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

UFOP Market Information Oilseeds and Biofuels

Contents

Price trends

Mean price	Week 13	Previous week	Trend
Producer prices in EUR/t			
Rapeseed	330,54	331,38	↘
Wholesale prices in EUR/t			
Rapeseed	340,00	344,00	↘
Rapeseed oil	640,00	645,00	↘
Rapseseed meal	244,00	240,00	↗
Rapeseed cake*	254,17	232,50	↗
Rapeseed future	360,50	354,50	↗
Wholesale prices in ct/l, excl. VAT			
Biodiesel	112,39	112,48	↘
Consumer prices in ct/l incl. VAT			
Diesel	118,14	115,34	↗
Futures in US-$/barrel			
WTI, Nymex	64,94	64,30	↗

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

Market Headlines

Oilseeds

- Oil millers kept premiums at same level; rapeseed prices remained low.
- Chicago soybean prices firmed based on drought in Argentina.

Oilseed meals and oilcakes

- Firm US soybean prices drove up soybean meal prices; trading was slow.
- Rapeseed meal was in tight supply, sought after and more expensive; rapeseed cake followed suit.

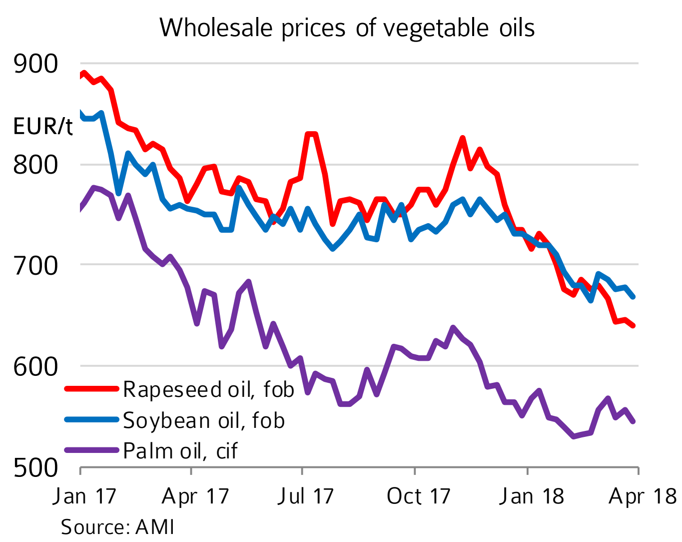
Vegetable oils

- Rapeseed oil prices remained unchanged at a low level due to sluggish demand from biodiesel producers.
- Cold pressed rapeseed oil came down slightly and could hardly be sold.

Fuels

- Biodiesel producers hardly found buyers for rapeseed methyl ester.
- Biodiesel imports put more and more pressure on supply and prices.
- Political conflicts and rising US crude oil production were key topics in the crude oil market.

Chart of the week



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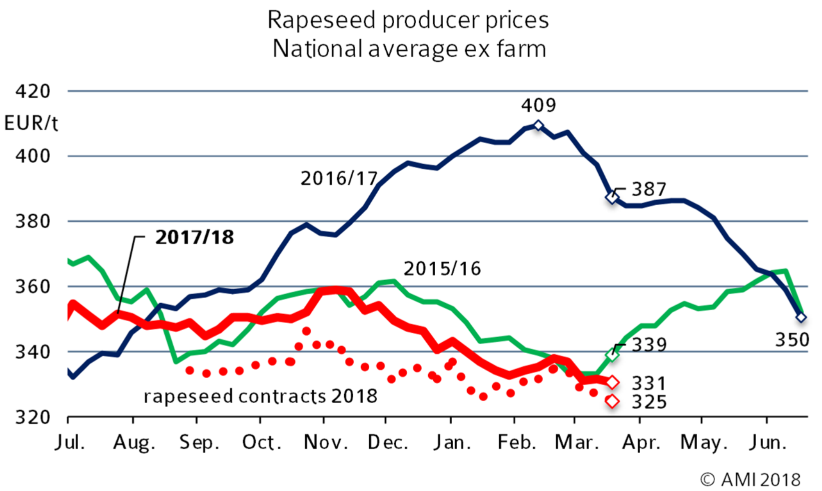
Market prices



