

UFOP Market Information

Oilseeds and Biofuels

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Price trends

| Mean price | Week 14 | Previous week | Trend |
|--|---------|---------------|-------|
| Producer prices in EUR/t | | | |
| Rapeseed | 384,63 | 387,24 | ↘ |
| Wholesale prices in EUR/t | | | |
| Rapeseed | 400,00 | 403,00 | ↘ |
| Rapeseed oil | 780,00 | 764,00 | ↗ |
| Rapeseed meal | 224,00 | 226,00 | ↘ |
| Rapeseed cake* | 251,33 | 236,43 | ↗ |
| Rapeseed future | 396,75 | 397,00 | ↘ |
| Wholesale prices in ct/l, excl. VAT | | | |
| Biodiesel | 123,74 | 123,04 | ↗ |
| Consumer prices in ct/l incl. VAT | | | |
| Diesel | 113,34 | 112,67 | ↗ |
| Futures in US-\$/barrel | | | |
| WTI, Nymex | 51,15 | 49,51 | ↗ |

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

Market Headlines

Oilseeds

- Producer prices for rapeseed slid below EUR 400 per tonne; demand from oil mills dropped due to declining margin.
- Rapeseed nearby in Paris started the month at EUR 420 per tonne and finished at EUR 393 per tonne.
- Prospects for record US soybean area sent soybean prices tumbling; South American harvest likely to be larger than anticipated.

Oilseed meals and oilcakes

- Rapeseed meal was scarce and sought after; buyer interest was in soybean meal for May to October delivery.
- Tight supply of extracted rapeseed meal fuelled demand for oilcake and resulted in slight surcharges.

Vegetable oils

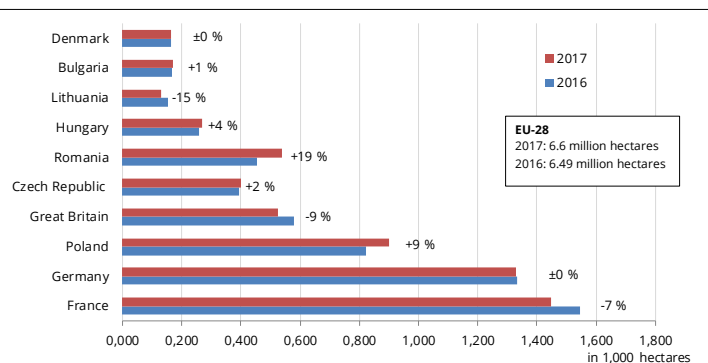
- Weaker soybean prices weighed down vegetable oil prices.
- Trading in cold pressed rapeseed oil was very moderate.

Fuels

- Buyers of biodiesel continued to wait and see in a weak market.
- Diesel prices followed falling crude prices on reports about increasing US crude stocks.

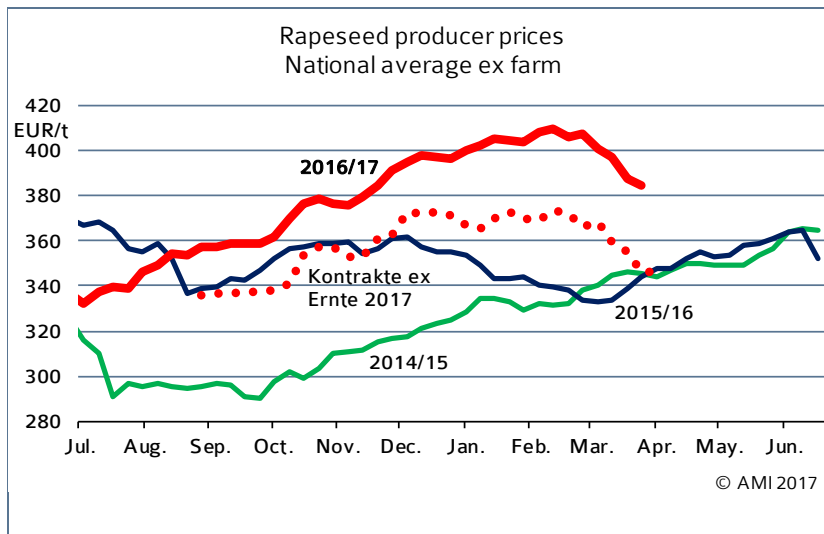
Chart of the week

2017 EU rapeseed hectareage forecast



Source: Agreste, EU-Kommission, Coceral, Copa Cocega, AMI

Market prices



Wholesale prices

In EUR/t on 05.04.2017, (collected at mills and trade)

| | Rapeseed 2016 franko | Rapeseed fob | Rapeseed oil fob | Palmoil cif |
|---------------|-------------------------|-----------------|---------------------|----------------|
| Spot | 400 | 224 | 780 | 642 |
| Previous week | 403 | 226 | 764 | 659 |

