UFOP Market Information Oilseeds and Biofuels

Contents

Price trends

Mean price	Week 31	Previous week	Trend
Producer prices in EUR/t			
Rapeseed	634,00	610,00	➚
Wholesale prices in EUR/t			
Rapeseed	653	640	➘
Rapeseed oil	1.640	1.640	➘
Rapseseed meal	350	344	➘
Rapeseed cake*	375	370	➔
Rapeseed future	675,75	633,50	➘
Wholesale prices in ct/l, excl. VAT			
Biodiesel	236,10	236,08	➚
Consumer prices in ct/l incl. VAT			
Diesel	191,75	194,64	➘
Futures in US-$/barrel			
WTI, Nymex	98,62	94,70	➚

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

Market Headlines

Oilseeds

- Producer prices for rapeseed showed harvest-related decline; currently no trend but EUR 120 per tonne above previous year's level.
- Slow demand coincided with reluctance to sell.
- US soybean prices were caught between poor development of US crop and start of Ukrainian exports.

Oilseed meals and oilcakes

- Rapeseed meal prices declined, high energy costs limited scope for downward movement.
- Conventional and GMO-free soybean meal increased; continuing heat spells fuelled concerns about supply; weak euro made imported commodity more expensive.

Vegetable oils

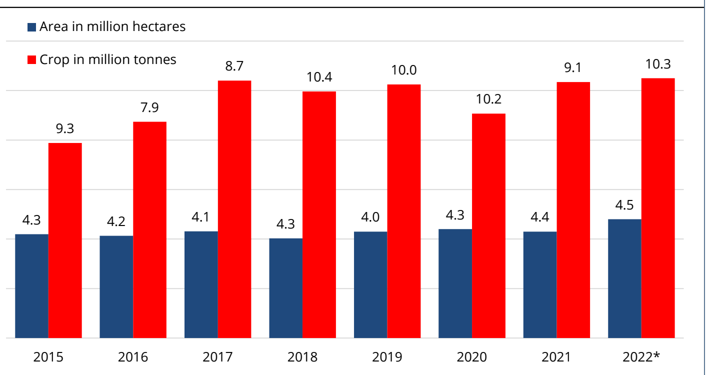
- Decreasing feedstock prices pushed down vegetable oil prices, but decline was slowed by tight nearby supply.
- Palm oil prices weakened; supply was expected to increase noticeably as Indonesian export restrictions ended.

Fuels

- Biodiesel was stable at a high level, demand focussed on nearby positions.
- Crude oil weakened under pressure from unfavourable economic forecasts for China and higher-than-expected supplies.

