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UFOP Market Information Oilseeds and Biofuels

Contents

Price trends

Mean price	Week 39	Previous week	Trend
Producer prices in EUR/t			
Rapeseed	397,94	396,32	↗
Wholesale prices in EUR/t			
Rapeseed	434	432	↗
Rapeseed oil	950	940	↗
Rapsseed meal	285	285	→
Rapeseed cake*	306	305	↗
Rapeseed future	452,25	449,00	↗
Wholesale prices in ct/l, excl. VAT			
Biodiesel	180,00	165,18	↗
Consumer prices in ct/l incl. VAT			
Diesel	184,15	183,58	↗
Futures in US-$/barrel			
WTI, Nymex	93,68	90,28	↗

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

Market Headlines

Oilseeds

- Spot prices for rapeseed fell below EUR 400 per tonne on declining futures market quotations.
- Trading on German rapeseed market remained slow; imported rapeseed from Ukraine and the Baltic countries prevailed.
- US soybean harvest continued to have a strong impact on soybean price movements.

Oilseed meals and oilcakes

- Rapeseed meal prices came under downward pressure as demand dwindled.
- Soybean meal prices were stable despite increasing supply due to the ongoing harvests.

Vegetable oils

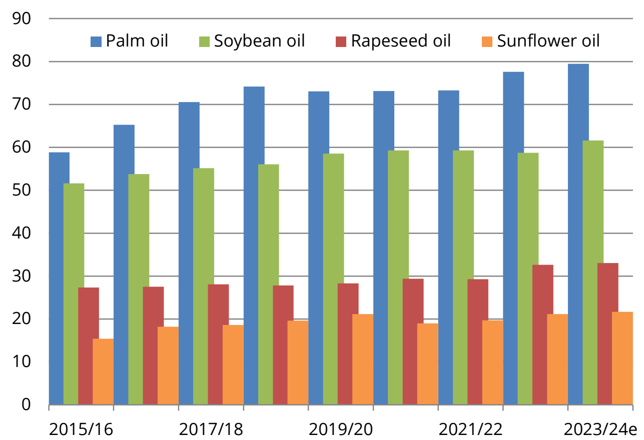
- Rapeseed oil recently firmed somewhat; trading picked up substantially over the month.
- Prices of palm oil edged up.

Fuels

- Biodiesel climbed on the tailwind of brisk demand.
- Crude oil prices rose strongly, driven by prospects of smaller global supply.

