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**Report Highlights:**

In the marketing year (MY) 2025/2026, Mexico is forecast to increase its oilseed crush due to rising demand for vegetable oil and animal feed. Population growth and increased livestock production are expected to boost the production of oil and meal, as well as drive imports of soybeans and their derivatives. Domestic oilseed production is expected to decline and remain low due to inadequate seed technology, financing, and support policies.

## EXECUTIVE SUMMARY

Mexico's central bank recently revised the country's economic growth forecast down to 0.6 percent, attributing the adjustment to both domestic and international policy challenges. Higher demand for oilseeds and products, especially soybeans, will continue as Mexico's population and livestock production grow. Mexico is expected to remain a major importer of oilseeds and meals, with total meal imports projected to rise in marketing year (MY) 2025/2026 to meet demand.

Mexico's oilseeds production for MY 2025/2026 is forecast four percent lower than the previous year at 677,000 metric tons (MT). Soybean production is expected to rise due to higher demand from the domestic crush industry, despite its small share of domestic use. Rapeseed production will remain minimal due to a lack of adequate seed technologies, and limited financing and policy support. As previously planted oil palm trees mature, fresh fruit bunches (FFB) and palm kernel production is expected to increase. Cotton and peanut planting will decline as producers face higher input costs, lower water availability, and lower crop prices.

Mexico remains a net oilseed importer as domestic production accounts for only eight percent of total consumption. Oilseed imports for MY 2025/2026 are forecast to remain stable at 7.7 million metric tons (MMT). Soybean imports are forecast one percent higher due to increased crush demand for soybean meal and oil, driven by competitive prices, population growth, and increased livestock production.

Oilseed crush in MY 2025/2026 is forecast to grow by two percent to 7.7 MMT driven by robust domestic vegetable oil and feed demand and supported by higher soybean imports and increased carryover of soybeans from MY 2024/2025. Crushers are likely to continue facing low crush margins in MY 2025/2026. Over the past two years, Mexico's oilseed crush margins have remained low due to a relatively sharper drop in imported soybean and rapeseed meal prices compared to the price decline of soybeans and rapeseed. Despite narrow crush margins, some local processors have reduced meal and oil prices to meet growing demand, while making business adjustments to maintain their competitiveness in the market.

Meal production in MY 2025/2026 is forecast to rise two percent to 5.9 MMT, driven by higher poultry, swine, and cattle production. Despite higher crush rates, meal imports are expected to rise two percent to 2.3 MMT due to competitive prices for soybean meal. Meal consumption is forecast to rise four percent to 8.2 MMT, driven by protein demand from the livestock and feed industries.

Oil production in MY 2025/2026 is forecast to increase one percent to 2.0 MMT based on higher demand for vegetable oil. Driven by population growth, higher household incomes, and the hotel, restaurant, and industrial (HRI) sector, higher vegetable oil demand will increase oil imports by three percent to 1.3 MMT. Total oil consumption is forecast one percent higher to 3.2 MMT to meet increased domestic vegetable oil demand particularly from the dairy, canned food, baked goods, snacks, and cosmetics sectors.

## OILSEEDS SECTION

**Table 1. Mexico: Production, Supply, and Distribution (PSD) of Total Oilseeds**

<b>Total Oilseeds</b>	<b>2023/2024</b>	<b>2024/2025</b>	<b>2025/2026</b>
<b>Mexico</b>	<b>Revised</b>	<b>Estimate</b>	<b>Forecast</b>
<b>Area Planted</b> (1000 HA)	416	446	432
<b>Area Harvested</b> (1000 HA)	405	443	432
<b>Beginning Stocks</b> (1000 MT)	394	437	563
<b>Production</b> (1000 MT)	664	706	677
<b>MY Imports</b> (1000 MT)	7841	7656	7681
<b>Total Supply</b> (1000 MT)	<b>8899</b>	<b>8799</b>	<b>8921</b>
<b>MY Exports</b> (1000 MT)	38	26	26
<b>Crush</b> (1000 MT)	7724	7540	7661
<b>Food Use Dom. Cons.</b> (1000 MT)	250	270	275
<b>Feed Waste Dom. Cons.</b> (1000 MT)	450	400	365
<b>Total Dom. Cons.</b> (1000 MT)	8424	8210	8301
<b>Ending Stocks</b> (1000 MT)	437	563	594
<b>Total Distribution</b> (1000 MT)	<b>8899</b>	<b>8799</b>	<b>8921</b>
(1000 HA), (1000 MT), (MT/HA)			

### **Commodities:**

Oilseeds, Soybean  
Oilseeds, Rapeseed  
Oilseeds, Palm kernel  
Oilseeds, Cottonseed  
Oilseeds, Peanut

Total oilseeds production in MY 2025/2026 is forecast to decrease four percent to 677,000 MT based on a continued decrease in cottonseed production and limited growth in soybean and palm kernel seed output. Competing crops like corn, sugarcane, and agave limit land access, while lower prices and outdated planting seeds hinder growth. Limited use of advanced farming techniques and a lack of oilseed support policies also contribute to low domestic production compared to demand.

Total oilseed imports in MY 2025/2026 are forecast stable at 7.7 MMT based on relatively high carryover of soybeans from MY 2024/2025 and lower demand for rapeseed. Crush is forecast two percent higher to 7.7 MMT. Industry sources indicate that domestic crushers are likely to maintain growth in soybean imports and crush due to price competitiveness and higher demand for soybean meal and soybean oil. Despite relatively low crush margins, crushers recently streamlined operations to reduce costs and increased sales of soybean hulls to generate additional revenue. According to

importers, rapeseed imports and crush are expected to decline based on expected higher prices compared to soybeans. Due to limited domestic production, oilseed exports are forecast to remain minimal.

Increased animal feed demand is a major driver for higher forecast crush in MY 2025/2026. Mexico is the fifth largest animal feed producer worldwide and is increasing soybean meal use to support the protein needs of the growing poultry, cattle, and pork sectors. Since feed represents over 60 percent of poultry and swine production costs, the animal feed industry is highly sensitive to price changes in raw materials for their feed mixes. Therefore, according to industry sources, price competitiveness of soybeans will continue to be valued based on high meal extraction and protein content suitable for livestock production.

Forecast steady growth in vegetable oil consumption is also expected to drive higher oilseeds crush. Several factors are expected to drive upward vegetable oil demand for household and industrial use including population growth and increased tourism. Industry sources project soybean oil will account for nearly 38 percent of oil consumption in calendar year (CY) 2025, followed by palm oil at 34 percent, rapeseed oil at 18 percent, palm kernel oil at 5 percent, and other vegetable oils (sunflower, olive, avocado, safflower, pumpkin seed) at 5 percent.

## Soybean, Oilseed

**Table 2. Mexico: Production, Supply and Distribution of Soybean (Oilseed)**

Oilseed, Soybean Market Year Begins Mexico	2023/2024		2024/2025		2025/2026	
	Sep 2023		Sep 2024		Sep 2025	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (1000 HA)	150	95	100	131	0	135
Area Harvested (1000 HA)	90	91	135	131	0	135
Beginning Stocks (1000 MT)	218	218	266	279	0	433
Production (1000 MT)	185	198	270	265	0	270
MY Imports (1000 MT)	6456	6456	6700	6500	0	6550
Total Supply (1000 MT)	6859	6872	7236	7044	0	7253
MY Exports (1000 MT)	8	8	2	1	0	1
Crush (1000 MT)	6530	6530	6650	6550	0	6700
Food Use Dom. Cons. (1000 MT)	0	0	0	0	0	0
Feed Waste Dom. Cons. (1000 MT)	55	55	55	60	0	65
Total Dom. Cons. (1000 MT)	6585	6585	6705	6610	0	6765
Ending Stocks (1000 MT)	266	279	529	433	0	487
Total Distribution (1000 MT)	6859	6872	7236	7044	0	7253
Yield (MT/HA)	2.0556	2.1758	2	2.0229	0	2

(1000 HA), (1000 MT), (MT/HA)

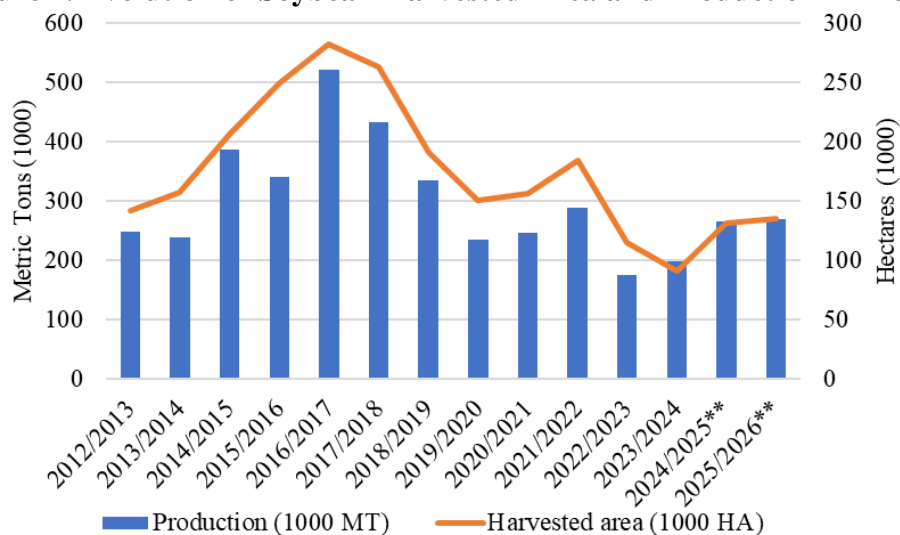
**Figure 1. Mexico Soybean Crop Calendar**



MY 2025/2026

Soybean production in MY 2025/2026 (September – August) is forecast to increase two percent to 270,000 MT. The forecast increase is driven by producer planting decisions on expected higher prices and higher demand by the domestic crush industry.