Chart of the week

EU-27 sunflower production

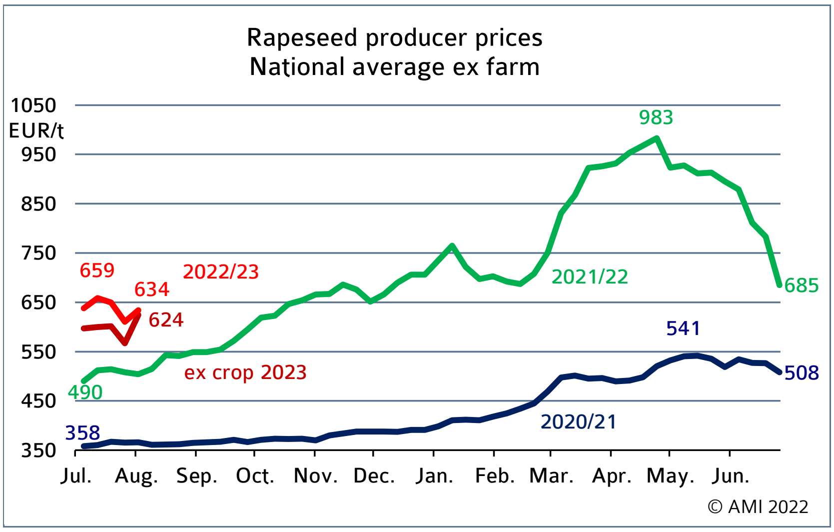


Source: EU Commission

Note: * = estimated

Edition august 2022

Market prices

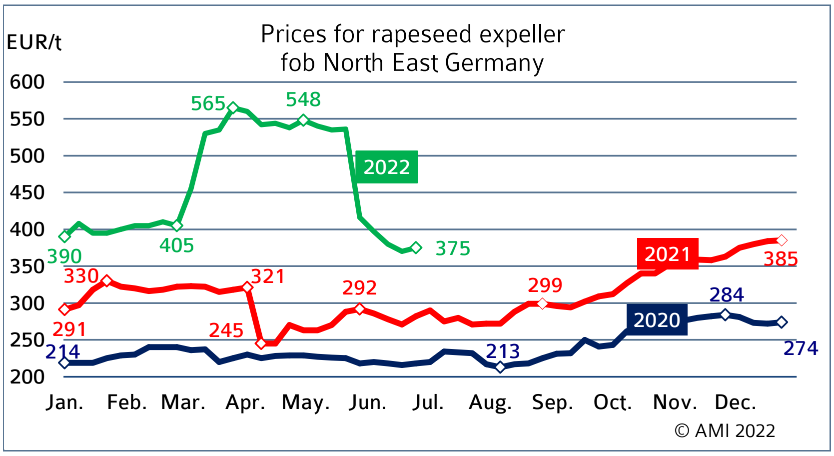


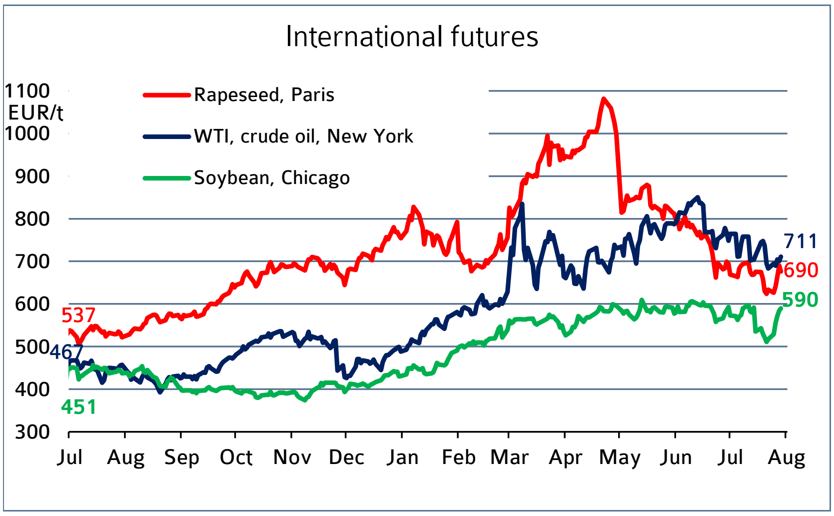
Wholesale prices

in EUR/t on 03.08.2022, (collected at mills and trade)

	Rapeseed 2021 franko	Rapeseed fob	Rapeseed oil fob	Palmoil cif
Spot	653	350	1640	1103
Previous week	640	344	1640	1161

Source: AMI





Rapeseed

Rapeseed prices dropped to a 10-month low of EUR 623.75 per tonne in mid-July. Traders at the co-op and wholesale level were relaxed about the supply situation. In many German regions, harvests were surprisingly good. The German harvest is now estimated at 4 million tonnes. Yields and, above all, oil contents are particularly high this year, with yields frequently exceeding 50 decitonnes per hectare. Producers sold rapeseed on a contract basis only, with surplus being stored in the hope of a rise in prices.

Rapeseed oil

Asking prices for rapeseed oil were in decline, losing EUR 160 per tonne over July. The drop was driven by the progressing rapeseed harvest in Western Europe. Yields reached so far were surprisingly good. However, trading was low. Spot batches of rapeseed oil were recently sought after, especially in the power sector, but rising demand coincided with inadequate supply. Alongside limited availability, trading of rapeseed oil was also hampered by low water levels in rivers.

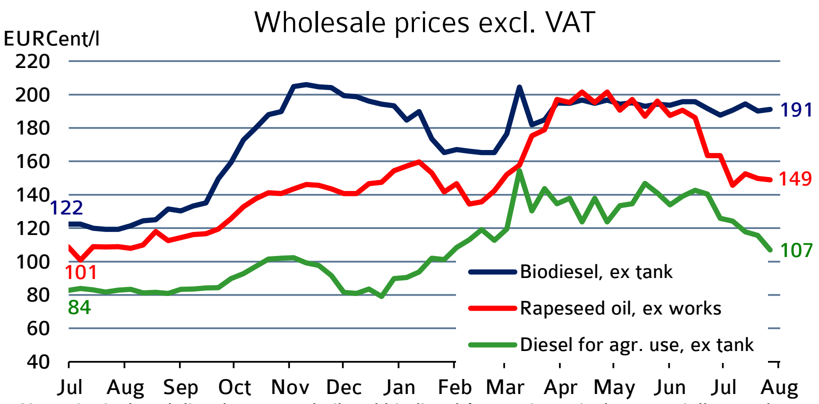
Rapeseed expeller

Old-crop rapeseed expeller had only been offered sporadically since the end of March. Most market participants were looking for delivery in August. Asking prices had declined in the wake of falling rapeseed prices. Since prospects of ample supply of oilseed meal were shaky - above all, supply of soybean meal was steadily lowered due to poor weather - prices for rapeseed expeller levelled off in July 2022.

