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

UFOP Market Information Oilseeds and Biofuels

Contents

Market Headlines

Oilseeds

- Prices for both old and new crop rapeseed reached record levels.
- 2020 crop sold out; marketing volume of 2021 crop virtually exhausted.
- Delays in development of rapeseed crops in the fields, water supply good for the moment.
- French rapeseed suffered due to drought and frost; yield outlook was lowered.
- Uncertain changes in US soybean acreage.

Oilseed meals and oilcakes

- Nearby commodity sold out – most rapeseed meal and expeller offered from August 2021 onwards.
- Soybean meal prices under downward pressure; larger shipments were notified from Argentina; buyers took a wait-and-see attitude.

Vegetable oils

- Prices for rapeseed oil and other vegetable oils rose, primarily driven by tight feedstock supply.

Fuels

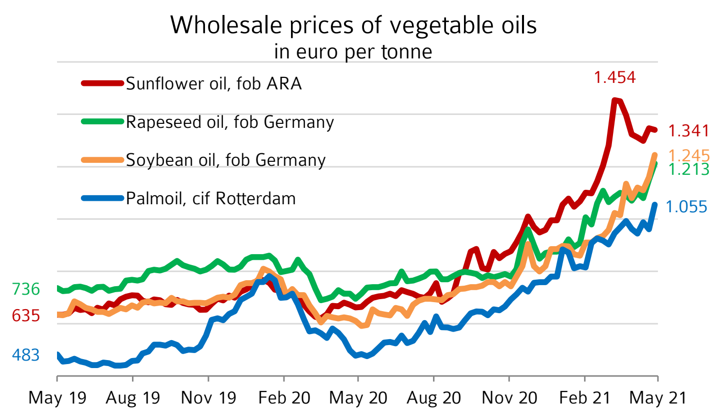
- Demand for biodiesel was restrained as only the most urgent purchases were made; prices firmed nevertheless.
- Crude oil prices increased slightly; prices for mineral diesel remained unchanged.

Price trends

Mean price	Week 18	Previous week	Trend
Producer prices in EUR/t			
Rapeseed	531,88	520,25	↗
Wholesale prices in EUR/t			
Rapeseed	515,00	492,00	↗
Rapeseed oil	1250,00	1213,00	↗
Rapseseed meal	269,00	297,00	↘
Rapeseed cake*	263,00	263,00	→
Rapeseed future	522,25	597,25	↘
Wholesale prices in ct/l, excl. VAT			
Biodiesel	161,62	158,67	↗
Consumer prices in ct/l incl. VAT			
Diesel	129,72	129,66	↗
Futures in US-$/barrel			
WTI, Nymex	65,63	63,86	↗

