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

ufop

UFOP Market Information Oilseeds and Biofuels

Contents

Price trends

Mean price	Week 14	Previous week	Trend
Producer prices in EUR/t			
Rapeseed	344,06	343,16	↗
Wholesale prices in EUR/t			
Rapeseed	369,00	367,00	↗
Rapeseed oil	710,00	715,00	↘
Rapseseed meal	220,00	222,00	↘
Rapeseed cake*	225,50	227,50	↘
Rapeseed future	361,50	360,00	↗
Wholesale prices in ct/l, excl. VAT			
Biodiesel	117,38	114,82	↗
Consumer prices in ct/l incl. VAT			
Diesel	123,73	124,27	↘
Futures in US-$/barrel			
WTI, Nymex	62,46	59,41	↗

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

Market Headlines

Oilseeds

- Rapeseed prices stabilised at low level.
- Market situation remained unchanged, with restrained supply and scant demand.
- Harvest estimate for Brazil was slightly raised based on good early soybean yields in Argentina.
- Negotiations between USA and China made progress; China recently bought larger amounts of US soy.

Oilseed meals and oilcakes

- Trading in rapeseed expeller remained slow; although nearby expeller was available again, interest in buying was little.
- Buyers in the soybean meal market waited for reductions in prices.

Vegetable oils

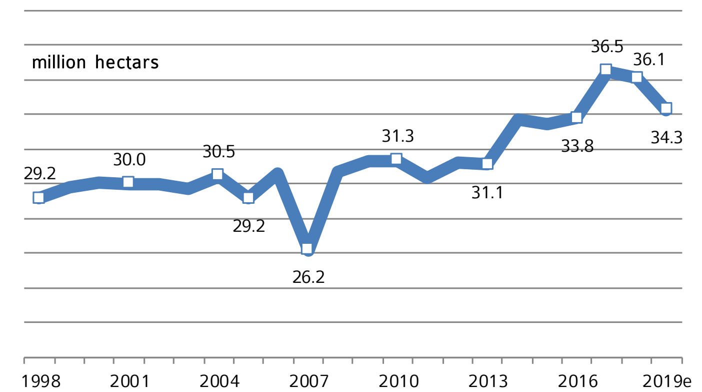
- Rapeseed oil was clearly more expensive than other vegetable oils again.

Fuels

- Demand from the biodiesel industry picked up at month-end.
- OPEC's cap on oil output lent support to crude oil prices, but diesel prices did not to follow suit.

