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Report Highlights:

FAS Manila forecasts soybean meal imports in Marketing Year (MY) 2025/26 to increase by 3.1 percent to 3.35 million metric tons (MMT) compared to the previous MY, due to an increase in local feed demand from the broiler, layer, aquaculture, and pet food industries, along with the forecast gradual rebound of the swine industry. Copra crush is forecast to marginally rebound in MY 2025/26 due to better weather conditions, leading to higher coconut oil production. Despite an increase in coconut oil production, FAS Manila forecasts coconut oil exports to remain flat in MY 2025/26, due to an increase in local demand for coconut oil for biodiesel blending. Palm oil imports, a substitute for coconut oil for both cooking and industrial applications, is forecast to increase in MY 2025/26 to supplement supply gaps in coconut oil.

Executive Summary

The Philippines is an importer of soybean meal (SBM), a major protein source for animal feed. FAS Manila forecasts SBM imports in Marketing Year (MY) 2025/26 to increase by 3.1 percent to 3.35 million metric tons (MMT) compared to the previous MY, due to a forecast increase in feed demand from the broiler, layer, aquaculture, and pet food industries, coupled with the forecast gradual rebound of the swine industry. The United States is the preferred source of SBM with over 80 percent market share, due to its high quality and established logistical networks between the U.S. and the Philippines. SBM can make up between 5 to 30 percent of feed composition. Feed for broilers and aquaculture have the highest SBM usage at 25-30 percent, followed by layers at 20-25 percent.

The El Niño weather disturbance (which lasted from July 2023 to June 2024) which affected the growth of coconut flowers in MY 2024/25, coupled with stressed coconut trees due to heavy fruiting in 2024, is forecast to soften the rebound of copra production in MY 2025/26. Post forecasts copra crush to increase in MY 2025/26, given a marginal increase in copra supply, resulting in higher coconut oil production. Despite an increase in coconut oil production, FAS Manila forecasts coconut oil exports to remain flat in MY 2025/26 compared to the previous MY. Post forecasts that the mandated increase in biodiesel blending from 3 to 4 percent in October 2025 will marginally decrease the available exportable supply of coconut oil.

FAS Manila forecasts palm oil production to decline in MY 2025/26, leading to higher palm oil imports compared to the previous MY. Palm oil is used as a substitute for coconut oil for both cooking and industrial applications.

Table 1: Soybean Meal Equivalent (SME) Consumption (000 MT)

Commodity	SME Factor	MY 2023/2024	MY 2024/2025	MY 2025/2026
Soybean	80%	40	40	40
Soybean Meal	100%	3200	3300	3400
Copra Meal	45%	270	239	239
Total		3510	3579	3679

Source: FAS Manila

Table 2: Philippine Peso per U.S. Dollar Exchange Rate, Monthly Average

Month	2022	2023	2024	2025 (a)
January	51.24	54.99	55.97	58.39
February	51.28	54.78	56.06	58.09
March	52.07	54.80	55.85	57.43 (a)
April	51.98	55.32	56.95	
May	52.36	55.73	57.76	
June	53.57	55.89	58.70	
July	55.89	54.92	58.48	
August	55.75	56.16	57.19	
September	57.43	56.79	56.07	
October	58.82	56.79	57.30	
November	57.65	55.81	58.69	
December	55.68	55.59	58.45	

Note: (a) – average daily foreign exchange rate, as of March 28, 2025

Source: Central Bank of the Philippines

OILSEED SECTION

SOYBEAN

The Philippines depends on imported soybeans to fulfill its local demand for food and animal feed, due to the minimal domestic production.

Table 3: Soybean: Production, Supply, and Distribution						
Soybean	**2023/2024**		**2024/2025**		**2025/2026**	
Market Year Begins	**Jan-24**		**Jan-25**		**Jan-26**	
Philippines	**USDA Official**	**New Post**	**USDA Official**	**New Post**	**USDA Official**	**New Post**
Area Planted (1000 HA)						
Area Harvested (1000 HA)	1	1	1	1	0	1
Beginning Stocks (1000 MT)	17	17	18	22	0	20
Production (1000 MT)	1	1	1	1	0	1
MY Imports (1000 MT)	160	140	190	144	0	147
Total Supply (1000 MT)	178	158	209	167	0	168
MY Exports (1000 MT)	0	0	0	0	0	0
Crush (1000 MT)	85	28	100	28	0	28
Food Use Dom. Cons. (1000 MT)	25	58	25	69	0	71
Feed Waste Dom. Cons. (1000 MT)	50	50	50	50	0	50
Total Dom. Cons. (1000 MT)	160	136	175	147	0	149
Ending Stocks (1000 MT)	18	22	34	20	0	19
Total Distribution (1000 MT)	178	158	209	167	0	168
(1000 HA), (1000 MT) MY = Marketing Year, begins with the month listed at the top of each column						

Production

FAS Manila forecasts local soybean production to remain under 1,000 metric tons (MT) in Marketing Year (MY) MY 2025/26. Domestic soybean production is marginal at less than 1,000 metric tons (MT) every year, declining by an average of 9.8 percent year-on-year from 626 to 506 MT in CY 2022 to 2024 due to a combination of factors, such as competition with other crops, reliance on imports, and challenges in maximizing yield in a tropical climate (i.e., soybean diseases set in more rapidly in high humidity areas).

Table 4: Soybean Regional Production in the Philippines (MT)				
Region	**2022**	**2023**	**2024**	**Percentage Change, 2024/2023**
Caraga	462	466	376	-19
Davao	58	54	55	1
Northern Mindanao	48	49	45	-8
Zamboanga Peninsula	15	11	10	-12
Soccsksargen	15	11	7	-34
BARMM	10	10	3	-70
All Others	19	13	9	-32
Philippines	626	616	506	-18

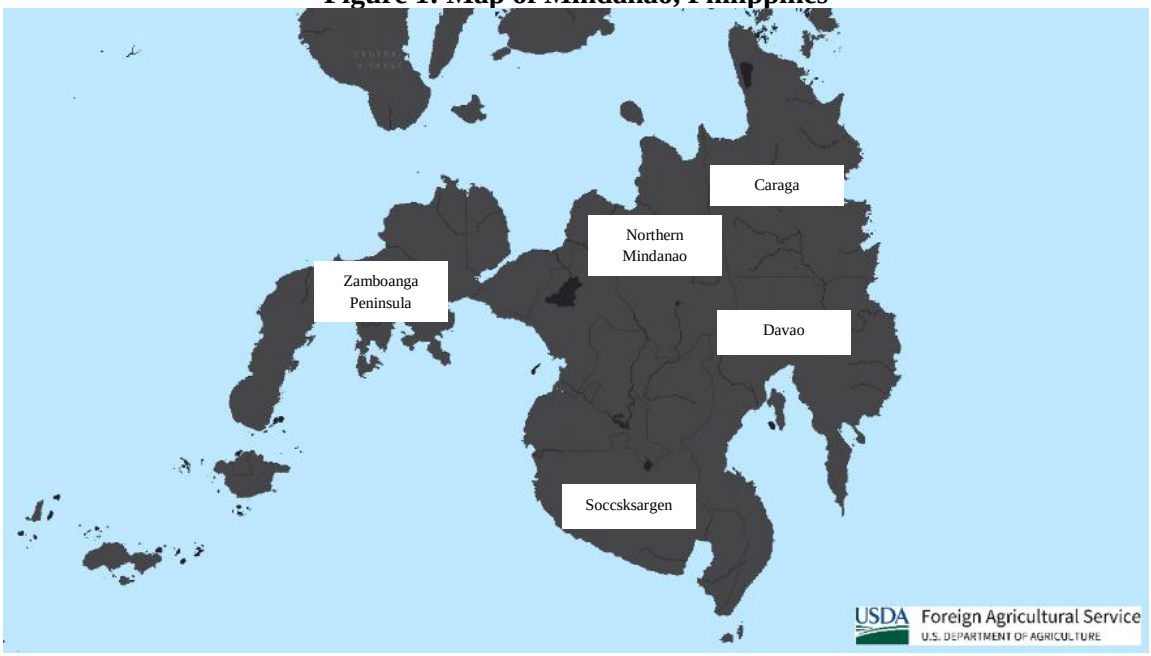
Source of basic data: Philippine Statistics Authority

Area Harvested

FAS Manila forecasts area harvested to remain under 1,000 hectares (ha) in MY 2025/26, declining by an average of 8.3 percent year-on-year from 440 to 369 ha in CY 2022 to 2024. The decline in area harvested is due to competition from banana and corn cultivation in Mindanao. The Philippines is a large exporter of banana from the Mindanao area. Meanwhile, local yellow corn has strong marketability in Mindanao for domestic feed and industrial applications.

Most of the soybean area in the Philippines are in Mindanao, with Caraga region being the largest. Other areas in Mindanao include Northern Mindanao, Davao, Soccsksargen, and Zamboanga Peninsula regions. There is minimal soybean area in Luzon and Visayas, located in the Central Visayas and Ilocos regions, respectively.

Figure 1: Map of Mindanao, Philippines



Consumption

Crush:

FAS Manila forecasts MY 2025/26 soybean crushing demand to remain flat. The Philippines only has one crushing facility to process imported soybeans, which is used for oil and meal. The forecast increase in soybean imports is driven by the increased demand for soybean-based food and beverage products, such as soymilk, soy sauce, and tofu.

Food Use Consumption:

FAS Manila forecasts demand for soybeans for food use to increase by 2.9 percent to 71,000 MT in MY 2025/26 compared to the previous MY due to several factors, including the increase in population, rising household incomes that allow consumers to purchase more food products and eat out more frequently, and healthy eating trends. Soybeans are processed into various food products for retail sale, such as soymilk, soy sauce, soy oil, tofu, bean curd, and fermented soybean (e.g., tausi or fermented black soybeans in brine, and localized miso used in fish stews).

