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

UFOP Market Information Oilseeds and Biofuels

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Price trends

Mean price	Week 51	Previous week	Trend
Producer prices in EUR/t			
Rapeseed	384,53	379,04	➚
Wholesale prices in EUR/t			
Rapeseed	406,00	397,00	➚
Rapeseed oil	845,00	818,00	➚
Rapseseed meal	216,00	216,00	➔
Rapeseed cake*	206,00	206,00	➔
Rapeseed future	406,50	396,50	➚
Wholesale prices in ct/l, excl. VAT			
Biodiesel	128,42	125,57	➚
Consumer prices in ct/l incl. VAT			
Diesel	124,43	122,61	➚
Futures in US-$/barrel			
WTI, Nymex	60,94	58,76	➚

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

Market Headlines

Oilseeds

- Rapprochement in the US-China trade dispute, firm palm oil prices, a foreseeable cut in rapeseed production in the EU in 2020 and tight supply drove rapeseed prices to the highest level in 33 months.
- EU rapeseed imports could be limited by small global supply.
- Brazil is growing a record-breaking soybean crop; previous soybean export volumes have also reached record levels.

Oilseed meals and oilcakes

- Prices of rapeseed meal rose sharply whilst buying interest continued to be restrained.

Vegetable oils

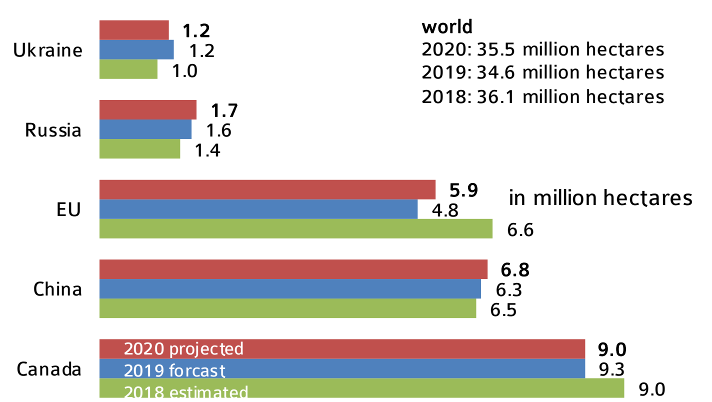
- Vegetable oil prices surged driven by firm soybean oil and palm oil prices.
- Prospects for smaller rapeseed oil and palm oil supply in 2020 supported prices.

Fuels

- German biodiesel shipments to EU neighbour countries increased.
- Euphoric mood due to partial agreement in the US-China trade conflict and agreement of OPEC+ countries to cut production levels caused mineral oil prices to rise.

