UFOP Market Information Oilseeds and Biofuels

Contents

Price trends

Mean price	Week 18	Previous week	Trend
Producer prices in EUR/t			
Rapeseed	325,72	327,54	↘
Wholesale prices in EUR/t			
Rapeseed	329,00	336,00	↘
Rapeseed oil	665,00	660,00	↗
Rapseseed meal	248,00	247,00	↗
Rapeseed cake*	251,25	232,50	↗
Rapeseed future	331,75	339,00	↘
Wholesale prices in ct/l, excl. VAT			
Biodiesel	113,69	113,58	↗
Consumer prices in ct/l incl. VAT			
Diesel	124,63	122,44	↗
Futures in US-$/barrel			
WTI, Nymex	67,93	68,05	↘

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

Market Headlines

Oilseeds

- Rapeseed prices well below previous year, no sales inducements for rapeseed producers
- Many producers marketed nevertheless to empty the storage facilities.
- However, oil mills had hardly any demand.

Oilseed meals and oilcakes

- Soybean meal went up sharply, driven by firm US soybean prices.
- Nevertheless, feed compounders made purchases for the second half-year.
- Rapeseed meal remained tight, prices firmed.
- Asking prices for rapeseed cake were slightly lowered.

Vegetable oils

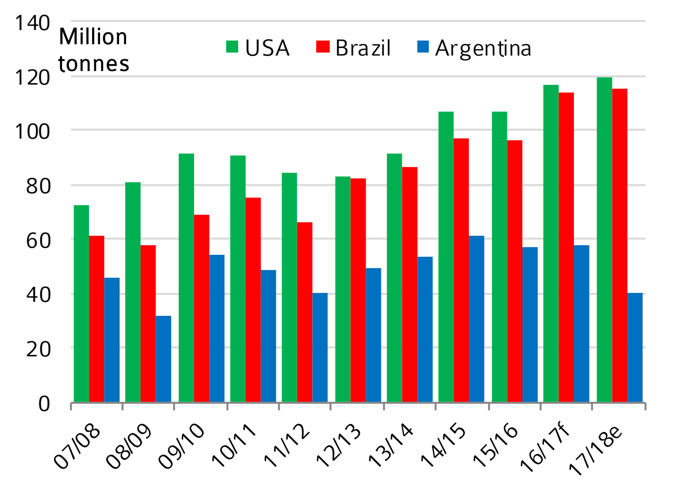
- Low demand for rapeseed oil kept prices at a low level.
- Decentralised oil mills reported very sluggish demand for cold pressed rapeseed oil.

Fuels

- Prices for biofuels firmed slightly, but RME remained hard to market.
- The reason was biodiesel imports from Argentina and Indonesia.
- Prices of mineral diesel rose sharply to almost 125 euro cents per litre.

Chart of the week

Soybean crops in the top producing countries

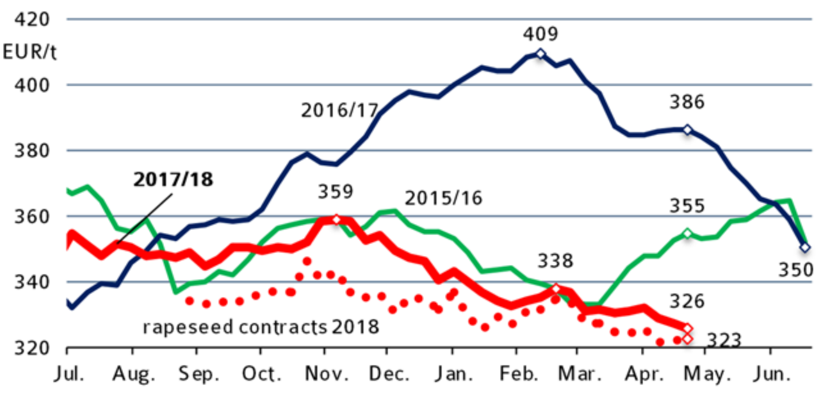


Source: USDA, AMI Note: f = forcast, e = estimate

Edition may 2018

Market prices

Rapeseed producer prices
National average ex farm



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Wholesale prices

In EUR/t on 02.05.2018, (collected at mills and trade)

