



**21<sup>a</sup>** CONFERENCIA  
**INTERNACIONAL**  
SOBRE **PALMA DE ACEITE**

21<sup>st</sup> International Oil Palm Conference

# Palm & Laurics Market 2025-26

Dr. Sathia Varqa

[sathia.varqa@fastmarkets.com](mailto:sathia.varqa@fastmarkets.com)

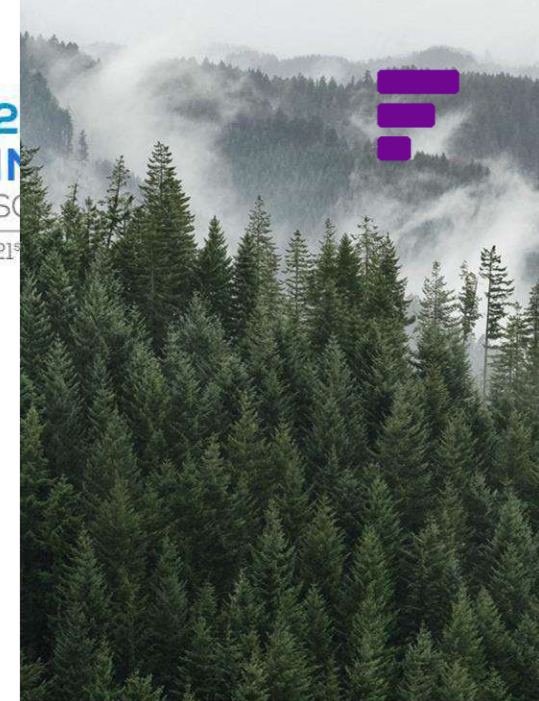
[www.fastmarkets.com](http://www.fastmarkets.com)

2025



# We are Fastmarkets

- An independent cross-commodity agency covering prices, news, analyses and forecasts with a history spanning more than 150 years in the agriculture, forest products, metals and mining, and new-gen energy markets.







Grains and oilseeds

Vegoils and meals



Biofuels and feedstocks



Animal fats, oils and proteins



Animal hides and leather



Sustainable Aviation Fuel



**21ª CONFERENCIA  
INTERNACIONAL  
SOBRE PALMA DE ACEITE**  
21<sup>st</sup> International Oil Palm Conference

 **Fastmarkets**

# AGRICULTURE

agriCENSUS  
energy  
CENSUS

 **The  
Jacobsen**

  
**Palm Oil Analytics**

## 1,000+ daily prices...

*Physical cash market prices assessed and published every day across corn, wheat, barley, oilseeds, vegoils, meals, biofuels, animal fats, oils, proteins, hides, leather and industrials with teams based across the globe*



# OVERVIEW

- **Agricultural land and population growth**
- **Production in Malaysia and Indonesia**
- **CPO prices**
- **Biodiesel**
- **Laurics**



21ª CONFERENCIA  
**INTERNACIONAL**  
SOBRE PALMA DE ACEITE  
21<sup>st</sup> International Oil Palm Conference

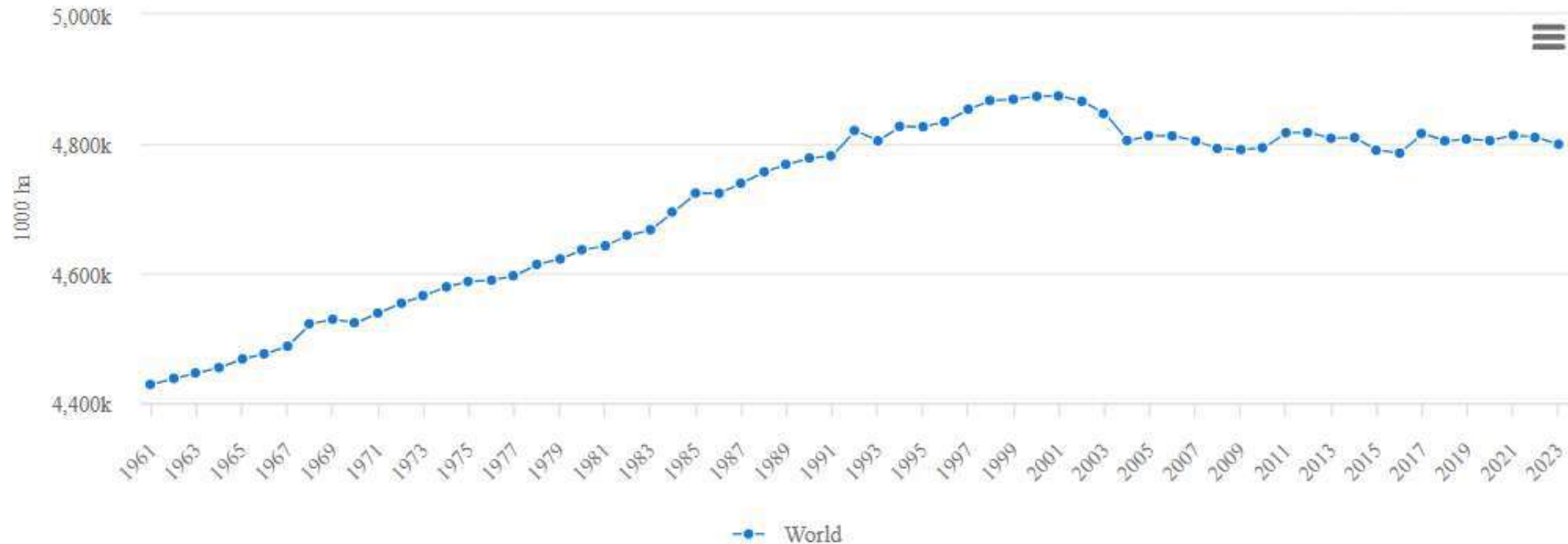
# Agricultural land and population growth



Have we reached peak agricultural land use?  
Peaked in 2000 and stabilised at approximately 4.8 billion hectares (ha)

- Agricultural land - Area (1000 ha)

1961 - 2023





# Food production continued to rise while land use declined



21ª CONFERENCIA  
INTERNACIONAL  
SOBRE PALMA DE ACEITE  
21<sup>st</sup> International Oil Palm Conference

## Global decoupling of agricultural land and food production

Agricultural land is the sum of cropland and pasture for grazing livestock.  
Production is measured in constant 2015 international-dollars, which adjusts for inflation. Includes all crops and livestock.

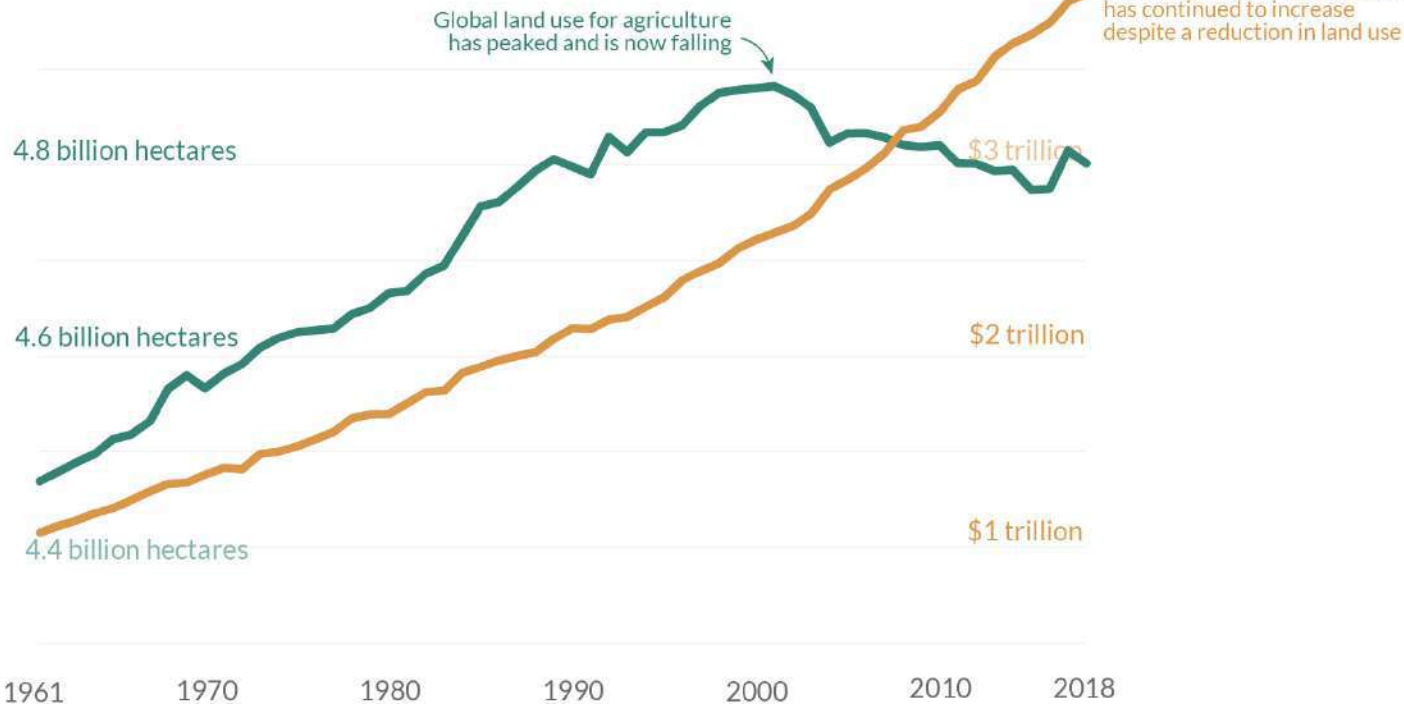
Our World  
in Data

### Global agricultural land use

5 billion hectares

### Global agricultural production

\$4 trillion



Data source: Food and Agriculture Organization of the United Nations.  
OurWorldinData.org – Research and data to make progress against the world's largest problems.