Chart of the week

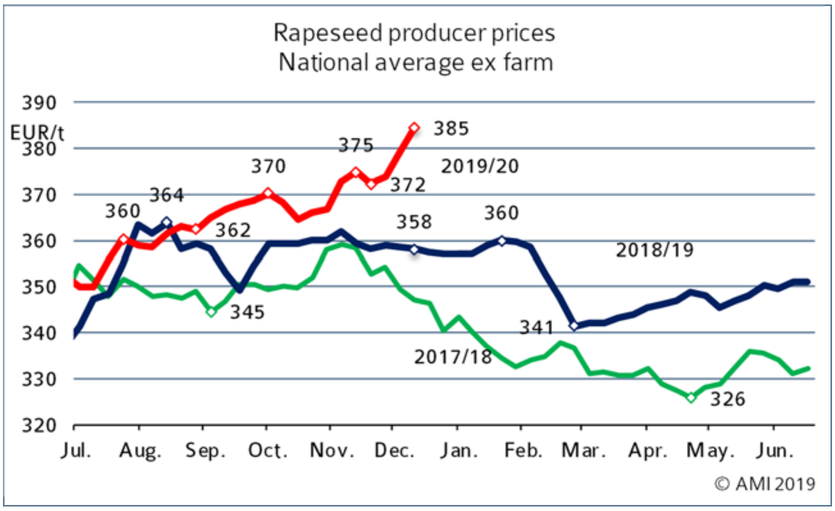
Rapeseed/Canola area forcast



Source: IGC, EU-Kommission

Edition january 2020

Market prices

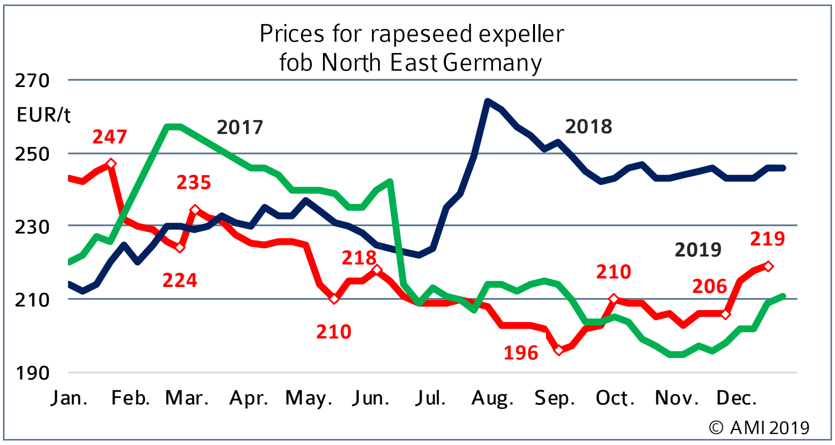


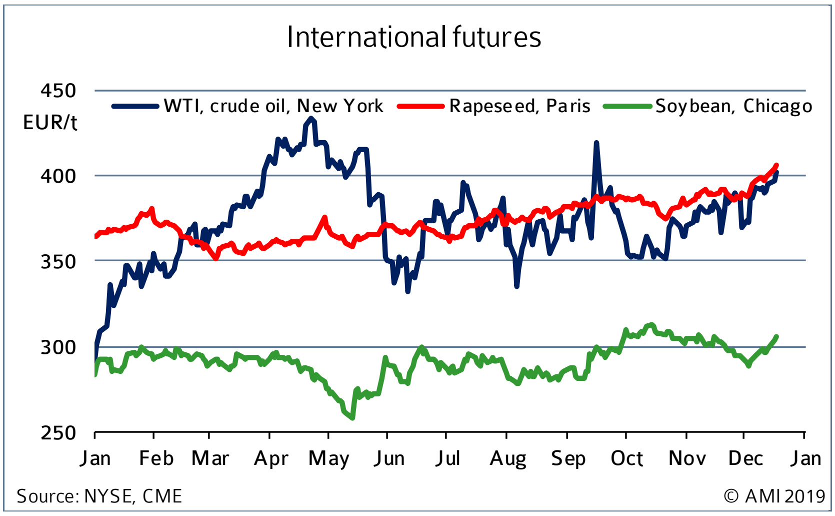
Wholesale prices

in EUR/t on 18.12.2019, (collected at mills and trade)

	Rapeseed 2018 franko	Rapeseed fob	Rapeseed oil fob	Palmoil cif
Spot	406	216	845	702
Previous week	397	216	818	691

Source: AMI





Rapeseed

A bullish trend stimulated the rapeseed market towards the end of the year. Prospects of a once more small rapeseed production in the EU-28, the sharp surge in vegetable oil prices and, at the same time, firm soybean prices drove rapeseed prices to a level last seen in May 2017.

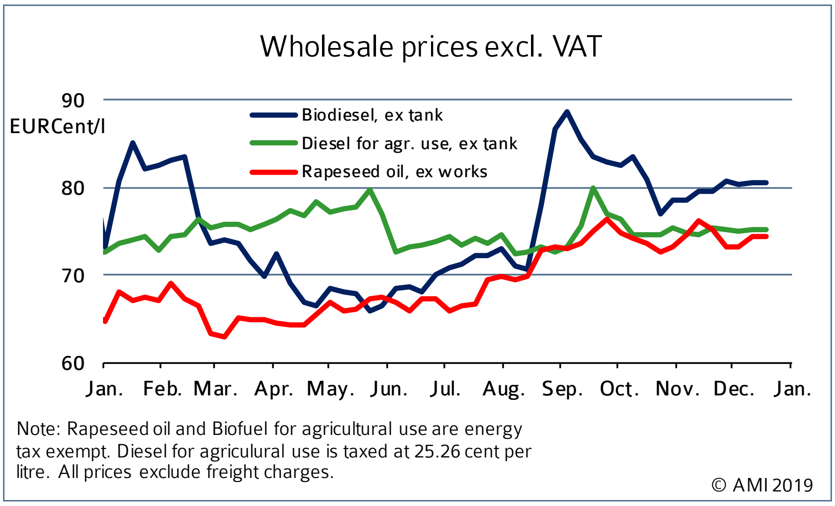
Rapeseed oil

The partial agreement reached in the US-China trade dispute sparked off euphoric price fireworks even vegetable oil prices could not escape. Support also came from Southeast Asia, where prospects of a reduced output in 2020 also drove prices. In other words, rapeseed oil rose 3 per cent from the previous week.

