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

ufop

UFOP Market Information Oilseeds and Biofuels

Contents

Price trends

Mean price	Week 27	Previous week	Trend
Producer prices in EUR/t			
Rapeseed	350,40	359,10	↘
Wholesale prices in EUR/t			
Rapeseed	360,00	353,00	↗
Rapeseed oil	830,00	785,00	↗
Rapseseed meal	198,00	204,00	↘
Rapeseed cake*	248,57	236,43	↗
Rapeseed future	362,00	356,75	↗
Wholesale prices in ct/l, excl. VAT			
Biodiesel	122,29	122,29	→
Consumer prices in ct/l incl. VAT			
Diesel	107,32	106,96	↗
Futures in US-$/barrel			
WTI, Nymex	45,13	44,74	↗

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

Market Headlines

Oilseeds

- Price rises for new-crop rapeseed reflected upcoming shortage.
- Unfavourable growth conditions in the EU-28 and US drove up oilseed prices.
- June drought hit German rapeseed crops hard; output expectations were lowered.

Oilseed meals and oilcakes

- Interest in buying spot rapeseed meal was very small and that in buying soybean meal somewhat more buoyant. Prices hit 14-month low.
- Prices for rapeseed cake remained virtually unchanged; direct-business sales to livestock farmers were steady.

Vegetable oils

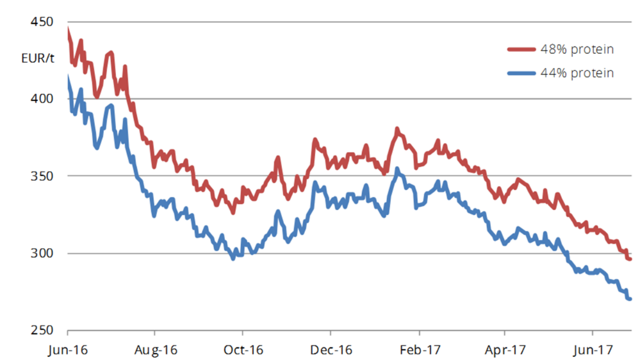
- Palm oil became ever cheaper, whereas prices for rapeseed and soybean oil were firm.
- Prices for cold pressed rapeseed oil prices remained almost unchanged.

Fuels

- Month-end demand for biodiesel was brisk as the number of enquiries and transactions for the fourth quarter of 2017 increased.
- Crude oil prices slid to a 16-month low; oversupply continued despite OPEC cuts in crude output.

Chart of the week

Prices of soybean meals

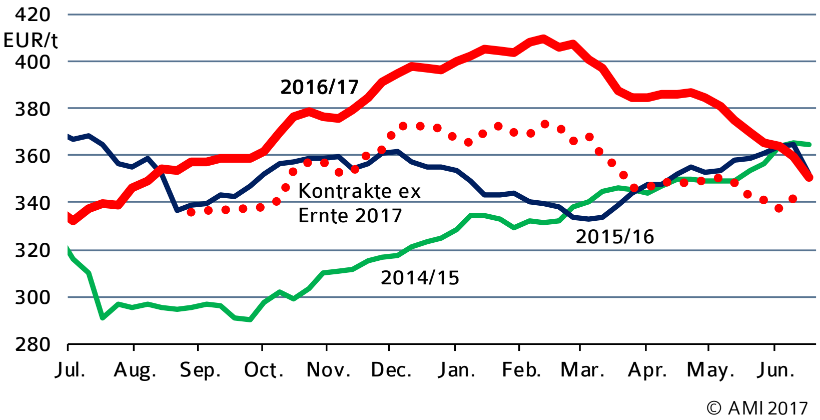


Source: AMI

Edition july 2017

Market prices

Rapeseed producer prices
National average ex farm



Wholesale prices

In EUR/t on 05.07.2017, (collected at mills and trade)

	Rapeseed 2016 franko	Rapeseed fob	Rapeseed oil fob	Palmoil cif
Spot	360	198	830	573
Previous week	353	204	785	608

