

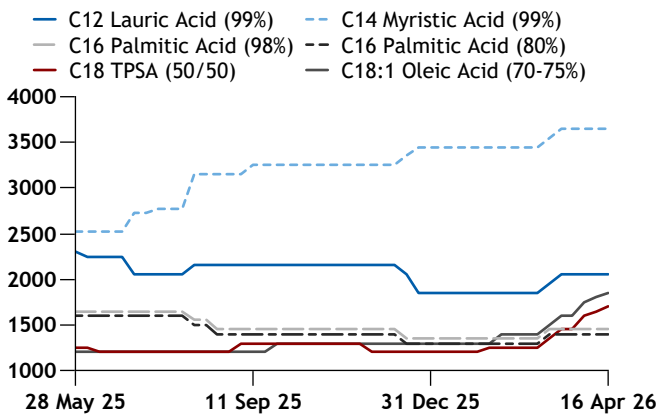
OUTLOOK

- C18 stearic and oleic grades continue to firm
- Ongoing uncertainty over US policies impacts sentiment
- Palm oil supply growth faces structural constraints

HISTORICAL PRICING

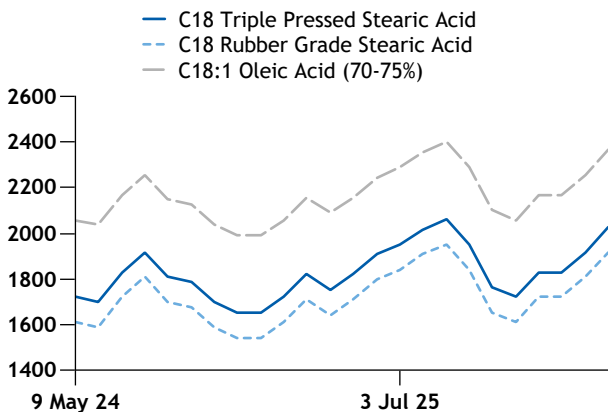
Select historical Asia spot pricing

\$/t



Historical US contract pricing

\$/t



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PRICES

Asia spot		\$/t		€/lb	
	Δ			Δ	
C8/10 Blend Caprylic Capric Acid					
FOB SE Asia Drums	◀▶	3,050	3,350	◀▶	138.35 151.95
C8 Caprylic Acid (99%)					
FOB SE Asia Drums	◀▶	4,300	4,400	◀▶	195.04 199.58
C10 Capric Acid (98-99%)					
FOB SE Asia Drums	◀▶	2,800	3,000	◀▶	127.01 136.08
C12 Lauric Acid (99%)					
FOB SE Asia Bagged	◀▶	2,000	2,100	◀▶	90.72 95.25
C14 Myristic Acid (99%)					
FOB SE Asia Bagged	◀▶	3,600	3,700	◀▶	163.29 167.83
C16 Palmitic Acid (80%)					
FOB SE Asia Bagged	◀▶	1,350	1,450	◀▶	61.24 65.77
C16 Palmitic Acid (98%)					
FOB SE Asia Bagged	◀▶	1,400	1,500	◀▶	63.50 68.04
C18:1 Oleic Acid (70-75%)					
FOB SE Asia Drums	▲+50	1,750	1,950	▲+50	79.38 88.45
C18 Stearic Acid Triple Pressed (50/50)					
FOB SE Asia Bagged	▲+50	1,650	1,750	▲+50	74.84 79.38
C18 Stearic Acid Triple Pressed (38-42)					
FOB SE Asia Bagged	▲+50	1,600	1,700	▲+50	72.57 77.11

China spot prices		\$/t*				
		13-Mar	20-Mar	27-Mar	3-Apr	10-Apr
C18 Stearic Acid						
N.E. China EXW		1,508	1,533	1,527	1,570	1,580

