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## Argus US Ethanol and Biodiesel Prices

The ethanol and biodiesel markets are expanding and maturing, and Argus has responded with new pricing and analytical tools to hedge risk in these evolving markets. The daily Argus US Ethanol report offers in-depth coverage of ethanol and biodiesel markets in the US and South America.

Our biofuels coverage is built on the well-respected Argus methodology that is used widely for indexation of gasoline, diesel, crude and NGLs. Argus biofuels coverage in Europe also connects the growing US biofuels market with new international opportunities.

### Argus captures the entire day

Argus' ethanol prices in the US incorporate every bona fide spot trade available in the trading day, not a few select deals at the close. In addition, Argus publishes an ethanol deals done table in order to support price transparency. Our US ethanol prices represent the low and high of deals done throughout the trading day. Argus believes that liquidity is the source of transparency and accuracy.

In contrast, one of the competing methodologies assesses ethanol prices exclusively on deals done in a narrow window in the afternoon. The industry trades far less in this market on close (MOC) window than throughout the trading day. As a result, the Argus' prices are considered by many refiners to be more suitable for indexation purposes.

### Argus prices used globally in indexation

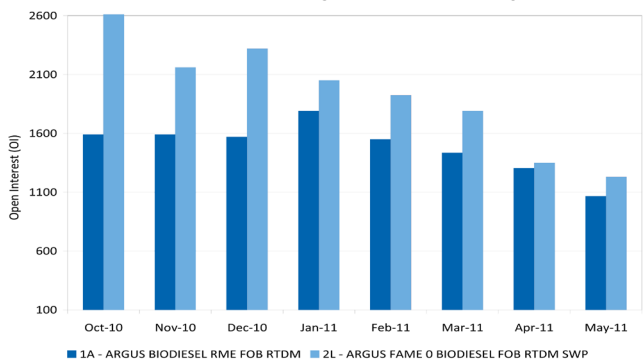
Argus works closely with the industry to develop market-appropriate pricing methodologies. As a result, the Argus approach has been widely adopted across US energy markets. In clean products, US refiners are converting gasoline and diesel contracts to an Argus basis, and also ethanol and biodiesel contracts. In crude oil markets, Argus is the primary index in domestic crude and the Argus Sour Crude Index™ (ASCI™) is used as the price index for Middle East imports into the US.

In international biofuels markets, Argus is the undisputed benchmark for physical and swaps trading. Argus prices are used as the main price reference for the European biodiesel market, and are the settlement price for European biodiesel and rapeseed oil swaps, which are cleared through the CME (see graph).

### Ethanol Deals Done

Market	Price (¢/USG)	Volume '000
<b>Chicago</b>		
20-30 Aug	283.50	5 bl
20-30 Aug	283.75	5 bl
Any Aug	280.00	5 bl
Any Aug	280.00	10 bl
Any Aug	280.00	10 bl
Any Oct	266.00	10 bl
<b>Chicago-Rule 11</b>		
15-20 Aug	285.00	116 USG
21-27 Aug	283.50	435 USG
<b>Knoxville, TN - NS</b>		
15-20 Aug	294.50	580 USG
<b>Nebraska - BN</b>		
16-Aug	274.00	290 USG
15-20 Aug	274.00	145 USG
<b>Nebraska - UP</b>		
15-20 Aug	275.00	145 USG
15-20 Aug	274.00	435 USG
<b>New York Harbor</b>		

### CME CLEARED EUROPEAN BIOFUELS SWAPS



## Biofuels

illuminating the markets

## Recently expanded US Ethanol and Biodiesel coverage

### Ethanol forward curves

Argus publishes four-month forward curves for Chicago (Argo) ethanol and fob New York Harbor barge ethanol to provide a full picture of the market's backwardation or contango. The forward curves provide a transparent market structure that validates current supply and demand dynamics.

### Chicago Rule 11

Ethanol traded on a Rule 11 spot basis has increased significantly in volume, specifically across rail lines in and around Chicago. The current Argo in-tank transferred ethanol benchmark represents supply that will stay within the Chicago-area market, which is only a small fraction of the US markets. The Argus Chicago Rule 11 quote reflects volumes that go on to supply a great portion of the more robust east coast markets. The Rule 11 prices could in the future provide a more accurate benchmark in this evolving market.

### Nebraska

Argus offers fob Nebraska origin ethanol quotes divided into Burlington Northern (BNSF) and Union Pacific (UP) rail lines. These quotes provide a viable price reference for the liquid ethanol spot markets that supply markets across the west coast and southwest.

### Los Angeles Low Carbon Intensity (CI)

Has also separated Los Angeles ethanol quotes into low and high Carbon Intensity (CI) – as dictated by the Low Carbon Fuel Standard (LCFS) in California. Enough liquidity exists in the LA low CI market to justify a price assessment, and the transparency provided by such assessments helps regional traders to manage risk.

### Brazilian ethanol prices

Argus provides price assessments for Brazilian anhydrous and hydrous ethanol listed both in Brazilian reals and US dollars. Prices in US dollars allow companies to understand the value versus US markets. Prices in reals allow you to see how the local Brazilian market is moving without the noise of currency cross rates. Argus also offers in-depth coverage of US-Brazil ethanol trading dynamics.