**Figure 2. Evolution of Soybean Harvested Area and Production in Mexico**



Source: Servicio de Información Agrícola y Pecuaria (SIAP)/*estimate*\*\**forecast*

Production is lower than the ten-year average of 301,000 MT. A lack of access to adequate seed technology and limited water, financing, and support policies for soybean producers contribute to relatively low domestic production.

*MY 2024/2025*

As of March 1, the 2024/2025 spring/summer soybean harvest reached 259,769 MT, virtually complete and 43 percent higher than the previous year, driven by favorable weather and moisture levels. Farmers report good grain quality, with yields estimated moderately higher at 2.1 metric tons per hectare (MT/HA) due to adequate rainfall in Campeche and Tamaulipas, which produce over 70 percent of soybeans. The spring/summer cycle accounts for nearly all production.

**Trade**

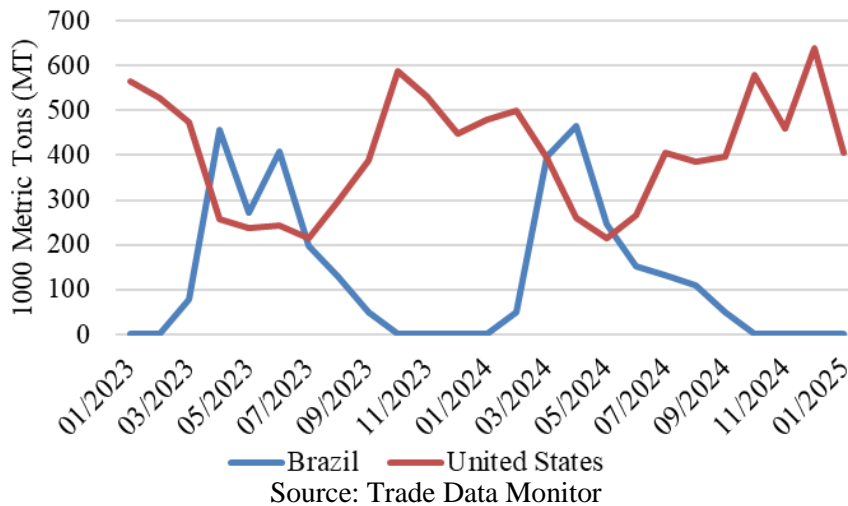
*MY 2025/2026*

Soybean imports in MY 2025/2026 are forecast to increase one percent to 6.6 MMT. Industry sources expect crush margins to remain tight if imported soybean meal prices stay in line with soybean prices. Despite projected continued low crush margins, higher demand for soybean meal and oil by the livestock and food industries are expected to drive up crush rates.

The United States is expected to remain the largest supplier of soybeans to Mexico based on logistical advantages. On average, roughly 70 percent of imported U.S. soybeans arrive in bulk via railway directly to terminals at crushing facilities. Ports on the Gulf receive about 30 percent of imports of U.S. soybeans, typically within two days of departure from the U.S. port.

U.S.-origin soybean imports accounted for an average of around 80 percent of the market from 2022 to 2024, down from 85 percent between 2020 and 2022. Brazil's market share grew, with soybean imports typically centered around March and September. Importers assert that increased imports of Brazilian soybeans are due to competitive prices.

**Figure 3. Mexico’s Soybean Imports Per Month (January 2023 – January 2025)**



*MY 2024/2025*

Soybean imports in MY 2024/2025 are estimated to rise one percent to 6.5 MMT based on updated trade data. The United States is expected to remain the top supplier of soybeans to Mexico. From October 2024 through January 2025, Mexico imported 2.1 MMT of soybeans, virtually all from the United States. Imports are expected to make up roughly 98 percent of consumption.

## **Consumption**

Soybean consumption in MY 2025/2026 is forecast to increase by two percent to 6.8 MMT based on steady growth in crush demand from the animal feed and vegetable oil sectors. Soybeans remain the most crushed oilseed in Mexico. Soybean crush for MY 2025/2026 is forecast to increase by two percent to 6.7 MMT based on price competitiveness, higher carryover from MY 2024/2025, and increased demand for high-protein soybean meal. In addition, some poultry companies are expected to increase the use of full-fat soybeans in feed rations due to their high energy content and amino acid profile.

In CY 2025, installed crush capacity is estimated at 11.5 MMT and over 90 percent is concentrated among five large companies. Included in this estimate is the addition in recent months of roughly 450,000 MT of capacity to absorb potential increased crush demand in the coming years.

Soybean oil consumption is forecast to increase by two percent in MY 2025/2026. According to industry, the price competitiveness of soybean oil compared to rapeseed and palm oil is expected to continue. The food industry values soybean oil due to its price competitiveness along with its high smoke point and stable composition as a base for vegetable oil blends. Animal feed demand for soybean meal is forecast to increase five percent in MY 2024/2025 based on higher demand from the poultry, hog, and cattle sectors. Soybean meal remains the main protein source in feed compounds among all meals, accounting for roughly 80 percent of total soybean meal equivalent.

Soybean crush in MY 2024/2025 is estimated stable at nearly 6.6 MMT based on tight crush margins. From September 2024 through February 2025, imported soybean meal prices averaged 7,500 pesos (USD 365) per MT, twelve percent lower than the previous year, while soybean prices decreased by nine percent to 8,600 pesos (USD 420) per MT. A sharper decrease in soybean meal prices is likely to moderate growth in soybean crush rates

## **Stocks**

Stocks are expected to rise as private companies hold soybeans longer, anticipating improved crush margins and potential disruptions due to logistical delays. Endings stocks in MY 2025/2026 are forecast 12 percent higher than the previous year to 487,000 MT. In MY 2024/2025, ending stocks are estimated 55 percent higher at 433,000 MT. All soybean stocks in Mexico are privately held.

## Rapeseed, Oilseed

**Table 3. Mexico: Production, Supply and Distribution of Rapeseed (Oilseed)**

Oilseed, Rapeseed Market Year Begins Mexico	2023/2024		2024/2025		2025/2026	
	Oct 2023		Oct 2024		Oct 2025	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
<b>Area Planted</b> (1000 HA)	2	4	2	1	0	1
<b>Area Harvested</b> (1000 HA)	2	4	2	1	0	1
<b>Beginning Stocks</b> (1000 MT)	74	74	77	79	0	70
<b>Production</b> (1000 MT)	2	4	2	1	0	1
<b>MY Imports</b> (1000 MT)	1116	1116	1200	900	0	870
<b>Total Supply</b> (1000 MT)	1192	1194	1279	980	0	941
<b>MY Exports</b> (1000 MT)	0	0	0	0	0	0
<b>Crush</b> (1000 MT)	1115	1115	1220	910	0	880
<b>Food Use Dom. Cons.</b> (1000 MT)	0	0	0	0	0	0
<b>Feed Waste Dom. Cons.</b> (1000 MT)	0	0	0	0	0	0
<b>Total Dom. Cons.</b> (1000 MT)	1115	1115	1220	910	0	880
<b>Ending Stocks</b> (1000 MT)	77	79	59	70	0	61
<b>Total Distribution</b> (1000 MT)	1192	1194	1279	980	0	941
<b>Yield</b> (MT/HA)	1	1	1	1	0	1
(1000 HA), (1000 MT), (MT/HA)						

### Production

Rapeseed production in MY 2025/2026 (October – September) is forecast to remain stable year-on-year at roughly 1,000 MT. Key factors limiting rapeseed production in Mexico include a lack of access to adequate seed technology, low crop prices, preference for planting grains like corn, sorghum, and dry beans, and insufficient government support.

### Trade

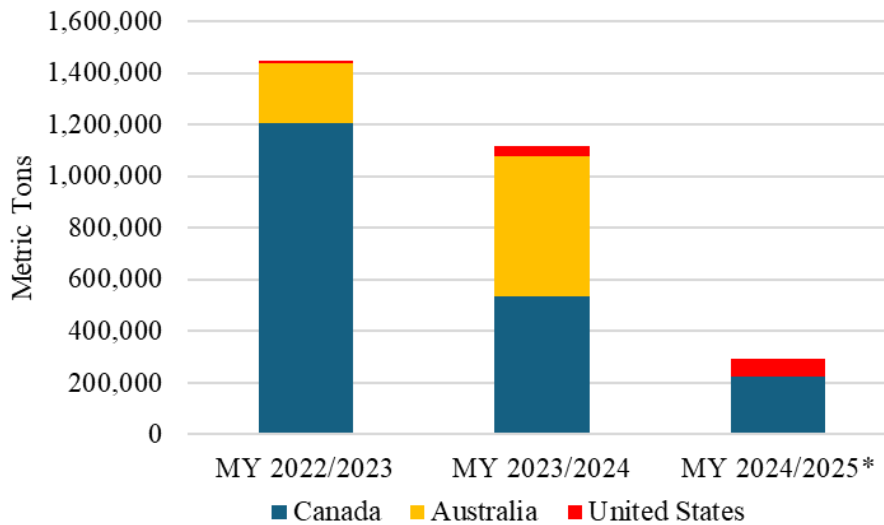
#### *MY 2025/2026*

Rapeseed imports in MY 2025/2026 are forecast three percent lower to 870,000 MT. Crushers' increased preference for soybeans, due to lower relative prices and higher protein content, are expected to drive down demand for rapeseed.

#### *MY 2024/2025*

Rapeseed imports in MY 2024/2025 are estimated 19 percent lower year-on-year to 900,000 MT based on updated trade data. Lower crush margins and market preference for soybeans and products are the main factors for a second consecutive year of lower rapeseed imports. From October 2024 through January 2025, rapeseed imports from Canada accounted for 76 percent and U.S. rapeseed made up 24 percent of total imports.

**Figure 4. Mexico Rapeseed Imports**



Source: Trade Data Monitor

Historically, Mexico has relied on Canada for approximately all rapeseed imports. However, starting in MY 2022/2023, Mexico began purchasing more Australian rapeseed. In MY 2023/2024, imports of Australian rapeseed slightly exceeded those from Canada, driven by competitive pricing.

