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

UFOP Market Information Oilseeds and Biofuels

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Price trends

Mean price	Week 36	Previous week	Trend
Producer prices in EUR/t			
Rapeseed	362,40	363,04	↘
Wholesale prices in EUR/t			
Rapeseed	375,00	374,00	↗
Rapeseed oil	804,00	806,00	↘
Rapseseed meal	182,00	189,00	↘
Rapeseed cake*	196,00	202,00	↘
Rapeseed future	381,00	379,00	↗
Wholesale prices in ct/l, excl. VAT			
Biodiesel	133,61	131,59	↗
Consumer prices in ct/l incl. VAT			
Diesel	122,86	125,51	↘
Futures in US-$/barrel			
WTI, Nymex	56,26	55,78	↗

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

Market Headlines

Oilseeds

- Rapeseed prices remained high whilst producer prices continued above year-ago level
- Slow trading: oil mills made hardly any purchases, producers hoped that prices would increase
- EU rapeseed crop 2019 projected at 17.5 million tonnes

Oilseed meals and oilcakes

- Prices for rapeseed meal and expeller dropped sharply, demand from compound feed manufacturers failed to pick up as most were stocked up well

Vegetable oils

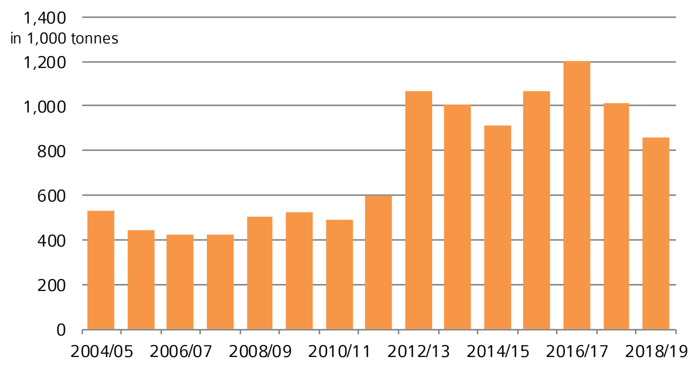
- Rapeseed oil prices benefited from increased demand for biodiesel
- Palm oil prices in Rotterdam reached highest level since July 2018

Fuels

- Biodiesel prices jumped on support from buoyant demand for RME and UCOME
- Crude oil prices were indecisive, contrasting factors determined price movements; German diesel prices recently weakened

