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

UFOP Market Information Oilseeds and Biofuels

Contents

Price trends

Mean price	Week 43	Previous week	Trend
Producer prices in EUR/t			
Rapeseed	384,29	379,47	↗
Wholesale prices in EUR/t			
Rapeseed	412,00	401,00	↗
Rapeseed oil	870,00	835,00	↗
Rapseseed meal	196,00	200,00	↘
Rapeseed cake*	236,43	225,31	↗
Rapeseed future	408,00	406,00	↗
Wholesale prices in ct/l, excl. VAT			
Biodiesel	132,54	132,54	→
Consumer prices in ct/l incl. VAT			
Diesel	111,37	110,78	↗
Futures in US-$/barrel			
WTI, Nymex	49,44	47,96	↗

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

Market Headlines

Oilseeds

- Rapeseed prices in Paris broke the mark of EUR 400 per tonne for the first time since April 2014.
- Oil mills accepted high premiums on MATIF prices but could hardly generate more supply.
- Rapeseed sales continued at a low level as price expectations diverged.

Oilseed meals and oilcakes

- German market for rapeseed meal lacked momentum due to slack demand.
- Prices for rapeseed cake rose; demand from feed compounders was low.

Vegetable oils

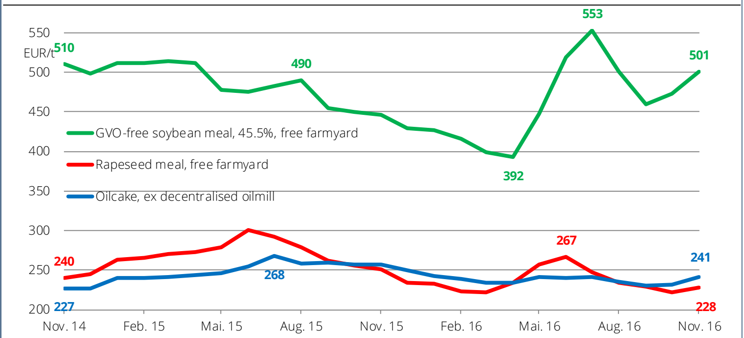
- Prices for cold pressed rapeseed followed firm trend on vegetable oil markets, but sales were sluggish.

Biofuels

- Quota compliance obligations fuelled demand for biodiesel at the end of the year.
- September 2016 blending quotas of biodiesel and bioethanol declined from previous month.

Chart of the week

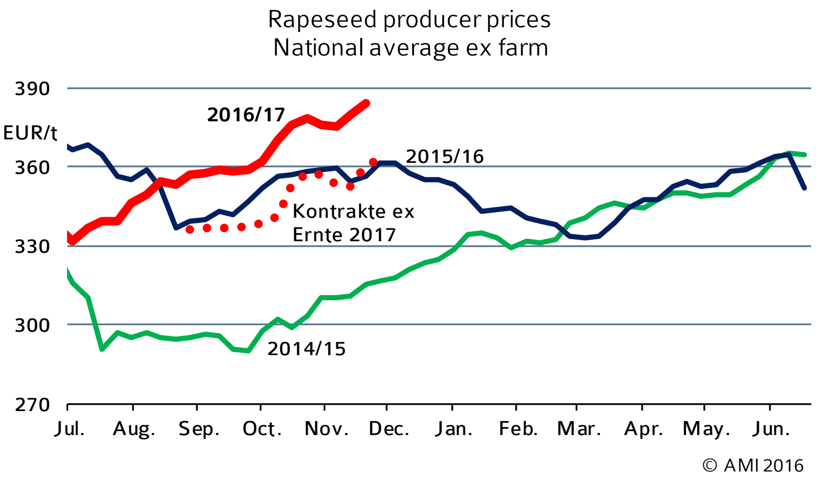
Prices of oilseed meals and oilcake



Source: AMI

Edition december 2016

Market prices



Wholesale prices

In EUR/t on 26.10.2016, (collected at mills and trade)

	Rapeseed 2016 franko	Rapeseed fob	Rapeseed oil fob	Palmoil cif
Spot	412	196	870	723
Previous week	401	200	835	707

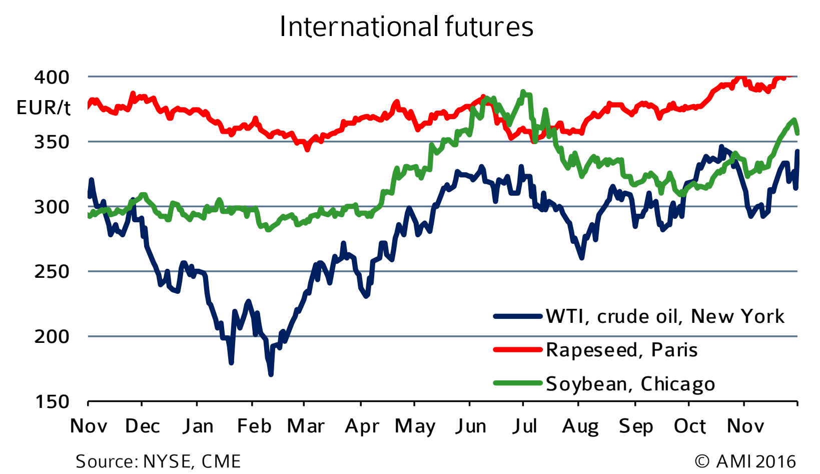
Source: AMI

Contract prices for rapeseed cake & cold-pressed rapeseed oil

Ex works in EUR/t (reported by mills/traders on 22.11.2016)

