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

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UFOP Market Information Oilseeds and Biofuels

Contents

Market Headlines

Oilseeds

- Rapeseed prices fluctuated, most recently firming.
- Trading on rapeseed market was slow with low level of willingness to sell and slack demand.
- US soybeans recently firmed, driven by prospects of extreme heat and drought in the US.

Oilseed meals and oilcakes

- Rapeseed meal prices rose; sales remained moderate.
- Soybean meal prices increased on the tailwind of strong prices for feedstock.

Vegetable oils

- Rapeseed oil prices picked up, driven by rising prices for rapeseed in Paris.
- Prices palm prices rose on support from brisk Malaysian exports.

Fuels

- Biodiesel fell from previous month's level; demand was exceptionally buoyant despite the holiday season.
- Crude oil temporarily reached nine-month high; scant demand pushed prices down significantly at month-end.

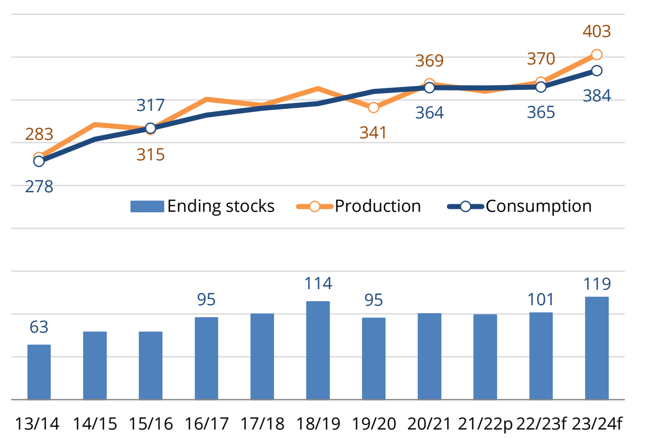
Price trends

Mean price	Week 34	Previous week	Trend
Producer prices in EUR/t			
Rapeseed	423,57	412,54	↗
Wholesale prices in EUR/t			
Rapeseed	457	438	↗
Rapeseed oil	940	925	↗
Rapseseed meal	293	289	↗
Rapeseed cake*	323	328	↘
Rapeseed future	472,00	460,50	↗
Wholesale prices in ct/l, excl. VAT			
Biodiesel	169,33	170,35	↘
Consumer prices in ct/l incl. VAT			
Diesel	174,65	175,15	↘
Futures in US-$/barrel			
WTI, Nymex	78,89	79,38	↘

