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

UFOP Market Information Oilseeds and Biofuels

Contents

Price trends

Mean price	Week 44	Previous week	Trend
Producer prices in EUR/t			
Rapeseed	351,94	349,74	➚
Wholesale prices in EUR/t			
Rapeseed	367,00	360,00	➚
Rapeseed oil	800,00	775,00	➘
Rapseseed meal	175,00	179,00	➚
Rapeseed cake*	217,92	232,50	➘
Rapeseed future	370,00	366,75	➚
Wholesale prices in ct/l, excl. VAT			
Biodiesel	125,90	123,25	➚
Consumer prices in ct/l incl. VAT			
Diesel	116,37	116,00	➚
Futures in US-$/barrel			
WTI, Nymex	53,90	51,47	➚

* = 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 were below year-ago level; farmers showed little willingness to sell.
- Demand for rapeseed was weak; mills drew on contract rapeseed.
- US soybean harvest operations and South American soybean planting progressed at a rapid pace.

Oilseed meals and oilcakes

- Weak euro drove up German prices of soybean meal; demand from the compound feed industry slowed considerably.
- Decentralised oil mills lowered asking prices for rapeseed cake; buyers waited for further price reductions.

Vegetable oils

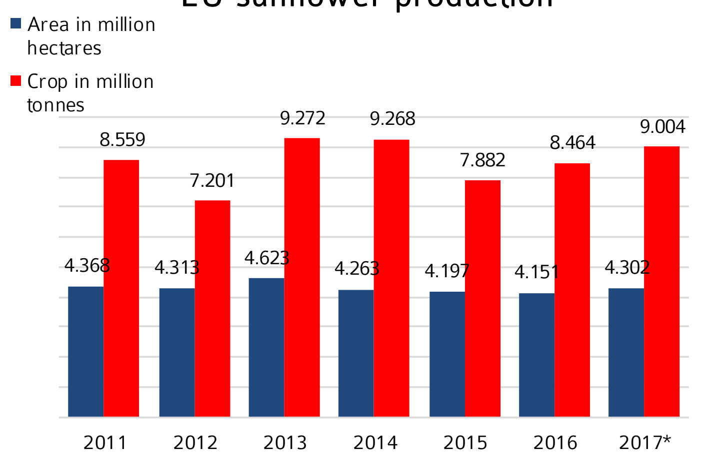
- Rapeseed oil prices firmed on support from firming rapeseed prices and rising vegetable oil prices.
- Cold pressed rapeseed oil also went up.

Fuels

- Mineral oil prices surged; weak euro drove up prices of diesel.
- Speculations that the OPEC might extend its cap on production supported prices of crude oil.
- Demand for RME was exceptionally low as buyers showed a preference for fuels with a high GHG saving potential.
- Biofuel consumption saw a slight rise in August 2017.

Chart of the week

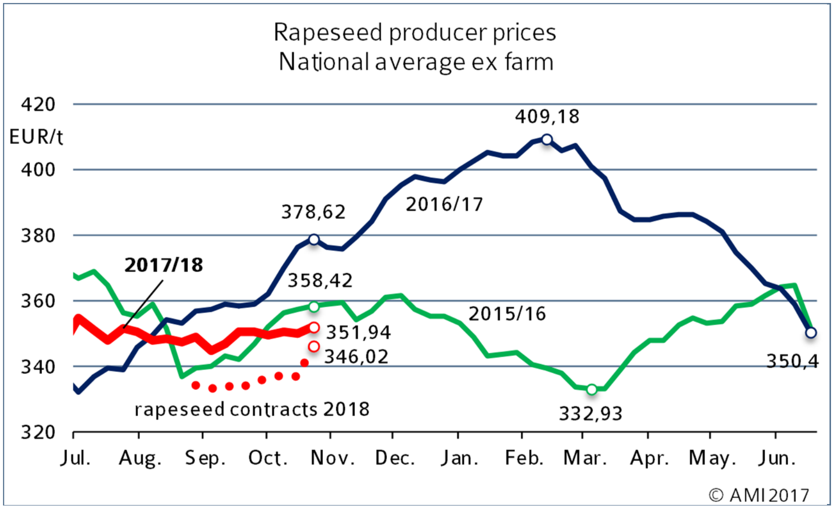
EU sunflower production



Source: EU Commission Note: * = estimated

Edition november 2017

Market prices



Wholesale prices

In EUR/t on 30.10.2017, (collected at mills and trade)

	Rapeseed 2017 franko	Rapeseed fob	Rapeseed oil fob	Palmoil cif
Spot	367	175	800	638
Previous week	360	179	775	619

