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

ufop

UFOP Market Information Oilseeds and Biofuels

Contents

Price trends

Mean price	Week 26	Previous week	Trend
Producer prices in EUR/t			
Rapeseed	508,20	526,81	↘
Wholesale prices in EUR/t			
Rapeseed	530,00	488,00	↗
Rapeseed oil	1150,00	1045,00	↗
Rapseseed meal	310,00	320,00	↘
Rapeseed cake*	282,00	271,00	↗
Rapeseed future	531,25	507,50	↗
Wholesale prices in ct/l, excl. VAT			
Biodiesel	167,50	167,50	→
Consumer prices in ct/l incl. VAT			
Diesel	139,06	135,07	↗
Futures in US-$/barrel			
WTI, Nymex	73,47	73,08	↗

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

Market Headlines

Oilseeds

- 2020 crop was over with prices heading downwards, bad weather conditions supported ex-crop prices.
- Producer prices locally again exceeded mark of EUR 500 per tonne ex crop.
- Latest boom boosted interest in concluding ex-crop 2022 contracts, with prices reported at up to EUR 400 per tonne.
- Soybean market remained full of surprises, resulting in volatile prices.

Oilseed meals and oilcakes

- Rapeseed meal market was sluggish as players waited for the harvest to start and hoped for prices to fall.
- Soybean meal prices were comparatively stable, 44-per cent material was tight due to logistics problems in Argentina; prospects for GMO-free supply in 2022 were clouded.

Vegetable oils

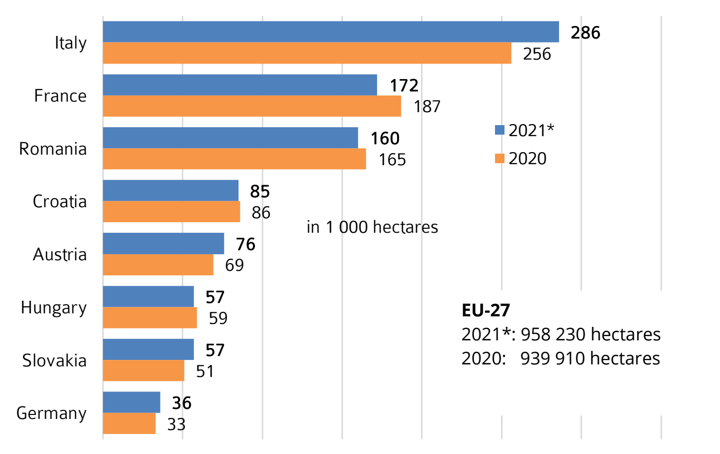
- Rapeseed oil prices declined in June to 12 per cent below the previous month's average.

Fuels

- Biodiesel was supported by strong crude oil prices and burgeoning demand; weak rapeseed oil did not have any impact yet.
- Speculations on increasing global demand drove prices for crude oil.

