UFOP Market Information Oilseeds and Biofuels

Contents

Price trends

Mean price	Week 49	Previous week	Trend
Producer prices in EUR/t			
Rapeseed	358,90	357,99	➚
Wholesale prices in EUR/t			
Rapeseed	375,00	370,00	➚
Rapeseed oil	745,00	740,00	➚
Rapseseed meal	244,00	244,00	➔
Rapeseed cake*	250,00	255,00	➘
Rapeseed future	372,25	370,25	➚
Wholesale prices in ct/l, excl. VAT			
Biodiesel	132,16	130,40	➚
Consumer prices in ct/l incl. VAT			
Diesel	138,84	136,61	➚
Futures in US-$/barrel			
WTI, Nymex	52,89	50,29	➚

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

Market Headlines

Oilseeds

- Rapeseed prices were stable while market was calm.
- Producers speculated on price increases in 2019; oil mills were stocked up well on nearby positions.
- Probability of record soybean crop increased.
- US-trade conflict with China continued; forward prices remained under pressure.

Oilseed meals and oilcakes

- Soybean meal prices were almost exclusively guided by futures market; trading on cash market was slow but steady.
- Prices for rapeseed meal and cake remained virtually unchanged; demand was slow.

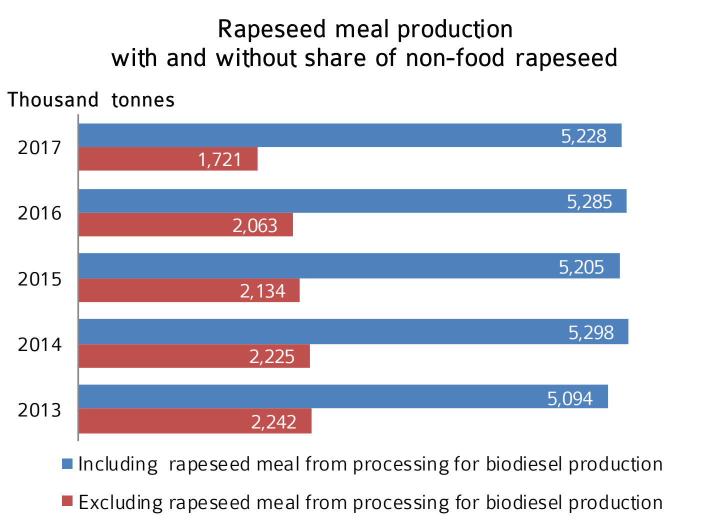
Vegetable oils

- Rapeseed oil prices firmed recently; cold pressed rapeseed oil weakened.

Fuels

- November demand for biodiesel was subdued initially, but picked up at month-end.
- Crude oil prices declined significantly due to large pressure on supply and recently also pulled down diesel prices.

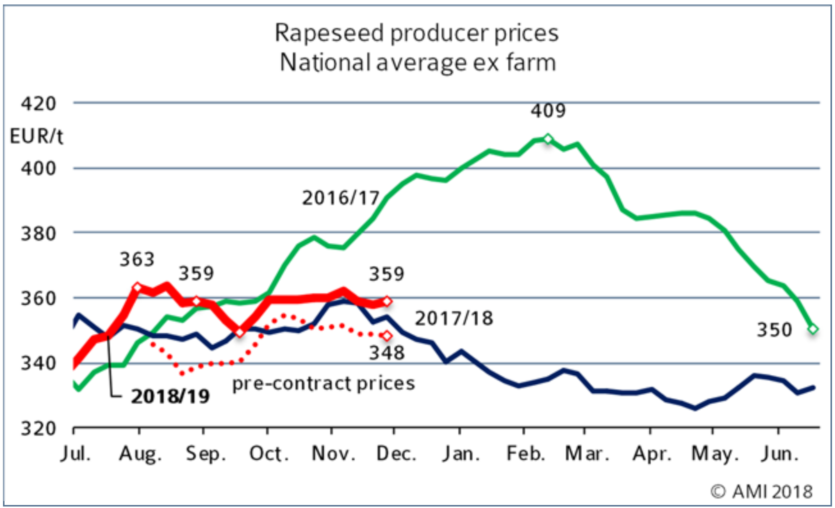
Chart of the week



Source: BLE, AMI

Edition december 2018

Market prices



Wholesale prices

In EUR/t on 05.12.2018, (collected at mills and trade)

	Rapeseed 2018 franko	Rapeseed fob	Rapeseed oil fob	Palmoil cif
Spot	375	244	745	423
Previous week	370	244	740	406