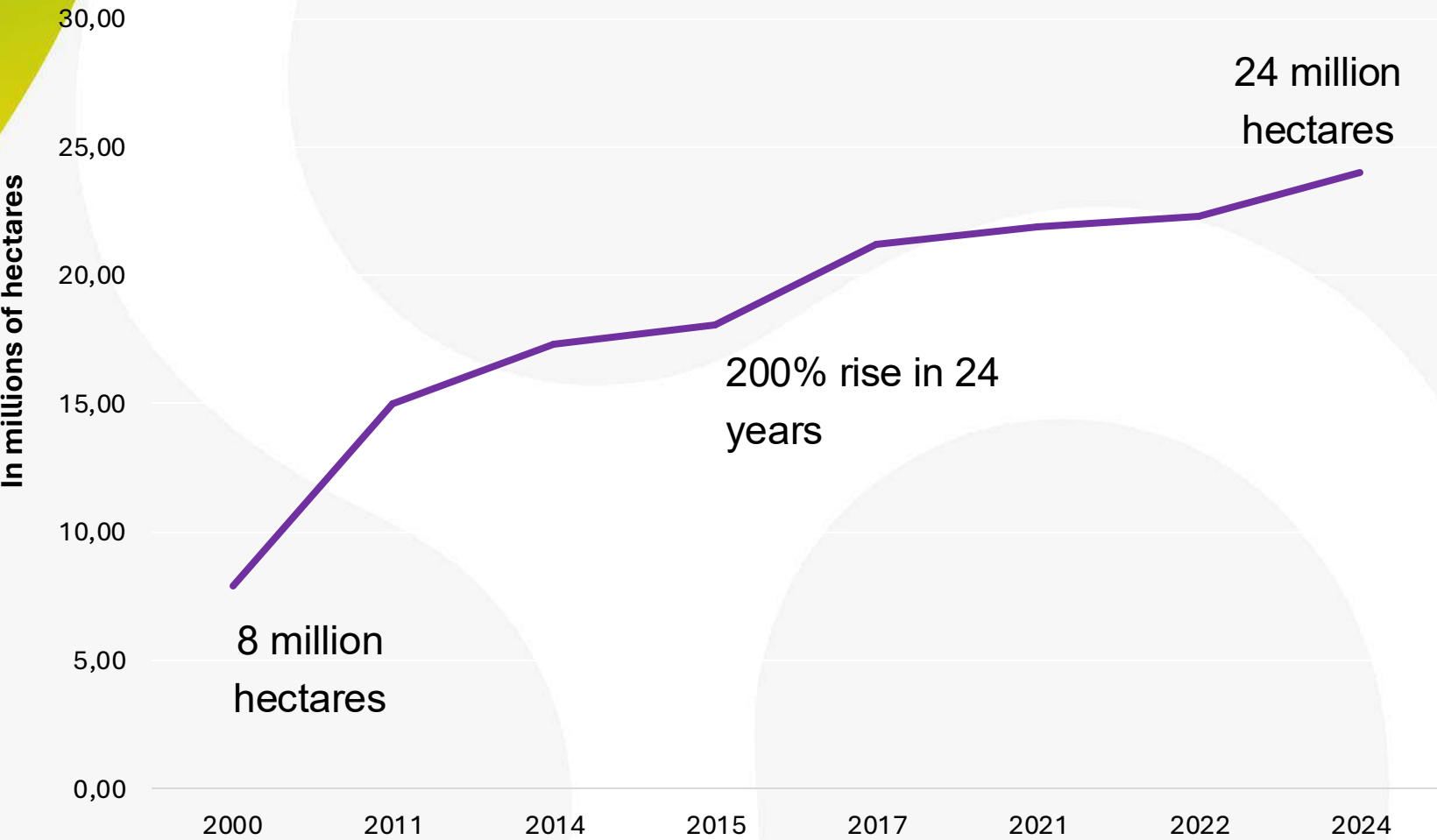
Licensed under CC-BY by the author Hannah Ritchie.

- Efficiency improvements
- Landless alternative synthetic fibres
- Ethical concerns – changing food habits
- Landless substitutes
- Synthetic substitute
- Vertical farming

# Palm planted area in Indonesia, Malaysia, Thailand and Colombia



## Oil palm planted area



## Top 4 palm oil producers in the world (in million tonnes) – 2024

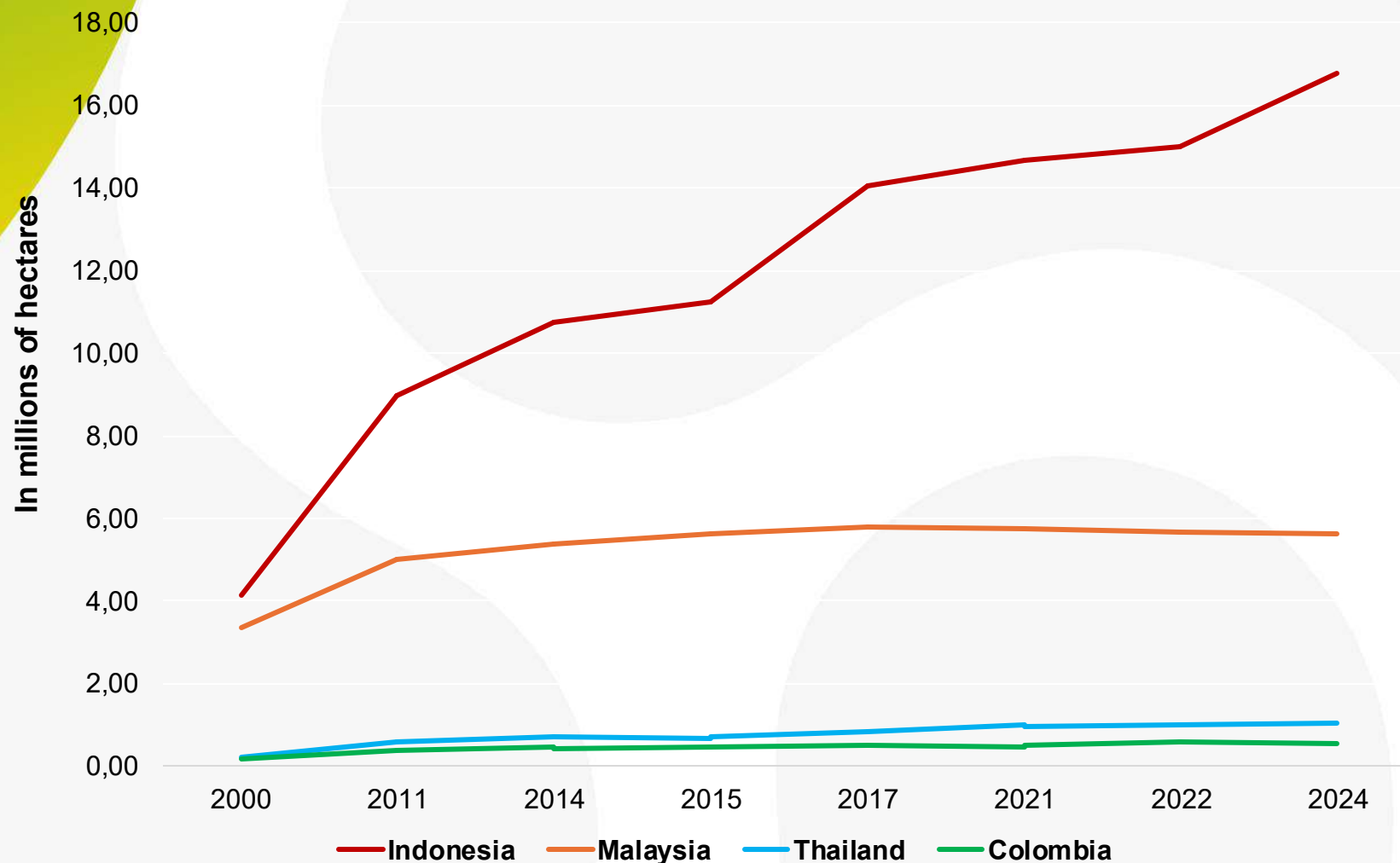
- Indonesia: 48.00
- Malaysia: 19.34
- Thailand: 3.94
- Colombia: 1.90

Total 4: **73.18 million tonnes, which is 88% of global production**



# The largest expansion growth is taking place in Indonesia

## Oil palm planted area



## Planted area growth (2000-2024) in hectares

Indonesia: 12.61 million (304%)

Malaysia: 2.24 million (67%)

Thailand: 822,000 (395%)

Colombia: 439,000 (280%)

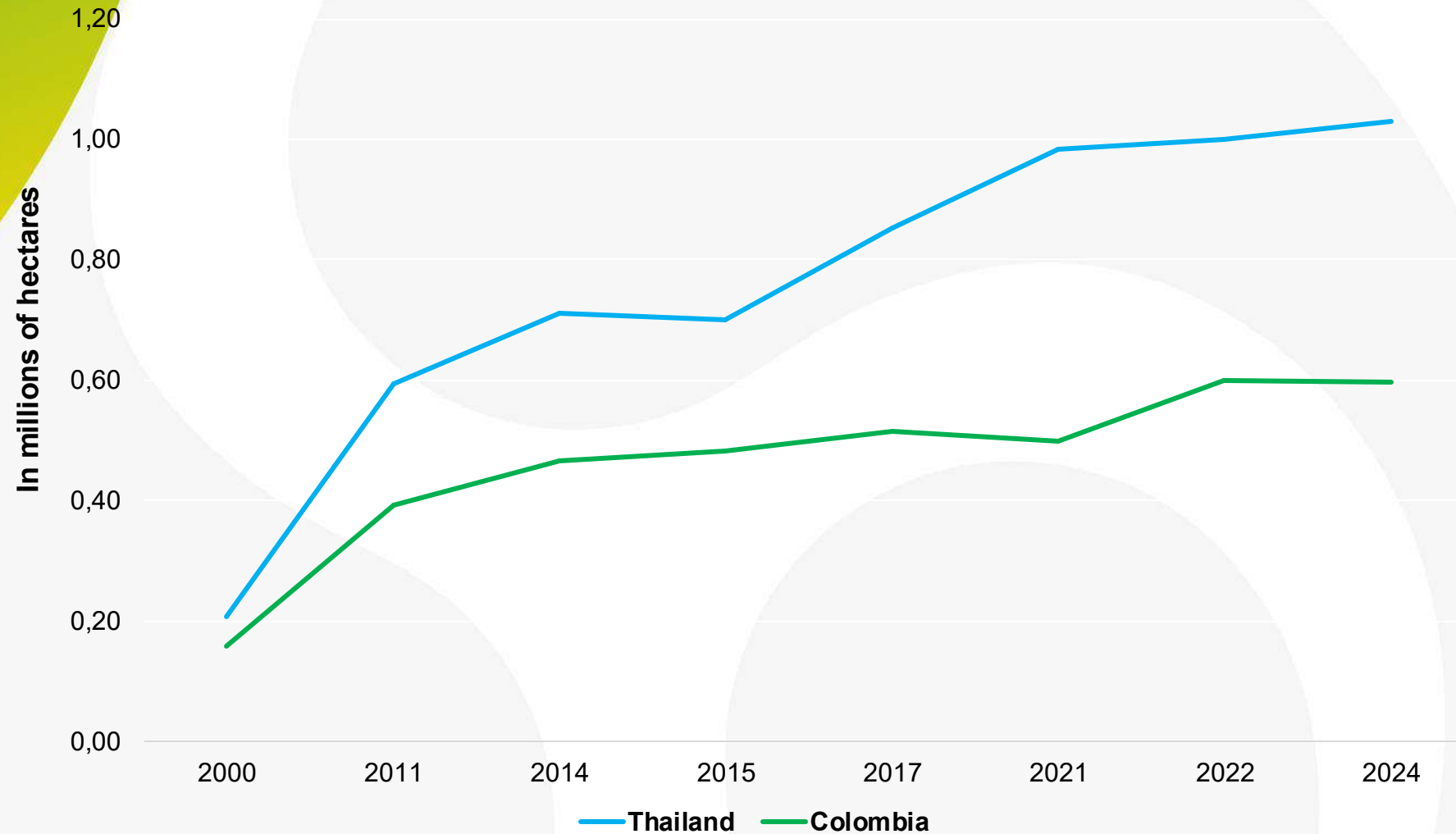
Total 4: **16.14 million increase or 205%**

