
May 2019 Market Report

ESSENTIAL OILS AND EXTRACTS

Aniseed Oil China Star

The spring harvest was below expectation so prices have been moving up recently. As the fruit was of good quality a lot of the crop was diverted for the whole spice market leaving a lower volume available for oil production. The low availability of fruit oil has also put leaf oil stocks under pressure resulting in a price increase.

Buchu Oil

Harvesting is still underway; distillation is slow due to very low yields as a result of the early cold weather. The market is still extremely tight and any oil offered is priced high reflecting the low stocks available.

Coriander Seed Oil Russian

The price of coriander seed oil has remained high since the poor crop of last year; the



sowing for the 2019 crop has started and the yields will depend on the weather during the next few months.

Davana Oil

The new crop is down around 30% due to the reduced area of cultivation. There is carryover stock from last year but this is mostly the low davanone qualities. Speculators are holding onto stocks in order to push the price up further.

Eucalyptus Oil Globulus

Pricing has eased recently as a result of reduced demand. There is an expectation for this to move back up if stocks come under pressure.

Grapefruit Oil

Estimates for this year's production have improved so we are finally seeing a reduction in grapefruit oil prices. White oil is currently stable as there is still demand but pink remains volatile as many users have reformulated due to high cost.





Lemon Oil Argentina

Prices have come down steadily over the past few months; this trend is expected to continue as there is carryover stock from last season.

Litsea Cubeba Oil/Citral EU Natural

Prices remain stable albeit at a high level; no major change is expected before the next crop in July/August.

Lemongrass Oil Cochin

Prices have eased slightly and are currently stable.

Peppermint Oil Indian

Piperita has been fairly stable recently however there is an expectation of the market becoming tight later in the year due to a reduced area of sowing.

For Arvensis; the sowing of took place at the end of February and the plantation area is 20% higher than in 2018; the yield will depend on the weather in the coming months. Inventories are very low currently so the price is likely to continue to increase in the short term.

Orange Oil/d-Limonene

Demand for d-limonene has decreased substantially recently, resulting in a price drop; pricing remains very volatile and may come down further. Orange oil prices have fallen in conjunction but demand remains steady and the price differential remains large at around US\$2/kg.

Tea Tree Oil Australian

The growth of the trees has been stunted by the long drought at the start of the year. There has been good rainfall recently but this unfortunately started at the point where the trees had already stopped growing. Harvesting will take place in a couple of months and the yields will



confirm the shortfall for the year; currently the expectation is for the crop to be down 20-30%. Prices have already started to increase and are expected to go up further in the coming months.

AROMA CHEMICALS

Cis-3-hexenol and derivatives

Cis-3-hexenol and derivatives are still in very short supply due to reduced production volumes, the situation is not expected to improve until later in the year. Cis-3-hexenol EU Natural prices have also increased this year in light of the tight situation with *Mentha Arvensis*; with the INR strengthening against USD this has also had an impact on export prices.

Citral and Derivatives

The situation remains much the same as the beginning of the year; citral and most derivatives are available but production is still not at full capacity.

Furaneol and Derivatives

Production volumes are still very limited so material remains in tight supply; prices are extremely high for any available material.



Talk to us

Should you have any questions regarding the materials we have discussed in this report, or indeed if you just fancy a chat, we're always pleased to hear from you. You can contact us in the following ways:

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