Source: AMI

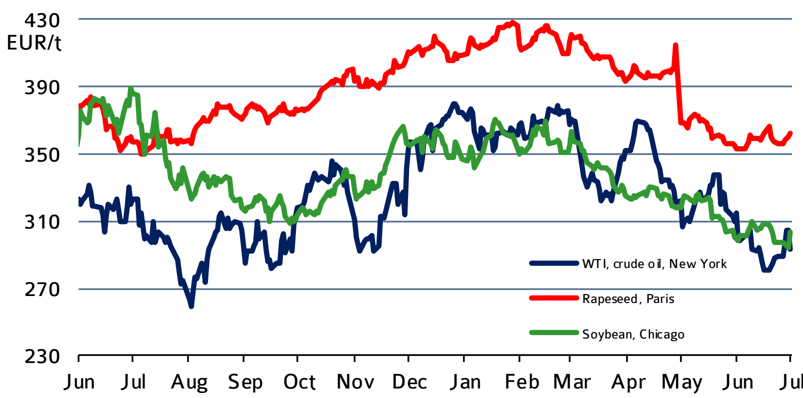
Contract prices for rapeseed cake & cold-pressed rapeseed oil

Ex work in EUR/t (reported by mills/traders on 20.06.2017)

	Rapeseed cake		cold-pressed rapeseed oil in Cent/l		
Monthly production	Price range	Previous month	Feed oil	DIN 51605	Fuel
< 100 t	245-265	245-265	86,75	87,67	-
> 100 t	235-245	240-245	pm: 85-86	pm: 85-88	-

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

International futures



Source: NYSE, CME
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Rapeseed

Prices for old-crop rapeseed skidded to the previous year's level at the end of the 2016/17 marketing year – a level at which German farmers were no longer ready to deliver their remaining quantities of rapeseed. Prices for new-crop rapeseed recently moved up. Oil millers held their premiums on the rising forward prices at a constant level. Consequently, from the producers' standpoint, prices reflected the shaky rapeseed yield situation in Germany better. Producers now hope that prices will continue to increase.

Rapeseed oil

Recently, rapeseed oil prices rocketed. The reason was significantly firmer soybean oil prices, which benefited from firmer commodities. The steep rise was triggered by sometimes extreme drought in US cultivation areas. An additional factor driving up prices was the latest USDA figures on US soybean area, which rose less than expected.

Rapeseed cake

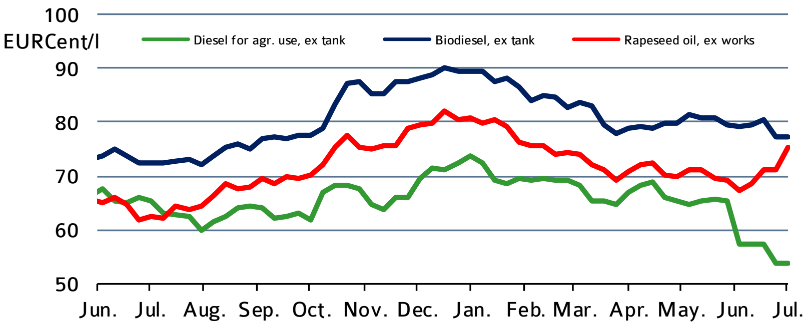
Asking prices for rapeseed cake remained virtually unchanged from the previous month. Price peaks were somewhat reduced with the result that average prices came down 0.2 cents per tonne to EUR 248.57 per tonne. Direct sales to livestock farmers were steady. In some cases, surplus was marketed to feed compounders. At EUR 245,27 per tonne, the price farmers had to pay for conventional extracted rapeseed was almost the same as the previous month. By contrast, soybean meal came down significantly with the result that rapeseed meal and rapeseed cake lost competitiveness.

Cold pressed rapeseed oil

Cold pressed rapeseed oil was traded at almost the same level as the previous month. Selling prices remained unchanged at 86.75 euro cents per litre for feed oil and EUR 87.67 per tonne for DIN 51605 rapeseed oil. In other words, they followed the same trend as conventional rapeseed oil did, the latter being offered at 69.61 euro cents per litre fob mill, just slightly below the previous month's level.

