

Market Report February 2020

■ GENERAL OILS AND FATS COMPLEX

Vegetable Oils

During the year, the vegetable oil prices are probably going to become firmer due to fundamental data by analysts. First, one must consider the decreasing palm oil production. At the same time, the worldwide consumption is estimated to increase by 2.5 %.

Soybean Oil

The soybean oil production will increase slightly (around 1.5 %) compared to the previous year. However, the demand could increase, too. This is especially due to the demand from the biodiesel sector.

Sunflower Oil

Sunflower oil has recently been a very attractive alternative for soybean oil in terms of price and refining capacities are almost completely sold. For the spot market one pays higher premiums. In total, the world production is estimated to increase by 5 % compared to last year. However, the exact quantities are still not predictable due to the unforeseeable production in Ukraine and Russia. The quantities could be sold faster than in the previous year, especially because of the smaller palm oil production.



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Rapeseed Oil

The worldwide production is still decreasing, so that cheap alternatives are interesting. The earlier positions are scarce, there may only be ease with the coming crop.



Olive Oil

The Spanish harvest is going to be smaller this season 2019/2020. Specialists expect an oil production of around 1 million tons. This is considerably less than last season (1.8 million tons). However, there are significant stocks in Spain from the last season. Overall, the sensory is rather poor this season. In many cultivation areas the fruitiness is missing, which is traced back to the heavy rain falls in December 2019. The price level for olive oil is still attractive, since crops in Italy, Greece, Tunis and Turkey are good and therefore Italy will not import too many Spanish quantities.



■ KEY PRODUCTS FROM THE GUSTAV HEESS PRODUCTION IN THE USA

Almond Oil

Demand is strong and the prices are firm despite weaker shipments to China.

Water

Reservoir levels continue to be above historical average. The snowpack is down from average, but there is still plenty of time for snow.

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China Tariff

Media reports that China agrees to buy \$50 billion in US Agriculture – but nobody knows yet the details of this agreement and the impact this will have on prices and availability.

Walnut Oil

Last year was a strong year for the walnut industry with much higher prices and a lot of cracking of Walnuts being done in California.

■ AMENDED SPECIFICATIONS

211030	Olive pomace oil refined	310020	Safflower oil cold pressed
310120	Safflower oil cold pressed organic DE-ÖKO-001	304031	Sunflower oil refined solvent extracted Ph. Eur.
316031	Wheat germ oil refined extracted Ph. Eur.	500023	Wool fat (Adeps lanae) Ph. Eur. mulesing free
300031	Soybean oil produced from GMOs refined Ph. Eur.	300060	Soybean oil refined IP Ph. Eur.
308124	Sesame oil refined pressed organic Ph.Eur. DE-ÖKO-001	308031	Sesame oil refined pressed Ph. Eur.
740023	Castor oil virgin Ph. Eur.	312024	Linseed oil virgin Ph. Eur.
740031	Castor oil refined Ph. Eur.	740060	Castor oil virgin low Acid Value Ph. Eur.
740032	Castor oil refined low moisture Ph. Eur.	721031	Tannic acid Ph. Eur.
380031	Evening primrose oil pressed and refined Ph. Eur. min.9% GLA	300040	Soybean oil hydrogenated Ph. Eur.
701002	Paraffin light liquid Ph. Eur.	601005	Glycerol 85% vegetable Ph. Eur.
703050	White soft paraffin Ph. Eur. stabilized with alpha-Tocopherol.	602005	Glycerol 99 % vegetable Ph. Eur.
703000	Yellow soft paraffin Ph. Eur. stabilized with alpha-Tocopherol	702001	Paraffinum liquidum Ph. Eur.
100320	Coconut oil virgin organic DE-ÖKO-001	314031	Corn oil (Maize oil) refined solvent extracted Ph. Eur.

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