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

UFOP Market Information Oilseeds and Biofuels

Contents

Price trends

Mean price	Week 05	Previous week	Trend
Producer prices in EUR/t			
Rapeseed	404,18	405,03	↘
Wholesale prices in EUR/t			
Rapeseed	414,00	420,00	↘
Rapeseed oil	865,00	883,00	↘
Rapseseed meal	201,00	198,00	↗
Rapeseed cake*	236,27	236,43	↘
Rapeseed future	415,00	427,25	↘
Wholesale prices in ct/l, excl. VAT			
Biodiesel	131,66	133,18	↘
Consumer prices in ct/l incl. VAT			
Diesel	118,24	115,57	↗
Futures in US-$/barrel			
WTI, Nymex	53,88	52,75	↗

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

Market Headlines

Oilseeds

- Rapeseed prices picked up further; producers were reluctant to sell.
- Price quotes for rapeseed in Paris firmed steadily.
- Australian imports are expected to expand EU supply from March onwards.

Oilseed meals and oilcakes

- First signs of market stimulation for rapeseed meal; buying interest was primarily for old-crop rapeseed meal.
- Buying interest for rapeseed cake continued small.

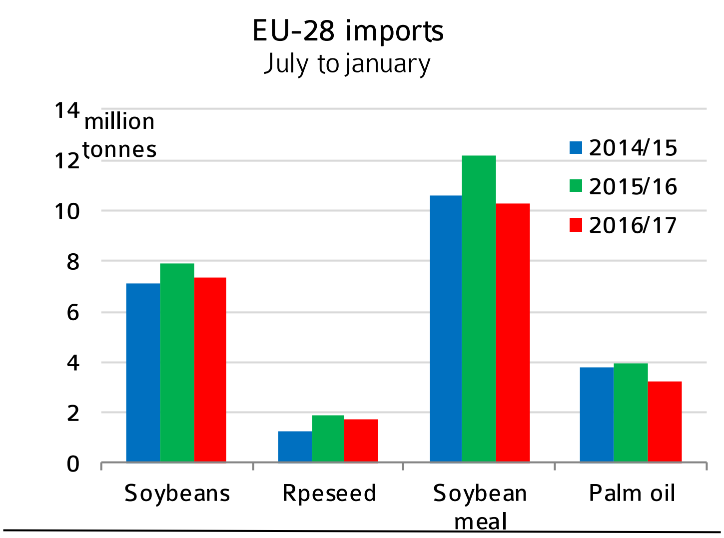
Vegetable oils

- Vegetable oils slid as soybean prices declined.
- Prices for cold pressed rapeseed oil were firm despite continued scant demand.

Fuels

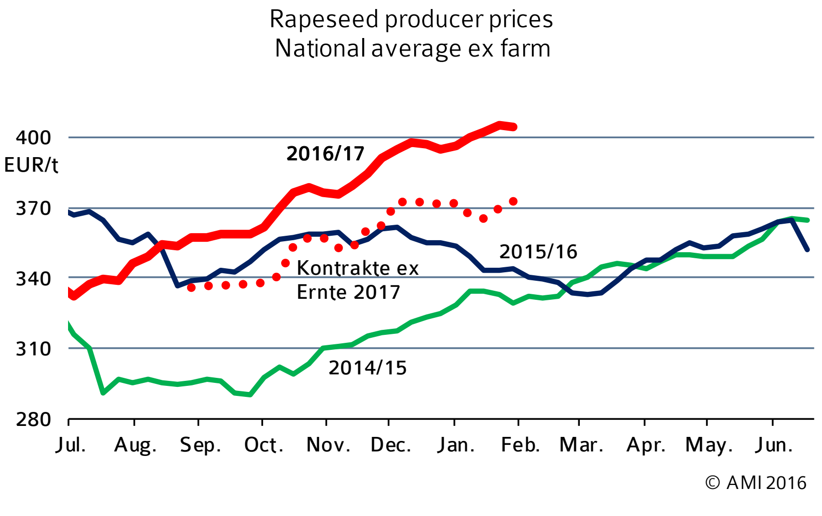
- Little interest in buying biodiesel after the turn of the year; demand not pressing.
- Diesel prices benefited from implementation of OPEC cap on production; strongly volatile dollar had a big impact.