# Palm planted area is growing in Thailand and Colombia



**21ª CONFERENCIA  
INTERNACIONAL  
SOBRE PALMA DE ACEITE**  
21<sup>st</sup> International Oil Palm Conference

## Oil palm planted area



### Potential

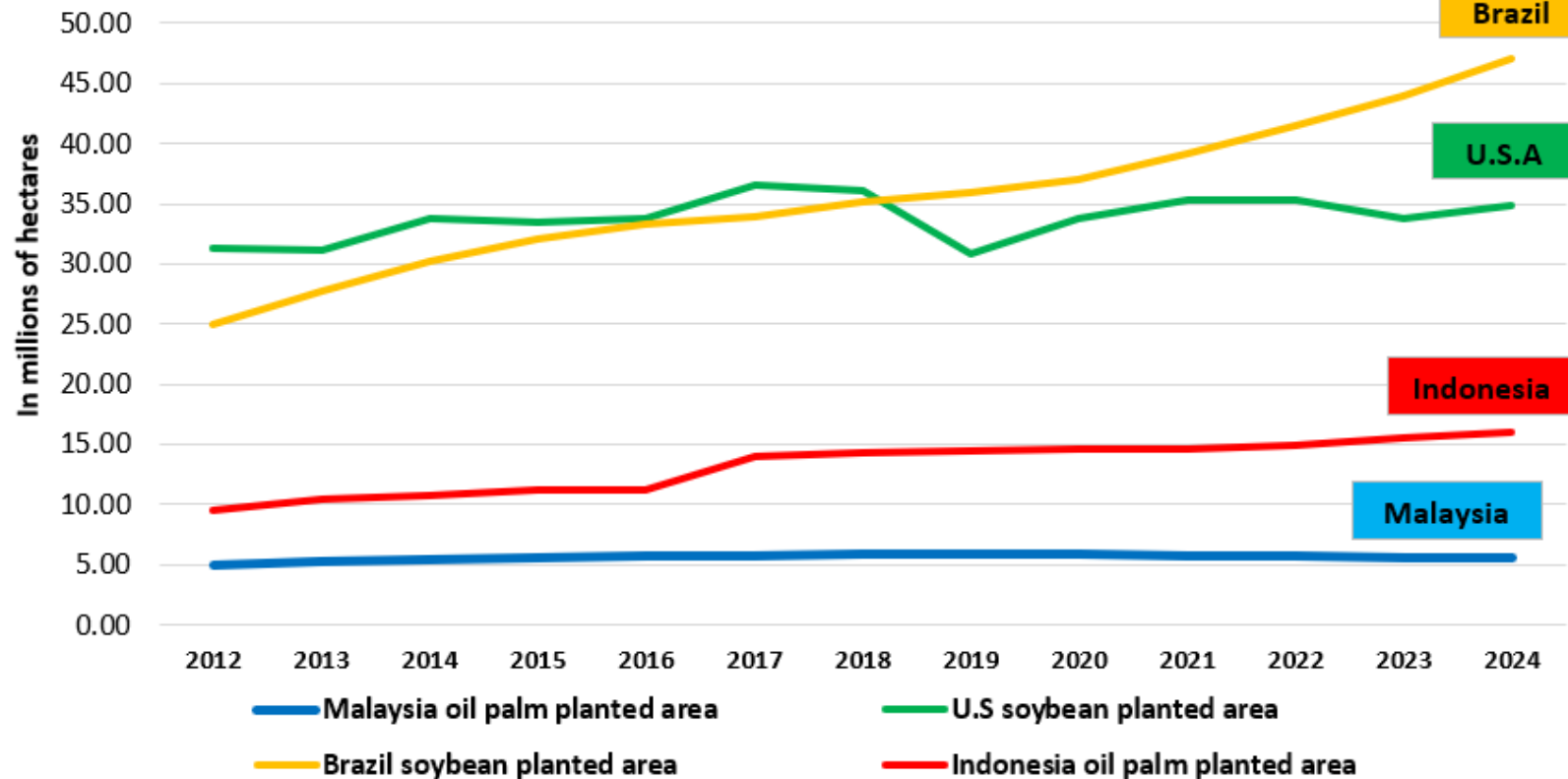
- Expand planted area
- Higher production
- Higher price (premium)



# Palm planted area is stagnating compared to soybeans



**Oil palm and soybean planted areas** - Oil palm planted area stagnating while soybeans rising rapidly. Relentless rise in demand for soy protein and biodiesel is largely driving the area expansion. Brazil and the U.S command 70% of global soy production





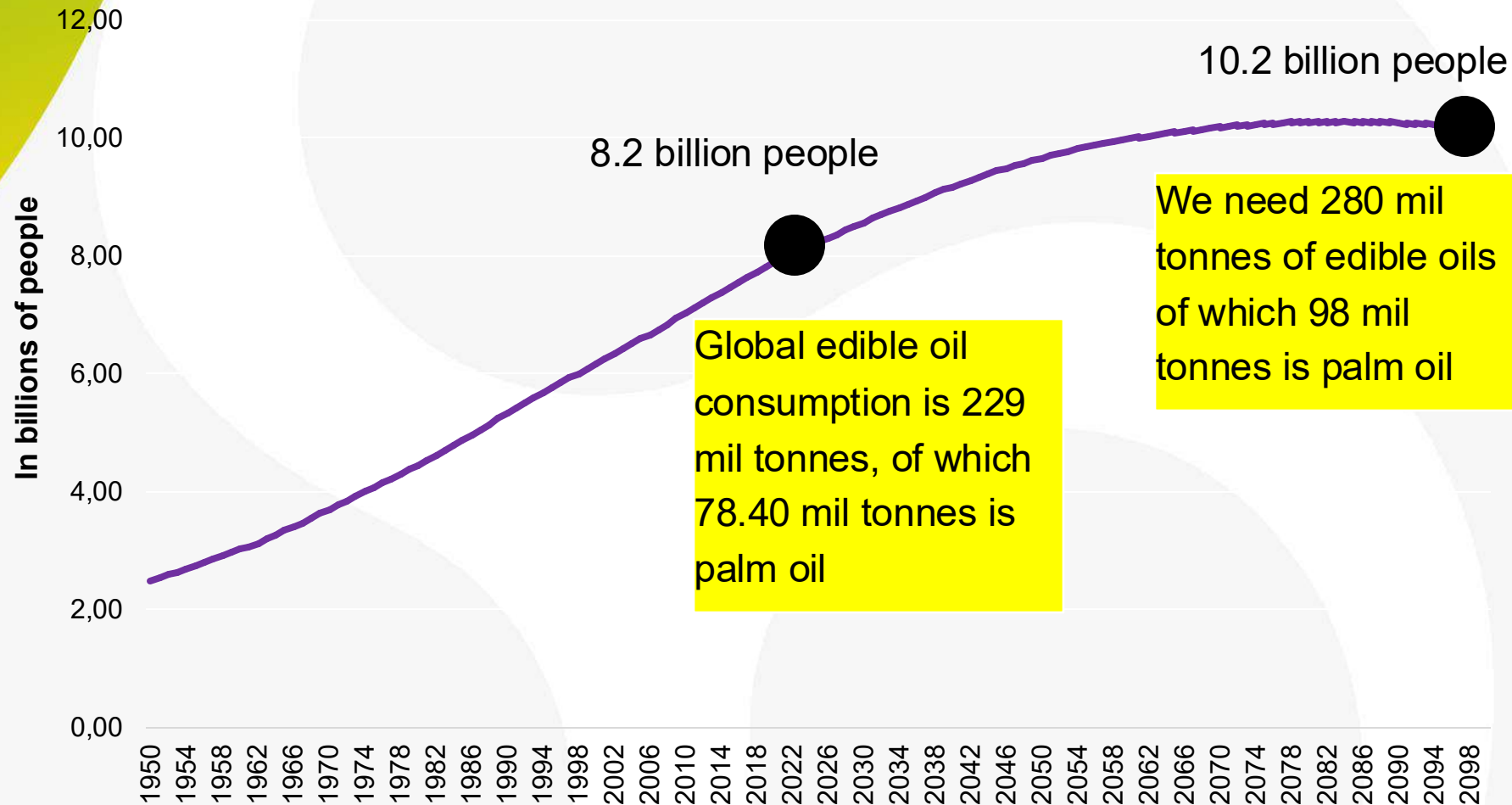
# Global population to reach 10.20 billion people in 2100. Do we need more agricultural land?



**21ª CONFERENCIA  
INTERNACIONAL  
SOBRE PALMA DE ACEITE**  
21<sup>st</sup> International Oil Palm Conference

## Global population

(Source: UN, World Population Prospects, 2024)



- Rising population
- Agricultural land growth may continue to decrease
- Food production will continue to rise
- Adoption of technology to rise -productivity and yield
- Competition from biofuels demand may see expansion of agri land, but not for food



21ª CONFERENCIA  
**INTERNACIONAL**  
SOBRE PALMA DE ACEITE  
21<sup>st</sup> International Oil Palm Conference

