UFOP Market Information Oilseeds and Biofuels

Contents

Market Headlines

Oilseeds

- February 2023 rapeseed prices slipped in the wake of falling stock exchange prices in Paris.
- Lack of new business reduced trading on the rapeseed market to a minimum.
- US soybean prices had their ups and downs, focus was on expected bumper crop in Brazil and extreme dryness in Argentina.

Oilseed meals and oilcakes

- Rapeseed meal firmed in February on support from tight supply.
- Soybean meal increased, focus was on growing conditions in South America.

Vegetable oils

- Rapeseed oil prices declined further in the wake of restrained demand.
- Palm oil prices resisted price trend in Kuala Lumpur and remained stable on the month.

Fuels

- Biodiesel prices recently firmed on the tailwind of brisk demand.
- Crude oil prices continued their downward slide, weighed down by global concerns about demand.

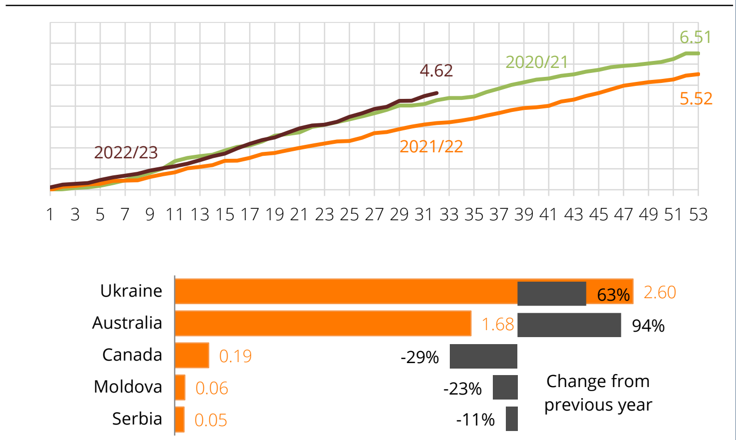
Price trends

Mean price	Week 09	Previous week	Trend
Producer prices in EUR/t			
Rapeseed	512,34	529,19	↘
Wholesale prices in EUR/t			
Rapeseed	523	556	↘
Rapeseed oil	1.035	1.075	↘
Rapseseed meal	335	355	↘
Rapeseed cake*	380	391	↘
Rapeseed future	528,50	558,00	↘
Wholesale prices in ct/l, excl. VAT			
Biodiesel	190,41	184,29	↗
Consumer prices in ct/l incl. VAT			
Diesel	169,15	171,15	↘
Futures in US-$/barrel			
WTI, Nymex	77,69	73,95	↗

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

Chart of the week

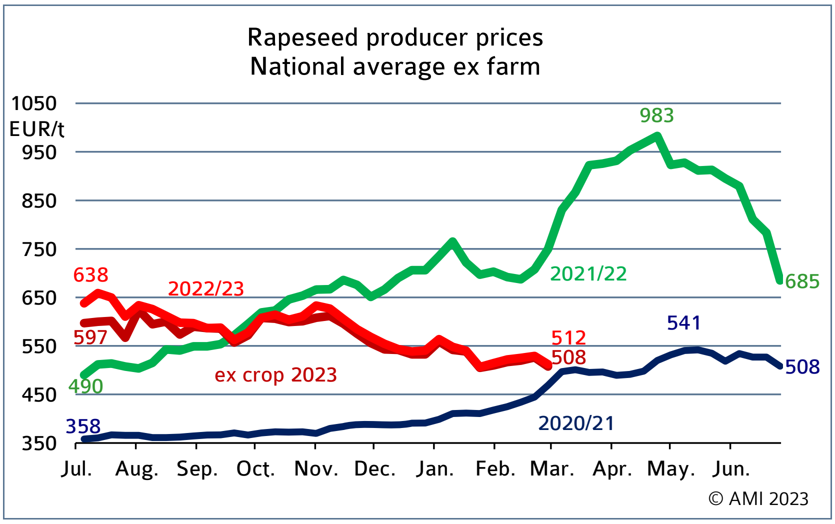
Weekly rapeseed imports to the EU-27
by marketing-year weeks in million tonnes



