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

# UFOP Market Information Oilseeds and Biofuels

## Contents



## Price trends

| Mean price | Week 13 | Previous week | Trend |
|---|---|---|---|
| **Producer prices in EUR/t** | | | |
| Rapeseed | 496,18 | 495,07 | ↗ |
| **Wholesale prices in EUR/t** | | | |
| Rapeseed | 509,00 | 528,00 | ↘ |
| Rapeseed oil | 1070,00 | 1090,00 | ↘ |
| Rapseseed meal | 230,00 | 227,00 | ↗ |
| Rapeseed cake* | 321,00 | 318,00 | ↗ |
| Rapeseed future | 501,25 | 520,75 | ↘ |
| **Wholesale prices in ct/l, excl. VAT** | | | |
| Biodiesel | 152,39 | 154,54 | ↘ |
| **Consumer prices in ct/l incl. VAT** | | | |
| Diesel | 129,71 | 129,42 | ↗ |
| **Futures in US-$/barrel** | | | |
| WTI, Nymex | 60,55 | 57,76 | ↗ |

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

## Market Headlines

### Oilseeds

- German producer prices for rapeseed temporarily exceeded EUR 500 per tonne.
- Old-crop rapeseed out of stock; marketing volume of 2021 crop generally exhausted.
- EU Commission projects harvest increases and correspondingly lower import demand for EU rapeseed in 2021/22.
- USDA estimates US soybean stocks and area planted in 2021 lower than expected.

### Oilseed meals and oilcakes

- Tight supply maintained prices for rapeseed expeller at a high level; rapeseed meal came under downward pressure due to lack of buying interest.
- Soybean meal – except GMO-free soybean meal – also waned.

### Vegetable oils

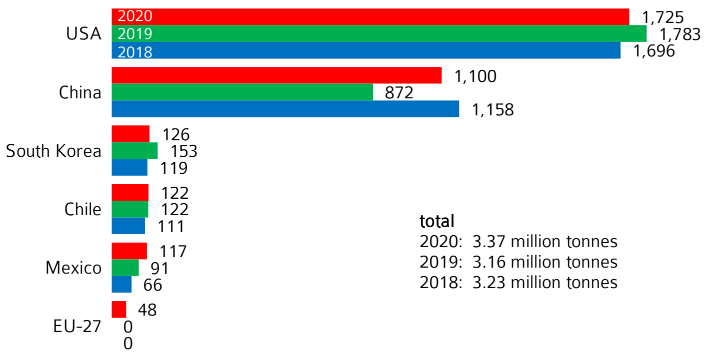
- Rapeseed oil prices exceeded EUR 1,000 per tonne; the other vegetable oils, especially sunflower oil, also remained expensive.

### Fuels

- Demand for biodiesel picked up, but will focus on SME and PME from April onwards.
- Crude oil prices rose, prices for mineral diesel followed.

## Chart of the week

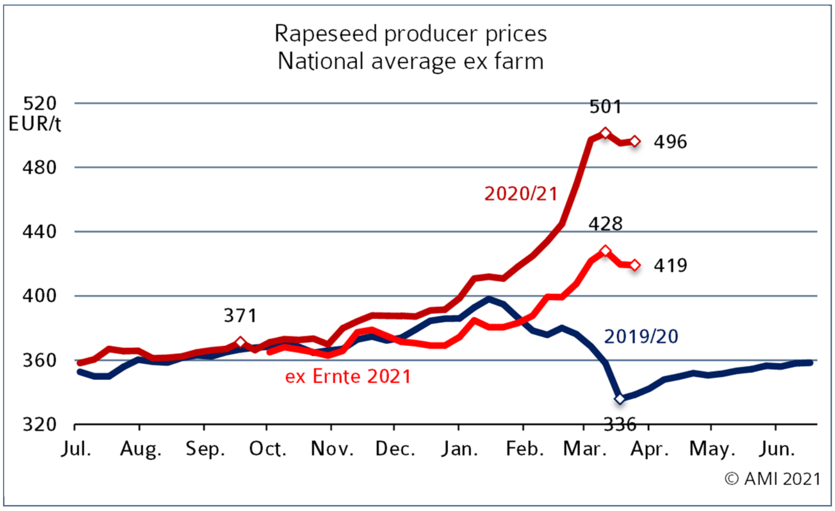
Canada's rapeseed oil exports by main destination
in 1,000 tonnes