### Consumption

Rapeseed consumption and crush in MY 2025/2026 is forecast to decrease by three percent to 880,000 due to expected lower prices and higher availability of soybeans. Virtually all rapeseed is used for crush. Crushers are expected to favor soybeans over rapeseed due to competitive prices and higher-protein levels. However, rapeseed meal is preferred over soybean meal in some dairy cattle feed rations due to its high fiber content. Crushers drive demand for rapeseed oil in vegetable oil mixtures to improve fatty acid balance, stability, and shelf life.

Rapeseed consumption and crush in MY 2024/2025 is estimated 18 percent lower to 910,000 MT based on lower crush margins. The estimate is the lowest in more than 20 years. In previous years, some crushers halted rapeseed crush and favored soybean crush based on soybeans' higher cost-efficiency and higher importable supplies worldwide.

### Stocks

Less availability of rapeseed through imports is expected to result in lower stock holdings as companies are expected to consume limited supplies. Rapeseed ending stocks in MY 2025/2026 are forecast 13 percent lower at 61,000 MT. In MY 2024/2025, ending stocks are estimated eleven percent lower at 70,000.

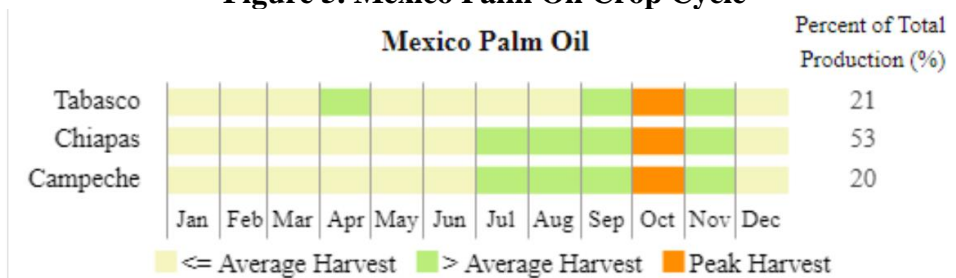
## Palm Kernel, Oilseed

**Table 4. Mexico: Production, Supply and Distribution of Palm Kernel (Oilseed)**

Oilseed, Palm Kernel Market Year Begins Mexico	2023/2024		2024/2025		2025/2026	
	May 2024		May 2025		May 2026	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (1000 HA)	0	132	0	135	0	138
Area Harvested (1000 HA)	0	132	0	135	0	138
Beginning Stocks (1000 MT)	0	0	0	0	0	0
Production (1000 MT)	0	74	0	75	0	76
MY Imports (1000 MT)	0	1	0	1	0	1
Total Supply (1000 MT)	0	75	0	76	0	77
MY Exports (1000 MT)	0	0	0	0	0	0
Crush (1000 MT)	0	75	0	76	0	77
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)	0	75	0	76	0	77
Ending Stocks (1000 MT)	0	0	0	0	0	0
Total Distribution (1000 MT)	0	75	0	76	0	77
Yield (MT/HA)	0	0.5606	0	0.5556	0	0.5507

(1000 HA), (1000 TREES), (1000 MT), (MT/HA)

**Figure 5. Mexico Palm Oil Crop Cycle**



Source: USDA FAS International Production Assessment Division (IPAD)

## Production

Palm kernel production in MY 2025/2026 (May – April) is forecast to grow by one percent to 76,000 MT. According to industry sources, forecast production is estimated at 3.5 percent of total FFB weight. Limited labor availability constrains further growth in collection of FFB and palm kernel seeds. In MY 2024/2025, production is estimated one percent higher at 75,000 based on average precipitation levels and stable yields of mature palm oil trees in producing states.

According to the Mexican Oil Palm Tree Federation (FEMEXPALMA for its Spanish acronym), Mexico's oil palm tree planted area in CY 2024 increased by one percent to 131,591 HA. This area is spread across four states: Chiapas (60,100 HA), Campeche (34,749 HA), Tabasco (29,010 HA) and Veracruz (7,732 HA). The planted area continues to grow and is projected to increase by two percent annually in the coming years. Chiapas and Tabasco are identified by industry as the states with the greatest potential for further expansion.

## **Trade**

Mexico's imports of palm kernel are minimal and domestic production meets demand. Palm kernel imports in MY 2025/2026 are forecast unchanged at 1,000 MT. Palm kernel seeds are susceptible to deterioration because of their high oil content, which increases transportation costs and limits their shipment primarily to mills near production areas.

## **Consumption**

Palm kernel crush in MY 2025/2026 is forecast to increase by one percent to 77,000 MT based on increased demand for palm kernel meal by the cattle feed industry, and higher demand for palm kernel oil by the processed food and cosmetics sectors.

In MY 2024/2025, palm kernel crush is estimated one percent higher at 76,000 MT due to steady growth in demand by the processed food, cosmetics, and household products industries.

## **Stocks**

Current palm kernel stocks held by palm oil processors are operating stocks to meet short-term demand. There are no government-held stocks of palm kernel in Mexico.

## Cottonseed, Oilseed

**Table 5. Mexico: Production, Supply and Distribution of Cottonseed (Oilseed)**

Oilseed, Cottonseed Market Year Begins	2023/2024		2024/2025		2025/2026	
	Aug 2023		Aug 2024		Aug 2025	
Mexico	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (Cotton) (1000 HA)	150	132	129	129	0	110
Area Harvested (Cotton) (1000 HA)	132	132	120	126	0	110
Seed to Lint Ratio (RATIO)	0	0	0	0	0	0
Beginning Stocks (1000 MT)	81	81	51	51	0	36
Production (1000 MT)	297	297	282	280	0	246
MY Imports (1000 MT)	68	68	45	45	0	45
Total Supply (1000 MT)	446	446	378	376	0	327
MY Exports (1000 MT)	0	0	0	0	0	0
Crush (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)	395	395	340	340	0	300
Total Dom. Cons. (1000 MT)	395	395	340	340	0	300
Ending Stocks (1000 MT)	51	51	38	36	0	27
Total Distribution (1000 MT)	446	446	378	376	0	327
Yield (MT/HA)	2.25	2.25	2.35	2.2222	0	2.2364

(1000 HA), (RATIO), (1000 MT), (MT/HA)

### Production

Cottonseed production in MY 2025/2026 (August – July) is forecast to decrease by 12 percent to 246,000 MT. Sources indicate that expected lower cotton prices, higher input costs (e.g. electricity and labor), and a lack of access to adequate seed technologies are likely to decrease cotton and cottonseed production.

In MY 2024/2025 (August 2024 – July 2025) cottonseed production is estimated to decrease by six percent to 280,000 MT based on updated cotton harvest data. High inputs costs, such as electricity and fuel, combined with lower crop prices are the key factors that reduced cotton planted area and production. According to industry, one 480-pound (lb.) bale (217 kilograms ) of ginned cotton produces on average 628 lbs. (285 kilograms) of cottonseeds.

### Trade

Cottonseed imports in MY 2025/2026 are forecast stable at 45,000 MT. All cottonseed imports come from the United States due to proximity, logistical connectivity, and competitive prices. Sources assert that cattle ranchers are likely to favor the use of distiller’s dried grains with solubles (DDGS) as a source of protein, fat, and fiber, over cottonseeds based on their competitive prices and higher availability.

In MY 2024/2025, cottonseed imports are estimated to decrease by 34 percent to 45,000 MT based on updated trade data. Sources indicate that relatively lower prices of substitute products, such as DDGSs, limited cottonseed imports. In MY 2024/2025, Mexico imported 2.4 MMT of DDGS from the United States, a ten percent increase compared to the previous year.

## **Consumption**

Cottonseed consumption in MY 2025/2026 is forecast to decline by 12 percent to 300,000 MT based on lower production and lower demand by the dairy cattle industry. Feed industry sources indicate that cottonseeds serve as an alternative fat and fiber source for lactating cows feed when domestic supplies are available near dairy production areas.

In MY 2024/2025, consumption is estimated to decrease by 14 percent to 340,000 MT. According to local sources, dairy cattle ranchers are likely to reduce their demand for cottonseeds in favor of lower-priced substitutes such as soybean meal and DDGS. In recent years, cattle ranchers and feed manufacturers increased the use of DDGSs in cattle feed rations due to their price competitiveness and year-round availability.

## **Stocks**

Less availability of cottonseed is expected to result in lower stock holdings as companies are expected to consume limited supplies. Ending stocks in MY 2025/2026 are forecast 25 percent lower to 27,000 MT. In MY 2024/2025, ending stocks are estimated to decrease by 29 percent to 36,000 MT.

## Peanut, Oilseed

**Table 6. Mexico: Production, Supply and Distribution of Peanut (Oilseed)**

Oilseed, Peanut Market Year Begins	2023/2024		2024/2025		2025/2026	
	Sep 2023		Sep 2024		Sep 2025	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Mexico						
<b>Area Planted</b> (1000 HA)	53	53	53	50	0	48
<b>Area Harvested</b> (1000 HA)	46	46	50	50	0	48
<b>Beginning Stocks</b> (1000 MT)	21	21	22	28	0	24
<b>Production</b> (1000 MT)	80	91	85	85	0	84
<b>MY Imports</b> (1000 MT)	200	200	230	210	0	215
<b>Total Supply</b> (1000 MT)	301	312	337	323	0	323
<b>MY Exports</b> (1000 MT)	30	30	25	25	0	25
<b>Crush</b> (1000 MT)	4	4	4	4	0	4
<b>Food Use Dom. Cons.</b> (1000 MT)	245	250	285	270	0	275
<b>Feed Waste Dom. Cons.</b> (1000 MT)	0	0	0	0	0	0
<b>Total Dom. Cons.</b> (1000 MT)	249	254	289	274	0	279
<b>Ending Stocks</b> (1000 MT)	22	28	23	24	0	19
<b>Total Distribution</b> (1000 MT)	301	312	337	323	0	323
<b>Yield</b> (MT/HA)	1.7391	1.9783	1.7	1.7	0	1.75

(1000 HA), (1000 MT), (MT/HA)

**Figure 6. Mexico Peanut Crop Cycle**



### Production

Peanut production in MY 2025/2026 (September – August) is forecast one percent lower to 84,000 MT based on increased input prices and limited use of improved seeds. The spring/summer cycle accounts for 98 percent of total production. Roughly 30 percent of planted area is irrigated, primarily in Chihuahua, with an average yield of 3.0 MT/HA. The remainder is rainfed with an average yield of 1.5 MT/HA. Over the last five years, Chihuahua accounted for 20 percent of planted area and 35 percent of production due to its use of improved seeds and adequate soil management.