Source: AMI

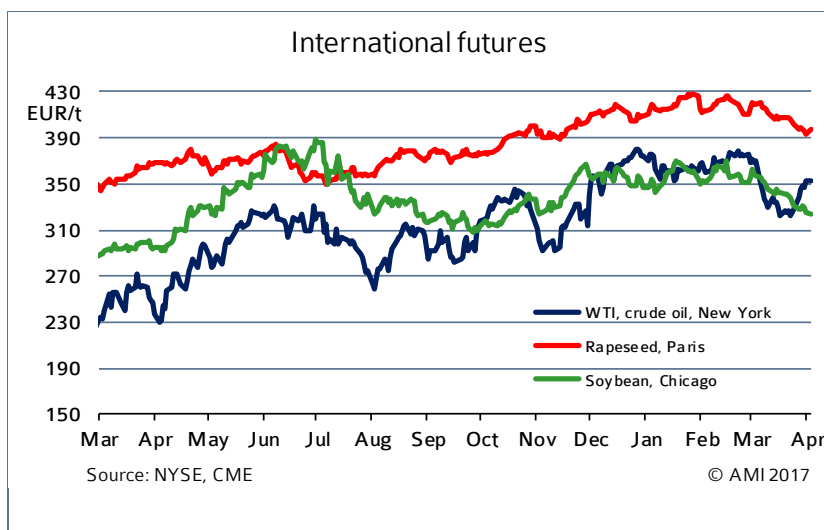
Contract prices for rapeseed cake & cold-pressed rapeseed oil

Ex works in EUR/t (reported by mills/traders on 21.03.2017)

| Monthly production | Rapeseed cake | | cold-pressed rapeseed oil in Cent/l | | |
|--------------------|---------------|----------------|-------------------------------------|-----------|------|
| | Price range | Previous month | Feed oil | DIN 51605 | Fuel |
| < 100 t | 235-270 | 235-260 | 86,25 | 86,67 | - |
| > 100 t | 245-245 | 245-245 | Vm: 86 | 83-87 | - |

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

Source: AMI



Rapeseed

Producer prices fell from their high level of nearly EUR 410 per tonne, even sliding back to below the EUR 400 per tonne mark. Suppliers held back, but demand also waned. On the one hand, oil mills were well supplied with imports from Australia. On the other hand, processing margins dwindled due to falling prices of oil.

Rapeseed oil

March rapeseed oil prices dropped substantially in Germany. The falloff was prompted by weak soybean oil prices that were also on the decline due to pressure from falling soybean prices. On the one hand, there are definite signs now of a bumper crop in South America. On the other hand, the US soybean area for the 2017 harvest is expected to grow. Consequently, it is foreseeable that global soy supply will rise.

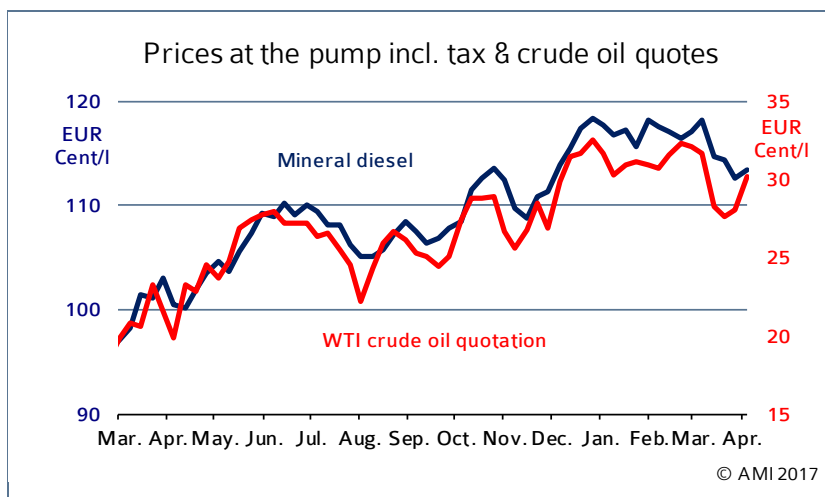
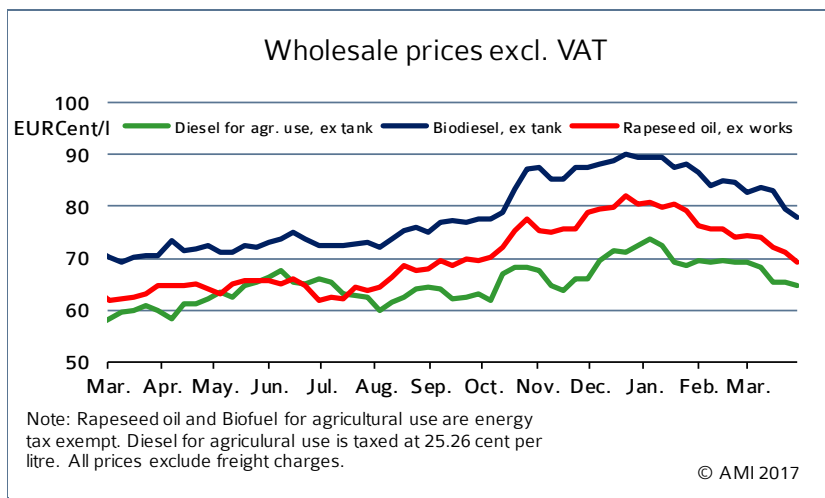
Rapeseed cake

