UFOP Market Information Oilseeds and Biofuels

Contents

Market Headlines

Oilseeds

- Ex-farm rapeseed prices increased.
- As the 2024 harvest neared, market participants were looking primarily at the weather charts
- US soybeans increased on the month; unfavourable harvest and growing conditions in Brazil and Argentina had a dominating influence on market activities.

Oilseed meals and oilcakes

- Rapeseed meal fell from ten-month high.
- Soybean meal prices firmed on support from concerns over South American soybean harvest, but low level of buying interest put a damper on price increase.

Vegetable oils

- Rapeseed oil cracked the mark of EUR 1,000 per tonne.
- Fluctuating palm oil prices trended firmer although supplies swelled as production increased.

Fuels

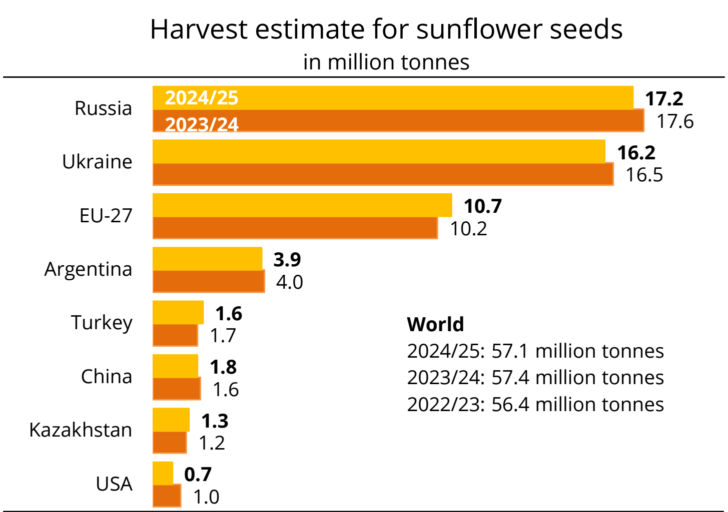
- Buying interest in the biodiesel market was virtually non-existent.
- Unexpectedly high US supplies pushed down crude oil prices.

Price trends

Mean price	Week 22	Previous week	Trend
Producer prices in EUR/t			
Rapeseed	441,06	432,75	➚
Wholesale prices in EUR/t			
Rapeseed	477	467	➚
Rapeseed oil	1.000	988	➚
Rapseseed meal	312	293	➚
Rapeseed cake*	325	325	➔
Rapeseed future	488,25	479,25	➚
Wholesale prices in ct/l, excl. VAT			
Biodiesel	167,15	164,62	➚
Consumer prices in ct/l incl. VAT			
Diesel	162,40	165,60	➘
Futures in US-$/barrel			
WTI, Nymex	79,83	79,26	➚

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

Chart of the week



Source: IGC

Note: 2023/24 estimate, 2024/25 forecast

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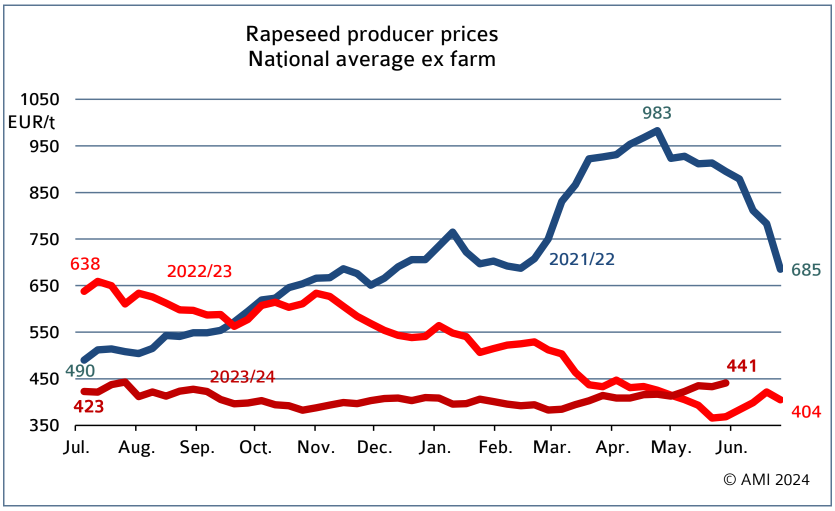
Market prices