Chart of the week



Source: EU-Commission

Market prices



Wholesale prices

In EUR/t on 01.02.2017, (collected at mills and trade)

	Rapeseed 2016 franko	Rapeseed fob	Rapeseed oil fob	Palmoil cif
Spot	416	212	840	747
Previous week	431	201	870	752

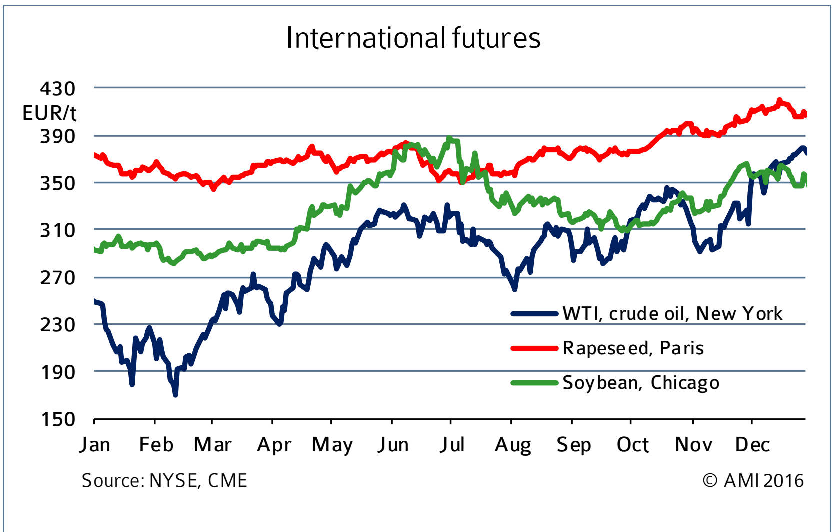
Source: AMI

Contract prices for rapeseed cake & cold-pressed rapeseed oil

Ex works in EUR/t (reported by mills/traders on 17.01.2017)

	Rapeseed cake		cold-pressed rapeseed oil in Cent/l		
Monthly production	Price range	Previous month	Feed oil	DIN 51605	Fuel
< 100 t	235-255	235-250	84,75	85,67	-
> 100 t	228-235	235-240	Vm: 84,13	82,86	-

Note: pm = previous month; crude rapeseed oil excl. tax
Source: AMI



Rapeseed

January rapeseed prices continued to rise, supported by firm prices in Paris. Buying interest was primarily for delivery from March 2017 onwards. Extensive rapeseed shipments are expected to arrive from Australia then. They will enhance the scarce EU rapeseed supply, but are unlikely to have an impact on prices.

Rapeseed oil

Vegetable oil prices dropped sharply in the second half of January, mainly due to the falloff in soybean oil prices. Prospects of a bumper crop in Brazil put downward pressure on soybean prices in Chicago. Palm oil also went down, additionally weighed down by abundant output prospects in 2017.

Rapeseed cake

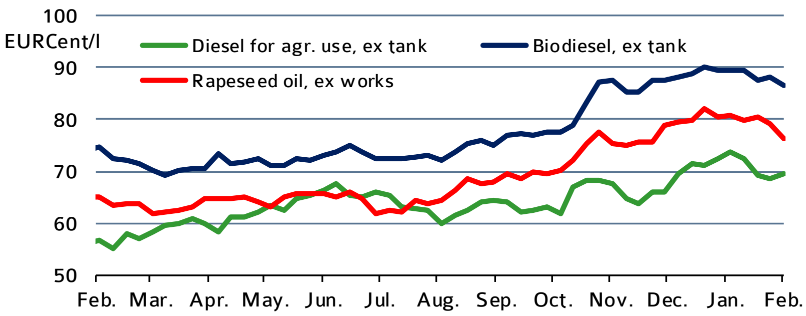
The tight financial situation of livestock farmers is now also reflected in demand at the decentralised oil mills. Regular customers cut their call-off quantities of rapeseed cake. Suppliers' asking prices declined slightly, although wholesale prices for extracted rapeseed meal went up. Feed compounders paid between EUR 228-235 per tonne at decentralised oil mills, whereas livestock farmers had to fork out EUR 235-255 per tonne. In North-East Germany, January 2017 wholesale prices averaged EUR 223 per tonne, up EUR 4 per tonne on the previous month.