Decentralised oil mills obtained slightly higher prices for oilseed rape cake in March 2017 than a month earlier. Scarce supply of extracted rapeseed meal fuelled demand. Therefore, feed compounders are also buying again now, in addition to livestock farmers doing direct business. In South Germany, prices of rapeseed cake for prompt delivery were up, on average, around EUR 5 per tonne from the previous month, at EUR 251 per tonne. Consequently, rapeseed cake there continued to be less costly than rapeseed meal delivered free to yard, for which buyers paid on average EUR 261 per tonne in Bavaria.

Cold pressed rapeseed oil

Fuel market prices were on a downward slide. Biodiesel and diesel fell around 4 per cent from the previous month, with rapeseed oil also declining just over 4 per cent. This competition did not yet create downward pressure on prices at South German decentralised oil mills and prices remained unchanged. Since processing margins were unsatisfactory, larger price concessions were hardly possible. However, trading in cold pressed rapeseed oil was less than moderate anyhow. Some small suppliers are going out of the market as transport/heating fuel suppliers, because certification no longer pays off.

Biodiesel/ mineral Diesel



Domestic consumption in 2017

| in 1.000 t | January | |
|-----------------------------|---------|---------|
| | 2017 | 2016 |
| Biodiesel for blending | 150,5 | 174,6 |
| Biodiesel total | 150,5 | 174,6 |
| Pure plant oil (PPO) b) | 0,1 | 0,1 |
| Biodiesel & PPO | 150,6 | 174,7 |
| Diesel | 2.905,0 | 2.679,6 |
| Biodiesel share in blending | 5,2 % | 6,5 % |
| Biodiesel + diesel + PPO | 2.905,1 | 2.679,7 |
| Share biodiesel & PPO | 5,2 % | 6,5 % |
| Bioethanol ETBE a) | 7,7 | 10,1 |
| Bioethanol for blending | 76,5 | 83,3 |
| Bioethanol total | 84,3 | 93,4 |
| Gasoline | 1.319,5 | 1.252,1 |
| Gasoline + bioethanol c) | 1.403,8 | 1.345,4 |
| Share bioethanol c) | 6,0 % | 6,9 % |

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

Demand for biodiesel continued to be weak. Market participants' price expectations often failed to match, preventing produce from moving and sending prices sinking as a result. Interest in buying UCOME (biodiesel made from used cooking oil), which is normally coveted, was particularly low, especially since asking prices recently firmed. However, the reason was not in the biodiesel market but in high demand for the used cooking oil feedstock from other sectors. It drove up prices and consequently sent UCOME prices rising.

Prices at the pump

March prices for crude oil and also mineral diesel first came down substantially. The key factor was reports on increasing US crude oil stocks. However, towards the end of the month prices took an upward turn and they have firmed further since then. Prices of biodiesel are gradually following. The reason is that US stocks are apparently decreasing after all and speculation that the Organisation of Petroleum Exporting Countries (OPEC) is planning to continue curbing crude output in OPEC member states.

Consumption

The year 2017 kicked off slowly with a consistent drop in fuel and biofuel consumption from December 2016. The only exception was pure vegetable oil fuel, of which 117 tonnes were traded in January 2017. This figure was even up one fourth from January 2016. By contrast, consumption of biodiesel for blending amounted to just less than 150,500 tonnes, thus falling 10,000 tonnes short of the December figure and even 25,000 tonnes of the previous year's consumption. At the same time, demand for diesel fuel saw a rise from the previous year. As a result, the blending ratio fell to 5.18 per cent. This compares to 6.5 per cent in January 2016. The use of bioethanol also decreased. January 2017 consumption totalled 84,300 tonnes, which was 10 per cent less than a year earlier. Since demand for petrol rose at the same time, the incorporation rate sank to 6.0 per cent. This compares to 6.9 per cent in January 2016.