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

ufop

UFOP Market Information Oilseeds and Biofuels

Contents

Market Headlines

Oilseeds

- Rapeseed prices recently moved down in line with global markets.
- Rapeseed stocks from the 2021 crop were largely cleared; prices for batches ex crop 2022 continued to be firm.
- January 2022 US soybean prices were on an upward trend, driven by concerns over smaller harvest in South America.

Oilseed meals and oilcakes

- January rapeseed meal prices declined on average EUR 13 per tonne; falling prices stimulated buying interest.
- Soybean meal prices recorded another rise, with GMO-free commodity also being more expensive than in December 2021.

Vegetable oils

- Rapeseed oil prices dropped significantly in January; buying interest was virtually non-existent; the trend reversed at month-end.
- Palm oil hit all-time high; Indonesia's export restrictions diverted demand to Malaysia.

Fuels

- Biodiesel price rout stimulated buying interest.
- Crude oil prices reached seven-year high, driven by scarce global supply and concerns over limited supply.

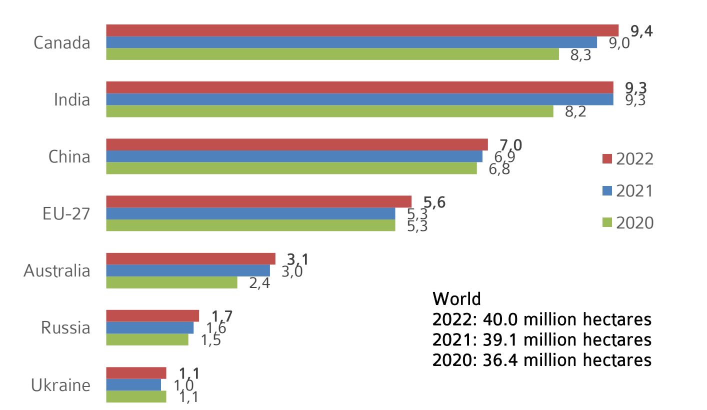
Price trends

Mean price	Week 4	Previous week	Trend
Producer prices in EUR/t			
Rapeseed	703,00	697,00	↘
Wholesale prices in EUR/t			
Rapeseed	748	726	↗
Rapeseed oil	1.615	1.560	↗
Rapseseed meal	355	325	↘
Rapeseed cake*	320	395	↗
Rapeseed future	792,00	719,50	↗
Wholesale prices in ct/l, excl. VAT			
Biodiesel	167,04	165,26	→
Consumer prices in ct/l incl. VAT			
Diesel	162,52	160,05	↗
Futures in US-$/barrel			
WTI, Nymex	79,98	77,61	↗