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

Chart of the week

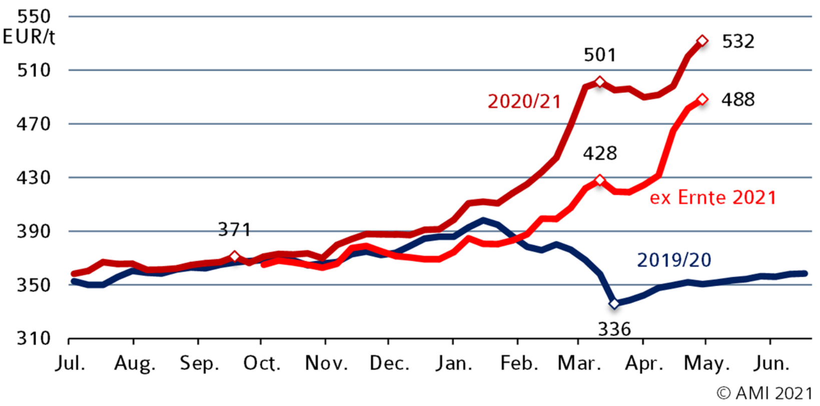


Source: AMI Note: ARA = Antwerpen, Rotterdam, Amsterdam

Edition may 2021

Market prices

Rapeseed producer prices
National average ex farm



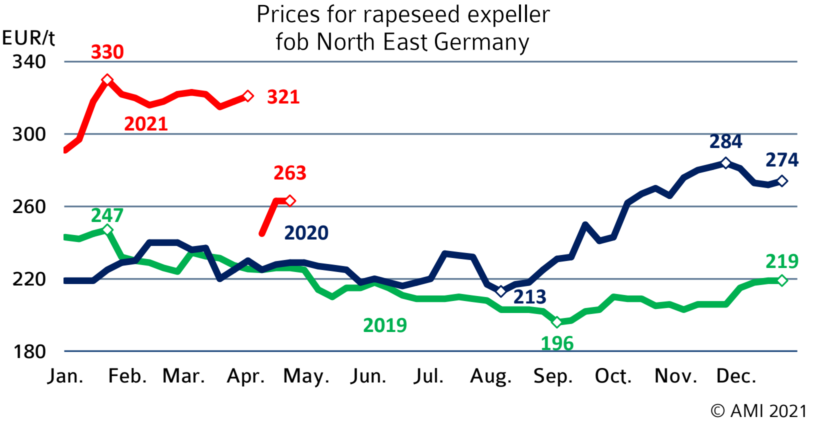
Wholesale prices

in EUR/t on 05.05.2021, (collected at mills and trade)

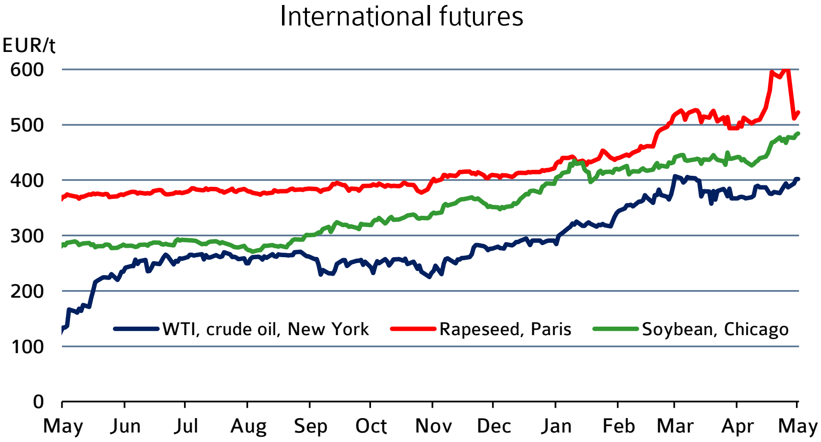
	Rapeseed 2020 franko	Rapeseed fob	Rapeseed oil fob	Palmoil cif
Spot	515	269	1250	1037
Previous week	492	297	1213	1055

Source: AMI

Prices for rapeseed expeller
fob North East Germany



International futures



Source: NYSE, Euronext © AMI 2021

Rapeseed

Marketing of rapeseed from the 2020 crop was complete except for tiny residual quantities. The limited supply drove April prices to new record levels. Prices for ex crop 2021 rapeseed also firmed. This encouraged some producers to sell additional volumes, although the marketing limit had frequently been reached and there was by no means any certainty as to the magnitude of the 2021 rapeseed harvest. Currently the development of the crops in the fields in Germany is somewhat delayed. However, recent rainfalls have improved water supply. To date, crop expectations are higher than the previous year.

Rapeseed oil

Rapeseed oil prices continued to rise in April, most recently reaching EUR 1,250 per tonne. This translates to an almost 14 per cent increase on the previous month. Prices for the other vegetable oils also increased steadily, but rapeseed saw the sharpest rise. Tight supply continued to characterise the vegetable oil market, with strong feedstock prices further adding to the price surge.

