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

UFOP Market Information Oilseeds and Biofuels

Contents

Price trends

Mean price	Week 31	Previous week	Trend
Producer prices in EUR/t			
Rapeseed	351,45	347,79	↗
Wholesale prices in EUR/t			
Rapeseed	357,00	354,00	↗
Rapeseed oil	723,00	740,00	↘
Rapseseed meal	186,00	181,00	↗
Rapeseed cake*	245,71	236,43	↗
Rapeseed future	368,25	365,25	↗
Wholesale prices in ct/l, excl. VAT			
Biodiesel	121,39	121,76	↘
Consumer prices in ct/l incl. VAT			
Diesel	110,19	110,69	↘
Futures in US-$/barrel			
WTI, Nymex	49,59	48,75	↗

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

Market Headlines

Oilseeds

- German 2017 rapeseed harvest result is disappointing; following a dry spell in early summer, harvest has been hampered by rain.
- Weather market brought about very volatile soybean prices at a slightly higher level.
- Rapeseed prices fell despite muted supply prospects, but still remained above previous year's level.

Oilseed meals and oilcakes

- Rapeseed meal prices gained competitiveness; wholesale prices hit the lowest level since March 2016.
- Prices for rapeseed cake came down slightly; small supply went mainly to livestock farmers.

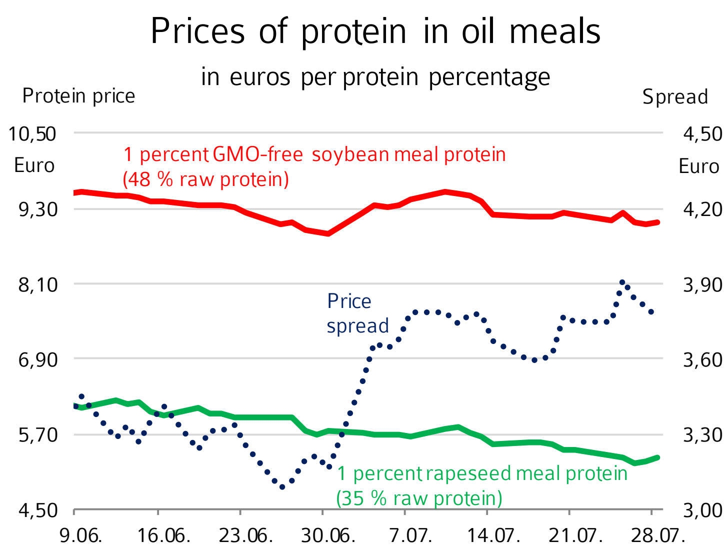
Vegetable oils

- Palm oil prices fluctuated considerably in some cases, but remained at previous month's level. Rapeseed oil prices increased significantly in the first half of the month.
- Cold pressed rapeseed oil rose slightly.

Fuels

- Demand for biodiesel was slack, even for biodiesel with a higher GHG saving potential.
- Biodiesel consumption surged somewhat, but incorporation rate declined as use of diesel rose sharply.

Chart of the week

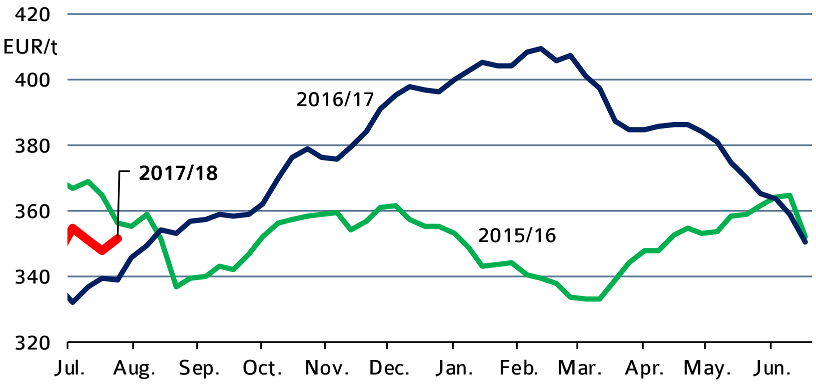


Source: AMI

Edition august 2017

Market prices

Rapeseed producer prices
National average ex farm



Wholesale prices

In EUR/t on 02.08.2017, (collected at mills and trade)

	Rapeseed 2017 franko	Rapeseed fob	Rapeseed oil fob	Palmoil cif
Spot	357	186	723	563
Previous week	354	181	740	577

