

MARKET PRICES OF BIODIESEL AND RELATED PRODUCTS

- 19th September 2003 -

Summary :

In spite of an important drop in the Brent crude oil price (- USD 4 per barrel compared to our last report), diesel fuel and biodiesel selling prices at the pump have gone up. Nevertheless the crude rapeseed oil market being stronger up to EUR 504, the contribution to fixed costs and margin of biodiesel production went down to EUR 34.65 according to our model calculation, a decrease of 38.5% compared to our last report.

VEGETABLE OILS FOB Rotterdam	November 03	February 04
Crude Rapeseed Oil	EUR 504 pmt	EUR 504 pmt
Soyabean Oil	EUR 486 pmt	EUR 468 pmt
Sunflower Oil	USD 540 pmt	USD 540 pmt

METHANOL FOB Rotterdam	Spot
Average Q3 price	EUR 225 pmt

GLYCERINE DDP NW Europe in bulk	November 03	February 04
Crude Glycerine basis 80% Kosher	EUR 200 pmt (traded)	EUR 175 pmt (estimation)
Kosher Refined Glycerine Basis 99.5% Eur Ph	EUR 650 pmt (traded)	EUR 650 pmt (estimation)

FUEL PRICES	Spot
Biodiesel Din 51606 EXW factory Germany Exclusive VAT	EUR 54 per 100 litres
Diesel oil EN590 CIF Rotterdam	USD 244 pmt
Biodiesel selling price at the pump in Germany Inclusive VAT	EUR 74 per 100 litres
Diesel Fuel selling price at the pump in Germany Inclusive VAT	EUR 88 per 100 litres
Brent Crude Oil	USD 27 per barrel

Model Cost Calculation	EUR/ mt
Crude Rapeseed Oil ex factory	494.0
Semi-refining cost	20.0
Loss (3%)	15.4
Cost of refined Rape Oil ex refinery	529.4
Freight to biodiesel Plant	10.0
Cost of semi-refined Rapeseed Oil DDP biodiesel factory	539.4
Methanol usage (11%) delivered	27.5
Crude Glycerine credit 10% at 100% concentration ex factory	(20.0)
Material cost of biodiesel ex works	546.9
Variable production costs	30
Out of pocket cost of biodiesel ex works	576.9
Biodiesel selling price ex works EUR 540/1000 litres Divided by 0.883 (specific gravity)	611.55
Contribution/ margin of biodiesel production	EUR 34.65

This is a model for biodiesel product in Germany and is based on certain assumptions (for example, freight costs and variable costs) which may differ from factory to factory.

NOTICE TO THE READER

These quotations are averages of price ranges pertaining in the market, during the week reported. They are based on bids, offers and trades either posted on Oleoline's market place or handled by our sister company HBI during the period concerned, and this we believe them to be representative of market levels.

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