



Sudan & Sesame - Outlook

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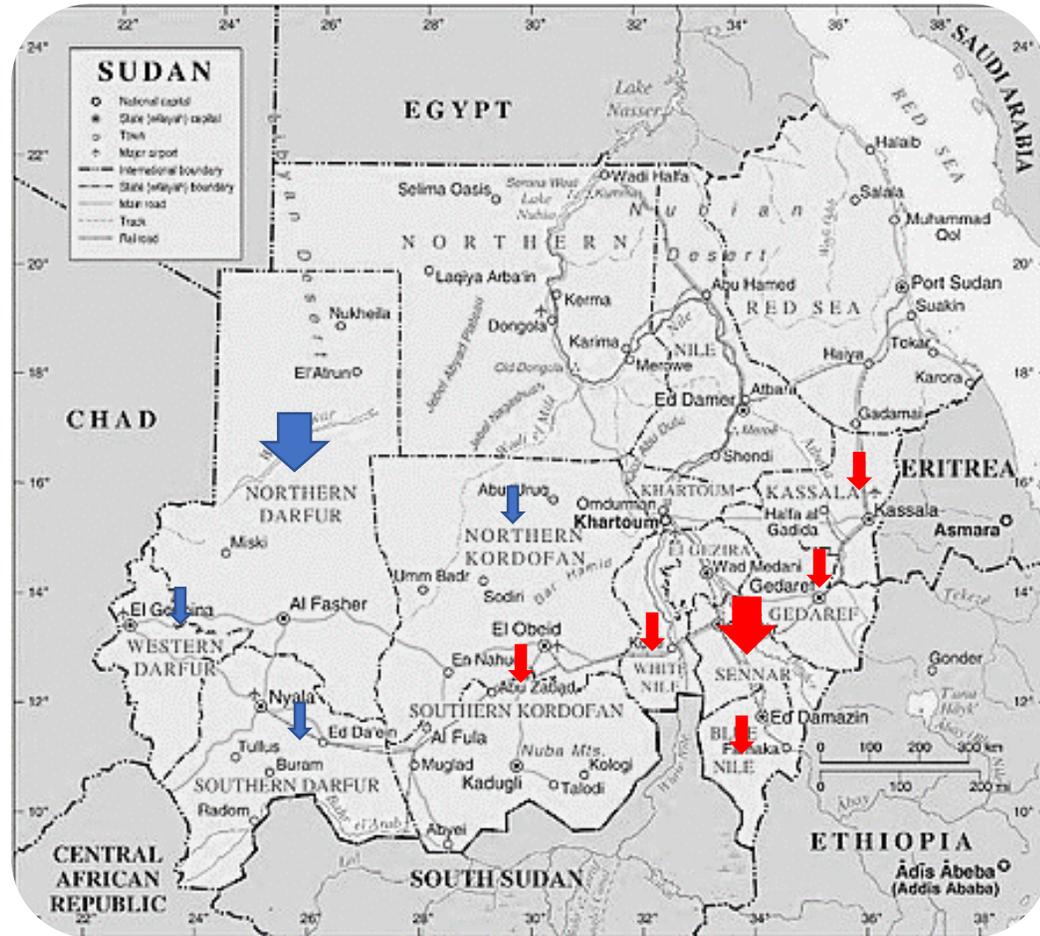
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Sesame in Sudan

- One of the Oldest Oilseed Crops in the Country. Records of Wild Growth and Camel-driven Oil Mills registered in early 1900s.
- British Government Introduced Mechanized Agriculture Methods in 1940s.
- 88% of Cotton Agriculture has shifted to Sesame, Sorghum, Wheat and other Cash Crops between 1970 to 2014.
- Cultivated in South-Eastern Regions of Sudan; Weather and Labour Costs Supportive.
- Around 5 million hectares under Sesame Seed Cultivation Currently.

