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

UFOP Market Information Oilseeds and Biofuels

Contents

Price trends

Mean price	Week 14	Previous week	Trend
Producer prices in EUR/t			
Rapeseed	342,24	338,46	↗
Wholesale prices in EUR/t			
Rapeseed	366,00	351,00	↗
Rapeseed oil	703,00	695,00	↗
Rapseseed meal	220,00	210,00	↗
Rapeseed cake*	230,00	225,00	↗
Rapeseed future	357,75	350,00	↗
Wholesale prices in ct/l, excl. VAT			
Biodiesel	111,59	104,27	↗
Consumer prices in ct/l incl. VAT			
Diesel	110,48	113,30	↘
Futures in US-$/barrel			
WTI, Nymex	20,31	24,49	↘

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

Market Headlines

Oilseeds

- Corona crisis weighed on prices for crude oil, oilseeds and vegetable oils.
- Transport difficulties in South America could delay soybean and soybean meal deliveries to Europe.
- US closed first soy deal with China after long time.
- German rapeseed prices dropped sharply; old crop no longer played a role; hardly any sales of rapeseed ex crop 2020.

Oilseed meals and oilcakes

- Oilseed meal and expeller benefited from buoyant demand for compound feed.

Vegetable oils

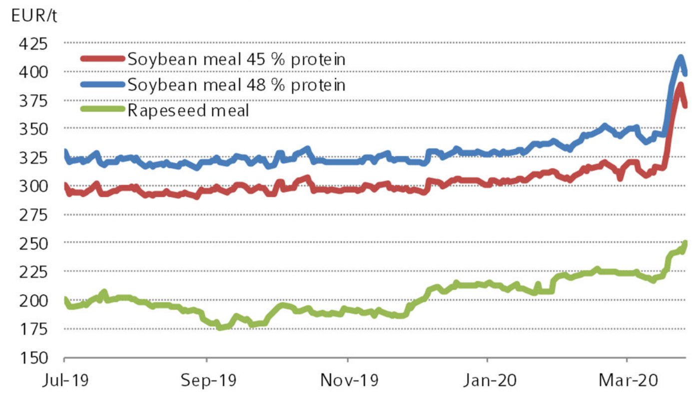
- March prices for rapeseed oil and soybean oil declined; palm oil firmed on cuts in Malaysian production due to spread of the corona-virus.

Fuels

- Demand for biodiesel slowed, leading to a decline in prices and sales of diesel.
- Sluggish demand and increase in Saudi Arabian oil production put strong pressure on crude oil prices.

Chart of the week

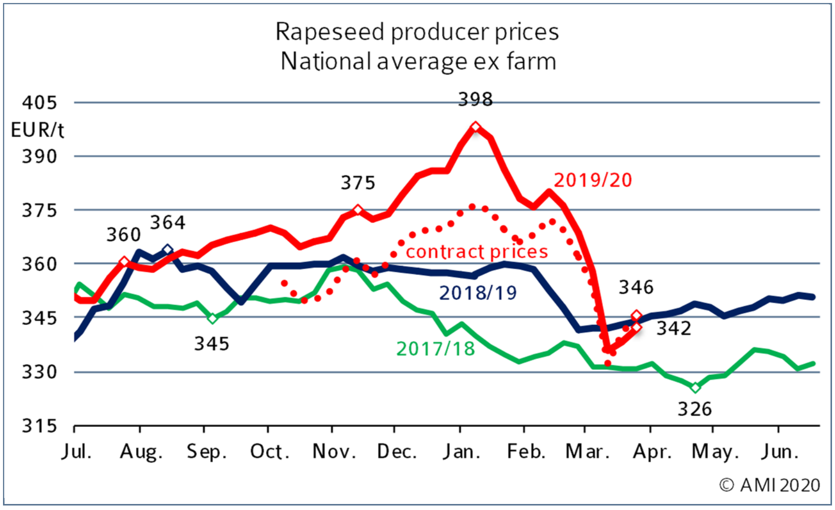
Prices of soybean meal und rapeseed meal