Cold pressed rapeseed oil

Selling prices for cold pressed rapeseed oil continued firm. In January 2017 decentralised oil mills raised their asking prices by just less than 1 per cent to 85.21 euro cents per litre. Due to slack demand, they could not implement a higher increase, especially because prices were already showing signs of weakness at the wholesale level. Decentralised oil mills pointed out that not only did rapeseed oil sales continue to go down, but that sales of rapeseed cake were equally sluggish.
They responded by scaling back on processing. The oil mill industry's January rapeseed oil prices dropped minimally to 80.07 euro cents per litre in the wake of temporarily very low demand and a decline in palm oil prices. Nearby supply of rapeseed oil is very tight and prices for rapeseed oil are set to rise again as rapeseed prices climb sharply.

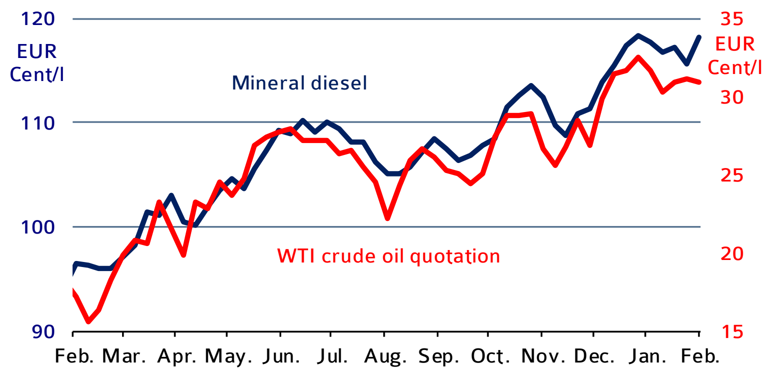
Biodiesel/ mineral Diesel

Wholesale prices excl. VAT



Note: Rapeseed oil and Biofuel for agricultural use are energy tax exempt. Diesel for agricular use is taxed at 25.26 cent per litre. All prices exclude freight charges.

Prices at the pump incl. tax & crude oil quotes



Wholesale prices

In January 2017, the German biodiesel market was calm. This situation is likely to continue in the coming weeks. The original assumption was the blending quota increase in 2017 would bring buyers to the scene earlier. However, the fact that the demand side stocked up well at the end of 2016 obviously carries greater weight with the market. This means a drop in demand and decline in prices, also on the background of falling rapeseed oil prices.

Prices at the pump

January prices of mineral diesel increased from the previous month, following firm crude oil prices. The key reason was the implementation of the OPEC cap on production in most member states. Temporary weaknesses in the market were due to reports that US crude oil stocks had increased. However, in the meantime US output has been reported to have declined.

Fuel consumption

November 2016 biodiesel use in blends saw only a slight rise, falling just short of the previous year's figure. At 160,079 tonnes, consumption was up 0.6 per cent on the previous month, but nevertheless down just over 4 per cent on November 2015. However, at the same time consumption of diesel fuel went up considerably, leading to a reduction in the volumetric blending quota to 4.77 per cent. This was the lowest level since records began in 2007. ... (continued on page 4)

