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# September 2021 Market Report

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## ESSENTIAL OILS AND EXTRACTS

### Aniseed Oil China Star

Aniseed Oil and natural anethole are in short supply with demand outstripping availability; as a consequence, prices from origin are at an all-time high. This is not expected to ease in the short term as there will be no significant production at least until the autumn crop which will start in November.

### Cassia Oil Chinese

The spring crop was down significantly due to a shortage of raw material and labour. As production was reduced last year there is no carryover from the previous crops; as a result, prices are high and are not expected to come down.

### Chamomile Oil Roman

Harvesting of the UK crop was delayed due to wet weather during August, with distillation



running behind schedule as a result. Yields are variable so, in spite of the good flower growth, a robust crop is not expected.

### Eucalyptus Oil

The market is stable; global demand remains weak so factories are having to keep their prices low in order to sell their stock.

### Lavender Oil Bulgarian

The lavender campaign started late this year due to poor weather conditions. Unfortunately, as a result of a cold spring, the plants were not able to develop properly with most of the flowers containing no seeds. Consequently, yields were poor and this led to many producers deciding not to complete their campaign.

The expectation is that any carryover stock from previous years will be sold out and prices will move up.





### Lemon Oil Argentina

Processing of the 2021 crop is drawing to a close. Initial predictions from several processors were for quite a significant reduction due to adverse weather conditions, however this was not as bad as feared with yields also higher than estimated. Prices are currently stable.

### Lemongrass Oil Indian

The market is very volatile; harvesting and processing have both been hindered by heavy rainfall and not enough oil is being produced to meet the current high demand. The quality has also been compromised, resulting in low citral levels.

### Lime Oil Distilled Mexican

The market remains very firm with low availability, particularly for lime derivatives.

### Litsea Cubeba Oil/ Citral EU Natural

The crop season is underway and, according to current estimates, is expected to be down 30%. Prices have already

increased rapidly in the past few weeks and are continuing to move up due to high demand. With no carryover stock from the 2020 crop, it is unlikely that prices will come down.

To make matters worse container space is shorter than ever and freight rates at an all-time high.

### Orange Oil/d-limonene

The market remains firm, particularly as a result of recent unfavourable weather conditions in Brazil. High aldehyde quality is in very short supply.

### Peppermint Oil Indian

The piperita and arvensis crops crop have finished; the output from both was good but high freight rates have offset any price improvement. The market is currently stable.

### Tea Tree Oil Australian

Severe flooding earlier this year affected the crops in several growing areas and there are



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concerns that this year's crop may be down significantly due to low oil content in the trees. As there was very high demand during 2020, particularly during the start of the pandemic, there is no carryover stock to ease the situation.

Prices may increase significantly in the next few months.



term supply issue seen over the previous months

### Vanillin/Ethyl Vanillin

The market situation is critical both vanillin and ethyl vanillin; very little material is available and prices are continuing to increase. No improvement is expected in the short-term.

## AROMA CHEMICALS

### Cis-3-hexenol and derivatives

The situation has become critical; with very little cis-3-hexenol on the market most users have had to resort to buying natural quality due to lack of alternative options.

As a result, supply of EU natural quality has become incredibly tight with prices moving up rapidly. Volumes are being produced are selling out well in advance and, as a result, material is being offered with very long lead times from origin.

### Maltol EU Natural

Production has resumed; prices have moved up slightly as a result of the short-

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# Talk to us

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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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