1 percent from last month and last year.

The positive soybean crop conditions have been nearly ubiquitous this season, and early harvest reports indicate above-average yields in most states. The vegetative index indicates above-average crop conditions in the majority of soybean-producing states through the peak season.

Reports from the State of Mato Grosso Institute of Agricultural Economics (IMEA) indicated that by January 30, 2026, the harvest was already at 25 percent, a pace ahead of both the previous year and the 5-year average. Early harvest reports indicate an above-average yield for this top producing Brazilian state.

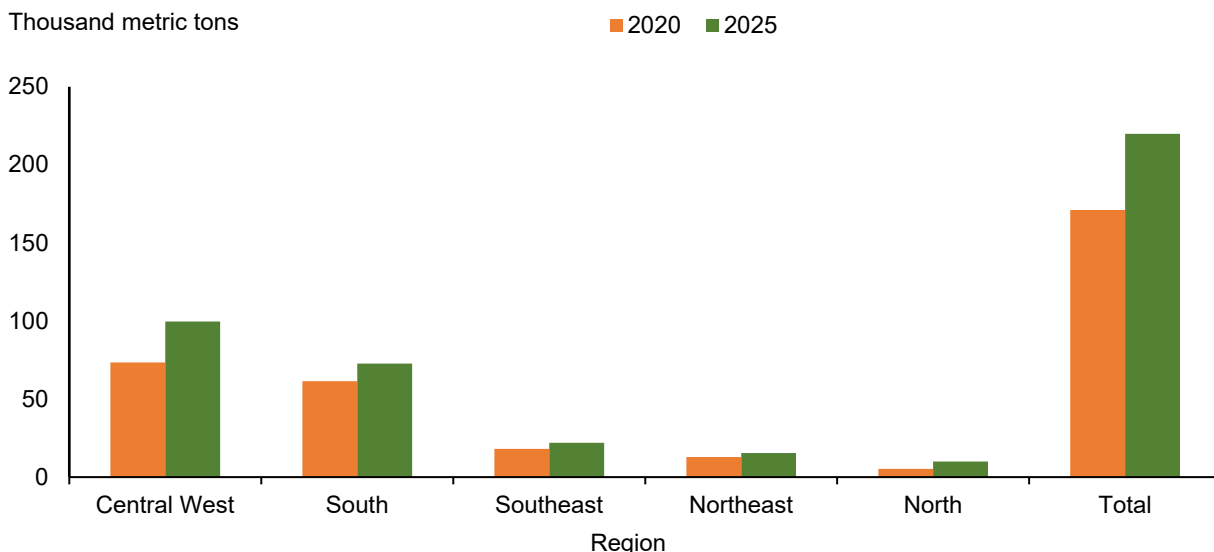
The second largest producing Brazilian state, Rio Grande do Sul, received sufficient rainfall and experienced positive crop conditions. Soybeans are currently in the reproductive stage moving towards maturity stage.

With a higher soybean supply, Brazil's soybean crush forecast is increased this month to a record 61.0 million metric tons, driven by demand for soybean products. To meet the growing demand for soybean products, Brazil has increased its daily active processing capacity. According to data from the Brazilian Association of Vegetable Oil Industries (ABIOVE) released in 2025, Brazil's soybean daily active processing capacity in 2025 was 219,842.0 metric tons, up 28.5 percent from 2020. If the daily active processing capacity operates 350 days, Brazil's soybean crush capacity would be at 76.9 million metric tons. However, the maximum daily crush rates are influenced by several factors—including the capacity utilization, soybean quality, and other technical factors.

The daily active soybean processing in Brazil's Central West region increased by nearly 36 percent to 99,681.0 metric tons, accounting for more than 45 percent of the national daily

capacity. In the Southern region, which has the second largest daily active processing capacity, the capacity increased since 2020 by 33 percent and stands at 72,748.0 metric tons. Furthermore, daily processing active capacity increased in southeast, northeast, and north (figure 4).

Figure 4  
**Brazil's daily soybean active processing capacity by region**



Note: Central West region = Mato Grosso, Goiás, Mato Grosso do Sul, and Distrito Federal. South region = Paraná, Rio Grande do Sul, and Santa Catarina. Southeast region = São Paulo, Minas Gerais, and Rio de Janeiro. Northeast region = Bahia, Piauí, Maranhão, Ceará, Pernambuco, Alagoas, Rio Grande do Norte. North region = Tocantins, Amazonas, Roraima, and Rondônia.

