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Global olive oil output is set to exceed demand in 2026/27

Preliminary forecasts put production at 3.50 million to 3.65 million tonnes, with Spain expected to raise output 23%.

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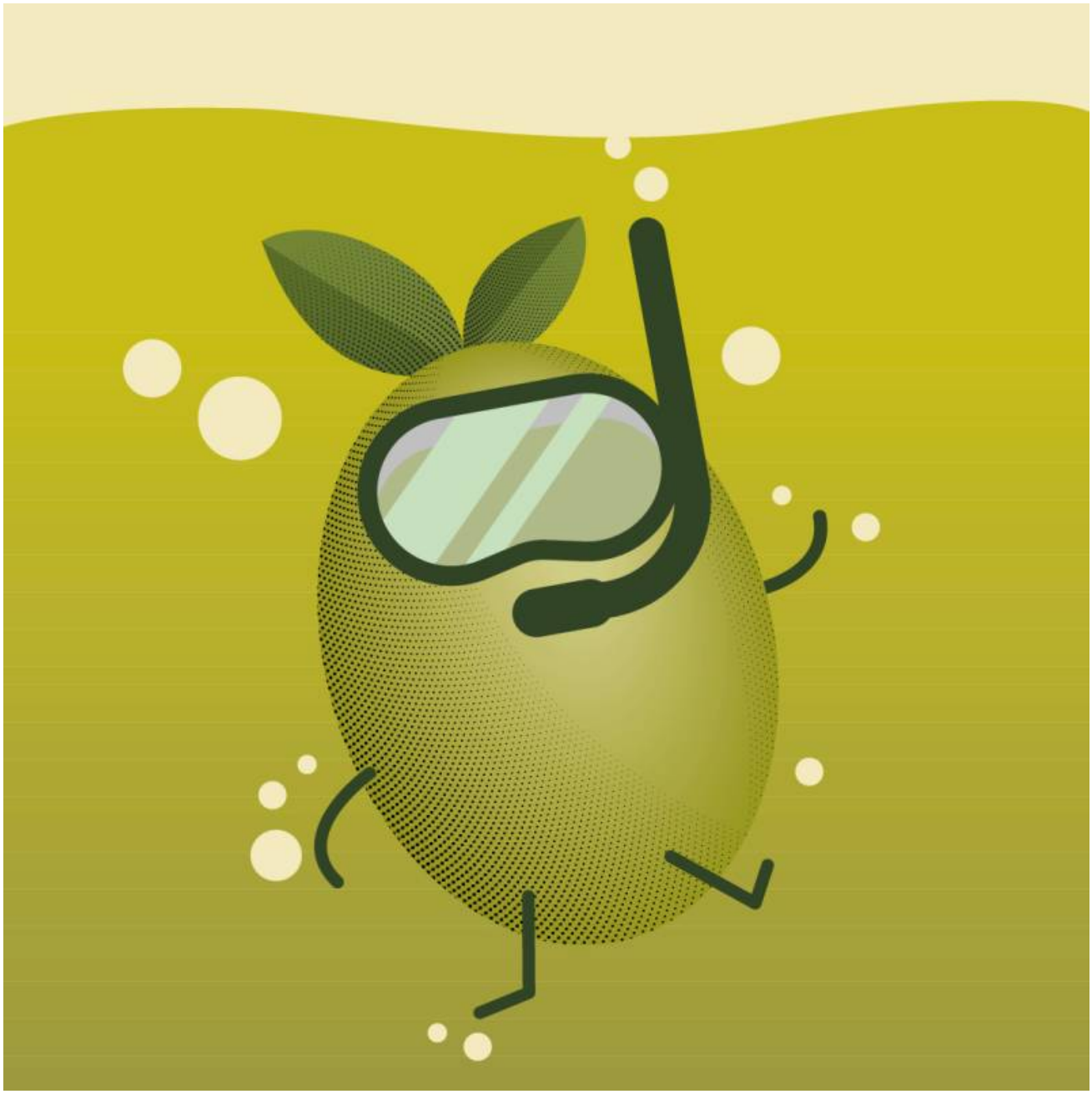

The global olive oil market is entering the 2026/27 season with higher expected output and a more competitive trading environment, according to preliminary industry forecasts cited by the World Olive Oil Exhibition in a newsletter sent Friday.

