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

ufop

UFOP Market Information Oilseeds and Biofuels

Contents

Price trends

Mean price	Week 35	Previous week	Trend
Producer prices in EUR/t			
Rapeseed	549,22	540,87	➚
Wholesale prices in EUR/t			
Rapeseed	577	582	➘
Rapeseed oil	1.260	1.300	➘
Rapseseed meal	262	268	➘
Rapeseed cake*	299	299	➔
Rapeseed future	564,25	577,25	➘
Wholesale prices in ct/l, excl. VAT			
Biodiesel	175,44	176,60	➘
Consumer prices in ct/l incl. VAT			
Diesel	141,12	139,60	➚
Futures in US-$/barrel			
WTI, Nymex	68,59	68,36	➚

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

Market Headlines

Oilseeds

- Rapeseed prices reached record levels, contract-based delivery was steady, little new business with contracts for 2022 crop being slightly brisker.
- Rapeseed sowings were underway in good conditions.
- Soybean prices continued to be a pawn in the US weather market, harvest outlook in the Midwest was lowered after drought.

Oilseed meals and oilcakes

- Supply in nearby positions was tight, prices shot up in second half of the month, demand continued to be focused on nearby positions.
- Soybean meal was fairly stable at a comparatively high level, supply and demand were well balanced.

Vegetable oils

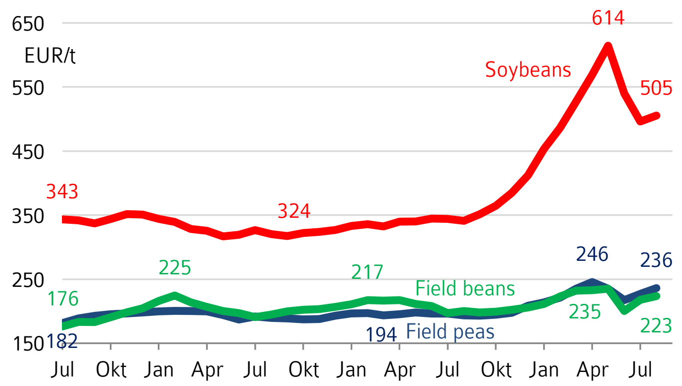
- Rapeseed oil prices received support from tight supply and rising rapeseed prices.
- Supply of palm oil was very scarce in the EU, EU imports are down 30 per cent year-on-year this season due to corona-related production bottlenecks in the country of origin.

Fuels

- Demand for biodiesel moved into gear with prices 60 per cent higher year-on-year, buying interest in UCOME or UCOME blends was strong.
- Hurricane damage in the US and weak US dollar stopped weakening trend of crude oil prices.

Chart of the week

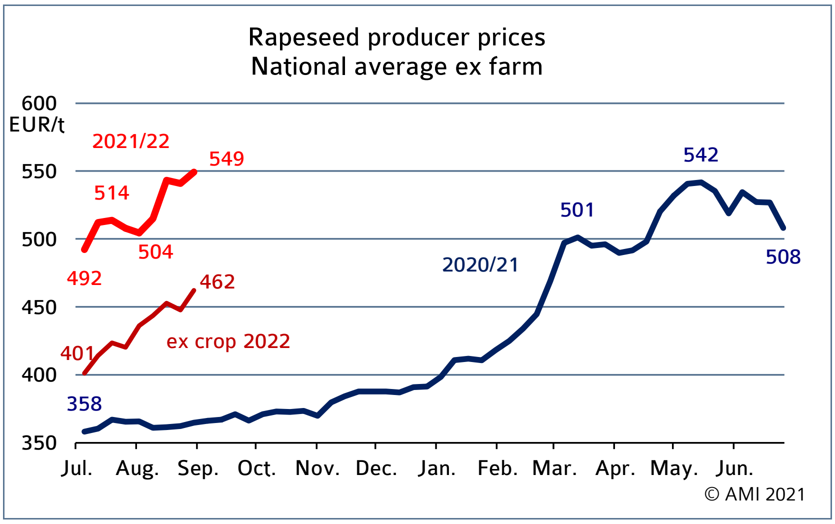
Development of pulse prices
Ex-farm prices



