UFOP Market Information Oilseeds and Biofuels

Contents

Price trends

Mean price	Week 09	Previous week	Trend
Producer prices in EUR/t			
Rapeseed	337,88	334,94	↗
Wholesale prices in EUR/t			
Rapeseed	350,00	350,00	→
Rapeseed oil	680,00	675,00	↗
Rapseseed meal	237,00	228,00	↗
Rapeseed cake*	225,00	232,50	↘
Rapeseed future	360,50	354,50	↗
Wholesale prices in ct/l, excl. VAT			
Biodiesel	115,12	114,23	↗
Consumer prices in ct/l incl. VAT			
Diesel	116,02	115,34	↗
Futures in US-$/barrel			
WTI, Nymex	61,64	61,68	↘

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

Market Headlines

Oilseeds

- Rapeseed producers failed to find sales inducements; oil mill owners did not raise premiums.
- Rapeseed prices in Paris received slight support.
- Chicago soybean prices climbed sharply, driven by drought in Argentina.

Oilseed meals and oilcakes

- Soybean meal prices jumped; already small buying interest cooled even further.
- Feed compounders increased their rapeseed meal purchases, but supply was tight, benefiting oilcake prices.

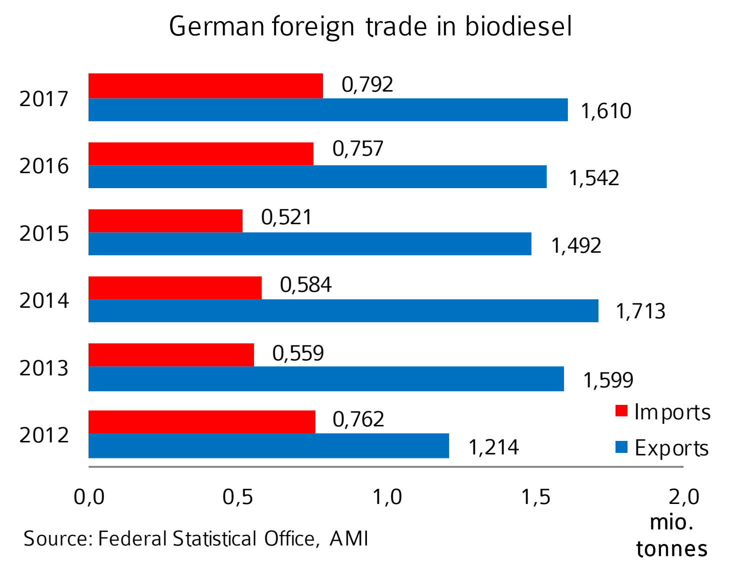
Vegetable oils

- Rapeseed oil prices stood low; demand from biodiesel industry remained unchanged at a low level.
- Cold pressed rapeseed oil decreased only slightly.

Fuels

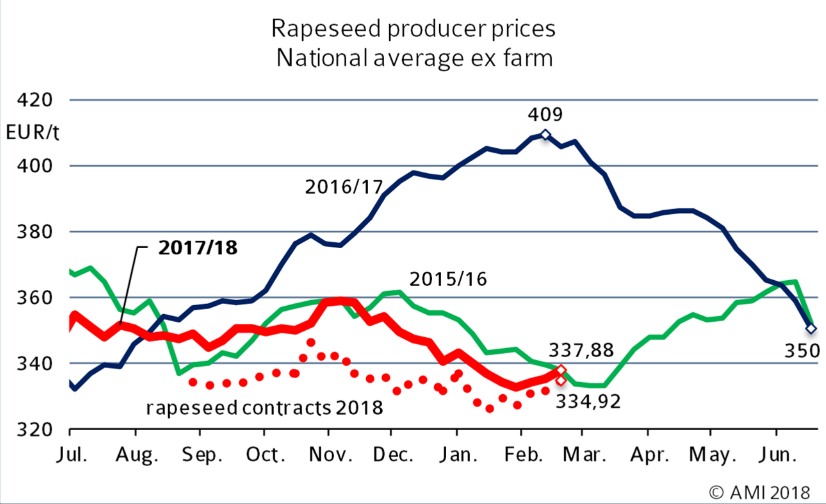
- Crude oil prices firmed, driven by rising demand, but increased US production and growing stocks put a limit on profits.
- Mineral oil groups purchased first and foremost UCOME biodiesel; biodiesel imports from Argentina created pressure on supply.