In MY 2024/2025, peanut production is estimated to decrease by seven percent to 85,000 MT based on updated harvest data. Harvested area in Chihuahua decreased by six percent to 9,920 HA with an estimated production of 32,000 MT. In Sonora, the harvested area remained stable at 14,500 HA, but yields are estimated lower based on continued severe drought conditions and a lack of improved seeds.

### Trade

Peanut imports in MY 2025/2026 are forecast to rise by two percent to 215,000 MT based on lower production and steady growth in demand by the food industry. Over the last five years, shelled peanuts made up 82 percent of total imports. U.S. shelled peanuts led with 85 percent of the market, followed by Nicaragua at 12 percent, and Brazil, India, and Paraguay as smaller competitors.

Over the last five years, in-shell peanuts made up 18 percent of total imports. From 2022 to 2024, China's in-shell peanuts increased their market share from 38 to 61 percent due to price competitiveness. Meanwhile, U.S. in-shell peanuts decreased from 63 to 38 percent.

Based on updated trade data, in MY 2024/2025, peanut imports are estimated to increase by five percent to 210,000 MT. The growth is driven by demand from the snacks and confectionery industries.

### **Consumption**

Consumption in MY 2025/2026 is forecast to rise by two percent to 279,000 MT driven by population growth and the snack industry. According to Mexico's National Institute of Statistics and Geography (INEGI), the population growth rate in 2024 is expected to reach 0.7 percent. Population growth is projected to drive higher food demand, leading to an increase in peanut consumption. In Mexico, the snacks industry drives peanut consumption, with minimal crushing. In-shell peanuts are mainly consumed in December during the holiday season. Peanuts are often purchased as a convenient protein source from local snack vendors or at grocery and convenience store checkout counters.

In MY 2024/2025, consumption is estimated to rise eight percent to 274,000 MT after a year of decreased demand caused by higher peanut prices (due to drought conditions) and substitution with other snacks.

### **Stocks**

Ending stocks are forecast to decrease in the forecast and estimate year based on lower production and increased consumption. In MY 2025/2026, ending stocks are forecast to decrease by 21 percent to 19,000 MT and in MY 2024/2025, ending stocks are estimated to decrease 14 percent to 24,000 MT.

## MEALS SECTION

**Table 7. Mexico: Production, Supply, and Distribution (PSD) of Total Meals**

<b>Total Meals</b>	<b>2023/2024</b>	<b>2024/2025</b>	<b>2025/2026</b>
<b>Mexico</b>	<b>Revised</b>	<b>Estimate</b>	<b>Forecast</b>
<b>Crush</b> (1000 MT)	7720	7536	7657
<b>Extr. Rate, 999.9999</b> (PERCENT)			
<b>Beginning Stocks</b> (1000 MT)	159	161	290
<b>Production</b> (1000 MT)	5843	5737	5853
<b>MY Imports</b> (1000 MT)	1941	2271	2326
<b>Total Supply</b> (1000 MT)	<b>7943</b>	<b>8169</b>	<b>8469</b>
<b>MY Exports</b> (1000 MT)	5	2	2
<b>Industrial Dom. Cons.</b> (1000 MT)	0	0	0
<b>Food Use Dom. Cons.</b> (1000 MT)	50	50	50
<b>Feed Waste Dom. Cons.</b> (1000 MT)	7727	7827	8173
<b>Total Dom. Cons.</b> (1000 MT)	7777	7877	8223
<b>Ending Stocks</b> (1000 MT)	161	290	244
<b>Total Distribution</b> (1000 MT)	<b>7943</b>	<b>8169</b>	<b>8469</b>
(1000 MT), (PERCENT)			

### **Commodities:**

Meal, Soybean

Meal, Rapeseed

Meal, Palm Kernel Meal

Total meals production in MY 2025/2026 is forecast two percent higher at 5.9 MMT based on growing demand for oilseed meals from the livestock industry, particularly the poultry sector. Higher meal production is supported by higher expected soybean imports and increased crush capacity. Domestic production of oilseed meals makes up roughly 70 percent of total meals consumption due to higher investment in recent years.

Despite an expected economic slowdown, competitive soybean prices, along with lower interest and inflation rates, are expected to support crush activity. In March 2025, the Bank of Mexico reduced the key lending rate by 50 basis points to 9.0 percent, continuing a rate cut that began in March 2024 from 11.25 percent, making credit more affordable.

Mexico's installed crush capacity is 11.5 MMT, and roughly 66 percent is currently in use. Installed crush capacity is concentrated in companies that prioritize soybean crush. In addition, palm oil mills crush capacity stands at 3.0 MMT of FFB.

Total oilseed meal imports in MY 2025/2026 are forecast two percent higher to 2.3 MMT. According to industry, ample importable meal supplies, and integrated logistics are the main drivers of higher total meal imports.

Total oilseed meal consumption in MY 2025/2026 is forecast four percent higher at 8.2 MMT based on higher cattle, swine, and poultry production. Soybean meal is expected to remain the preferred protein source for feed rations, followed by rapeseed meal, due to its high-protein content and competitive prices. Palm kernel meal and safflower seed meal are used as protein and fiber supplements in cattle feed, while corn gluten meal supplements poultry feed with high energy and protein. Fish meal serves as the primary protein source in aquaculture feed.

## Soybean, Meal

**Table 8. Mexico: Production, Supply and Distribution of Soybean Meal**

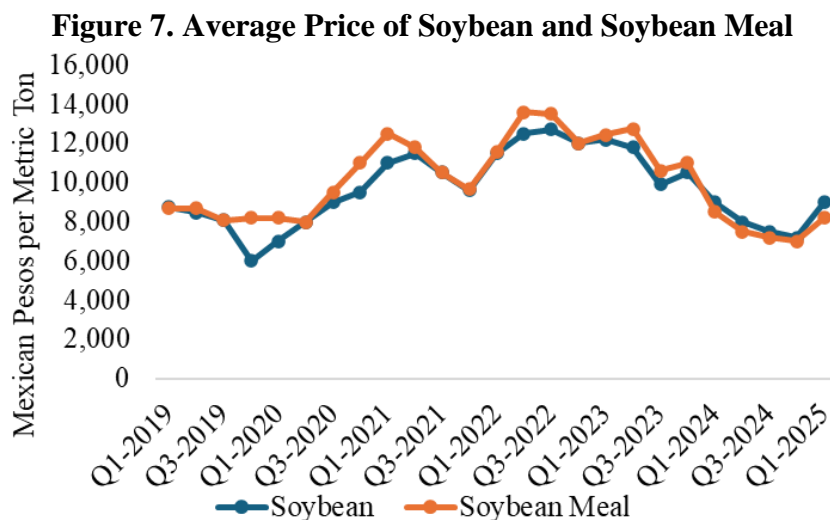
Meal, Soybean Market Year Begins Mexico	2023/2024		2024/2025		2025/2026	
	Sep 2023		Sep 2024		Sep 2025	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
<b>Crush</b> (1000 MT)	6530	6530	6650	6550	0	6700
<b>Extr. Rate, 999.9999</b> (PERCENT)	0.79	0.79	0.7902	0.7901	0	0.7918
<b>Beginning Stocks</b> (1000 MT)	145	145	155	155	0	279
<b>Production</b> (1000 MT)	5159	5159	5255	5175	0	5305
<b>MY Imports</b> (1000 MT)	1935	1935	2200	2250	0	2300
<b>Total Supply</b> (1000 MT)	7239	7239	7610	7580	0	7884
<b>MY Exports</b> (1000 MT)	4	4	1	1	0	1
<b>Industrial Dom. Cons.</b> (1000 MT)	0	0	0	0	0	0
<b>Food Use Dom. Cons.</b> (1000 MT)	50	50	50	50	0	50
<b>Feed Waste Dom. Cons.</b> (1000 MT)	7030	7030	7280	7250	0	7600
<b>Total Dom. Cons.</b> (1000 MT)	7080	7080	7330	7300	0	7650
<b>Ending Stocks</b> (1000 MT)	155	155	279	279	0	233
<b>Total Distribution</b> (1000 MT)	7239	7239	7610	7580	0	7884

(1000 MT), (PERCENT)

## Production

Soybean meal production in MY 2025/2026 (September – August) is forecast three percent higher at 5.3 MMT due to increased demand from the livestock industry. Crushers are likely to increase soybean meal production based on continued higher demand particularly from the poultry sector and expected competitive prices for soybeans. The meal extraction is likely to remain stable at 0.79 and it includes a small proportion of hulls and lecithin used for feed.

In MY 2024/2025, soybean meal production is estimated stable year-on-year at 5.2 MMT based on tight crush margins. Despite persistently higher demand from the livestock and feed industries, lower prices and higher imports of U.S. soybean meal are expected to constrain growth in domestic soybean meal production.



