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

ufop

UFOP Market Information Oilseeds and Biofuels

Contents

Price trends

Mean price	Week 48	Previous week	Trend
Producer prices in EUR/t			
Rapeseed	651,00	676,00	↘
Wholesale prices in EUR/t			
Rapeseed	670	704	↘
Rapeseed oil	1.550	1.580	↘
Rapseseed meal	337	332	↗
Rapeseed cake*	363	358	↗
Rapeseed future	644,75	682,50	↘
Wholesale prices in ct/l, excl. VAT			
Biodiesel	244,32	249,11	↘
Consumer prices in ct/l incl. VAT			
Diesel	153,47	157,51	↘
Futures in US-$/barrel			
WTI, Nymex	66,18	76,75	↘

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

Market Headlines

Oilseeds

- Rapeseed reached new record levels but lost ground towards month-end.
- Global market was driven by speculation about the pandemic's development.
- US soybean prices rose in the wake of a sluggish harvest and brisk exports; losses did not come until the end of the month.

Oilseed meals and oilcakes

- Rapeseed meal surged 7 per cent due to low supply, strong rapeseed prices and limited freight capacities.
- Soybean meal prices recorded a slight 2 per cent increase; in some cases GMO-free meal cost even less than the previous month.

Vegetable oils

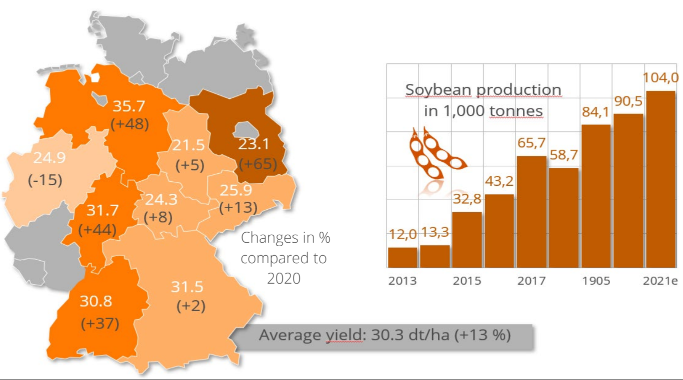
- Rapeseed oil prices fell from record high, most recently under downward pressure from declining feedstock and crude oil prices.
- Palm oil continued to be in tight supply and relatively expensive.

Fuels

- Biodiesel prices came down from record highs due to weak oil and feedstock prices, but availability remained insufficient.
- New wave of the pandemic, new Covid variant and lack of an efficient vaccine caused crude oil prices to plummet as sharply as they did in April 2020.

