

World - Ethanol prices for the week ended 7 September, 2018

European Union (in EUR/hl pure alcohol, delivered at place, unless stated otherwise)

Fuel		Contract	Spot
Central	Current	48-49 ↗	49-50 ↗
	12 months ago (8 September, 2017)	53-55 ↗	53-55 ↗
North	Current	48-49 ↗	no quote
	12 months ago (8 September, 2017)	54-55 ↗	no quote
East	Current	48-50 ↗	49-50 ↗
	12 months ago (8 September, 2017)	55-56 ↗	54-55 ↗
		T1	T2
NW European ports fob	Current	USD 41.5-42.5 ↗	49.5-50 ↗
	12 months ago (8 September, 2017)	USD 47-48 ↘	53.5-54.5 ↗

Non-Fuel		Contract		Spot	
		96°	99°	96°	99°
West	Current	58-60 (I) ↗	63-66 (I) ↗	58-60 (I) ↗	65-67 (I) ↗
		53-55 (REN) ↗		53-55 (REN) ↗	
		57-59 (B) ↗		57-59 (B) ↗	
	12 months ago (8 September, 2017)	61-62 (I) ↗	66-67 (I) ↗	61-63 (I) ↗	66-67 (I) ↗
		58-60 (REN) ↗		58-60 (REN) ↗	
		62-64 (B) ↗		62-64 (B) ↗	
Central	Current	58-60 (I) ↗	63-66 (I) ↗	58-60 (I) ↗	63-66 (I) ↗
		54-55 (REN) ↗		54-55 (REN) ↗	
		57-59 (B) ↗		57-59 (B) ↗	
	12 months ago (8 September, 2017)	61-63 (I) ↗	64-66 (I) ↗	61-63 (I) ↗	64-66 (I) ↗
		58-60 (REN) ↗		56-61 (REN) ↗	
		60-63 (B) ↗		62-64 (B) ↗	
South	Current	60-63 (I) ↗	66-68 (I) ↗	60-62 (I) ↗	66-68 (I) ↗
		59-61 (B) ↗		59-61 (B) ↗	
		61-63 (I) ↗	68-70 (I) ↗	61-63 (I) ↗	68-70 (I) ↗
	12 months ago (8 September, 2017)	61-63 (B) ↗		61-63 (B) ↗	
North	Current	60-62 (I) ↗	64-67 (I) ↗	no quote (I)	no quote (I)
	12 months ago (8 September, 2017)	60-62 (I) ↗	65-67 (I) ↗	no quote (I)	no quote (I)
East	Current	60-63 (I) ↗	64-65 (I) ↗	60-63 (I) ↗	64-65 (I) ↗
		57-59 (B) ↗		55-57 (B) ↗	
		no quote (P)		no quote (P)	
	12 months ago (8 September, 2017)	60-64 (I) ↗	64-66 (I) ↗	60-64 (I) ↗	64-66 (I) ↗
		60-62 (B) ↗		60-62 (B) ↗	
		no quote (P)		no quote (P)	
		T1		T2	
NW European ports fob	Current	no quote (99)		no quote (99)	
		no quote (REN)		51-53 (REN) ↗	
	12 months ago (8 September, 2017)	no quote (surfin)		56-57 (surfin) ↗	
		no quote (99)		no quote (99)	
		no quote (REN)		56.5-58 (REN) ↘	
		no quote (surfin)		58.5-60 (surfin) ↗	

Non-European markets (USD/m3)	Fuel		Non-fuel
	Hydrous (EPA)	Anhydrous (EPA)	Grade B
Brazil, fob Santos	410-455 ↗	430-480 ↗	410-450 ↗
	Chicago	New York	
USA, Spot	335-341 ↘	359-365 ↗	
	Anhydrous	ENA	Industrial
Pakistan, fob Karachi (USD/tonne)	720-730 ↗	650-665 ↗	620-630 ↗

B: beverage; I: industrial; P: pharmaceutical; REN: rectifié extra neutre; ENA: extra neutral alcohol; EPA: Environmental Protection Agency

European Market Comments

Prices in the **traditional** market remained unchanged amid a general lack of activity.

The major news was Vivergo's announcement to shut down its plant in the UK for good on lack of progress with regards to E-10 in the UK.

Meanwhile, producers continue to watch the situation on the grain and sugar markets. Wheat prices have retreated somewhat from their highs but stay around EUR200 a tonne. Sugar prices on the other hand have recovered only little from their August lows and remain near all-time lows in the EU.