Chart of the week

Global vegetable oil production
in million tonnes

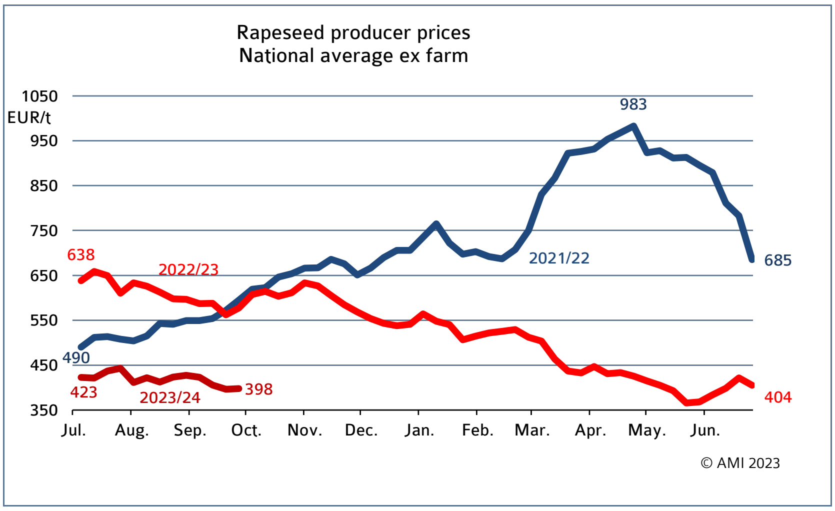


Source: USDA

Note: e= estimated

Edition October 2023

Market prices

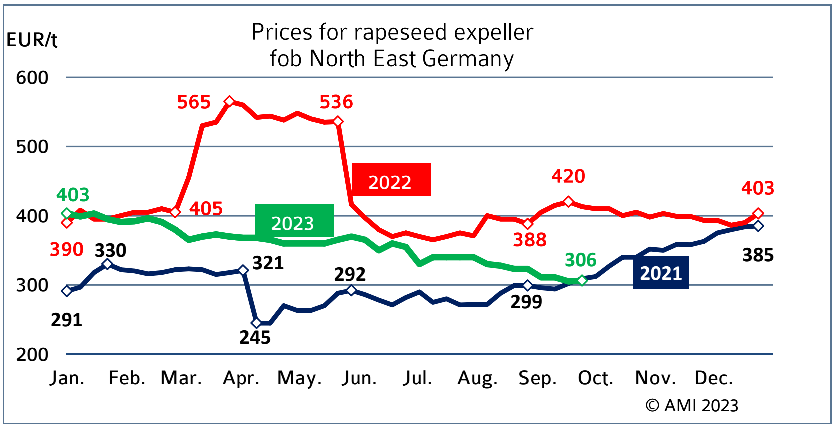


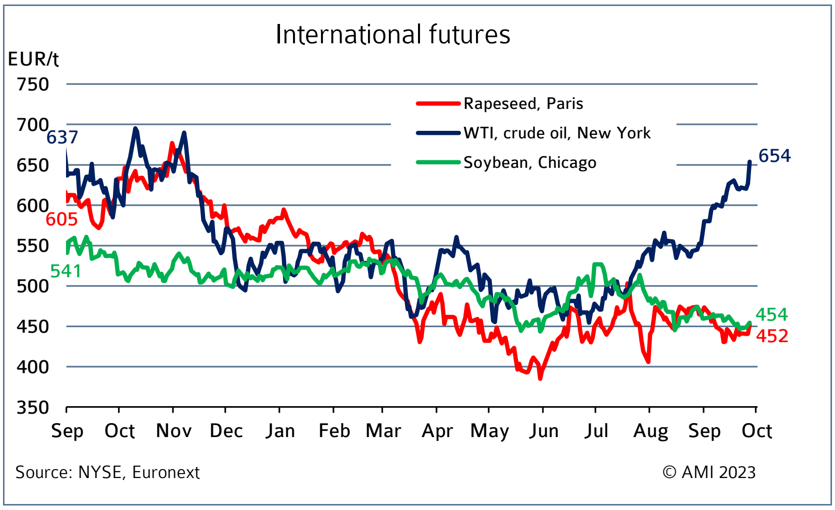
Wholesale prices

in EUR/t on 27.09.2023, (collected at mills and trade)

	Rapeseed 2023 franko	Rapeseed fob	Rapeseed oil fob	Palmoil cif
Spot	434	285	950	861
Previous week	432	285	940	887

Source: AMI





Rapeseed

The German rapeseed market remained calm. Given the persistently low price level, producers continued to wait rather than market the 2023 crop. If sales were made, it was only for liquidity reasons or due to lack of space. In any case, demand remained slack. Oil mills appeared to have already covered their needs. Meanwhile, the emergence of rapeseed crops was good in some regions.

Rapeseed oil

Trading on the German rapeseed oil market picked up significantly over the month. The power sector's interest in buying was especially concentrated on lots for delivery by the first quarter of 2024, because margins were still considered to be favourable. At the same time, the availability of rapeseed oil for delivery by October was getting lower and lower. Trade with food retailers also picked up somewhat recently, with buying interest being limited to deliveries in the second and third quarter of 2024.

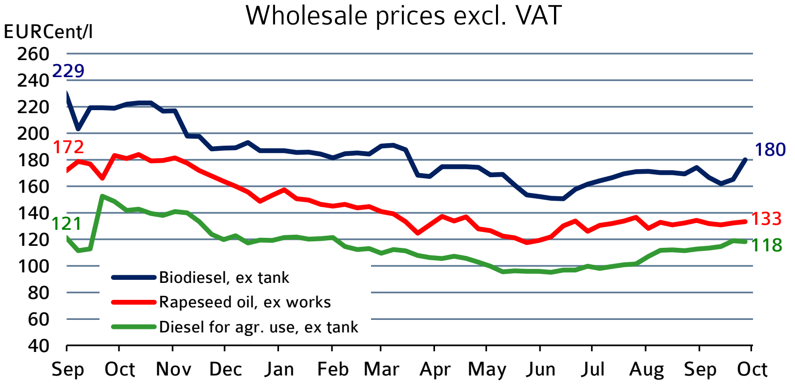
Rapeseed expeller

Rapeseed expeller fob North-East Germany continued to fall over the month. At the end of September, spot batches were offered at EUR 306 per tonne, which compared to EUR 323 per tonne four weeks earlier. Demand remained weak. Buyers only ordered tiny amounts to cover urgent needs. Supply was more than adequate throughout the country.