# Production in Malaysia and Indonesia

# HAS PRODUCTION PEAKED IN 2025?

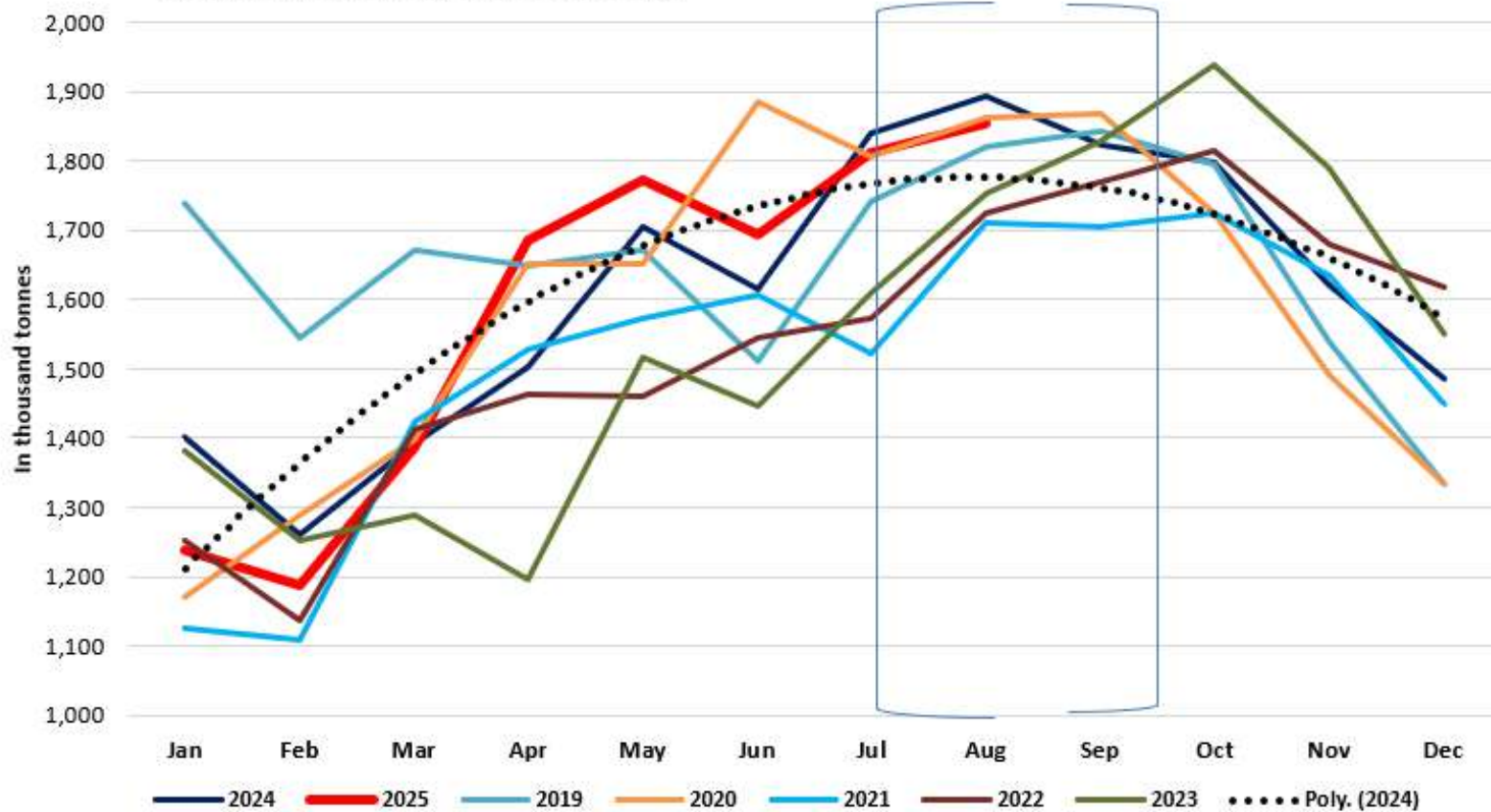


**21ª CONFERENCIA  
INTERNACIONAL  
SOBRE PALMA DE ACEITE**  
21<sup>st</sup> International Oil Palm Conference



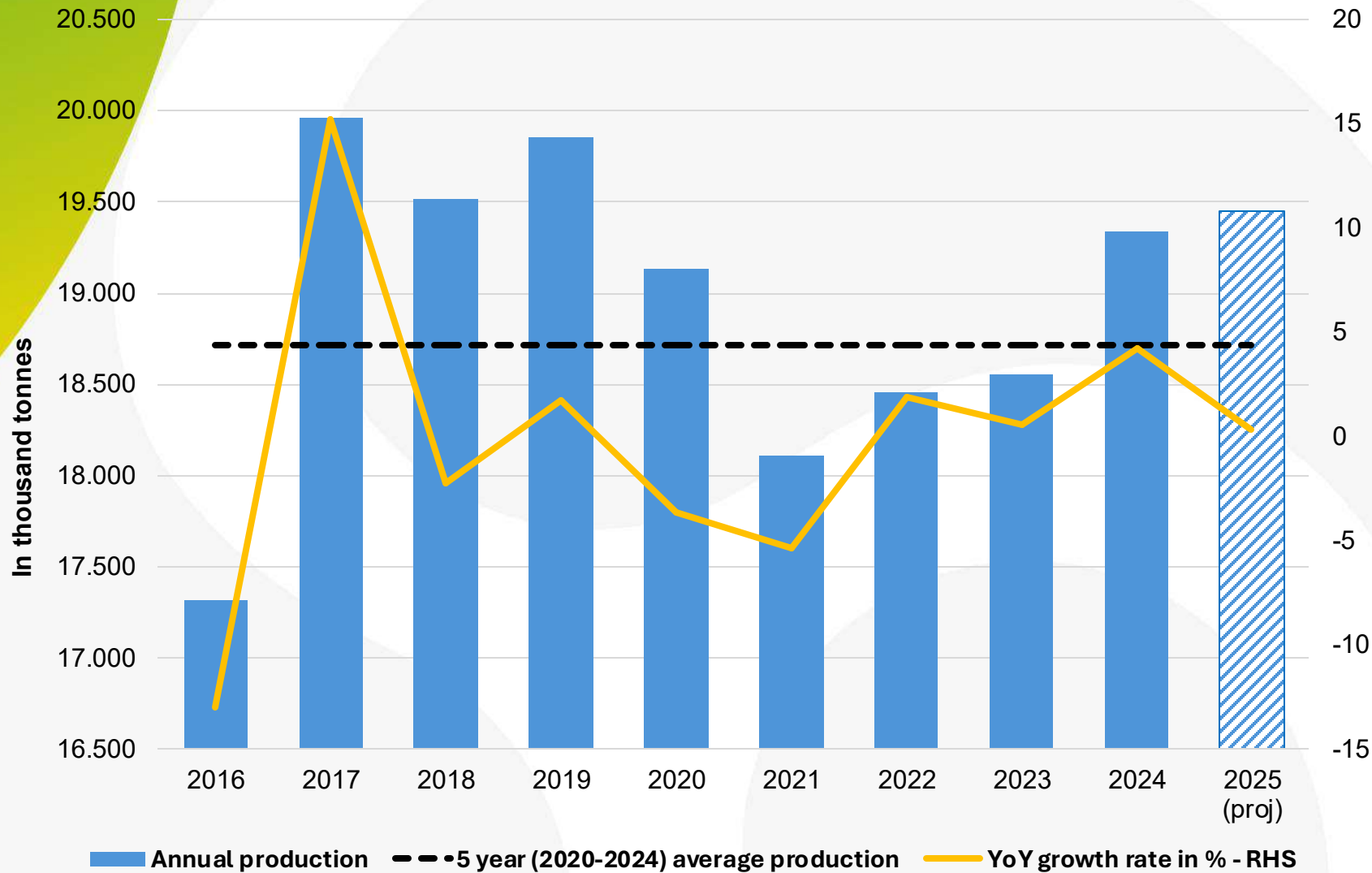
## Malaysia CPO production - Annual time series

Production generally tend to peak from August to October accounting for 30% of annual production (Source: MPOB)





# PALM PRODUCTION IN 2025 – MALAYSIA



**Jan-Dec 2022 production :**  
18.45 million mt (1.88%)

**Jan-Dec 2023 production :**  
18.55 million mt (0.55%)

**Jan-Dec 2024 production :**  
19.34 million mt (4.23%)

**Jan-Dec 2025 production :**  
Projected to be at 19.45 million  
mt or just 0.32% growth from  
2024

**Jan-Dec 2026 production:** 19.55  
million mt

# MALAYSIA PALM OIL SUPPLY AND DEMAND BALANCE



**21ª CONFERENCIA  
INTERNACIONAL  
SOBRE PALMA DE ACEITE**  
21<sup>st</sup> International Oil Palm Conference

<b>MALAYSIA</b>	<b>2024 (actual)</b>	<b>2025 (estimate)</b>	<b>% change</b>	<b>2026 (projection)</b>
Carry forward	2.29	1.71	<b>-25.45</b>	2.01
Production	19.34	19.45	<b>0.57</b>	19.55
Imports	0.25	0.30	<b>18.35</b>	0.32
<b>TOTAL SUPPLY</b>	<b>21.88</b>	<b>21.46</b>	<b>-1.95</b>	<b>21.88</b>
Exports	16.88	16.00	<b>-5.21</b>	16.75
Domestic consumption	3.29	3.30	<b>0.18</b>	3.20
Stocks	1.71	2.16	<b>26.46</b>	1.93
<b>TOTAL DEMAND</b>	<b>21.88</b>	<b>21.46</b>	<b>-1.92</b>	<b>21.88</b>

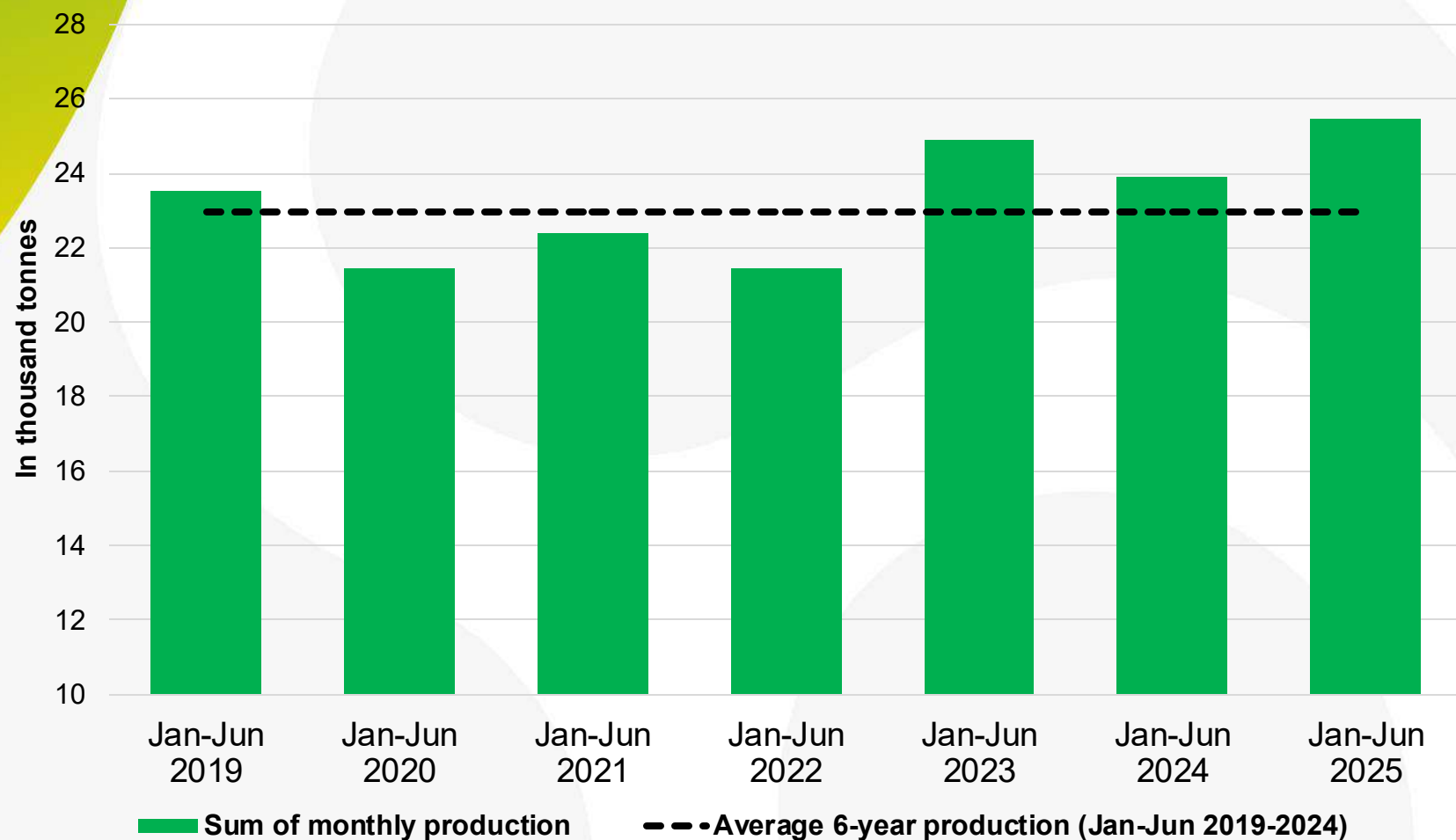
# INDONESIA'S PRODUCTION IS LOOKING GOOD IN 2025



21<sup>a</sup> CONFERENCIA  
**INTERNACIONAL**  
SOBRE PALMA DE ACEITE  
21<sup>st</sup> International Oil Palm Conference

## Indonesia CPO production: Jan-Jun 2019 – 2025

(Source: GAPKI)