Source: AMI

Edition september 2021

Market prices

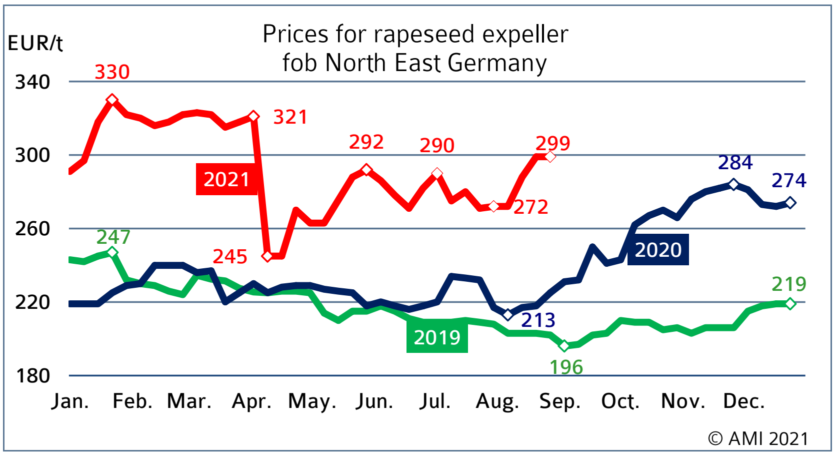


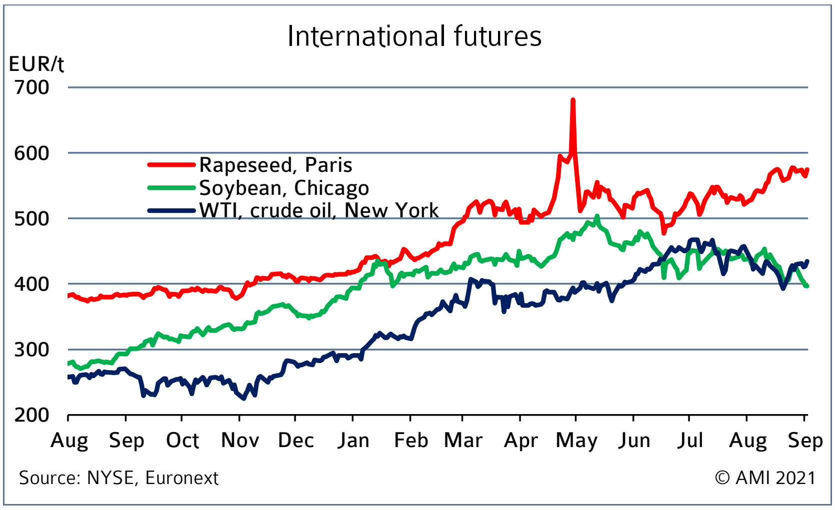
Wholesale prices

in EUR/t on 31.08.2021, (collected at mills and trade)

	Rapeseed 2021 franko	Rapeseed fob	Rapeseed oil fob	Palmoil cif
Spot	577	262	1 260	1048
Previous week	582	268	1 300	1048

Source: AMI





Rapeseed

The rapeseed harvest was complete except for a few residual areas, and sowings were underway. This time slot will end in just over a week. The unsatisfactory harvest figures are not just a German phenomenon, as the harvest was also weak in other rapeseed-producing countries in the northern hemisphere due to adverse weather conditions. The new crop year has started with tight supply, especially because the main supplier, Canada, is set to harvest just under 3 million tonnes less than the previous year due to drought. New business was moderate on the German cash market, with mainly contract rapeseed being moved. Nevertheless, prices continued to rise, reaching record levels.

Rapeseed oil

Spot rapeseed oil was hardly offered, with premiums for occasional volumes at around EUR 200 per tonne. Further forward positions also increased with the result that rapeseed oil once again built up a clear price gap with other oils. More specifically, in view of foreseeable abundant supply in 2021/22, prices of sunflower oil declined to a level lower than that of soybean oil.

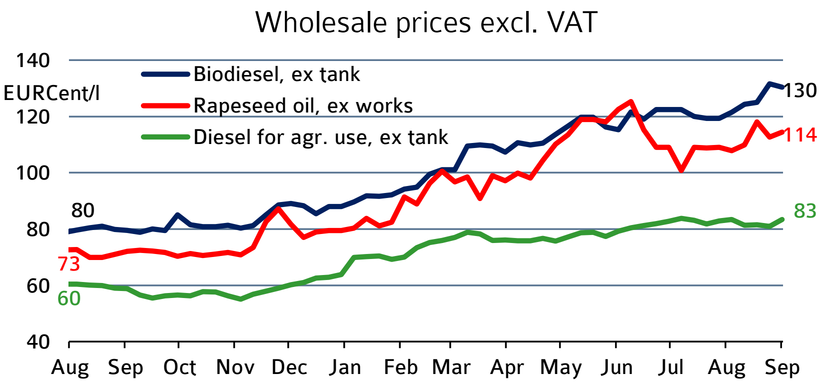
Rapeseed expeller

Supply from oil mills, mainly in Eastern Germany, was much sought after and did not meet demand. This led to a strong surge in prices. The level of EUR 300 per tonne was in sight again. Buyers also had to fork out more for extracted rapeseed meal in August than the previous month, because supply increasingly dwindled while feedstock costs climbed steadily.