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

Chart of the week

Rapeseed/canola area forecast in million hectares

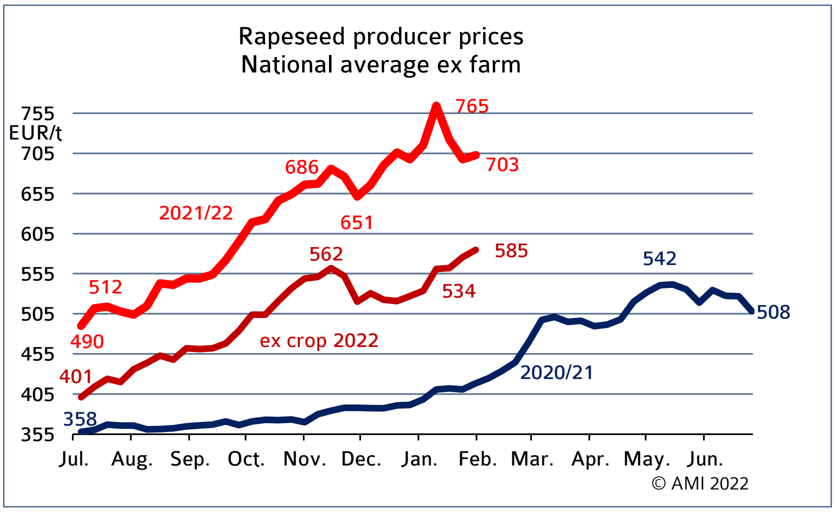


Source: IGC

Note: 2020 and 2021 estimated, 2022 projection

Edition February 2022

Market prices

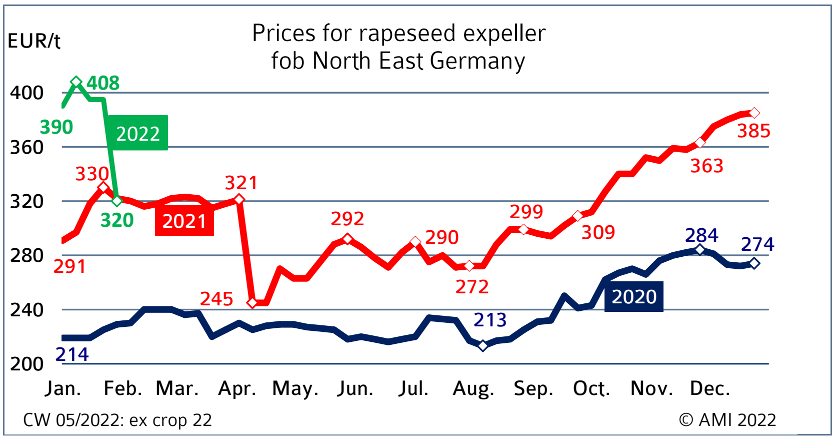


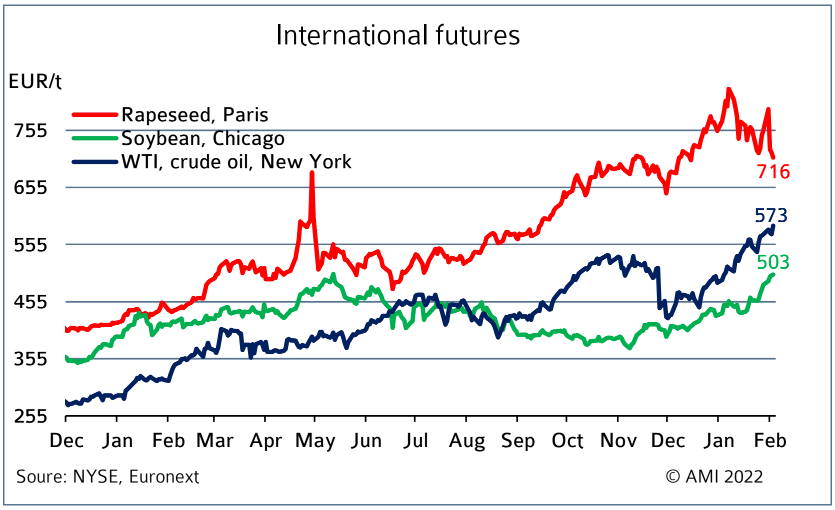
Wholesale prices

in EUR/t on 02.02.2022, (collected at mills and trade)

	Rapeseed 2021 franko	Rapeseed fob	Rapeseed oil fob	Palmoil cif
Spot	748	355	1 615	1327
Previous week	726	325	1 560	1209

Source: AMI





Rapeseed

Prices in Paris continued to climb until mid-January and, with EUR 828 per tonne for the February contract, almost reached the mark of EUR 830 per tonne. After the second half of January started, rapeseed prices plummeted. The spot market was sometimes disoriented. Price quotations soon became worthless. The volatility of prices was high with prices showing a downward trend. Processors showed virtually no demand for first-quarter deliveries this year. Also, Australian imports are expected to ease the supply situation somewhat in the foreseeable future. By contrast, the 2022 crop continued to fetch high prices in forward contracts.

Rapeseed oil

Prices for rapeseed oil reached an all-time high at EUR 1,758 per tonne mid-January. However, this level failed to last after rapeseed prices in Paris also plummeted. Meanwhile, demand remained weak despite the EUR 200 per tonne falloff within two weeks. Biodiesel producers also made fewer purchases in view of the biodiesel price rout. As a result, trading remained slow on the German market in January. However, most recently the asking prices stabilised. More specifically, batches were tendered at EUR 1,615 per tonne fob German oil mills on 2 February 2022.

