
September 2019 Market Report

ESSENTIAL OILS AND EXTRACTS

Aniseed Oil China Star

Raw material prices are rising; farmers are choosing to sell their product straight for a faster profit, which is bringing instability to the market. This has also had a negative impact on the quality of oil produced.

Buchu Oil

All stocks at origin have been sold. With no new availability of material until the next production in early 2020, prices have notably increased and are predicted to continue on this upward trend.

Chamomile Oil Roman

In the UK the early season suffered high heat and drought, which resulted in stunted plant growth. Harvesting is still underway so final yields are yet to be confirmed, but despite poor weather conditions, yields so far are reasonable and a normal crop is expected.



Eucalyptus Globulus Oil

Global demand remains weak so oil prices are continuing to slowly fall. Future price movements will depend on demand.

Grapefruit Oil

Although the market price remains historically high, there has been a significant drop this year. Production is still low and future movements will be dictated by demand.

Lavender Oil Bulgarian

To get the best quality from the plant the temperature needs to be high, which concentrates the oil in the flowers, increasing the yield. Earlier this year we visited our plantation in the Valley of the Roses during the harvesting and witnessed first-hand how the abnormally heavy rain and storms have impacted the yields and quality of the crop. In spite of this poor crop, prices have dropped significantly from the highs of 2018 with producers in the south forced to sell their oil at cost price or below due to the rapid expansion of lavender plantations in northern Bulgaria.





Litsea Cubeba Oil/Citral EU Natural

The expectation was for a good crop this year but unfortunately this was not the case. Heavy rains in the producing region not only hampered harvesting of the oil but also the quality as citral levels in the crude oil were low. With minimal carryover from 2018 prices are expected to increase.

Nutmeg Oil Indonesian

Prices have moved up recently; we are now in the rainy season in Indonesia and the weather has affected the harvesting and drying time so supply of raw material has decreased.

Orange Oil/d-Limonene

The crops from Brazil and other smaller producing countries are good; this has led to a further drop in prices for Orange Oil and d-Limonene. Stability for Orange Oil is expected, however the market's response to Hurricane Dorian is yet to be seen.

Whilst the total supply of oil has increased due to the increased area under cultivation, the availability of high quality oil has not, with the lower altitude and richer soil in the north producing lower quality oil.

Lemon Oil Argentina

The crop is due to finish soon; demand is slowing down as several large beverage companies have yet to commit to volumes so prices are under pressure. Whether prices will continue to drop from the current relatively low level is unclear.

Lemongrass Oil Indian

Prices have eased further as both the yields and area of cultivation have increased. Demand has also weakened as many buyers are waiting for prices to fall further.

Lime Oil Distilled

Prices have firmed recently after a long period of stability as demand is now exceeding supply. The expectation is for this to increase further in the coming months.



Peppermint Oil Indian

Piperita remains stable as the crop has now finished. The arvensis crop is larger than in previous years resulting in an easing of prices since June. Prices have firmed a little recently, however the reason behind this is not clear. The hope is that the situation will stabilise towards the end of the month.

Tea Tree Oil Australian

Prices remain high as the crop is down significantly due to the poor weather conditions earlier in the year.



AROMA CHEMICALS

2-acetylpyrazine

As there are now several factories producing, availability no longer appears to be an issue. The price has been stable at the current level for the past few months and is expected to remain so in the short term.

Cis-3-hexenol & derivatives

Cis-3-hexenol and all derivatives are extremely short as no production is taking

place; currently it is unclear when the situation will improve.

Furaneol

Availability has improved but prices remain high.

Maltol/Ethyl Maltol

A new factory will be starting production later in the year so maltol and ethyl maltol prices have fallen as a consequence. With increased volumes entering the market there may be further room for reduction in the coming months.

Raspberry Ketone EU Natural

Production is still restricted so availability is poor; prices remain high.

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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