Source: National System of Information and Market Integration

## Trade

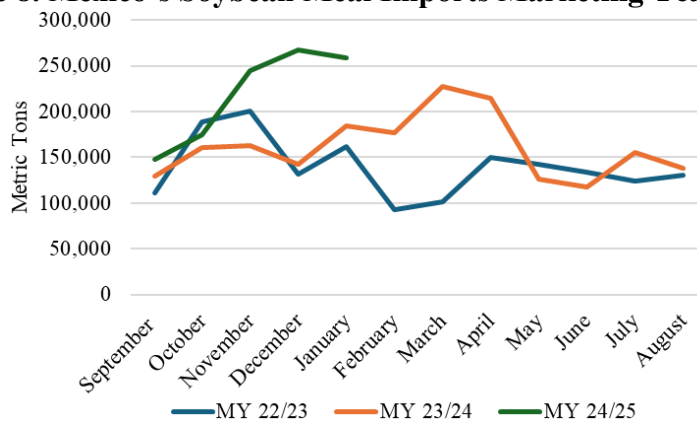
### MY 2025/2026

Soybean meal imports in MY 2025/2026 are forecast to rise two percent to 2.30 MMT due to higher demand from the livestock industry. High carryover from record-high imports in MY 2024/2025 and forecast increased crush in MY 2025/2026 are likely to limit import growth. Virtually all soybean meal imports come from the United States through freight trains along the border (over 90 percent) and vessels to Gulf ports.

### MY 2024/2025

Soybean meal imports in MY 2024/2025 are estimated 16 percent higher to 2.25 MMT. From September 2024 through January 2025, soybean meal imports were 1.1 MMT, a 40 percent increase year-on-year. Lower prices and higher importable supplies drive the domestic livestock and feed industries to increase imports. Livestock and feed companies in northern states and the Bajío region (San Luis Potosí, Aguascalientes, Guanajuato, Michoacán, and Jalisco) are the main importers of U.S. soybean meal. Continued price decreases for imported soybean meal and greater availability of shuttle trains for transportation encourage some importers to prefer U.S. soybean meal over domestic options.

**Figure 8. Mexico's Soybean Meal Imports Marketing Year (MY)**



Source: Trade Data Monitor

## Consumption

Total domestic soybean meal consumption in MY 2025/2026 is forecast five percent higher at 7.7 MMT based on higher demand from the growing poultry, swine, and cattle sectors. Soybean meal is forecast to increase its share among vegetable meals based on competitive prices, extensive domestic and imported supplies, relatively higher protein content, and consistent nutrient composition. The poultry sector, particularly broiler production, is expected to drive up demand for soybean meal as chicken meat remains the most consumed animal protein due to price competitiveness.

**Table 9. Imports of Raw Materials by the Feed Industry, 2019-2023 (1000 Metric Tons)**

Year	Corn	Sorghum	Soybean Meal	Distiller's Dried Grains
2019	10,979	661	1,364	1,815
2020	11,062	281	1,545	1,583
2021	11,947	173	1,409	1,810
2022	12,093	364	1,478	2,024
2023	13,974	100	1,395	2,043

Source: Consejo Nacional de Fabricantes de Alimentos Balanceados y de la Nutrición, A.C. (CONAFAB)

Higher soybean meal consumption is also expected to drive up demand for DDGSs by the cattle industry (beef and dairy) due to complementary nutrient profiles and cost-efficiency. While soybean meal provides high protein, DDGSs provide more digestible fiber and energy. The combination is mostly used in lactating cows and calf rearing feed formulations.

Consumption in MY 2024/2025 is estimated three percent higher at 7.3 MMT due to higher demand from the livestock industry. Integrated poultry companies (roughly 70 percent of total poultry feed production) source meal directly to produce feed formulations for poultry production. Due to the large scale of their operations, they rely on year-round availability of feed inputs, which drives up demand for soybean meal.

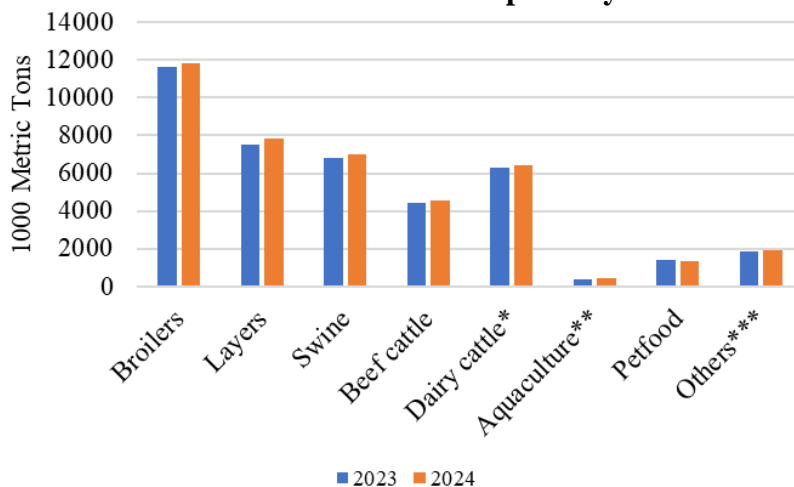
Industry sources estimate that in 2024, the country produced 44.1 MMT of animal feed, a two percent increase from the previous year, to support the domestic poultry, swine, cattle, dairy, pet food, and aquaculture industries. Roughly 60 percent of total feed is produced by integrated livestock companies and 40 percent by commercial feed companies. Soybean meal makes up approximately 16 percent of the country's animal feed. Broilers and layers account for 40 percent of total feed use.

Soybean meal is the main protein source for feed rations across the industry due to price competitiveness, high-protein levels, and year-round availability. Industrial feed sources indicate soybean meal makes up 50 percent of fish feed, 28 percent of broiler feed, 23 percent of layer feed, 20 percent of swine feed, and 12 percent of cattle feed on average. Corn gluten feed and meal supplement poultry feed with high protein and energy, while fish meal provides protein for aquaculture. DDGS is the primary high-fiber energy supplement for cattle feed.

Industry sources report that feed manufacturers and livestock companies consumed about 9.2 MMT of soybean meal equivalent (SME) protein in MY 2023/2024, reflecting a two percent annual increase. This increase was driven by growth in cattle, swine, and poultry production, fueled by higher minimum wages and continued social security programs.

Over the last ten years, soybean meal has accounted for 76 percent of meal consumption on average, followed by DDGS at 15 percent, rapeseed meal at seven percent, and other meals combined at two percent.

**Figure 9. Mexico's Animal Feed Consumption by Livestock Sector**



Source: National Mexican Feed Council (CONAFAB)

\*In 1000 Liters / \*\*Shrimp and fish only / \*\*\* Feed for horses, rabbits, fighting cocks, sheep, goats, etc.

To compare crude protein levels across different feeds, they are expressed in soybean meal equivalent (SME): 1.0 MT of DDGS equals 0.58 MT of SME, 1.0 MT of rapeseed meal equals 0.71 MT of SME, and 1.0 MT of fishmeal equals 1.45 MT of SME.

## Stocks

Ending stocks in MY 2025/2026 are forecast 16 percent lower at 233,000 MT based on increased consumption. Forecast stocks cover less than two weeks of consumption. Most livestock and feed companies maintain minimal stocks due to abundant domestic and imported soybean meal and just-in-time delivery logistics with the United States.

In MY 2024/2025, ending stocks are estimated 80 percent higher at 279,000 MT. Stocks are likely to increase as private companies hold soybean meal longer, anticipating potential disruptions due to logistical delays. All soybean meal stocks in Mexico are privately held.

## Rapeseed, Meal

**Table 10. Mexico: Production, Supply and Distribution of Rapeseed Meal**

Meal, Rapeseed Market Year Begins Mexico	2023/2024		2024/2025		2025/2026	
	Oct 2023		Oct 2024		Oct 2025	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
<b>Crush</b> (1000 MT)	1115	1115	1220	910	0	880
<b>Extr. Rate, 999.9999</b> (PERCENT)	0.5758	0.5758	0.577	0.5714	0	0.5739
<b>Beginning Stocks</b> (1000 MT)	14	14	6	6	0	11
<b>Production</b> (1000 MT)	642	642	704	520	0	505
<b>MY Imports</b> (1000 MT)	5	5	5	20	0	25
<b>Total Supply</b> (1000 MT)	661	661	715	546	0	541
<b>MY Exports</b> (1000 MT)	0	0	0	0	0	0
<b>Industrial Dom. Cons.</b> (1000 MT)	0	0	0	0	0	0
<b>Food Use Dom. Cons.</b> (1000 MT)	0	0	0	0	0	0
<b>Feed Waste Dom. Cons.</b> (1000 MT)	655	655	695	535	0	530
<b>Total Dom. Cons.</b> (1000 MT)	655	655	695	535	0	530
<b>Ending Stocks</b> (1000 MT)	6	6	20	11	0	11
<b>Total Distribution</b> (1000 MT)	661	661	715	546	0	541
(1000 MT), (PERCENT)						

### Production

Rapeseed meal production in MY 2025/2026 (October – September) is forecast three percent lower to 505,000 MT. Forecast lower crush for oil and more widespread availability and price competitiveness of soybean meal for the livestock sector are key factors expected to drive down canola meal production. In MY 2024/2025, production is estimated to drop 19 percent to 520,000 MT due to rapeseed meal’s higher relative price compared to soybean meal.

### Trade

Imports in MY 2025/2026 are forecast to increase 25 percent to 25,000 MT based on lower production and stable demand from dairy and beef cattle. Cattle ranchers in northern regions are the main importers of U.S. rapeseed meal due to geographical proximity. There are no forecast exports of rapeseed meal as production is aimed to meet domestic demand.

In MY 2024/2025, canola meal imports are estimated to rise 300 percent to 20,000 MT based on updated trade data. Virtually all canola meal imports are from the United States due to competitive prices, supply availability, and integrated logistics. Lower estimated domestic crush and production are the key factors that drive up canola meal imports particularly for cattle feed.