Chart of the week



Edition march 2018

Market prices



Wholesale prices

In EUR/t on 28.02.2018, (collected at mills and trade)

	Rapeseed 2017 franko	Rapeseed fob	Rapeseed oil fob	Palmoil cif
Spot	350	237	680	557
Previous week	350	228	675	537

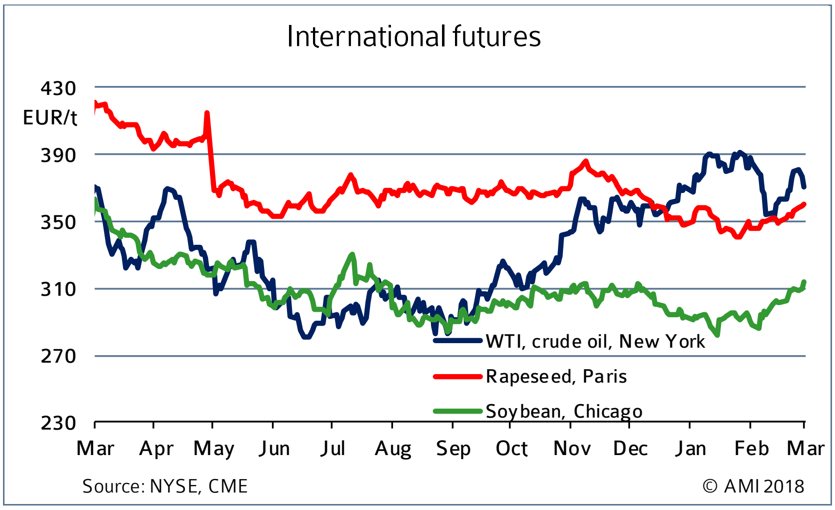
Source: AMI

Contract prices for rapeseed cake & cold-pressed rapeseed oil

Ex work in EUR/t (reported by mills/traders on 21.02.2018)

	Rapeseed cake		cold-pressed rapeseed oil in Cent/l		
Monthly production	Price range	Previous month	Feed oil	DIN 51605	Fuel
< 100 t	225-235	225-235	84,00	85,67	-
> 100 t	220-225	210-215	pm: 84,33	pm: 86,00	-

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



Rapeseed

Rapeseed prices benefited from firm forward prices in Paris, but remained clearly below the year-ago level – by as much as around EUR 70 per tonne. Oil millers continued to show little buying interest and did not raise premiums on the feedstock. They provided themselves with imported rapeseed from the Ukraine and Australia. The 2018 harvest was hardly a topic of conversation, and transactions were seldom concluded. German rapeseed producers still lacked inducements to sell.

Rapeseed oil

Rapeseed oil prices recently benefited from firming soybean and palm oil prices, but remained at a low level. The explanation is that demand from the biodiesel industry was still very low. The main reason for sluggish trading was pressure on supply and prices from biodiesel imports from Argentina. This pressure could rise even further from April onwards.

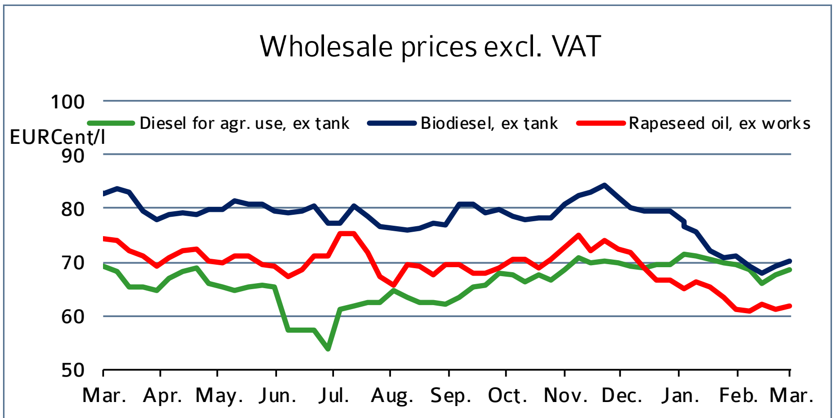
Rapeseed cake

The decentralised oil mills raised their selling prices for rapeseed cake by EUR 4 per tonne to EUR 225 per tonne in February. This was the highest level since June 2017. Prices benefited from the depleted rapeseed meal market. No prices were recorded for rapeseed expeller fob North-East Germany on nearby positions. The commodity has not been offered since January. Asking prices were only reported for batches for delivery from August onwards.

