UNION ZUR FÖRDERUNG VON OEL- UND PROTEINPFLANZEN E.V.

UFOP Market Information Oilseeds and Biofuels

Contents

Price trends

Mean price	Week 43	Previous week	Trend
Producer prices in EUR/t			
Rapeseed	358,45	358,95	↘
Wholesale prices in EUR/t			
Rapeseed	401,00	401,00	→
Rapeseed oil	855,00	830,00	↗
Rapseseed meal	199,00	191,00	↗
Rapeseed cake*	232,14	225,31	↗
Rapeseed future	375,75	375,75	→
Wholesale prices in ct/l, excl. VAT			
Biodiesel	122,62	122,06	↗
Consumer prices in ct/l incl. VAT			
Diesel	107,84	106,79	↗
Futures in US-$/barrel			
WTI, Nymex	47,05	45,34	↗

* = compared with previous month, selling prices by mills, rapeseed cake with at least 10 % fat, rapeseed meal 0 %

Market Headlines

Oilseeds

- Rapeseed prices rose sharply to a 30-month high, surpassing the EUR 400 per tonne mark.
- Wholesale prices in Germany with mark-ups on forward prices due to buoyant demand
- Farmers continued to hold back their produce despite rising bids.
- Surprisingly brisk US soybean exports to China sent prices rising.

Oilseed meals and oilcakes

- Rapeseed meal prices went up as feedstock prices firmed and demand increased.
- Prices of rapeseed cake were raised; supply was adequate.

Vegetable oils

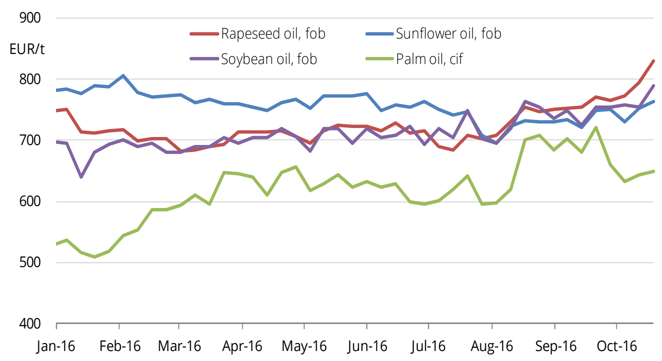
- Rapeseed oil hit three-year high and continued to rise.
- Buyers of cold pressed rapeseed oil were hard to come by.

Biofuels

- Firm crude oil prices and rising feedstock costs drove up biodiesel prices considerably.
- August 2016 blending quota slid further, but prospects were positive.

Chart of the week

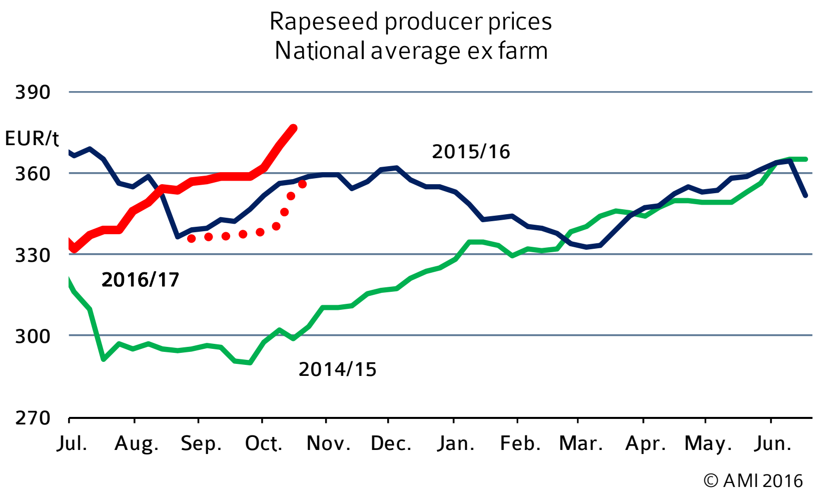
Wholesale prices of vegetable oils



Source: AMI

Edition november 2016

Market prices



Wholesale prices

In EUR/t on 26.10.2016, (collected at mills and trade)

	Rapeseed 2016 franko	Rapeseed fob	Rapeseed oil fob	Palmoil cif
Spot	401	199	855	687
Previous week	401	191	830	665