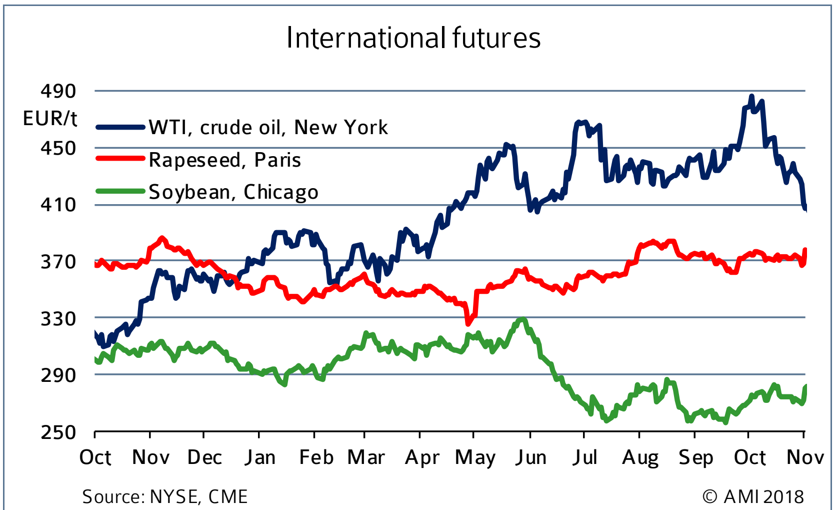
Source: AMI

Contract prices for rapeseed cake & cold-pressed rapeseed oil

Ex work in EUR/t (reported by mills/traders on 30.11.2018)

	Rapeseed cake		cold-pressed rapeseed oil in Cent/l	
Monthly production	Price range	Previous month	Feed oil	DIN 51605
< 100 t	245-265	245-260	85,88	86,88
> 100 t	245-250	245-250	pm: 86,13	pm: 87,13

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



Rapeseed

The November rapeseed market was calm. Producers were dissatisfied with the latest price level of around EUR 360 per tonne. In light of the smaller German rapeseed harvest in 2018 and meagre sowings of winter rapeseed for the upcoming year, they wanted to see higher prices. However, there was too little support from the futures market and oil mills kept their premiums unchanged, because most of them were stocked up well at least till year-end or even for the first quarter of 2019.

Rapeseed oil

Rapeseed oil prices were indecisive throughout the month. Initially, they were pulled down by falling palm oil prices which followed the weak reference prices on the international market. Towards the end of the month, asking prices for rapeseed oil were raised somewhat. The increase was likely due to the scarcity in feedstock supply and brisk demand from the biodiesel industry.

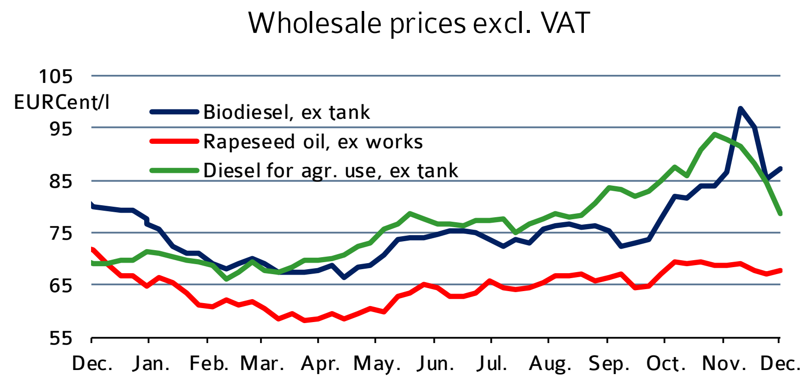
Rapeseed cake

Oil mills' and traders' asking prices for rapeseed cake remained unchanged from the previous month in November. The development of rapeseed meal prices was similarly stagnant. The average monthly price at oil mills was EUR 238.90 per tonne, compared to EUR 235.90 per tonne in October. However, as regards rapeseed meal, the market picked up at the end of November, at least temporarily, because some feed compounders had to cover shortfalls in supply, which gave prices a lift.