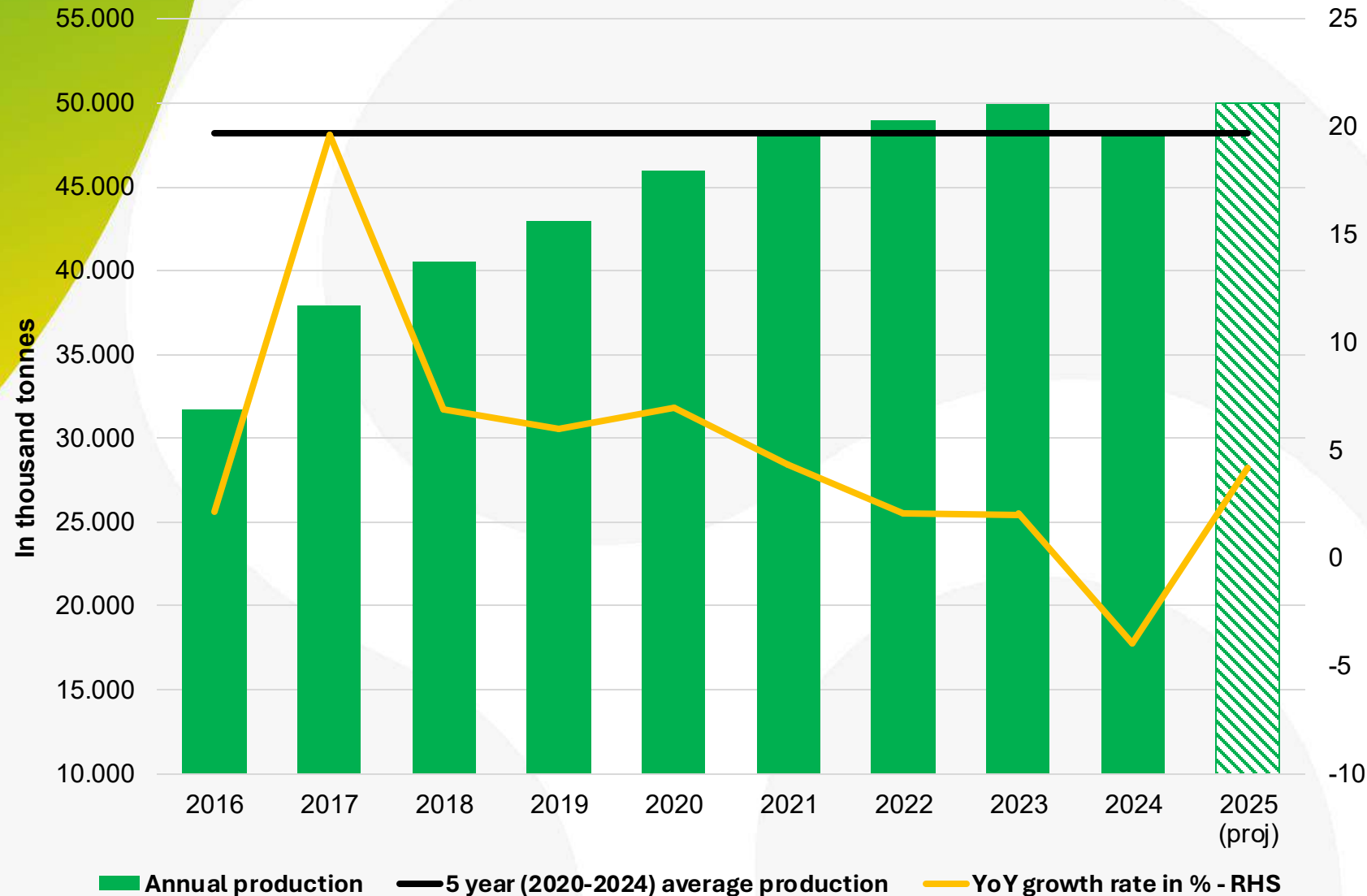
**Jan-Jun 2025 CPO production:** 25.47 million mt or up 1.56 mil tonnes (6.5%) from last year Jan-Jun

-Favourable weather conditions

-7 Indonesian listed companies reported higher FFB between **2 to 13%** in the H1 of 2025 or Q1 of 2025 compared to the same period last year.



# PALM PRODUCTION IN 2025 - INDONESIA



**Jan-Dec 2022 production:**  
49.00 million tons (+2.08%)

**Jan-Dec 2023 production:**  
50 million tons

**Jan-Dec 2024 production:**  
48 million tons

**Jan-Dec 2025 production:**  
49.50 – 50 million tons or up  
4.21% from 2024

# INDONESIA PALM OIL SUPPLY AND DEMAND BALANCE



21ª CONFERENCIA  
**INTERNACIONAL**  
SOBRE PALMA DE ACEITE  
21<sup>st</sup> International Oil Palm Conference

INDONESIA	2024 (actual)	2025 (estimate)	% change
Carry forward	3.15	2.60	-17.36
Production (CPO+CPKO)	52.78	55.00	4.21
Imports	0.06	0.05	-16.67
<b>TOTAL SUPPLY</b>	<b>55.99</b>	<b>57.65</b>	<b>2.97</b>
Exports	29.53	29.00	-1.79
Domestic consumption	23.86	25.00	4.78
Stocks	2.60	3.65	40.38
<b>TOTAL DEMAND</b>	<b>55.99</b>	<b>57.65</b>	<b>2.96</b>

# GLOBAL PALM OIL PRODUCTION TO RECOVER, BOOSTED BY RISE IN INDONESIAN PRODUCTION



**21ª CONFERENCIA  
INTERNACIONAL  
SOBRE PALMA DE ACEITE**  
21<sup>st</sup> International Oil Palm Conference

Global palm oil production	2021-22	2022-23	2023-24	2024-25	2025-26	Change	Change %
Indonesia	46.00	47.00	48.50	47.50	49.50	2.00	4.21
Malaysia	18.15	18.39	19.71	19.80	19.96	0.16	0.81
Thailand	3.38	3.33	3.60	3.33	3.40	0.07	2.10
Colombia	1.76	1.80	1.90	1.95	2.00	0.05	2.56
Nigeria	1.40	1.40	1.50	1.50	1.50	0.00	0.00
Other	6.47	6.65	6.57	6.73	6.86	0.13	1.87
<b>TOTAL</b>	<b>77.16</b>	<b>78.57</b>	<b>81.78</b>	<b>80.81</b>	<b>83.22</b>	<b>2.41</b>	<b>2.98</b>





**21ª CONFERENCIA  
INTERNACIONAL**  
SOBRE PALMA DE ACEITE  
21<sup>st</sup> International Oil Palm Conference

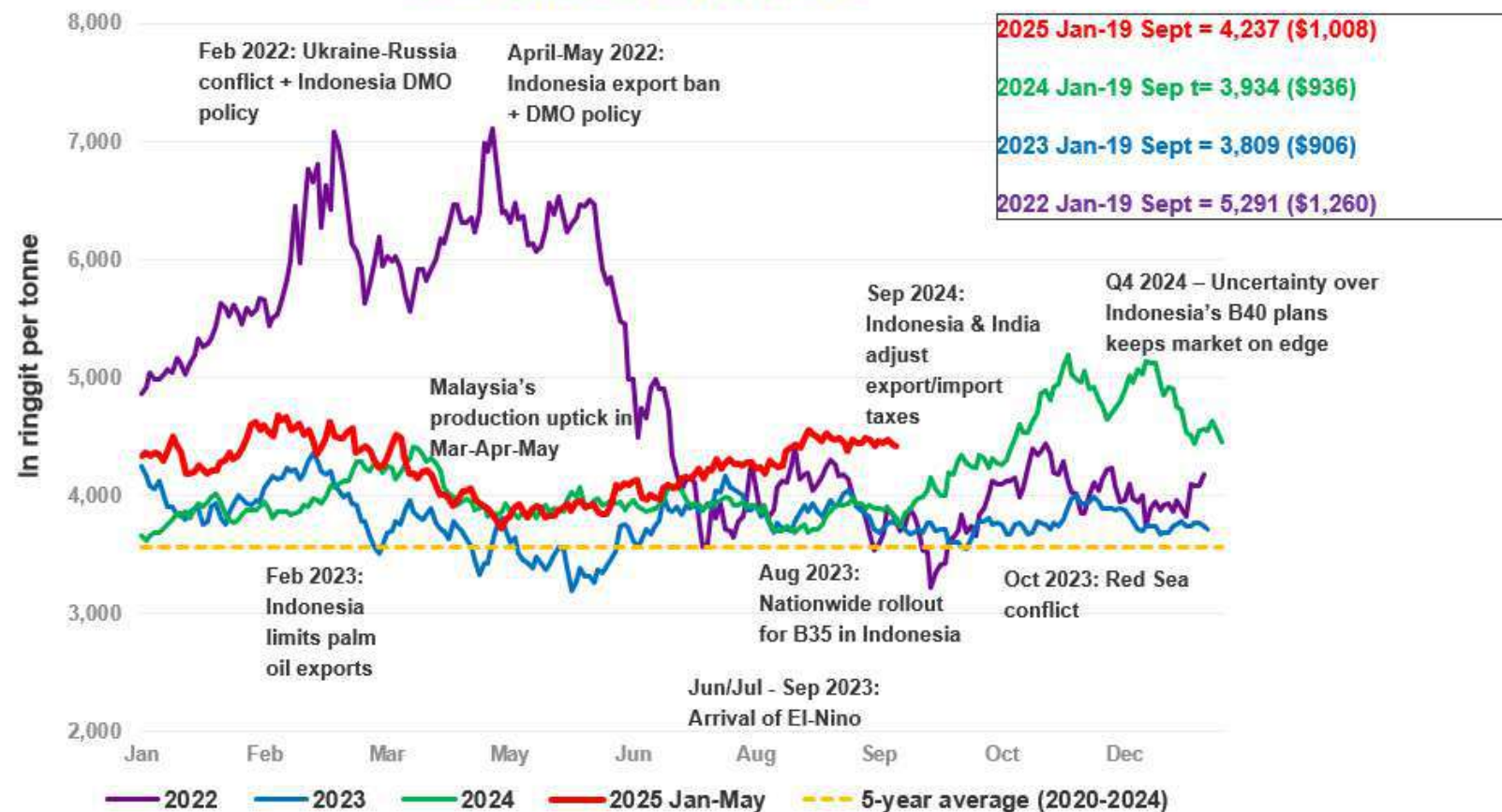
# CPO prices

# ERRATIC TRADE & UNCERTAINTY OVER BIOFUELS POLICIES ADDED VOLATILITY TO CPO PRICES



21ª CONFERENCIA  
**INTERNACIONAL**  
SOBRE PALMA DE ACEITE  
21<sup>st</sup> International Oil Palm Conference

## BMD THIRD MONTH FCPO

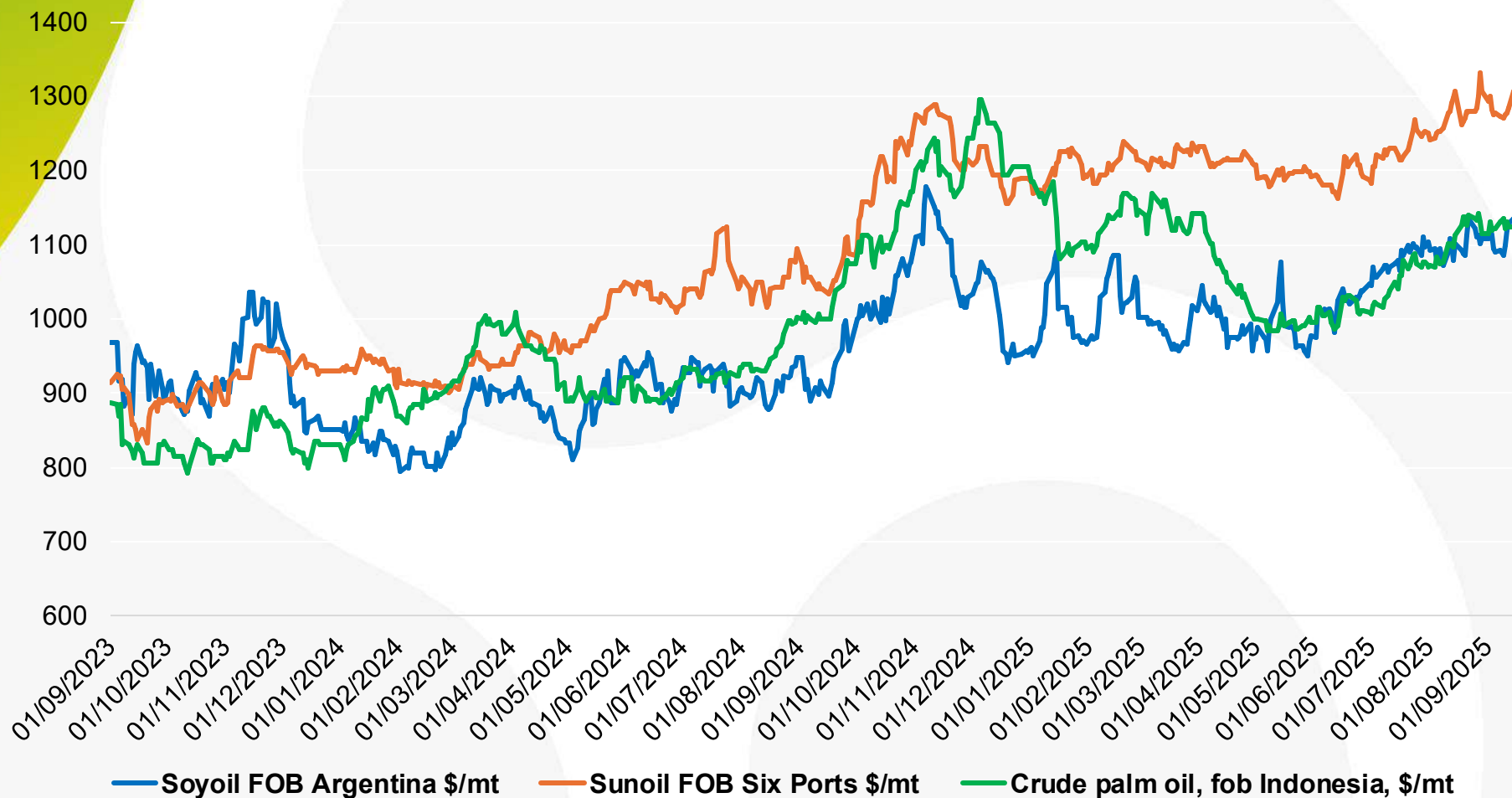


# PALM OIL LOSING PRICE COMPETITIVENESS TO BEAN OIL



21ª CONFERENCIA  
**INTERNACIONAL**  
SOBRE PALMA DE ACEITE  
21<sup>st</sup> International Oil Palm Conference