Source: Canola Council of Canada

Edition april 2021

# Market prices

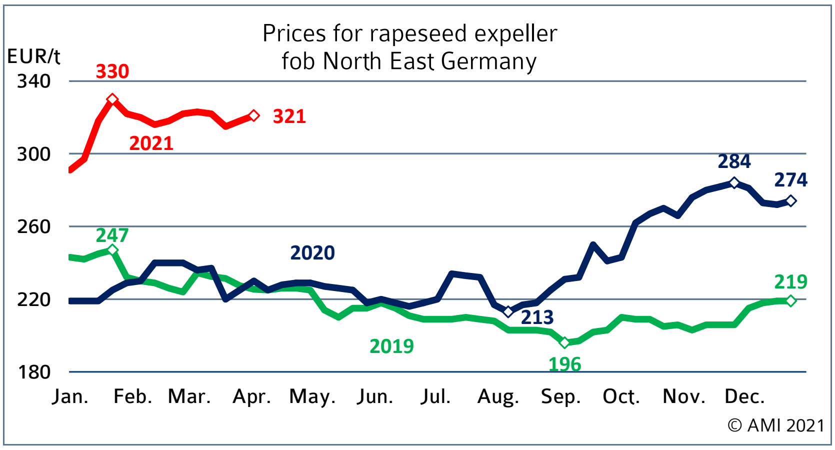


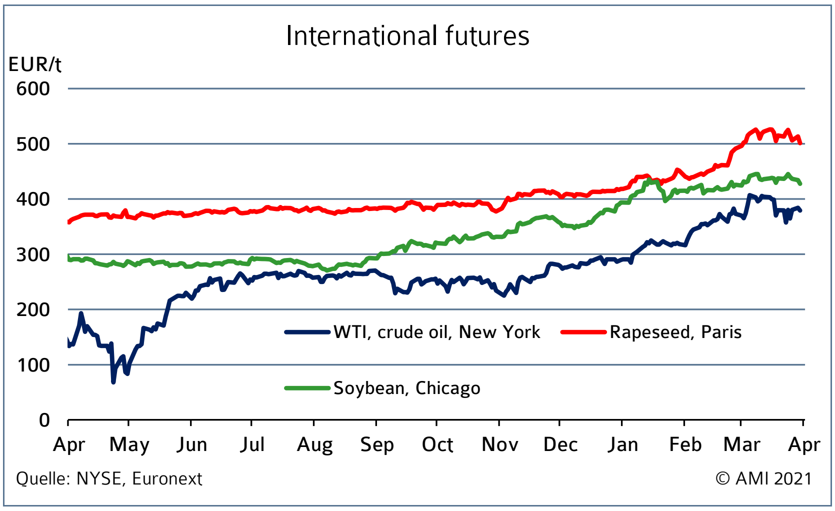

## Wholesale prices

in EUR/t on 31.03.2021, (collected at mills and trade)

| | Rapeseed 2020 franko | Rapeseed fob | Rapeseed oil fob | Palmoil cif |
|---|---|---|---|---|
| Spot | 509 | 230 | 1070 | 945 |
| Previous week | 528 | 227 | 1090 | 973 |

Source: AMI




## Rapeseed

German rapeseed prices continued to rise in March, surpassing the mark of EUR 500 per tonne in calendar week 11. Due to the attractive price level from the producers' viewpoint, remaining old-crop stocks sold off swiftly with the result that most producers' warehouses were swept empty by the end of the month. Forward contract prices of just about EUR 430 per tonne were also extensively used to make ex crop 2021 sales. Due to the high level of marketing, the rapeseed market calmed at month-end.

## Rapeseed oil

March rapeseed oil prices continued at a high level of more than EUR 1,000 per tonne. Stability was provided by tight feedstock supply and support from the futures market, but also by firm soybean and palm oil prices. In the second half of the month, prices started to crumble despite brisker demand from the biodiesel industry. However, the latter is now seasonally switching to soybean and palm oil.

## Rapeseed expeller

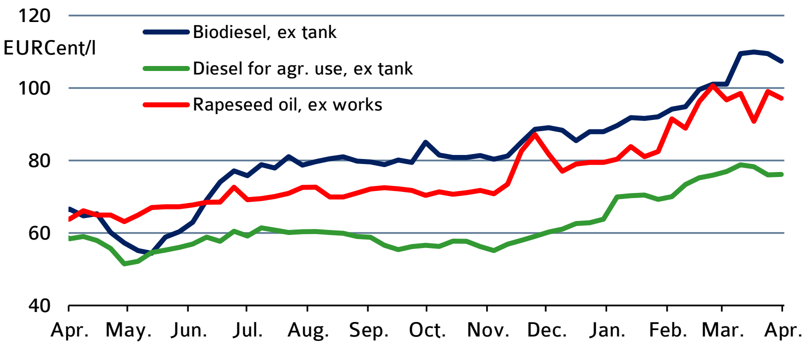
March prices for rapeseed expeller initially trended lower, then firmed and eventually remained at a high level of EUR 321 per tonne. In other words, they bucked recent developments in the rapeseed meal market, where prices were in decline due to sluggish demand from feed compounders.

