

Peanut Blog

An ounce of information



Groundnut oil demand falls in Myanmar domestic market

Groundnut oil manufacturers in Myanmar say the demand for groundnut oil has fallen by about half in the domestic market because of the wide gap between the prices of palm oil and groundnut oil.

The prices of domestically manufactured vegetable oils such as groundnut, soybean and sunflower etc. are much more than the imported palm oil price. The price of groundnut oil is getting higher after the rise of raw material groundnut price and then the retail prices of groundnut oil became about 15,000 Kyats per viss (approx. 1.6 Kg) while the palm oil price is about 8,000 Kyats per viss only.

The groundnut oil is the most favourite oil and mostly used oil in the domestic market but the demand of for this oil is falling as some oil millers adulterated groundnut oil with other inferior quality oils and distributing them in the market.

The demand for groundnut oil fell by about half in the domestic market after the price of palm oil was regulated to be a stable and fair price. Most of the oil mills in the country are small-scale cottage industries with oil expellers extracting oil from groundnut seeds by crushing them in mortar press but now about half of these small-scale manufacturers have stopped their business after the demand for groundnut oil fell.

Magway Region is the largest edible oil manufacturing hub in the country but the production has fallen as the instability in the region caused by armed conflict has seriously affected the agricultural sector.

The oil industry manufactured about 10-15,000 tonnes of groundnut oil every month before June 2023 but now it is learned from the Myanmar Edible Oil Millers Association (MEOA) that it fell to 6-8,000 tonnes every month.

The oil manufacturers said that there should be a precise policy adopted by the departments concerned for the regulation of quality and safety of edible oil in the domestic market in order to revive the groundnut oil market in the country.

The palm oil price in the market has two prices, the first one is the open market retail price and another one is the regulated price by the Military Council. The retail price of palm oil in the open market is about 10,000 Kyats per viss and it has only a slight difference with the groundnut oil price but now the price gap between these two commodities is widening.

Source: <https://eng.mizzima.com/2024/02/18/7264>