Domestic consumption in 2016

in 1.000 t

	Jan.	Feb.	March	April	Mai	June	July	Aug.	Sept.	Oct.	Nov.	Cumulated 2016	Cumulated 2015
Biodiesel for blending	174,6	167,7	194,4	191,1	184,4	203,2	194,5	187,1	172,7	159,1	160,1	1.988,8	1.976,1
Pure biodiesel b)	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,1	0,0	0,0	0,0	0,0
Biodiesel total	174,6	167,7	194,4	191,1	184,4	203,2	194,5	187,1	172,9	159,1	160,1	1.988,8	1.976,1
Pure plant oil (PPO) b)	0,1	0,0	2,5	0,1	0,8	0,1	0,1	0,1	0,1	17,1	0,0	3,7	2,0
Biodiesel & PPO	174,7	167,8	196,9	191,2	185,2	203,3	194,6	187,2	173,0	176,1	160,1	1.992,5	1.978,0
Diesel	2.735,6	2.919,2	3.210,3	3.321,9	3.122,7	3.266,0	3.389,0	3.320,4	3.404,7	3.271,5	3.351,1	35.388,5	33.812,9
Biodiesel share in blending	6,4 %	5,7 %	6,1 %	5,8 %	5,9 %	6,2 %	5,7 %	5,6 %	5,1 %	4,9 %	4,8 %	5,6 %	5,8 %
Biodiesel + diesel + PPO	2.735,7	2.919,3	3.212,8	3.321,9	3.123,6	3.266,1	3.389,1	3.320,6	3.404,9	3.288,5	3.351,2	35.392,2	33.814,8
Share biodiesel & PPO	6,4 %	5,7 %	6,1 %	5,8 %	5,9 %	6,2 %	5,7 %	5,6 %	5,1 %	5,4 %	4,8 %	5,6 %	5,8 %
Bioethanol ETBE a)	9,8	9,9	10,7	8,4	9,8	12,1	14,1	8,7	7,0	10,7	10,4	114,1	106,6
Bioethanol for blending	83,3	69,9	78,7	81,7	88,6	95,8	97,9	94,4	87,0	89,2	89,2	955,7	965,1
Bioethanol E 85	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Bioethanol total	93,1	79,8	89,5	90,0	98,4	107,9	112,1	103,2	94,0	99,9	99,7	1.069,9	1.071,7
Gasoline	1.249,4	1.309,9	1.416,2	1.431,3	1.467,8	1.435,2	1.488,6	1.489,1	1.488,4	1.435,2	1.428,8	15.685,1	15.631,5
Gasoline + bioethanol c)	1.342,5	1.389,7	1.505,6	1.521,4	1.566,2	1.543,0	1.600,7	1.592,3	1.582,4	1.535,1	1.528,5	16.755,0	16.703,2
Share bioethanol c)	6,9 %	5,7 %	5,9 %	5,9 %	6,3 %	7,0 %	7,0 %	6,5 %	5,9 %	6,5 %	6,5 %	6,4 %	6,4 %

Note: a) Volume percent of bioethanol in ETBE = 47 %; b) source: Statistisches Bundesamt, 'Taxation of energy products', chapter II: energy products (excluding heating fuels); taxation without amounts according to § 46 and § 47 EnergieStG; c) The proportion of gasoline fuels contained in bioethanol fuels have been offset; cumulated figures include (unpublished) revised monthly BAFA data

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

...Consequently, January to November 2016 consumption of just under 2 million tonnes was up 0.6 per cent on the previous year. The blending quota was down 0.2 percentage points to 5.6 per cent.

November 2016 demand for bioethanol amounted to 99,653 tonnes, which was marginally less than the previous month, but more than the same month a year earlier. Due to the slight drop in petrol consumption, the percentage of bioethanol in blends rose marginally to 6.5 per cent. Demand for ETBE saw a slight decline while nevertheless remaining at a high level. January to November 2016 consumption of bioethanol was 1.1 million tonnes, just slightly down from the previous year's figure. However, because consumption of petrol surged 0.3 per cent over the same 11-month period, the overall percentage of bioethanol used in blends declined 0.5 percentage points to 6.4 per cent.