*USD/MT, Includes 13% VAT

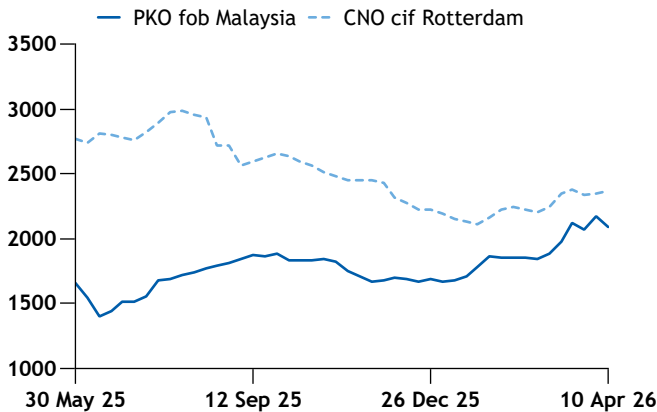
US Contract (Apr)		€/lb		\$/t	
	Δ			Δ	
C16 Palmitic Acid (80%)					
DEL Midwest	▲+3.00	83.75	95.75	▲+3.00	1,846 2,111
C16 Palmitic Acid (98%)					
DEL Midwest	▲+3.00	89.75	99.75	▲+3.00	1,979 2,199
C18 Triple Pressed Stearic Acid					
US DEL Midwest	▲+5.00	89.00	95.00	▲+5.00	1,962 2,094
C18 Rubber Grade Stearic Acid					
US DEL Midwest	▲+5.00	84.00	90.00	▲+5.00	1,852 1,984
C18:1 Oleic Acid					
US DEL Midwest	▲+5.00	102.50	112.25	▲+5.00	2,260 2,475

Northwest Europe spot prices		\$/t		
	Δ	Prices	Δ	
C18:1 Oleic Acid				
CIF NWE Isotanks	◀▶	1,850	1,950	◀▶
C18 Stearic Acid Triple Pressed				
CIF NWE Bagged	◀▶	1,800	1,900	◀▶

ASIA

Prices for both C18:1 oleic and C18 stearic acid grades have been on a steady climb due to tightening supply seen in southeast Asia. Some sources note that suppliers have reduced production of these grades due to higher energy costs since the onset of the war in Iran.

CNO vs PKO, weekly average \$/t

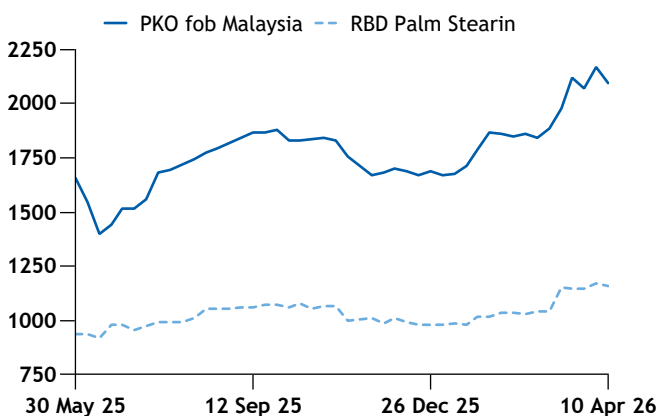


While prices for the other grades of fatty acids are currently holding steady due to low activity in the market as participants take a cautious approach to making new deals.

In industry news, Thailand adjusted the biodiesel content from B5 to B7 in March and has announced restrictions on crude palm oil (CPO) exports from 7 April, with the measure set to remain in force for one year, according to a document published by the country's department of foreign trade.

CPO exporters will be required to obtain an export permit for each shipment in line with existing rules, but the restrictions do not amount to an outright ban. Only unrefined CPO exports under the harmonised system (HS) code 1511.10.00 will be subject to these limits.

RBD palm stearin vs PKO, weekly average \$/t



Thailand, the world's third-largest producer of CPO, produced 3.9mn t in 2025, according to data from the department of internal trade. The country has not yet implemented a monthly export quota for CPO, which is set at 120,000-200,000t for April.

China

Malaysia's palm oil production growth is unlikely to be sustained beyond 2025, which will continue to underpin China's import prices.

The strong palm oil output recorded in 2024 and expected in 2025 reflects post-pandemic normalisation rather than a new supply trend, speakers said at an oilseed industry conference in Chengdu, China.

The production increase in 2025 was supported by easier issuance of foreign worker visas and higher fertilizer application, both of which raised yields from depressed levels during Covid-related disruptions. These factors are not expected to deliver further significant gains this year.

Structural indicators point to weaker medium-term production growth. Replanting rates in Malaysia have fallen to around 2.5pc, well below the long-term average of about 4 pc/yr, because farmers are reluctant to let go of the profit margins, which are currently at high levels. Low replanting rates raise the risk of ageing plantations, weighing on yields in the coming years. Under typical plantation cycles, trees enter high yield phases several years after planting, which means today's under-investment in replanting will constrain output growth later in the decade.

