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

ufop

UFOP Market Information Oilseeds and Biofuels

Contents

Price trends

Mean price	Week 10	Previous week	Trend
Producer prices in EUR/t			
Rapeseed	368,54	376,24	↘
Wholesale prices in EUR/t			
Rapeseed	390,00	395,00	↘
Rapeseed oil	790,00	810,00	↘
Rapseseed meal	221,00	224,00	↘
Rapeseed cake*	239,00	240,00	↘
Rapeseed future	384,25	392,00	↘
Wholesale prices in ct/l, excl. VAT			
Biodiesel	125,69	126,20	↘
Consumer prices in ct/l incl. VAT			
Diesel	119,61	124,04	↘
Futures in US-$/barrel			
WTI, Nymex	46,78	48,73	↘

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

Market Headlines

Oilseeds

- Corona crisis weighed down prices for oilseeds and by-products.
- Brazil expects record high soybean harvest.
- US continued to wait for China's soybean purchases.
- German rapeseed prices continued in decline, old crop hardly played a role, 2020 crop increasingly moved into focus.

Oilseed meals and oilcakes

- Prices for rapeseed meal and expeller jumped at the beginning of February based on a short wave of purchases by compound feed manufacturers and has been stable since then.

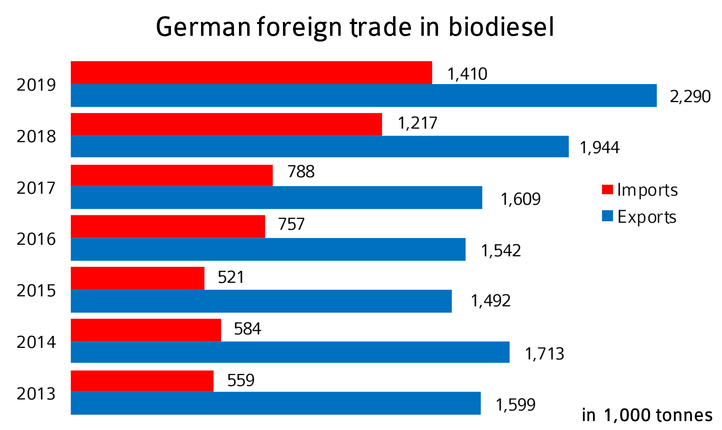
Vegetable oils

- Vegetable oil prices declined substantially; weak palm oil and spread of corona had a negative impact.
- Palm oil demand from India and China was subdued; at the same time, production and supplies in Southeast Asia were expected to rise.

Fuels

- Demand for biodiesel was slow but steady, diesel prices previously without knock-on effect.
- Crude oil prices weakened substantially because of the spread of co-rona virus and economic downturn.

