January 23, 2018

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The U.S. Grains Council is a private, non-profit partnership of producers and agribusinesses committed to building and expanding international markets for U.S. barley, corn, grain sorghum and their products. The Council is headquartered in Washington, D.C. and has ten international offices that oversee programs in more than 50 countries. Financial support from our private industry members, including state checkoffs, agribusinesses, state entities and others, triggers federal matching funds from the USDA resulting in a combined program value of more than $26 million.
## Ethanol, Fuels and Co-Product Pricing

### Comparative Pricing for Fuels and Co-Products - $/Gallon

<table>
<thead>
<tr>
<th>Product</th>
<th>Current price</th>
<th>Prior week average</th>
<th>Previous year</th>
<th>Percentage change (week over week)</th>
<th>Percentage change (year over year)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ethanol</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ethanol (FOB Gulf)</td>
<td>$1.400</td>
<td>$1.391</td>
<td>$1.541</td>
<td>0.6%</td>
<td>-9.2%</td>
</tr>
<tr>
<td>Ethanol (FOB Santos, Brazil)</td>
<td>$2.288</td>
<td>$2.271</td>
<td>$2.606</td>
<td>0.8%</td>
<td>-12.2%</td>
</tr>
<tr>
<td>Gulf discount/premium from Santos</td>
<td>-$0.889</td>
<td>-$0.881</td>
<td>-$1.065</td>
<td>0.9%</td>
<td>-16.6%</td>
</tr>
<tr>
<td>Ethanol (FOB PNW)</td>
<td>$1.443</td>
<td>$1.446</td>
<td>N/A</td>
<td>-0.2%</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Gasoline/chemical components/additives</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MTBE (FOB Gulf)</td>
<td>$2.14</td>
<td>$2.07</td>
<td>$1.92</td>
<td>3.4%</td>
<td>11.5%</td>
</tr>
<tr>
<td>MTBE Premium/Discount to Ethanol (FOB Gulf)</td>
<td>$0.74</td>
<td>$0.68</td>
<td>$0.38</td>
<td>2.7%</td>
<td>20.6%</td>
</tr>
<tr>
<td><strong>&quot;Aromatic&quot; Octane Enhancers (BTX)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Benzene (FOB U.S. Gulf)</td>
<td>$3.16</td>
<td>$3.09</td>
<td>$3.14</td>
<td>2.1%</td>
<td>0.6%</td>
</tr>
<tr>
<td>Toluene NITN (FOB U.S. Gulf)</td>
<td>$2.52</td>
<td>$2.45</td>
<td>$2.43</td>
<td>2.6%</td>
<td>3.4%</td>
</tr>
<tr>
<td>Mixed Xylene (FOB U.S. Gulf)</td>
<td>$2.59</td>
<td>$2.36</td>
<td>$2.44</td>
<td>9.8%</td>
<td>6.2%</td>
</tr>
<tr>
<td>Weighted Average Aromatic Price (BTX)</td>
<td>$2.64</td>
<td>$2.48</td>
<td>$2.52</td>
<td>6.5%</td>
<td>4.5%</td>
</tr>
<tr>
<td>Gasoline (FOB Gulf)</td>
<td>$1.871</td>
<td>$1.828</td>
<td>$1.591</td>
<td>2.3%</td>
<td>17.6%</td>
</tr>
</tbody>
</table>