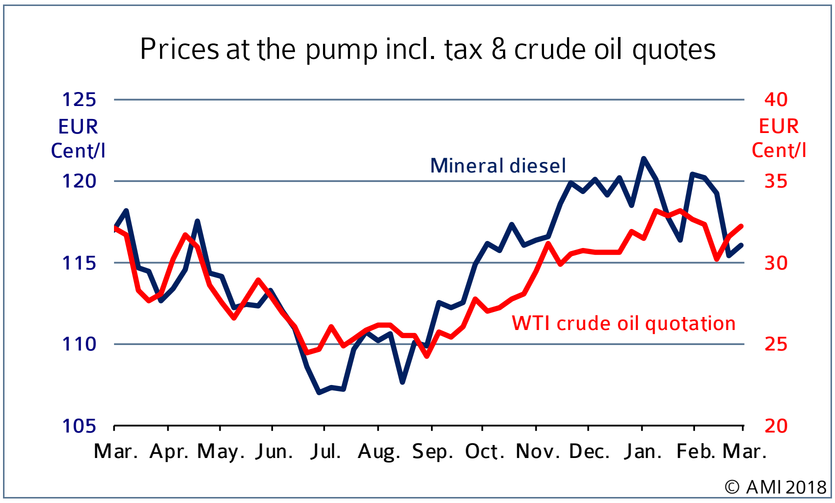
Cold pressed rapeseed oil

The decentralised oil mills lowered their selling prices for cold pressed rapeseed oil by 0.34 euro cents per litre to 84.43 euro cents per litre from the previous month. In other words, prices remained comparatively firm, since the oil mill industry's asking prices for crude rapeseed oil put a damper on buying interest and were lowered continuously as a result. More specifically, rapeseed oil lost more than 4 per cent in value from the previous month, whereas cold pressed rapeseed oil only lost 0.4 per cent.

Biodiesel/ mineral Diesel



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



Wholesale prices

The mineral oil groups' interest in buying rapeseed methyl ester on the biodiesel market remained small. Sales were at best steady and prices were stable. The picture was somewhat different for biodiesel made from used cooking oil. It had been in the focus of attention for several weeks because of its comparatively high GHG saving potential. However, asking prices were raised as supply tightened.

Prices at the pump

Rising international demand for crude oil brought support to February forward prices. UPEC's cap on crude oil production levels also made an impact. Both factors sent prices rising and diesel prices were also raised slightly again. However, increasing crude oil production and growing oil and petrol stocks in the US raised concerns.

Consumption

Biodiesel

Although the December 2017 biodiesel incorporation rate declined clearly from the previous months, the annual figure rose compared to the previous year because of a further increase in overall diesel consumption. The percentage of biodiesel in blends went up slightly from 5.67 per cent to 5.71 per cent in 2017.

Domestic consumption in 2017

in 1.000 t

	Jan.	Feb.	March	April	Mai	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	cumulated 2017	2016
Biodiesel for blending	150,5	134,4	206,3	175,3	178,2	189,9	205,7	206,9	200,3	189,5	193,4	174,0	2.207,6	2.150,3
Diesel	2.754,5	2.724,6	3.365,5	3.034,2	3.147,4	3.123,0	3.119,8	3.186,1	2.976,8	3.138,9	3.146,6	2.833,4	36.439,6	35.751,0
Biodiesel + diesel	2.905,1	2.859,6	3.576,6	3.209,4	3.325,7	3.312,9	3.325,5	3.393,0	3.177,1	3.328,5	3.340,1	3.007,3	38.647,2	37.901,3
Share biodiesel	5,2 %	4,7 %	5,9 %	5,5 %	5,4 %	5,7 %	6,2 %	6,1 %	6,3 %	5,7 %	5,8 %	5,8 %	5,7 %	5,7 %
Bioethanol ETBE a)	8,7	8,0	8,8	10,7	12,1	7,2	9,1	9,3	9,7	10,0	8,6	7,3	111,6	128,8
Bioethanol for blending	76,5	69,4	79,8	89,2	93,4	88,2	97,2	93,7	86,3	92,6	83,0	93,0	1.042,5	1.046,7
Bioethanol total	85,3	77,4	88,6	99,9	105,5	95,5	106,3	103,0	96,1	102,6	91,6	100,3	1.154,0	1.175,4
Gasoline	1.318,5	1.244,6	1.522,3	1.417,1	1.549,6	1.535,3	1.484,8	1.539,6	1.387,8	1.443,5	1.424,7	1.330,5	17.373,3	17.062,3
Gasoline + bioethanol c)	1.403,8	1.322,0	1.610,9	1.517,0	1.655,1	1.630,8	1.591,1	1.642,6	1.483,9	1.546,1	1.516,2	1.430,8	18.527,4	18.237,7
Share bioethanol c)	6,1 %	5,9 %	5,5 %	6,6 %	6,4 %	5,9 %	6,7 %	6,3 %	6,5 %	6,6 %	6,0 %	7,0 %	6,2 %	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

Bioethanol

In December 2017, consumption of bioethanol surged considerably yet again. The amount used in biodiesel blends reached just less than 93,000 tonnes. This was up 12 per cent from November. Compared to the previous year, the rise, of 2.2 per cent, was not quite so big. However, the use of bioethanol in ETBE virtually took a tumble, shrinking 13 per cent from the previous month. Consumption amounted to 7,350 tonnes, which translates to a 40 per cent drop from the previous year. Demand for petrol sank considerably from the previous month, by 6.6 per cent. As a consequence, the percentage of bioethanol in blends leaped to 7.01 per cent, the highest value in the 2017 calendar year.