	Rapeseed 2017 franko	Rapeseed fob	Rapeseed oil fob	Palmoil cif
Spot	329	248	665	549
Previous week	336	247	660	540

Source: AMI

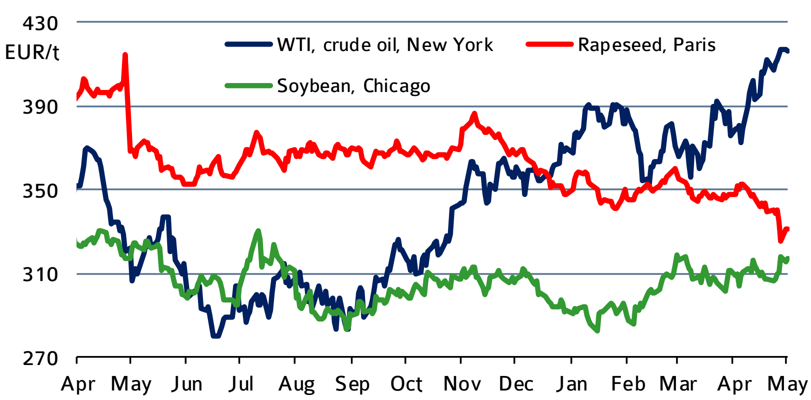
Contract prices for rapeseed cake & cold-pressed rapeseed oil

Ex work in EUR/t (reported by mills/traders on 24.04.2018)

	Rapeseed cake		cold-pressed rapeseed oil in Cent/l	
Monthly production	Price range	Previous month	Feed oil	DIN 51605
< 100 t	255-260	255-260	83,88	85,13
> 100 t	240-245	250-255	pm: 84,00	pm: 85,33

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

International futures



Source: NYSE, CME © AMI 2018

Rapeseed

The April rapeseed market in Germany continued to be slow. Oil millers' low interest in buying remained unchanged and prices slid further. At EUR 326 per tonne, they were recently EUR 60 per tonne below the year-ago level. Many producers lost hopes for price increases at the time of the transition to the 2018 rapeseed harvest. What is more, there was still disproportionately much old-crop rapeseed in the producers' storage facilities. It is time to start clearing the facilities to make room for the new crop. Consequently, although prices were lower, there were more offers.

Rapeseed oil

Income possibilities based on rapeseed oil sales to the biodiesel industry did not improve. Several oil mills ramped down or temporarily discontinued rapeseed processing or changed over to soy.

Rapeseed cake

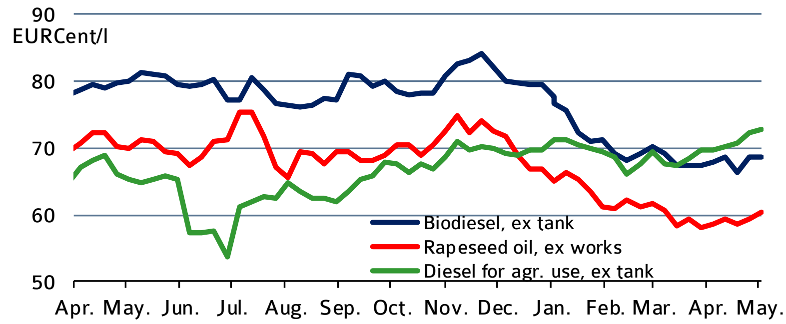
The decentralised oil mills in South Germany slightly lowered their asking prices for rapeseed cake. April prices for spot commodity were reported at, on average, EUR 251.25 per tonne, which was down just less than EUR 3 per tonne from the previous month. At the same time, livestock farmers quickly absorbed the quantities offered, leaving little to sell to feed compounders.