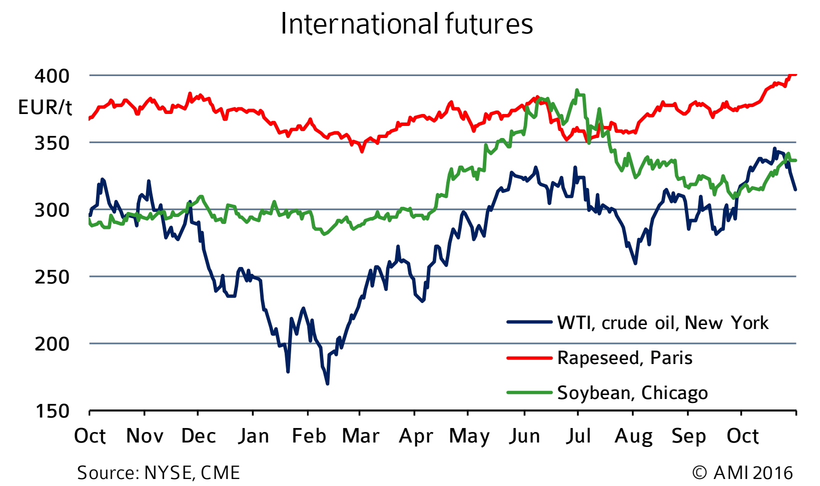
Source: AMI

Contract prices for rapeseed cake & cold-pressed rapeseed oil

Ex works in EUR/t (reported by mills/traders on 21.10.2016)

	Rapeseed cake		cold-pressed rapeseed oil in Cent/l		
Monthly production	Price range	Previous month	Feed oil	DIN 51605	Fuel
< 100 t	230-240	220-240	81,45	82,42	-
> 100 t	220-235	215-235	Vm: 81,30	78-86	-

Note: pm = previous month; crude rapeseed oil excl. tax
Source: AMI



Rapeseed

Paris rapeseed prices went up considerably and pulled up German farm prices. Nevertheless, the rise hardly increased producers' willingness to sell. Supply was ample only at the sea ports due to deliveries from EU neighbour states.

Rapeseed oil

Following the rally on the futures markets, rapeseed oil prices surged to hit a three-year high. This rise resulted in a short-term jump in demand.

Rapeseed cake

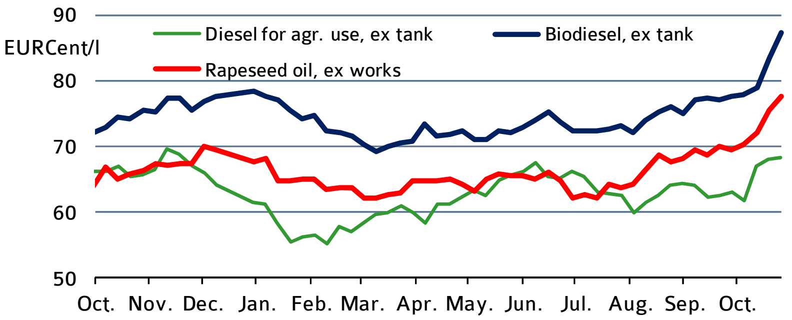
Oilcake prices ex South German decentralised oil mill recovered, settling just under EUR 7 per tonne above the previous month's level at, on average, EUR 232 per tonne. In direct business with farmers, asking prices amounted to EUR 233.75 per tonne, up EUR 2.50 per tonne on September 2016. Demand was steady, but did not see any substantial increase based on the calls for GM-free feeds. In Bavaria, some systems have already been operating without soybean meal for quite some time anyhow. However, the difference in prices between GM-free and conventional rapeseed meal has increased. In October 2016, the latter was valued at, on average, EUR 221.50 per tonne free to yard in Germany. In northeast Germany, wholesale prices for rapeseed cake fell to the lowest level seen since March 2016. Supply was sufficient. However, demand was so slow that the recent rise in feedstock costs could not be offset.

Cold pressed rapeseed oil

Asking prices were raised from the previous month by insignificant 0.15 euro cents per litre to 82 euro cents per litre. Demand continued to be extremely slow. There are hardly any CHP facilities left that still require cold pressed rapeseed oil. Moreover, the concentration that has been taking place in the compound feed industry also has a negative impact on the number of buyers. By contrast, the overall vegetable oil market saw a very sharp upward trend. First and foremost, rapeseed oil from industrial production responded with a 6 per cent surge. Diesel prices also went up significantly in response.

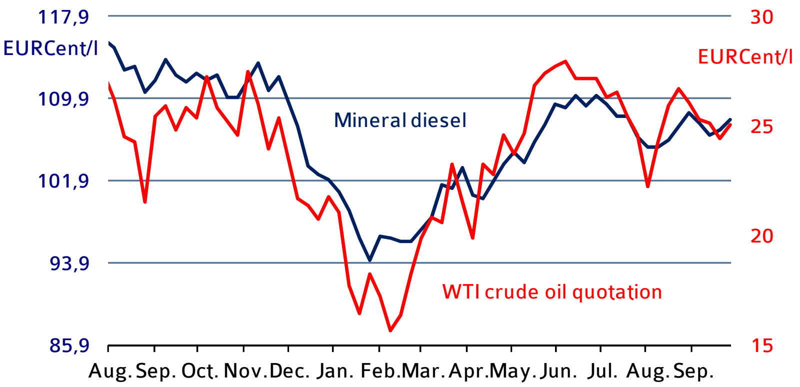
Biodiesel/ mineral Diesel

Wholesale prices excl. VAT



Note: Rapeseed oil and Biofuel for agricultural use are energy tax exempt. Diesel for agriculural use is taxed at 25.26 cent per litre. All prices exclude freight charges.