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

Chart of the week

World soybean supply and demand
in million tonnes

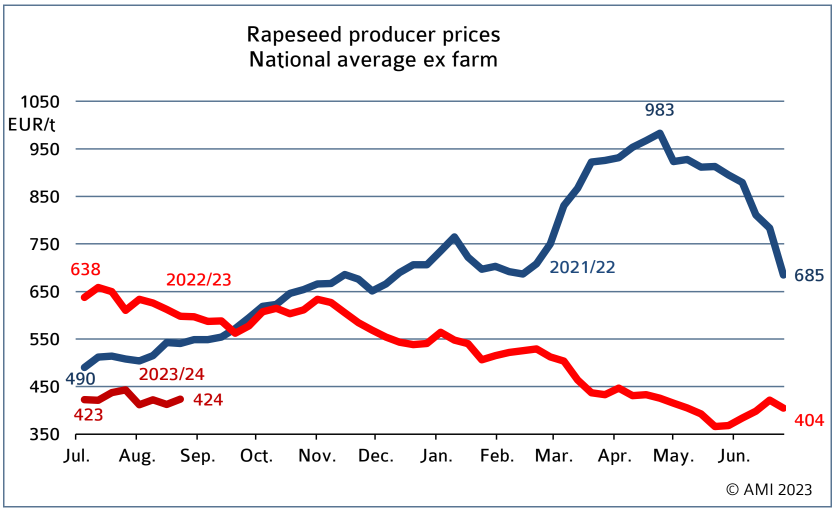


Source: USDA, AMI

Note: p=preliminary, f=forecast

Edition September 2023

Market prices

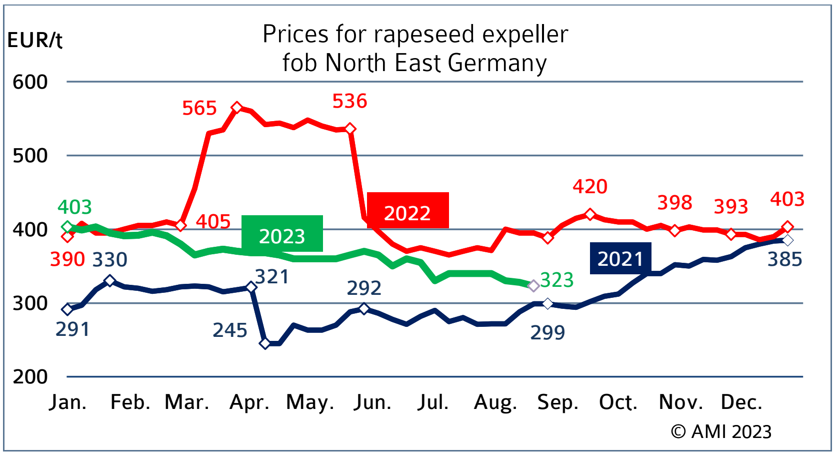


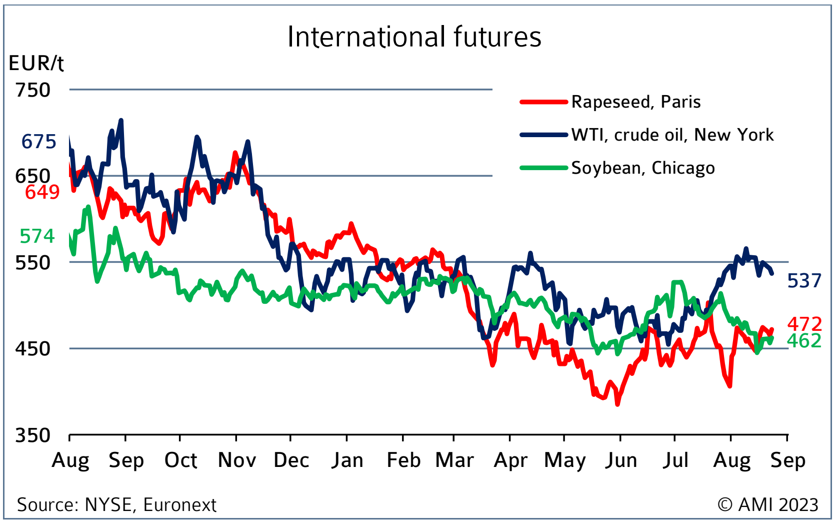
Wholesale prices

in EUR/t on 23.08.2023, (collected at mills and trade)

	Rapeseed 2022 franko	Rapeseed fob	Rapeseed oil fob	Palmoil cif
Spot	457	293	940	886
Previous week	438	289	925	860

Source: AMI





Rapeseed

Asking prices for rapeseed fell from the previous month's level, but recently firmed. The German rapeseed harvest was complete except for a few residual fields. The focus was on the forthcoming sowings of winter rapeseed. The German rapeseed market was remarkably calm. Sales were few and far between, as producers' willingness to sell was dampened by the lower-than-expected harvest volume. Priority was given to fulfilling forward contracts. Oil mills bought little, because they were stocked up well with imported rapeseed.

Rapeseed oil

Asking prices for rapeseed oil continued to move up in August, recently nearing the level of EUR 950 per tonne fob. Whereas demand for biodiesel production purposes picked up, edible oils were merely ordered in moderate volumes to cover urgent demand. Extensive contracting of later positions was suspended for the time being in view of the firm price trend. On the other hand, in view of healthy margins, demand from the power sector was brisk, especially for batches for delivery from October 2023 until March 2024.

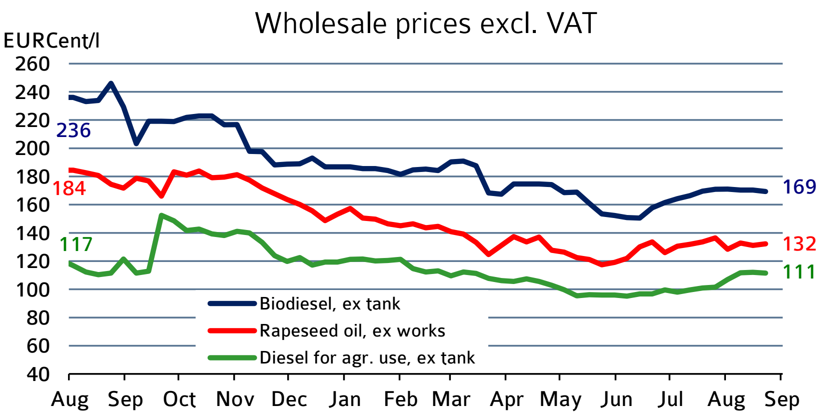
Rapeseed expeller

Bids for rapeseed expeller fob North-East Germany declined further over the month. Spot batches were offered at EUR 323 per tonne at the end of August. This was down EUR 17 per tonne on the previous month's level. Due to the school holidays, trading remained slow and there were few participants in the market. Sales were down to a minimum. Market activity is expected to pick up as the school holidays end in September.