Cultivation Coordinates

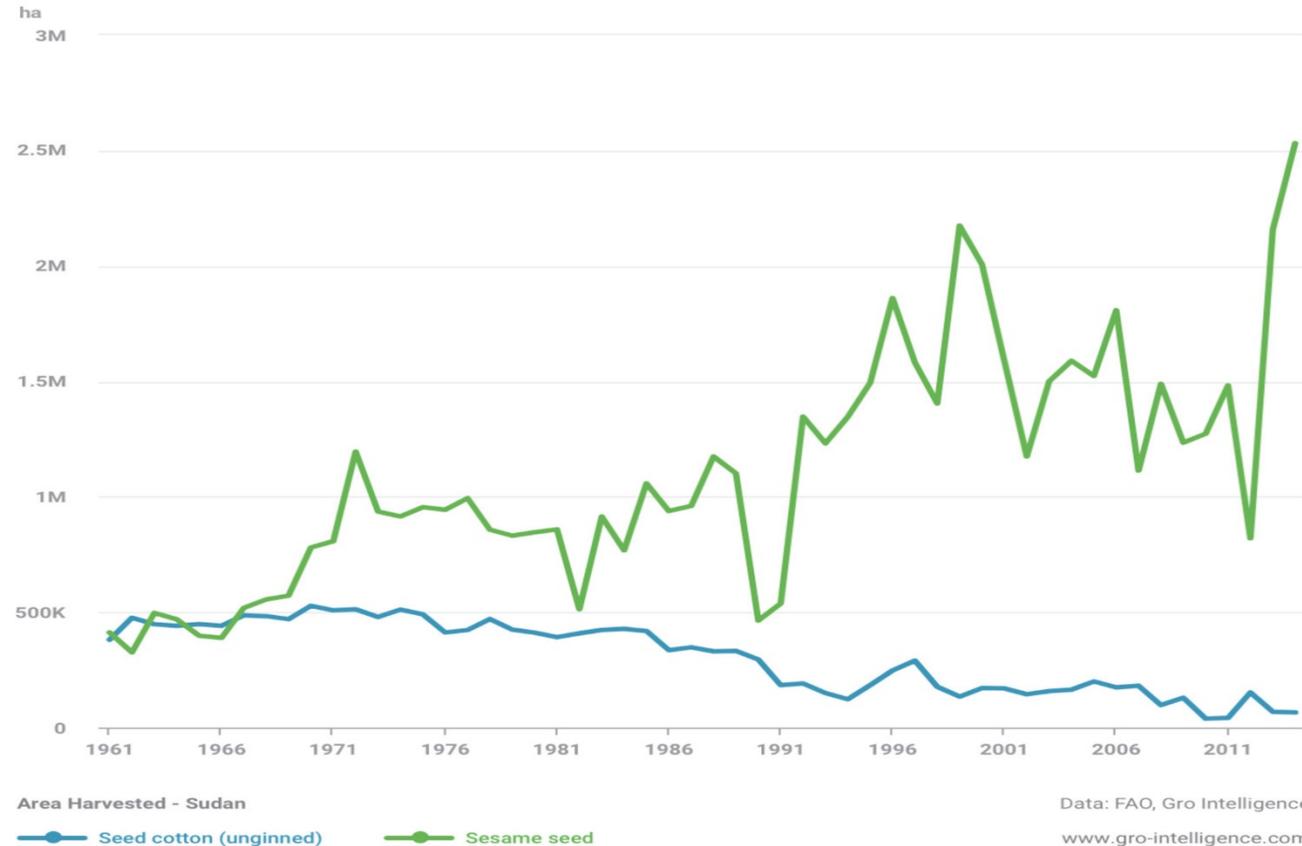


Land Coverage - 2018/19 Crop

- Southern Kordofan State – 400,000 hectares
- White Nile State – 420,000 hectares
- Blue Nile State - 336,000 hectares
- Sennar State – 860,000 hectares
- El Gedaref State – 500,000 hectares
- Kassala State – 147,000 hectares