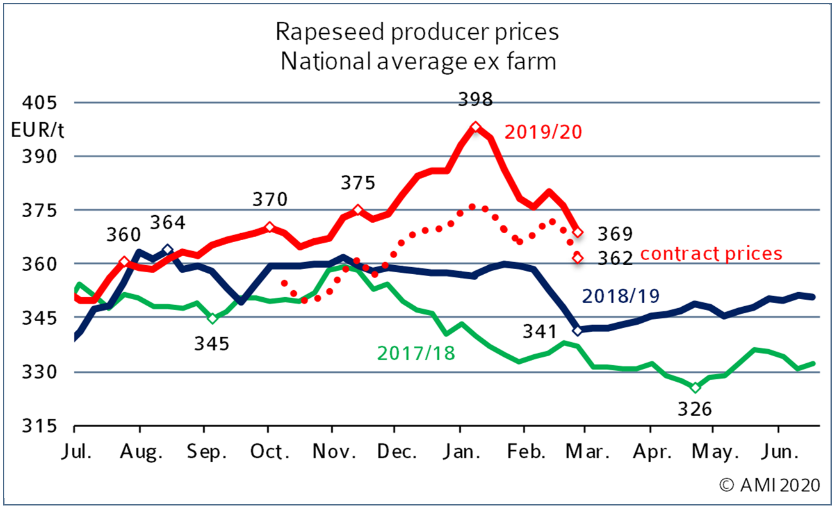
Chart of the week



Source: Federal Statistical Office, AMI

Edition march 2020

Market prices

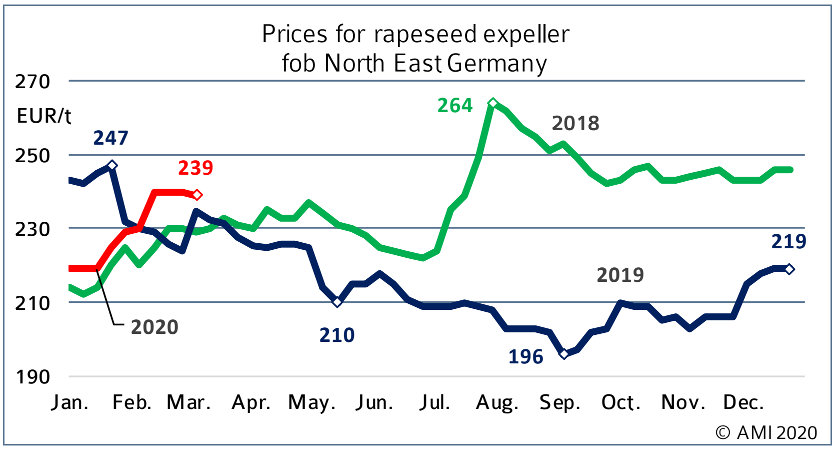


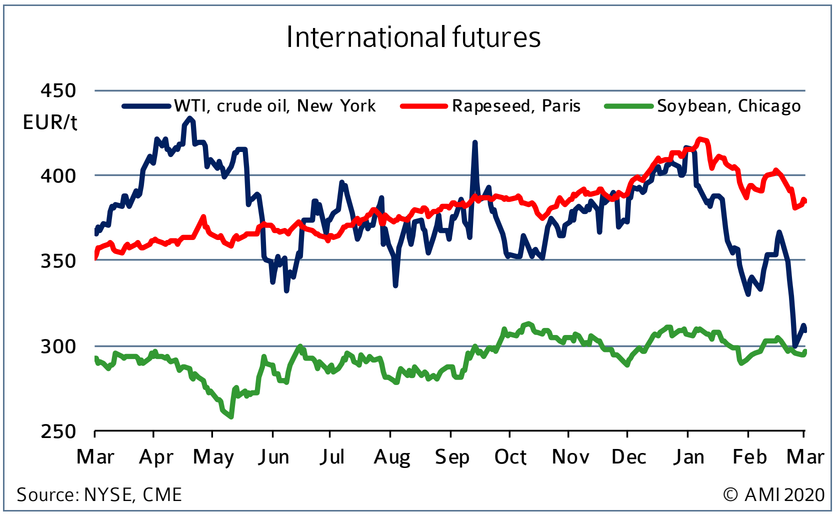
Wholesale prices

in EUR/t on 04.03.2020, (collected at mills and trade)

	Rapeseed 2018 franko	Rapeseed fob	Rapeseed oil fob	Palmoil cif
Spot	390	221	790	571
Previous week	395	224	810	618

Source: AMI





Rapeseed

February prices for rapeseed dwindled considerably in Germany. The decline was triggered by weak forward prices and subdued demand from processors. Most oil mills are stocked up with rapeseed, including plenty of imports, until the 2020 harvest. In general, delivery dates for the 2020 crop gradually moved into focus, whereas the old crop was hardly traded any more. However, contract business was recently also sluggish, because the decline in prices at oil mills motivated players to wait rather than take action.

Rapeseed oil

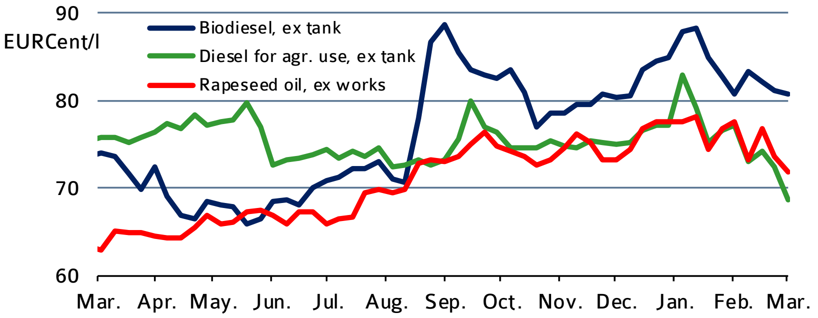
By mid February, rapeseed oil prices climbed to the high level of EUR 845 per tonne fob. However, this level could not be maintained in the second half of the month. Prices sagged in the subsequent week already. Most recently, they were established at no more than EUR 790 per tonne. This not just translates to a decline of EUR 12 per tonne from the previous month, but was also the lowest level since August 2019. Market participants said that, above all, prices were under pressure from the spread of corona and the associated weakness of rapeseed futures. Also, demand from biodiesel producers has been fairly subdued recently.

Rapeseed expeller

February prices for rapeseed expeller rose considerably. At the beginning of the month, they saw a sharp increase of EU 10 per tonne to EUR 240 per tonne – a level barely maintained throughout the weeks that followed. At the beginning of March, the mark-up compared to the previous year was as much as EUR 4.50 per tonne. German rapeseed meal prices moved in a similar manner, rising sharply at the beginning of February and barely maintaining the level since then. In a brief wave of purchasing, compound feed manufacturers had safeguarded their supply for the first half of the year 2020, triggering the price jump of both expeller and meal.

