



Daily European Ethanol Report

4 October 2017

Market Overview: European ethanol markets found a floor today on deferred quarters as Q1-Q4 2018 bids gave some limited support to the front via spreads. Oct/Nov narrowed considerably, as did Nov/Dec, but they remain inverted even though only single digits on both. Physical markets remained well offered to trade down to €462, while Cal 18 phys was a +1/+8 market for most of the day. With the market well offered at the front and well bid in the back, the traditional structure of a permanently inverted market has somewhat dissipated with selective carries available into Q3 2018.

T2 Ethanol Physical Spot



T2 Ethanol Physical Forward



Month	T2 Ethanol FOB ARA Physical (€/cbm)			
	Bid	Offer	Mid	Change
Oct-17	462	468	465	▼ -13
Nov-17	455	463	459	▼ -10
Dec-17	450	454	452	▼ -8
Jan-18	450	461	456	▼ -4
Feb-18	450	460	455	▼ -4
Mar-18	450	462	456	▼ -3
Apr-18	460	468	464	▼ -1
May-18	461	469	465	▬ 0
Jun-18	462	470	466	▲ 1
Jul-18	464	470	467	▼ -2
Aug-18	464	470	467	▼ -2
Sep-18	467	467	467	▼ -2
Oct-18	463	464	464	▼ -1
Nov-18	453	461	457	▼ -1
Dec-18	453	461	457	▼ -1
Jan-19	462	472	467	▬ 0
Feb-19	457	475	466	▬ 0
Mar-19	457	475	466	▬ 0
Apr-19	457	475	466	▬ 0
May-19	457	475	466	▬ 0
Jun-19	457	475	466	▬ 0

Month	T2 Ethanol FOB ARA Paper (€/cbm)			
	Bid	Offer	Mid	Change
Oct-17	458	462	460	▼ -15
Nov-17	450	458	454	▼ -10
Dec-17	446	450	448	▼ -8
Jan-18	446	457	452	▼ -4
Feb-18	446	456	451	▼ -4
Mar-18	446	458	452	▼ -3
Apr-18	456	464	460	▼ -1
May-18	457	465	461	▬ 0
Jun-18	458	466	462	▲ 1
Jul-18	460	466	463	▼ -2
Aug-18	460	466	463	▼ -2
Sep-18	463	463	463	▼ -2
Oct-18	459	460	460	▼ -1
Nov-18	449	457	453	▼ -1
Dec-18	449	457	453	▼ -1
Jan-19	458	468	463	▬ 0
Feb-19	453	471	462	▬ 0
Mar-19	453	471	462	▬ 0
Apr-19	453	471	462	▬ 0
May-19	453	471	462	▬ 0
Jun-19	453	471	462	▬ 0

Month	CIF Duisburg 60% GHG	
	€/cbm	€/%
Oct-17	450	2.0
Nov-17	444	2.0
Dec-17	437	2.0
Jan-18	441	2.0
Feb-18	440	2.0
Mar-18	441	2.0
Apr-18	449	2.0
May-18	450	2.0
Jun-18	451	2.0
Jul-18	452	2.0
Aug-18	452	2.0
Sep-18	452	2.0
Oct-18	449	2.0
Nov-18	442	2.0
Dec-18	442	2.0
Jan-19	452	2.0

Month	ANP/EN Spec FOB US (¢/gal)	
	Bid	Offer
Oct-17	10	13
Nov-17	10	13
Dec-17	10	13
Jan-18	10	13

Month	ANP Spec FOB Santos	
	Bid	Offer
Feb-18	525	590
Mar-18	540	590
Apr-18	540	590
May-18	540	590

Conversions
 1 cbm = 0.789 mt ethanol
 (fuel grade)
 1 USG = 3.785 litres



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Month	Theoretical ATM	Premium	Volatility
Nov 17	454	23	32.0%
Dec 17	448	28	30.9%
Jan 18	452	31	29.8%
Feb 18	451	33	28.8%
Mar 18	452	35	27.7%

Strike	Nov-17			Dec-17			Jan-18			Feb-18			Mar-18		
	Call	Put	Vol	Call	Put	Vol	Call	Put	Vol	Call	Put	Vol	Call	Put	Vol
275	179	-	52%	174	1	49%	178	2	48%	178	2	46%	180	3	45%
300	155	1	47%	149	1	45%	154	2	44%	154	3	42%	156	4	41%
325	130	1	44%	125	2	42%	130	3	41%	130	4	39%	132	5	38%
350	106	2	41%	102	4	39%	107	5	38%	108	7	36%	110	8	35%
375	82	3	38%	79	6	36%	85	8	35%	86	10	34%	88	11	33%
400	60	6	36%	59	11	34%	64	13	33%	66	15	32%	69	17	31%
425	41	12	33%	41	18	32%	46	20	31%	48	22	30%	51	24	29%
450	25	21	32%	27	29	31%	31	30	29%	33	32	28%	36	34	27%
475	14	35	31%	16	43	30%	21	44	29%	22	46	28%	25	48	27%
500	7	53	30%	8	60	28%	12	60	27%	14	63	26%	16	64	26%
525	3	74	28%	4	81	27%	6	80	26%	8	82	25%	9	82	24%
550	1	97	27%	2	104	26%	3	102	25%	4	103	24%	5	103	23%
575	-	121	26%	1	128	25%	1	125	24%	2	126	23%	2	125	22%
600	-	146	25%	-	152	24%	1	149	23%	1	150	22%	1	149	21%
625	-	171	24%	-	177	23%	-	174	22%	-	174	21%	1	174	20%
650	-	196	23%	-	202	22%	-	199	21%	-	199	20%	-	198	20%
675	-	221	22%	-	227	21%	-	224	20%	-	224	20%	-	223	19%

Spreads	Nov 17		Dec 17		Jan 18		Feb 18		Mar 18	
	Call	Put	Call	Put	Call	Put	Call	Put	Call	Put
275 / 325	50	1	49	2	49	2	48	2	48	3
300 / 350	49	1	48	3	47	3	47	4	46	4
325 / 375	48	3	46	4	45	5	45	6	44	6
350 / 400	46	5	43	7	43	8	42	8	41	9
375 / 425	42	9	39	12	39	12	38	13	38	13
400 / 450	36	15	32	19	33	17	33	18	33	17
425 / 475	27	24	25	25	26	25	26	24	26	24
450 / 500	18	32	19	31	20	31	20	31	20	30
475 / 525	12	39	12	38	15	36	15	36	16	35
500 / 550	6	45	7	44	9	42	10	40	11	39
525 / 575	3	48	3	47	5	45	6	44	7	43
550 / 600	1	49	2	49	3	48	3	47	4	47
575 / 625	-	50	1	50	1	49	2	49	2	49
600 / 650	-	50	-	50	1	50	1	50	1	49
625 / 675	-	50	-	50	-	50	-	50	1	50

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