Constraints on land use have also been tightening, speakers at the conference said. Increasing requirements for traceability and certification are limiting expansion of planted areas in southeast Asia. How authorities define and enforce "illegal" plantation land remains a critical uncertainty. Close to half of existing plantations may be brought under state ownership after 2026, according to some estimates, but the impact on production is not yet clear.

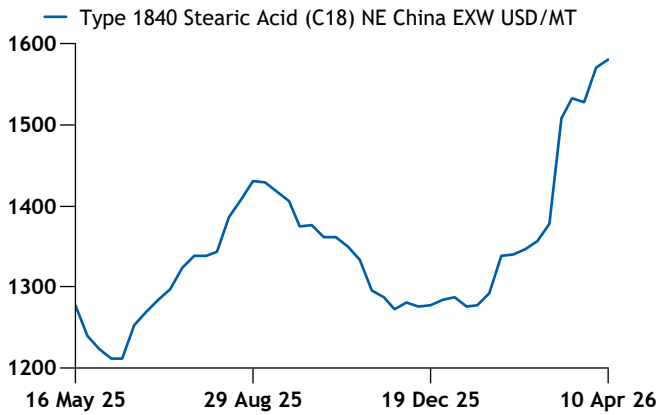
The prospect of slowing palm oil supply growth reinforces a firm import price outlook for China.

China's palm oil import prices are likely to remain at elevated levels compared with other vegetable oils given that Malaysia's output is turning towards a structural plateau and that Indonesia's incremental gains are limited. Constrained upstream supply is expected to provide a floor for China's palm oil import values into 2026, particularly during periods of seasonal tightness.

ASIA (CONTINUED)

Triple pressed C18 stearic acid prices have been holding steady around \$1,580/t exw northeast China.

China spot C18 stearic prices \$/t



India

India's edible oil import mix is expected to shift towards more palm oil and soybean oil (SBO) shipments and less sunflower oil (SFO) imports in the 2026-27 marketing year (October-November), according to the US Department of Agriculture's Foreign Agricultural Service (FAS).


India – the world's largest vegetable oil importer – is projected to raise total edible oil imports to 16.9mn t in 2026-27, up from an estimated 16.4mn t in 2025-26. The increase would be driven by strong food demand, lower domestic oilseed output and a cut in crude edible oil import duties which are expected to stay.

Palm oil imports – India's dominant inbound oil – are forecast at 9mn t in 2026-27, up by 3pc from 8.7mn t in the current season. Lower palm oil benchmark prices in Indonesia and Malaysia since late 2025, along with greater global


availability after changes in Indonesia's biodiesel subsidy structure, have strengthened its competitive position in India.

Argus Sulphuric Acid Analytics


Medium to long-term analysis and outlook



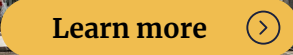
Price forecasts
(15-25 years)




Supply, demand,
trade forecasts
(15 years)



Cost curves
and projects
analysis





Quarterly reports and data | Annual long-term report

US

Demand for C18:1 oleic and C18 stearic acids has risen because of supply tightness in those cuts and many buyers are stocking up before the potential anti-dumping duties come in.

Producers in southeast Asia were not operating at full capacity last year. Entering the new year, producers initially showed some optimism regarding demand recovery. However, this has not materialised, and current operating rates are around 80pc of capacity according to a market participant.

US-based Vantage Specialty Chemicals filed anti-dumping and countervailing duty petitions with the US Department of Commerce and the USITC earlier this year, over imports of certain fatty acids from Indonesia and Malaysia.

Earlier in April, the USITC found a reasonable indication that the domestic industry has suffered material injury from imports of fatty acids from Indonesia and Malaysia. The finding allows the US Department of Commerce to proceed with its investigations into these imports. Market participants said the implementation of anti-dumping was a likely scenario.

According to a market source, provisional tariffs are likely to be introduced first in the US, on top of the existing 10pc tariff. These would be followed by the full anti-dumping duty implementation in the following year. However, it has still not been confirmed by the US authorities.