Prices at the pump incl. tax & crude oil quotes



Domestic consumption in 2016

in 1.000 t

	Jan.	Feb.	March	April	Mai	June	July	Aug.	Cumulated 2016	Cumulated 2015
Biodiesel for blending	174,6	167,7	194,4	191,1	184,4	203,2	194,5	187,1	1.497,2	1.484,3
Pure biodiesel b)	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Biodiesel total	174,6	167,7	194,4	191,1	184,4	203,2	194,5	187,1	1.497,2	1.484,3
Pure plant oil (PPO) b)	0,1	0,0	2,5	0,1	0,8	0,1	0,1	0,1	3,9	0,6
Biodiesel & PPO	174,7	167,8	196,9	191,2	185,2	203,3	194,6	187,2	1.501,1	1.484,9
Diesel	2.735,6	2.919,2	3.210,3	3.321,9	3.122,7	3.266,0	3.389,0	3.320,4	25.370,0	23.976,5
Biodiesel share in blending	6,4 %	5,7 %	6,1 %	5,8 %	5,9 %	6,2 %	5,7 %	5,6 %	5,9 %	6,2 %
Biodiesel + diesel + PPO	2.735,7	2.919,3	3.212,8	3.321,9	3.123,6	3.266,1	3.389,1	3.320,6	25.373,9	23.977,2
Share biodiesel & PPO	6,4 %	5,7 %	6,1 %	5,8 %	5,9 %	6,2 %	5,7 %	5,6 %	5,9 %	6,2 %
Bioethanol ETBE a)	9,8	9,9	10,7	8,4	9,8	12,1	14,1	8,7	83,6	76,3
Bioethanol for blending	83,3	69,9	78,7	81,7	88,6	95,8	97,9	94,4	690,3	702,4
Bioethanol E 85	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Bioethanol total	93,1	79,8	89,5	90,0	98,4	107,9	112,1	103,2	773,9	778,6
Gasoline	1.342,5	1.389,7	1.505,6	1.521,4	1.566,2	1.543,0	1.600,7	1.592,3	12.109,2	12.091,3
Gasoline + bioethanol c)	1.342,5	1.389,7	1.505,6	1.521,4	1.566,2	1.543,0	1.600,7	1.592,3	12.109,2	12.091,3
Share bioethanol c)	6,9 %	5,7 %	5,9 %	5,9 %	6,3 %	7,0 %	7,0 %	6,5 %	6,4 %	6,4 %

Note: a) Volume percent of bioethanol in ETBE = 47 %; b) source: Statistisches Bundesamt, 'Taxation of energy products', chapter II: energy products (excluding heating fuels); taxation without amounts according to § 46 and § 47 EnergieStG; c) The proportion of gasoline fuels contained in bioethanol fuels have been offset; cumulated figures include (unpublished) revised monthly BAFA data
Source: Federal Office for Economic Affairs and Export Control, AMI

Wholesale prices

Tight supply of biodiesel and simultaneously rising feedstock costs sent prices for biofuels rising. Rapeseed oil and biodiesel went up significantly by 6 per cent from the previous month. However, diesel prices were also raised based on firm forward prices. October 2016 agricultural diesel was up by around 5 per cent from the previous month.

Prices at the pump

Prices for feedstock in New York have gone up by 18 per cent since the end of September. The key reason was speculations about the capping of oil production and tight US supplies. Nevertheless, prices at the pump did not climb to the same extent, but only by 7 per cent compared to their low on 20 September 2016. However, September pump prices were especially high, presenting a 4.3:1 ratio over crude oil prices. In October, the ratio was at 3.9.

Fuel consumption

August 2016 use of biodiesel declined from the previous month, although diesel consumption remained virtually constant. The volumetric blending quota dropped to the current level of 5.6 per cent, which is below the 5.9 per cent level recorded in 2015. Taken together, the rise in biodiesel consumption over the eight months was only marginal, whereas the volume of diesel increased by 6 per cent. The blending quota dropped by 0.3 points to 5.9 per cent. Because overall diesel consumption will foreseeably continue to rise, the use in blends will also go up. Already in September, the use of rapeseed oil in biodiesel was considerably higher. From January 2017, even more biodiesel will likely be used as the potential greenhouse gas emission reduction target will be raised from 35 per cent to 50 per cent. Analysts expect the monthly biodiesel consumption to amount to around 200,000 tonnes from October 2016 onwards. If 100 per cent rapeseed oil were used, the increase of rapeseed processed would correspond to the equivalent of 600,000 tonnes. This prospect is currently supporting the rapeseed market.