*Source: World Perspectives, Inc.*

### Comparative Pricing for Fuels and Co-Products – $/Liter

<table>
<thead>
<tr>
<th>Product</th>
<th>Current price</th>
<th>Prior week average</th>
<th>Previous year</th>
<th>Percentage change (week over week)</th>
<th>Percentage change (year over year)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ethanol</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ethanol (FOB Gulf)</td>
<td>$0.370</td>
<td>$0.367</td>
<td>$0.407</td>
<td>0.6%</td>
<td>-9.2%</td>
</tr>
<tr>
<td>Ethanol (FOB Santos, Brazil)</td>
<td>$0.605</td>
<td>$0.600</td>
<td>$0.688</td>
<td>0.8%</td>
<td>-12.2%</td>
</tr>
<tr>
<td>Gulf discount/premium from Santos</td>
<td>-$0.235</td>
<td>-$0.233</td>
<td>-$0.281</td>
<td>0.9%</td>
<td>-16.6%</td>
</tr>
<tr>
<td>Ethanol (FOB PNW)</td>
<td>$0.381</td>
<td>$0.382</td>
<td>N/A</td>
<td>-0.2%</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Gasoline/chemical components/additives</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MTBE (FOB Gulf)</td>
<td>$0.56</td>
<td>$0.55</td>
<td>$0.51</td>
<td>3.4%</td>
<td>11.5%</td>
</tr>
<tr>
<td>MTBE Premium/Discount to Ethanol (FOB Gulf)</td>
<td>$0.19</td>
<td>$0.18</td>
<td>$0.10</td>
<td>2.7%</td>
<td>20.6%</td>
</tr>
<tr>
<td><strong>&quot;Aromatic&quot; Octane Enhancers (BTX)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Benzene (FOB U.S. Gulf)</td>
<td>$0.83</td>
<td>$0.82</td>
<td>$0.83</td>
<td>2.1%</td>
<td>0.6%</td>
</tr>
<tr>
<td>Toluene NITN (FOB U.S. Gulf)</td>
<td>$0.66</td>
<td>$0.65</td>
<td>$0.64</td>
<td>2.6%</td>
<td>3.4%</td>
</tr>
<tr>
<td>Mixed Xylene (FOB U.S. Gulf)</td>
<td>$0.68</td>
<td>$0.62</td>
<td>$0.64</td>
<td>9.8%</td>
<td>6.2%</td>
</tr>
<tr>
<td>Weighted Average Aromatic Price (BTX)</td>
<td>$0.70</td>
<td>$0.65</td>
<td>$0.67</td>
<td>6.5%</td>
<td>4.5%</td>
</tr>
<tr>
<td>Gasoline (FOB Gulf)</td>
<td>$0.49</td>
<td>$0.48</td>
<td>$0.42</td>
<td>2.3%</td>
<td>17.6%</td>
</tr>
</tbody>
</table>

*Source: World Perspectives, Inc.*

*Note: prior year Ethanol FOB PNW values will be available in 2018.*
**Market Outlook:** U.S. ethanol and energy prices are generally higher to start this week. February CBOT ethanol futures are down 1.8 percent from Monday's close while Midwest wholesale rack ethanol prices are down 1 percent.

FOB Houston ethanol prices are up 0.196 cents/liter (0.74 cents/gallon) from last week. Prices are likely to continue increasing this week as the recent production drop-off tightens the market. FOB Santos ethanol increased 1 percent last week (up 0.601 cents/liter to 60.604 cents/gallon or 2.27 cents/gallon to 229.41 cents/gallon).

The FOB Houston-Santos spread again moved in favor of U.S.-origin product this week, falling 0.405 cents/liter (1.53 cents/gallon) to its last quote of -23.669 cents/liter (-89.59 cents/gallon). Friday’s close marked the lowest weekly close in the past six months and the spread is approaching all-time lows.

MTBE prices are 2.3 percent higher in early week trading at 55.85 cents/liter (211.41 cents/gallon). FOB U.S. Gulf MTBE is now 18.913 cents/liter (71.59 cents/gallon) higher than FOB Houston ethanol.

BTX component prices started this week with a sharply higher tone, with benzene prices up 2 percent, toluene up 2.3 percent, and xylene up 8.2 percent. The weighted average aromatic price is currently estimated at 69.03 cents/liter ($2.6132/gallon), up 5.5 percent from last week. The weighted average BTX price is 32.099 cents/liter (121.51 cents/gallon) higher than FOB Houston ethanol prices.