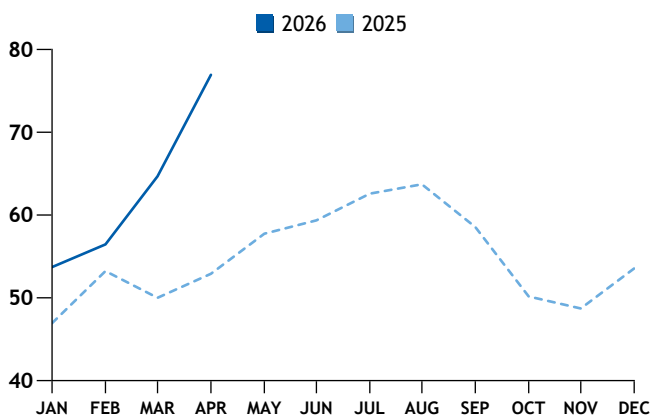
US tallow based contract prices climbed in March, sup-

US (CONTINUED)

ported by rising tallow feedstock costs and higher energy costs due to the war. Palm based contract prices also gained as palm feedstock costs went up through March.

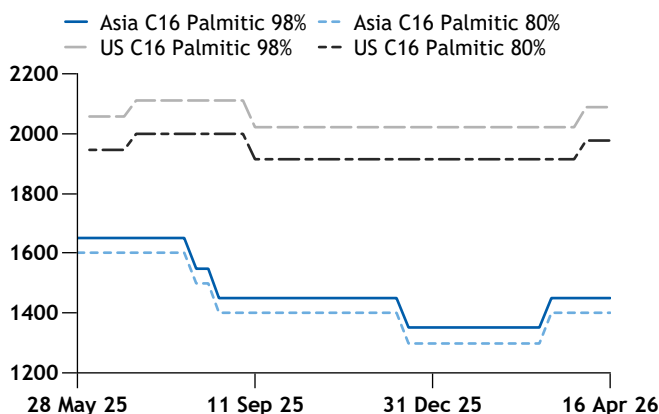
All major US renewable diesel feedstocks rose to more than two year highs in March, tracking a sharp surge in energy prices following the US Iran war. While strong price gains in animal fats and used cooking oil have also been driven by US biofuel policy, suggesting elevated values could persist even if regional tensions ease.

Tallow monthly average prices ¢/lb



The US Department of Agriculture reported a year-on-year decline in cattle slaughter rates, with hog and poultry numbers also trending downward. This shift reflects a broader consumer pattern in the US, where plant-based alternatives in personal care and cleaning products are gaining popularity.

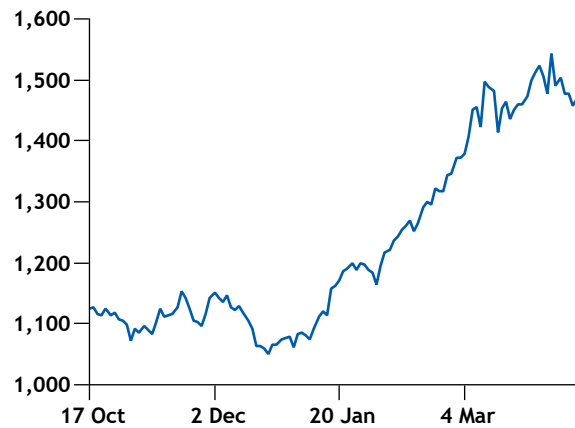
C16 fatty acids, US & Asia pricing spreads \$/t



Cattle slaughter rates including calves were reported at 525,943 for the week ending 28 March, compared to 610,992 from a year earlier.

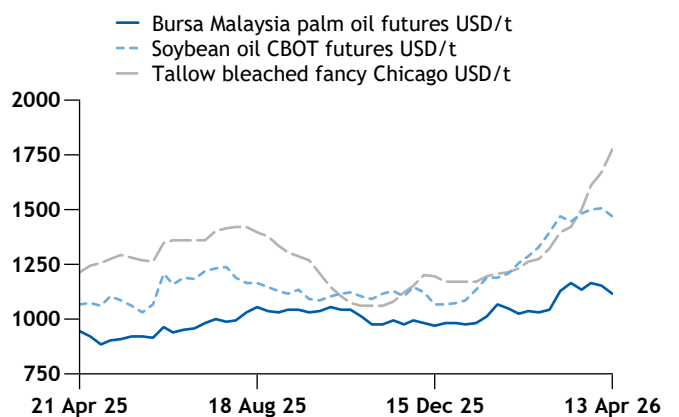
Slaughter volumes provide insight into supplies of rendered fats, which are used as soaps, animal feed and feedstocks for renewable biofuels and oleochemicals. About 50pc of a slaughtered animal is used for human consumption and the remaining half is rendered.