Based on data from Euromonitor, the volume of soy-based products, specifically soy drinks, soy sauces, and soy oil, grew marginally by 0.7 percent year-on-year from CY 2023 to 2025, impacting food consumption demand in MY 2024/25 and MY 2025/26. There is rising awareness among the consumers in the Philippines on the health benefits of soy products, specifically soymilk, that appeals to the health-conscious consumers. Soy sauce, meanwhile, is a common condiment in the country used in both household cooking and in the food service industry, including full-service and quick service restaurants and street stalls and kiosks. Local demand for soy oil, on the other hand, is projected to gradually decline by an average of 2.2 percent year-on-year from 8,574 to 8,205 MT in CY 2023 to 2025, as it competes with other more popular cooking oils such as coconut oil, palm oil, corn oil, canola oil, and olive oil, which are also widely used in Filipino households and the food service industry.

Table 5: Volume of Soy Food Sales (1000 MT)

Category	2023	2024	2025(a)	Percentage Change, 2023-2025
Soy Drinks	24.8	25.2	26.0	2.5
Soy Sauces	137.6	140.0	142.2	1.7
Soy Oil	8.6	8.4	8.2	-2.2

Note: (a) – forecast from Euromonitor

Source of basic data: Euromonitor

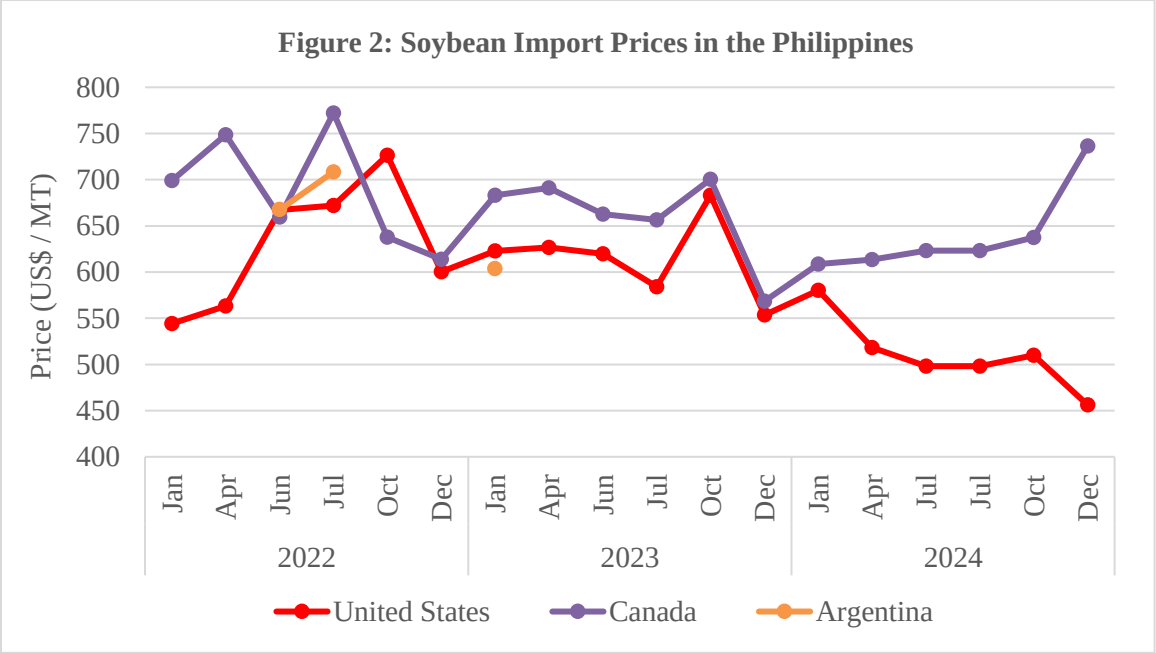
Feed, Seed, Waste Consumption:

Soybean use for feed consumption is forecast to remain flat in MY 2025/26. Instead of using soybean, feed millers opt to use less expensive imported soybean meal, soybean oil, and ready-to-mix full fat soybeans (generally used for feed for young animals, such as piglets) in their feed formulation to manage production costs.

Trade

FAS Manila forecasts soybean imports to increase by 2.1 percent to 147,000 MT in MY 2025/26 compared to the previous MY to meet the increasing demand from food and beverage processors, specifically for soy sauce and soy drinks. The United States remains as the largest soybean supplier, cornering 85 percent market share in MY 2023/24, followed by Canada (7 percent) and Argentina (8 percent). The remaining suppliers in MY 2023/24

were China, Malaysia, and Singapore (with a combined 1 percent market share). Post forecasts the United States to maintain market share in MY 2025/26, given high quality and competitive pricing.



Source: Trade Data Monitor

Stocks

FAS Manila forecasts ending stocks to marginally decline to 19,000 MT in MY 2025/26 due to increased usage. The declining trend in import prices, specifically from the United States where the bulk of the imported soybeans are sourced from, discourages traders and processors from holding excessive inventories, in anticipation of further price reductions. Stocks are mostly held by processors.

Policy

Under Executive Order (EO) No. 62, 2024, Soybean (1201) is subject to 0 to 1 percent tariff rates. Soybean seed (HS Code 1201.10.00) is levied with 0 percent duties, while other soybean (HS Code 1201.90.00) is subject to 1 percent duties until 2028.

Soybean is included in the Philippine Department of Agriculture's (DA) National Corn Program, which supports local soybean production. In Fiscal Year (FY) 2025, the DA's National Corn Program has a budget appropriation amounting to Php 5.0 billion (Bn), aiming to support the cultivation of various crops, including soybeans.

COCONUT: COPRA

Coconuts produced are processed to copra, a raw material used by coconut oil mills.

Table 6: Copra: Production, Supply, and Distribution						
Copra	**2023/2024**		**2024/2025**		**2025/2026**	
Market Year Begins	**Oct-23**		**Oct-24**		**Oct-25**	
Philippines	**USDA Official**	**New Post**	**USDA Official**	**New Post**	**USDA Official**	**New Post**
Area Planted (1000 HA)	0	0	0	0	0	0
Area Harvested (1000 HA)	3600	3600	3600	3550	0	3600
Trees (1000 TREES)	0	0	0	0	0	0
Beginning Stocks (1000 MT)	6	6	1	1	0	1
Production (1000 MT)	2900	2900	2500	2561	0	2600
MY Imports (1000 MT)	45	45	45	39	0	50
Total Supply (1000 MT)	2951	2951	2546	2601	0	2651
MY Exports (1000 MT)	0	0	0	0	0	0
Crush (1000 MT)	2950	2950	2545	2600	0	2650
Food Use Dom. Cons. (1000 MT)	0	0	0	0	0	0
Feed Waste Dom. Cons. (1000 MT)	0	0	0	0	0	0
Total Dom. Cons. (1000 MT)	2950	2950	2545	2600	0	2650
Ending Stocks (1000 MT)	1	1	1	1	0	1
Total Distribution (1000 MT)	2951	2951	2546	2601	0	2651
Yield (MT/HA)	0.8056	0.8056	0.6944	0.7214	0	0.7222
(1000 HA), (1000 MT), (MT/HA) MY = Marketing Year, begins with the month listed at the top of each column						

Production

FAS Manila forecasts a marginal rebound in coconut production by 1.5 percent to 2.60 MMT in MY 2025/26 compared to the previous MY, due to improved weather conditions (i.e., absence of El Niño). Industry contacts report that the coconut trees experienced stress after heavy fruiting in 2024, coupled with the El Niño which affected the first semester of 2024. Since coconut production takes one year, the stressed coconut trees in 2024 are expected to soften productivity in MY 2025/26, despite the projected better weather conditions in MY 2025/26.

The key coconut producing areas are in Mindanao, specifically Davao, Northern Mindanao, Zamboanga Peninsula, and BARMM regions. Calabarzon, a region in Luzon, is also a key coconut producer. Coconut cultivation in the Philippines is mostly grown by smallholder farmers, with non-intensive farm management resulting to lower yield compared to other countries.

FAS Manila, meanwhile, adjusted its coconut production estimate to 2.56 MMT in MY 2024/25. The estimated decline in production in MY 2024/25 was caused by the El Niño weather disturbance, which started in July 2023 and ended in June 2024, and negatively affected yield.

Table 7: Coconut and Copra Regional Production in the Philippines								
Regions	Coconut Mature (1000 MT)				Copra Equivalent (1000 MT) (a)			
	MY 2022/23	MY 2023/24	Q4 2023	Q4 2024	MY 2022/23	MY 2023/24	Q4 2023	Q4 2024
Davao	1,982	1,960	550	541	396	392	110	108
Northern Mindanao	1,883	1,807	494	488	377	361	99	98
Zamboanga Peninsula	1,784	1,732	439	448	357	346	88	90
Calabarzon	1,509	1,462	349	333	302	292	70	67
BARMM	1,352	1,357	401	301	270	271	80	60
All Others	6,041	5,904	1,819	1,795	1,208	1,181	364	359
Philippines	14,551	14,221	4,052	3,906	2,910	2,844	810	781

Note: (a) – FAS Manila used the conversion of 1 MT of whole nuts will yield 0.2 MT of copra (rounded up from 0.159 MT)

Source: FAS Manila estimate, using production data from the Philippine Statistics Authority, and conversion ratio from the United Coconut Association of the Philippines

Area Harvested

FAS Manila forecasts area harvested to rebound by 1.4 percent to 3.60 Mn ha in MY 2025/26 compared to the previous year, given forecast better weather conditions in MY 2025/26. FAS Manila, meanwhile, estimates lower area harvested in MY 2024/25 due to a decline in the growth of coconut flowers caused by the El Niño weather disturbance and perceived stressing of trees from heavy fruiting in 2024.