Chart of the week

2021 soybean area in the EU-27

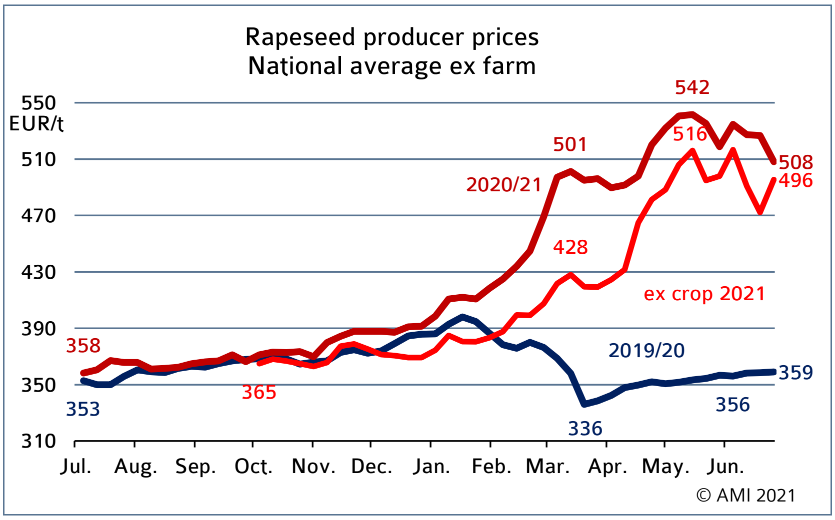


Source: EU Commission, national statistics, AMI

Note: *estimated

Edition July 2021

Market prices

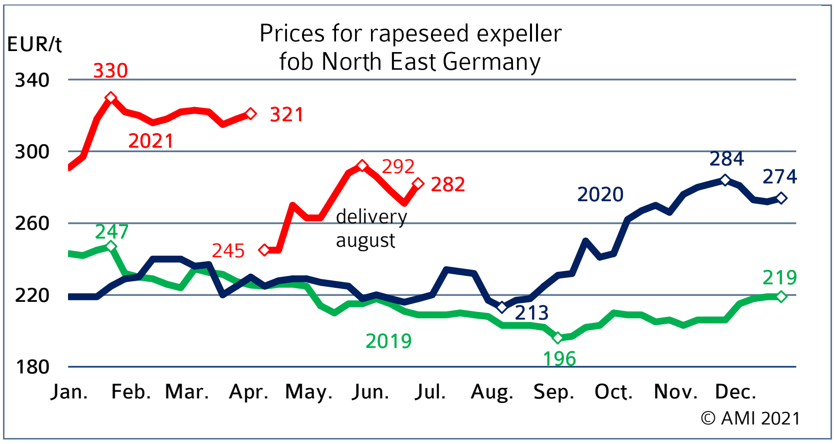


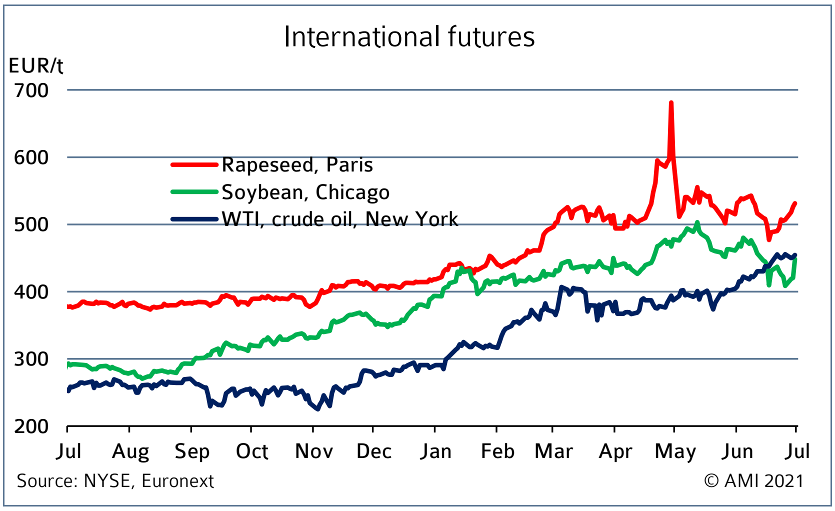
Wholesale prices

in EUR/t on 30.06.2021, (collected at mills and trade)

	Rapeseed 2021 franko	Rapeseed fob	Rapeseed oil fob	Palmoil cif
Spot	530	310	1 150	878
Previous week	488	320	1 045	853

Source: AMI





Rapeseed

June weather was predominantly changeable. Growing conditions improved initially. This was followed by storms, which caused major damage in some cases. Nevertheless, the harvest outlook for rapeseed was good. The market's wait-and-see stance intensified, although the recent boom prompted producers to conclude contracts, even ex crop 2022. Producers are now only waiting for harvest operations to start. However, the typical early rapeseed regions in South Germany are unlikely to be the first to begin harvesting.

Rapeseed oil

The US Supreme Court decision which ruled that smaller fuel producers can be exempted from blending quota requirements caused a significant decline in international vegetable oil quotations, especially for soybean oil. Compared to the previous month, spot prices for rapeseed oil declined 12 per cent, palm oil 17 per cent and soybean oil 6 per cent. The rise in crude oil prices did little to support prices for vegetable oil.

Rapeseed expeller

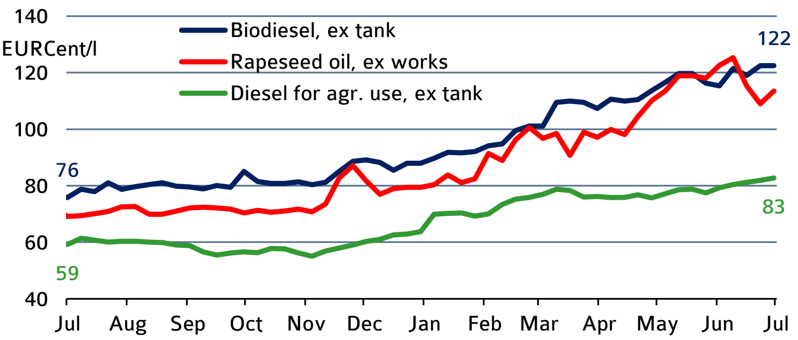
Interest in buying has calmed down noticeably in the transition between the harvests. The reason is the tremendous difference in price of up to EUR 60 per tonne between spot and "new-crop" commodity. Buyers are now hoping for a prompt start to the harvest. Nevertheless, market players did not exclude the possibility that August commodity could also become scarce due to the expected wave of demand.

