

UFOP Market Information

Oilseeds and Biofuels

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Price trends

Mean price	Week 9	Previous week	Trend
Producer prices in EUR/t			
Rapeseed	347,76	352,65	↘
Wholesale prices in EUR/t			
Rapeseed	364,00	371,00	↘
Rapeseed oil	691,00	715,00	↘
Rapeseed meal	224,00	233,00	↘
Rapeseed cake*	225,00	227,00	↘
Rapeseed future	357,50	363,25	↘
Wholesale prices in ct/l, excl. VAT			
Biodiesel	118,66	121,62	↘
Consumer prices in ct/l incl. VAT			
Diesel	126,75	127,42	↘
Futures in US-\$/barrel			
WTI, Nymex	56,94	56,92	↗

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

Market Headlines

Oilseeds

- Rapeseed prices slid, weighed down by weaker forward prices and low demand from oil mills.
- Rapeseed producers kept remaining quantities from the 2018 crop under wraps.
- Harvest pressure from Brazil increased; weather situation in Argentina improved.
- Trade dispute between US and China not yet resolved, uncertainty remained.

Oilseed meals and oilcakes

- Very little trading in rapeseed meal and expeller, scarce spot supply, slow and cautious demand.
- Buyers in the soybean meal market waited for reductions in prices.

Vegetable oils

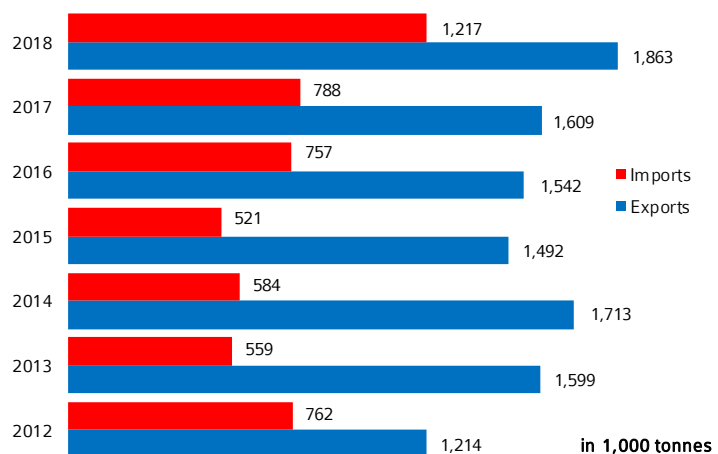
- Rapeseed oil prices dropped significantly, narrowing the gap over other vegetable oils.

Fuels

- Demand from the biodiesel industry slowed considerably, prices weakened.
- Crude oil prices benefited from prospects for decline in supply.