## Soyoil, sunflower oil and palm oil FOB prices





**21ª CONFERENCIA  
INTERNACIONAL**  
SOBRE PALMA DE ACEITE  
21<sup>st</sup> International Oil Palm Conference

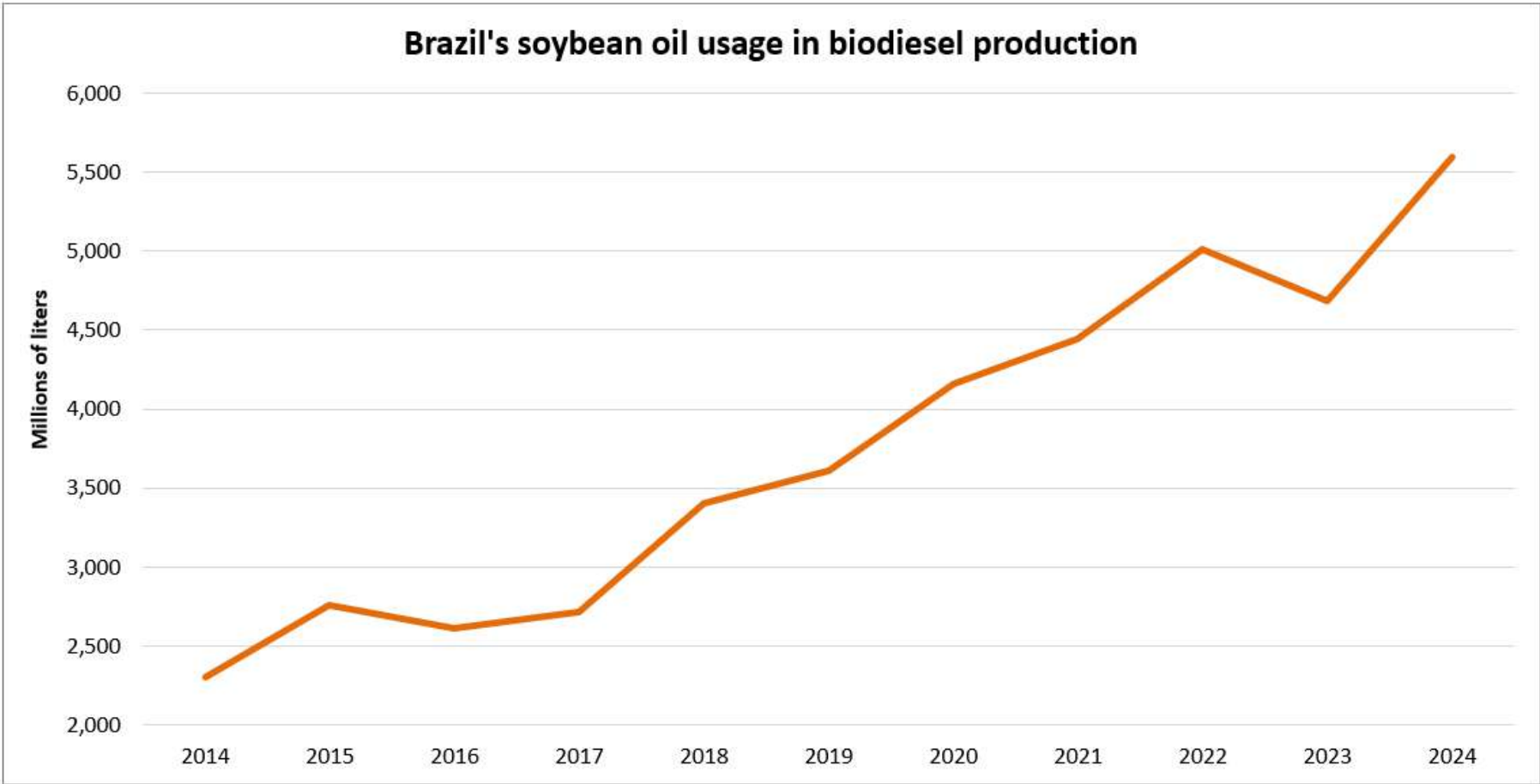
# Biodiesel



# BRAZILIAN BIODIESEL PROGRAM SUPPORTED BY FEEDSTOCKS



21ª CONFERENCIA  
**INTERNACIONAL**  
SOBRE PALMA DE ACEITE  
21<sup>st</sup> International Oil Palm Conference



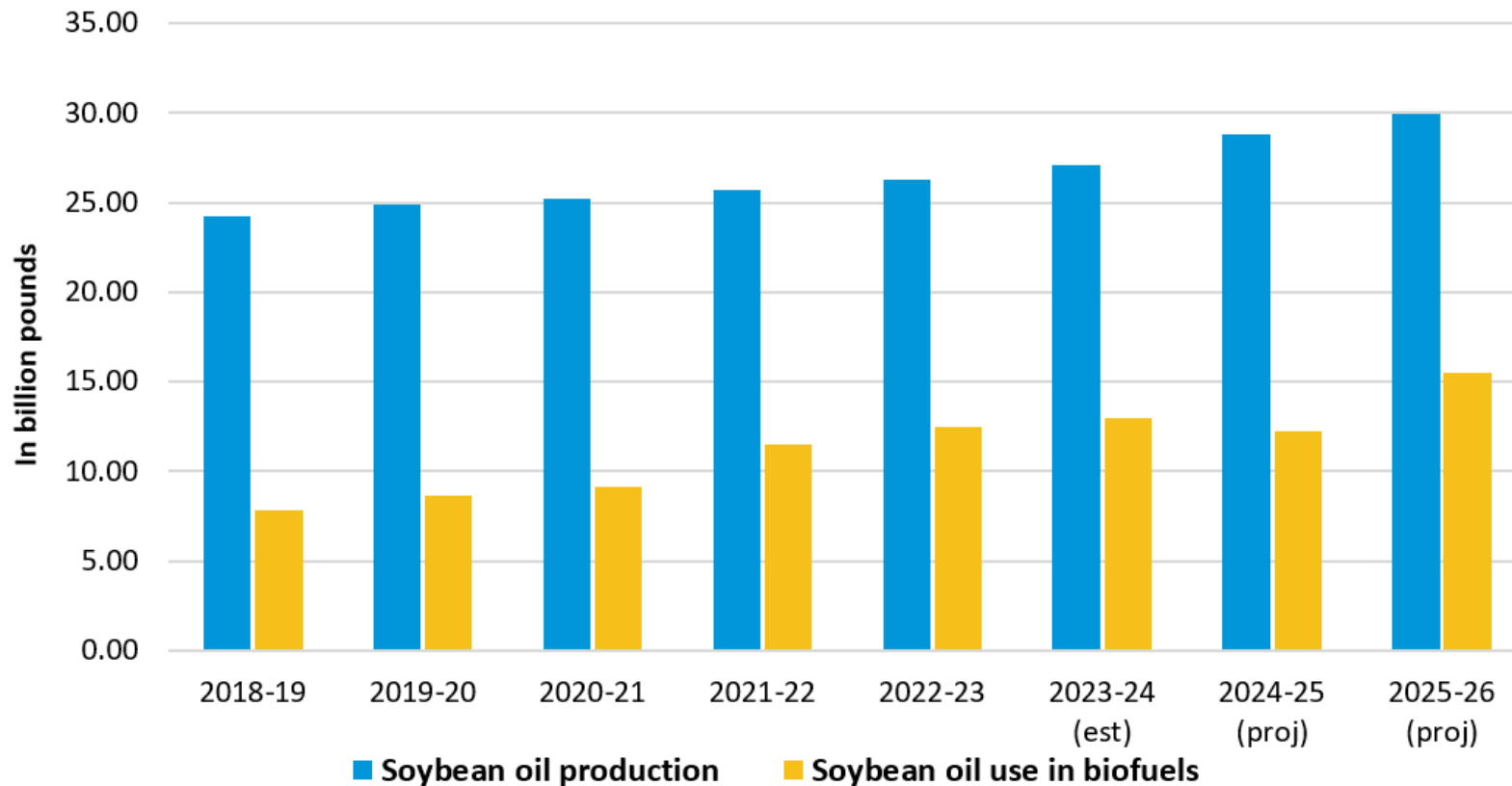
# US SOYBEAN OIL USE IN BIODIESEL PRODUCTION GAINING MOMENTUM



21ª CONFERENCIA  
INTERNACIONAL  
SOBRE PALMA DE ACEITE  
21<sup>st</sup> International Oil Palm Conference

## U.S Soybean oil production and use in biofuels

(Source: USDA)