### Ethanol Forward Curves

	Chicago	New York
Aug	279.50/280.50	289.00/292.00
Sep	270.50/273.00	285.00/286.00
Oct	265.00/267.00	276.00/279.00
Nov	258.00/260.00	270.00/273.00

### Ethanol

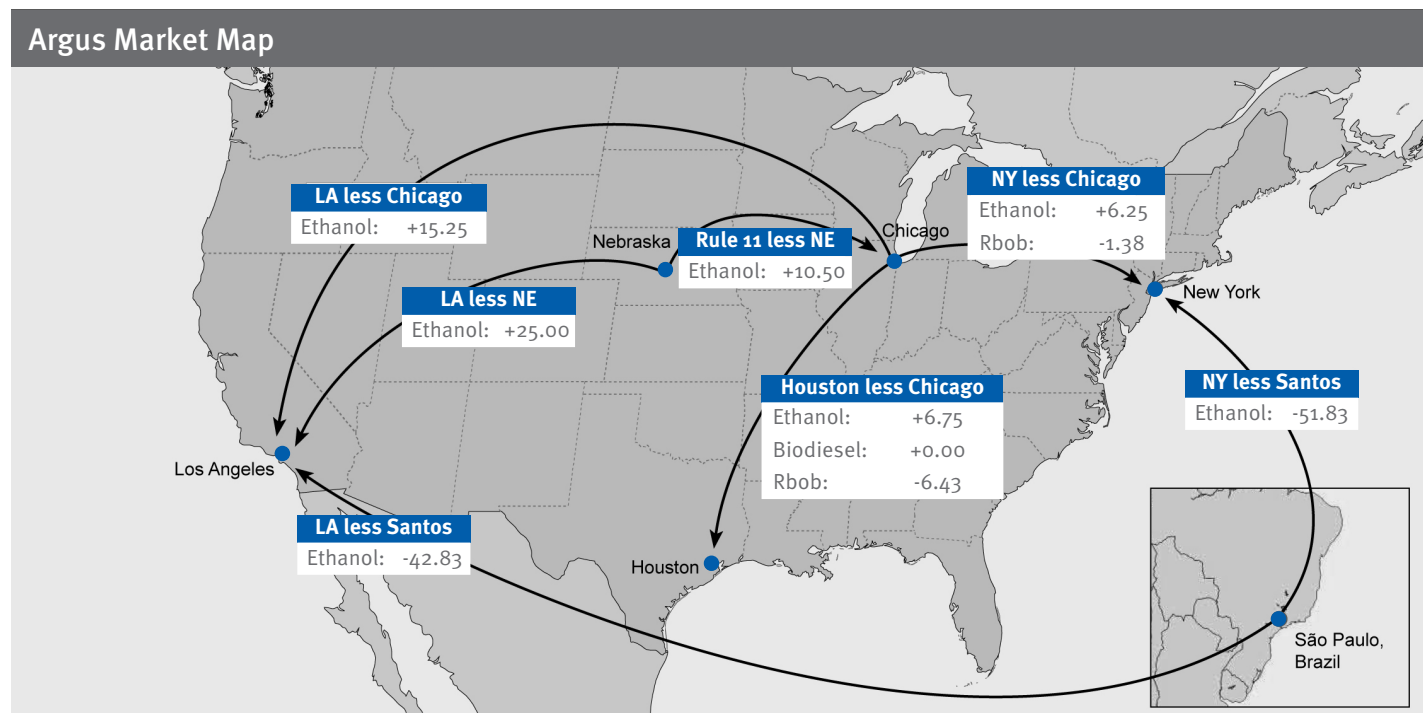
¢/USG	Low	High	+/-
<b>Chicago</b>			
Argo Prompt	283.50	285.00	+2.75
Argo Any Aug	279.50	280.50	+2.00
Rule 11 Prompt	284.50	285.50	+4.00
<b>New York</b>			
Any Aug	289.00	292.00	+6.50
<b>US Gulf Coast/South</b>			
Gulf Coast (Houston)	290.00	292.00	+2.50
Tampa	296.00	298.00	+2.50
Atlanta	295.00	297.00	+2.50
Dallas	288.00	290.00	+3.50
<b>Nebraska</b>			
Union Pacific (UP)	274.00	275.00	-0.50
Burlington Northern (BNSF)	273.50	274.50	-1.00
<b>US West Coast</b>			
Los Angeles Low CI	298.00	301.00	+1.00
Los Angeles High CI	297.00	300.00	+0.50
<b>Brazil</b>			
Anhydrous (¢/USG)	338.75	345.91	-1.55
Anhydrous (Reals/USG)	552.20	563.87	+0.94
Hydrous (¢/USG)	310.13	317.28	+0.33
Hydrous (Reals/USG)	505.54	517.20	+3.71

## Analytical tools

Argus provides market moving news and in-depth analysis of price movements to ensure full understanding of what is impacting the markets and why.

- The Argus Market Map provides a clear snapshot of spreads between major trading centers.
- Over 25 analytical charts running on a weekly rotation offer intelligent insight on key market developments and trends.
- Comprehensive deals done tables for ethanol, RINs and bio-diesel.

- Extensive coverage of Latin American markets due to our robust correspondent network in the region.
- More international coverage than any other publication due to our strength in the European biofuels business.
- Market-moving news, including regulatory developments, corn and ethanol output analysis, business news and import/export updates.



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