Soybean oil futures ¢/lb



There has been a sharp increase in US truck costs due to the recent spike in gasoline prices. Rates from the US Gulf to the Midwest have been heard 12-14¢/lb, while US Gulf to the east coast rates were discussed at 15-18¢/lb. Participants note that US rail costs are still heard at about 7-8¢/lb, depending on destination, as rail costs don't tend to move up as promptly as truck rates.

CPO vs soybean oil vs tallow, weekly average \$/t



In other vegetable oil markets, SBO futures contracts on the CME traded around 67.31¢/lb for July.

Mass balance premium
Mass Balance premium for volume sold with certification is heard at 5-9 ¢/lb.

*Truck freight from the US Gulf to Midwest generally ranges 12-14 cents/lb
Truck freight from the US Gulf to East Coast generally ranges 15-18 cents/lb*

EUROPE

The European fatty acids market is holding stable. Values have recently climbed due to higher logistics costs, as well as higher energy prices in southeast Asia, which has pushed up prices for both C18:1 oleic acid and C18 triple pressed stearic acid.

Meanwhile, the incoming EU deforestation regulation (EUDR) has already driven action to tackle deforestation in commodity supply chains, ahead of its scheduled implementation at the end of this year, a report from non-profit Global Canopy said.

Of the 500 companies that Global Canopy assessed, 68 cited the EUDR "in public documents related to setting deforestation commitments, implementing traceability mechanisms, conducting deforestation-related risk assessments and participating in collaborative initiatives", the report found. The non-profit found 45 companies directly cited the EUDR "as a driver for action on traceability mechanisms taken in 2025".

The EUDR requires companies to prove that imported products did not come from deforested areas. It covers "forest risk" commodities cattle, cocoa, coffee, palm oil, soy, timber, rubber and their related products. Large operators

and traders must comply from 30 December 2026, while smaller firms – fewer than 50 employees and with annual turnover below €10mn (\$11.7mn) – have until 30 June 2027.

Global Canopy's annual Forest 500 report assesses actions taken by 500 companies in the global trade of beef, cocoa, coffee, leather, palm oil, pulp and paper, rubber, soy and timber. Production of these commodities was linked to 68pc of global deforestation in 2013-23, research for science journal Nature Food found earlier this year.

The number of companies with "public evidence of a traceability mechanism" increased on the year in 2025, for eight of the nine commodities tracked, but "progress remains uneven and significant gaps persist", the report found.

Of the companies evaluated, just 19 were deemed "leaders" in 2025 – with strong deforestation commitments and implementation for all commodities they are assessed for. The majority of companies, 313, had in 2025 made only partial commitments, or achieved "weak progress" on implementation, the report found. There were 168 "laggard companies" in 2025, Global Canopy said. These have made no commitments on deforestation or land conversion for any commodity.

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TROPICAL OILS

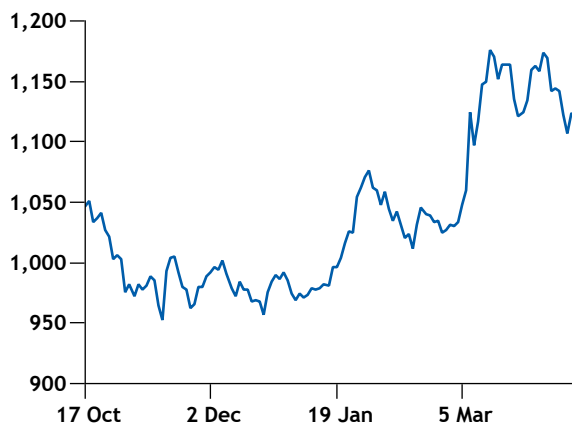
Tropical and key edible oils weekly pricing				\$/t
	2 Jan 26	3 Apr 26	10 Apr 26	Weekly trend
Fats and greases				
Crude palm oil fob Malaysia	985	1,163.64*	1,149.60	▼
Crude palm kernel oil fob Malaysia	1,671	2,168	2,095	▼
Coconut oil cif Europe	2,198	2,344	2,371	▲
RBD palm olein fob Malaysia	1,000	1,216	1,176	▼
Palm fatty acid distillate fob Malaysia	995	1,105	1,085	▼
RBD palm stearin fob Malaysia	980	1,170	1,155	▼
Rapeseed oil fob Dutch mill	1,216	1,298*	1,295	▼
Soybean oil futures CBOT	1,073	1,481*	1,504	▲
Bleached fancy tallow del Chicago	1,168	1,612*	1,669	▲
Used cooking oil				
Used cooking oil cif ARA	1,129	1,120*	1,125	▲
Used cooking oil fob China bulk	1,080	1,124*	1,130	▲

