

| BIOFUEL PRICES

	ICE Gas oil	FAME 0°C	RME	Value of CFPP point	DC premium UK/DDC/87%GHGs ***	UCOME CFPP +2°C	TME IT DC +11°C	DC incentive	Ethanol FOB ARA (cubic metres)
	\$	\$ FOB ARA	\$ FOB ARA	\$ FOB ARA	\$ FOB ARA	€ FOB ARA	€ FOB ARA		€ FOB ARA
Spot/Q120	572	830	970	10.8	410	1100	1035	2.59	600
Change	5	35	-15	-3.8	-15	23	10	-0.27	0
Q2'20	563	850	920	5.4	400	1118	1060	2.39	575
Change	3	30	-10	-3.1	-15	17	15	-0.20	-8
Q3'20	558	840	910	5.4	400	1109	1060	2.42	560
Change	4	25	-10	-2.7	-15	12	15	-0.17	-10

*Prices are per MT unless indicated differently

**Change from the last Nexus report (approx. 2 weeks ago)

***To get in line with the new specs of Argus contract, DC premium will now be based on 87% GHGs

Euro/USD	Change
1.108	0.18%

BIOFUELS

- Gas oil prices had no significant movements in the last two weeks. Although US and China are not reaching an agreement, this situation was counterforced by the geopolitical tensions in Iran. Crude oil investors/traders are expecting the OPEC+ meeting this week, where oil production caps will be defined for next year.
- With sluggish negotiations between the US and China, Soybean oil future prices dropped by 1.2% from the last report. On the other hand, Palm oil future prices FOB Indonesia increased (ICDX) 2.6% and price CIF ARA followed by gaining 4.3%.
- FAME 0°C prices are in an upward trend, supported by the negotiation of tenders for 2020 for the French market. RME prices went down by 15 USD and with an almost stable rapeseed oil prices (-5USD) putting pressure again on the production margins.
- The lower DC premium is compensated by a higher FAME 0°C price and weaker EUR/USD rate, firming up again the UCOME fixed price in euro.
- TME prices are picking up (+10-15EUR) in the last two weeks, backed by a lower CFPP value and an increasing demand due to the published tenders for the next year for the Italian market. ITDC premium is now assessed at 20 USD compared to other DC schemes.
- Ethanol prices are stable for spot/Q1 but slightly down for Q2 and Q3. Producers were benefiting from good productions margins in the past few weeks but now prices are getting slowly readjusted in lines with lower feedstocks prices.

| FEEDSTOCK PRICES

		Spot	Change
UCO DDP Europe	€	755	0
UCO CIF Europe (flexi)	\$	720	5
UCO FOB China (bulk)	\$	700	5
Animal fat cat 1&2 DDP Europe (FFA 20-25%)	€	475	0
Crude technical glycerin FCA Europe (NaCl) – 80% purity	€	110	0
Refined Pharma glycerin FCA Europe	€	425	0
Crude technical glycerin CIF China	\$	180	-10

* Prices are per MT

**Change from the last Nexus report (approx. 2 weeks ago)

***UCO FFA max 5%, MIU max 2%, IV 80

FEEDSTOCK & BY-PRODUCTS

- On the UCO market, prices DDP EU are stable despite the increase of UCOME prices. It is common to see a lag of 1-2 weeks for UCO prices to get adjusted to UCOME movements.
- UCO prices from import in containers are slightly up. However, bid/ask spread is still wide. On the seller's side we can see prices at 730USD/MT due to a high demand for overseas UCOME production but also competing with high prices paid for UCO bulk shipment. Bids are assessed at 710-715USD/MT reflecting the weaker EUR/USD rate and a stable UCO price within the EU.
- On the crude glycerin market, prices CIF China are dropping as well as the demand due to an expected over supply from Indonesia and Malaysia for 2020. Bid/Ask spread is still assessed at 20USD/MT.

NEWS AND REGULATIONS

- BP and Bunge announced this week that they have completed the formation of BP Bunge Bioenergia. This joint venture that combines their Brazilian bioenergy and sugarcane ethanol businesses and is now the second largest operator in terms of effective crushing capacity in the Brazilian bioethanol market.
- ECB group announced that they will use technology from Honeywell to build their HVO and Jet Fuel in Paraguay. This will be the first Latin American plant to produce advanced biofuels with a total capacity of around 900KT per year.
- Next year, Brazilian domestic demand for corn is expected to grow 6% due to the increasing corn-ethanol production and for the livestock feed industry. Corn ethanol producers alone are expected to demand 2.5 million tonnes more corn than 2019, as several new projects start production.

The survey for EnergyRisk Commodity Ranking 2020 is now available. We are competing in the biofuel section for three categories:

- Ethanol and biodiesel (first generation) – Brokers
- Second generation (advanced) biofuels – Brokers
- Research in biofuels

We would highly appreciate your support if you wish to vote for Nexus by filling in the form below:

<https://www.surveygizmo.eu/s3/90184260/ER-Commodity2020>

Thank you!

If you have any comments or questions, do not hesitate to contact us at:
market-news@nexus-brokerage.com

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