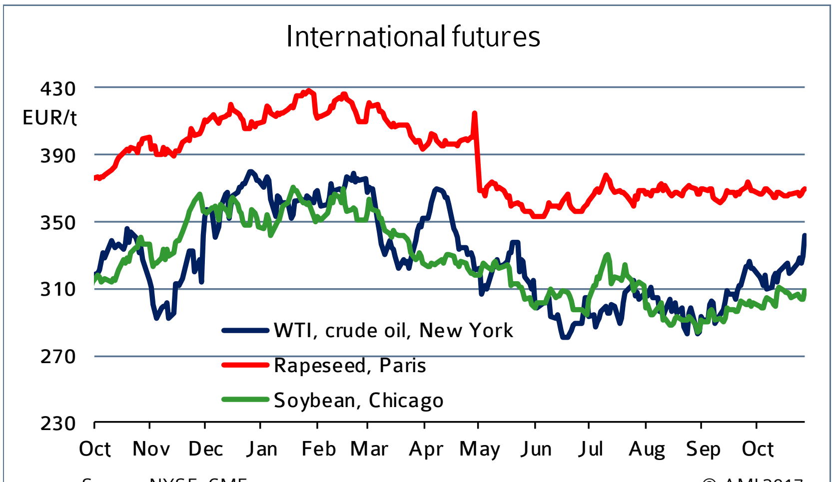
Source: AMI

Contract prices for rapeseed cake & cold-pressed rapeseed oil

Ex work in EUR/t (reported by mills/traders on 17.10.2017)

	Rapeseed cake		cold-pressed rapeseed oil in Cent/l		
Monthly production	Price range	Previous month	Feed oil	DIN 51605	Fuel
< 100 t	200-240	200-240	86,50	87,50	-
> 100 t	210-220	210-230	pm: 86,13	pm: 87,04	-

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



Source: NYSE, CME © AMI 2017

Rapeseed

October trading on the rapeseed cash market was slow. The main reason was that producers continued to hold back their produce as prices remained below the year-ago level. Although there was some support from firmer rapeseed prices in Paris in the second half of the month, the mills continued to complain about unsatisfactory proceeds from by-product sales. They were therefore not willing to pay higher prices.

Rapeseed oil

Rapeseed oil prices firmed significantly in the second half of October. Within two weeks, wholesale prices went up EUR 40 per tonne to EUR 800 per tonne. The reason for the surge was firmer futures market quotations for rapeseed and increases in prices for other vegetable oils.

Rapeseed cake

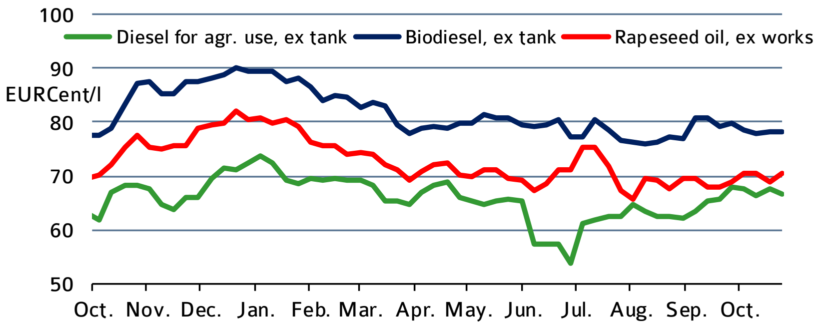
Decentralised oil mills started to feel the impact of falling wholesale prices of oilseed meal and sluggish demand. They had to lower their asking prices. In October, decentralised mills asked on average EUR 224 per tonne, EUR 7 per tonne less than a month earlier. Rapeseed cake fob Northeast Germany was valued at on average EUR 202.70 per tonne in October. Buyers hoped that prices would be reduced further and adopted a wait-and-see stance. In any case, rapeseed cake was overabundant with the result that October deliveries were offered with a reduction in price.

Cold pressed rapeseed oil

While prices for rapeseed cake went down in October, asking prices for cold pressed rapeseed oil rose. Decentralised oil mills asked on average 87 euro cents per litre, which was 0.42 euro cents per litre more than the previous month. However, the trend reflected the price rise in rapeseed oil only partially, because the oil mill industry charged just less than 70 euro cents per litre for crude rapeseed oil. This was just about 2 per cent more than the previous month's average. Consequently, the competitiveness of rapeseed oil for use in biodiesel declined significantly, because asking prices had to be lowered for lack of demand. Blenders continued to prefer feedstocks that showed a high GHG saving potential, but RME was not one of them.