Source: EU-Commission

Edition March 2023

Market prices

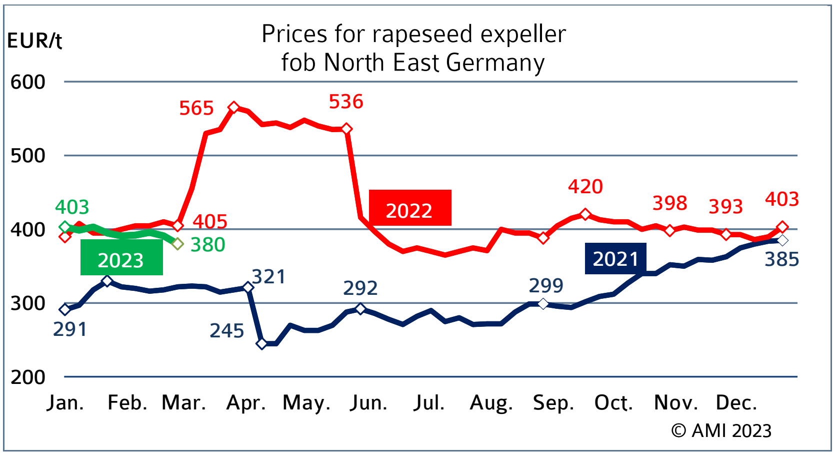


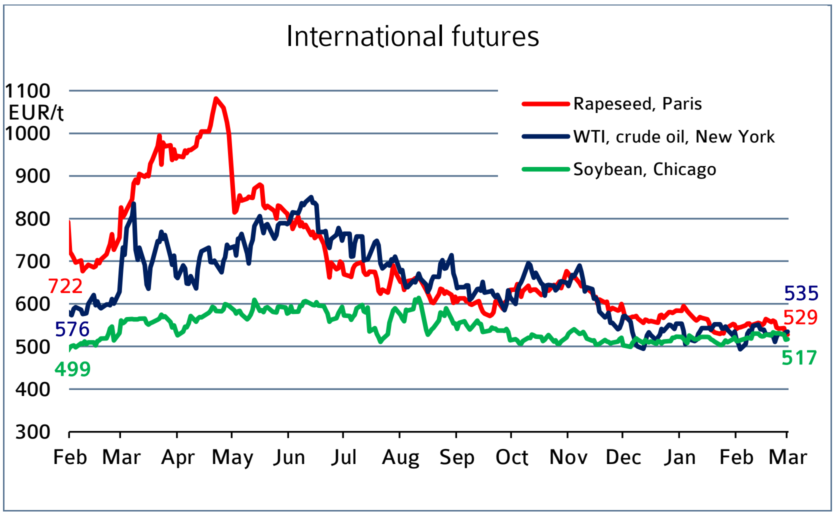
Wholesale prices

in EUR/t on 01.03.2023, (collected at mills and trade)

	Rapeseed 2021 franko	Rapeseed fob	Rapeseed oil fob	Palmoil cif
Spot	523	335	1035	893
Previous week	556	355	1075	945

Source: AMI





Rapeseed

February 2023 saw little change in the German rapeseed market. There were sporadic orders for small quantities to cover urgent demand, but significant sales continued to be non-existent. Movements of volumes were therefore mainly based on transactions of existing contracts. In view of the downward adjustments at the Paris stock exchange, spot prices for rapeseed were also lowered substantially, most recently in fact sliding to 38 per cent below the year-earlier level. Meanwhile, crops in the fields looked good in many places. However, due to regional below-zero temperatures at night in the absence of protective snow cover, concerns about winterkill losses were growing.

Rapeseed oil

Whereas supply of rapeseed oil on nearby positions remained abundant, buyers were hard to find. Even the latest reduction in price failed to stimulate buying interest, as market participants acted with restraint and sat back to observe further developments. As a result, storage tanks remained full in many places because export volumes to China also remained low.