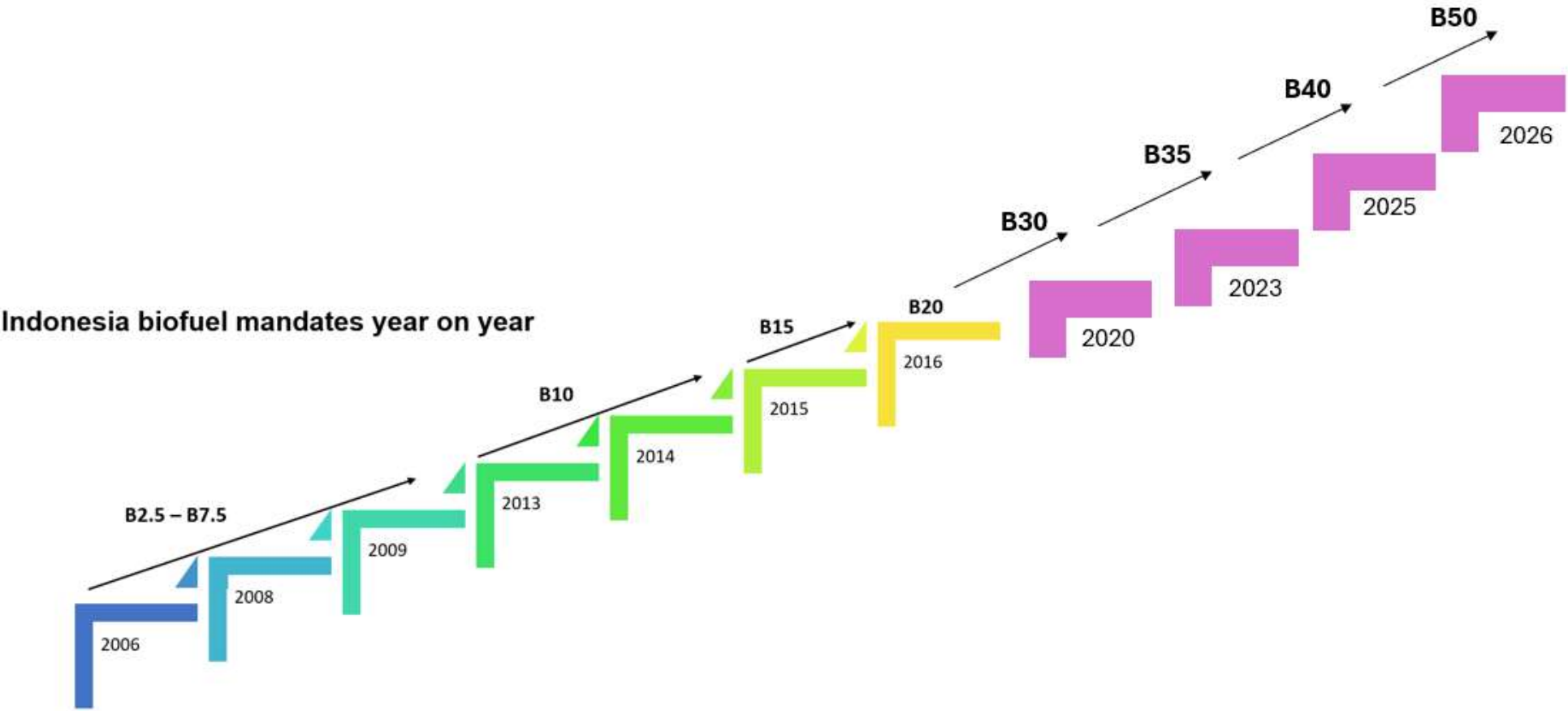


Soybean oil use in biofuels production is set to surpass 50% of the total production in 2025-26 in US from 32% 8 years ago and 44% - 5 years average

# INDONESIA BIODIESEL PROGRAM SHOW NO SIGN OF SLOWDOWN BUT NEARING FULL CAPACITY



21<sup>st</sup> CONFERENCIA  
INTERNACIONAL  
SOBRE PALMA DE ACEITE  
21<sup>st</sup> International Oil Palm Conference

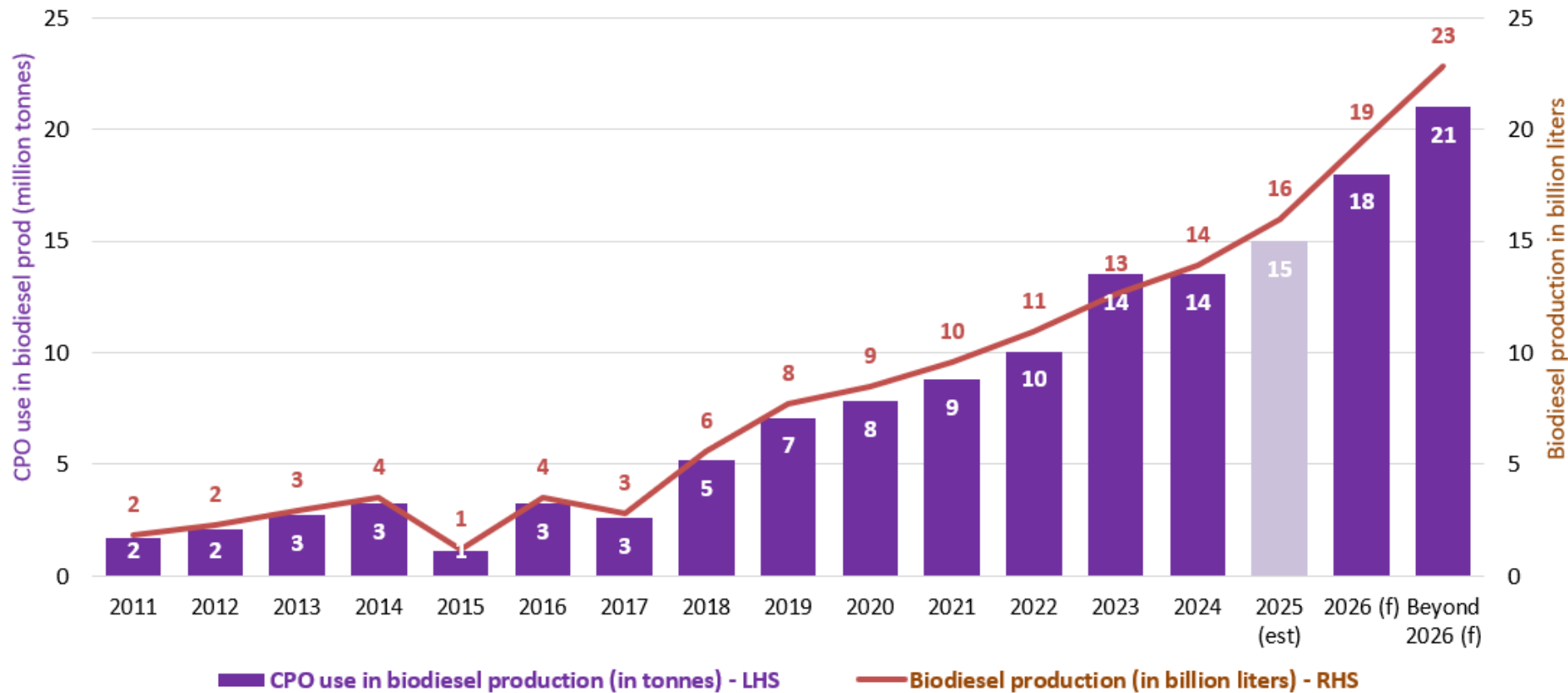


# RISING MANDATES, HIGHER CPO USAGE BUT CAPACITY?



21ª CONFERENCIA  
**INTERNACIONAL**  
SOBRE PALMA DE ACEITE  
21<sup>st</sup> International Oil Palm Conference

**Indonesia biodiesel production and CPO - Rising CPO use as feedstock in biodiesel production to meet the rising mandates but does Indonesia have sufficient capacity?**



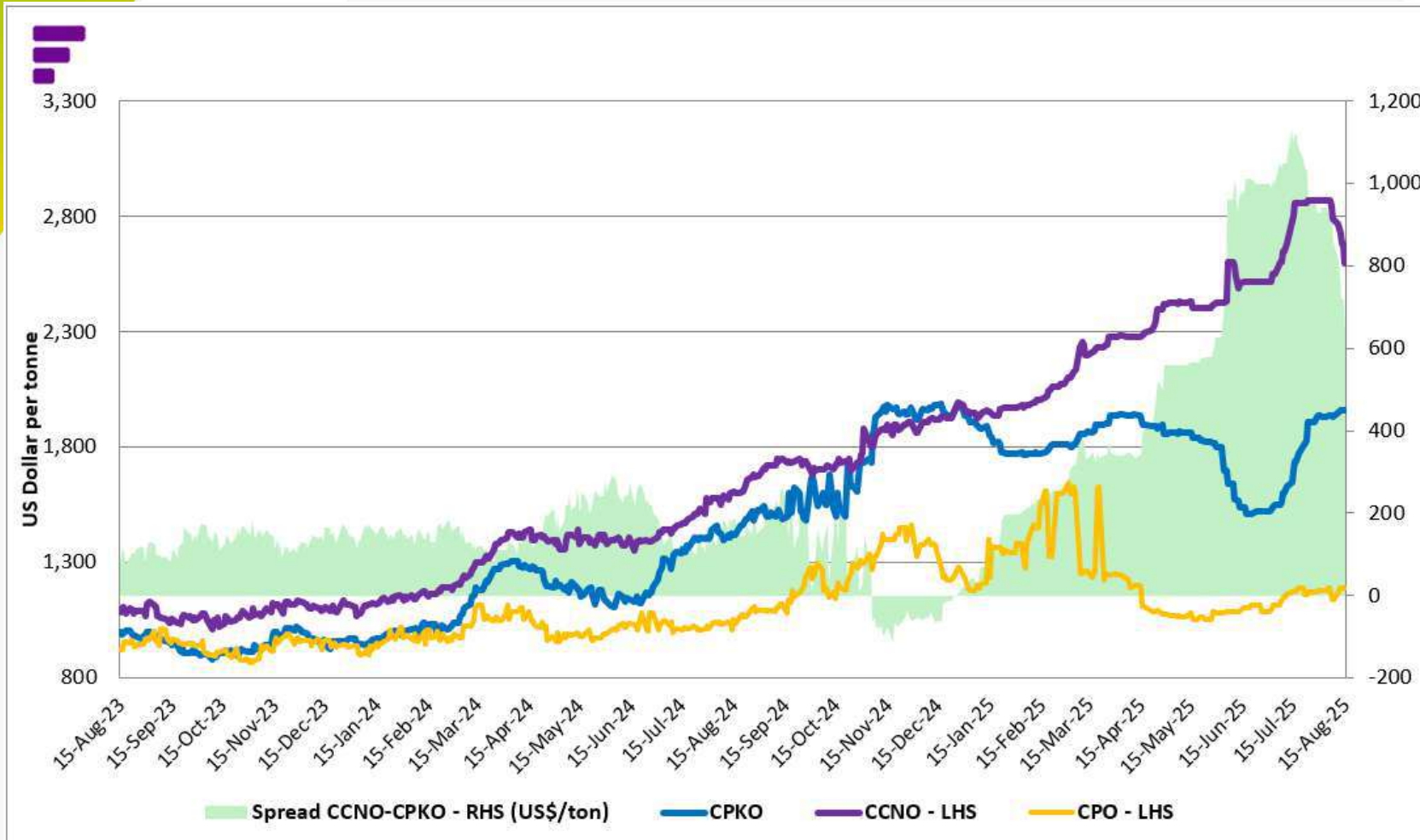




**21ª CONFERENCIA  
INTERNACIONAL**  
SOBRE PALMA DE ACEITE  
21<sup>st</sup> International Oil Palm Conference

# Laurics

# CCNO PREMIUM REMAIN UNSUSTAINABLE



CCNO premium to CPKO surged to unusually high levels of over \$1,000, due to coconut and copra supply problems from the Philippines