Chart of the week

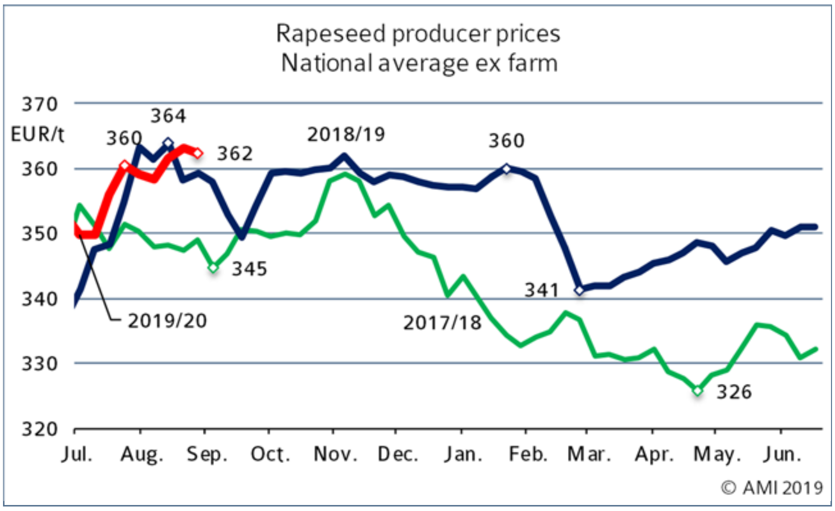
German rapeseed oil exports



Source: Federal Statistical Office, AMI

Edition september 2019

Market prices

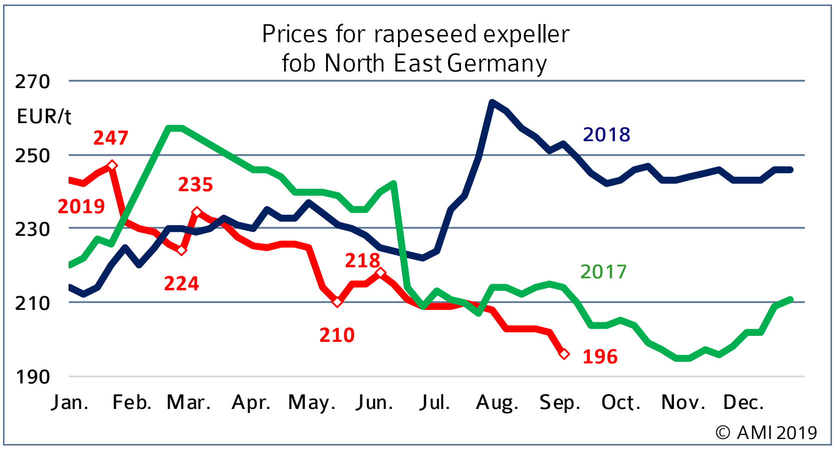


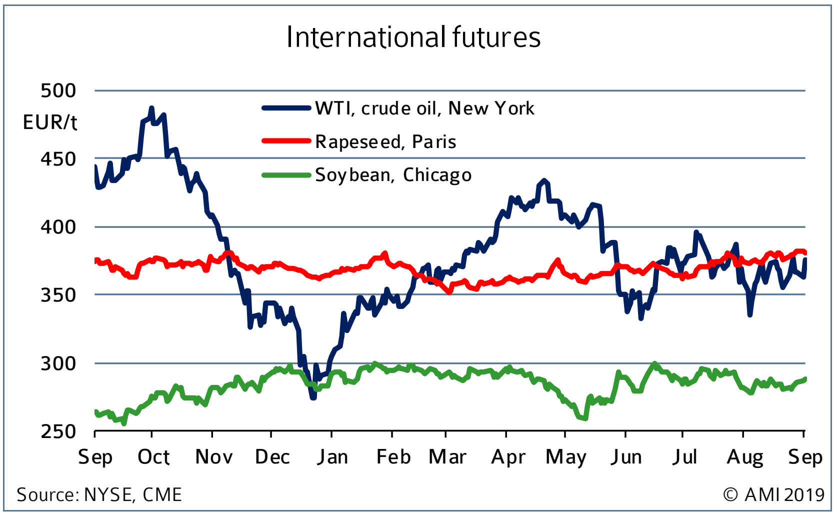
Wholesale prices

in EUR/t on 04.09.2019, (collected at mills and trade)

	Rapeseed 2018 franko	Rapeseed fob	Rapeseed oil fob	Palmoil cif
Spot	375	182	804	519
Previous week	374	189	806	513

Source: AMI





Rapeseed

The German rapeseed market in August 2019 was calm. As oil mills were well supplied, their demand was not urgent. Many were said to be stocked up till year-end. As a consequence, the market might not pick up until January, unless forward prices in Paris change significantly until then. With recent producer prices at EUR 362 per tonne on German average, suppliers saw scope for upward movement in prices and held back on sales.

Rapeseed oil

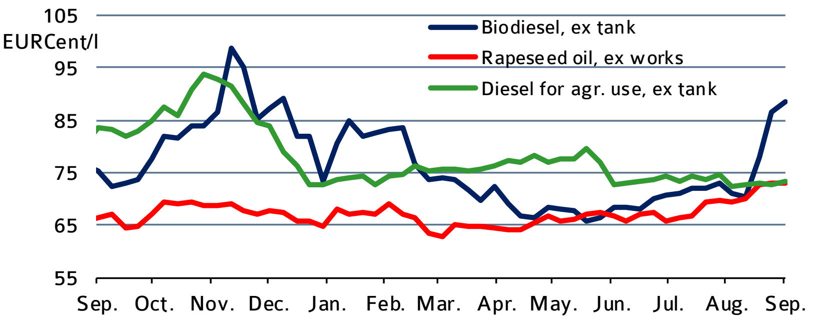
Rapeseed oil prices climbed significantly from the previous month. On 20 August 2019, the week-on-week increase was in excess of EUR 30 per tonne, lifting prices beyond the level of EUR 800 per tonne. Prices have been stable at that level ever since. Market participants reported brisk demand from the biodiesel sector. From October onwards, rapeseed methyl ester will define the incorporation rate in diesel. For this reason, mineral oil companies started to order in mid August.

Rapeseed expeller

Prices for rapeseed expeller fob Northern Germany continued their decline in August. Most recently, they slid you below EUR 200 per tonne, a level last seen in November 2017. Rapeseed meal prices showed a similar trend, losing considerable ground in August. Most recently, they stood at only EUR 180 per tonne on German average. In view of the small rapeseed harvest in Germany and accordingly tight feedstock supply, market participants were surprised about the sharp declines in prices. However, compound feed manufactures currently hardly ever purchase rapeseed meal on the market. Most of them are stocked up well. Consequently, they want to purchase remaining quantities at the lowest price possible and are therefore waiting for further price reductions.