Cold pressed rapeseed oil

The decentralised oil mills reported very sluggish demand for cold pressed rapeseed oil, which most recently was mainly used as feed oil anyway. Asking prices averaged 84.50 euro cents per litre, which was 0.2 per cent less than the previous month. Premiums for cold pressed DIN 51605 rapeseed oil remained unchanged at 1-2 euro cents per litre.

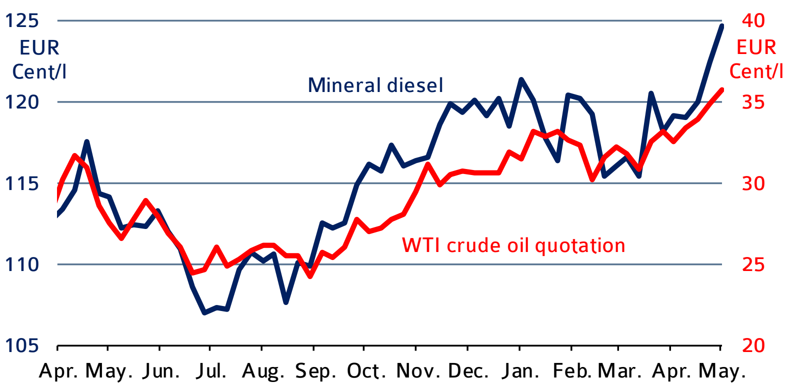
Biodiesel/ mineral Diesel

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



Domestic consumption in 2018

in 1.000 t			cumulated	
	Jan.	Feb.	2018	2017
Biodiesel for blending	182,4	175,9	358,3	134,4
Diesel	2.610,2	2.700,1	5.310,3	2.667,4
Biodiesel + diesel	2.792,6	2.876,0	5.668,6	2.801,9
Share biodiesel	6,5 %	6,1 %	6,3 %	4,8 %
Bioethanol ETBE a)	10,3	9,7	20,0	7,9
Bioethanol for blending	94,1	78,8	172,9	69,4
Bioethanol total	104,4	88,5	192,9	77,3
Gasoline	1.345,7	1.326,1	2.671,9	1.265,0
Gasoline + bioethanol	1.450,2	1.414,6	2.864,8	1.342,3
Share bioethanol	7,2 %	6,3 %	6,7 %	5,8 %

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

Biodiesel prices firmed slightly. The main reason was increasing diesel sales in the wake of a spring recovery. The use of tractors, construction vehicles, trucks or even compressors in farming and construction industry stimulated the demand for fuel. Rapeseed methyl ester was at a huge disadvantage against low-cost biodiesel imports from Argentina and Indonesia.

Prices at the pump

Prices of mineral diesel saw a sharp rise to recently almost 125 euro cents per litre. They were mostly driven by firm international crude oil forward prices which recently reached almost 36 euro cents per litre. The rise was triggered by OPEC's efforts to cut down on international crude oil supply and prospects of a continued cap on crude oil production levels in OPEC member states.

Consumption

Biodiesel

Like every year in February, the use of biodiesel in blends dropped sharply. However, since consumption in the current marketing year had previously been clearly above the previous year's level, the difference compared to the previous month also remained large. February 2018 biodiesel use of around 176,000 tonnes was up just less than one third from the same month the previous year, but declined 3.5 per cent from January 2018. Since at the same time, pure-diesel consumption increased 3.4 per cent from the previous month to 2.7 million tonnes in February 2018, the incorporation rate sank to 6.1 per cent, from 6.5 per cent the previous month. However, this rate was considerably higher than that of 4.8 per cent seen in February 2017.

Bioethanol

The use of bioethanol in petrol and ETBE also tumbled. February 2018 bioethanol consumption totalled 88,500 tonnes, which translated to a 15.3 per cent decline from the January 2018 level. By contrast, compared to the same month the previous year, the use of bioethanol rose by 14.6 per cent. However, these figures cannot hide the fact that the incorporation rate of bioethanol shank from the previous month, although February 2018 use of pure petrol of 1.33 million tonnes was down 1.5 per cent from the previous month. Consequently, the rate of bioethanol fell to 6.3 per cent, from 7.2 per cent in January 2018.