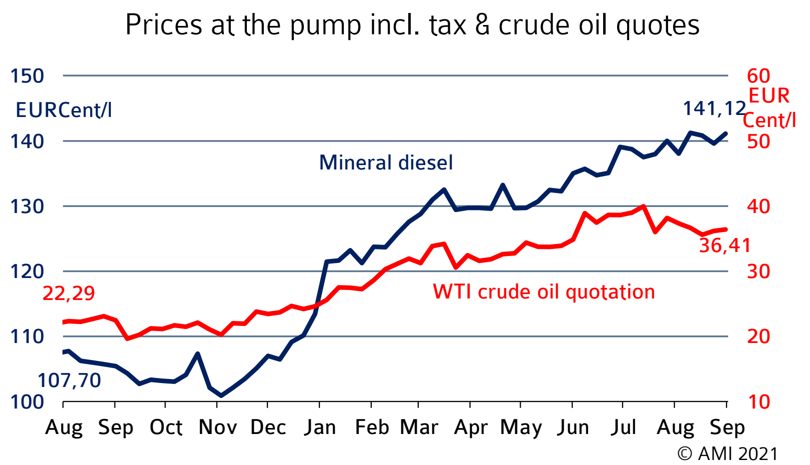
Wholesale prices

Prices of biodiesel and especially UCOME rose in August. The increase was due to scarce supply, the rise in feedstocks prices and growth in demand. The average monthly price of biodiesel at the wholesale level was just less than 126 euro cents per litre. This was 57 per cent more than a year ago. The higher prices were also reflected in consumption, which dropped almost one fifth in the first half of 2021.

Biodiesel/ mineral Diesel



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 © AMI 2021



Domestic consumption in 2021

in 1.000 t

	Jan.	Feb.	March	April	May	June	cumulated 2021	cumulated 2020
Biodiesel for blending	172,2	157,7	182,5	211,3	204,7	210,0	1.138,9	1.416,5
Diesel	2.033,9	2.065,2	2.727,4	2.574,1	2.523,0	2.885,7	14.848,2	15.395,4
Biodiesel + diesel	2.206,1	2.222,9	2.909,9	2.785,4	2.727,7	3.095,7	15.987,2	16.811,8
Share biodiesel	7,8 %	7,1 %	6,3 %	7,6 %	7,5 %	6,8 %	7,1 %	8,4 %
Bioethanol ETBE a)	10,6	9,2	13,4	13,2	14,1	10,9	71,5	60,7
Bioethanol for blending	65,2	50,6	67,9	76,9	90,1	85,2	435,9	464,9
Bioethanol total	75,8	59,8	81,3	90,1	104,3	96,2	507,4	525,6
Gasoline	948,5	956,5	1.248,8	1.177,3	1.214,4	1.392,9	7.031,2	7.213,1
Gasoline + bioethanol	1.024,3	1.016,2	1.330,0	1.267,5	1.318,7	1.489,1	7.538,6	7.738,8
Share bioethanol	7,4 %	5,9 %	6,1 %	7,1 %	7,9 %	6,5 %	6,7 %	6,8 %

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 price surge at the filling stations slightly slowed in August. Nevertheless, the average price recorded was just less than 0.1 per cent above the July level at 139.9 euro cents per litre. Consequently, the development of prices at the pump did not reflect the trend set by crude futures, which trended consistently weaker in New York until 20 August 21. The average monthly nearby price was down 7 per cent on the previous month's mark. The decline was due to prospects of dwindling economic power and demand for fuel on account of the growing number of corona cases in Southeast Asia. The fact that prices did not slide further was recently due to Hurricane Ida which damaged US oil production facilities and refineries and massively affected shipments.

Consumption

Biodiesel

June 21 consumption of biodiesel increased 3 per cent to 210,047 tonnes compared to the previous month. This was also clearly above average, but yet down 16 per cent year-on-year. Consumption of diesel reached a volume of just less than 2.9 million tonnes in June 2021. This was very close to pre-Covid 19 levels and the highest consumption of biodiesel recorded since November 2019. Consumption was up as much as 12.6 per cent compared to the same month a year earlier and even 14.4 per cent compared to May 2021. The increase brought down the incorporation rate significantly to 6.8 per cent, a level below the half-year average and clearly below the 8.9 per cent recorded in June 20.

Bioethanol

The use of bioethanol suffered a decline in June 21. At 96,158 tonnes, consumption was down 8 per cent on the previous month. Above all, the use of bioethanol in ETBE dropped almost 23 per cent. June 21 use of bioethanol in blends declined 5.5 per cent, but remained 5 per cent higher than in the same month a year earlier.