Fuel ethanol prices were higher following the Vivergo announcement. By the end of the week they had reached EUR490-500 per cubic metre for the prompt, up EUR5 on the week. October was up EUR10 at roughly EUR495-500 while November was up the same at EUR490-495.

Shipping sources told F.O. Licht that there was shipping interest for 3-3.5 mln litres from La Coruna to Bilbao, both Spain, for early September.

For mid-September, inquiries were reported for up to 5 mln litres from the Tees to Grangemouth, both United Kingdom, as well as for up to 20 mln litres from Rotterdam to the Thames/United Kingdom and for 3.5 mln from Lillebonne, France to Immingham, UK. Moreover, there was shipping interest for 5,000 tonnes of MTBE and ETBE from Fos/France to Livorno and Taranto, both Italy for early September.

Europe - Non-fuel Ethanol Prices, Central Region, dlvd.

Year	Month	Beverage Alcohol		REN		Industrial Alcohol 99°		REN-beverage spread (EUR/m ³)	
		EUR/m ³	\$/m ³	EUR/m ³	\$/m ³	EUR/m ³	\$/m ³		
2017	3	615	658	590	631	650	696	-25	
	4	615	658	590	631	650	696	-25	
	5	615	683	590	655	650	722	-25	
	6	615	689	590	661	650	728	-25	
	7	615	707	590	679	650	748	-25	
	8	624	736	587	693	650	767	-37	
	9	630	750	585	696	650	774	-45	
	10	630	743	563	664	650	767	-67	
	11	630	737	550	644	650	761	-80	
	12	623	735	546	644	650	767	-77	
	2018	1	615	750	545	665	650	793	-70
		2	615	763	545	676	650	806	-70
3		608	748	545	670	654	804	-63	
4		605	744	540	664	645	793	-65	
5		605	714	540	637	645	761	-65	
6		590	690	540	632	645	755	-50	
7		580	679	545	638	645	755	-35	
8		580	667	545	627	645	742	-35	

World Ethanol - Port Statistics (tonnes) - week beginning September 10, 2018									
Country	Port	Ship Name	Status	L	D	Origin	Sailing		ETA
							on	to	
USA	Houston	Bow Pioneer	S	60,000			21/08/2018	ARAG	
Brazil	Paranagua	MTM Southport	E	15,800					05/09/2018
	Paranagua	Bow Engineer	E	4,000					11/09/2018
	Paranagua	Stolt Acer	S	7,900			05/09/2018	Aratu	
	Paranagua	Silver Zoe	S	16,172			31/08/2018	Pacific	
	Paranagua	Willard J	S	20,977			17/08/2018	GC USA	03/09/2018
	Paranagua	Reinhold Schulte	S	8,086			13/08/2018	S.Korea	
	Santos	TRF Memphis	B	32,389					
	Santos	Birdie Trader	B	13,430			31/08/2018	Itaqui	12/09/2018
	Santos	STI Pontiac	B	32,000			01/09/2018	Pacific	
	Santos	Otto H	S	16,000			15/08/2018	GC USA	01/09/2018
Guatemala	Quetzal	Jo Spirit	S	5,000			22/08/2018	Puerto Rico	02/09/2018
Pakistan	Karachi	CT Confidence	B	5,500					
	Karachi	Saehan Estrella	S	6,900			22/08/2018	Singapore	01/09/2018
	Karachi	Rainbow Island 88	S	15,700			31/08/2018	Philippines	15/09/2018
	Karachi	Oriental Protea	S	2,500			25/08/2018	France	09/09/2018
	Karachi	Stolt Strength	S	6,350			09/08/2018	Spain	06/09/2018
France	Dunkirk	Chem Barcelona	E		4,000	USA			13/09/2018

*only customs clearing, **ETBE; A: Anchored; B: Berthed; E: Expected; S: Sailed; L: Load; D: Discharge

European Market Fundamentals

United Kingdom - Vivergo Fuels Ltd. has announced plans to cease production at its 420 mln litres per year ethanol plant late September, citing a difficult trading environment and delays in the introduction of E-10 into the local marketplace.

Vivergo Fuels was formed in 2007 as a joint venture between AB Sugar, BP and DuPont and began operations in mid-2013.

The company's last extended shut-down started in December 2017 and ended in April 2018.

The government opened a public consultation on the possible introduction of E-10 in July 2018. The consultation closes September 16.