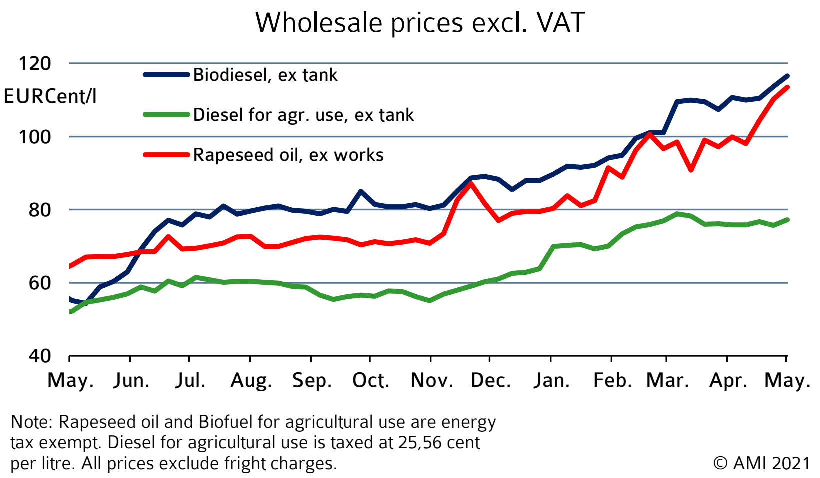
Rapeseed expeller

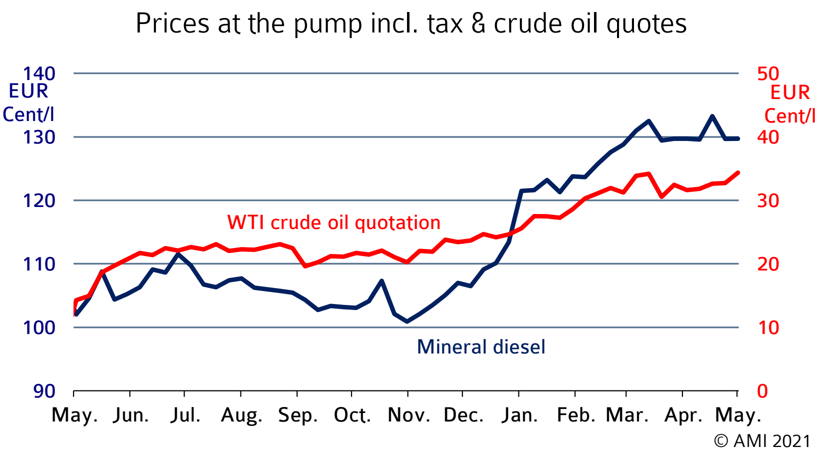
Below-average temperatures delayed grazing and increased demand for compound feed. This year's rapeseed harvest is also likely to start later than usual. For this reason, subsequent demand from oil mills is set to grow. It has recently been covered well, maintaining prices at a high level. Rapeseed meal and expeller for delivery up to and including July 2021 were hardly available. In most regions, offers were only for delivery from August with prices almost EUR 60 per tonne lower than those for nearby commodity.

Wholesale prices

High prices and sporadic demand from blenders characterised the German biodiesel market. Buyers only placed orders to cover absolutely urgent demand, with the result that new business was on a moderate scale and focused on spot batches. At the same time, there were some occasional larger order volumes, showing that demand had not been sufficiently covered after all, or that buyers did not think at the time that the high prices were set to crumble soon. Prices continued to receive support from the tight supply of vegetable oil and used cooking oil.

Biodiesel/ mineral Diesel





Domestic consumption in 2021

in 1.000 t			cumulated	
	Jan.	Feb.	2021	2020
Biodiesel for blending	175,4	157,7	329,9	455,1
Diesel	2.029,2	2.065,2	4.097,7	5.356,8
Biodiesel + diesel	2.204,6	2.222,9	4.427,6	5.811,9
Share biodiesel	8,0 %	7,1 %	7,5 %	7,8 %
Bioethanol ETBE a)	10,4	9,2	19,8	16,8
Bioethanol for blending	66,9	50,6	115,8	180,4
Bioethanol total	77,3	59,8	135,6	197,2
Gasoline	905,0	956,5	1.863,0	2.664,7
Gasoline + bioethanol	982,4	1.016,2	1.998,6	2.861,9
Share bioethanol	7,9 %	5,9 %	6,8 %	6,9 %

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

Prices at the pump

Diesel most recently cost around 129.70 euro cents per litre, which was the same as four weeks earlier. This means that the firming trend of international crude oil prices did not cause any upturn in prices, at least not in the long term. The easing of corona restrictions in several countries has helped to push economic recovery, which could lead to a boost in crude oil demand. Prices were also driven by a sharp decline in US ending stocks. Gains were limited by the fact the OPEC+ countries ramped up their production of crude oil.

Consumption

Biodiesel

In February 2021, biodiesel use for blending in diesel fuel declined. The use of biodiesel amounted to 157,700 tonnes, which was down approximately 10 per cent on the previous month. On the other hand, the use of diesel fuel increased just less than 2 per cent to 2.7 million tonnes. Consequently, the incorporation rate dropped from 8 per cent to 7.1 per cent. This was down 0.3 percentage points on the same month the previous year. Market participants reported sluggish demand for biodiesel in February 2021 due to comparatively high prices as a consequence of limited feedstock availability. However, the first two months saw a decline in diesel consumption of approximately 1.3 million tonnes compared to the same period last year. The need for blending decreased accordingly. Blenders' demand for biodiesel dropped around 130,000 tonnes.

Bioethanol

The use of bioethanol for blending showed a significantly sharper decline than biodiesel in February 2021. It dropped to no more than 50,600 tonnes, which was just about one fourth down on the previous month. At the same time, consumption of petrol increased almost 6 per cent to 956,500 tonnes. As a consequence, the incorporation rate decreased 2 percentage points to 5.9 per cent, a level not seen since October 2019. The reason for the drop in demand for bioethanol was the decline of approximately 0.9 million tonnes in consumption of fossil-energy petrol compared to February 2020.