### Consumption

Consumption is forecast to decrease one percent in MY 2025/2026 to 530,000 MT based on lower overall demand by the livestock and feed industry. Forecast consumption remains the second lowest in over 20 years based on competitive prices and abundant supplies of soybean meal and DDGS. Sources indicate that canola meal remains a supplement protein source for dairy cattle feed based on its amino acid profile and high fiber content. Despite lower soybean meal prices, many large-scale dairy cattle

ranchers continue to purchase canola meal because it provides rumen bypass protein, making it effective for milk production.

In MY 2024/2025 consumption is estimated 18 percent lower to 535,000 MT based on higher demand for soybean meal due to its lower prices and widespread supplies. Estimated consumption is the lowest in 23 years due to reduced domestic supplies of canola meal and highly competitive prices of soybean meal and DDGS.

### **Stocks**

Ending stocks in MY 2025/2026 are forecast stable at 11,000 MT. In MY 2024/2025, ending stocks are estimated 83 percent higher to 11,000 MT. Stocks are expected to rise as feed manufacturers hold canola meal longer, anticipating possible disruptions from logistical delays. All canola meal stocks in Mexico are privately held.

## *Palm Kernel, Meal*

**Table 11. Mexico: Production, Supply and Distribution of Palm Kernel Meal**

Meal, Palm Kernel Market Year Begins Mexico	2023/2024		2024/2025		2025/2026	
	May 2024		May 2025		May 2026	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
<b>Crush</b> (1000 MT)	0	75	0	76	0	77
<b>Extr. Rate, 999.9999</b> (PERCENT)	0	0.56	0	0.5526	0	0.5584
<b>Beginning Stocks</b> (1000 MT)	0	0	0	0	0	0
<b>Production</b> (1000 MT)	0	42	0	42	0	43
<b>MY Imports</b> (1000 MT)	0	1	0	1	0	1
<b>Total Supply</b> (1000 MT)	0	43	0	43	0	44
<b>MY Exports</b> (1000 MT)	0	1	0	1	0	1
<b>Industrial Dom. Cons.</b> (1000 MT)	0	0	0	0	0	0
<b>Food Use Dom. Cons.</b> (1000 MT)	0	0	0	0	0	0
<b>Feed Waste Dom. Cons.</b> (1000 MT)	0	42	0	42	0	43
<b>Total Dom. Cons.</b> (1000 MT)	0	42	0	42	0	43
<b>Ending Stocks</b> (1000 MT)	0	0	0	0	0	0
<b>Total Distribution</b> (1000 MT)	0	43	0	43	0	44
<b>SME</b>		14.9394		14.9394		15.2951
(1000 MT), (PERCENT)						

### **Production**

Palm kernel meal production in MY 2025/2026 (May– April) is forecast two percent higher at 43,000 MT. Sources indicate that palm oil mills are likely to increase crush and production based on greater harvested area, increased yields in mature trees (particularly in Soconusco, Chiapas), and continued demand by the cattle feed sector.

In MY 2024/2025, production is estimated stable at 42,000 MT due to limited demand for cattle feed. Due to the higher market value of palm kernel oil, driven by its applications in the food, cosmetics, and soap industries, most palm oil mill processors focus on optimizing oil extraction techniques, which consequently reduces the overall production of palm kernel meal.

### **Trade**

Palm kernel meal imports and exports are forecast unchanged and minimal at 1,000 MT in MY 2025/2026. Mexico's palm kernel imports are primarily sourced from Central American countries, mainly Panamá, Honduras, and Guatemala. In MY 2024/2025, palm kernel meal imports are estimated unchanged at 1,000 MT based on continued production to meet domestic demand for the cattle feed industry.

### **Consumption**

Palm kernel meal consumption in MY 2025/2026 is forecast two percent higher at 43,000 MT. Feed industry sources indicate that palm kernel meal serves as an alternative protein, energy, and fiber supplement for dairy and beef cattle feed rations when domestic supplies are available near production regions.

In MY 2024/2025, consumption is estimated unchanged at 42,000 MT due to stable production to meet demand for the cattle industry in southern regions near palm oil mills.

### **Stocks**

Current palm kernel meal stocks held by palm oil processors are operating stocks to meet short-term demand. There are no government-held stocks of palm kernel meal in Mexico.

## OILS SECTION

**Table 12. Mexico: Production, Supply, and Distribution (PSD) for Total Oils**

<b>Total Oils</b>	<b>2023/2024</b>	<b>2024/2025</b>	<b>2025/2026</b>
<b>Mexico</b>	<b>Revised</b>	<b>Estimate</b>	<b>Forecast</b>
<b>Crush</b> (1000 MT)	7720	7536	7657
<b>Beginning Stocks</b> (1000 MT)	435	352	356
<b>Production</b> (1000 MT)	2078	2017	2043
<b>MY Imports</b> (1000 MT)	1106	1220	1255
<b>Total Supply</b> (1000 MT)	<b>3619</b>	<b>3589</b>	<b>3654</b>
<b>MY Exports</b> (1000 MT)	123	96	96
<b>Industrial Dom. Cons.</b> (1000 MT)	759	792	813
<b>Food Use Dom. Cons.</b> (1000 MT)	2385	2345	2365
<b>Feed Waste Dom. Cons.</b> (1000 MT)	0	0	0
<b>Total Dom. Cons.</b> (1000 MT)	3144	3137	3178
<b>Ending Stocks</b> (1000 MT)	352	356	380
<b>Total Distribution</b> (1000 MT)	<b>3619</b>	<b>3589</b>	<b>3654</b>
<b>(1000 HA), (1000 MT), (MT/HA)</b>			

### **Commodities:**

Oil, Soybean  
 Oil, Rapeseed  
 Oil, Palm  
 Oil, Palm Kernel

Total vegetable oil production in MY 2025/2026 is forecast one percent higher to 2.0 MMT based on increased oil demand for household and industrial use. Sources indicate that expected low crush margins are likely to limit growth in domestic vegetable oil production. Lower soybean meal and oil prices—driven by higher crush rates in major producing countries—cut into crushers' profits. As a net oilseed importer, Mexico faces added production costs from exchange rate fluctuations and logistics fees.

Domestic vegetable oil production accounts for roughly 65 percent of total domestic use. Soybean oil leads vegetable oil production at about 53 percent, followed by palm oil at 18 percent, rapeseed oil at 16 percent, and palm kernel oil at seven percent. Other oils—safflower, coconut, olive, and avocado—make up the remaining six percent. Over the last ten years, soybean oil's share of vegetable oil production grew from 40 to 53 percent, driven by price competitiveness, abundant soybean supplies, and higher demand for soybean meal in feed. Meanwhile, rapeseed oil's share dropped from 35 to 16 percent due to supply variability and lower cost efficiency. Palm oil's share increased from 15 to 18 percent, fueled by expanded planted area, improved yields, and greater processing capacity.

Based on expectations of continued low crush margins, total vegetable oil imports in MY 2025/2026 are forecast to increase three percent to 1.3 MMT due to higher demand from the food industry and households, while exports are forecast stable at 96,000 MT.

Total vegetable oil consumption in MY 2025/2026 is forecast to rise one percent to 3.2 MMT. Per capita consumption of vegetable oils in 2024 is estimated at 11.5 liters per person. Approximately 60 percent of the total vegetable oil market demand is driven by the HRI and industrial food processing sectors and 40 percent by household consumption.

Soybean oil leads with 37 percent market share, followed by palm oil at 33 percent, rapeseed oil at 19 percent, palm kernel oil at five percent, corn oil at one percent, and other vegetable oils at five percent. Olive, avocado, and pumpkin seed oils are expected to see increased demand due to their nutrient profiles, though they currently make up about two percent of total use. Over the past decade, soybean oil has consistently led, accounting for 35 to 40 percent of total vegetable oil consumption. Palm oil, driven by affordability, broader industrial uses, and greater domestic production, has overtaken canola oil to secure second place.

Though household vegetable oil demand is less affected by macroeconomic conditions, factors such as population growth, lower inflation, increased disposable incomes, and lower interest rates are expected to boost vegetable oil consumption in households and the HRI sector. Vegetable oils are not used for biofuel in Mexico due to the absence of a significant industry for plant-based fuels in Mexico.

## Soybean, Oil

**Table 13. Mexico: Production, Supply and Distribution of Soybean Oil**

Oil, Soybean Market Year Begins Mexico	2023/2024		2024/2025		2025/2026	
	Sep 2023		Sep 2024		Sep 2025	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
<b>Crush</b> (1000 MT)	6530	6530	6650	6550	0	6700
<b>Extr. Rate, 999.9999</b> (PERCENT)	0.1845	0.1845	0.1845	0.1847	0	0.1846
<b>Beginning Stocks</b> (1000 MT)	173	173	114	114	0	119
<b>Production</b> (1000 MT)	1205	1205	1227	1210	0	1237
<b>MY Imports</b> (1000 MT)	100	100	175	175	0	195
<b>Total Supply</b> (1000 MT)	1478	1478	1516	1499	0	1551
<b>MY Exports</b> (1000 MT)	94	94	40	60	0	60
<b>Industrial Dom. Cons.</b> (1000 MT)	0	0	0	0	0	0
<b>Food Use Dom. Cons.</b> (1000 MT)	1270	1270	1310	1320	0	1350
<b>Feed Waste Dom. Cons.</b> (1000 MT)	0	0	0	0	0	0
<b>Total Dom. Cons.</b> (1000 MT)	1270	1270	1310	1320	0	1350
<b>Ending Stocks</b> (1000 MT)	114	114	166	119	0	141
<b>Total Distribution</b> (1000 MT)	1478	1478	1516	1499	0	1551
(1000 MT), (PERCENT)						

### Production

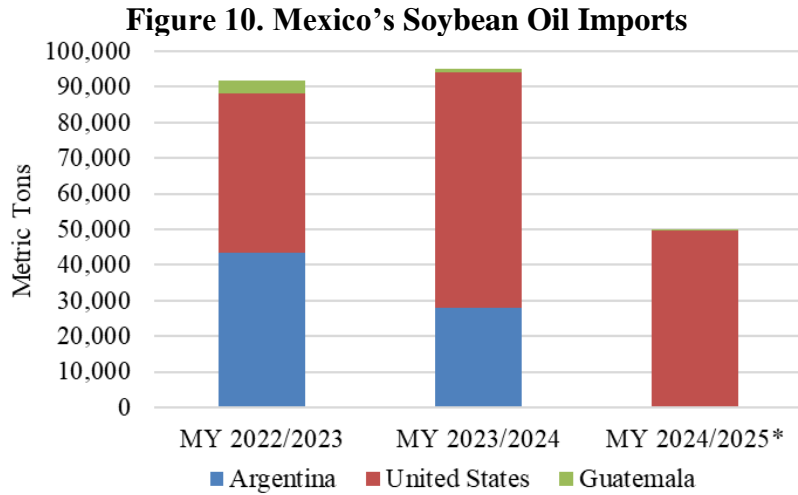
Soybean oil production in MY 2025/2026 (September – August) is forecast two percent higher year-on-year at 1.24 MMT based on expected growth in the food industry and increased investment in the sector during previous marketing years. Soybean oil is expected to remain the top vegetable oil produced domestically. According to contacts, greater investment in infrastructure and equipment in MY 2023/2024 and MY 2024/2025 is expected to increase soybean oil production.