Chart of the week

Soybean yields in Germany in dt/ha

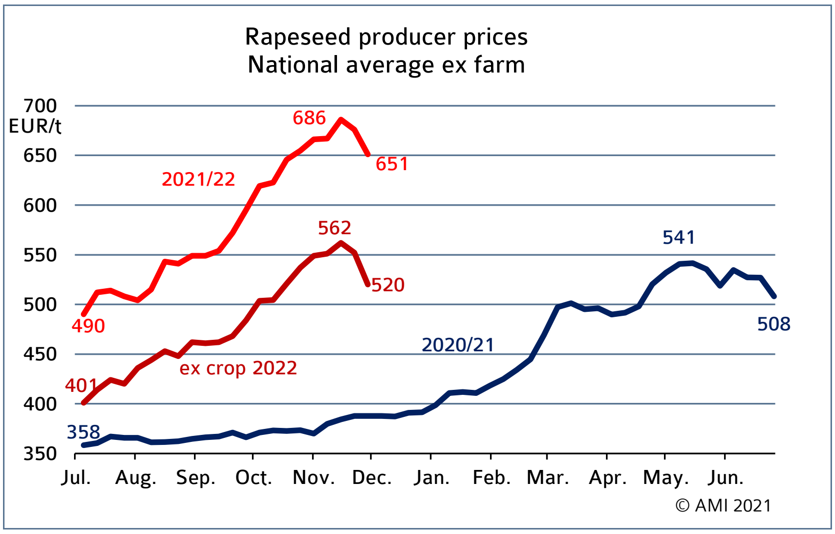


Source: Federal Statistical Office

Note: e = estimate

Edition December 2021

Market prices

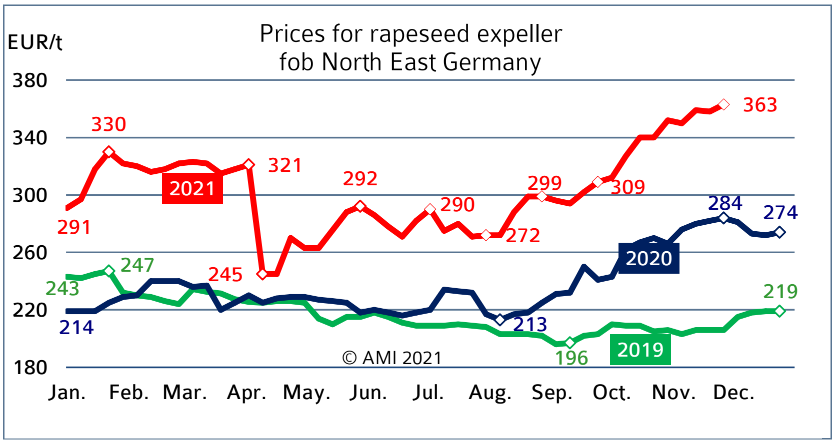


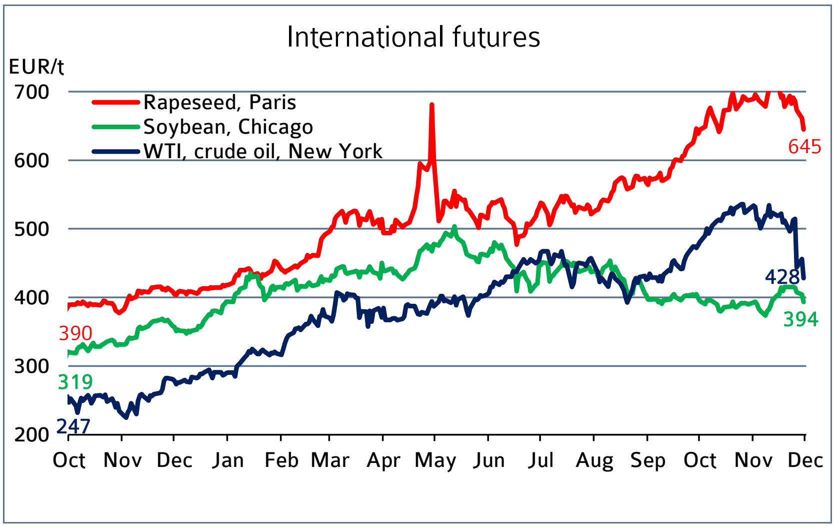
Wholesale prices

in EUR/t on 01.12.2021, (collected at mills and trade)

	Rapeseed 2021 franko	Rapeseed fob	Rapeseed oil fob	Palmoil cif
Spot	670	337	1 550	1171
Previous week	704	332	1 580	1172

Source: AMI





Rapeseed

In Germany, no significant volumes of rapeseed have been traded for a long time. Even top prices in excess of EUR 700 per tonne ex farm did not motivate producers to sell. There were only some occasional new-crop contracts, but producers had already far more rapeseed tied up in contracts than they had in previous years. Following the change in price direction, individual lots were quickly sold. At the beginning of December - following losses of up to EUR 40 per tonne -, it is now "dead silent" in the German rapeseed market.

Rapeseed oil

After prices of rapeseed oil had reached the record level of EUR 1,610 per tonne at the beginning of November, they went on a steady decline in the weeks that followed. Even when supply was tight, pressure from falling prices of crude oil, soybean oil and palm oil was stronger still. As a consequence, the price most recently reported was down to EUR 1,550 per tonne. However, this was still up EUR 590 per tonne compared to a year earlier. Buying interest waned noticeably in the falling market, especially because demand is generally covered until year-end.

Rapeseed expeller

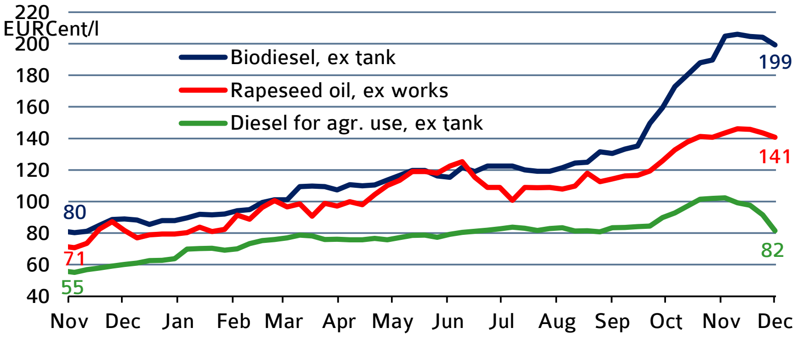
Rapeseed expeller was hard to come by since the waterways were charging low water surcharges and there was a lack of street vehicles and drivers as they were being used to transport sugar beet. Also, output of some oil mills was curtailed with the result that rapeseed expeller rose strongly to on average EUR 357.50 per tonne. This exceeded the previous month's level EUR 23 per tonne.