Chart of the week

US soybean plantings

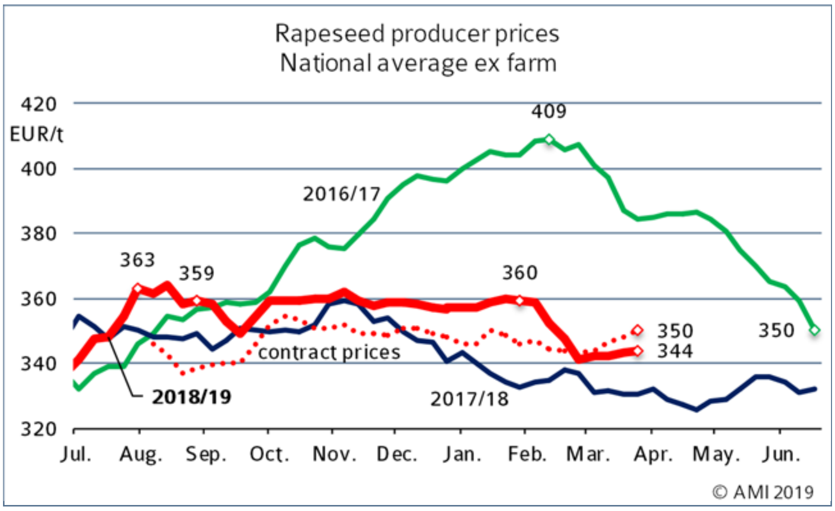


Source: USDA, AMI

Note: e = estimate

Edition april 2019

Market prices

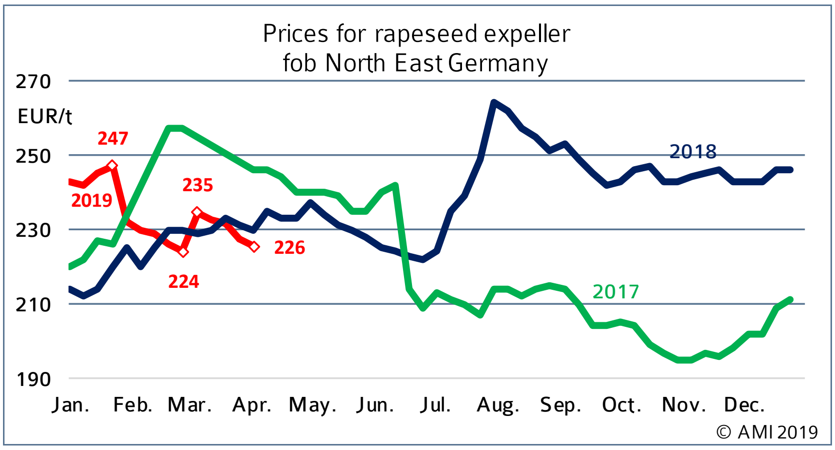


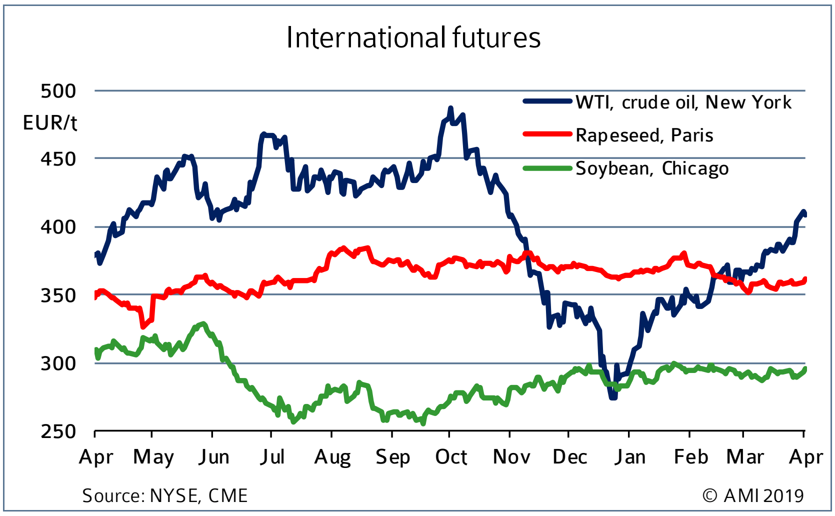
Wholesale prices

in EUR/t on 03.04.2019, (collected at mills and trade)

	Rapeseed 2018 franko	Rapeseed fob	Rapeseed oil fob	Palmoil cif
Spot	369	220	710	467
Previous week	367	222	715	464

Source: AMI





Rapeseed

Rapeseed prices dropped sharply in February, but discontinued to fall, and even stabilised, in March. However, at EUR 344 per tonne, the recent price level was low and the market situation was basically unchanged. Rapeseed producers were not very ready to sell. Demand from oil mills remained slow. Prices only received support from slightly firmer forward prices. Producers' hopes that they would be able to ask higher prices in the transition to the new crop faded. Nevertheless, remaining quantities from the old crop were held back.

Rapeseed oil

At the beginning of March rapeseed oil prices rose sharply based on support from scarce supply, brisker demand and firming forward prices of rapeseed. However, prices have moved very little since. Most recently prices took a slight dip, following weakening soybean oil prices.

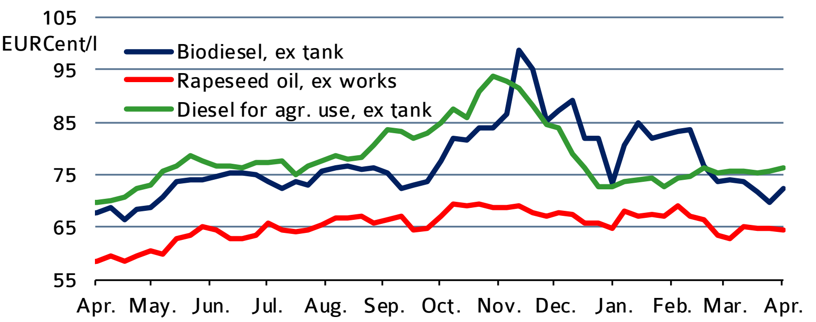
Rapeseed expeller

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.