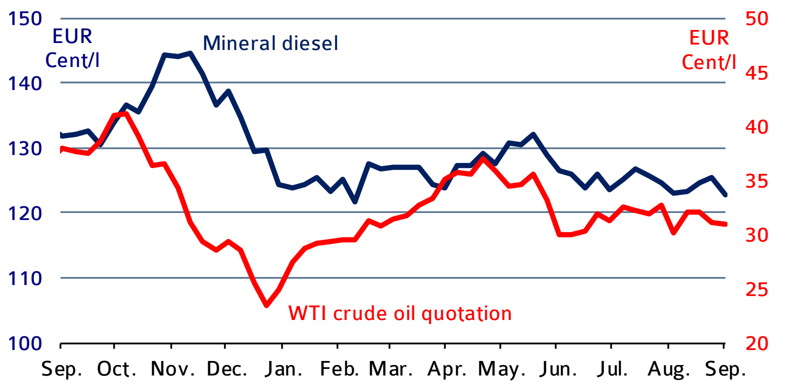
Biodiesel/ mineral Diesel

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

	Jan.	Feb.	March	April	May	June	cumulated 2019	2018
Biodiesel for blending	193,0	152,8	175,3	185,0	183,0	194,3	1.083,1	1.160,2
Diesel	2.782,4	2.815,7	2.869,2	2.981,7	3.092,1	2.829,2	17.447,2	17.087,7
Biodiesel + diesel	2.975,4	2.968,5	3.044,5	3.166,7	3.275,0	3.023,5	18.530,4	18.247,9
Share biodiesel	6,5 %	5,1 %	5,8 %	5,8 %	5,6 %	6,4 %	5,8 %	6,4 %
Bioethanol ETBE a)	7,6	4,2	8,4	9,1	9,1	8,4	46,8	61,5
Bioethanol for blending	92,1	83,3	55,4	82,1	92,8	92,5	519,2	534,2
Bioethanol total	99,7	87,5	63,8	91,2	101,9	100,9	566,0	595,7
Gasoline	1.271,7	1.203,9	1.408,5	1.360,2	1.464,2	1.435,1	8.130,6	8.204,5
Gasoline + bioethanol	1.371,4	1.291,5	1.472,3	1.451,4	1.566,1	1.536,0	8.696,5	8.800,2
Share bioethanol	7,3 %	6,8 %	4,3 %	6,3 %	6,5 %	6,6 %	6,5 %	6,8 %

Note: a) Volume percent of bioethanol in ETBE = 47 %;gacumulated figures include (unpublished) revised monthly BAFA
Source: Federal Office for Economic Affairs and Export Control, AMI

Wholesale prices

August biodiesel prices rose in big leaps and bounds. The key reason was the significant rise in demand. Alongside UCOME, rapeseed methyl ester for incorporation in blends from October onwards was also in strong demand. Supply of UCOME was recently described as limited, leading to a further upturn in prices.

Prices at the pump

International crude oil prices did not have a clear trend in August. On the one hand, support came from a slide in US crude oil supplies and reports about production cuts in Russia. On the other hand, weak US economic data and doubts about the endeavours of some OPEC countries to lower their output as agreed weighed prices town. German mineral diesel prices were also volatile. They firmed initially over the month, but declined most recently.

Consumption

Biodiesel

The total amount of biodiesel used in blends amounted to 194,300 tonnes in Germany in June 2019. This translates to a rise of more than 6 per cent from the previous month, but was 1.4 per cent smaller than the June 2018 amount. The cumulative incorporation rate of biodiesel in blends in the first half year 2019 fell also short of last year's period. The decline amounted to 6.6 per cent, but was noticeably smaller than it had been. In the period from January to May, the year-on-year decrease amounted to 7.7 per cent. June 2019 consumption of diesel fuel totalled 2.83 million tonnes. This was down 8.5 per cent from the previous year and 5 per cent from June 2018. The increase in biodiesel incorporation in blends combined with reduced consumption of mineral diesel raised the percentage of biodiesel contained in diesel from 5.6 per cent the previous month to 6.4 per cent in June 2019. This was the highest rate since January 2019.

Bioethanol

June 2019 use of bioethanol in ETBE amounted to 8,400 tonnes, which translates to an 8 per cent decline from the previous month and an almost 15 per cent drop from the same month the previous year. By contrast, the use of bioethanol for blending was relatively constant. It only dropped 0.3 per cent from the previous month to a total of 92,500 tonnes. Compared to June 2018, the decline was 0.7 per cent. Overall consumption of bioethanol in Germany fell 1 per cent short of the previous month and 2 per cent short of June 2018.