Wholesale prices

Due to pressure from falling prices of crude oil and rapeseed oil, biodiesel prices weakened at month-end although nothing had changed in the market. Supply was extremely short. The commodity will probably not be available again until the end of the year. Due to the high asking prices, biodiesel use for blending has become a matter of arithmetic. Blends cost EUR 520 purchased quotas EUR 550 and contractual penalty EUR 470 per tonne of carbon savings. For the moment! As from 1 January 2022, it will be EUR 600 per tonne of carbon savings. At the moment, buyers are only making purchases that are absolutely necessary, while market participants continue to be busy distributing the few quantities that are available.

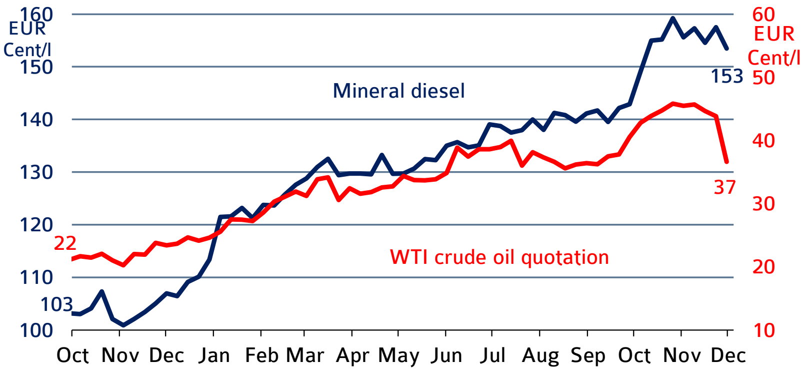
Biodiesel/ mineral Diesel

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



Prices at the pump

Driven by speculation about brisk demand combined with limited supply, crude oil prices surged to a seven-year high of just less than USD 85 per bbl in November 2021. Prospects of a new wave of Corona without a suitable vaccine caused share prices to plummet as sharply (15 per cent) as they did when the pandemic started in April 2020. The impact was somewhat smaller on spot market prices. At the end of the month, prices at petrol stations were still at EUR 153.50 euro cents per litre. This was down 3.6 per cent compared to four weeks earlier.

Consumption

Biodiesel

September use of biodiesel dropped 2 per cent from the previous month to 260,454 tonnes, sliding to a level as much as 12 per cent below the previous year's figure. Since at the same time, consumption of diesel fuel declined 3 per cent, biodiesel incorporation in blends increased 0.1 per cent to 8.4 per cent. In the first nine months of 2021, the use for blending amounted to around 1.9 million tonnes, which was down only 18 per cent year-on-year. By contrast, consumption of diesel fuel remained stable. In other words, biodiesel incorporation in blends declined to on average 7.4 per cent in the running year.

Domestic consumption in 2021

in 1.000 t

										cumulated	
	Jan.	Feb.	March	April	May	June	July	Aug.	Sep.	2021	2020
Biodiesel for blending	172,2	157,7	182,5	211,3	204,7	210,0	232,4	266,7	260,5	1.904,5	2.315,5
Diesel	2.033,9	2.065,2	2.727,4	2.574,1	2.523,0	2.885,7	2.882,1	2.942,7	2.850,1	23.871,6	23.842,2
Biodiesel + diesel	2.206,1	2.222,9	2.909,9	2.785,4	2.727,7	3.095,7	3.114,6	3.209,4	3.110,6	25.776,1	26.157,7
Share biodiesel	7,8 %	7,1 %	6,3 %	7,6 %	7,5 %	6,8 %	7,5 %	8,3 %	8,4 %	7,4 %	8,9 %
Bioethanol ETBE a)	10,6	9,2	13,4	13,2	14,1	10,9	14,0	14,3	15,9	122,0	101,4
Bioethanol for blending	65,2	50,6	67,9	76,9	90,1	85,2	84,1	105,1	83,0	706,5	733,6
Bioethanol total	75,8	59,8	81,3	90,1	104,3	96,2	98,1	119,4	98,9	828,4	835,1
Gasoline	948,5	956,5	1.248,8	1.177,3	1.214,4	1.392,9	1.396,6	1.463,6	1.441,0	11.329,4	11.498,7
Gasoline + bioethanol	1.024,3	1.016,2	1.330,0	1.267,5	1.318,7	1.489,1	1.494,7	1.583,0	1.539,9	12.157,9	12.333,8
Share bioethanol	7,4 %	5,9 %	6,1 %	7,1 %	7,9 %	6,5 %	6,6 %	7,5 %	6,4 %	6,8 %	6,8 %

Note: a) Volume percent of bioethanol in ETBE = 47 %; cumulated figures include (unpublished) revised monthly BAFA data

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

Bioethanol

September use of bioethanol decreased just over 17 per cent compared to the previous month to 98,889 tonnes. At just over one fifth, the decline in use in blends was particularly sharp, whereas the use in ETBE rose 11 per cent compared to August 2021. The incorporation rate shrank to 6.4 per cent, reaching a six-month low. However, in the same month the previous year it was even lower at 6.1 per cent.