Gasoline and petroleum products are higher to start the current week. RBOB futures are 2.8 percent higher (1.31 cents/liter or 4.96 cents/gallon) while 84 octane RBOB and 87 octane CBOB are each 2.5 percent higher. WTI crude oil futures are up $1.45/barrel from last week while Brent futures have risen $1.53/barrel.

*Note on price discovery methodology:* Price indications for given commodities/locations presented in this report are generated via analysis of multiple industry sources. Please note that the prices reported here are indications, provided by the U.S. Grains Council as a convenience for customers, members and others in the ethanol industry and are not legally binding, including for used related to buying, selling, or trading ethanol.
Source: World Perspectives, Inc.
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Price Database: If you are interested in historical price data, please click [here](#).
## Tariff Rates

### HS Codes

<table>
<thead>
<tr>
<th>HS Code</th>
<th>Description</th>
<th>Rate of Duty</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>2207106010</td>
<td>Ethyl alcohol, <em>undenatured</em>, of an alcoholic strength by volume of 80 percent or higher, <em>for fuel use.</em></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Global Tariff Rates on U.S. Ethanol

<table>
<thead>
<tr>
<th>Country</th>
<th>HS Code</th>
<th>Unit of Quantity</th>
<th>Rates of Duty</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>General</td>
<td>Special</td>
</tr>
<tr>
<td>Canada</td>
<td>Underated</td>
<td>S/liter</td>
<td>0%</td>
<td>–</td>
</tr>
<tr>
<td></td>
<td>Denatured</td>
<td>S/liter</td>
<td>0%</td>
<td>–</td>
</tr>
<tr>
<td>Brazil</td>
<td>Underated</td>
<td>S/liter</td>
<td>20%</td>
<td>–</td>
</tr>
<tr>
<td></td>
<td>Denatured</td>
<td>S/liter</td>
<td>20%</td>
<td>–</td>
</tr>
<tr>
<td>China</td>
<td>Underated</td>
<td>S/liter</td>
<td>40%</td>
<td>VAT on imports of 17%</td>
</tr>
<tr>
<td></td>
<td>Denatured</td>
<td>S/liter</td>
<td>30%</td>
<td>MFN</td>
</tr>
<tr>
<td>India</td>
<td>Underated</td>
<td>S/liter</td>
<td>150%</td>
<td>–</td>
</tr>
<tr>
<td></td>
<td>Denatured</td>
<td>S/liter</td>
<td>52%</td>
<td>Basic customs duty applicable</td>
</tr>
<tr>
<td>Philippines</td>
<td>Underated</td>
<td>S/liter</td>
<td>0%</td>
<td>1% additional duty imposed if imported ethanol is to be used for fuel-blending purposes under Philippine Fuel Ethanol Program.</td>
</tr>
<tr>
<td></td>
<td>Denatured</td>
<td>S/liter</td>
<td>0%</td>
<td>1%</td>
</tr>
<tr>
<td>Peru</td>
<td>Underated</td>
<td>S/liter</td>
<td>6%</td>
<td>VAT on imports of 18%</td>
</tr>
<tr>
<td></td>
<td>Denatured</td>
<td>S/liter</td>
<td>6%</td>
<td>U.S.-Peru Trade Promotion Agreement lowered U.S. import duties to 3% (denatured) and 0% (undenatured). Denatured duty will drop to 0% in 2018.</td>
</tr>
<tr>
<td>Korea, South</td>
<td>Underated</td>
<td>S/liter</td>
<td>28%</td>
<td>VAT on imports of 10%</td>
</tr>
<tr>
<td></td>
<td>Denatured</td>
<td>S/liter</td>
<td>103%</td>
<td>KORUS</td>
</tr>
<tr>
<td>Mexico</td>
<td>Underated</td>
<td>S/liter</td>
<td>16%</td>
<td>–</td>
</tr>
<tr>
<td></td>
<td>Denatured</td>
<td>S/liter</td>
<td>0%</td>
<td>–</td>
</tr>
<tr>
<td>Nigeria</td>
<td>Underated</td>
<td>S/liter</td>
<td>70%</td>
<td>–</td>
</tr>
<tr>
<td></td>
<td>Denatured</td>
<td>S/liter</td>
<td>15%</td>
<td>–</td>
</tr>
<tr>
<td>United Arab Emirates</td>
<td>Underated</td>
<td>S/liter</td>
<td>5%</td>
<td>–</td>
</tr>
<tr>
<td></td>
<td>Denatured</td>
<td>S/liter</td>
<td>5%</td>
<td>GCC common external tariff.</td>
</tr>
</tbody>
</table>