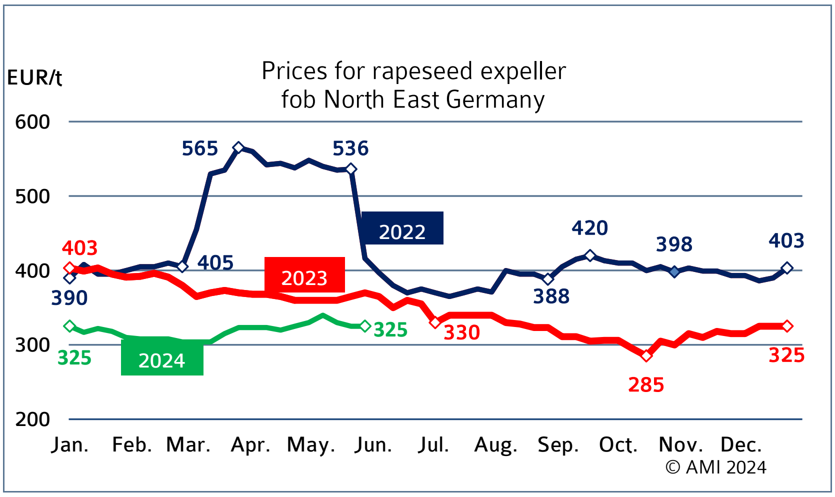


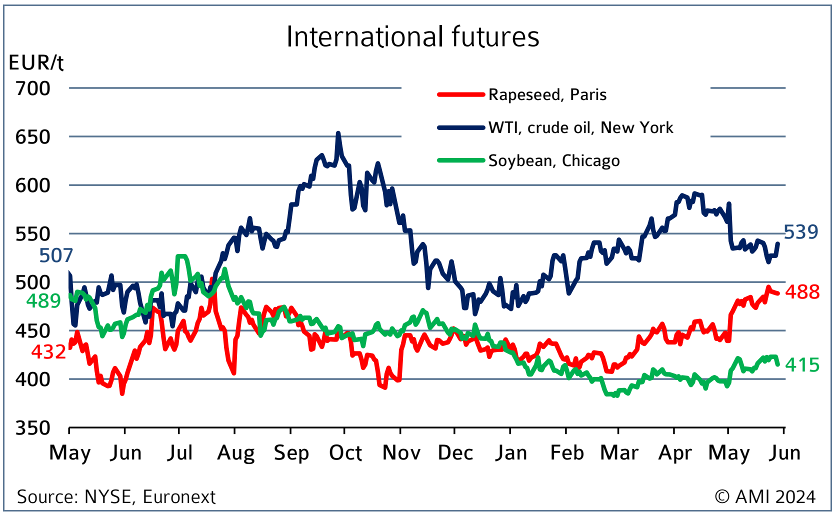
Wholesale prices

in EUR/t on 29.05.2024, (collected at mills and trade)

	Rapeseed 2023 franko	Rapeseed fob	Rapeseed oil fob	Palmoil cif
Spot	477	312	1000	926
Previous week	467	293	988	916

Source: AMI





Rapeseed

Stronger rapeseed prices stimulated farmers' inclination to sell significantly. The attractive price level was used both to market remaining old-crop quantities and to conclude forward contracts. As harvest neared, the focus remained on weather conditions. The development of oilseed rape field crops was quite non-uniform due to disparate rainfall amounts and soil types. In some cases pests were also an issue.

Rapeseed oil

Rapeseed oil prices climbed back above the level of EUR 1,000 per tonne at the end of the month for the first time since early October 2023. They were driven by strong rapeseed prices at the Paris stock exchange. Trading remained slow in view of restrained demand. Potential buyers both from the power sector – where the margins currently offer no incentive to buy – and the food retail sector acted cautiously. Even trading companies assumed that prices would likey be lowered once rapeseed harvests started.

Rapeseed expeller

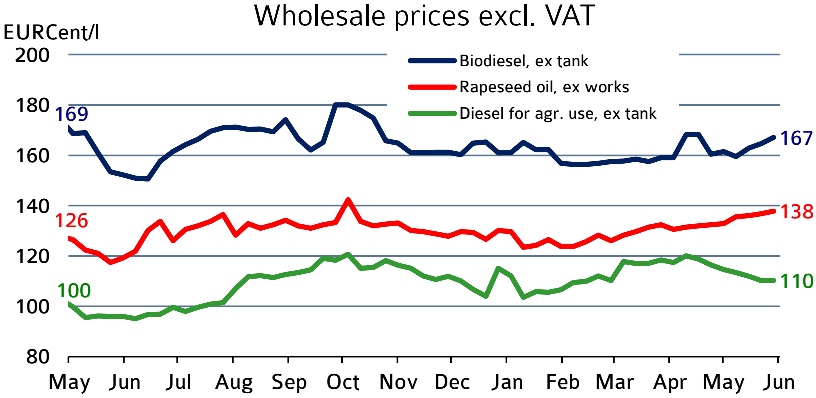
Bids for rapeseed expeller climbed sharply over the month, reaching the highest level since the end of July 2023 at EUR 340 per tonne. However, the gains were not maintained and prices for spot batches recently fell to EUR 325 per tonne, the level of four weeks ago. Tight supply for nearby positions could limit price losses only to a certain extent. There was not much activity on the market, with public holidays and the temporarily strong price trend limiting sales.