In MY 2024/2025, soybean oil production is estimated stable year-on-year at 1.21 MMT based on limited crush margins and lower prices of imported soybean oil.

### Trade

Soybean oil imports in MY 2025/2026 are forecast at 195,000 MT, eleven percent higher year-on-year based on increased demand from the food industry. Historically, Mexico has imported over 95 percent of its soybean oil from the United States. However, from 2022 to 2024, U.S. soybean oil exports averaged 55 percent of total imports, while Argentina's share rose to 44 percent, up from 15 percent between 2020 and 2022, due to the inclusion of soybean oil in the Presidential Anti-Inflation Decree (see policy section). Prior to this measure, soybean oil imports from non-free trade agreement countries like Argentina and Brazil were subject to a five percent tariff when entering the Mexican market. The decree is valid through December 31, 2025.

In MY 2024/2025, soybean oil imports are estimated 75 percent higher year-on-year to 175,000 MT based on lower prices compared to other vegetable oils and higher exportable supplies in top-producing countries. From September 2024 through January 2025, Mexico imported 49,665 MT of soybean oil from the United States and 1,063 MT from other countries, 64 percent higher than the previous year. Sources indicate that U.S. soybean oil prices are competitive due to higher crush rates and exportable supplies.



\*From September 2024 through January 2025  
 Source: Trade Data Monitor

### Consumption

Total soybean oil consumption in MY 2025/2026 is forecast two percent higher at 1.4 MMT based on population growth and expected price competitiveness. Soybean oil ranks first among vegetable oil consumption with roughly 37 percent of market share in MY 2024/2025. The food processing industry and households are the main consumers of refined soybean oil. It also remains the main oil used for vegetable oil blends. The food processing industry is expected to maintain steady growth, particularly in the snack food, baked goods, and fast-food sectors, which use soybean oil as a key ingredient.

In MY 2024/2025 consumption is estimated four percent higher at 1.3 MMT based on competitive prices and widespread availability compared to palm oil and canola oil.

### Stocks

Crushers and oil processing companies are likely to increase stocks, anticipating supply disruptions due to logistical delays. Ending stocks in MY 2025/2026 are forecast 18 percent higher at 141,000 MT. In MY 2024/2025 stocks are estimated four percent higher at 119,000 MT.

## Rapeseed, Oil

**Table 14. Mexico: Production, Supply and Distribution of Rapeseed Oil**

Oil, Rapeseed Market Year Begins Mexico	2023/2024		2024/2025		2025/2026	
	Oct 2023		Oct 2024		Oct 2025	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
<b>Crush</b> (1000 MT)	1115	1115	1220	910	0	880
<b>Extr. Rate, 999.9999</b> (PERCENT)	0.4	0.4	0.4	0.4	0	0.4
<b>Beginning Stocks</b> (1000 MT)	62	62	26	26	0	15
<b>Production</b> (1000 MT)	446	446	488	364	0	352
<b>MY Imports</b> (1000 MT)	216	216	225	225	0	220
<b>Total Supply</b> (1000 MT)	724	724	739	615	0	587
<b>MY Exports</b> (1000 MT)	3	3	5	5	0	5
<b>Industrial Dom. Cons.</b> (1000 MT)	0	0	0	0	0	0
<b>Food Use Dom. Cons.</b> (1000 MT)	695	695	710	595	0	575
<b>Feed Waste Dom. Cons.</b> (1000 MT)	0	0	0	0	0	0
<b>Total Dom. Cons.</b> (1000 MT)	695	695	710	595	0	575
<b>Ending Stocks</b> (1000 MT)	26	26	24	15	0	7
<b>Total Distribution</b> (1000 MT)	724	724	739	615	0	587
(1000 MT), (PERCENT)						

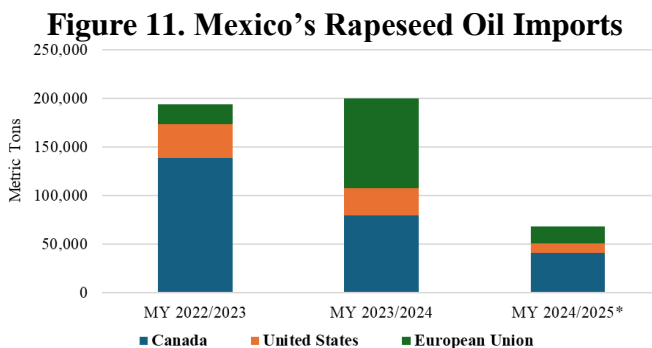
### Production

Rapeseed oil production in MY 2025/2026 is forecast three percent lower at 352,000 MT. According to industry sources, rapeseed crush is expected to decrease based on higher prices and lower importable supplies relative to soybeans. If price conditions permit, major crushers can swap portions of production between rapeseed and soybeans.

In MY 2024/2025, rapeseed oil production is estimated 18 percent lower at 364,000 MT based on decreased crush amid lower prices and preference for soybeans and products by the feed and food industries. The estimated production is the lowest in 22 years.

### Trade

Imports in MY 2025/2026 are forecast two percent lower at 220,000 MT based on expected higher prices compared to soybean oil. Over the last decade, Canada's rapeseed oil market share averaged 74 percent. In 2024, it dropped to 43 percent, down from 64 percent in 2023, due to increased imports from the European Union (EU), especially the Netherlands and France.



Source: Trade Data Monitor

In MY 2024/2025, imports are estimated four percent higher to 225,000 MT due to increased industrial demand on price competitiveness and suitability for vegetable oil blends. From October 2024 to January 2025, imports of Canadian-origin canola oil totaled 41,901 MT, EU rapeseed oil reached 17,879 MT, and U.S. rapeseed oil imports totaled 9,398 MT.

### **Consumption**

Total rapeseed oil consumption in MY 2025/2026 is forecast three percent lower at 575,000 MT based on expected higher prices compared to soybean oil. Sources indicate that rapeseed oil, the third most consumed vegetable oil, is losing market share due to higher prices and lower exportable supplies from major producers.

In MY 2024/2025, consumption is estimated 14 percent lower at 595,000 MT based on lower crush and preference for soybean oil by the food industry, HRI sector, and households.

### **Stocks**

Crushers and oil refiners maintain low crude rapeseed oil stocks due to limited storage capacity. Additionally, less imports are expected to result in less product held in stocks. Ending stocks in MY 2025/2026 are forecast 53 percent lower at 7,000 MT. In MY 2024/2025, ending stocks are estimated to decrease by 42 percent to 15,000 MT.

## Palm, Oil

**Table 15. Mexico: Production, Supply and Distribution of Palm Oil**

Oil, Palm Market Year Begins Mexico	2023/2024		2024/2025		2025/2026	
	Jan 2024		Jan 2025		Jan 2026	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
<b>Area Planted</b> (1000 HA)	0	133	0	135	0	138
<b>Area Harvested</b> (1000 HA)	90	133	90	135	0	138
<b>Trees</b> (1000 TREES)	0	0	0	0	0	0
<b>Beginning Stocks</b> (1000 MT)	200	200	145	212	0	222
<b>Production</b> (1000 MT)	235	395	240	410	0	420
<b>MY Imports</b> (1000 MT)	627	682	600	700	0	710
<b>Total Supply</b> (1000 MT)	1062	1277	985	1322	0	1352
<b>MY Exports</b> (1000 MT)	27	25	25	30	0	30
<b>Industrial Dom. Cons.</b> (1000 MT)	460	620	460	640	0	650
<b>Food Use Dom. Cons.</b> (1000 MT)	430	420	375	430	0	440
<b>Feed Waste Dom. Cons.</b> (1000 MT)	0	0	0	0	0	0
<b>Total Dom. Cons.</b> (1000 MT)	890	1040	835	1070	0	1090
<b>Ending Stocks</b> (1000 MT)	145	212	125	222	0	232
<b>Total Distribution</b> (1000 MT)	1062	1277	985	1322	0	1352
<b>Yield</b> (MT/HA)	2.6111	2.9699	2.6667	3.037	0	3.0435
(1000 HA), (1000 TREES), (1000 MT), (MT/HA)						

### Production

Palm oil production in MY 2025/2026 (January – December 2026) is forecast two percent higher at 420,000 MT based on expectations of an increased number of matured trees. Due to increased planted areas in Chiapas and Tabasco in MY 2022/2023, farmers expect these palm oil trees to begin producing FFB for oil extraction in the forecast year. According to FEMEXPALMA, about 90 percent of palm oil tree farmers are small and medium producers with less than 50 HA. However, limited investment in technology, limited labor availability, rising insecurity, and a lack of public policy to support palm oil production constrain growth.