Wholesale prices

In EUR/t on 28.03.2018, (collected at mills and trade)

	Rapeseed 2017 franko	Rapeseed fob	Rapeseed oil fob	Palmoil cif
Spot	340	244	640	545
Previous week	344	240	645	557

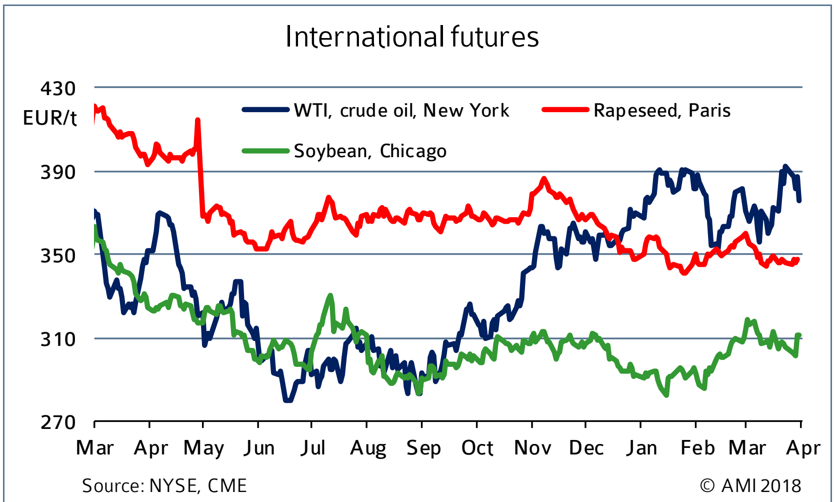
Source: AMI

Contract prices for rapeseed cake & cold-pressed rapeseed oil

Ex work in EUR/t (reported by mills/traders on 20.03.2018)

	Rapeseed cake		cold-pressed rapeseed oil in Cent/l	
Monthly production	Price range	Previous month	Feed oil	DIN 51605
< 100 t	255-260	225-235	84,00	85,33
> 100 t	250-255	220-225	pm: 84,00	pm: 86,00

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



Rapeseed

The situation in the rapeseed market remained unchanged in March. Oil mills lacked opportunities to market rapeseed oil to the biodiesel industry. When they did sell, revenues were low, which was why oil millers did not raise their premiums on the feedstock and, consequently, did not offer any sales inducements to rapeseed suppliers. Rapeseed processing was ramped down.

Rapeseed oil

The pressure on supply and prices from SME from Argentina and PME from Indonesia increased, making it more and more difficult for German oil millers to sell rapeseed oil to the biodiesel industry.

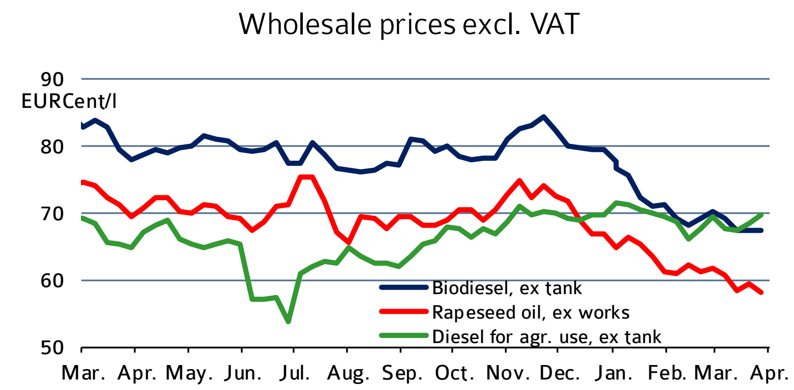
Rapeseed cake

Rapeseed cake selling prices at the decentralised oil mills were raised sharply in March 2018, catching up on the adjustment in prices rapeseed meal had been undergoing for several weeks. South German prices were reported at, on average, EUR 254.17 per tonne, up virtually EUR 30 per tonne or 13 per cent from the previous month. In other words, rapeseed cake benefited from the scarcity of supply of rapeseed meal.