The Philippines, through the Philippine Coconut Authority (PCA), targets to replant 100 million coconut trees by 2028 across around 700,000 ha of land. The PCA's Massive Coconut Planting and Replanting Project 2023-2028 planted 2.1 million coconut seedlings in 2023, while 8.5 million seedlings were set to be planted in 2024, followed by 15.3 million seedlings in 2025, and 25.4 million coconut seedling annually from 2026 to 2028. The PCA, likewise, is promoting the use of Agricultural Grade Salt Fertilizer (AGSF) to treat chlorine deficiency of coconut trees, which affects copra yield. The application of salt is applied at different stages of coconut palms, from nursery up to rehabilitation of low-bearing coconut palms. The Philippine government's planting, replanting, and fertilization programs are forecast to increase area harvested beyond MY 2025/26, given that it takes approximately five years from planting to first harvest.

Consumption

Crush:

FAS Manila forecasts copra crushing to increase by 1.9 percent to 2.65 MMT in MY 2025/26 compared to the previous MY, due to higher demand for biodiesel blending. There are 61 coconut oil mills in the Philippines, with a total annual capacity of 4.14 MMT per year (as of July 2024), which increased by around 11 percent from 3.69 MMT (as of end of February 2024). These mills registered an average capacity utilization of 57.2 percent and crushed an estimated 2.37 MMT copra (CY 2023). Post forecasts an increase in crushing in MY 2025/26 due to a combination of factors, such as the forecast increase in copra supply beginning in MY 2025/26 due to better weather conditions, an increase in coconut production beyond MY 2025/26 due to the government's planting and replanting program, and an increase in demand in biodiesel blending that result in oil millers increasing crush, in anticipation of increased copra supply and coconut oil demand.

In terms of value-added processing, there are 13 mills engaged in producing oleochemicals, with a rated capacity of 1.41 MMT per year (as of December 2023), including 10 mills producing coconut methyl ester (CME) with a registered capacity of 584,600 MT per year (as of August 2024). Meanwhile, there are 8 biodiesel manufacturers in the country, along with 2 other manufacturers with recently issued certificate of registration. These biodiesel manufacturers have a total registered capacity of 584,600 MT/year (as of August 2024). The copra crushing capacities of coconut oil mills, and the production capacities of biodiesel manufacturers are shown at Tables 8-9, respectively.

Table 8: Copra Crushing Capacities of Coconut Oils Mills in the Philippines (as of July 2024)

Region	No. of Plants	Capacity (MT/year)
Bicol	3	223,500
Calabarzon	20	825,100
Caraga	1	22,500
Central Visayas	2	150,000
Davao	13	765,600
Eastern Visayas	5	369,600
Mimaropa	1	45,000
Northern Mindanao	7	537,500
Soccksargen	4	663,000
Western Visayas	1	15,840
Zambonaga Peninsula	4	522,300
Total	61	4,139,940

Table 9: Production Capacities of Biodiesel (a) Manufacturers in the Philippines (as of August 2024)

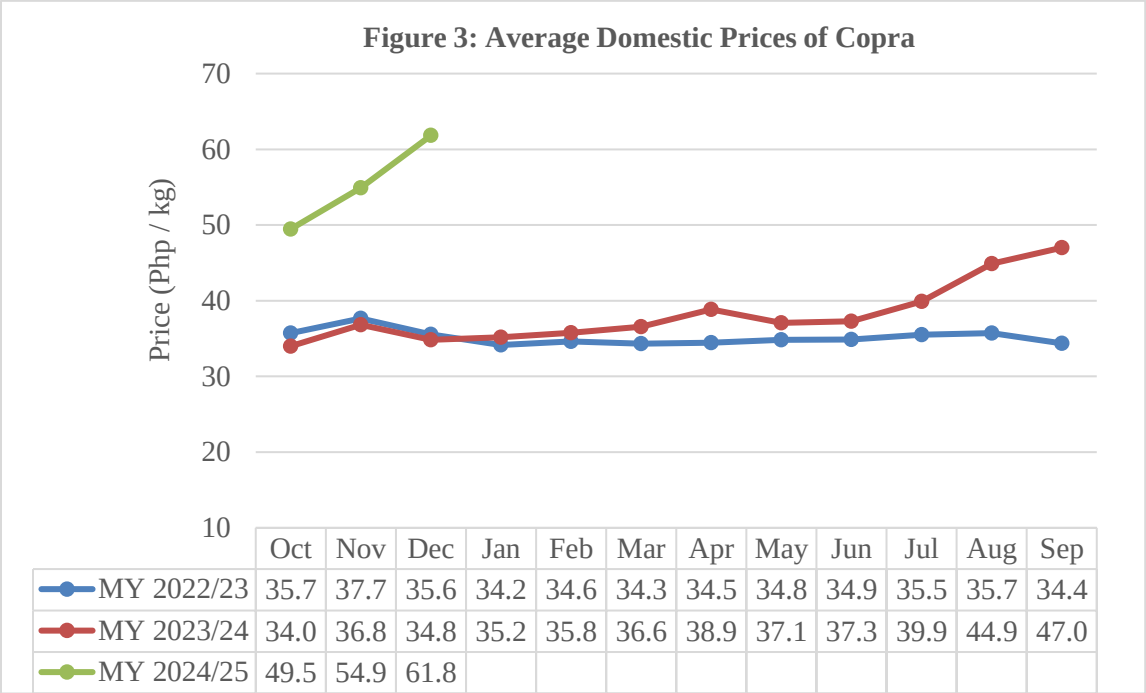
Region	Registered Capacity (MT/year)
National Capital Region	302,000
Northern Mindanao	24,000 183,000 (b)
Davao	45,600
Soccsksargen	30,000
Total	584,600

Notes:
(a) Coconut Methyl Ester (CME)
(b) Issued with a certificate of registration, with notice to proceed/for construction

Source: United Coconut Association of the Philippines

Trade

FAS Manila forecasts copra imports to reach 50,000 MMT in MY 2025/26, a 28.2 percent increase compared to the previous MY, primarily driven by local demand outpacing domestic production and copra prices increasing to the point where importation is profitable for some oil mills. Effective on October 1, 2024, the Philippines moved from a B2 to a B3 or a 3 percent CME biodiesel blend, that is used by diesel-powered vehicles. The blend will gradually increase to 4 percent (B4) in October 2025, and to 5 percent (B5) in October 2026, following the Philippine Department of Energy's (DOE) Department Circular No. 2024-05-0014. Domestic copra prices continue to rise due to increased demand from higher biodiesel blending rates.



Source: United Coconut Association of the Philippines

Stocks

FAS Manila forecasts stocks to remain marginal at 1,000 MT in MY 2025/26, given increased demand for copra crushing amidst a marginal increase in domestic copra supply. Lower supply can result to higher import prices, which disincentives processors to hold stocks.

Policy

Under EO No. 62, 2024, copra (HS Code 1203) is levied with 10 percent tariff rate until 2028.

MEALS SECTION

SOYBEAN MEAL

Soybean meal (SBM) is primarily used as an ingredient for animal and aquaculture feed, a major protein source in feed formulation.

Table 10: Soybean Meal: Production, Supply and Distribution						
Soybean Meal	**2023/2024**		**2024/2025**		**2025/2026**	
Market Year Begins	**Jan-24**		**Jan-25**		**Jan-26**	
Philippines	**USDA Official**	**New Post**	**USDA Official**	**New Post**	**USDA Official**	**New Post**
Crush (1000 MT)	85	28	100	28	0	28
Extr. Rate, 999.9999 (PERCENT)	0.7882	0.7857	0.78	0.7857	0	0.7857
Beginning Stocks (1000 MT)	180	180	222	157	0	129
Production (1000 MT)	67	22	78	22	0	22
MY Imports (1000 MT)	3025	3155	3150	3250	0	3350
Total Supply (1000 MT)	3272	3357	3450	3429	0	3501
MY Exports (1000 MT)	0	0	0	0	0	0
Industrial Dom. Cons. (1000 MT)	0	0	0	0	0	0
Food Use Dom. Cons. (1000 MT)	0	0	0	0	0	0
Feed Waste Dom. Cons. (1000 MT)	3050	3200	3200	3300	0	3400
Total Dom. Cons. (1000 MT)	3050	3200	3200	3300	0	3400
Ending Stocks (1000 MT)	222	157	250	129	0	101
Total Distribution (1000 MT)	3272	3357	3450	3429	0	3501
(1000 HA), (1000 MT) MY = Marketing Year, begins with the month listed at the top of each column						

Production

FAS Manila forecasts production to remain flat in MY 2025/2026. There is only one crushing facility in the country that produces SBM for facility's company-owned livestock and poultry operations.

Feed Consumption

FAS Manila forecasts SBM consumption to increase by 3 percent to 3.40 MMT in MY 2025/2026, due to a forecast increase in feed demand from the broiler, layer, and aquaculture (specifically, milkfish, tilapia, and shrimp) industries. In addition, the surge in pet ownership, and the gradual rebound of the swine industry is forecast to further increase the demand for SBM. The Philippine Department of Agriculture (DA) issued Memorandum Circular No. 2, 2025 to implement the Swine Industry Recovery Project (SIRP), which provides a total budget of Php 1.25 Bn (approximately US$ 21.77 Mn) to enhance biosecurity, modernize farm infrastructure, improve genetic quality, and expand market access for the swine industry. The SIRP complements the DA's Integrated National Swine Production Initiatives for Recovery and Expansion (INSPIRE) Program that was developed in direct response to the ASF outbreak, which was first detected in the Philippines in 2019, with focus on accelerating the repopulation of the swine industry through artificial insemination and farm clustering and consolidation.