Sesame in Sudan – The Shift

Cotton Loses Ground To Sesame Seeds

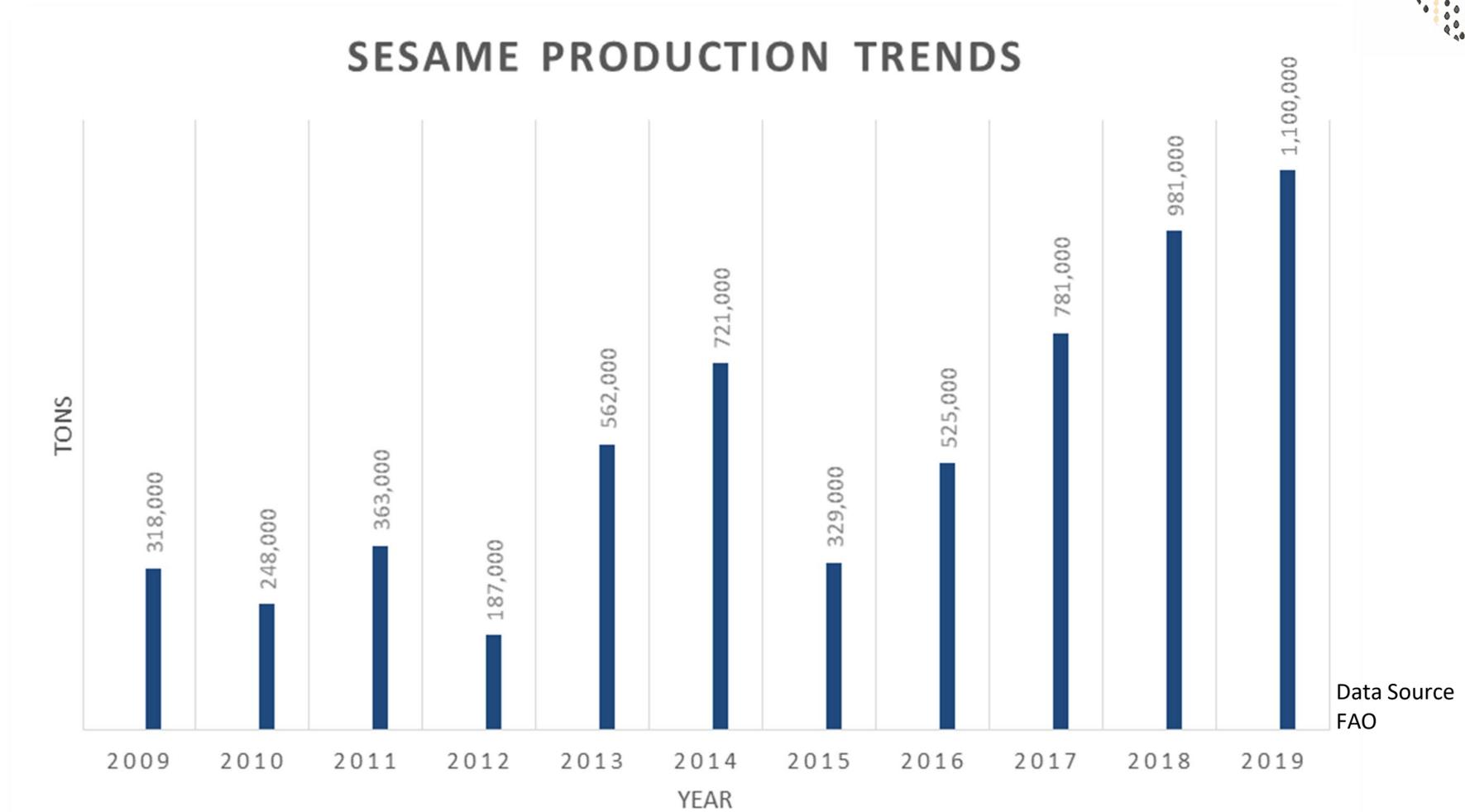


- Shorter Crop Cycle
- Less Prone to Extreme Weather Conditions
- Sesame Farmers enjoy Private Crop Financing Modules
- Lesser Water & Fertilizer Requirements

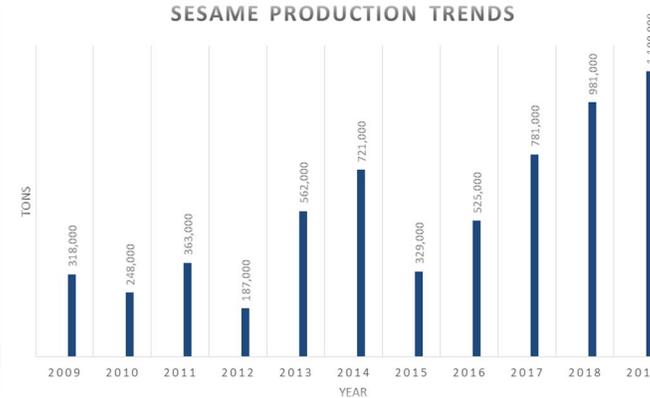
Production Trends

- From Less Than a Million Hectares Cultivated in 2011, Sesame Agriculture has been growing manifold to an expected Land Coverage of 4.8 Million Hectares in 2019.
- CAGR of 12% in Crop Volume from 2018 crop. (981,000 MT)
- Ratio of Mechanized Agriculture in Sesame Plantations Improved from 30% in 2017 to 60% in 2018.
- Overall Yield/ha Improved from 0.24 ton/ha to 0.31 ton/ha in Mechanized Agriculture Areas.