	Rapeseed cake		cold-pressed rapeseed oil in Cent/l		
Monthly production	Price range	Previous month	Feed oil	DIN 51605	Fuel
< 100 t	225-250	230-240	83,03	83,83	-
> 100 t	230-235	220-235	Vm: 81,45	80-86	-

Note: pm = previous month; crude rapeseed oil excl. tax
Source: AMI



Rapeseed

In Paris, rapeseed prices exceeded and remained above the mark of EUR 400 per tonne. Notwithstanding some initial scepticism among market participants, rapeseed prices in Germany followed suit.

Rapeseed oil

The firm prices for soybean and palm oil also pulled up prices for rapeseed oil. Speculation about rising consumption of palm oil for biodiesel production was an additional factor pushing prices higher.

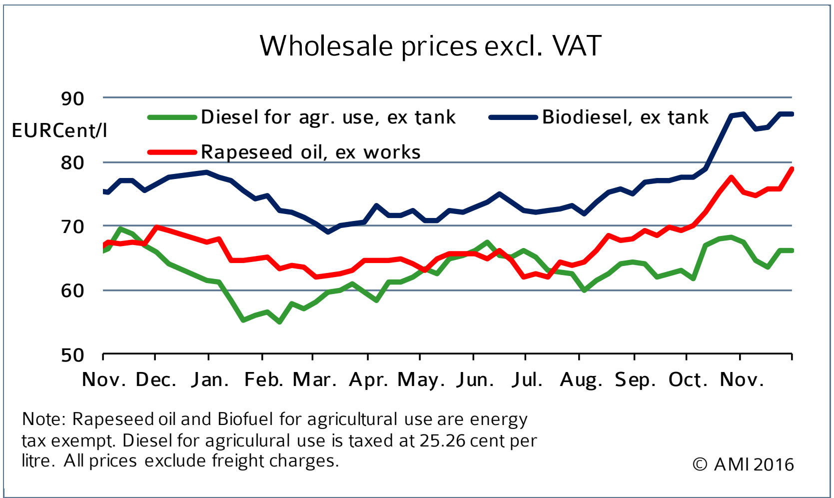
Rapeseed cake

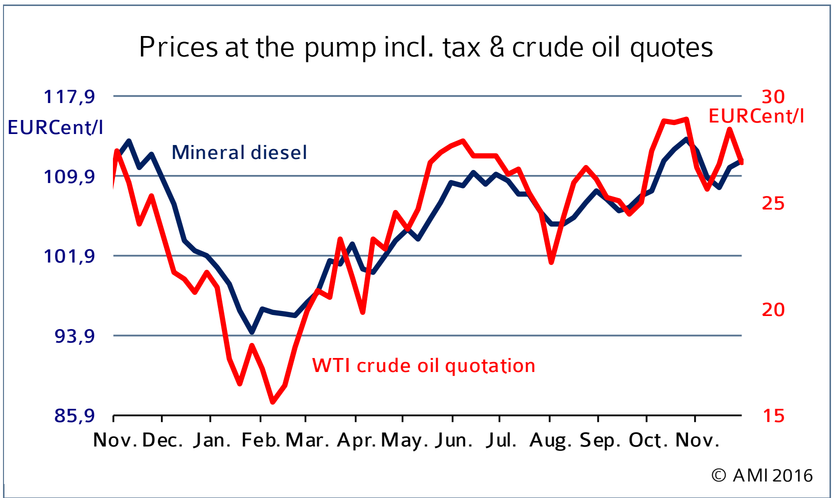
The rising feedstock costs led to an increase in asking prices for by-products. In other words, decentralised oil mills in South Germany raised their asking prices for rapeseed cake by around EUR 4 per tonne in November 2016 to, on average, EUR 236.40 per tonne. Livestock farmers even had to fork out EUR 9 per tonne more for this feedstuff than they had to the previous month. In contrast, demand from feed compounders was very low, not allowing oil mills to implement an increase in prices. At the wholesale level, prices also declined. At, on average, EUR 218.25 per tonne for nearby positions, November prices were down around EUR 1.50 per tonne from October 2016. Scant demand for spot material had forced down prices appreciably. Whereas at the beginning of the month prices for deliveries between November 2016 and January 2017 stood at EUR 223 per tonne, prices reported at the end of November were down to EUR 217 per tonne for deliveries in December and EUR 219 per tonne for deliveries in January.