Depending on the animal diet, SBM can make up between 5 to 30 percent of feed composition. Feed for broilers and aquaculture had the highest SBM usage (25-30 percent), followed by layers (20-25 percent), and swine (15-20 percent). In addition, according to industry contacts, the relative value of SBM in terms of crude protein is superior at 48.1 percent compared to alternative plant-based feed ingredients, such as canola meal (38 percent), rapeseed meal (37 percent), lupin meal (30 percent), and pea seed meal (24 percent).

Table 11: Volume of Production (000 MT)

Particulars	CY 2022	CY 2023	CY 2024	Percentage Change 2024/2023
Livestock				
Hog	1,737	1,794	1,703	-5.1
Cattle	237	234	233	-0.5
Carabao	130	130	130	0.0
Goat	70	70	67	-3.8
Dairy	30	29	33	13.3
Poultry				
Chicken	1,867	1,947	2,080	6.8
Chicken eggs	708	731	783	7.0
Duck eggs	56	55	53	-3.0
Duck	26	27	27	0.0
Aquaculture				
Milkfish	388	353	358	1.3
Tilapia	252	254	261	2.7
Penaeus Vannamei	36	36	48	32.3
Tiger Prawn	34	27	23	-15.4

Source: Philippine Statistics Authority

Table 12: Total Feed Tonnage and SBM Composition, 2023

Animal	Volume (MMT)	%SBM Content
Broiler	4.18	25-30
Swine	3.86	15-20
Layer	2.81	20-25
Aquaculture	1.20	25-30
Pet	0.07	10-20
Dairy	0.05	10-15
Cattle	0.03	5-10

Source: FAS Manila Interview

Trade

FAS Manila forecasts SBM imports to increase by 3.1 percent to 3.35 MMT in MY 2025/26, due to an increase in overall feed demand. Population growth, increase in household incomes, and diversification of diet drives up the demand for protein sources such as chicken meat, eggs, and commercially farmed fish and shrimp, which will increase the demand for SBM. Similarly, the forecast rebound in the swine industry due to the continuous swine repopulation and expansion programs of the government, along with growth of the pet food industry, further increases the demand for SBM.

There is a certain level of substitutability among the use of SBM, feed wheat, corn, and distillers dried grains with solubles (DDGS). Industry contacts explain that the use of SBM in the animal feed formulations tend to decrease when the use of feed wheat increases. Usage of feed wheat, on the other hand, depends on its price parity vis-à-vis feed corn and the animal diet. DDGS, meanwhile, contains protein which can partially replace SBM, but is subject to price parity and other nutritional considerations vis-à-vis SBM (e.g., digestibility, adjustments in conventional feed formulations).

A forecast decrease in feed wheat imports and familiarity among feed manufacturers on the use of SBM in their formulations compared to other feed ingredient alternatives further reinforce Post's forecast for higher imports of

SMB in MY 2025/26. The decrease in feed wheat imports is due to the Post's forecast increase in the price competitiveness of feed corn over feed wheat in MY 2025/26.

Table 13: Philippine Imports of Major Feed Ingredients (MT)

Feed Ingredients	CY 2022	CY 2023	CY 2024
SBM (a)	3,317,425	2,866,456	3,155,609
DDGS	142,449	179,468	209,950
Feed Wheat	3,174,211	2,564,204	3,418,899
Corn	925,688	931,308	1,925,745

Note: (a) – includes soybean oilcake and other residues (HS Code 2304), bran, sharps, and other residues (HS Code 2302.50), and flours and meals of soybean (HS Code 1208.10)

Source of basic data: Trade Data Monitor

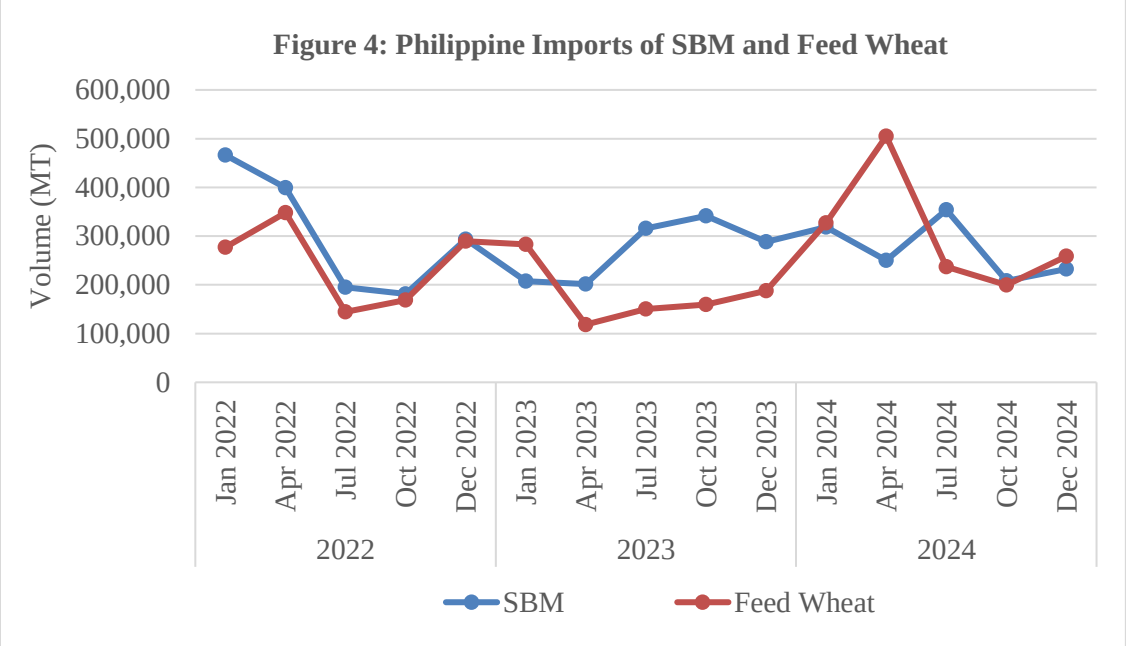
Table 14: Major Feed Composition

Animal	Percent Content		
	Corn	SBM	Other Ingredients
Broiler	50-60	25-30	10-25
Swine (a)	20-40	15-20	40-65
Layer	40-50	20-25	25-40
Aquaculture	30-35	25-30	35-45
Pet	20-25	10-20	55-70
Dairy	15-20	10-15	65-75
Cattle	15-20	5-10	70-80

Note: (a) – corn contents depend on availability of cereal by-products

Source: FAS Manila estimates and interview

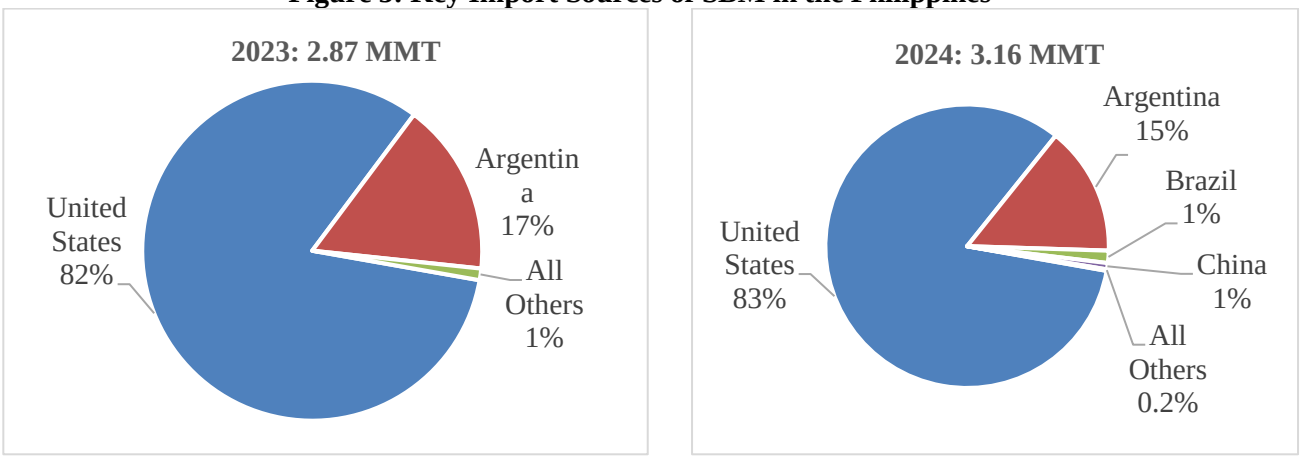
Figure 4: Philippine Imports of SBM and Feed Wheat



Source: Trade Data Monitor

During the last two years, imports of SBM were primarily sourced from the United States, with more than 80 percent market share, followed by Brazil. Post estimates the United States to maintain its market share in MY 2025/26, due to favorable import prices in the Philippines.