Brazilian Market Comments

The market ended higher amid record demand. News of record stocks was discounted as there is consensus that the inter-crop period will be longer than normal. Firmer gasoline prices and ongoing real weakness also lent support.

Hydrous ethanol was offered at BRL1,980-2,000 per cubic metre (exw; taxes included), up BRL20-30 on the week. Offers for anhydrous grades were up the same at BRL1,850-1,870.

Brazil - Ethanol imports in August 2018 totalled around 47.6 mln litres, official data show, a 26-month low, down from 142.4 mln in the prior month and 135.3 mln last year.

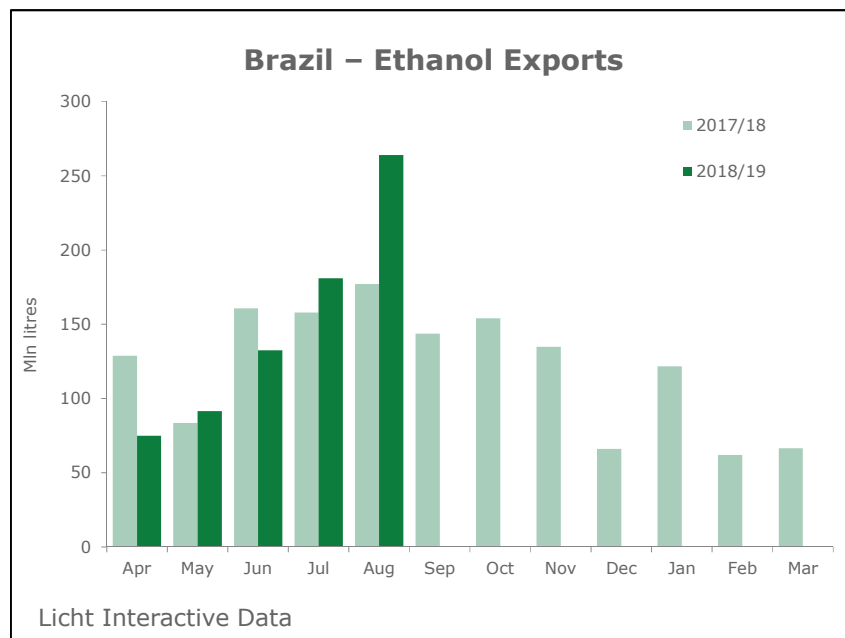
This brought imports in the current Apr/Mar cycle to 754.5 mln litres, down slightly from 768.5 mln last year. Virtually the entire import volume in 2018/19 and 2017/18 came from the United States.

Exports in August totalled around 263.9 mln litres, up from 180.9 mln in July and 177.2 mln last year. The August export volume was the highest since February 2016. In August, 151.9 mln litres went to the US, after 77.1 mln in July and 84.0 mln last year. Additionally, 78.6 mln litres were shipped to South Korea (84.7 mln and 64.5 mln) and 31.8 mln to Japan (10.5 mln and 8.0 mln).

This would lift exports from the current Apr/Mar cycle above the prior year's level (around 743.4 mln litres, up 4%). The main destination was the US (421.3 mln litres vs 503.9 mln), followed by South Korea (231.4 mln vs 146.7 mln) and Japan (65.5 mln vs 32.9 mln).

In 2017/18, 1.457 bln litres of ethanol were exported, while 1.758 bln came in.

The data exclude trade in blends and products.



US Market Comments

Ethanol future prices in Chicago remained below USD1.30 despite a firmer grain market and falling stocks. Retreating gasoline prices prompted the ethanol discount to shrink somewhat. Despite this, it remained at its highest level since 2014.

The front-month October contract finished the week at USD1.292 per gallon, down from USD1.306 the prior week.

United States - Fuel ethanol production in the week to August 31, 2018 averaged 1.087 mln barrels per day (bpd), reported the Energy Information Administration (EIA), up 13,000 on the week and the highest for four weeks.

Imports amounted to 32,000 bpd, the EIA data show, up from 8,000 in the prior week. These imports are destined for California where a jump in clean fuel credits made purchases from Brazil attractive again.

Refiner and blender net input was 943,000 bpd, down from 950,000 in the prior week. However, it remained up on the year (923,000 bpd). Based on the amount of motor gasoline supplied, the blending share averaged 9.69% vol., up from 9.60 the prior week.

