

Market Report November 2020

■ GENERAL OILS AND FATS COMPLEX

Soybean Oil

After the strong increase in soybean prices in October, the situation calmed down last week. At the Chicago stock exchange, prices fell by about 3%. Nevertheless, the fundamental data are still valid. Weather conditions in South America have improved and are supporting the sowing season, who is clearly delayed.

The risk of a drought period for the then growing soybean plants in southern Brazil is significantly increased. Brazil currently imports soybeans for its own consumption.



In Argentina the warehouses are well stocked, but the farmers still have little or no motivation to sell. The reason for this is the blatant discrepancy between the exchange rate set by the government and the unofficial rate of the peso. The farmers cannot take advantage of the current high prices on the world market and their stocks provide some protection against inflation for the farmers.

Meanwhile, some consumers are changing from sunflower oil, which is still rising in price, to soybean oil, which further increases global demand.

The European refineries continue to be well utilized, so that only small quantities with corresponding surcharges are available for forward dates.

Sunflower Oil

Export prices for crude sunflower oil from the Black Sea region passed the 1.000 Dollar mark for the first time in 7 years. Sunflower oil prices have thus risen by almost 17% on the world market in the last two months. This leads to a change in demand in India and other importing countries towards soybean and palm oil.



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Rapeseed Oil

Also the rapeseed prices decreased in the last days, the situation in the near future is not completely clear. The most important facts for the price developments in the coming months are:

- the demand for biodiesel (and therefore for rapeseed oil). This is very uncertain, because some governments in Europe have decided partial lockdowns due to the increasing COVID 19 infection numbers.
- the strong increase in sunflower oil prices is causing various market players to switch to rapeseed oil, which is generating more demand.
- Canola production in Canada, which will fall a little behind last year's record, which will reduce exports somewhat.

■ KEY PRODUCTS FROM THE GUSTAV HEESS PRODUCTION IN THE USA

Almond Oil

Luckily no orchards were burned up in the fires and the supply is well secured. Some handlers are estimating that 2021's crop is going to be lower as the current one. But the first reliable estimations will be available when we had bud set of the almond trees.



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Walnut Oil

The sunburn damage to the crop was not as bad as expected.



Pistachio Oil

2020 harvest shows that we are right at a billion lb crop and the quality is remarkable. The amount of shrivel and dark nuts is much lower than in the previous years.



■ AMENDED SPECIFICATIONS

360030 Grape seed oil refined

382020 Borage oil cold pressed

370020 Rose hip kernel oil cold pressed

370030 Rose hip kernel oil refined stabilized

[Click here for all actual specifications.](#)

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