* the previous week is displayed when no trades occur

Tropical and key edible oils daily pricing				
Ticker	Description	Exchange	Date	Price
FCPO1!	Palm oil futures ringgit/t	MYX	14 Apr	4,380.00
FCPO1!	Palm oil futures \$/t	MYX	14 Apr	1,106.90
ZL1!	Soybean oil futures \$/t	CBOT	14 Apr	1,458.58

Palm oil futures

\$/t



Palm taxation

During May 2026, Malaysia's CPO exports will be subject to a 10pc duty, as the country's CPO reference price moved up for the month, triggering a change in the levies rate. The CPO reference price used to set the duty rose to 4,521.89 ringgit/t (\$1,145/t) in May 2026, up from 3,935.19 ringgit/t in April, according to the country's palm oil board.

Indonesia's CPO exports will be subject to a \$118.76/t levy and a \$148/t duty until the end of April as per the current export levy structure. The Indonesian CPO reference price moved up to \$989.63/t in April, from \$938.87/t the previous month.

MPOB

Malaysian palm oil stocks fell for a third consecutive month in March, dropping by 16pc from February to 2.27mn t, data from the Malaysian Palm Oil Board (MPOB) show.

End March stocks hit a six-month low because higher exports outpaced production. CPO stocks fell by 15pc to 1.26mn t, while processed palm oil stocks dropped by 18pc from February to 1.01mn t.

Market participants track Malaysia's palm oil stocks to gauge supply and demand because its monthly data are considered more reliable than Indonesia's. Malaysia is the world's second-largest palm oil producer after Indonesia.

Contrary to industry expectations in March, Malaysian CPO output rose by 7pc on the month to 1.38mn t, although this was down by 1pc on the year. Output in peninsular Malaysia rose by 4pc to 726,000t, by 7pc to 330,000t in Sabah and by 14pc to 321,000t in Sarawak.

Malaysian palm oil exports rose by 41pc on the month and by 54pc on the year to 1.55mn t in March.

Palm kernel oil exports increased by 72pc from February to 78,000t, while oleochemical exports rose by 23pc to 250,000t. Palm kernel cake exports fell by 5pc to 180,000t

and biodiesel exports dropped by 19pc to 12,900t.

Bursa Malaysia CPO futures rose to a 15-month high of 4,798 ringgit/t (\$1,209/t) at the end of March despite higher production and exports. A stronger global energy complex likely drove the price increase, supported by higher Indonesian palm oil export levies starting from March and the ongoing war in the Middle East.

GAPKI

Indonesian palm oil stocks fell on the year in December as exports rose from the country, according to data from the Indonesian palm oil association (Gapki).

Palm oil stocks were down 19.1pc on the year and down by 25.2pc on the month at 2.07mn t in December, Gapki data show.

Palm oil production in the country was 0.7pc lower on the year and fell by 1.1pc on the month to 4.2mn t in December. CPO output decreased by 0.9pc to 3.8mn t compared with a year earlier, while crude palm kernel oil (CPKO) output was up by 1.1pc to 365,000t over the same period.

Total exports of palm oil products went up by 41pc from a year earlier and up 67pc on the month to 2.9mn t in December. Oleochemical exports increased by 13pc on the year to 485,000t, with all other exported palm oil products rising compared with the same month in 2024.

TROPICAL OILS (CONTINUED)

Indonesia's domestic consumption of palm oil fell by 8.5pc year on year to 2mnt in December, while the amount of palm oil used for biodiesel decreased by 3.5pc to 1mn t in the same period.

ECONOMIC VIEW

US consumer prices accelerated in March, with the Consumer Price Index (CPI) for all urban consumers rising 0.9pc on a seasonally adjusted basis, up from a 0.3pc increase in February, according to the US Bureau of Labor Statistics.

