

# Global Overview of Sesame Market.



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## Disclaimer

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This presentation includes forward-looking statements and views. Because such statements and views deal with future events, they are subject to various risks and uncertainties and the way markets turn out could differ materially from our anticipations.

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## Global Trade: Major Origins

Sizeable Origin Trades in - "000" MT						
Origins\Year	2017-18	2018-19	2019-20	2020-21	2021-22	Est 2022-23
India	350	250	290	250	220	250
Ethiopia	285	220	260	180	130	160
Sudan	385	330	380	270	280	300
Nigeria	265	280	305	350	450	350
West Africa/Burkina	120	195	185	220	180	130
Uganda	20	25	20	20	20	20
Tanzania	90	75	127	140	125	100
Mozambique	65	65	92	120	105	80
China	32	35	35	30	30	30
Pakistan	16	44	16	87	110	150
<b>Total</b>	<b>1,628</b>	<b>1,519</b>	<b>1,710</b>	<b>1,667</b>	<b>1,650</b>	<b>1,570</b>

Marketing Year: Oct to Sep

- Global trade (Major origins) has been in the range of 1.6 to 1.7 Mil MT for the last 3 years despite the frequent black swan events.
- Previous marketing year Niger/Nigeria numbers ballooned to 450k MT. Supplying 300k to China & rest to Japan, Turkey & few other destinations.
- India continues to have a large share of Hulled exports in the global trade but lost significant % in the EU. (Almost 50K MT)
- For the current marketing year reduced supply from the southern hemisphere has impacted the prices & outlook owing to fewer pipeline stocks
- Pakistan has made it to the list of major origins in the Sesame world.

## Southern Hemisphere: Tanzania & Mozambique

Sales Channel	2019	2020	2021	2022
Open Sales	60,000	53,000	40,000	25,000
Auction	70,000	87,000	90,000	75,000
<b>Total Exports</b>	<b>130,000</b>	<b>140,000</b>	<b>130,000</b>	<b>100,000</b>

Trade Numbers Expressed in Metric Tons.

### Tanzania

- Northern regions saw a sharp decline in supply.
- Buying subsidiaries from China disrupt existing trade by working on Cost+ models.
- South auctions continue to remain fierce only the participants changed this year.
- The average cost of Tanzania Auction ranges from 1620 to 1700 CFR for the season.

### Mozambique

Item Name	2019	2020	2021	2022
Est Exports	92,000	120,000	105,000	80,000

Trade Numbers Expressed in Metric Tons.

- This season we are likely to witness a decline in exports.
- Zimbabwe's crop % likely to be more this year in Mozambique's exports.
- Nacala belt areas supply has shrunk to the lowest levels, compensated by central belt regions increasing dependence on Beira port.
- Freight costs continue to remain higher, but vessel line up is better than last year.

# Northern Hemisphere: 2022-23

Change in Supply Numbers Expressed in Metric Tons.



- Northern Hemisphere (Major origins) supply is likely to be same as previous year.
- India's winter crop supply is likely to increase because of UP & Rajasthan contribution.
- West Africa Sesame lost acreage owing to multiple reasons including disturbances.
- Ethiopia & Sudan are likely to have excess supply compared to last season.

# China's Demand

## China's Imports::

Origin\Year	2018	2019	2020	2021	2022-FH (Actual)	2022-SH (Est)	Est 2022
Ethiopia	160,945	112,470	146,102	121,191	38,586	25,000	63,586
Sudan	254,935	171,131	231,132	148,747	117,118	35,000	152,118
Togo	101,227	109,129	112,178	165,049	108,547	6,000	114,547
Mali	17,723	39,736	52,299	37,749	17,513	4,000	21,513
Burkina Faso	57	57	1,700	13,756	16,435	3,500	19,935
Niger	141,814	155,567	177,642	297,784	168,864	30,000	198,864
Nigeria	2,204	3,499	3,741	4,681	489		489
Tanzania	57,749	108,861	139,873	110,539	1,914	80,000	81,914
Mozambique	52,617	78,675	103,050	65,804	48,881	60,000	108,881
Pakistan	3,024	2,734	9,341	92,517	33,922	80,000	113,922
<b>Myanmar</b>	<b>7,524</b>	<b>7,997</b>	<b>455</b>	<b>65,815</b>	<b>93,587</b>	<b>60,000</b>	<b>153,587</b>
Uganda	13,558	9,188	15,079	12,503	10,890	2,000	12,890
Others	14,501	13,344	23,477	38,194	21,297	15,500	36,797
<b>Total China Imports</b>	<b>827,878</b>	<b>812,387</b>	<b>1,016,067</b>	<b>1,174,329</b>	<b>678,042</b>	<b>401,000</b>	<b>1,079,042</b>
<b>Excluding Myanmar</b>	<b>820,355</b>	<b>804,390</b>	<b>1,015,613</b>	<b>1,108,513</b>	<b>584,455</b>	<b>341,000</b>	<b>925,455</b>

Myanmar supplies rerouted to ports owing to border closures which were not recorded in port imports in the previous years.

A comparison with previous years can only be done by excluding Myanmar.

**Trade Numbers Expressed in Metric Tons.**

- China's imports likely to shrink owing to fewer supply in the second half of the year with higher dependence on Pakistan.
- The new year in 2023 is in Jan which will limit the supplies available until Dec for the preparations.
- The local market factors in the forward impact of current port stocks with the price levels of estimated arrivals in the near-term.