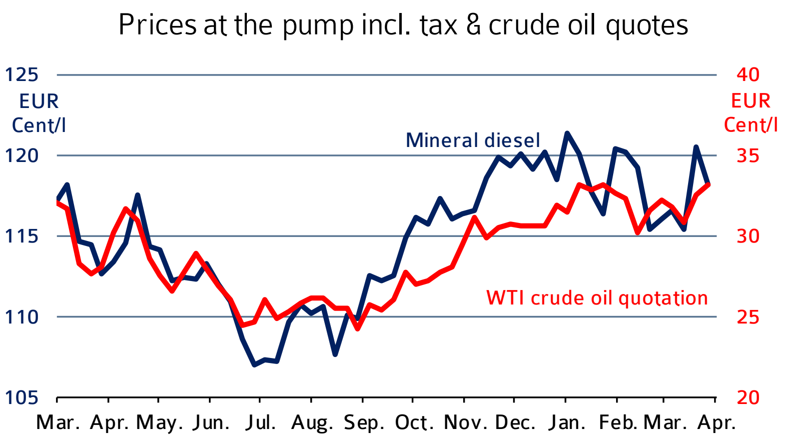
Cold pressed rapeseed oil

March 2018 prices for cold pressed rapeseed oil hardly moved. In some cases, prices were slightly lowered. Decentralised oil millers' asking prices for cold pressed rapeseed oil declined slightly from the previous month, by 0.16 euro cents per litre to 84.67 euro cents per litre, following the general trend in rapeseed oil prices with some delay. Wholesale prices at the oil mills weakened compared to the previous month, dropping 3.8 per cent to, on average, 59.16 euro cents per litre. At 58.11 euro cents per litre, wholesale prices established at the end of March 2018 were at a level last seen in August 2014. The main reason was lack of demand, because rapeseed oil was hardly financially appealing to the biodiesel industry, which has a hard time selling its own products.

Biodiesel/ mineral Diesel



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.



Domestic consumption in 2018

in 1.000 t		cumulated	
	Jan.	2018	2017
Biodiesel for blending	182,4	182,4	160,2
Diesel	2.610,2	2.610,2	2.865,5
Biodiesel + diesel	2.792,6	2.792,6	3.025,7
Share biodiesel	6,5 %	6,5 %	5,3 %
Bioethanol ETBE a)	10,3	10,3	8,7
Bioethanol for blending	94,1	94,1	79,5
Bioethanol total	104,4	104,4	88,2
Gasoline	1.345,7	1.345,7	1.345,4
Gasoline + bioethanol	1.450,2	1.450,2	1.433,6
Share bioethanol	7,2 %	7,2 %	6,2 %

Note: a) Volume percent of bioethanol in ETBE = 47 %;gacumulated figures include (unpublished) revised monthly BAFA data

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

Wholesale prices

Business in the biodiesel market continued to be slack in March, especially as regards rapeseed oil methyl ester (RME). One of the reasons was that according to the automotive fuels standard, as from mid April biodiesel no longer needs to meet the -10 °C quality requirement for winter diesel fuel, but just the 0 °C requirement for summer diesel. As a result, demand for winter diesel has been declining, whereas demand for summer diesel has been rising, especially for soy methyl ester from Argentina. Consequently, biodiesel producers have tried to sell one or two batches of rapeseed oil methyl ester by making price concessions.

Prices at the pump

March prices of mineral diesel firmed somewhat, even exceeding 120 euro cents per litre temporarily, a level not seen since the beginning of February. However, towards the end of the month prices drifted slightly downwards to 118 euro cents per litre. Diesel prices appeared to have become largely uncoupled from international crude oil prices. The latter were under pressure from growing US crude oil stocks and the recent rise in Russian production.

Consumption

Biodiesel

January 2018 consumption of biodiesel for blending surged to 182,400 tones, exceeding the December figure by 8,400 tonnes and the previous year's figure by 22,000 tonnes. At the same time, demand for diesel fuel dropped around 9 per cent from the previous year to 2.61 million tonnes. As a result, the blending ratio rose to 6.5 per cent, compared to 5.3 per cent in January 2017.

Bioethanol

The use of bioethanol also increased. January 2018 consumption totalled 104,400 tonnes, which was 18,4 per cent up from January a year earlier. With demand for petrol remaining unchanged at 1.35 million tonnes compared to the same month a year earlier, the blending ratio rose to 7.2 per cent. By comparison, the January 2017 blending radio was only 6.2 per cent.