Wholesale prices

Biodiesel prices fell just short of the previous month's level. Production was uninterrupted, but transport was a challenge. Low water levels in rivers led to sharp rises in freight costs. There was some trading on paper, but nothing was implemented physically. In view of the tremendously high price level, interest in buying further forward batches was restrained.

Biodiesel/ mineral Diesel



Note: Agricultural diesel, rapeseed oil and biodiesel for use in agriculture partially taxed at 25.56 cents/l, from 01.06.2022 at 11.52 cents/l (tank rebate), all prices excluding transport costs

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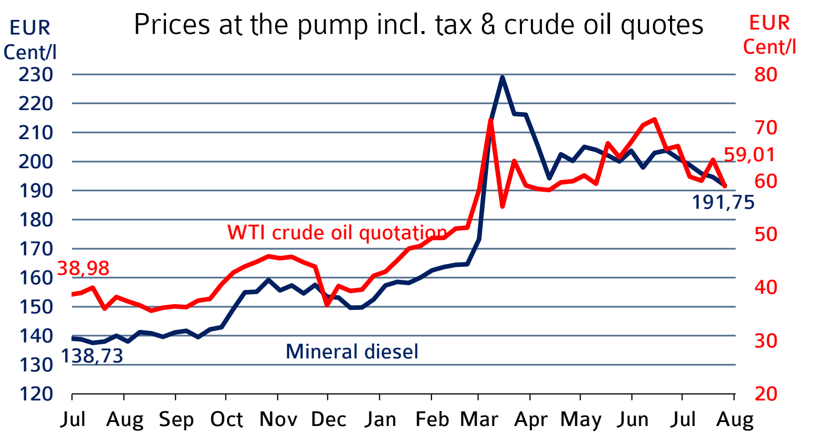

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Domestic consumption in 2022

in 1.000 t

	Jan.	Feb.	March	April	May	cumulated 2022	cumulated 2021
Biodiesel for blending	186,4	205,3	228,6	213,3	205,4	1.031,9	946,7
Diesel	2.397,8	2.198,1	2.402,9	2.500,9	2.369,5	12.452,1	12.051,2
Biodiesel + diesel	2.584,1	2.403,4	2.631,5	2.714,2	2.574,9	13.483,9	12.997,9
Share biodiesel	7,2	8,5	8,7	7,9	8,0	7,7	7,3
Bioethanol ETBE a)	10,7	10,4	11,5	14,3	8,8	55,7	62,7
Bioethanol for blending	83,8	73,3	86,2	98,1	85,3	426,5	356,6
Bioethanol total	94,5	83,6	97,7	112,3	94,1	482,2	419,4
Gasoline	1.132,9	1.103,2	1.476,4	1.214,1	1.198,5	5.969,0	5.569,6
Gasoline + bioethanol	1.227,4	1.186,9	1.574,1	1.326,4	1.292,6	6.451,3	5.989,0
Share bioethanol	7,7	7,1	6,2	8,5	7,3	7,5	7,0

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

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

Prices at the pump

Crude oil traded lower in July 2022. As a consequence, fuel in Germany also became less costly, but the weak euro slowed the price drop. By contrast, prices for biodiesel averaged 191.6 euro cents per litre, just (1.24 euro cents per litre) below the June average. Supply on nearby positions was limited, but at the same time interest in buying spot batches emerged. On the other hand, demand for further forward batches was restrained in view of the tremendously high price level.

Consumption

Biodiesel

May 2022 consumption of B7 declined 5.1 per cent compared to April, to 2.57 million tonnes. The use of diesel dropped 5.3 per cent to 2.4 million tonnes, that of biodiesel 3.7 per cent to 205,435 tonnes. For this reason, the May volumetric incorporation rate increased to 8 per cent from April 2022, but nevertheless fell short of this year's average. The rate did not come close to the 8.5 per cent and 8.7 per cent of February and March respectively. In the first five months of the running calendar year, consumption of biodiesel exceeded the mark of 1 million tonnes, which was up 9 per cent year-on-year. Demand for diesel amounted to 12.45 million tonnes (+3 per cent).

Bioethanol

May 2022 use of bioethanol slumped sharply to 94,085 tonnes, the lowest level since April 2021. Since the 16 per cent decline from the previous month was much larger than the 1.3 per cent drop in petrol use (to 1.2 million tonnes), the incorporation rate decreased 1.2 percentage points to 7.3 per cent. This means that total consumption in the running year amounts to 6.45 million tonnes, which is up 7.7 per cent on the same period last year. The months of March and April 2022 mainly accounted for the increase.