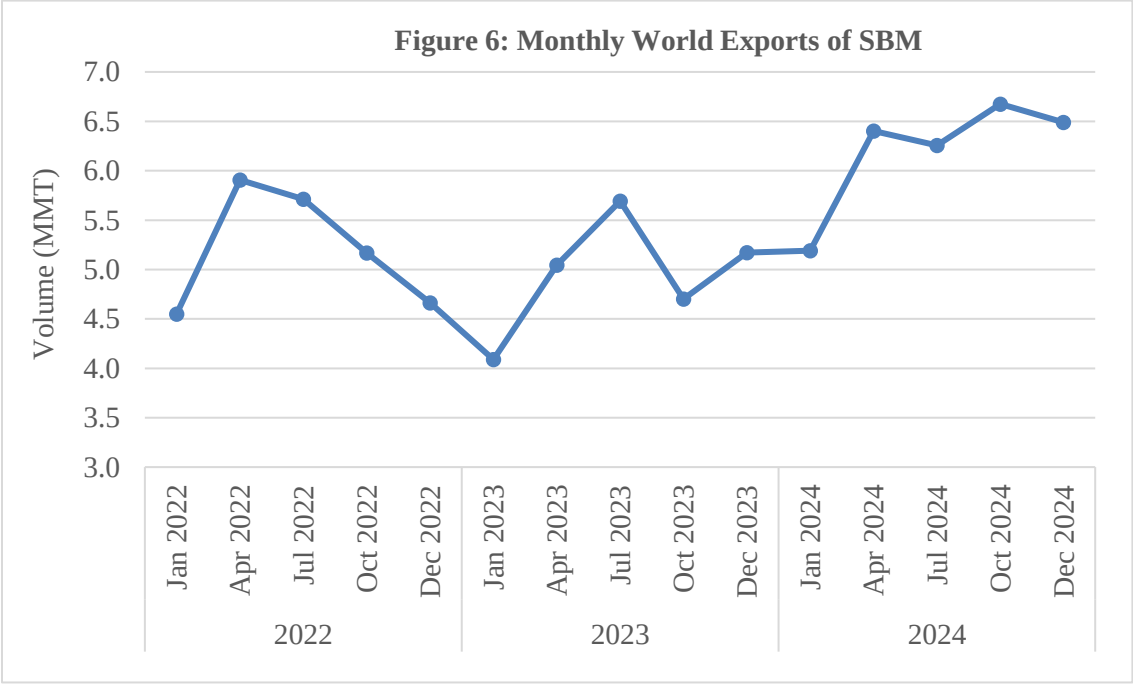
Figure 5: Key Import Sources of SBM in the Philippines



Source of basic data: Trade Data Monitor

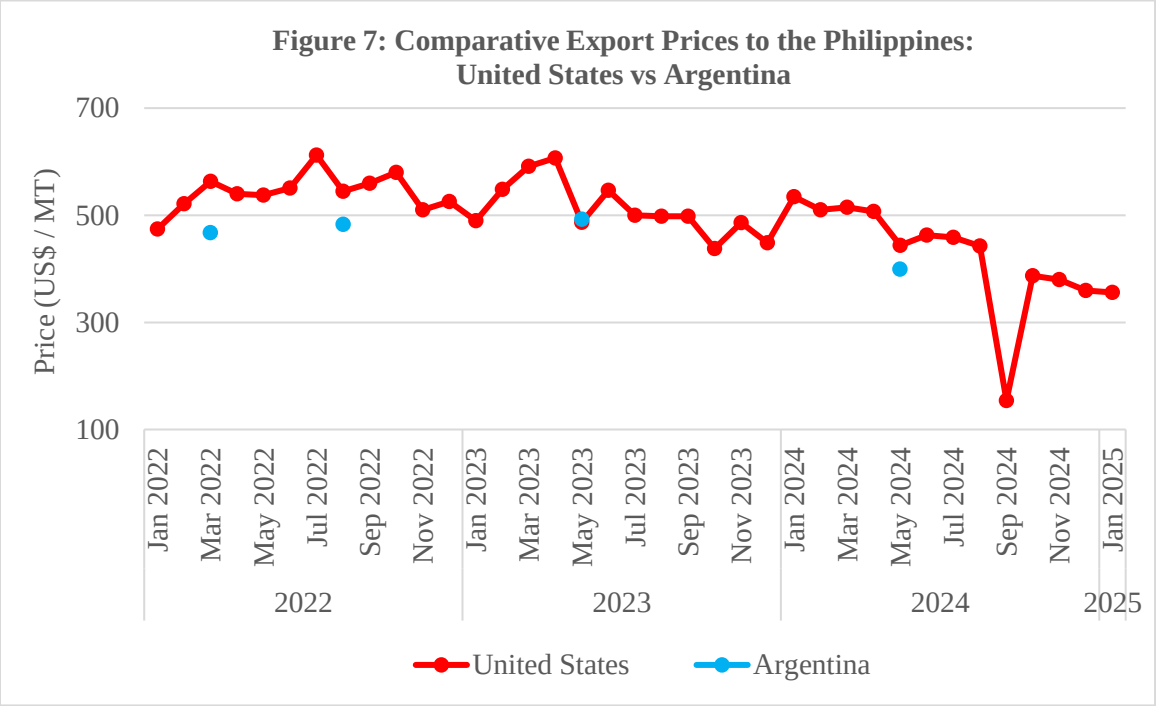
Stocks

FAS Manila forecasts stocks to decline to 101,000 MT in MY 2025/26, given an increase in feed manufacturing. Feed millers and traders tend to hold higher stocks in anticipation of price increases. The volume of SBM global exports to the world continues to increase, leading to better international prices and disincentivizing Philippine feed millers and traders from holding excessive SBM stocks. Industry contacts report keeping around 2 weeks' worth of all raw materials at the plant, while also keeping 3-4 months' worth at the suppliers' warehouses, delivered periodically.



Source: Trade Data Monitor

The United States SBM export prices to the Philippines have generally been declining since CY 2024. While SBM from the United States is typically more expensive per MT, the Philippines favors U.S. SBM over competing sources due to its superior quality. Industry contacts report that the quality of SBM from the United States enables them to produce higher quality feeds, ensuring cost efficiency.



Note: (a) – based United States export prices for soybean oilcake and other residues (HS Code 2304) going to the Philippines. HS Code 2304 accounts for more than 99 percent of the total Philippine imports of SBM

Source of basic data: Trade Data Monitor

Policy

Under EO No. 62, 2024, soybean oilcake and other residues (HS Code 2304) is subject to a 0 percent tariff until 2028, while bran, sharps, and other residues (HS Code 2302.50), and flours and meals of soybean (HS Code 1208.10) are subject to a 3 percent tariff rate until 2028.

COPRA MEAL

Copra meal is a by-product derived from crushing copra into coconut oil. Copra meal is used as a raw ingredient for animal feed.

Table 15: Copra Meal: Production, Supply and Distribution						
Copra Meal	**2023/2024**		**2024/2025**		**2025/2026**	
Market Year Begins	**Oct-23**		**Oct-24**		**Oct-25**	
Philippines	**USDA Official**	**New Post**	**USDA Official**	**New Post**	**USDA Official**	**New Post**
Crush (1000 MT)	2950	2950	2545	2600	0	2650
Extr. Rate, 999.9999 (PERCENT)	0.3264	0.3264	0.3265	0.3269	0	0.3264
Beginning Stocks (1000 MT)	18	18	67	52	0	37
Production (1000 MT)	963	963	831	850	0	865
MY Imports (1000 MT)	0	0	0	0	0	0
Total Supply (1000 MT)	981	981	898	902	0	902
MY Exports (1000 MT)	284	329	325	335	0	340
Industrial Dom. Cons. (1000 MT)	0	0	0	0	0	0
Food Use Dom. Cons. (1000 MT)	0	0	0	0	0	0
Feed Waste Dom. Cons. (1000 MT)	630	600	540	530	0	530
Total Dom. Cons. (1000 MT)	630	600	540	530	0	530
Ending Stocks (1000 MT)	67	52	33	37	0	32
Total Distribution (1000 MT)	981	981	898	902	0	902
(1000 HA), (1000 MT) MY = Marketing Year, begins with the month listed at the top of each column						

Production

FAS Manila forecasts copra meal production to marginally increase by 1.8 percent to 865,000 MT in MY 2025/26 compared to the previous MY, given a marginal rebound in the coconut supply available for crushing. Copra meal, or copra cake, is a by-product derived during the extraction of coconut oil. Copra meal is used by commercial feed mills in their animal feed production.

Feed Consumption

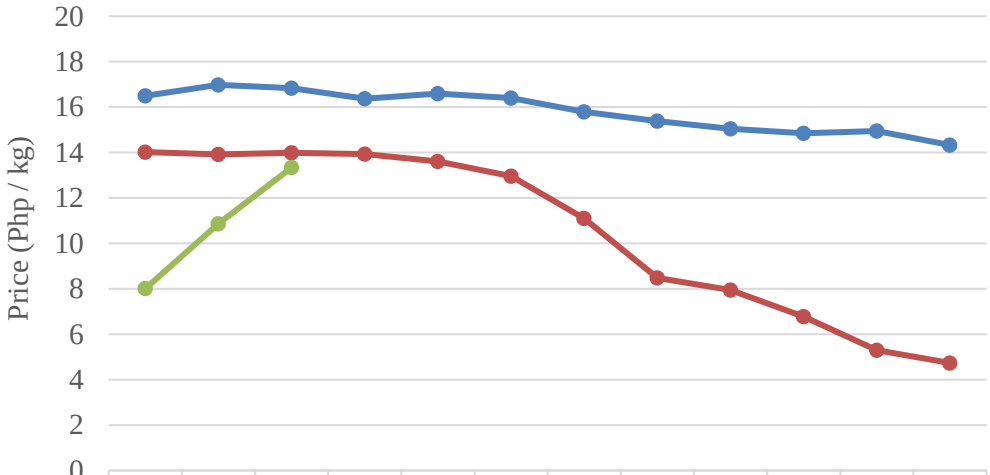
FAS Manila forecasts consumption of copra meal for feed to remain flat in MY 2025/26. Industry contacts explain that copra meal cannot be used as complete substitute for SBM, as copra meal lacks the digestible amino acid and high fiber content. Industry contacts added that SBM has two times more crude protein compared to copra meal, allowing feed millers to attain the desired nutritional profile of the feed more efficiently using SBM.