Source: USDA, Economic Research Service estimates using data from Abiove (the Brazilian Association of Vegetable Oil Industries).

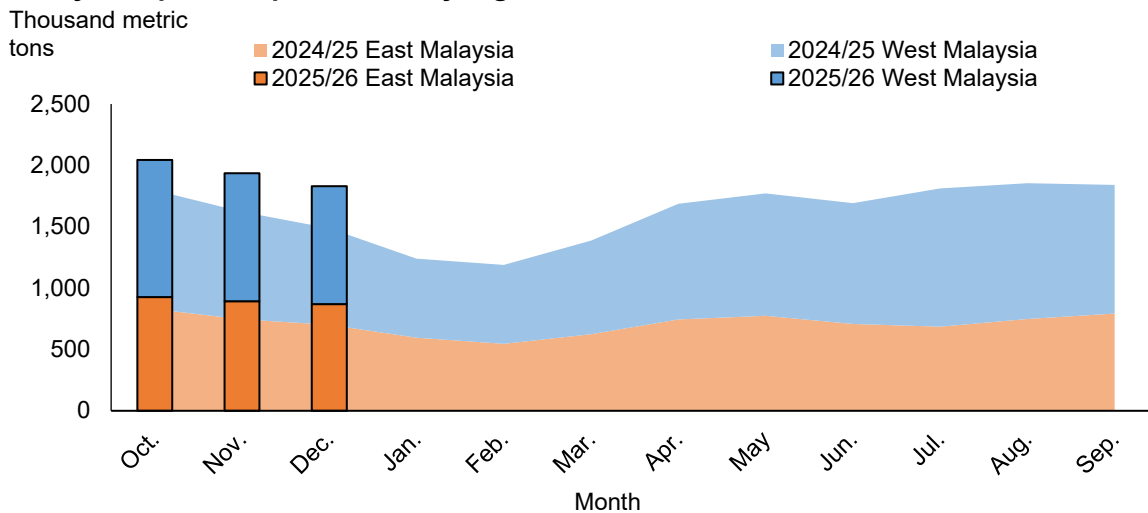
The soybean crush is driven by higher foreign demand for soybean meal and domestic demand for soybean oil for biodiesel. Soybean meal exports are raised this month by 0.8 million metric tons to 25.5 million metric tons to meet growing global soybean meal demand, especially from the European Union. The EU soybean meal demand forecast is increased this month by 1.0 million metric tons, on higher imports and competitive prices. Brazil's domestic soybean oil usage is raised this month by 0.2 million metric tons to 11.0 million metric tons on higher industrial usage, especially for biodiesel production.

Paraguay's soybean production forecast for MY 2025/26 is increased this month by 0.5 million metric tons to 11.5 million metric tons, on higher yields. Yield is raised this month by 0.13 metric tons per hectare to 3.03 metric tons per hectare, on favorable growing conditions during the growing season. With higher soybean production, Paraguay's soybean crush forecast is increased this month to meet growing foreign demand for soybean products.

# Output for Malaysia Palm Oil Forecast Is Higher in MY 2025/26

The 2025/26 Malaysian palm oil production forecast is increased on higher yields. Palm oil yields are raised this month to 3.61 tons per hectare, nearly 3 percent higher than last month and 6 percent above the 5-year average. The monthly rainfall and water requirements met or exceeded the threshold needed for stable palm oil production. The nearly ideal weather conditions support optimal harvest. For the period October-December, Malaysia's palm oil output reached 5.8 million metric tons, up 18 percent from the same period last year. West Malaysia's production totaled 3.1 million metric tons, while East Malaysia's production reached 2.7 million tons (figure 5).

Figure 5  
**Malaysia's palm oil production by region**



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

With a higher palm oil production projection, Malaysia's domestic consumption and export forecasts are raised this month. Malaysia's palm oil exports are forecast at 16.4 million metric tons, up 0.3 million tons from last month's forecast. The palm oil import forecast is increased for the Philippines and Egypt. Malaysia's palm oil ending stocks for MY 2025/26 are forecast to reach 2.5 million metric tons, up from MY 2024/25.

## Suggested Citation

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