Coconut oil prices are in correction now. Spread down to \$500

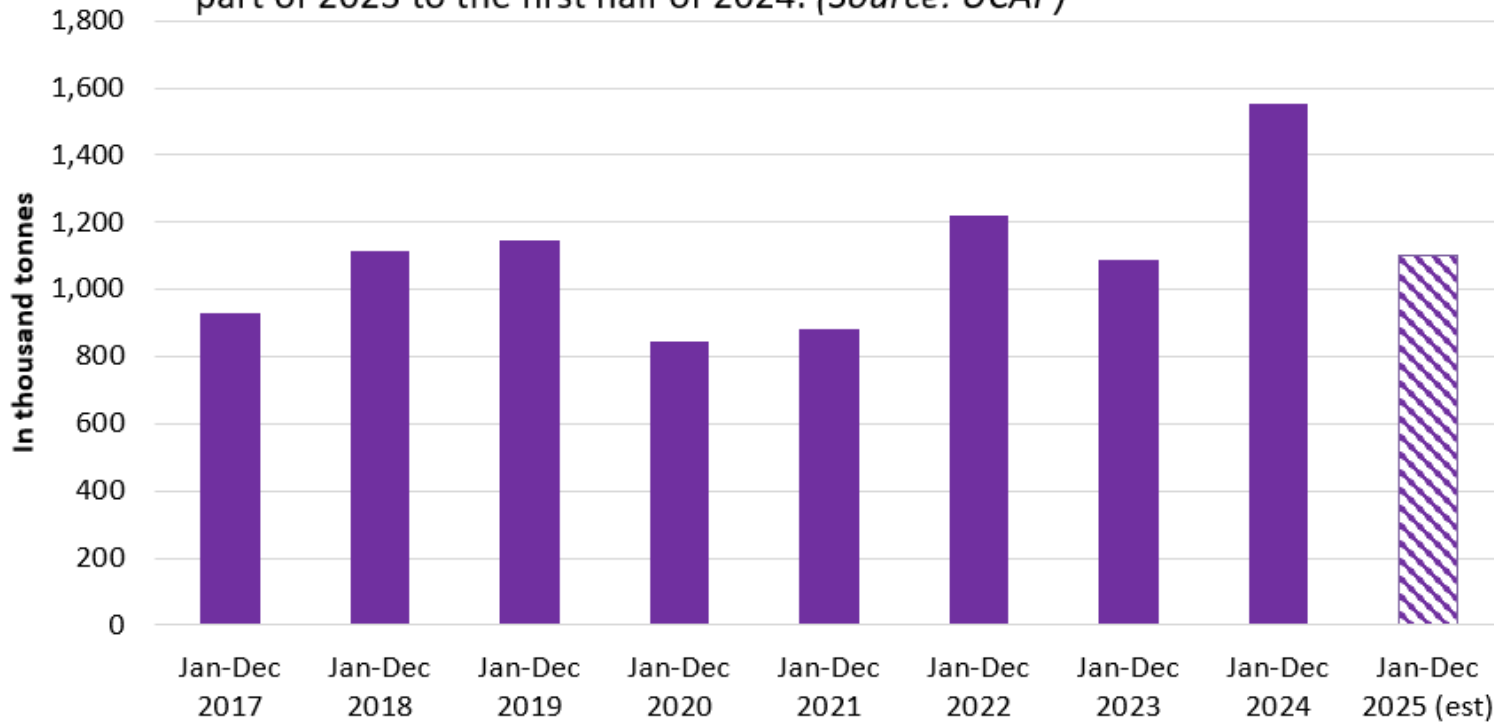
# HIGH PRICES BUT LOW EXPORTS



21<sup>a</sup> CONFERENCIA  
INTERNACIONAL  
SOBRE PALMA DE ACEITE  
21<sup>st</sup> International Oil Palm Conference

## Philippines Crude Coconut Oil Export

2025 exports is forecast to fall by 29% to 1.10 million tonnes from 2024 on lower output due to the effect of the El Niño phenomenon in later part of 2023 to the first half of 2024. (Source: UCAP)



**Copra output to fall to 3.07 million tonnes in 2025 from 3.59 million tonnes in 2024**

**Effect of El-Nino from the end of 2023 to H1 of 2024**

# SUMMARY



21ª CONFERENCIA  
**INTERNACIONAL**  
SOBRE PALMA DE ACEITE  
21<sup>st</sup> International Oil Palm Conference

- Global agricultural land is declining but oil palm planted area must grow to retain and expand market share.
- Palm cannot compete with the rising soybean planted area – biodiesel mandates, protein meal demand, and rising investment will fuel the rising supply
- However, rising domestic consumption of soybeans in the US and Brazil will squeeze supplies and help palm prices to remain competitive
- Malaysian production remains stagnant. Indonesia's production is expected to lead the recovery in global palm oil production to 83.22 million tonnes in 2025-26 from 80.81 million tonnes, or a 2.41 million tonnes growth
- Trade and biofuels policies are the two main determinants of palm pricing in 2026
- EUDR premium quotes on CPKO is seen between \$350-450 per tonne
- Palm futures active month is expected to be supported between 4,400-4,500 ringgit (\$1,050 – 1,070) per tonne based on weakening exports and rising output, but Q1 2026 is a seasonally low production month offering the prospect of higher prices.



Find prices by commodity, product, location...

## Palm oil Asia midday update Copy 1

Last edited 1 minute ago

oil news

Show Descriptions

Order by Top stories

Stories

Last 48 hours

Futures hit 5-month high on upbeat outlook anchored on  
rt optimism: Palm Oil Asia Middy

g 2025 @ 05:00 UTC

test Asia palm oil exchange market commentary and prices on Tuesday  
t 19.

Futures soar to 5-month high on bullish fundamentals, rise in  
ed veg oils: Palm Oil Asia Middy

g 2025 @ 04:56 UTC

test Asia palm oil exchange market commentary and prices on Monday  
t 18.

STORIES

Futures hit 5-month high on upbeat outlook anchored on  
rt optimism: Palm Oil Asia Middy

g 2025 @ 05:00 UTC

test Asia palm oil exchange market commentary and prices on Tuesday  
t 19.

Futures soar to 5-month high on bullish fundamentals, rise in  
ed veg oils: Palm Oil Asia Middy

g 2025 @ 04:56 UTC

test Asia palm oil exchange market commentary and prices on Monday  
t 18.

Dr. Sathia Varqa  
[sathia.varqa@fastmarkets.com](mailto:sathia.varqa@fastmarkets.com)

## CPO futures hit 5 anchored on exp

Published by: Sathia Varqa, Gus Li  
19 Aug 2025 @ 05:00 UTC

The latest Asia palm oil exch

Market commentary

Crude palm oil (CPO) futures  
buying momentum fueled by  
despite signs of a modest rec

Market sentiment was buoye  
strength in related vegetable

Palm futures have been tren  
(\$152) or 16%, supported by  
sales in vegetable oils on the

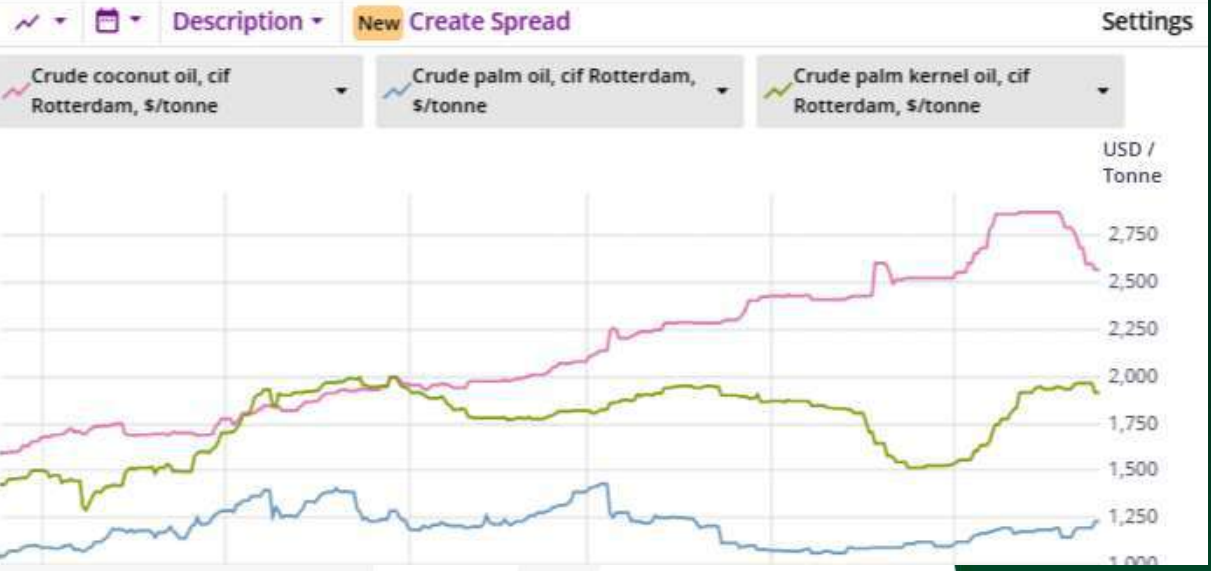
alm oil Asia midday update Copy 1

Last edited 16 hours ago

+ Add Widget < Share worl

Asia palm oil prices

Description ↑	Symbol	Assessment Date	Low	Mid	High	+/-	Monthly Average	Mi
Crude Palm Oil FOB Malaysia \$/mt	AG-PLM-0009	19 Aug 2025	1,153.25	1,153.25	1,153.25	-1.25	1,065.34	
Crude palm kernel oil, domestic Central Malaysia, ringgit/picul	AG-PLM-0025	19 Aug 2025	460.00	460.00	460.00	0.00	427.04	
Crude palm kernel oil, domestic South Malaysia, ringgit/picul	AG-PLM-0026	19 Aug 2025	462.00	462.00	462.00	-1.00	425.17	
Crude palm kernel oil, fob Indonesia, \$/tonne	AG-PLM-0027	18 Aug 2025	2,100.00	2,100.00	2,100.00	40.00	1,793.75	
Crude palm oil, Indonesia PTPN tender, rupiah/kg	AG-PLM-0017	19 Aug 2025	14,726.00	14,726.00	14,726.00	311.00	14,251.87	
Crude palm oil, cfr east coast India, \$/tonne	AG-PLM-0014	19 Aug 2025	1,160.00	1,160.00	1,160.00	2.50	1,083.63	
Crude palm oil, cfr west coast India, \$/tonne	AG-PLM-0013	19 Aug 2025	1,167.50	1,167.50	1,167.50	2.50	1,088.63	
Crude palm oil, domestic Malaysia, ringgit/tonne	AG-PLM-0008	19 Aug 2025	4,465.00	4,465.00	4,465.00	-10.00	4,144.65	
Crude palm oil, fob Indonesia, \$/tonne	AG-PLM-0011	19 Aug 2025	1,138.50	1,138.50	1,138.50	11.00	1,051.59	
Palm fatty acid distillate (PFAD), fob Indonesia, \$/tonne	AG-PLM-0024	19 Aug 2025	987.50	987.50	987.50	0.00	897.83	
Palm fatty acid distillate (PFAD), fob Malaysia, \$/tonne	AG-PLM-0023	19 Aug 2025	997.50	997.50	997.50	0.00	907.83	
Palm fatty acid distillate, fob Malaysia, \$/tonne	AG-PLM-0001	18 Aug 2025	1,000.00	1,002.50	1,005.00	17.50	913.35	
Palm stearin, RBD, fob Malaysia, \$/tonne	AG-PLM-0006	18 Aug 2025	1,085.00	1,087.50	1,090.00	17.50	994.89	
Refined bleached deodorised (RBD) palm kernel oil, fob Indonesia, \$/tonne	AG-PLM-0031	18 Aug 2025	2,050.00	2,050.00	2,050.00	60.00	1,770.00	
Refined bleached deodorised (RBD) palm kernel oil, fob Malaysia, \$/tonne	AG-PLM-0030	19 Aug 2025	2,005.00	2,005.00	2,005.00	-5.00	1,859.13	
Refined bleached deodorised (RBD) palm kernel olein, fob Indonesia, \$/tonne	AG-PLM-0029	18 Aug 2025	1,950.00	1,950.00	1,950.00	60.00	1,685.00	
Refined bleached deodorised (RBD) palm kernel olein, fob Malaysia, \$/tonne	AG-PLM-0028	19 Aug 2025	1,805.00	1,805.00	1,805.00	-5.00	1,659.13	
Refined bleached deodorised (RBD) palm kernel stearin, fob Indonesia, \$/tonne	AG-PLM-0033	18 Aug 2025	2,250.00	2,250.00	2,250.00	60.00	2,037.50	
Refined bleached deodorised (RBD) palm kernel stearin, fob Malaysia, \$/tonne	AG-PLM-0032	19 Aug 2025	2,205.00	2,205.00	2,205.00	-5.00	2,059.13	





# 21<sup>a</sup> CONFERENCIA INTERNACIONAL SOBRE PALMA DE ACEITE

21<sup>th</sup> International Oil Palm Conference

**Dr. Sathia Varqa**

Email: [sathia.varqa@fastmarkets.com](mailto:sathia.varqa@fastmarkets.com)

WhatsApp: +6590016176

X: @sathia\_varqa

LinkedIn: Palm Oil Analytics