

Market Report October 2020

■ GENERAL OILS AND FATS COMPLEX

Soybean Oil

The fundamental market data have recently tended to move in the direction of a price fixing. The supply of US soybeans has declined significantly due to stronger than expected demand from countries such as Egypt, Mexico, Pakistan, etc. As a result, the weather conditions in South America are now more in the focus of market participants. In Brazil, rainfall during this season has so far been below average. However, farmers still have time until sowing and therefore the chance of better conditions. In Argentina, which is currently going through a serious economic crisis, farmers are keeping soybean stocks as a "hedge" against rampant inflation and only selling the quantities needed to cover running costs. Experts expect demand from China to decline after the country covered larger quantities for shipment in 2021 in Brazil.



This could reduce the price developments in the mid-term. Nevertheless, the situation remains very volatile and short-term jumps in prices may occur.

In Europe, only small spot volumes are still being offered for forward dates (Q4), which are traded with premiums.

Sunflower Oil

Russia and Ukraine are in the middle of the sunflower harvest, which should speed up processing. The yields per hectare are still significantly lower than last year. Other factors that will determine prices in the coming months are the areas not officially declared as cultivated and the quantities that cannot be harvested due to the onset of winter.

Large local seed exporters are currently holding back larger quantities.

In the last few days, prices in Europe have fallen, but sunflower oil prices are following the developments of soybean and palm oil. Again, only small quantities are available for early dates.

High oleic quality has also become more expensive in the last few weeks, although the premium on standard quality has decreased.

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Rapeseed Oil

After prices fell slightly in the short term, there was a little more demand from the biodiesel industry, which again supported price levels. The Canadian canola/rapeseed crop is of good quality and yields per hectare are acceptable. Overall, the price of rapeseed oil remains stable.



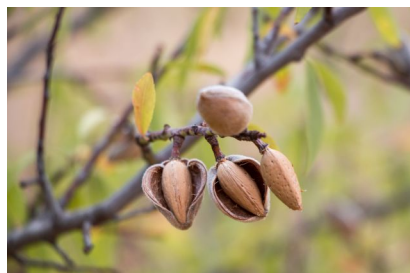
■ KEY PRODUCTS FROM THE GUSTAV HEESS PRODUCTION IN THE USA

Almond Oil

Harvest is more or less completed, with just some late varieties still waiting to be taken to the huller/sheller.

Quality looks good with limited worm damage and doubles.

The quantity of 3 billion lbs seems to be true and piles around huller/shellers show the picture. About the only bad thing to be said is the size of the nonpareils. Premium buyers love the large kernel, but it appears they will need to settle for smaller size or be prepared to pay the premium. Overall the pricing has firmed up.



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Walnut Oil

The hot temperatures that hit California in July and August burned a lot of the Tulare variety walnuts and caused a lot of sunburn on the nuts.



Pistachio Oil

Current prediction is that this year's crop is a billion lb crop and that pricing will remain stable. Quality of the crop looks great, kernel size is great, and closed shell percentages are fairly low. The American Pistachio Industry is reporting that Iran's crop is late and has sizing issues.



■ AMENDED SPECIFICATIONS

305160 Hemp seed oil coldpressed EU-
Seed organic DE-ÖKO-001
208031 Almond oil refined Ph. Eur.

110077 Palmolein refined IV 64 SG CU-
RSPO SCC-818895

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