**Tariff Rate Database:** If you are interested in tariff rate data for all U.S. export markets, please click [here](#).
### Additional Market Resources

#### USCG-funded studies:

- Description of USGC-funded ethanol studies TBD.
- If you are interested in any of the reports described here, please click here.

#### USDA GAIN reports:

<table>
<thead>
<tr>
<th>Title</th>
<th>Description</th>
<th>Link</th>
</tr>
</thead>
<tbody>
<tr>
<td>Argentina Biofuels Annual 2017 (GAIN)</td>
<td>This report provides an overview on biofuel use in Argentina.</td>
<td>Read here.</td>
</tr>
<tr>
<td>Brazil Biofuels Annual 2017 (GAIN)</td>
<td>This report provides an overview on biofuel use in Brazil.</td>
<td>Read here.</td>
</tr>
<tr>
<td>Canada Biofuels Annual 2016 (GAIN)</td>
<td>This report provides an overview on biofuel use in Canada.</td>
<td>Read here.</td>
</tr>
<tr>
<td>China Biofuels Annual 2017 (GAIN)</td>
<td>This report provides an overview on biofuel use in China.</td>
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</tr>
<tr>
<td>Colombia Biofuels Annual 2017 (GAIN)</td>
<td>This report provides an overview on biofuel use in Colombia.</td>
<td>Read here.</td>
</tr>
<tr>
<td>EU-28 Biofuels Annual 2017 (GAIN)</td>
<td>This report provides an overview on biofuel use in the EU-28.</td>
<td>Read here.</td>
</tr>
<tr>
<td>EU-28: Biofuel Mandates in the EU by Member State (GAIN)</td>
<td>This report provides an overview on the biofuel use mandates in the various EU member states. It supplements the EU-28 Biofuels Annual Report.</td>
<td>Read here.</td>
</tr>
<tr>
<td>India Biofuels Annual 2017 (GAIN)</td>
<td>This report provides an overview on biofuel use in India.</td>
<td>Read here.</td>
</tr>
<tr>
<td>Indonesia Biofuels Annual 2017 (GAIN)</td>
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<tr>
<td>Malaysia Biofuels Annual 2017 (GAIN)</td>
<td>This report provides an overview on biofuel use in Malaysia.</td>
<td>Read here.</td>
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<tr>
<td>Peru Biofuels Annual 2017 (GAIN)</td>
<td>This report provides an overview on biofuel use in Peru.</td>
<td>Read here.</td>
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<tr>
<td>Philippines Biofuels Annual 2017 (GAIN)</td>
<td>This report provides an overview on biofuel use in the Philippines.</td>
<td>Read here.</td>
</tr>
<tr>
<td>Romania Biofuels Market Overview 2017 (GAIN)</td>
<td>This report provides an overview on biofuel use in Romania.</td>
<td>Read here.</td>
</tr>
<tr>
<td>Spain's Biodiesel and Renewable Diesel Overview 2017 (GAIN)</td>
<td>This report provides an overview on biofuel use in Spain.</td>
<td>Read here.</td>
</tr>
<tr>
<td>Thailand Biofuels Annual 2017 (GAIN)</td>
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