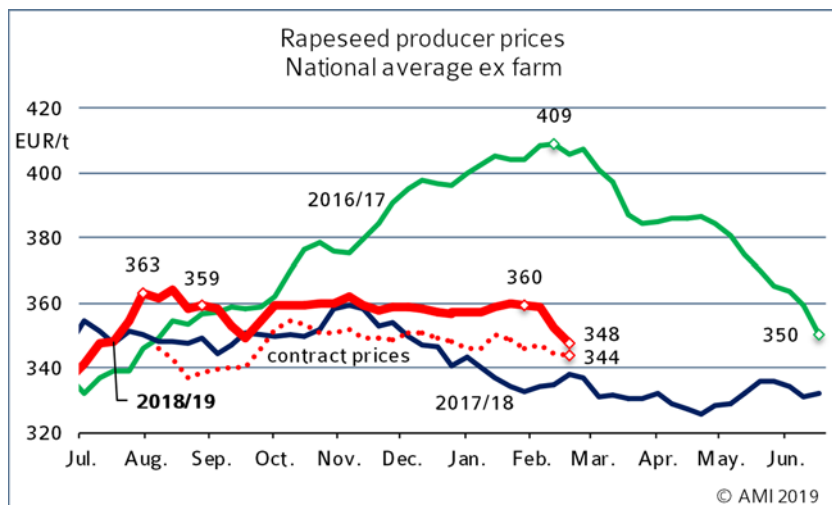
Chart of the week

German foreign trade of biodiesel



Source: Federal Statistical Office, AMI

Market prices

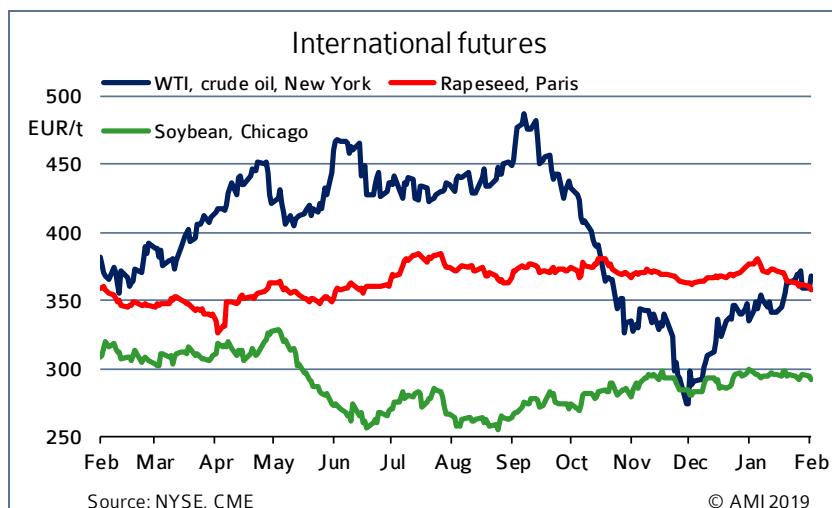
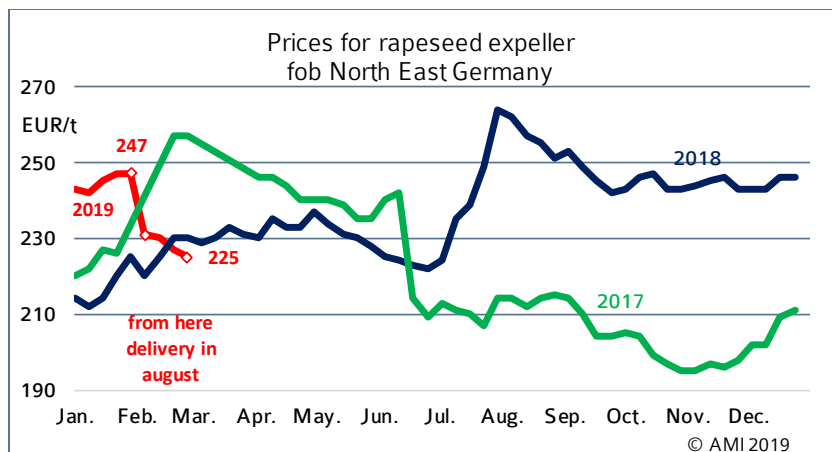


Wholesale prices

in EUR/t on 27.02.2019, (collected at mills and trade)

	Rapeseed 2018 franko	Rapeseed fob	Rapeseed oil fob	Palmoil cif
Spot	364	224	691	484
Previous week	371	233	715	504

Source: AMI



Rapeseed

The situation on the rapeseed market tightened even further. Reports were that oil mills virtually stopped buying old-crop rapeseed and demand for 2019-crop futures was also unusually slow. At processors, there was no hustle and bustle as they were stocked up well and filled any gaps with imports. This, in turn, put pressure on ex-farm prices and dashed farmers' hopes to ask higher prices in the transition to the new crop.

Rapeseed oil

Rapeseed oil prices came under pressure in the second half of February. Falling rapeseed forward prices in Paris, weaker palm oil and seasonally declining demand for rapeseed methyl ester made themselves felt. Soybean oil decreased only slightly, whereas prices of sunflower oil were stable. Palm oil was recently weighed down by the significant drop in prices in Kuala Lumpur.

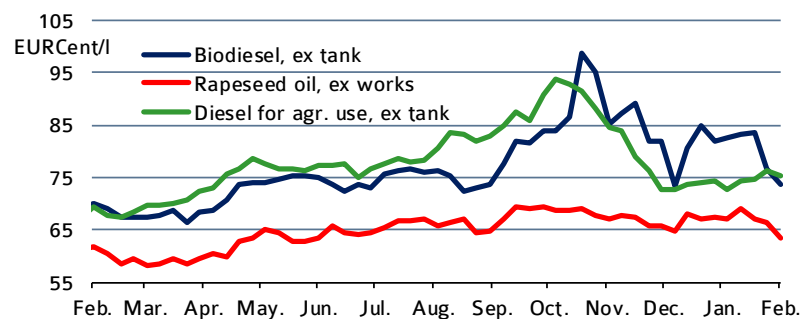
Rapeseed expeller

Rapeseed expeller is produced by a hot pressing process without using solvents (which are used to make extracted rapeseed meal). Rapeseed expeller has a crude protein content of 30-35 per cent, a crude fat content of 8-12 per cent and a crude fibre content of 10-14 per cent. To ensure good storability of rapeseed expeller, the product is dried to a residual moisture level of 14 per cent after production.

The market situation was basically the same for rapeseed expeller and rapeseed meal. Supply on nearby positions was extremely scarce. Not until August will North-East German oil mills offer the commodity at all. This was also the reason for prices to slump at the turn of the month. Prices continued their decline in February, falling to EUR 225 per tonne. Low demand from compound feed manufacturers created pressure on prices. As most manufacturers were stocked up well, they did not buy larger amounts of either – spot or future – rapeseed meal or expeller.

Biodiesel/ mineral Diesel

Wholesale prices excl. VAT



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.