## Wholesale prices

Biodiesel prices continued to climb in March and initially remained stable. A slight decline did not occur until the end of the month. However, the slide is unlikely to kick off a phase of weakness, as the market is currently characterized far too much by price-driving factors. Alongside scarce feedstock supply, these include the recent rise in demand for biodiesel from the mineral oil groups, at least for spot supplies. Most buyers still do not want to enter into long-term contracts, but wait for prices to be lowered.

# Biodiesel/ mineral Diesel

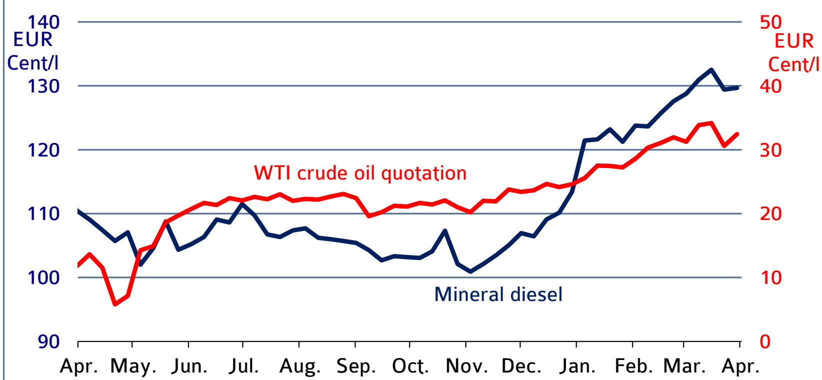
Wholesale prices excl. VAT




Note: Rapeseed oil and Biofuel for agricultural use are energy tax exempt. Diesel for agricultural use is taxed at 25,56 cent per litre. All prices exclude fright charges.



Prices at the pump incl. tax & crude oil quotes






## Domestic consumption in 2021

| in 1.000 t | | cumulated | |
|---|---|---|---|
| | Jan. | 2021 | 2020 |
| Biodiesel for blending | 175,4 | 175,4 | 231,8 |
| Diesel | 2.029,2 | 2.029,2 | 2.645,9 |
| Biodiesel + diesel | 2.204,6 | 2.204,6 | 2.877,7 |
| Share biodiesel | 8,0 % | 8,0 % | 8,1 % |
| Bioethanol ETBE a) | 10,4 | 10,4 | 8,1 |
| Bioethanol for blending | 66,9 | 66,9 | 93,5 |
| Bioethanol total | 77,3 | 77,3 | 101,6 |
| Gasoline | 905,0 | 905,0 | 1.364,7 |
| Gasoline + bioethanol | 982,4 | 982,4 | 1.466,3 |
| Share bioethanol | 7,9 % | 7,9 % | 6,9 % |

Note: a) Volume percent of bioethanol in ETBE = 47 %; cumulated

Source: Federal Office for Economic Affairs and Export Control, AMI.

## Prices at the pump

Prices for mineral diesel firmed up on support from the international crude oil market. Temporarily, there were great concerns over delays in delivery and bottlenecks due to the blockage in the Suez Canal, which, however, ended by month-end.

## Consumption

Biodiesel

In January 2021, around 175,400 tonnes of biodiesel were used for blending in Germany. This was down around 16 per cent from the previous month and down almost 21 per cent from January 2020. However, consumption of diesel fuel declined even more sharply in January 2021: 2.03 million tonnes translate to a reduction of just about 22 per cent month-on-month and one fourth on January 2020. This means that the decline in consumption of diesel fuel exceeded that of biodiesel for blending. For this reason, the incorporation rate rose compared to the previous month. The incorporation rate to satisfy the cap on greenhouse gas emissions was 8 per cent, which compares to 7.5 per cent the previous month and 7.6 per cent in January 2020.

Bioethanol

January 2021 use of bioethanol totalled 77,300 tonnes. Bioethanol for blending accounted for the lion's share (86.5 per cent). The remaining 13.5 per cent was bioethanol for use in ETBE. Taken together, January 2021 consumption of bioethanol in Germany increased 1.9 per cent compared to the previous month. On the other hand, it fell almost 25 per cent short of the January 2020 figure. Consumption of petrol declined almost 22 per cent on the previous month to 905.000 tonnes. Due to the pandemic, the shortfall, compared with January 2020, was as much as approximately 30 per cent. Whereas the use of bioethanol in blends declined only slightly on the previous month, the decline in consumption of petrol was much more pronounced. This caused the incorporation rate to rise to 7.9 per cent – a rate considerably higher than the previous month's 6.2 per cent and also more than the 7 per cent seen in January 2020. It was also the highest incorporation rate of bioethanol in petrol since December 2014.