Wholesale prices

Biodiesel prices remained unchanged, although competing diesel became more expensive. Demand was restrained due to the comparatively high price level. Purchasers were speculating for decreasing prices ahead of the start of the harvest and hoping for the typical slump in rapeseed prices at harvest time, which could also cause prices for biodiesel to slide. However, June prices for biodiesel remained 1.3 per cent above the previous month's level due to strong crude oil prices.

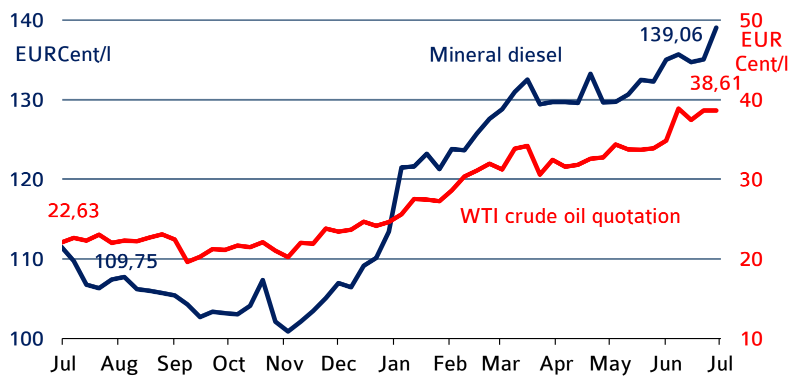
Biodiesel/ mineral Diesel

Wholesale prices excl. VAT



Note: Rapeseed oil and Biofuel for agricultural use are energy tax exempt. Diesel for agricultural use is taxed at 25,56 cent per litre. All prices exclude fright charges

Prices at the pump incl. tax & crude oil quotes



Domestic consumption in 2021

in 1.000 t

	Jan.	Feb.	March	April	cumulated 2021	2020
Biodiesel for blending	175,4	157,7	182,5	211,3	724,1	904,3
Diesel	2.029,2	2.065,2	2.727,4	2.574,1	9.414,6	10.383,8
Biodiesel + diesel	2.204,6	2.222,9	2.909,9	2.785,4	10.138,7	11.288,1
Share biodiesel	8,0 %	7,1 %	6,3 %	7,6 %	7,1 %	8,0 %
Bioethanol ETBE a)	10,4	9,2	13,4	13,2	46,4	38,4
Bioethanol for blending	66,9	50,6	67,9	76,9	260,6	304,4
Bioethanol total	77,3	59,8	81,3	90,1	307,0	342,8
Gasoline	905,0	956,5	1.248,8	1.177,3	4.413,5	4.780,0
Gasoline + bioethanol	982,4	1.016,2	1.330,0	1.267,5	4.720,5	5.122,8
Share bioethanol	7,9 %	5,9 %	6,1 %	7,1 %	6,5 %	6,7 %

Note: a) Volume percent of bioethanol in ETBE = 47 %; cumulated figures include (unpublished) revised monthly BAFA data

Source: Federal Office for Economic Affairs and Export Control, AMI.

Prices at the pump

The upsurge in crude oil prices was clearly evident at the filling stations. At 139.06 euro cents per litre, diesel fuel most recently reached a level last seen in November 2018. The same can be said for crude oil prices in New York. The average price asked in June 2021 was around 136 euro cents per litre, which was up 4 per cent on the previous month. The weak euro was one of the factors contributing to the rise, and it made crude oil imports even more expensive. Also, there was speculation that consumption would rise during the typical working holidays in the northern hemisphere, especially because corona-related restrictions have been eased in many countries.

Consumption

Biodiesel

Having shown a gradual decline in the first quarter of 2021, the volumetric incorporation rate increased rapidly in April 2021. At 211,286 tonnes, the use of biodiesel was up just less than 16 per cent on the previous month. At the same time, consumption of diesel fuel decreased 5.6 per cent, which raised the incorporation rate to 7.6 per cent. This means that the use of biodiesel was clearly below that of the same month the previous year. At the time, the use of biodiesel was almost the same, 212.000 tonnes, but that of diesel was 10 per cent lower. Taken together, consumption of biodiesel over the first four months of 2021 amounted to around 724,145 tonnes. This was down one fifth on the same period last year.

Bioethanol

The use of bioethanol increased abruptly in April 2021. Reaching 90,145 tonnes, it was up 11 per cent month-on-month and the largest amount in six months. Since consumption of petrol dropped just less than 6 per cent at the same time, the incorporation rate rose to 7.1 per cent, but still fell short of the January 2021 rate of 7.9 per cent. Total demand for bioethanol in the period from January to April 2021 amounted to 307,027 tonnes. This translates to a 10 per cent decrease on the year-earlier period.