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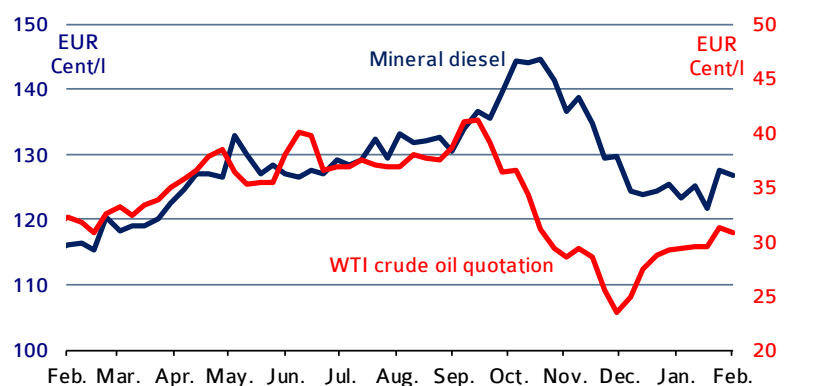
Wholesale prices

Demand in the biodiesel market was unusually brisk until mid February, but then prices came under pressure. The reason was that demand slowed noticeably, especially for rapeseed methyl ester. Transition from winter to summer diesel will be made mid April.

Prices at the pump

Crude oil prices trended firmer. Support came from positive sentiment at the stock market and cuts in oil output in the OPEC states and Russia. US penalties against Iraq and Venezuela curbed supply further. Diesel prices at the pump also rose slightly in Germany over the month, supported by stronger stock-market prices.

Prices at the pump incl. tax & crude oil quotes



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Consumption

Biodiesel

December consumption of biodiesel rose slightly from the previous month but remained below average at 177,167 tonnes compared to the other months of 2018. The 2018 monthly mean of biodiesel use was just less than 194,000 tonnes. This was up 5 per cent from 2017. Total use amounted to 2.32 million tonnes. This volume was blended with 35.2 million tonnes of diesel, which translates to an incorporation rate of 6.2 per cent. In 2017, diesel consumption amounted to 36.5 million tonnes, which was 4 per cent higher than 2018.

Domestic consumption in 2018

in 1.000 t

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	2018 cumulated	2017
Biodiesel for blending	182,8	176,1	203,3	197,8	204,9	197,1	225,2	211,3	190,1	184,9	173,4	177,2	2.324,4	2.215,9
Diesel	2.625,1	2.701,4	2.943,2	2.977,0	2.873,2	2.925,7	2.972,0	3.177,3	2.985,9	3.091,6	3.099,9	2.591,2	35.179,1	36.486,7
Biodiesel + diesel	2.807,9	2.877,5	3.146,5	3.174,8	3.078,2	3.122,7	3.197,1	3.388,6	3.176,1	3.276,5	3.273,4	2.768,3	37.503,4	38.702,5
Share biodiesel	6,5 %	6,1 %	6,5 %	6,2 %	6,7 %	6,3 %	7,0 %	6,2 %	6,0 %	5,6 %	5,3 %	6,4 %	6,2 %	5,7 %
Bioethanol ETBE a)	11,3	9,7	13,6	8,8	11,6	9,9	10,1	8,0	8,7	8,0	7,2	6,5	109,9	111,4
Bioethanol for blending	94,7	78,8	85,7	87,8	95,3	93,2	94,8	101,7	84,0	88,0	86,5	88,2	1.078,7	1.045,1
Bioethanol total	106,0	88,5	99,3	96,6	106,9	103,0	104,9	109,7	92,6	95,9	93,7	94,8	1.188,7	1.156,5
Gasoline	1.341,3	1.328,6	1.454,7	1.394,0	1.433,4	1.470,7	1.445,1	1.454,8	1.355,8	1.430,1	1.396,7	1.316,4	16.843,2	17.139,5
Gasoline + bioethanol	1.447,3	1.417,1	1.554,0	1.490,6	1.540,2	1.573,7	1.550,0	1.564,5	1.448,5	1.526,0	1.490,4	1.411,2	18.031,9	18.296,0
Share bioethanol	7,3 %	6,2 %	6,4 %	6,5 %	6,9 %	6,5 %	6,8 %	7,0 %	6,4 %	6,3 %	6,3 %	6,7 %	6,6 %	6,3 %

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

In 2017, diesel consumption amounted to 36.5 million tonnes, which was 4 per cent higher than 2018. Consequently, the percentage of bioethanol in blends reached only 5.7 per cent in 2017.

Bioethanol

Consumption of bioethanol also increased in 2018. It totalled 1.08 million tonnes, which was up 3.2 per cent year-on-year. However, at the same time, bioethanol use in ETBE declined slightly to just less than 110,000 tonnes. The volume of petrol used in 2018 also decreased. According to the Federal Office for Economic Affairs and Export Control (BAFA), it amounted to 16.8 million tonnes. This translates to a 1.7 per cent drop from previous year's figure. Based on the contrasting trend in demand, the percentage of bioethanol in blends rose just less than 0.3 percentage points to 6.6 per cent.