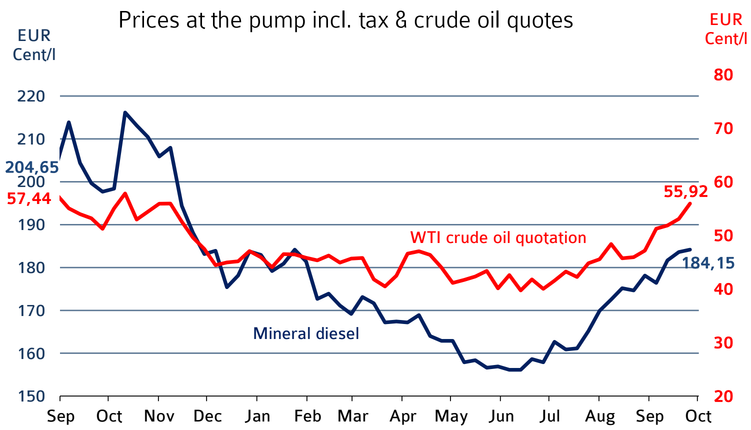
Wholesale prices

Spot biodiesel remained sought after given the attractive price level. However, on nearby positions storage tanks were already completely empty due to brisk demand in the past weeks. This means that bids could only be made for low-temperature winter commodity, FAME-10. Blending will be obligatory as of 1 October anyway. Again, demand remained brisk, with supply of lots for delivery in October getting increasingly tight. This should open additional scope for upward price movements in the weeks to come.

Biodiesel/ mineral Diesel



Note: all prices excluding transport costs © AMI 2023



Note: Mineral diesel incl. VAT © AMI 2023

Domestic consumption in 2023

in 1.000 t

								cumulated	
	Jan.	Feb.	March	April	May	June	July	2023	2022
Biodiesel for blending	195,4	189,4	236,8	209,3	209,6	231,7	227,7	1.495,7	1.466,9
Diesel	2.261,9	2.385,4	2.780,4	2.373,7	2.758,0	2.603,7	2.575,0	17.733,2	18.315,6
Biodiesel + diesel	2.457,3	2.574,8	3.017,1	2.583,0	2.967,5	2.835,4	2.802,7	19.228,9	19.782,6
Share biodiesel	8,0	7,4	7,9	8,1	7,1	8,2	8,1	7,8	7,4
Bioethanol ETBE a)	9,3	8,6	10,2	10,7	11,5	14,1	13,2	77,5	77,0
Bioethanol for blending	80,7	78,6	78,5	88,7	101,2	94,8	98,5	618,3	602,9
Bioethanol total	90,0	87,2	88,7	99,4	112,7	108,9	111,7	695,8	679,9
Gasoline	1.208,5	1.239,9	1.398,0	1.307,5	1.412,7	1.398,9	1.393,8	9.359,5	9.104,5
Gasoline + bioethanol	1.298,6	1.327,0	1.477,7	1.406,9	1.525,4	1.507,8	1.505,5	10.055,3	9.784,4
Share bioethanol	6,9	6,6	6,0	7,1	7,4	7,2	7,4	6,9	6,9

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

The cuts in crude oil production and reduction of Russia's petrol and diesel exports continued to have an impact on prices also in September. September prices reached a nine-month high at 55.92 euro cents per litre, which was up 10 euro cents per litre on the previous month's level. What is more, demand from China and the US remained surprisingly sound despite a slowdown in the economy. Shortages have been forecast to occur at the end of the year, which is expected to lend support to prices even in October. Price increases were also felt at the filling stations. Prices for mineral diesel climbed almost 10 euro cents per litre on the previous month to 184.15 euro cents per litre.

Consumption

Biodiesel

July 2023 consumption of biodiesel for blending declined 1.8 per cent from the previous month to 227,660 tonnes. In July 2022, consumption was around 10.5 per cent lower at 206,000 tonnes. Since at the same time consumption of diesel fuel decreased less strongly just under 1.1 per cent to 2.6 million tonnes, the incorporation rate dropped 0.1 percentage point to 8.1 per cent compared to June. In other words, the use of biodiesel for blending in the first six months of 2023 amounted to around 1.5 million tonnes, which was up around 2 per cent on the same period last year. By contrast, consumption of diesel fuel, at 17.7 million tonnes, fell 3.2 per cent short of the previous year's volume.

Bioethanol

July 2023 use of bioethanol increased 2.5 per cent on the previous month to around 111,700 tonnes. This translates to a full 7 per cent increase over July 2022. Both the volume of biodiesel in blends and the share in ETBE climbed year-on-year. Compared to the previous month, however, the share of ETBE declined just less than 6.4 per cent, whereas the use for blending rose just over 3.8 per cent. The use of pure petrol remained virtually unchanged from the previous month at 1.4 million tonnes. Consequently, the July 2023 incorporation rate rose 0.2 percentage points to 7.4 per cent

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