Rapeseed expeller

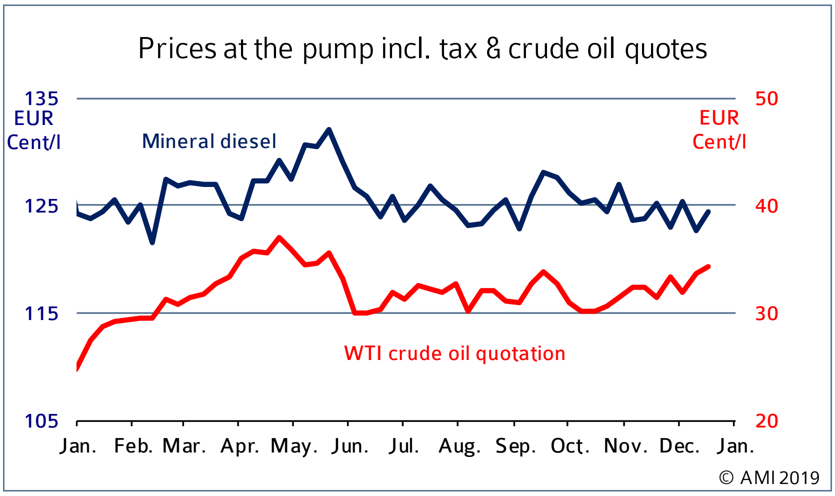
The rapeseed meal market gradually tailed off in the pre-Christmas season. There were only very occasional requests for a truck full of rapeseed meal. Due to the price rise, which was fuelled by firm rapeseed prices, a number of hedging transactions were entered into in the background. Requests for rapeseed expeller were also few and far between. Alongside the fact that feed compounders were stocked up well, the sharp price rise deterred buyers from making purchases, given that rapeseed expeller climbed 6 per cent.

Biodiesel/ mineral Diesel



Wholesale prices

There was hardly any trading in the biodiesel market in December. Prices increased yet again. The reason was tight supply of both fuel with a high GHG saving performance and standard biodiesel. The railway strikes in France virtually knocked out French biodiesel production. Because of this, many German producers sold their product to France, which they do not normally do and which caused supply in Germany to dwindle. Demand from German producers who are subject to quota obligations was for the new calendar year. In some cases at the beginning of December, there were even requests for biodiesel for Q1/Q2 of 2021.



Prices at the pump

December crude oil prices firmed significantly, increasing 8.9 per cent to USD 60.93 per bbl. The OPEC+ countries agreed on further cuts in production levels in the coming months. Also, crude oil prices received support from the euphoric mood in the US-China trade conflict. The conflicting parties reached a partial agreement, alleviating concerns over a decrease in demand for crude oil. The price increases also supported German prices for mineral diesel. The latter recently rose to EUR 1.24 per litre, which was just above the previous level.

Domestic consumption in 2019

in 1.000 t

	Jan.	Feb.	March	April	May	June	July	Aug.	Sep.	cumulated 2019	cumulated 2018
Biodiesel for blending	193,0	152,8	175,1	185,0	183,0	194,3	226,6	218,4	207,7	1.736,0	1.788,0
Diesel	2.763,4	2.798,1	2.925,4	3.044,0	3.087,1	2.829,2	3.174,4	3.020,2	2.939,2	26.563,9	26.235,2
Biodiesel + diesel	2.956,4	2.950,9	3.100,5	3.229,1	3.270,1	3.023,5	3.401,0	3.238,6	3.146,9	28.299,9	28.023,1
Share biodiesel	6,5 %	5,2 %	5,6 %	5,7 %	5,6 %	6,4 %	6,7 %	6,7 %	6,6 %	6,1 %	6,4 %
Bioethanol ETBE a)	7,6	4,2	8,4	9,1	9,1	8,4	6,5	5,5	6,5	65,3	88,3
Bioethanol for blending	92,1	83,3	74,9	82,1	94,1	92,5	95,0	89,5	91,0	794,7	814,7
Bioethanol total	99,7	87,5	83,3	91,2	103,3	100,9	101,5	95,1	97,6	860,0	903,0
Gasoline	1.262,0	1.187,3	1.386,3	1.382,8	1.477,1	1.435,1	1.513,8	1.517,9	1.404,8	12.560,4	12.519,8
Gasoline + bioethanol	1.361,7	1.274,8	1.469,7	1.473,9	1.580,4	1.536,0	1.615,3	1.613,0	1.502,3	13.420,4	13.422,7
Share bioethanol	7,3 %	6,9 %	5,7 %	6,2 %	6,5 %	6,6 %	6,3 %	5,9 %	6,5 %	6,4 %	6,7 %

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

Consumption

Biodiesel

The total amount of biodiesel used in Germany in September 2019 amounted to 207,700 tonnes. This was down 4.9 per cent from the previous month, but up 9.1 per cent on September 2018. The use of diesel fuel declined 2.7 per cent compared to the previous month to 2.94 million tonnes. This also translates to a 0.7 per cent drop year on year. This means that the use of biodiesel for blending decreased more sharply than consumption of diesel fuel in September 2019. Consequently, the incorporation rate dropped from 6.7 to 6.6 per cent.

Bioethanol

Whereas September biodiesel consumption was in decline, the use of bioethanol in blends increased to 91,000 tonnes. This was up 1.7 per cent from August. The use of bioethanol in ETBE rose 18 per cent compared to the previous month to 6,550 tonnes. Total bioethanol consumption amounted to 97,550 tonnes. This was up 2.6 per cent from the previous month and 5.3 per cent year on year. The September incorporation rate of bioethanol in blends grew to 6.5 per cent due to the concurrent decline in petrol consumption. This was up 0.6 percentage points from August