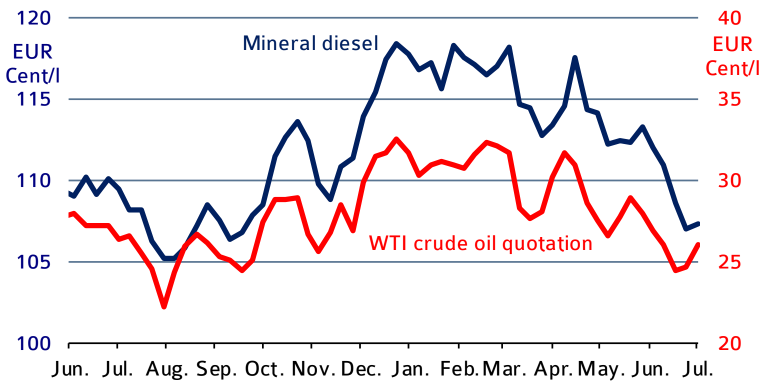
Biodiesel/ mineral Diesel

Wholesale prices excl. VAT



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

Prices at the pump incl. tax & crude oil quotes



Domestic consumption in 2017

in 1.000 t

	Jan.	Feb.	March	April	cumulated 2017	cumulated 2016
Biodiesel for blending	150,5	134,4	206,3	175,3	670,2	728,0
Biodiesel total	150,5	134,4	206,3	175,3	670,2	728,0
Pure plant oil (PPO) b)	0,1	0,0	2,5	0,0	0,0	0,0
Biodiesel & PPO	150,6	135,0	211,1	175,3	670,2	728,0
Diesel	2.754,5	2.724,6	3.365,5	3.034,2	11.871,9	11.229,6
Biodiesel share in blending	5,2 %	4,7 %	5,9 %	5,5 %	5,3 %	6,1 %
Biodiesel + diesel + PPO	2.905,1	2.859,6	3.576,6	3.209,4	12.542,1	11.957,6
Share biodiesel & PPO	5,2 %	4,7 %	5,9 %	5,5 %	5,3 %	6,1 %
Bioethanol ETBE a)	8,7	8,0	8,8	10,7	36,2	39,8
Bioethanol for blending	76,5	69,4	79,8	89,2	315,3	313,6
Bioethanol total	85,3	77,4	88,6	99,9	351,5	353,4
Gasoline	1.318,5	1.244,6	1.522,3	1.417,1	5.497,2	5.422,6
Gasoline + bioethanol c)	1.403,8	1.322,0	1.610,9	1.517,0	5.848,7	5.776,0
Share bioethanol c)	6,1 %	5,9 %	5,5 %	6,6 %	6,0 %	6,1 %

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

Wholesale prices

June trading at the biodiesel market continued to be slow. Sales of mineral diesel dropped at the beginning of the month and abundant supply of biodiesel coincided with falling demand. Although the market picked up towards the end of the month, the recovery was not yet reflected in prices. There were some buying interest and transactions for delivery from November 2017 onwards.

Prices at the pump

The June curve for crude oil forward prices and, consequently, diesel prices was initially influenced by oil output increases in the US and Libya, which fuelled doubts about the success of the steps taken by OPEC to curb global crude oil supply. Prices turned upward at the end of the month, supported by a weaker US dollar.

Consumption

Biodiesel

Whereas more than 200,000 tonnes of biodiesel went into blends in March, the April 2017 blending amount dropped to 175,286. However, consumption of diesel also fell just less than 10 per cent from the previous month, raising the incorporation rate to 5.5 per cent, the second highest level seen this year. Consequently, demand for biodiesel in the first four months of 2017 added up to 670,160 tonnes. This was 8 per cent down year-on-year, although the cap on greenhouse gas emission was raised 0.5 percentage points from the previous year (to 4 per cent) and consumption of diesel rose 5 per cent.

Bioethanol

April 2017 use of bioethanol went up significantly, raising demand to just less than 100,000 tonnes. At the same time, consumption of petrol declined with the result that the incorporation rate increased to 6.6 per cent. However, compared to January/April 2017, the figure was slightly down year-on-year. The use of bioethanol for blending and ETBE production of 351,536 tonnes fell 0.5 per cent short of the previous year's figure. However, at the same time, petrol use went up 1.4 per cent.