In MY 2024/2025 (January – December 2025), production is estimated to rise four percent to 410,000 MT, driven by average precipitation, tree maturation, and continued high yields in Chiapas. After a year of below-average precipitation and lower yields in Tabasco, which accounts for 22 percent of national production, producers expect improved weather conditions and higher output. The Soconusco region in Chiapas, the largest producer nationwide, accounts for 26 percent of the planted area and 33 percent of national FFB production. Sources indicate that mature trees (over 25 years old) continue to produce at peak levels, while newly matured trees further boost overall palm oil production.

Mexico currently holds 20 palm oil mills in production states Chiapas (13), Tabasco (4), Campeche (2), and Veracruz (1). Estimated installed capacity in 2024 was 3.0 MMT of FFB. Crushing capacity in 2024 was at 66 percent of use. There are three more palm oil mills under construction expected to add to crushing capacity in the next few years.

## **Trade**

Palm oil imports in MY 2025/2026 are forecast one percent higher at 710,000 MT (mostly crude palm oil) based on increased demand from the industrial and food industries. Over the last five years, palm oil from Central and South American countries (primarily crude palm oil) accounted nearly 80 percent of total imports. More than half of palm oil imports were from Central America led by Costa Rica (19 percent), Guatemala (17 percent), Honduras (11 percent), and Nicaragua (10 percent), followed by Colombia (15 percent) and other small suppliers including Indonesia, Peru, and Malaysia. Asian suppliers such as Indonesia and Malaysia provide mostly refined palm oil.

In MY 2024/2025 (January 2025 – December 2025), imports are estimated three percent higher at 700,000 MT. According to contacts, despite recent higher prices of palm oil compared to soybean oil, Mexican palm oil refiners plan most purchases over a year in advance to mitigate price volatility and ensure supplies.

## **Consumption**

Palm oil consumption in MY 2025/2026 is forecast two percent higher at 1.09 MMT due to increased industrial demand. Sources report that about 80 percent of refined palm oil is sold in bulk to industries such as bakery, snacks, infant formula, beverages, frozen food, and hygiene products, while 20 percent is bottled for the restaurant and household sectors. Food-grade palm olein (the liquid fraction of crude palm oil) enhances products like pastry dough, chocolate, and snacks with solid fat and longer shelf life. Palm stearin (the solid fraction) is used in ice cream, processed foods, soap, cosmetics, and candles.

In MY 2024/2025, consumption is estimated three percent higher at 1.07 MMT based on higher demand from industry on population growth and higher average household income. The processed food, confectionery, dairy alternatives, and food service sectors are the major consumers of palm oil.

## **Stocks**

Palm oil processors are likely to hold more stocks due to expectations of higher prices compared to other vegetable oils. Ending stocks in MY 2025/2026 are forecast five percent higher at 232,000 MT. In MY 2024/2025, ending stocks are estimated to rise five percent to 222,000 MT.

## *Palm Kernel, Oil*

**Table 16. Mexico: Production, Supply and Distribution of Palm Kernel (Oil)**

Oil, Palm Kernel Market Year Begins Mexico	2023/2024		2024/2025		2025/2026	
	Jan 2024		Jan 2025		Jan 2026	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
<b>Crush</b> (1000 MT)	0	75	0	76	0	77
<b>Extr. Rate, 999.9999</b> (PERCENT)	0	0.4267	0	0.4342	0	0.4416
<b>Beginning Stocks</b> (1000 MT)	0	0	0	0	0	0
<b>Production</b> (1000 MT)	0	32	0	33	0	34
<b>MY Imports</b> (1000 MT)	100	108	100	120	0	130
<b>Total Supply</b> (1000 MT)	100	140	100	153	0	164
<b>MY Exports</b> (1000 MT)	0	1	0	1	0	1
<b>Industrial Dom. Cons.</b> (1000 MT)	100	139	100	152	0	163
<b>Food Use Dom. Cons.</b> (1000 MT)	0	0	0	0	0	0
<b>Feed Waste Dom. Cons.</b> (1000 MT)	0	0	0	0	0	0
<b>Total Dom. Cons.</b> (1000 MT)	100	139	100	152	0	163
<b>Ending Stocks</b> (1000 MT)	0	0	0	0	0	0
<b>Total Distribution</b> (1000 MT)	100	140	100	153	0	164
(1000 MT), (PERCENT)						

### **Production**

Palm kernel oil (PKO) production in MY 2025/2026 (January – December 2026) is forecast to increase three percent to 34,000 MT. Since PKO is a co-product of the palm oil extraction process, its production is closely linked to palm oil output and the investments made by palm oil mills to optimize production. As a result, increased FFB and anticipation of higher prices is expected to encourage palm oil mills to improve their processing efficiency and increase PKO production.

In MY 2024/2025 (January – December 2025), PKO production is estimated to rise three percent to 33,000 MT due to higher investments in mill optimization for improved oil extraction and sustained industrial demand based on price competitiveness compared to substitutes, such as coconut oil.

### **Trade**

Palm kernel oil imports in MY 2025/2026 are forecast to increase eight percent to 130,000 MT due to higher demand from the food industry and HRI sectors. Over the past five years, Colombian palm kernel oil has accounted for an average of 29 percent of total imports, followed by Guatemala at 24 percent, Costa Rica at 17 percent, and Honduras at 15 percent. Other suppliers include Indonesia, Panama, Malaysia, Nicaragua, and Peru. In MY 2024/2025, imports are estimated to rise by eleven percent to 120,000 MT based on updated trade data and driven by higher demand from the processed food industry.

### **Consumption**

Palm kernel oil consumption in MY 2025/2026 is forecast seven percent higher at 163,000 MT based on increased demand from the processed food industry and the HRI sector. The confectionery, bakery, and cosmetics industries are the largest consumers of palm kernel oil. Population growth and rising

minimum wages are expected to boost demand for confectionery, baked goods, dairy, and infant formula products among lower-income populations.

In MY 2024/2025, consumption is estimated to increase by nine percent to 152,000 MT. Sources indicate that higher palm kernel oil demand is driven by estimated lower prices compared to coconut oil, the main substitute product.

### **Stocks**

Current palm kernel oil stocks held by palm oil processors are operating stocks to meet short-term demand. There are no government-held stocks of palm kernel oil in Mexico.

## POLICY (all oilseeds)

### Mexico's 2025 Agricultural Budget Maintains Focus on Social Programs

The 2025 fiscal year budget for the Secretariat of Agriculture and Rural Development (SADER) is USD 3.6 billion, stable from the previous year but four percent lower in real terms. Nearly 75 percent of the budget is allocated to social assistance programs, which offer benefits to small-scale producers, including free fertilizers, cash support, and food assistance for low-income families. The federal budget is expected to have a limited impact on domestic oilseed production.

(See: [GAIN MX2025-0012](#))

### Labeling Proposal for Genetically Engineered (GE) Products

On March 20, senators from the ruling Morena party [proposed legislation](#) to mandate front-of-package warning labels for products containing GE ingredients. The proposed measure calls for amending the Biosafety Law and the General Health Law, requiring prominent labels on all GE- containing foods, cosmetics, and beverages. The legislation seeks to eliminate Article 101 of the Biosafety Law, which currently limits labeling to products that differ substantially from their conventional counterparts. If the full Senate accepts the proposal for further consideration, the legislation will be reviewed by Senate committees.

### Presidential Anti-Inflation Decree

On December 31, 2024, the GOM [published a decree to extend the exemption of tariffs and easing of administrative procedures](#) for the importation of basic food products. The decree will continue to provide non-free trade agreement partners tariff free access to Mexico's market that the United States receives under the United States-Mexico-Canada Agreement (USMCA). The benefits apply to companies who are part of the 'Register of Importers of Products of the Basic Basket.' The extension is valid through December 31, 2025, but companies registered under the program may use the benefits of the decree until March 31, 2026. (See: [GAIN MX2025-0011](#)).The oilseeds and related products with duty-free access included in the decree are listed below.

Note: In the table below, "Ex." represents the term "Exempt".

Code	Product	Tariff	Notes
<b>15.07</b>	<b>Soybean oil and its fractions, whether or not refined, but not chemically modified.</b>		
1507.90.99	Others.	Ex.	
<b>15.12</b>	<b>Sunflower-seed, safflower or cottonseed oil and fractions thereof, whether or not refined, but not chemically modified.</b>	Ex.	
1512.19.99	Others.	Ex.	
<b>15.15</b>	<b>Other fats and oils and their</b>	Ex.	

	<b>fractions, vegetable (including jojoba oil) or of microbial origin, fixed, and their fractions, whether or not refined, but not chemically modified.</b>		
1515.29.99	Others.	Ex.	

**For More Information**

Visit the FAS headquarters' home page at [www.fas.usda.gov](http://www.fas.usda.gov) for a complete selection of FAS worldwide agricultural reporting.

Other Relevant Reports Submitted by FAS/Mexico include:

<b>Report Number</b>	<b>Title</b>	<b>Dated</b>
<a href="#">MX2024-0019</a>	Oilseeds and Products Annual	4/9/2024
<a href="#">MX2023-0014</a>	Oilseeds and Products Annual	4/24/2023
<a href="#">MX2023-0013</a>	Mexico Approves a Decree to Reduce Trans Fats	3/30/2023
<a href="#">MX2022-0024</a>	Oilseeds and Products Annual	5/9/2022
<a href="#">MX2021-0063</a>	Mexico Announces Temporary Tariff Rate Quota for Soybeans	10/16/2021

Additionally, the FAS International Production Assessment Division Crop Explorer provides information on Mexico’s oilseeds production:

- [Soybean Explorer](#)
- [Rapeseed Explorer](#)
- [Palm Oil Explorer](#)
- [Sunflower Explorer](#)
- [Peanut Explorer](#)

**Attachments:**

No Attachments