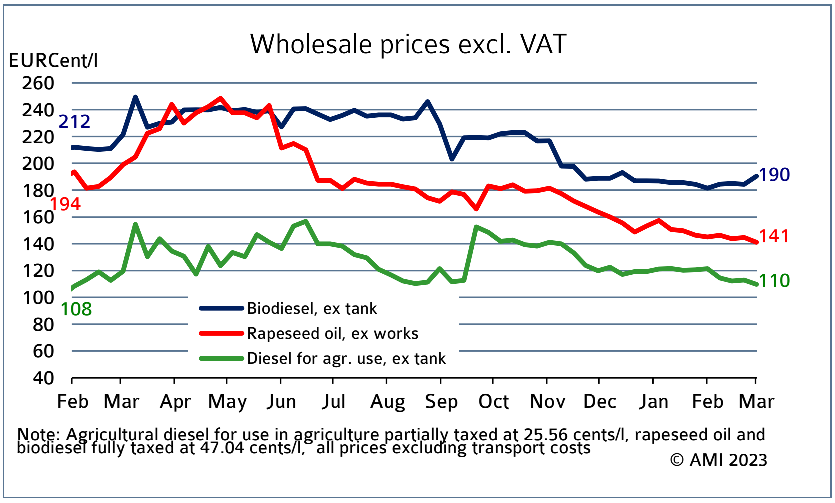
Rapeseed expeller

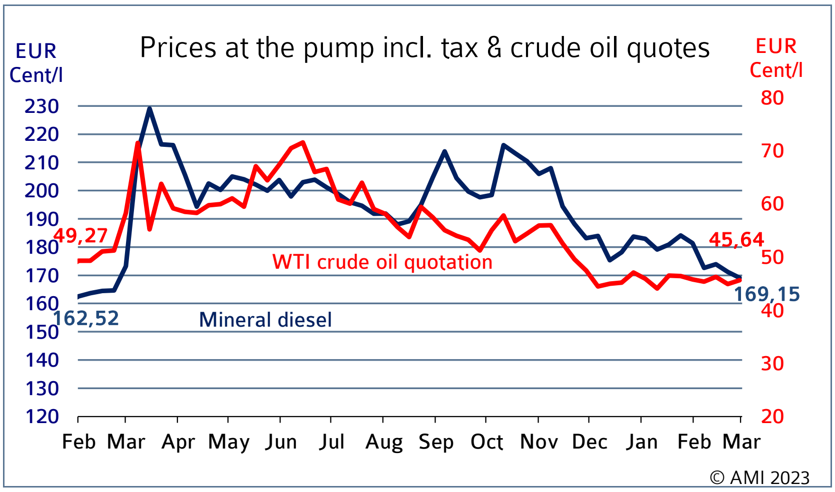
Prices for rapeseed expeller fob North Germany continued their downward slide in February 2023. At EUR 380 per tonne, recent asking prices were down around EUR 25 per tonne on the same time in the past year. The adjustment was mainly due to the recent decline in demand for physical commodity. Supply remained limited only in the north, dampening the slippage somewhat.

Wholesale prices

Prices for biodiesel by and large remained unchanged in February 2023 and recently even firmed noticeably on the tailwind of brisk demand. As the month ended, business picked up considerably. Blenders especially ordered batches for delivery in the coming four weeks. There were occasional requests for further forward positions, but only the odd small quantity was actually sold. Supply more than covered demand.

Biodiesel/ Mineral diesel





Prices at the pump

February 2023 crude oil prices continued their previous month's falling trend. The central banks' tight policy on interest rates and associated concerns about dwindling demand dragged prices down. On the other hand, the scope for downward movements in prices was limited by expectations of an economic upturn in China following the end of the country's restrictive Covid-19 policy. As a consequence, prices at the pump also eased. Within one month, mineral diesel dropped 12.25 euro cents per litre to 169.15 euro cents per litre.

Consumption

Biodiesel

Biodiesel use for blending decreased marginally in December 2022. Whereas in November 2022 it amounted to 218,480 tonnes, it was down to 214,830 tonnes in December. However, this translates to a significant rise of 13 percent compared to December 2021. By contrast, consumption of diesel fuel saw a significantly sharper decline of just under 8 per cent to 2.6 million tonnes. This led to a 0.5 per cent rise in the percentage of biodiesel in blends on the previous month to 7.5 per cent. Total consumption of biodiesel in Germany in 2022 amounted to 2.5 million tonnes, which was down around 1 per cent on the previous year.

Domestic consumption in 2022

in 1.000 t

	Jan.	Feb.	March	April	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.	cumulated 2022	2021
Biodiesel for blending	186,4	205,3	228,6	213,3	205,4	195,0	200,8	213,0	200,2	214,9	217,5	214,8	2.515,6	2.559,7
Diesel	2.397,8	2.198,1	2.402,9	2.500,9	2.369,5	2.703,8	2.848,0	3.099,5	2.631,9	2.703,2	2.883,8	2.668,4	32.245,4	32.420,5
Biodiesel + diesel	2.584,1	2.403,4	2.631,5	2.714,2	2.574,9	2.898,8	3.048,8	3.312,4	2.832,2	2.918,1	3.101,3	2.883,2	34.761,0	34.980,2
Share biodiesel	7,2	8,5	8,7	7,9	8,0	6,7	6,6	6,4	7,1	7,4	7,0	7,5	7,2	7,3
Bioethanol ETBE a)	10,7	10,4	11,5	14,3	8,8	10,4	10,6	11,1	12,4	10,0	9,8	11,3	131,3	157,4
Bioethanol for blending	83,8	73,3	86,2	98,1	85,3	80,5	92,1	94,3	87,0	87,0	95,4	88,3	1.054,6	995,2
Bioethanol total	94,5	83,6	97,7	112,3	94,1	90,9	102,7	105,4	99,4	97,0	105,1	99,6	1.185,9	1.152,6
Gasoline	1.132,9	1.103,2	1.476,4	1.214,1	1.198,5	1.487,8	1.467,1	1.608,5	1.267,1	1.345,7	1.375,1	1.238,5	15.810,1	15.275,7
Gasoline + bioethanol	1.227,4	1.186,9	1.574,1	1.326,4	1.292,6	1.578,7	1.569,8	1.713,9	1.366,5	1.442,8	1.480,2	1.338,1	16.996,0	16.428,3
Share bioethanol	7,7	7,1	6,2	8,5	7,3	5,8	6,5	6,2	7,3	6,7	7,1	7,4	7,0	7,0

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

The use of bioethanol for blending also declined in December 2022, but more strongly, falling just over 7 per cent to 88,330 tonnes. In contrast, the use in ETBE increased 15 per cent to 11,270 tonnes, which translates to a 10 per cent rise on the previous year's volume. Nevertheless, total consumption of bioethanol was down around 5 per cent on November 2022. Based on the concurrent decline in petrol consumption, the incorporation rate of bioethanol rose 0.3 per cent to 7.4 per cent. Total consumption of bioethanol increased 3 per cent to 1.19 million tonnes in 2022. Consumption of petrol also increased, to approximately 15.81 million tonnes.