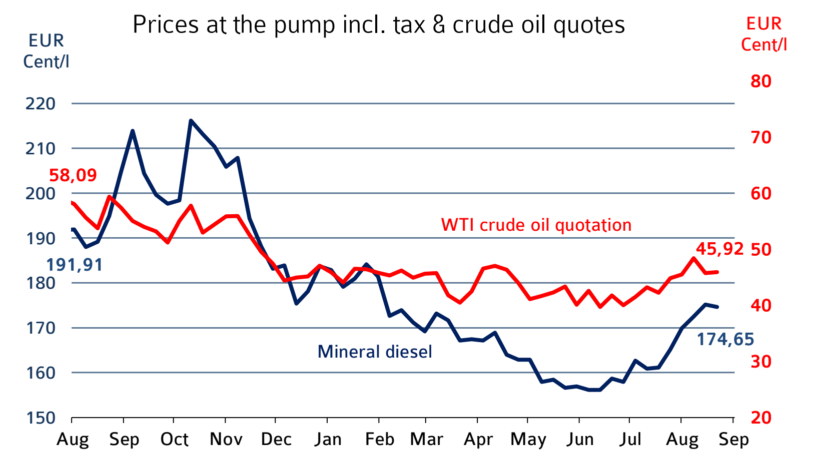
Wholesale prices

Wholesale prices on the domestic biodiesel market dropped despite brisk demand. The latest asking prices for standard biodiesel were at 169 euro cents per litre, which was down 2 euro cents per litre on four weeks earlier. Suppliers of summer diesel (FAME 0) were trying to sell their stock before 1 October 2023, on which date the transition to winter diesel (FAME -10) will be obligatory, especially because interest in buying cold-resistant transition or winter diesel is likely to increase from mid-September onwards.

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 until 31.08.2022 at 11.52 cents/l (tank rebate), all prices excluding transport costs © AMI 2023



Note: Mineral diesel incl. VAT © AMI 2023

Domestic consumption in 2023

in 1.000 t

	Jan.	Feb.	March	April	May	cumulated 2023	cumulated 2022
Biodiesel for blending	195,4	189,4	236,8	209,3	209,6	1.028,6	1.062,7
Diesel	2.261,9	2.385,4	2.780,4	2.373,7	2.758,0	12.555,3	12.958,8
Biodiesel + diesel	2.457,3	2.574,8	3.017,1	2.583,0	2.967,5	13.583,9	14.021,4
Share biodiesel	8,0	7,4	7,9	8,1	7,1	7,6	7,6
Bioethanol ETBE a)	9,3	8,6	10,2	10,7	11,5	50,2	55,7
Bioethanol for blending	80,7	78,6	78,5	88,7	101,2	425,0	429,5
Bioethanol total	90,0	87,2	88,7	99,4	112,7	475,2	485,2
Gasoline	1.208,5	1.239,9	1.398,0	1.307,5	1.412,7	6.550,5	6.185,5
Gasoline + bioethanol	1.298,6	1.327,0	1.477,7	1.406,9	1.525,4	7.025,8	6.670,7
Share bioethanol	6,9	6,6	6,0	7,1	7,4	6,8	7,3

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.

Prices at the pump

Prices on the crude oil market reached the highest level since November 2022 at 48.40 euro cents per litre at the beginning of August 2023. Prices then dropped, sliding to 45.92 euro cents per litre as the month ended while still remaining 1.11 euro cents per litre above the previous month's level. The boost in prices was due to prospects of a considerable undersupply in the market, because big OPEC+ member states such as Russia and Saudi Arabia drastically cut their oil output. However, these concerns were mitigated by prospects of Iran expanding its crude oil exports. By contrast, somewhat stronger pressure was created by speculations about waning demand from China due to the country's weak economic development. After all, China is the world's most important market.

Consumption

Biodiesel

May 2023 consumption of biodiesel remained virtually unchanged from the previous month at 209,570 tonnes, but dropped 1.3 per cent year-on-year. Consumption of diesel amounted to 2.8 million tonnes, which was a 16.2 per cent increase on the previous month and a 9.4 per cent rise year-on-year. As a result, the incorporation rate dipped significantly to 7.1 per cent, a level below the average of the past five months and clearly below the rate of 7.8 per cent recorded in May 2022.

Bioethanol

The use of bioethanol continued to increase in May 2023. At 112,650 tonnes, it was up around 13.3 per cent on the previous month. Use for ETBE production rose around 7.4 per cent to 11,480 tonnes, whereas use for blending surged 14 per cent to 101,170 tonnes, reaching the highest level since October 2021. This translates to a rise of 30.4 per cent and 18.1 per cent, respectively, on the same month the previous year. May 2023 use of petrol rose less sharply by a full 8 per cent to 1.4 million tonnes compared to the previous month. As a result, the incorporation rate climbed 0.3 percentage points to 7.4 per cent.

Explanations of abbreviations and technical terms are explained under: www.ufop.de/glossar