Source: AMI

Edition april 2020

Market prices

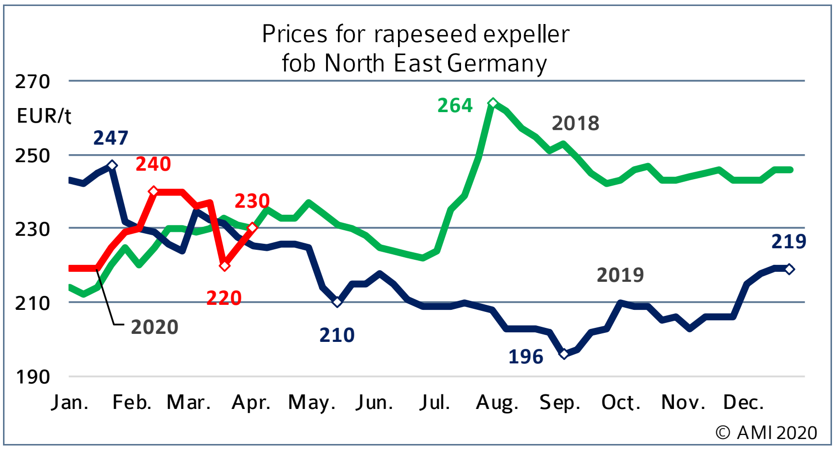


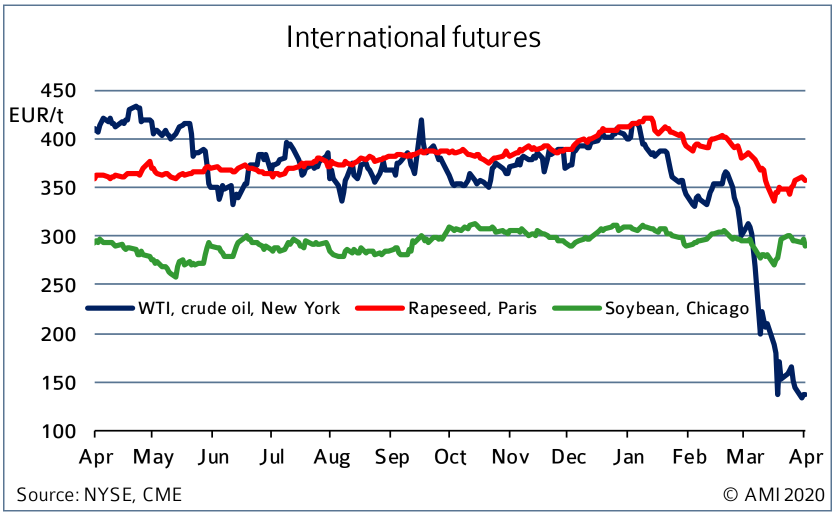
Wholesale prices

in EUR/t on 01.04.2020, (collected at mills and trade)

	Rapeseed 2018 franko	Rapeseed fob	Rapeseed oil fob	Palmoil cif
Spot	366	220	703	582
Previous week	351	210	695	546

Source: AMI





Rapeseed

The spread of the coronavirus sent rapeseed prices on a downward spiral in March. Ex-farm prices in Germany plunged more than 6 per cent in a single week mid month. Due to the sharp slump, producers' willingness to sell also virtually fell to zero. Although prices saw a slight rise in the second half of the month, the price level remained low relative to the previous weeks and, consequently, too low for producers to be willing to sell.

Rapeseed oil

Rapeseed oil fell significantly in value to EUR 703 per tonne fob Hamburg. This translates to a slide of EUR 87 per tonne or 11 per cent from the previous month. The decline was driven by weaker crude oil and rapeseed prices, but also lower demand for biodiesel. Due to the corona pandemic, the use of diesel for road transport dwindled and, consequently, so did consumption of biodiesel.

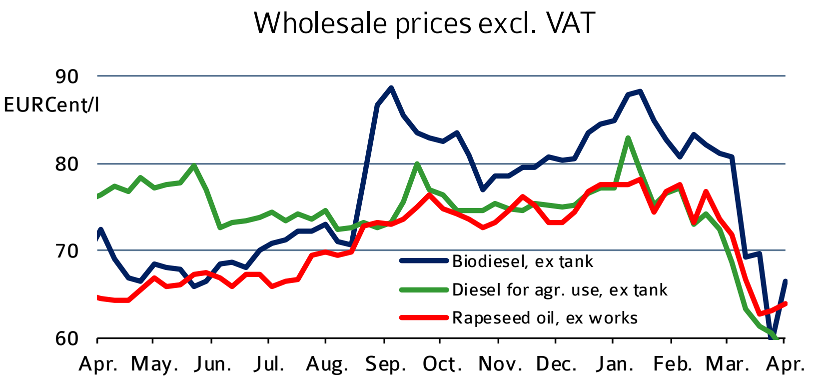
Rapeseed expeller

The situation for rapeseed expeller was similar to that for rapeseed meal. Supply was very limited on nearby positions. Around mid month, rapeseed expeller briefly re-emerged, but the market has seemed swept since and bidding will not start again until August 2020. Buoyant demand from compound feed manufacturers sent prices rising at the end of March.