Cold pressed rapeseed oil

The decentralised oil mills raised selling prices for cold pressed rapeseed oil by just under 2 per cent to 83.43 euro cents per litre in November 2016, following the trend at the vegetable oil markets. In other words, rapeseed oil fob German mill went up 1 per cent to 75.48 euro cents per litre from the previous month. Decentralised oil mills continued to complain about sluggish sales of cold pressed rapeseed oil. However, the surplus declined based on the overall reduction in processing because sales of rapeseed cake also stagnated.

Biodiesel/ mineral Diesel





Domestic consumption in 2016

in 1.000 t

	Jan.	Feb.	March	April	Mai	June	July	Aug.	Sept.	Cumulated 2016	2015
Biodiesel for blending	174,6	167,7	194,4	191,1	184,4	203,2	194,5	187,1	172,7	1.669,7	1.649,4
Pure biodiesel b)	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,1	0,2	5,6
Biodiesel total	174,6	167,7	194,4	191,1	184,4	203,2	194,5	187,1	172,9	1.669,9	1.655,0
Pure plant oil (PPO) b)	0,1	0,0	2,5	0,1	0,8	0,1	0,1	0,1	0,1	4,0	1,7
Biodiesel & PPO	174,7	167,8	196,9	191,2	185,2	203,3	194,6	187,2	173,0	1.673,8	1.656,8
Diesel	2.735,6	2.919,2	3.210,3	3.321,9	3.122,7	3.266,0	3.389,0	3.320,4	3.404,7	28.765,9	27.182,1
Biodiesel share in blending	6,4 %	5,7 %	6,1 %	5,8 %	5,9 %	6,2 %	5,7 %	5,6 %	5,1 %	5,8 %	6,1 %
Biodiesel + diesel + PPO	2.735,7	2.919,3	3.212,8	3.321,9	3.123,6	3.266,1	3.389,1	3.320,6	3.404,9	28.770,1	27.189,4
Share biodiesel & PPO	6,4 %	5,7 %	6,1 %	5,8 %	5,9 %	6,2 %	5,7 %	5,6 %	5,1 %	5,8 %	6,1 %
Bioethanol ETBE a)	9,8	9,9	10,7	8,4	9,8	12,1	14,1	8,7	7,0	90,6	84,8
Bioethanol for blending	83,3	69,9	78,7	81,7	88,6	95,8	97,9	94,4	87,0	777,3	793,2
Bioethanol E 85	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Bioethanol total	93,1	79,8	89,5	90,0	98,4	107,9	112,1	103,2	94,0	867,9	878,0
Gasoline	1.342,5	1.389,7	1.505,6	1.521,4	1.566,2	1.543,0	1.600,7	1.592,3	1.582,4	13.691,5	13.614,3
Gasoline + bioethanol c)	1.342,5	1.389,7	1.505,6	1.521,4	1.566,2	1.543,0	1.600,7	1.592,3	1.582,4	13.691,5	13.614,3
Share bioethanol c)	6,9 %	5,7 %	5,9 %	5,9 %	6,3 %	7,0 %	7,0 %	6,5 %	5,9 %	6,3 %	6,4 %

Note: a) Volume percent of bioethanol in ETBE = 47 %; b) source: Statistisches Bundesamt, 'Taxation of energy products', chapter II: energy products (excluding heating fuels); taxation without amounts according to § 46 and § 47 EnergieStG; c) The proportion of gasoline fuels contained in bioethanol fuels have been offset; cumulated figures include (unpublished) revised monthly BAFA data
Source: Federal Office for Economic Affairs and Export Control, AMI

Wholesale prices

Following a short period of weakness, demand for biodiesel picked up in mid November. The reason was that many companies still had to comply with quota requirements by the end of the year. Most of them balance the books already in mid December. Blending quotas and, consequently, interest in buying have been accordingly high, driving up biodiesel prices.

Prices at the pump

Diesel prices at the pump followed the ups and downs of crude oil prices in New York, which were strongly influenced by speculation about a cap on crude oil production levels. Hopes alternated with doubts about whether an agreement would be reached on the proposed maximum level. Most recently, the pump price for mineral diesel was at 111 cents per litre. Meanwhile, OPEC agreed to cut oil production. As crude prices swept higher, prices at the pump followed.

Fuel consumption

In September 2016, the use of biodiesel in blends declined, as is typical for the season. However, it still remained above the previous year's volume. At 172,728 tonnes, consumption was down 8 per cent from August 2016, but still up 5 per cent from September 2015. At the same time, the use of diesel fuel increased. Accordingly, the volumetric blending quota dwindled to 5.07 per cent, which was the lowest level in a year. Consequently, the current year's overall biodiesel use of 1.7 million tonnes was still slightly up on the previous year. September 2016 demand for bioethanol also dropped from the previous month to 94,049 tonnes. However, demand was also down from the same month the previous year. In other words, the volume of bioethanol for blending dropped by 8 percent from August and by 4 per cent from September 2016. Even less was used to produce ETBE. The decline to 7,012 tonnes translates to an 18 percent slump year-on-year. Total consumption of bioethanol in 2016 dropped to 867,934 tonnes, although demand for petrol climbed. Consequently, the percentage of biodiesel contained in blends slid back to below the level of 6 per cent.