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5th August 2020

Latest news on the biofuels, feedstock and oleochemical markets provided to you twice a month by Nexus.

Prices are an average of the ones traded during the two weeks preceding this report.

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| BIOFUEL PRICES

	ICE Gas oil	FAME 0ºC	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 (m^3)
	$	$ FOB ARA	$ FOB ARA	$ FOB ARA	$ FOB ARA	€ FOB ARA	€ FOB ARA		€ FOB ARA
Spot/Q320	381	860	1085	17.3	410	1043	1030	1.86	635
Change	0	50	115	5	0	6	0	-0.10	35
Q4'20	389	815	1030	16.5	410	1007	975	1.96	564
Change	5	15	55	3.1	0	-20	-25	-0.02	14
Q1'21	398	805	980	13.5	410	1004	975	2.01	546
Change	7	10	20	0.8	0	-20	-25	-0.01	7

**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
1.184	2.68%

BIOFUELS

- **Gas oil prices are stable supported by current Brent crude oil prices (+1%).** OPEC+ is planning to apply another production cut for August to uphold prices as energy market is again threat by the resurgence in coronavirus cases globally and the increase on the last month outputs.
- **Veg-oils market keep on the rally seen in our last report. Soybean oil prices gained 5% followed by palm oil but at much slower pace (+2.5%). Rapeseed oil Dutchmill have also increased by 5%.**
- **FAME 0°C prices for spot/Q3 improved by 30usd following veg-oil prices.** Even though F0 prices are recovering, SBO and CPO are still in an upward trend at the same pace and production margins for EU biodiesel veg-oil based producers are still under pressure for Q4.
- RME prices soared more than 100usd for spot/Q3 driven by the new law published in France that allows producers/blenders to comply with the mandate with a coefficient of 1.2 if they blend biodiesel with CFPP -10°C instead of 0°C in August/September and -5°C in Q4. With the current spread between RME and RSO (140usd), RME seems to be again an attractive option for EU bio producers.
- With a stable DC premium and GO prices but F0 prices increased, the incentive to blend DC product is improving. On the other hand, UCOME fixed prices in euros have been mainly capped by the raise of EUR/USD rate (+2.68%) in two weeks. TME prices are following this trend but at a higher pace in Q4 due to the surge of RME prices and the increment on CFPP price.
- On the ethanol market, prices are increasing specially in spot/Q3 due to a higher demand of gasoline and as in consequence of ethanol for blending.

| FEEDSTOCK PRICES

		Spot	Change
UCO DDP Europe	€	815	-20
UCO CIF Europe (flexi)	$	815	0
UCO FOB China (bulk)	$	765	15
Animal fat cat 1&2 DDP Europe (FFA 20-25%)	€	560	0
Crude technical glycerin FCA Europe (NaCl) – 80% purity	€	90	0
Refined Pharma glycerin FCA Europe	€	525	0
Crude technical glycerin CIF China	$	195	0

** Prices are per MT*
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****UCO FFA max 5%, MIU max 2%, IV 80, Sulphur 50 ppm*

FEEDSTOCK & BY-PRODUCTS

– On the UCO market, **EU local prices seems to be in downward trend following the trend of UCOME, while import prices are stable supported by a higher EUR/USD rate.**

– Prices of UCO FOB China in bulk are slightly up supported by the increased of veg-oils prices (SBO/CPO)

– On the glycerin market, exports from Europe to Asia are still penalized by a strong EUR against USD but prices remain stable.

NEWS AND REGULATIONS

– Repsol announced that has completed the production of the first batch of aviation biofuel produced in Spain. This breakthrough enables the Spanish producer to advance in the production of low-carbon fuels for the aviation industry.

– Last week, Indonesia achieved to make the World Trade Organization to assemble a board to revise their complaint against the EU’s revised Renewable Energy Directive (RED II) which will phase out palm oil from 2030.

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