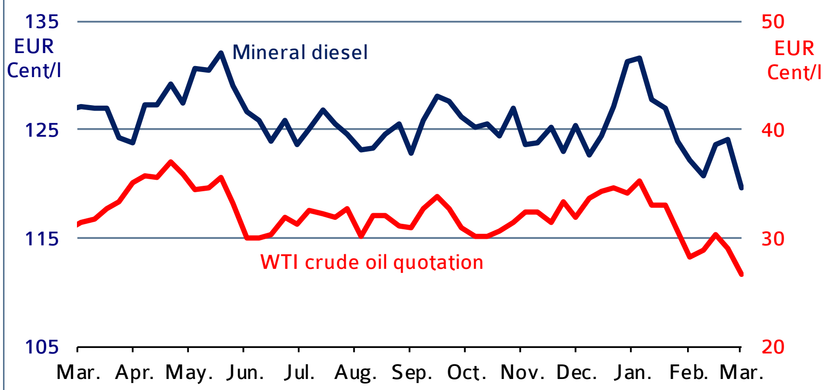
Biodiesel/ mineral Diesel

Wholesale prices excl. VAT



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.

Prices at the pump incl. tax & crude oil quotes



Wholesale prices

Despite decreasing diesel prices, German prices of biodiesel held up in February. Sales were described as slow but steady.

Prices at the pump

The corona crisis sent international crude oil prices on a downward slide in February. OPEC therefore discussed further output cuts to stabilise prices on the global market. Diesel prices in Germany also reflected the downward trend.

Consumption

Biodiesel

In December 2019, around 201,500 tonnes of biodiesel were used for blending in diesel fuel in Germany. This was down 3 per cent from the previous month, but up almost 14 per cent from December 2018. December 2019 diesel consumption declined more than 8 per cent to 2.73 million tonnes. Consequently, the incorporation rate of biodiesel in diesel amounted to 6.9 per cent, the highest percentage since May 2015.

In the calendar year 2019, the cumulative amount of biodiesel used in blends was 2.35 million tonnes. This translates to a 1.1 per cent rise year-on-year. At 35.4 million tonnes, consumption of diesel was up 0.8 per cent from 2018. The average incorporation rate was almost unchanged from the previous year at 6.2 per cent.

Domestic consumption in 2019

in 1.000 t

	Jan.	Feb.	March	April	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.	cumulated 2019	cumulated 2018
Biodiesel for blending	193,0	152,8	175,1	185,0	183,0	194,3	226,6	218,4	207,7	202,4	208,2	201,5	2.348,0	2.323,3
Diesel	2.763,4	2.798,1	2.925,4	3.044,0	3.087,1	2.829,2	3.174,4	3.020,2	2.939,2	3.162,7	2.977,0	2.729,4	35.428,9	35.151,7
Biodiesel + diesel	2.956,4	2.950,9	3.100,5	3.229,1	3.270,1	3.023,5	3.401,0	3.238,6	3.146,9	3.365,1	3.185,2	2.930,8	37.776,9	37.475,0
Share biodiesel	6,5 %	5,2 %	5,6 %	5,7 %	5,6 %	6,4 %	6,7 %	6,7 %	6,6 %	6,0 %	6,5 %	6,9 %	6,2 %	6,2 %
Bioethanol ETBE a)	7,6	4,2	8,4	9,1	9,1	8,4	6,5	5,5	6,5	7,8	8,4	6,4	88,0	109,9
Bioethanol for blending	92,1	83,3	74,9	82,1	94,1	92,5	95,0	89,5	91,0	95,0	93,5	89,8	1.073,0	1.077,4
Bioethanol total	99,7	87,5	83,3	91,2	103,3	100,9	101,5	95,1	97,6	102,8	102,0	96,1	1.161,0	1.187,4
Gasoline	1.262,0	1.187,3	1.386,3	1.382,8	1.477,1	1.435,1	1.513,8	1.517,9	1.404,8	1.480,3	1.346,8	1.395,9	16.852,6	16.649,7
Gasoline + bioethanol	1.361,7	1.274,8	1.469,7	1.473,9	1.580,4	1.536,0	1.615,3	1.613,0	1.502,3	1.583,1	1.448,7	1.492,1	18.013,6	17.837,1
Share bioethanol	7,3 %	6,9 %	5,7 %	6,2 %	6,5 %	6,6 %	6,3 %	5,9 %	6,5 %	6,5 %	7,0 %	6,4 %	6,4 %	6,7 %

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

Bioethanol

The use of bioethanol in ETBE dropped sharply in December 2019, as did the use for blending. In total, consumption amounted to 96,140 tonnes. This was down just about 6 per cent from the previous month, but up 1.5 per cent from December 2018. Whereas the use of bioethanol in blends dwindled, December petrol consumption was higher than the previous month. As a result, the incorporation rate saw a substantial slide from 7 per cent in November to 6.4 per cent in December.

In the calendar year 2019, total use of bioethanol amounted to 1.16 million tonnes, which is equivalent to a decline of just over 2 per cent year-on-year. The decrease was mainly due to the fall in bioethanol use in ETBE, whereas the use for blending remained relatively unchanged. Consumption of petrol amounted to 16.85 million tonnes, up just over 1 per cent from a year earlier. The incorporation rate of bioethanol in petrol sank 0.3 percentage points.