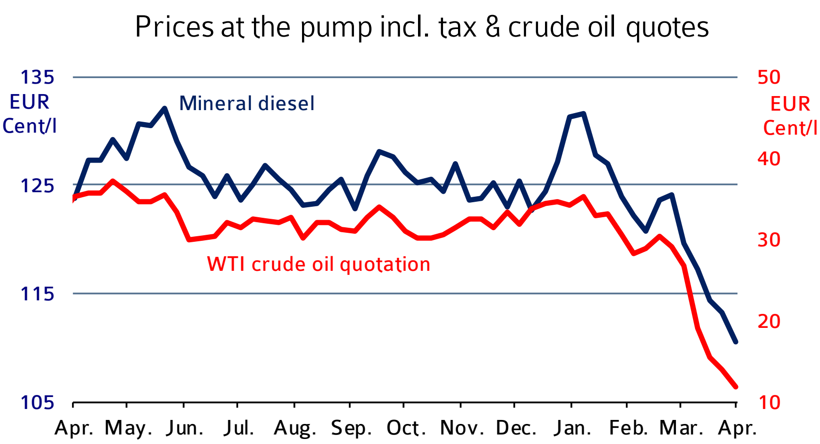
Wholesale prices

Biodiesel prices saw a sharp decline based on weak international crude oil prices and decreasing prices for mineral diesel at the beginning of March. Also, a decline in fuel consumption in the transport sector curbed demand for fuels. At beginning of the month, biodiesel lost more than 9 per cent in value in a single week. Another slump followed two weeks later, before prices recently went back up again, primarily driven by concerns over a slowdown in rapeseed oil supply.

Biodiesel/ mineral Diesel



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.



Domestic consumption in 2020

in 1.000 t		cumulated	
	Jan.	2020	2019
Biodiesel for blending	221,7	221,7	193,0
Diesel	2.713,9	2.713,9	2.769,7
Biodiesel + diesel	2.935,7	2.935,7	2.962,6
Share biodiesel	7,6 %	7,6 %	6,5 %
Bioethanol ETBE a)	8,2	8,2	7,6
Bioethanol for blending	94,0	94,0	92,1
Bioethanol total	102,2	102,2	99,7
Gasoline	1.357,8	1.357,8	1.262,2
Gasoline + bioethanol	1.460,0	1.460,0	1.361,9
Share bioethanol	7,0 %	7,0 %	7,3 %

Note: a) Volume percent of bioethanol in ETBE = 47 %;gacumulated

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

Prices at the pump

Crude oil prices continued to see a significant decline in March due to the negative impacts the corona crisis had on the world economy and global demand for crude. The price fight between Russia and Saudi Arabia had an additional effect, with both countries maintaining or even raising their levels of crude output. Growing supply coincided with declining demand and led to a 56 per cent slump in prices compared to the previous month. This did not leave diesel prices unaffected. They suffered an almost 8 per cent loss in value.

Consumption

Biodiesel

German January 2020 consumption of biodiesel for blending in diesel fuel totalled 221,700 tonnes. This translates to a 10 per cent increase month over month and exceeded January 2019 blending use by as much as almost 15 per cent. At the same time, the use of diesel fuel dropped. The amount of 2.71 million tonnes was down 0.6 per cent from the previous month and 1.8 per cent from January 2019. Consequently, the incorporation rate increased significantly by 0.7 percentage points to 7.6 per cent, hitting the highest level since October 2011. These figures reflect the market situation in January 2020, for which month German suppliers of biodiesel reported an unusually high demand for biodiesel shortly after the turn of the year which also led to a sharp increase in prices.

Bioethanol

The use of bioethanol also rose significantly in January 2020. Bioethanol use in ETBE amounted to 8,250 tonnes, up just about 30 per cent from the previous month and almost 9 per cent from January 2019. About 93,690 tonnes were used for blending. This was a rise of 4.7 per cent from the previous month and 2 per cent year on year. Total January 2020 bioethanol use exceeded the previous month's figure by 6.3 per cent. However, the use of petrol declined at the same time. Similar to the biodiesel rate, the bioethanol incorporation rate in petrol saw an accordingly significant increase. The figure of 7 percent translates to a 0.6 per cent rise from the previous month, but falls short of the previous year's level.