On a year-on-year basis, the headline index rose 3.3pc before seasonal adjustment. The increase was driven largely by energy prices, which climbed 10.9pc over the month. Gasoline led the surge, jumping 21.2pc between February and March – the largest monthly increase since records began in 1967. Fuel oil prices also surged, rising more than 30pc in their steepest monthly increase since February 2000.

The CPI is a measure of inflation that tracks how the prices paid by urban consumers change over time across a representative basket of goods and services, including food, energy, housing, healthcare, and transportation.

Meanwhile, the US president Donald Trump said he would delay a planned massive attack against Iran's civilian and energy sites by two weeks if Iran agrees to allow free transit through the strait of Hormuz.

Trump made the announcement an hour before an 8pm ET deadline he set for starting a campaign to destroy "every" bridge and power plant in Iran. Pakistani prime minister Shehbaz Sharif previewed the move by announcing, hours earlier, that diplomacy between the US and Iran made progress and suggesting that the sides to the war agree to a two-week ceasefire.

Trump asserted that the US already met its military objectives and "are very far along with a definitive Agreement concerning Longterm PEACE with Iran, and PEACE in the Middle East." He further said that Iran submitted a 10-point

proposal that he described as workable.

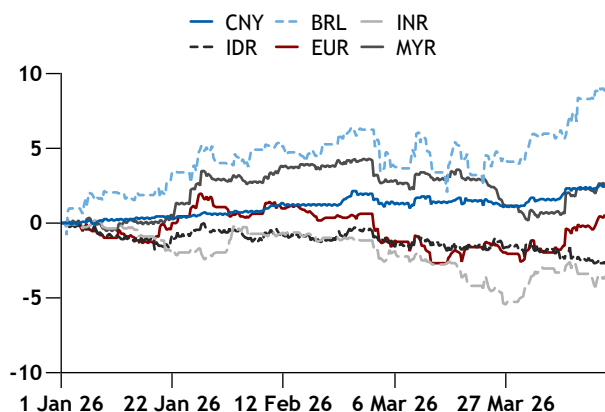
The US vice-president, JD Vance, led the American negotiating team during talks with Iran in Pakistan that failed to reach an agreement on 12 April. But, following the negotiations, Vance said the ball remains in Iran's court over the prospect of more talks with the US.

With the ceasefire still in place, the Iran war has for the time being morphed into a battle of two competing powers, and the global economy continues to be plagued by uncertainty as a result.

Currency

The US dollar jumped against other major currencies, as investors sought the relative safety of the greenback after discussions between Washington and Tehran failed to yield a peace deal.

Key oleochemical currencies' performance vs \$ ±%YTD



SHIPPING AND LOGISTICS

The strait of Hormuz remains largely unpassable despite a ceasefire the US and Iran announced on 7 April that nominally called for it to be fully reopened. The US and Iran are far apart on the actual terms of the ceasefire, with Iran planning to charge a fee for vessels passing through the waterway to fund what it calls 'war reparations'.

Donald Trump is beginning to show signs of frustration over a lack of tangible progress with respect to reopening the strait of Hormuz, a key condition of the ceasefire that the US agreed with Iran earlier this week.

The agreement ostensibly called for an end to strikes by the US and Israel on Iran for two weeks, in return for Iran agreeing to provide safe passage for commercial vessels through the key waterway through co-ordination with the Iranian armed forces.

Less than eight vessels transited the strait on average in the two days since the ceasefire was agreed, according to Kpler data, down from more than 12 in the first week of April. This compares with more than 100 per day before the start of the war.

The slowdown has come, at least in part, due to infractions that Iran said its counterparts have made since the ceasefire was agreed. Tehran, specifically, objected to a massive bombing campaign that Israel carried out across Lebanon on 8 April, as it considered Lebanon to be part of the ceasefire agreement.

On 13 April, Donald Trump announced a naval blockade of Iranian ports, that was set to encompass the entirety of the Iranian coastline. Whilst tracking data shows that vessels have started to cross the strait of Hormuz since the start of the US naval blockade, they remain a fraction of what they were before the war.

Meanwhile, the Drewry World Container Index (WCI) climbed 1pc to \$2,309 per 40ft container, buoyed by higher freight rates on the Transpacific and Transatlantic routes.

Spot rates from Shanghai to New York also climbed due to the ongoing Middle East tensions.



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