## ROW's Demand

Country	2019	2020	2021
Japan	186,161	204,864	150,975
Middle East	125,000	125,000	125,000
Turkey	161,110	180,896	197,054
Israel	67,500	67,500	67,500
EU	129,120	132,835	128,807
Vietnam	50,000	50,000	50,000
S.E Asia	45,000	45,000	45,000
Korea	75,000	78,000	78,000
US & Canada	37,500	42,500	42,500
Others	110,000	110,000	110,000
<b>ROW Total</b>	<b>986,391</b>	<b>1,036,595</b>	<b>994,836</b>

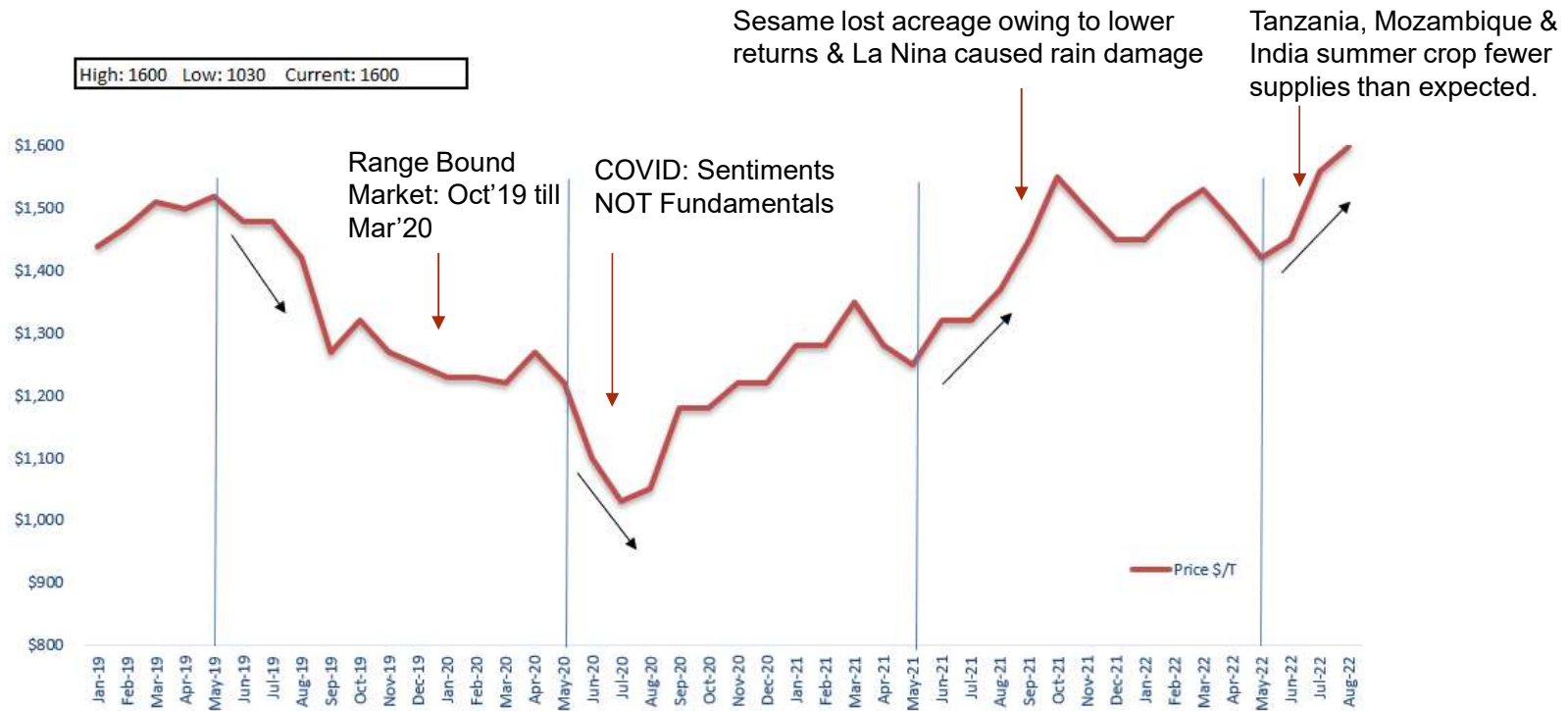
### Rest of the World

- Low cost of capital allows Japan to carry stocks when prices fall below 1200 CFR levels. Avg Imports of 160k to 180k MT.
- Turkey imports 50% from Nigeria & rest from Sudan & other origins for Tahini & Hulled re-exports.
- Israel's import & re-export of Tahina owing to FTA with the US has been steady.
- Middle East region largely imports from Sudan, India & Ethiopia.
- Europe's demand has been steady. Greece leading the imports of Sesame for Tahina. Halwa & Sesame bar demand.
- Korea: State tender contributes to 36k to 40k MT/Year & the rest is under a Private quota. Since 2016, 24k MT is under China FTA.
- India remains an opportunistic buyer to cover their shortfall.

**The total demand of Processed & Natural Sesame for the rest of the world has been relatively stable around 1.0 Mil MT**



# Crush Grade: Price Trend



The month of May has been the inflection/breakout point in the Sesame prices for the last 4 Years.

## Market Outlook: Sep'22 to Dec'22

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### Bullish Cues:

- China's second half of the year imports likely to reduce as a result depleting port stocks can keep the CNY prices firm.
- Tanzania, Mozambique & India summer crop fewer supplies are factored in the prices.
- Higher logistics cost & delays in arrivals can continue.

### Bearish Cues:

- **Fear of another black swan global event. China's zero tolerance policies & abrupt lockdowns.**
- Pakistan has a good crop & higher dependence on China. Prices have come under pressure in the absence of demand for a few weeks, but with the increase in some interest prices can again have an uptick.

**Sesame market outlook continues to remain Bullish & can remain firm in the current price range until Nov/Dec of this year.**



**Thank You**