Source: AMI

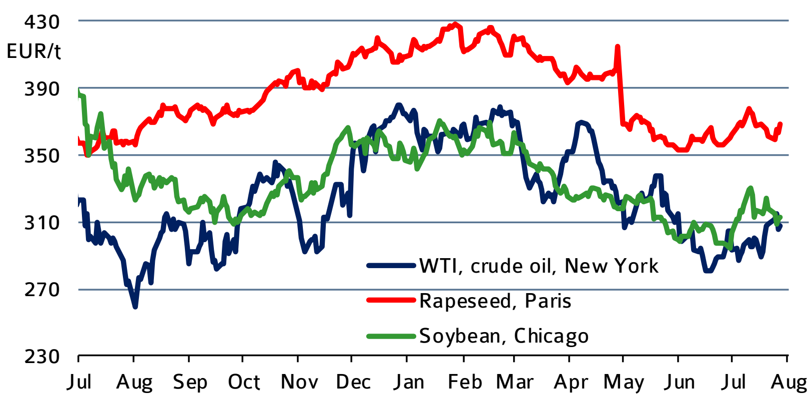
Contract prices for rapeseed cake & cold-pressed rapeseed oil

Ex work in EUR/t (reported by mills/traders on 25.07.2017)

	Rapeseed cake		cold-pressed rapeseed oil in Cent/l		
Monthly production	Price range	Previous month	Feed oil	DIN 51605	Fuel
< 100 t	245-260	245-265	87,00	88,00	-
> 100 t	235-240	235-245	pm: 85-86	pm: 85-88	-

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

International futures



Source: NYSE, CME

Rapeseed

Prices for the new crop exceeded the previous year's level. The reason was unfavourable weather conditions so far this year. Severe drought was followed by heavy rains that halted harvest. Drops in yield were foreseeable. Against this background, many growers considered bids to be too low to sell their produce, hoping to be paid more at a later date. There were only few purchases from oil mills. Oil millers complained about insufficient proceeds, as they did the previous month.

Rapeseed oil

Rapeseed oil prices were on a downward trend. The key reason was continued scant demand from the biodiesel sector. The market stimulation in July was only short lived. Consequently, oil mills lacked marketing possibilities. Demand for biodiesel and, in consequence, rapeseed oil might actually not pick up pace until the fourth quarter of 2017.

Rapeseed cake

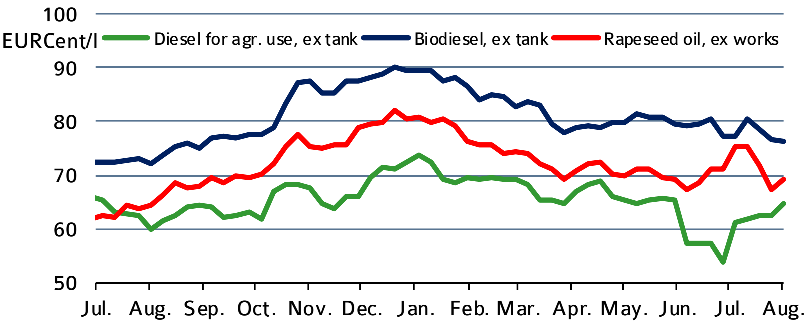
Prices for rapeseed slid further from the previous month's level. Asking prices were lowered by EUR 1.25 per tonne, bringing the average price down to EUR 247.50 per tonne. Traditionally, rapeseed processing is lower in July than it is during the rest of the year. However, the reduced supply of byproducts did not have any impact on prices. Most rapeseed cake was marketed directly to livestock farmers. In July 2017, the latter paid, on average, EUR 242.65 per tonne delivered free to yard for conventional extracted rapeseed, EUR 2.60 per tonne less than the previous month. With that, the price gap with rapeseed cake widened further.

Cold pressed rapeseed oil

Decentralised oil mills charged slightly more for cold pressed rapeseed oil than the previous month, following the generally firmer rapeseed oil market of the first half of the month. In July 2017, rapeseed oil fob oil mill cost, on average, 72.40 euro cents per litre, 2.80 euro cents per litre more than the previous month. The rise was driven by rocketing prices in the first half of the month that sent rapeseed oil prices to a five-month high. However, subsequently asking prices collapsed to the lowest level since August 2016. Biodiesel followed the price surge only to a limited extent because demand was very low.