Given the decline in copra supply in MY 2024/25, prices of copra meal started to rebound beginning in October 2024. The increase in copra meal prices is expected to further drive up the demand for SBM consumption over copra meal.

Trade

FAS Manila forecasts copra meal exports to increase by 1.5 percent, given marginal rebound in production in MY 2025/26. For the last two MYs, the top destination of Philippine exports of copra meal was South Korea, with demand growing by an average of 3.1 percent from MY 2022/23 to MY 2023/24. Export demand for copra meal from the Philippines, likewise, grew by 26 percent in MY 2023/24 compared to the previous MY. Industry contacts report that, while there was an increase in prices beginning in October 2024 compared to the same period last year due to an estimated decline in copra supply in MY 2024/25, copra meal exports still went up, as importing countries did not shift to alternative sources of protein.

Figure 8: Average Domestic Prices of Copra Meal



	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
MY 2022/23	16.5	17.0	16.8	16.4	16.6	16.4	15.8	15.4	15.0	14.9	15.0	14.3
MY 2023/24	14.0	13.9	14.0	13.9	13.6	13.0	11.1	8.5	7.9	6.8	5.3	4.7
MY 2024/25	8.0	10.9	13.3									

Source: United Coconut Association of the Philippines

Stocks

FAS Manila forecasts ending stocks to decline in MY 2025/26, given marginal rebound in domestic production amidst strong export demand. Locally, copra meal stocks are held by private traders, oil millers, and feed millers.

Policy

Under EO No. 62, 2024, copra meal (HS Code 2306.50) is subject to 10 percent tariff rate until 2028.

OILS SECTION

SOYBEAN OIL

Soybean oil is a by-product of the processing of soybeans. The primary product obtained from soybeans is soybean meal, which is used as a raw ingredient for animal feeds. The oil is extracted from the soybeans during this process and is used in various food products, and industrial applications.

Table 16: Soybean Oil: Production, Supply and Distribution						
Soybean Oil	**2023/2024**		**2024/2025**		**2025/2026**	
Market Year Begins	**Jan-24**		**Jan-25**		**Jan-26**	
Philippines	**USDA Official**	**New Post**	**USDA Official**	**New Post**	**USDA Official**	**New Post**
Crush (1000 MT)	85	28	100	28	0	28
Extr. Rate, 999.9999 (PERCENT)	0.1882	0.1786	0.1800	0.1786	0	0.1786
Beginning Stocks (1000 MT)	2	2	4	4	0	7
Production (1000 MT)	16	5	18	5	0	5
MY Imports (1000 MT)	60	56	60	60	0	60
Total Supply (1000 MT)	78	63	82	69	0	72
MY Exports (1000 MT)	0	0	0	0	0	0
Industrial Dom. Cons. (1000 MT)	4	4	4	4	0	4
Food Use Dom. Cons. (1000 MT)	70	55	75	58	0	58
Feed Waste Dom. Cons. (1000 MT)	0	0	0	0	0	0
Total Dom. Cons. (1000 MT)	74	59	79	62	0	62
Ending Stocks (1000 MT)	4	4	3	7	0	10
Total Distribution (1000 MT)	78	63	82	69	0	72
(1000 HA), (1000 MT) MY = Marketing Year, begins with the month listed at the top of each column						

Production

FAS Manila forecasts soybean oil production to remain flat in MY 2025/26, given limited domestic crushing. There is only one soybean crushing facility in the country.

Food Consumption

FAS Manila forecasts soybean oil consumption to remain flat in MY 2025/26, given competition with other cooking oils. The steady demand for soybean oil is sustained by the demand for culinary purposes, and in manufacturing food products such as snack foods, biscuits, and confectionaries.

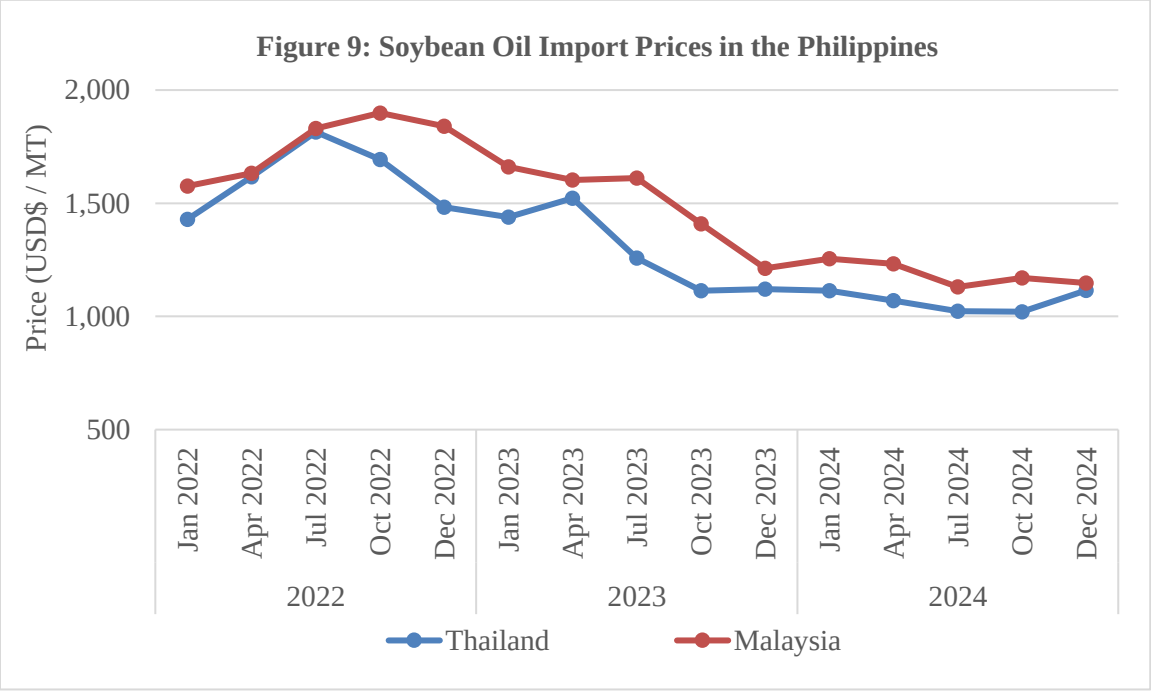
Industrial Consumption

There is no reported data on the industrial consumption of soybean oil. The Philippines traditionally produces coconut oil and will conventionally choose coconut oil over soybean oil for both culinary and industrial purposes (e.g., biodiesel blending).

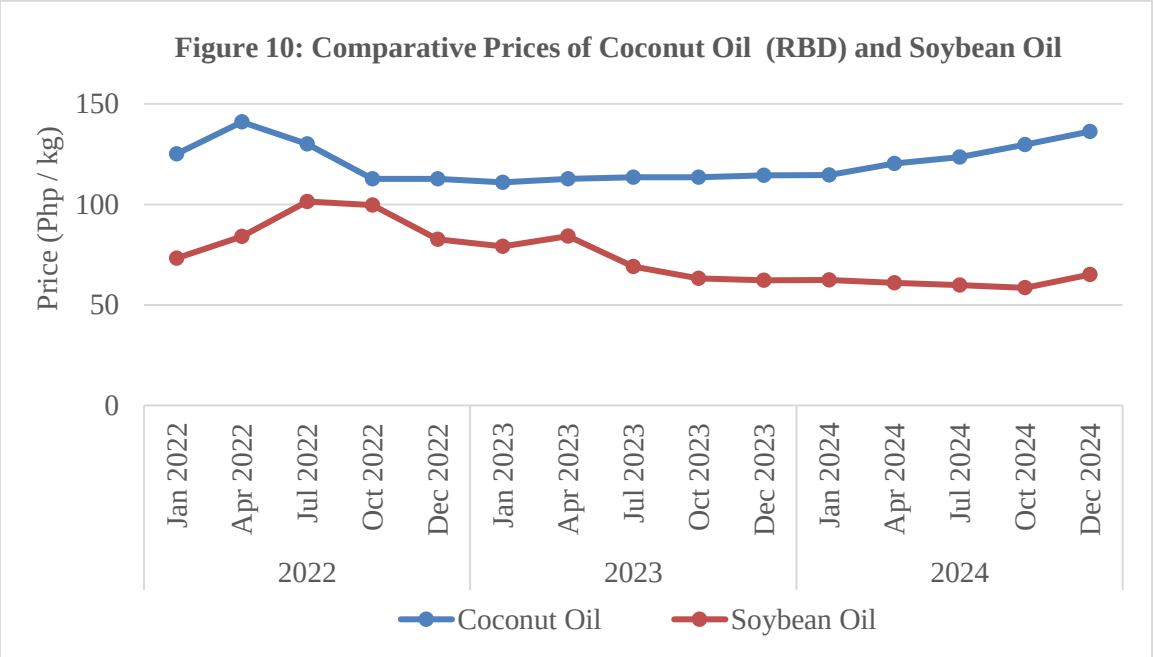
Trade

FAS Manila forecasts soybean oil imports to remain flat in MY 2025/26, due to a minimal increase in demand. The availability of coconut oil and palm oil in the market allows these oils to maintain market dominance, making them the traditional oils in the Philippine market for both cooking and industrial applications. Filipino consumers are more inclined to purchase coconut oil due to positive health perceptions for coconut oil, while choosing palm oil as a substitute whenever there is a price surge in coconut oil.

Thailand and Malaysia were the key exporters of soybean oil to the Philippines, cornering 51 and 38 percent of the market share in CY 2024, respectively.