Wholesale prices

Biodiesel prices climbed 3.6 per cent on the month. This was just 0.9 per cent short of the year-earlier level. However, demand was not the main reason for the month-on-month increase. In fact, demand remained extremely slack in May in anticipation of the expected supply wave of summer diesel fuel. Only the temporarily firm crude oil prices provided some support for spot prices.

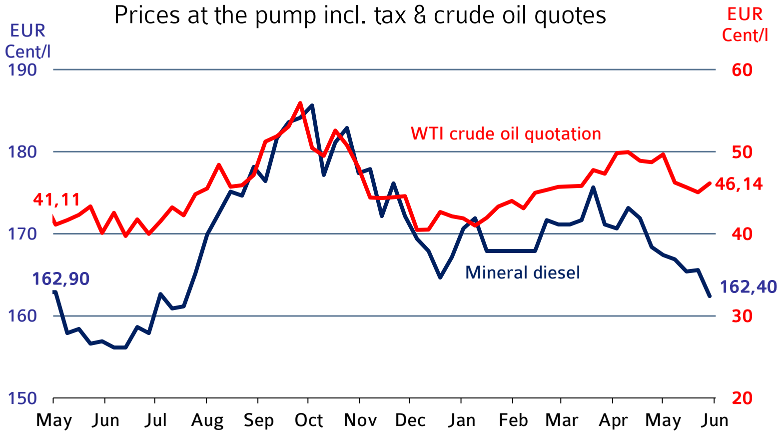
Biodiesel/ mineral Diesel

Wholesale prices excl. VAT



Note: Diesel for use in agriculture partially taxed until 29 February 2024 at 25.56 cents/l, from 1 March 2024 at 34.16 cents/l incl. CO2 pricing, rapeseed oil and biodiesel fully taxed at 47.04 cents/l excl. CO2 pricing, all prices excl. transport costs. © AMI 2024

Prices at the pump incl. tax & crude oil quotes



Note: Mineral diesel incl. VAT © AMI 2024

The updated BAFA table was not available at the editorial deadline. Please find comment and table of corresponding report 05/2024 attached.

Domestic consumption in 2024

in 1.000 t		cumulated	
	Jan.	2024	2023
Biodiesel for blending	189,4	189,4	199,8
Diesel	2.083,2	2.083,2	2.165,1
Biodiesel + diesel	8,3	8,3	8,5
Share biodiesel	2272,6	2272,6	2364,9
Bioethanol ETBE a)	6,8	6,8	9,6
Bioethanol for blending	99,0	99,0	81,0
Bioethanol total	105,8	105,8	90,6
Gasoline	1.200,8	1.200,8	1.177,5
Gasoline + bioethanol	1.306,5	1.306,5	1.268,1
Share bioethanol	8,1	8,1	7,1

Note: a) Volume percent of bioethanol in ETBE = 47 %; cumulated figures
Source: Federal Office for Economic Affairs and Export Control, AMI.

Prices at the pump

Crude oil prices closed at 45.90 euro cents per litre on 29 May 2024, following day-to-day fluctuations of -3.27 to +1.61 euro cents per litre. This translates to a 7.6 per cent decline on the month. At the petrol stations, prices for mineral diesel recently were at 162.40 euro cents per litre, down 5 euro cents per litre from a month earlier. Above all, pressure on crude prices in recent weeks came from unexpectedly large US stocks. Prospects of extremely slack demand over the further course of the calendar year also pulled prices down. The main reason was declining international economy, but also the relatively mild winter this year. Over the month, prices temporarily continued to receive support from the geopolitical risks. However, such risks are considered to be generally priced in. Nevertheless, an escalation of the Middle East conflict could disrupt the international flow of goods and thus fuel prices again at any time.

Consumption

Biodiesel

January 2024 consumption of biodiesel for blending in diesel fuel decreased considerably compared to the previous month. It amounted to 189,410 tonnes, which was down approximately 5.3 per cent on December 2023 and just over 5.2 per cent lower than in January 2023. Total consumption of diesel fuel (B7) declined to 2.27 million tonnes. This was 3.8 per cent short of the previous year's amount. As a consequence, the incorporation of biodiesel in blends decreased from 8.6 per cent the previous month to 8.3 per cent. This compares to a January 2023 incorporation rate of 8.5 per cent.

Bioethanol

The use of bioethanol suffered a decline in January 2024. At 105,760 tonnes, it was down around 13.5 per cent from December 2023, but nevertheless exceeded the previous year's January amount of 90,580 tonnes. At the same time, petrol consumption decreased 10.5 per cent to just less than 1.2 million tonnes, which was, however, up around 2 per cent on January 2023. In the light of this, the incorporation rate dropped 0.3 percentage points compared to the previous month to 8.1 per cent. Nevertheless, it exceeded the previous year's rate of 7.1 per cent.

See monthly data for comparison: https://www.ufop.de/biodiesel-und-co/biodiesel-preis/