In February supply of rapeseed expeller was extremely low. Prices fob North-East Germany were only reported for delivery from August onward. In March the market situation changed in that supply on nearby positions, also for prompt delivery, existed. Nevertheless, demand remained very slow. Most feed compounders have been stocked up well with sources of protein and are in no need to buy for the time being. They are observing the price trends and waiting for prices to decrease further, which might actually occur as supply pressure from South America increases.

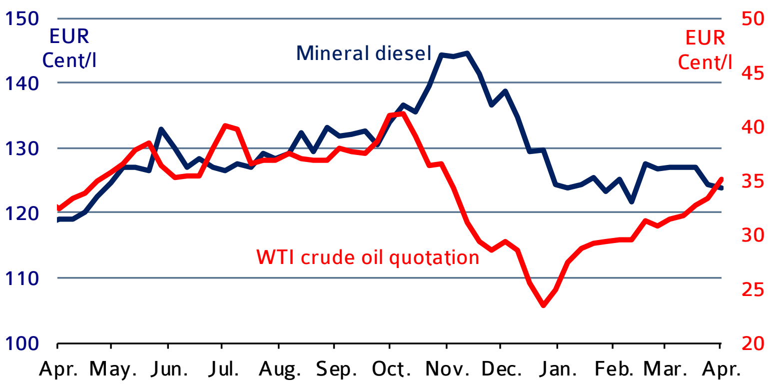
Biodiesel/ mineral Diesel

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.

Prices at the pump incl. tax & crude oil quotes



Domestic consumption in 2019

in 1.000 t		cumulated	
	Jan.	2018	2017
Biodiesel for blending	192,8	192,8	182,8
Diesel	2.783,6	2.783,6	2.599,9
Biodiesel + diesel	2.976,4	2.976,4	2.782,7
Share biodiesel	6,5 %	6,5 %	6,6 %
Bioethanol ETBE a)	7,6	7,6	10,2
Bioethanol for blending	92,1	92,1	94,7
Bioethanol total	99,7	99,7	104,9
Gasoline	1.258,3	1.258,3	1.279,4
Gasoline + bioethanol	1.358,0	1.358,0	1.384,3
Share bioethanol	7,3 %	7,3 %	7,6 %

Note: a) Volume percent of bioethanol in ETBE = 47 %;gacumulated
Source: Federal Office for Economic Affairs and Export Control, AMI

Wholesale prices

The biodiesel market was calm in March. Prices initially flagged in the wake of sluggish demand. More and more blenders started to change from winter to summer diesel. However, the market picked up at month-end. Market participants explained firming prices by a slight rise in demand. The latter was driven by nice weather and the increase in fuel consumption in the construction industry and agriculture. Sales and consumption of diesel increased, generating a rise in biodiesel use in blends.

Prices at the pump

Crude oil prices continued to rise strongly in March, recently reaching a six-month high of around 35 euro cents per litre. The surge was driven by OPEC's new cuts in output and production shortfalls in Venezuela. However, the firm trend did not impact prices of mineral diesel in Germany, which were down 2.7 per cent from four weeks earlier at EUR 123.73 euro cents per litre.

Consumption

Biodiesel

Biofuel consumption at the beginning of the year was higher than in the preceding five months. The rise is in fact reflected in the blending rates. The usual seasonal boost in demand for biodiesel at the beginning of the year also occurred in 2019. In January 2019, demand was up 9 per cent from December 2018. What is more, the trend towards increasing overall consumption prevailed. In other words, January 2019 biodiesel use was up around 5.5 per cent from January 2018, hitting a level not seen since August 2018.

Bioethanol

January 2019 demand for bioethanol for blending and ETBE production amounted to around 99,700 tonnes. This was up 5.2 per cent from the previous month, but down 5 per cent from January 2018. At the same time, the use of petrol declined. At 1.26 million tonnes, consumption fell short of both the previous month's (-4.4 per cent) and the previous year's figure (-1.6 per cent). This means that the January incorporation rate of 7.3 per cent exceeded the December rate of 6.7 per cent. However, it remained below the level of 7.6 per cent seen in January 2018.