

Peanut Blog

An ounce of information



The Brazilian Peanut Oil Prices sustains incline During April 2025 amid Supply Restrictions

The Brazilian Peanut Oil market maintained its rising trend during the first half of April 2025 following the notable price increases from March.

ChemAnalyst predicts Peanut Oil prices will keep rising through the second half of April because of supply limitations combined with high production costs and stable product demand from essential sectors.

1. The Peanut Oil market in Brazil showed an extended upward trend during early April 2025 after maintaining a rising pattern throughout March.
2. The market experienced ongoing supply limitations because both past season inventory had depleted and the new peanut crop was not ready for harvest.
3. The rise of Brazil's March inflation rate to 5.48 percent raised Peanut Oil production and distribution costs.
4. Increasing global edible oil market volatility led to higher peanut oil demand that strengthened price stability in the market.
5. The combination of stable domestic consumption linked with expanding international interest applied more pressure to already restricted peanut oil supplies.

Peanut Oil prices experienced a significant upward trend since March as the availability decreased. Previous season peanut stocks reached depletion while new harvest arrival delays created a temporary shortage of supplies in the market. The reduced availability of raw materials pushed up production expenses for producers who faced challenges finding enough materials. Market pressures intensified for Brazilian manufacturers due to the country's rising inflation rate reaching its highest level at 5.48 percent in March of 2025. Rising inflation levels created added operating expenses which impacted production and distribution costs and escalated manufacturer expenses.

In addition, global volatility in the edible oil sector—particularly in sunflower, palm, and soybean oils—led traders to shift their preference toward peanut oil. Viewed as a more stable option amid broader market uncertainty, peanut oil experienced increased buying interest, further supporting price gains.

Demand conditions remained steady during the period for Peanut Oil, underpinned by consistent consumption from the food industries. Downstream processors maintained regular purchasing patterns, while a rise in Brazil's Manufacturing Purchasing Managers Index indicated stronger industrial activity. This expansion in manufacturing contributed to stable demand for peanut oil in value-added applications.

Higher expectations of increased peanut crop production during this season have stimulated elevated demand from overseas customers. The strong export demand for peanuts continues to strain domestic supply levels which in turn strengthens the existing pricing momentum.

Looking ahead, Peanut Oil prices in Brazil are likely to remain elevated through the second half of April. Market participants continue to monitor harvest developments, cost trends, and global edible oil dynamics. Until a meaningful easing of supply constraints or production costs is observed, the upward trend in prices is expected to persist.

Source: <https://www.chemanalyst.com/NewsAndDeals/NewsDetails/the-brazilian-peanut-oil-prices-sustains-incline-during-april-2025-36165>