Production Trends

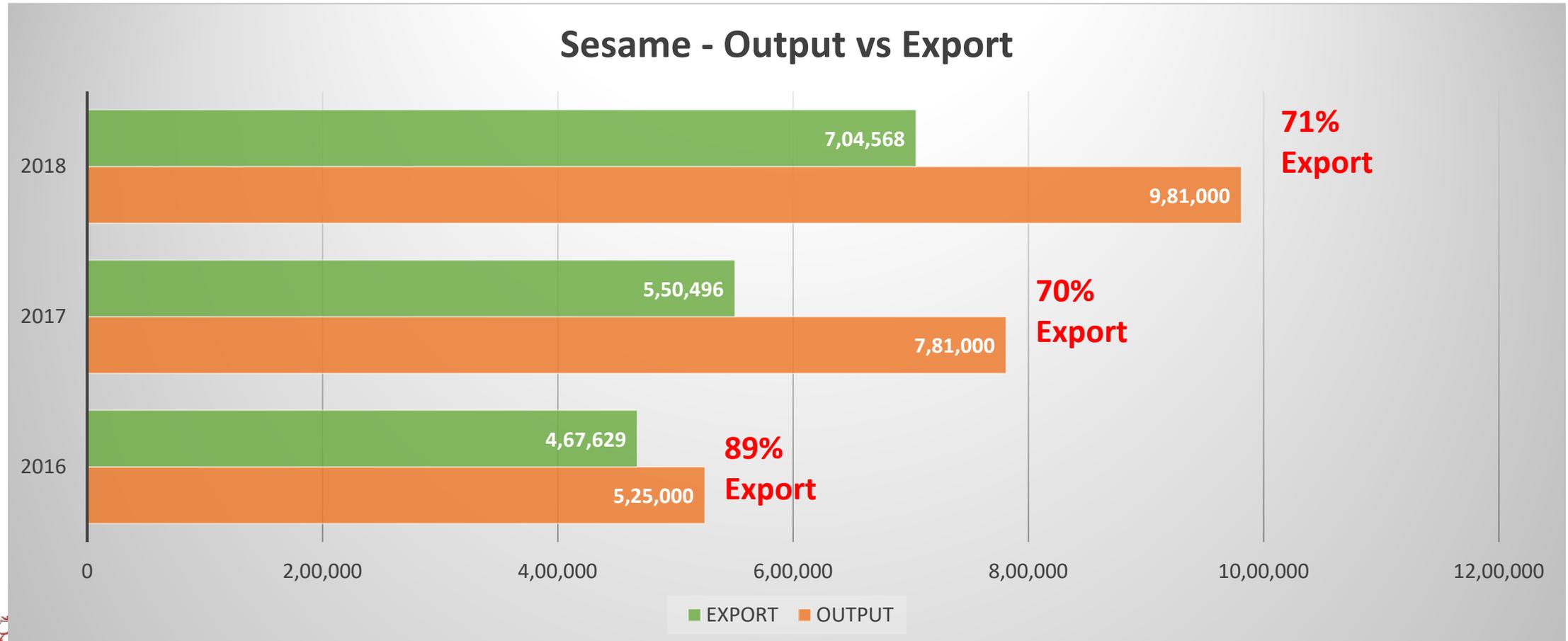


Production Trends



- 2015-2019 shows Continuous Growth Pattern
- 2015-2016 witnessed Increased Local Investment of Cleaning Facilities, Thus Creating Additional Crop Demand.
- 2019 Projects 1.1 million tons at an Annual Growth Trend of 0.25 tons/ha, With an Increase in Area Cultivated from 4.5 million hectares to 4.8 million hectares.
- Private Financing, Devaluated Local Currency, 2018 Erratic Weather Conditions led to Increased Land Coverage.

Output and Export – Sesame in Sudan



Output and Local Consumption Sesame in Sudan



- 2017 onwards, A continuous 28-29% pattern of Local Consumption is Observed from Total Output of Sesame in Sudan.
- Surge Prices of other Edible Oils (Sunflower, Groundnut, Cottonseed) led to a growth in the demand of Sesame for Oil Processing.
- Considering an Average 200,000 tons Local Consumption Annually, Sudan Population Growth Rate is 2.4% only, An Assumed 900,000 tons should be available for 2019 Export. (Export 2019 Q1, Q2 – 299,012 tons)

Politics & Sesame in Sudan



- Sudan – Transitional Civil-Military Coalition Government is Under Progress.
- Q4 2018, Q1 & Q2 2019 has witnessed Severe Economical Hits due to Civil Unrest, Port Delays and Cash & Fuel Shortages.
- Transitional Coalition – Promises a Bright Future in Trade and Economics of the Country.
- Currency Stability – The Prevalent Parallel Market has been stable in the Transition Period.
- A Stable Civilian-led Government can support removal of Long-Standing Economic Sanctions.

Pricing Prospects

- 2019 Q1 Sudan Sesame Traded at an average price of 1650\$, Maintaining Similar Price Lines for Q2.
- 2019-20 Crop may see an Increase in Price due to a lot of factors;
 - Heavy Rainfall and Water-Logging around Cultivation Regions
 - Labour Wages Increased due to High Inflation
 - Increased Local Demand, Sesame Oil Consumption Increased due to fluctuating Edible Oil Pricing.
 - Chronic Fuel Shortage has delayed Tilling and Ploughing Process.

Future of the Golden Seeds

- New Sorting, Cleaning and Hulling Facilities in Sudan will help improve the Value-Chain of Sesame from Sudan.
- Weather Tolerant Hybrid Seeds Distribution Programme from FAO/Ministry of Agriculture and Forestry, Sudan will be at broader spectrum.
- Port Sudan Facilities under development; Faster Cargo Movement and Improved Export Taxation Policies.
- International Banking Facilities post Sanction Removal should be supporting Crop-Financing.