The estimates put world olive oil production at between 3.50 million and 3.65 million tonnes for the new season, while consumption is expected to be around 3.25 million tonnes. If those figures hold, the market would move into the campaign with supply above demand, a shift from tighter conditions that have shaped trade in recent years.

The figures cited in the newsletter were attributed to national agriculture ministries and official agricultural authorities and described as preliminary estimates for the 2026/27 olive oil campaign.

Spain is expected to lead the increase. The country could produce about 1.60 million tonnes, up 23% from the previous season, according to the forecast. That would give Spain about 46% of global output and further strengthen its central role in the international olive oil trade.

Spain’s recovery matters because the country is the world’s largest producer and a key price setter for the sector. Larger Spanish output can affect bulk market pricing, export availability and the pace of purchases by bottlers and importers across Europe, North America and other major consuming regions.

But the forecast also points to a broader shift across producing countries rather than a change driven only by Spain. Italy could reach 325,000 tonnes, Greece is expected to produce around 300,000 tonnes, and Portugal could approach 180,000 tonnes. Together, those volumes would add to the supply coming from the European Union at a time when buyers are closely watching both harvest size and quality.

Outside the EU, the outlook is mixed. Forecasts point to lower production in Tunisia, Türkiye and Morocco, three countries that have become important suppliers for export markets. At the same time, Syria is expected to post a sharp increase, with output rising from about 66,000 tonnes to 191,000 tonnes.

Those uneven national results could reshape trade flows during the season. Importers and distributors often adjust their sourcing strategies based not only on overall volume but also on the timing of harvests, domestic policy, logistics and the type of oil available from each origin. Differences in production from one country to another can create openings in some markets while increasing price pressure in others.

The World Olive Oil Exhibition said those conditions are likely to make quality, product differentiation and market positioning more important in a season with greater supply. That view reflects a common concern in agricultural commodity markets: when more product is available, sellers often face stronger competition and narrower room for

pricing power unless they can distinguish their oils by origin, quality profile or brand strength.

The newsletter also pointed to another commercial trend that market participants are watching: rising interest from the hospitality and restaurant sectors. According to the exhibition organizer, olive oil is gaining a more visible role both in premium food service and in everyday kitchen use in hotels and restaurants.

That trend matters because restaurants, hotel groups and food service distributors represent a different kind of buyer from traditional retail channels. Producers seeking growth often look to chefs, restaurant operators and hospitality purchasers as a way to build stable demand, especially for higher-value oils that can be presented by origin, variety or production method.

The group behind the newsletter argued that these changes are making the olive oil market more international and more segmented at the same time. Producers, buyers, distributors and importers, it said, increasingly need to understand what is happening in each country of origin and where openings may appear during the season.

The newsletter was also used to promote the next World Olive Oil Exhibition, scheduled for March 10 and 11, 2027, at IFEMA Madrid. The organizer said the event will aim to bring together producers, international buyers, distributors, importers, chefs and hospitality professionals. It is offering a 15% discount on exhibitor participation through October 31.

Trade fairs often serve as a meeting point for exporters and buyers in agricultural sectors where personal commercial relationships remain important. In olive oil, such events can help small and midsize producers reach foreign distributors, especially when supply conditions change and competition intensifies. At the same time, the promotional purpose of the newsletter means its market outlook also supports a business case for attending the event.

For the industry, the most immediate issue remains the balance between production, consumption and pricing. A global crop in the 3.50 million to 3.65 million tonne range against demand near 3.25 million tonnes would suggest more comfortable availability

this season. That could ease some pressure on buyers if quality levels are strong and if the harvest progresses as expected in key producing countries.

Much will depend on how the estimates develop in the coming months. Olive oil forecasts early in the season can change as weather, fruit set, harvesting conditions and milling yields become clearer. Final commercial results will also depend on how quickly new oil comes to market, how much old stock remains in the system and whether consumption holds near current expectations.

Even so, the early message from the sector is clear: the new season is beginning with more supply on the table, stronger competition among producing countries and closer attention to where demand will come from, from supermarket shelves to restaurant kitchens.