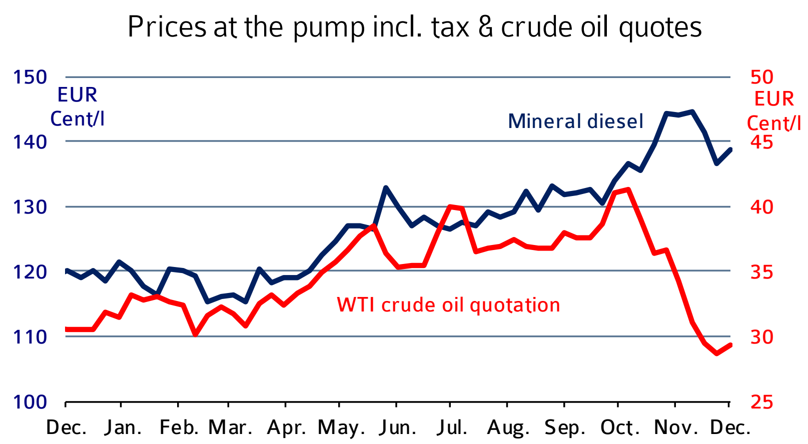
Cold pressed rapeseed oil

Prices for transport fuels continued to rise in November. Agricultural diesel was up 0.8 per cent, diesel 1.1 per cent and biodiesel 11.8 per cent from the previous month. However, rapeseed oil prices, and very especially prices for cold pressed rapeseed oil from decentralised oil mills, did not benefit from this trend, but fell slightly from the previous month. The sharp rise in biodiesel prices was primarily due to low water levels in German rivers, which drove transport costs, but it also resulted from the recent increase in demand based on pressing 2018 quota obligations. However, prices for cold pressed rapeseed oil remained unaffected and declined slightly by 0.3 per cent.

Biodiesel/ mineral Diesel



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.



Domestic consumption in 2018

in 1.000 t

	Jan.	Feb.	March	April	Mai	June	July	Aug.	Sept.	cumulated 2018	2017
Biodiesel for blending	182,8	176,1	203,3	197,8	204,9	197,1	225,2	211,3	190,1	1.788,7	1.657,8
Diesel	2.625,1	2.701,4	2.943,2	2.977,0	2.873,2	2.925,7	2.972,0	3.177,3	2.985,9	26.284,4	27.346,0
Biodiesel + diesel	2.807,9	2.877,5	3.146,5	3.174,8	3.078,2	3.122,7	3.197,1	3.388,6	3.176,1	28.073,1	29.003,8
Share biodiesel	6,5 %	6,1 %	6,5 %	6,2 %	6,7 %	6,3 %	7,0 %	6,2 %	6,0 %	6,4 %	5,7 %
Bioethanol ETBE a)	11,3	9,7	13,6	8,8	11,6	9,9	10,1	8,0	8,7	88,3	85,5
Bioethanol for blending	94,7	78,8	85,7	87,8	95,3	93,2	94,8	101,7	84,0	816,0	776,6
Bioethanol total	106,0	88,5	99,3	96,6	106,9	103,0	104,9	109,7	92,6	904,3	862,1
Gasoline	1.341,3	1.328,6	1.454,7	1.394,0	1.433,4	1.470,7	1.445,1	1.454,8	1.355,8	12.672,2	12.942,0
Gasoline + bioethanol	1.447,3	1.417,1	1.554,0	1.490,6	1.540,2	1.573,7	1.550,0	1.564,5	1.448,5	13.576,5	13.804,1
Share bioethanol	7,3 %	6,2 %	6,4 %	6,5 %	6,9 %	6,5 %	6,8 %	7,0 %	6,4 %	6,7 %	6,2 %

Note: a) Volume percent of bioethanol in ETBE = 47 %;gacumulated figures include (unpublished) revised monthly BAFA data

Source: Federal Office for Economic Affairs and Export Control, AMI

Wholesale prices

The issue of low water in German rivers deepened in November, driving freight costs and, as a result, prices for biodiesel to a level so high that blenders refrained from making further purchases. Recently, water levels rose again, which has already had a slight effect on prices. Because of this, but mainly because of the pressing need to meet this year's blending quota requirements, demand picked up despite the continuing high price level.

Prices at the pump

Prices of mineral diesel initially held up well against the slide of mineral diesel in the international crude oil market. Whereas crude oil prices declined, German diesel prices even increased. Not until the second half of the month did they succumb to the pressure. The main reason for the fall in crude oil prices was massive global supply.

Consumption

Biodiesel

In September 2018, 190,117 tonnes of biodiesel were used for blending. This was down 10 per cent from the previous month and 5 per cent from a year earlier. Despite the decline, the 2018 total of 1.79 million tonnes was up virtually 8 per cent from previous year's figure. The percentage of biodiesel in blends dropped 0.2 points to 6 per cent in September 2018. This was the lowest value in 2018. Overall, the use of biodiesel in blends was at 6.4 per cent. This translates to a rise of 0.7 percentage points from the previous year.

Bioethanol

September use of bioethanol in blends was down 17 per cent from the previous month. Despite this sharp decline, the cumulative incorporation in blends in 2018 was up just over 5 per cent from the same period last year. Whereas the use of bioethanol in blends fell, use for ETBE production rose 8 per cent in September.