Source: Trade Data Monitor



Notes:
(a) Coconut Oil – using average domestic prices of refined, bleached, and deodorized (RBD) coconut oil
(b) Soybean Oil – computed using import prices from Thailand in US Dollars per MT, and applying the weight conversion and foreign exchange rate to convert the pricing to Philippine Peso per kg

Sources of basic data: United Coconut Association of the Philippines, Trade Data Monitor, and Central Bank of the Philippines

Stocks

FAS Manila forecasts stocks to increase in MY 2025/26. Bulk of the stocks are held by processors and big retail outlets.

Policy

Under EO No. 62, 2024, Soybean Oil (HS Code 1507) is levied a 7 percent tariff rate until 2028.

COCONUT OIL

Coconut oil is a by-product of the processing of coconuts, which are abundant in the Philippines. The primary product obtained from coconuts is copra, the dried meat or kernel of the coconut, which is used to extract crude coconut oil (CNO) and coconut oil refined, bleached, and deodorized (RBD).

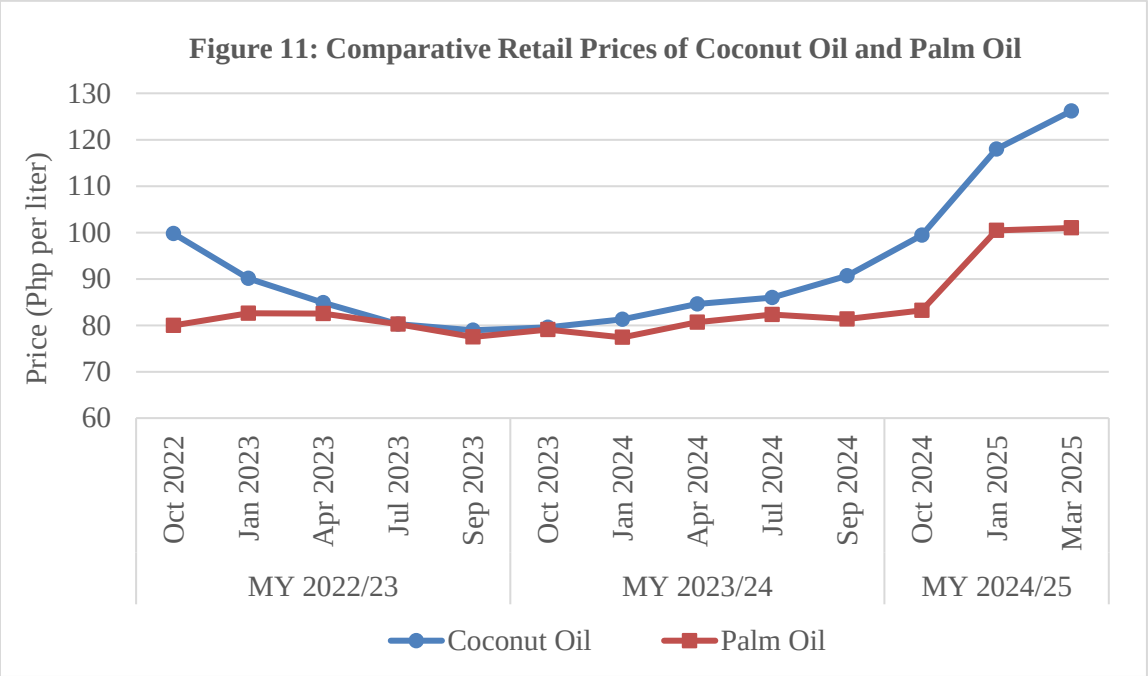
Table 17: Coconut Oil: Production, Supply and Distribution						
Coconut Oil	**2023/2024**		**2024/2025**		**2025/2026**	
Market Year Begins	**Oct-23**		**Oct-24**		**Oct-25**	
Philippines	**USDA Official**	**New Post**	**USDA Official**	**New Post**	**USDA Official**	**New Post**
Crush (1000 MT)	2950	2950	2545	2600	0	2650
Extr. Rate, 999.9999 (PERCENT)	0.6292	0.6271	0.6291	0.6269	0	0.6283
Beginning Stocks (1000 MT)	65	65	148	80	0	100
Production (1000 MT)	1856	1850	1601	1630	0	1665
MY Imports (1000 MT)	65	65	0	80	0	90
Total Supply (1000 MT)	1986	1980	1749	1790	0	1855
MY Exports (1000 MT)	1198	1490	1000	1130	0	1130
Industrial Dom. Cons. (1000 MT)	450	190	450	320	0	400
Food Use Dom. Cons. (1000 MT)	180	200	190	220	0	200
Feed Waste Dom. Cons. (1000 MT)	10	20	10	20	0	20
Total Dom. Cons. (1000 MT)	640	410	650	560	0	620
Ending Stocks (1000 MT)	148	80	99	100	0	105
Total Distribution (1000 MT)	1986	1980	1749	1790	0	1855
(1000 HA), (1000 MT) MY = Marketing Year, begins with the month listed at the top of each column						

Production

The Philippines is one of the world's largest producers and exporters of coconut oil. This oil is widely used in cooking, cosmetics, and industrial applications. FAS Manila forecasts coconut oil production to marginally increase by 2.1 percent to 1.67 MMT in MY 2025/26, given a forecast increase in copra crushing.

Food Consumption

FAS Manila forecasts food use consumption to decrease to 200,000 MT in MY 2025/26, as prices for coconut oil continue to rise and the price differential between coconut oil and palm oil widens. Consumers can easily shift between coconut oil and palm oil for cooking, the traditional oils in the Philippine market for both cooking and industrial applications.

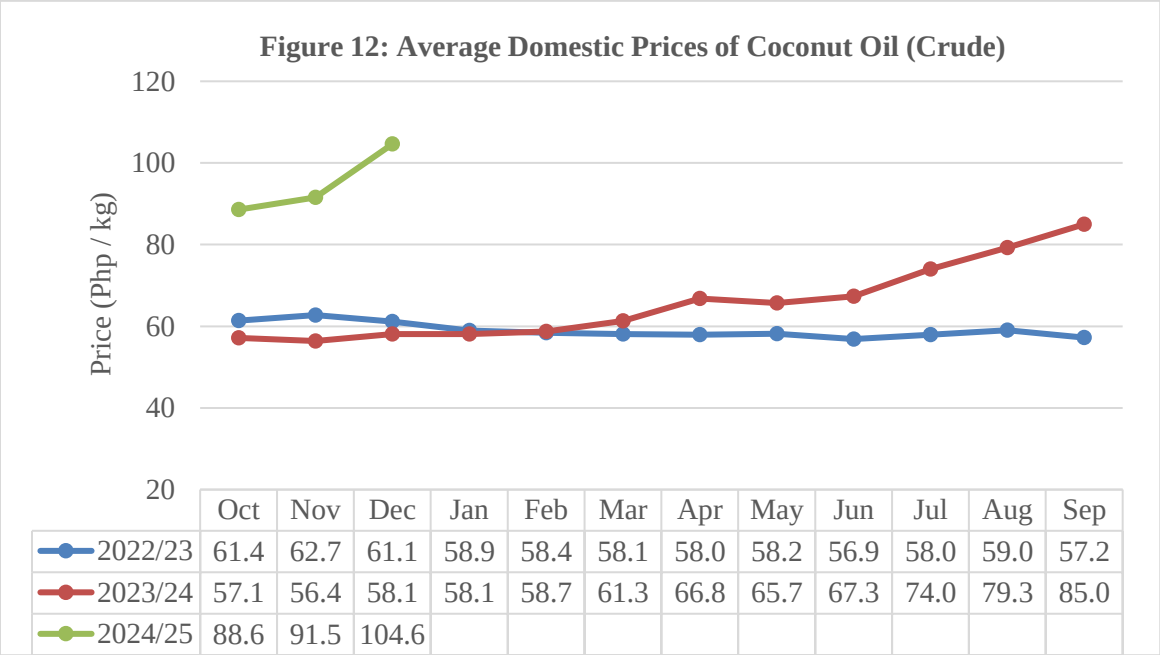


Notes: (a) – computed by averaging the lower- and upper-bound daily retail prices of coconut oil and palm oil, as of March 27, 2025

Source of basic data: Philippine Department of Agriculture

Industrial Consumption

FAS Manila estimates and forecasts an increase in coconut consumption for industrial uses in MY 2024/25 and MY 2025/26, due to the anticipated increase in biodiesel blending from B3 to B4 in October 2025, and from B4 to B5 in October 2026. An estimated 900 million additional coconuts will be needed as feedstock to produce around 100-120 million liters (88,000-105,000 MT) of additional CME to satisfy a 1 percent mandatory increase in CME blend.