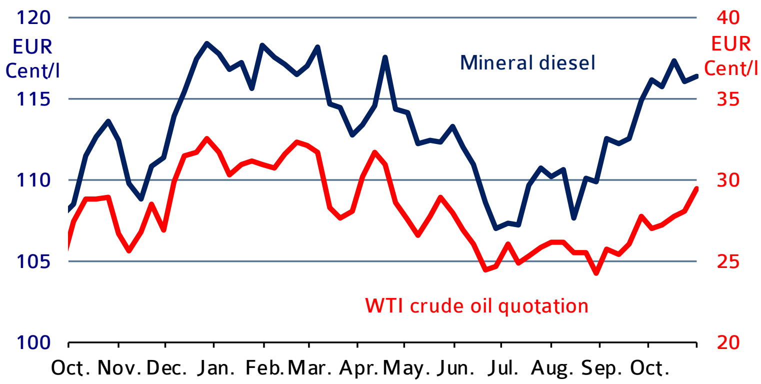
Biodiesel/ mineral Diesel

Wholesale prices excl. VAT



Note: Rapeseed oil and Biofuel for agricultural use are energy tax exempt. Diesel for agricultural use is taxed at 25.26 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	June	July	Aug.	cumulated 2017	2016
Biodiesel for blending	150,5	134,4	206,3	175,3	178,2	189,9	205,7	206,9	1.450,5	1.497,0
Biodiesel total	150,5	134,4	206,3	175,3	178,2	189,9	205,7	206,9	1.450,5	1.497,0
Pure plant oil (PPO) b)	0,1	0,0	2,5	0,0	0,0	0,0	0,0	0,1	0,0	0,0
Biodiesel & PPO	150,6	135,0	211,1	175,3	178,2	189,9	205,7	206,9	1.450,5	1.497,0
Diesel	2.754,5	2.724,6	3.365,5	3.034,2	3.147,4	3.123,0	3.119,8	3.186,1	24.365,1	23.383,8
Biodiesel share in blending	5,2 %	4,7 %	5,9 %	5,5 %	5,4 %	5,7 %	6,2 %	6,1 %	5,6 %	6,0 %
Biodiesel + diesel + PPO	2.905,1	2.859,6	3.576,6	3.209,4	3.325,7	3.312,9	3.325,5	3.393,0	25.815,6	24.880,7
Share biodiesel & PPO	5,2 %	4,7 %	5,9 %	5,5 %	5,4 %	5,7 %	6,2 %	6,1 %	5,6 %	6,0 %
Bioethanol ETBE a)	8,7	8,0	8,8	10,7	12,1	7,2	9,1	9,3	75,9	84,6
Bioethanol for blending	76,5	69,4	79,8	89,2	93,4	88,2	97,2	93,7	687,6	690,3
Bioethanol total	85,3	77,4	88,6	99,9	105,5	95,5	106,3	103,0	763,5	774,9
Gasoline	1.318,5	1.244,6	1.522,3	1.417,1	1.549,6	1.535,3	1.484,8	1.539,6	11.665,7	11.316,9
Gasoline + bioethanol c)	1.403,8	1.322,0	1.610,9	1.517,0	1.655,1	1.630,8	1.591,1	1.642,6	12.429,2	12.091,9
Share bioethanol c)	6,1 %	5,9 %	5,5 %	6,6 %	6,4 %	5,9 %	6,7 %	6,3 %	6,1 %	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

October trading on the biodiesel market was exceptionally slow. In the winter months, the market has a general preference for RME because RME has a high stability at low temperatures. However, the mineral oil groups still ordered UCOME with a particularly high GHG saving potential, if any, while ignoring RME. Prospects for the spring of 2018 were also poor. By then, larger amounts of SME from Argentina are likely to reach the EU-28 to supplement domestic supply. They will compete with RME for market shares.

Prices at the pump

Crude oil prices continued to firm in October, also lending support to prices of mineral diesel. The main reason was prospects that the OPEC countries and Russia would extend the cap on production. However, pressure on prices continued to come from the US, where oil output and stocks were very large.

Consumption

Biodiesel

Consumption of biodiesel increased insignificantly from the previous month. According to BAFA, August 2017 biodiesel use amounted to 206,884 tonnes. This was up 11 per cent from August 2016. However, the rise was not quite sharp enough to make total consumption match the previous year's figure. At 1.45 million tonnes, it was down 3 per cent from a year earlier, even if it exceeded the previous year's consumption in the months of April, July and August. Although August 2017 consumption of diesel fuel increased 2.1 per cent from the previous month, to 6.19 million tonnes, the volumetric incorporation rate of biodiesel fell to 6.1 per cent at the same time. The same month a year earlier, the rate was at 6.2 per cent.

Bioethanol

The decline in the share of bioethanol in petrol was somewhat sharper. Since consumption of bioethanol shrank just less than 4 per cent from the previous month in August 2017 and petrol use was up almost 4 per cent at the same time, the volumetric proportion dropped from 6.7 per cent in July 2017 to 6.3 per cent in August. In other words, the figure fell short of the same month the previous year. However, total consumption between January and August 2017 was only insignificantly below the previous year's level of 687,637 tonnes. This translates to an only 0.4 per cent drop from the same period in 2016.