Stocks declined on the week (22.7 mln barrels vs. 23.1 mln) due to a record draw-down on the Gulf Coast (-1.222 mln barrels to 3.926 mln).

United States - Ethanol exports in July 2018 totalled 400.6 mln litres, down from 576.7 mln in June and 452.7 mln last year, trade data show.

Shipments to Brazil amounted to 71.2 mln litres in July, far below average, down from 135.0 mln in the preceding month and 128.3 mln last year. Exports to Canada were 143.1 mln litres, below

148.2 mln last year. Shipments to India rose slightly on the year to 43.8 mln litres from 41.6 mln, while those to South Korea increased to 30.8 mln from 12.6 mln. Exports to EU destinations more than doubled to 35.9 mln litres from 17.8 mln. July shipments also included 16.5 mln litres destined for Saudi Arabia.

Exports in Jan/Jul amounted to a record 3.933 bln litres, up 26% on the year. The main destination was Brazil (1.381 bln litres vs 1.149 bln), followed by Canada (757.9 mln vs 715.9 mln), India (309.2 mln vs 370.0 mln), China (200.1 mln vs marginal volumes), South Korea (199.4 mln vs 118.6 mln) and the Philippines (175.5 mln vs 149.8 mln). There also were rising exports to Peru (122.9 mln litres vs 104.3 mln), while the United Arab Emirates took 110.4 mln (137.1 mln). At the same time, other Middle East destinations showed considerable growth including Oman (68.9 mln litres vs nil) and Saudi Arabia (36.5 mln vs 106,000). Exports to Singapore rose to 71.0 mln litres from 43.1 mln.

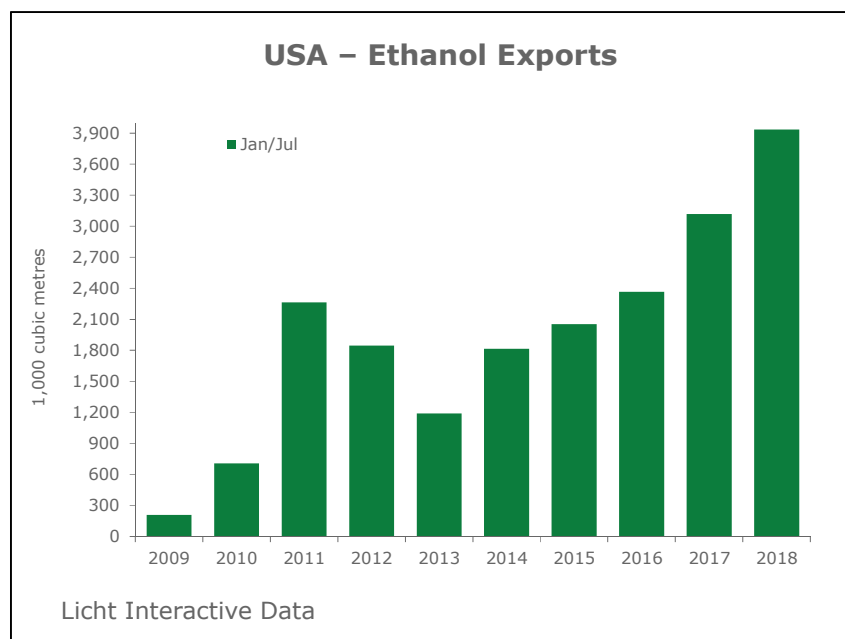
Imports in July hit a seven-month low of 54.9 mln litres, against 55.1 mln in June and 47.1 mln last year. Arrivals from Brazil rose on the month (46.9 mln litres vs 43.0 mln) and were also up on the year (43.6 mln).

Imports so far in 2018 were down 8% on the year at 477.8 mln litres, of which 404.6 mln (453.5 mln) from Brazil.

Net exports 2018 were up 33% at a record 3.456 bln litres.

In calendar year 2017, a total of 5.271 bln litres was exported, with imports reaching 1.055 bln.

The data exclude trade in blends and other products.



