
November 2025 Market Report

ESSENTIAL OILS AND EXTRACTS

Aniseed Oil China Star

Pricing continues to be stable, as supply and demand are in balance. It is believed that adulteration with synthetic anethole is becoming more prevalent, so qualities should be checked carefully. We undertake isotopic analysis to rule out this possibility.

Buchu Oil

Two consecutive wet winters led to a reduction of around 30% for this year's crop. Around 50% of the total harvest is from wild grown buchu, which can lead to unsustainable harvesting practices if not done correctly. Several processors have formed an association to provide training and advice on sustainable harvesting techniques, with an aim to reduce the percentage of wild harvested buchu oil in favour of cultivated. Harvesting for the next crop will begin in early January and the hope is for an improvement on this year's production.

Eucalyptus Oil Globulus

Prices have come down slightly but are expected to be stable for the next few months. Some cheaper qualities are being traded below



market value which are believed to include eucalyptol fractions *ex-camphora officinarum*.

Lemon Oil Argentina

Yields have been impacted this year by the intense cold and frost in Tucumán during July. Fruit prices are very high, particularly for the fresh market. Although the oil production volume matches last year, high fruit prices and lower yields have significantly driven up oil costs.

Demand for lemon oil and its derivatives remains high, especially for terpenes, which are increasingly used by US companies as alternatives to Brazilian orange terpenes due to current high tariff rates. Approximately 2,000 hectares of groves have been converted to orange. Despite the increased demand for non-Brazilian orange oil from the USA, additional planting is not anticipated as the future tariff situation is unpredictable. The reduction in production area was implemented to correct the on-going oversupply, but further decreases are not expected now that market conditions have improved.

Prices are expected to continue to increase steadily, with the intention to keep supply and demand in healthy balance.



Key Lime Oil Distilled

Prices have fallen this year and have remained stable over recent months, further declines may be seen in 2026.

Lavender Oil Bulgarian

The market rebounded following this year's disappointing crop, following a period of low pricing. Demand has increased and prices continue to trend upwards.

Litsea Cubeba Oil/Citral EU Natural

Production is complete with reasonable volumes of oil available to meet demand. As such, the market price has come down slightly for both litsea cubeba oil and citral EU natural. Lower pricing has meant that stock levels in China are being kept low. There is still high demand from the USA despite the high tariffs on Chinese imports.

Orange Oil d-Limonene

The latest Fundecitrus report (10th September) estimates a 2.5% drop from the initial forecast to 306.74 million boxes, mainly due to higher premature fruit drop. Harvesting is slower than in the previous two seasons since most fruit will come from the second bloom, with an emphasis on optimal timing - though this has

led to more early fruit drop, especially in trees affected by citrus greening. Despite this, yields are expected to rise about 20% as high prices have prompted greater investment in managing citrus greening.

Exports to the US have declined following the 50% tariff imposed on Brazil in August, leading US importers and processors to seek alternative sources for short-term needs. Orange juice is exempt from this additional tariff as the US relies on Brazil for juice supply, with an important stipulation that this exclusion does not apply to juice byproducts such as essential oils.

Although improved supply was expected to lower prices, Brazilian processors are holding firm on higher oil prices than buyers will accept. Fruit prices are high, and while the crop volume is an improvement on last year it is still historically low. With many large users running at low inventory levels in the hopes of prices improving, there is more power in the hands of the producers to keep their prices high. The legality of President Trump's sweeping global tariffs is being reviewed by the US Supreme Court this month; if removed, then demand will inevitably increase which will put pressure on supply. Orange terpene (d-limonene) prices are likely to track those of CPOO due to continued steady demand. Since the demand for folded orange is low it does not make financial sense for processors to reduce terpene prices.



Tea Tree Oil

The HSE published its final opinion on the 8th of August not to proceed with the reclassification of Tea Tree Oil to a cat 1B reproductive toxicant. This will be re-assessed in the near future as further data is submitted as part of the Article37A of the GB CLP process.

AROMA CHEMICALS

Cis-3-hexenol and derivatives

Prices have continued to slowly decline from their peak due to ample availability in the market. The same can be said for EU natural ex-mint where prices are at an unprecedentedly low level.

Furaneol

Prices of synthetic furaneol rose earlier in the year in the wake of the announcement from Bestally that they were gradually withdrawing from the market. Against expectations, prices have fallen recently due to fierce competition between the remaining producers. Demand is steady so prices are expected to remain stable at the current level.

Prices for genuine EU natural material produced from L-Rhamnose are stable, however there is material being offered from China at a lower price point which is believed to be produced via chemical routes from a different precursor.

Vanillin/Ethyl Vanillin

With the implementation of anti-dumping duties (ADD) on Vanillin and Ethyl Vanillin, EU importers now face 131% duties for imports from China. The Chinese manufacturer's have responded by lowering their prices considerably to remain competitive with other origins (e.g India), with prices believed now to be just above their cost. European production will gradually increase over the next few years with the intention to be priced below the Chinese production + ADD.

The same cannot be said for EU natural quality as the considerably higher price point means that the addition of 131% duty is completely unviable, especially as there is already established production within the EU. Pricing from EU manufacturers is expected to remain at a sustainable level so as not to encourage adulteration with US natural. Chinese producers are being closely monitored to ensure tariffs are not circumvented, for example through re-labelling or partial processing in other countries. There is a clear stance that only a complete shift of production to another country is considered non-fraudulent; simply moving the final production step is not sufficient to change the country of origin.



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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