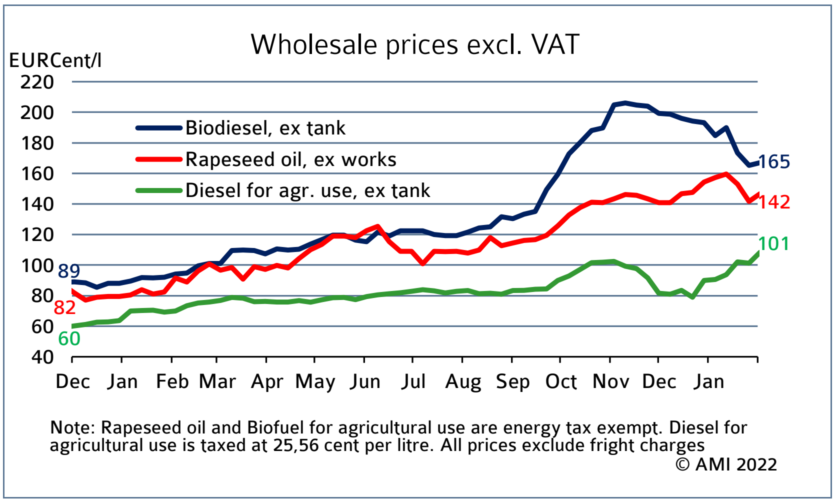
Rapeseed expeller

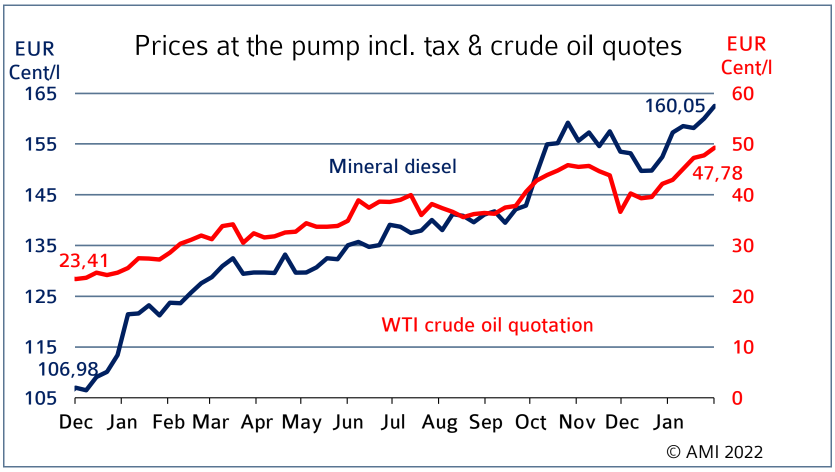
January trading seemed much brisker on the German market. Demand was especially high for deliveries from May 2022 and even for the upcoming crop from August 2022 onwards. Driven by renewed buying interest, rapeseed expeller peaked at EUR 408 per tonne fob North Germany in the first half of January but failed to maintain this price level.

Wholesale prices

Biodiesel prices fell from their high levels, showing a sharp decline. A potential reason for the sudden price slump could be speculation by market participants and the high volatility in the rapeseed market. In view of the tremendous reductions in price, demand picked up. However, asking prices most recently stabilised.

Biodiesel/ Mineral diesel





Prices at the pump

Driven by prospects for tight supply, crude oil prices rose sharply in January to reach a seven-year high. Delivery problems in Libya and political tensions in Kazakhstan temporarily fuelled concerns over declining availability. Rising risk appetite on the part of capital market investors also stoke up prices. The Russian-Ukrainian conflict was another factor adding to the rally.

Consumption

Biodiesel

November 2021 use of biodiesel in blends in Germany amounted to around 197,600 tonnes. This translates to an around 21 per cent decline on the previous month and a 14 per cent decline year-on-year. Consumption of diesel fuel totalled 2.96 million tonnes, which was down around 1 per cent from the previous month and up 14 per cent year-on-year. Since biodiesel use for blending declined more sharply than consumption of diesel compared to October 2021, the November 2021 incorporation rate decreased to 6.3 per cent, from 7.7 per cent in October 2021.

Domestic consumption in 2021

in 1.000 t												cumulated	
	Jan.	Feb.	March	April	May	June	July	Aug.	Sep.	Oct.	Nov.	2021	2020
Biodiesel for blending	172,2	157,7	182,5	211,3	204,7	210,0	232,4	266,7	260,5	248,8	197,6	2.346,7	2.816,2
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	3.004,2	2.962,0	29.929,4	29.415,4
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	3.253,0	3.159,7	32.276,1	32.231,7
Share biodiesel	7,8 %	7,1 %	6,3 %	7,6 %	7,5 %	6,8 %	7,5 %	8,3 %	8,4 %	7,7 %	6,3 %	7,3 %	8,7 %
Bioethanol ETBE a)	10,6	9,2	13,4	13,2	14,1	10,9	14,0	14,3	15,9	15,0	10,3	147,2	118,5
Bioethanol for blending	65,2	50,6	67,9	76,9	90,1	85,2	84,1	105,1	83,0	112,0	88,4	905,8	903,5
Bioethanol total	75,8	59,8	81,3	90,1	104,3	96,2	98,1	119,4	98,9	127,0	98,7	1.053,0	1.022,0
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	1.386,4	1.341,0	14.069,8	13.994,6
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	1.513,4	1.439,7	15.122,8	15.016,6
Share bioethanol	7,4 %	5,9 %	6,1 %	7,1 %	7,9 %	6,5 %	6,6 %	7,5 %	6,4 %	8,4 %	6,9 %	7,0 %	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

Around 88,400 tonnes of bioethanol were used in blends in November 2021. This was down just over 21 per cent from the previous month. On the other hand, at 10,300 tonnes the use of ETBE was down around 31 per cent from October 2021. Consequently, the incorporation rate fell 1.5 per cent to 6.9 per cent. In November 2020, it stood slightly higher at 7.2 per cent. In other words, the use of bioethanol in the first 11 months of 2021 amounted to 1.05 million tonnes and exceeded the previous year's volume in the period January 2020 to November 2020 by exactly 3 per cent. Consumption of petrol declined around 3 per cent on the previous month to 1.34 million tonnes. Compared to November 2020, however, this translates to a rise of around 21 per cent.