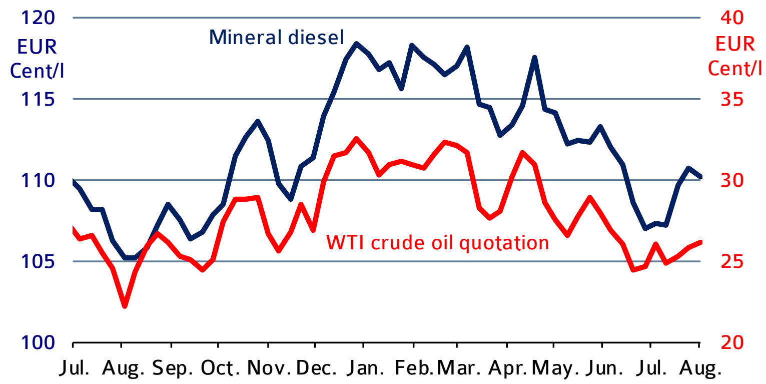
Biodiesel/ mineral Diesel

Wholesale prices excl. VAT



Note: Rapeseed oil and Biofuel for agricultural use are energy tax exempt. Diesel for agriculural use is taxed at 25.26 cent per litre. All prices exclude freight charges.

Prices at the pump incl. tax & crude oil quotes



Domestic consumption in 2017

in 1.000 t

	Jan.	Feb.	March	April	Mai	cumulated 2017	2016
Biodiesel for blending	150,5	134,4	206,3	175,3	178,2	848,1	912,3
Biodiesel total	150,5	134,4	206,3	175,3	178,2	848,1	912,3
Pure plant oil (PPO) b)	0,1	0,0	2,5	0,0	0,0	0,0	0,0
Biodiesel & PPO	150,6	135,0	211,1	175,3	178,2	848,1	912,3
Diesel	2.754,5	2.724,6	3.365,5	3.034,2	3.147,4	14.932,7	14.136,6
Biodiesel share in blending	5,2 %	4,7 %	5,9 %	5,5 %	5,4 %	5,4 %	6,1 %
Biodiesel + diesel + PPO	2.905,1	2.859,6	3.576,6	3.209,4	3.325,7	15.780,7	15.048,9
Share biodiesel & PPO	5,2 %	4,7 %	5,9 %	5,5 %	5,4 %	5,4 %	6,1 %
Bioethanol ETBE a)	8,7	8,0	8,8	10,7	12,1	48,4	49,7
Bioethanol for blending	76,5	69,4	79,8	89,2	93,4	408,7	402,2
Bioethanol total	85,3	77,4	88,6	99,9	105,5	457,0	451,9
Gasoline	1.318,5	1.244,6	1.522,3	1.417,1	1.549,6	7.107,5	6.894,8
Gasoline + bioethanol c)	1.403,8	1.322,0	1.610,9	1.517,0	1.655,1	7.564,5	7.346,7
Share bioethanol c)	6,1 %	5,9 %	5,5 %	6,6 %	6,4 %	6,0 %	6,2 %

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

The biodiesel market picked up pace for just a short time in July. Whereas previously only small amounts had been requested for prompt delivery, July saw larger amounts being traded for forward delivery. However, meanwhile demand is no longer brisk, but just steady. Sellers of biodiesel anticipate demand to develop in a similar way as it did the two previous years. In other words, demand could pick up substantially in the fourth quarter, despite higher GHG reduction requirements and expected tighter supply of biodiesel with a higher GHG reduction potential.

Prices at the pump

Prices of crude oil firmed, benefiting from a weak US dollar and reports about declining US crude oil stocks. Moreover, confidence is growing that OPEC's endeavours to limit the oil output of its member states will finally bear fruit and global supply will be reduced markedly. Prices of mineral diesel followed the upward trend, climbing to above 110 euro cents per litre.

Consumption

Biodiesel

Consumption of biodiesel rose, although less sharply than total use of diesel did. As a result, the volumetric incorporation rate declined. In May 2017, just less than 178,250 tonnes of biodiesel were used in blends, around 1.7 per cent more than in April 2017. At the same time, demand for diesel increased 3.7 per cent. Consequently, the incorporation rate reached 5.36 per cent. The same month a year ago, the rate was 5.96 per cent, with biodiesel consumption amounting to 184,250 tonnes. The difference from the previous year is getting larger every month. Whereas January-to-May 2017 biodiesel consumption totalled around 848,100 tonnes, the figure was 912,300 tonnes in the 2016 reference period. At the same time, the use of diesel rose 5.6 per cent to 14.9 million tonnes.

Bioethanol

Use of bioethanol increased in May 2017, but less so than in the previous months. Demand amounted to around 105,500 tonnes. At the same time, consumption of petrol declined with the result that the incorporation rate dropped to 6.4 per cent. The year-to-date total outpaced the previous year's figure already in May. From January to May 2017, bioethanol consumption of 457,050 tonnes was up 1 per cent from the same period last year.