F.O. LICHT

Editorial

Am Mühlengraben 22
23909 Ratzeburg
Germany

Editor: Dr. Christoph Berg
Claus Keller

Phone: +49 (0)4541 8892-0
Fax: +49 (0)4541 82145
E-mail: info@fo-licht.com

Data Protection Officer

Claire Bullen
E-mail: [BIDPO@informa.com](mailto: BIDPO@informa.com)

General Enquiries

E-mail: Subscriptions@informa.com
Tel: +44 (0)20 7017 5540 or
(US) Toll Free: +1 800 997 3892

Online Access

E-mail: OnlineAccess@informa.com
Tel: +44 (0)20 7017 4161

Subscriptions

Christchurch Court
10-15 Newgate Street
London EC1A 7AZ, UK

Phone: +44 (0)20 7017 7583
Fax: +44 (0)20 7017 6985
E-mail: marketing@agra-net.com

Marketing: Sharon Tzuang

F.O. Licht® Online www.agra-net.com

ISSN 1759-1414

© 2018 Agra Informa Ltd. Conditions of sale

1. All rights reserved; no part of this publication may be reproduced, stored in a retrieval system, or transmitted in any form or by any means, electronic, mechanical, photocopying, recording, or otherwise without the prior written permission of the Publisher. Photocopying License: Agra Informa Ltd does not participate in a copying agreement with any Copyright Licensing Agency. Photocopying without permission is illegal. Contact the Marketing Department to obtain a photocopying license. 2. All abstracting of the content for republication and sale must have prior permission from the Publisher. 3. The publication must not be circulated outside the staff who work at the address to which it is sent, without prior agreement with the Publisher.

Additional subscriptions: Additional copies, online passwords and site licences are available on request. Please contact the marketing department on
Phone: +44 (0)20 7017 7578 or
Fax: +44 (0)20 7017 6985
E-mail: marketing@agra-net.com

World Ethanol Price Report is published by F.O. Licht, a division of Informa Agra Ltd., Christchurch Court, 10-15 Newgate Street, London, EC1A 7AZ, UK

an **informa** business

Available from F.O. Licht

SUGAR AND ETHANOL MARKETS OUTLOOK TO 2030

This comprehensive report provides a detailed outlook for the world sugar and ethanol markets from now to 2030, with copious statistics and charts throughout, including fuel ethanol standards. Countries and territories fully covered include the EU, Russia, Brazil, the US, Canada, Mexico, Asia, Latin America, Africa, and Australia. The report goes on to describe in rich detail the varied corporate strategies adopted for sugar and ethanol. This is followed by an overview of the prospects and challenges ahead for the development and commercialisation of cellulosic ethanol and other advanced biofuels in the US, Europe, Brazil, and China. Also fully surveyed are the key global beverage and industrial ethanol markets.

WORLD MOLASSES & FEED INGREDIENTS REPORT

Reporting, analysis and statistics on molasses and special feed ingredients, including molasses and beet pulp, citrus pulp, corn gluten feed and meal, tapioca and DDGS. Prices and trade statistics *plus* regular estimates of world molasses production. 24 issues online. **PLUS** – Licht Interactive Data

INTERNATIONAL SUGAR & SWEETENER REPORT

Reports on world sugar and sweetener market prices, trade, production, processing, consumption, stocks, company news, plus regular sugar balance and production estimates. 36 issues *plus* daily sugar market report online. **PLUS** – Licht Interactive Data

INTERNATIONAL COFFEE REPORT

Reports on world prices, markets, trade, production, stocks and consumption, plus regular estimates of coffee production and the world coffee balance. 24 issues *plus* daily coffee market report online. **PLUS** – Licht Interactive Data

WORLD ETHANOL & BIOFUELS REPORT

News, analysis and statistics on fuel ethanol, biodiesel, industrial and beverage alcohol. Prices and trade statistics plus regular estimates of world ethanol and biodiesel production. 24 issues *plus* daily online news. **PLUS** – Licht Interactive Data

WORLD ETHANOL PRICE REPORT

Contract and spot prices for fuel, beverage, industrial and pharmaceutical grades as well as concise market comment for all major ethanol producing countries worldwide. Weekly by e-mail. **PLUS** – F.O. Licht's Ask the Analyst Service

WORLD BIODIESEL PRICE REPORT

Biodiesel, glycerine and feedstock prices for Europe, the Americas and Asia and market comment from F.O. Licht analysts. Weekly by e-mail. **PLUS** – F.O. Licht's Ask the Analyst Service

LICHT INTERACTIVE DATA

Access and download the latest data that affect your business whenever you need in just two simple clicks. Including trade statistics, production/consumption and price data, balances for over 180 countries and over 10 years. Also included is a Plants & Projects section with worldwide production capacities for the products of your interest. Covers **Ethanol, Sugar, Grains, Coffee, Molasses & Feed Ingredients and Renewable Chemicals**