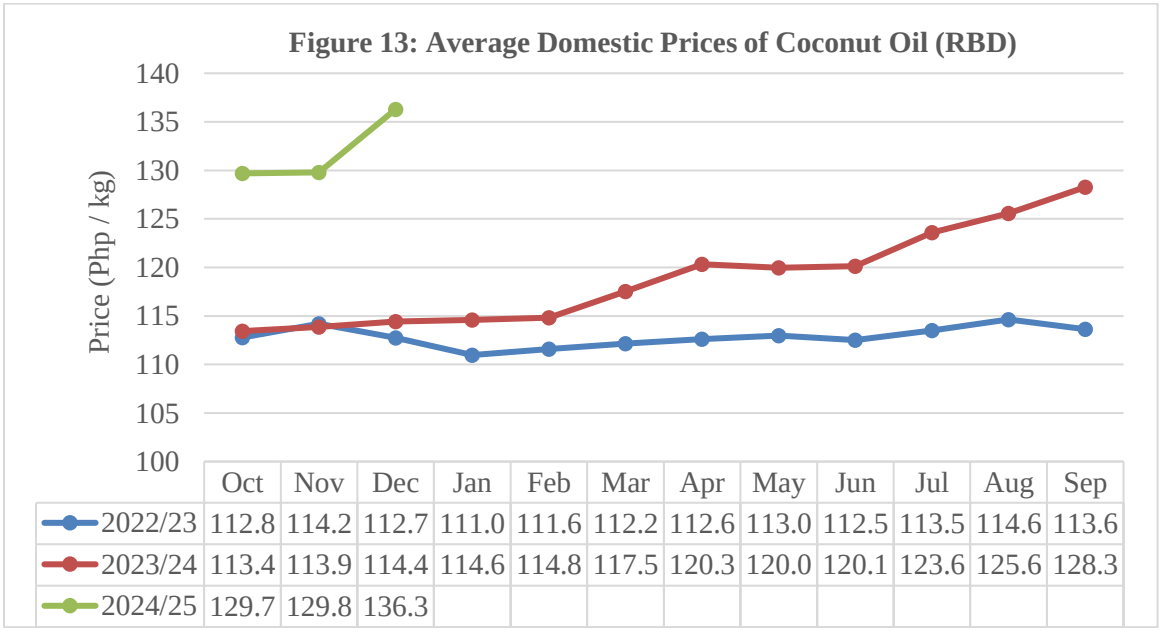


	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
2022/23	61.4	62.7	61.1	58.9	58.4	58.1	58.0	58.2	56.9	58.0	59.0	57.2
2023/24	57.1	56.4	58.1	58.1	58.7	61.3	66.8	65.7	67.3	74.0	79.3	85.0
2024/25	88.6	91.5	104.6									

Source: United Coconut Association of the Philippines

Trade

FAS Manila forecasts coconut oil exports to be flat in MY 2025/26 compared to the previous year. While there is a forecast rebound in coconut production in MY 2025/2026 that will increase copra supply for crushing, the increase in biodiesel blending is projected to marginally decrease the available exportable supply of coconut oil. Industry contacts, likewise, report that exporters are making efforts to comply with the European Union's lower mineral oil saturated hydrocarbons (MOSH) and mineral aromatic hydrocarbons (MOAH) requirements, while awaiting official advisory on the allowable limits. FAS Manila, meanwhile, estimates lower coconut oil exports in MY 2024/25 compared to previous year, due to a decline in coconut production.



	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
2022/23	112.8	114.2	112.7	111.0	111.6	112.2	112.6	113.0	112.5	113.5	114.6	113.6
2023/24	113.4	113.9	114.4	114.6	114.8	117.5	120.3	120.0	120.1	123.6	125.6	128.3
2024/25	129.7	129.8	136.3									

Source: United Coconut Association of the Philippines

Stocks

FAS Manila forecasts an increase in stocks for MY 2025/26, due to the government's replanting program, which is expected to boost copra supply and, consequently, coconut oil production. Stocks are primarily held by private companies, such as oil millers and industrial users. The forecasted increase in stocks is driven by private companies maintaining a readily available supply of coconut oil for the export market, and to meet the rising local demand for biodiesel blending.

Policy

Under EO No. 62, 2024, coconut oil (HS Code 1513.11 and 1513.19) are levied with 10 percent tariff rate until 2028.

PALM OIL

Palm oil is among the most widely consumed oils in the Philippines and is a major vegetable oil traded on the global market. Extracted from the fresh fruit bunch (FFB) of the oil palm, it contains 18 to 25 percent crude palm oil (CPO) and 4 percent palm kernel when processed. Palm oil is used in numerous food products, cosmetics, and other industrial applications.

Table 18: Palm Oil: Production, Supply and Distribution						
Palm Oil	**2023/2024**		**2024/2025**		**2025/2026**	
Market Year Begins	**Jan-24**		**Jan-25**		**Jan-26**	
Philippines	**USDA Official**	**New Post**	**USDA Official**	**New Post**	**USDA Official**	**New Post**
Area Planted (1000 HA)	66	63	66	64	0	68
Area Harvested (1000 HA)	66	63	66	66	0	66
Trees (1000 TREES)	0	0	0	0	0	0
Beginning Stocks (1000 MT)	61	61	111	111	0	82
Production (1000 MT)	100	114	100	116	0	112
MY Imports (1000 MT)	1100	895	1000	1000	0	1100
Total Supply (1000 MT)	1261	1070	1211	1227	0	1294
MY Exports (1000 MT)	65	78	20	70	0	65
Industrial Dom. Cons. (1000 MT)	170	145	170	175	0	190
Food Use Dom. Cons. (1000 MT)	915	736	940	900	0	950
Feed Waste Dom. Cons. (1000 MT)	0	0	0	0	0	0
Total Dom. Cons. (1000 MT)	1085	881	1110	1075	0	1140
Ending Stocks (1000 MT)	111	111	81	82	0	89
Total Distribution (1000 MT)	1261	1070	1211	1227	0	1294
Yield (MT/HA)	1.5152	1.8095	1.5152	1.7576	0	1.697
(1000 HA), (1000 MT), (MT/HA) MY = Marketing Year, begins with the month listed at the top of each column						

Production

FAS Manila forecasts palm oil production to decline in MY 2025/26, due to a forecast decrease in FFB supply for pressing. While there is an increase in area harvested, production of FFB gradually declined by an average of 1.1 percent year-on-year in CY 2022 to 2024. Based on the Philippine Coconut Authority's Philippine Palm Oil Industry Roadmap 2024-2033, oil palm plantations generally remain profitable for 25 years, after which the trees need to be replanted. While there are expansion areas, oil palm harvesting takes place four to five years after planting. The bulk of the oil palm plantations are located in Mindanao area, with Soccsksargen (32 percent) and Caraga (26 percent) regions being the largest producers. Other plantations in Mindanao include Zamboanga Peninsula, Bangsamoro Autonomous Region in Muslim Mindanao (BARMM), Northern Mindanao, and Davao regions. There are also plantations in Luzon and Visayas, specifically in Mimaropa and Central Visayas regions.

Based on the Philippine Coconut Authority's Philippine Palm Oil Industry Roadmap 2024-2033, there are 11 palm oil mills with a rated capacity of 275 MT FFB/hour (as of 2023).

Table 19: Oil Palm Production and Area Harvested

Year	FFB Production (MT)	Estimated Palm Oil Extracted (a)	Area Harvested (ha)	Percentage Change, FFB Production	Percentage Change, Area Harvested
2022	533,399	114,681	63,381		
2023	540,644	116,238	63,544	1.4	0.3
2024	521,801	112,187	68,315	-3.5	7.5
			Average	-1.1	3.9

Note: (a) – FAS Manila estimates FFB extraction rate at 22 percent, or the average between the 18 to 25 percent palm oil content of FFB, as noted at Philippine Coconut Authority's Philippine Palm Oil Industry Roadmap 2024-2033

Sources of basic data: Philippine Statistics Authority, and Philippine Coconut Authority

Food Consumption

FAS Manila forecasts consumption to increase by 5.6 percent in MY 2025/26, given an increase in demand from the Filipino households, and the consumer food and the food processing industries.

Palm oil is widely used as a cooking oil at Filipino households and in the food service industry due to lower pricing compared to other vegetables oils, including its durability and resistance to high temperature. Palm oil is a direct substitute to coconut oil in food consumption. Consequently, the increase in retail price of coconut oil is projected to shift the demand of price sensitive consumers and food establishments to palm oil. Filipino consumers, however, prefer coconut oil compared to palm oil due to perceived health benefits, provided that prices of coconut oil are more favorable.

In addition, the growth in tourism and retail sectors are projected to drive the demand for processed food products (e.g., margarine, shortening, and dairy creamer) that use palm oil as a raw material.

Industrial Consumption

FAS Manila forecasts an 8.6 percent increase in industrial consumption in MY 2025/26 for the manufacture of various consumer products, such as soap, cosmetics, and pharmaceuticals. The increase in population is expected to drive the demand for these products.

Trade

FAS Manila forecasts palm oil imports to increase by 10 percent in MY 2025/26, given the forecast increase in both food and industrial consumption. Post, meanwhile, forecasts palm oil exports to decrease by 7.1 percent during the same period, given the forecast decrease in local palm oil production due to lower FFB supply. The Philippines is a net importer of refined palm oil, and a net exporter of crude palm oil. Refined palm oil (HS Code 1511.90) account for almost the entire Philippine palm oil imports. Crude palm oil (HS Code 1511.10), meanwhile, account for more than 95 percent of the Philippine palm oil exports.

Table 20: Key Exporters of Palm Oil to the Philippines (MT)

Exporter	CY 2022	CY 2023	CY 2024
Malaysia	562,953	425,923	659,745
Indonesia	450,911	469,060	410,957
All Others	495	342	8,184
Total	1,014,359	895,325	1,078,886

Source of basic data: Trade Data Monitor

Table 21: Key Export Destinations of Philippine Palm Oil Exports (MT)

Destination	CY 2022	CY 2023	CY 2024
India	3,298	33,178	70,178
China	1,177	912	4,034
Malaysia	2,882	8,786	3,043
All Others	11,915	11,707	356
Total	19,272	54,583	77,611

Source of basic data: Trade Data Monitor

Stocks

FAS Manila forecasts stocks to increase by 8.5 percent in MY 2025/26, as private companies maintain a readily available supply of palm oil for the manufacturing of various consumer goods (e.g., soap, cosmetics, and pharmaceuticals). While Post forecasts an increase in the production of coconut oil, the rise in local demand for coconut oil for biodiesel blending, coupled with the demand from the export market, is projected to shift demand for coconut oil for food and industrial applications to palm oil. Stocks are held by private companies, such as oil millers and traders.

Policy

The Philippine Coconut Authority is tasked with the development of the Philippine palm oil industry.

Under EO No. 62, 2024, palm oil (HS Code 1511) is subject to 15 percent tariff until 2028.

Attachments:

No Attachments