

Global Overview of Sesame Market.



August' 2019
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Global Trade: Major Origins

Global Trade in - "1000 MT"						
Origins\Year	2013-14	2014-15	2015-16	2016-17	2017-18	Est 2018-19
India	300	331	323	292	278	250
Ethiopia	291	284	424	290	320	250
Sudan	107	190	170	292	385	240
Nigeria	182	220	272	277	265	280
West Africa/Burkina	127	185	200	126	120	195
Uganda	40	39	30	16	20	25
Tanzania	115	134	140	95	75	140
Mozambique	54	51	47	47	65	65
China	38	32	24	35	32	35
Total Global Trade	1,254	1,466	1,630	1,470	1,560	1,480

Marketing Year: Oct to Sep

- Global trade (Major origins) is likely to be 1.45 to 1.5 Million tons in 2018/19.
- MY 18-19: Sudan, Ethiopia & India exports declined. However, Burkina Cluster & Southern Hemisphere exports recovered.
- In the current season, Sudan exports plummeted owing to political instability.

Southern Hemisphere: 2019

Tanzania

Sales Channel	2,016	2,017	2,018	Est 2019
Open Sales	140,000	95,000	45,000	70,000
Auction			30,000	70,000
Total	140,000	95,000	75,000	140,000

Trade Numbers Expressed in Metric Tons.

- Tanzania auction sales increased from 30k MT last year to 70k MT this season.
- Auction was done primarily in Lindi, Songea, Masasi, Tunduru & Namtumbo.
- No pre sampling was allowed & a person needs to physically drop the tender bid prior to deadline.
- The average cost of Tanzania Auction is approximately \$1500 CFR

Mozambique

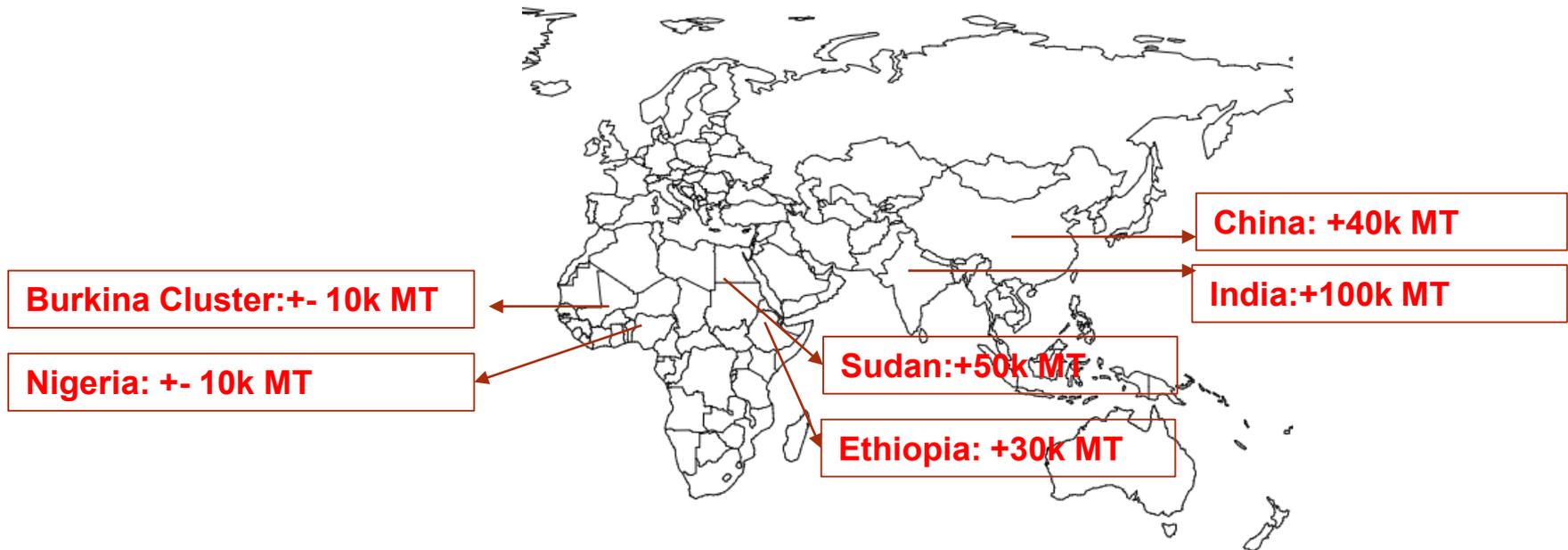
Item Name	2,016	2,017	2,018	Est 2019
Est Exports	47,000	47,000	65,000	65,000

Trade Numbers Expressed in Metric Tons.

- Mozambique supply remained same despite the two hurricanes.
- It can even exceed the last year total exports numbers.
- Zimbabwe & Malawi crops are adding to the supply of Mozambique exports.

Northern Hemisphere: 2019-20

Change in Supply Numbers Expressed in Metric Tons.



- Northern Hemisphere (Major origins) supply is likely to expand by 200k to 250k MT.
- India's last year winter crop was an aberration & as a result the imports for re-exports ballooned to 100k+ MT.

China's Demand

China's Imports::

Origins	2,015	2,016	2,017	2,018	Est 2019
Ethiopia	187,228	300,965	209,528	160,945	120,000
Sudan	92,629	114,551	181,633	254,935	150,000
Niger/Nigeria	90,334	131,629	105,908	144,017	160,000
Bukina,Mali & Togo	183,339	185,657	72,427	118,987	155,000
Tanzania	106,306	107,895	69,135	57,750	100,000
Mozambique	47,702	34,536	35,093	52,617	60,000
Uganda	34,060	12,179	7,061	13,558	15,000
Others	64,328	45,727	32,138	24,782	25,000
Total Imports	805,927	933,139	712,925	827,591	785,000

**Estimated Trade Numbers Expressed in Metric Tons.

- China's imports in the current year are likely to be less than last year. We estimate it to be 780k to 800k MT.
- In the first half of the year total imports have reached 414k MT.
- The local crop supply is likely to increase by 40k MT.
- China port stocks still maintaining 140k MT+ levels.

R.O.W's Demand

Country	Est Demand
Japan	155,000
Middle East	140,000
Turkey	140,000
Israel	70,000
EU	120,000
Vietnam	60,000
S.E Asia	45,000
Korea	75,000
Others	100,000
ROW Total	905,000

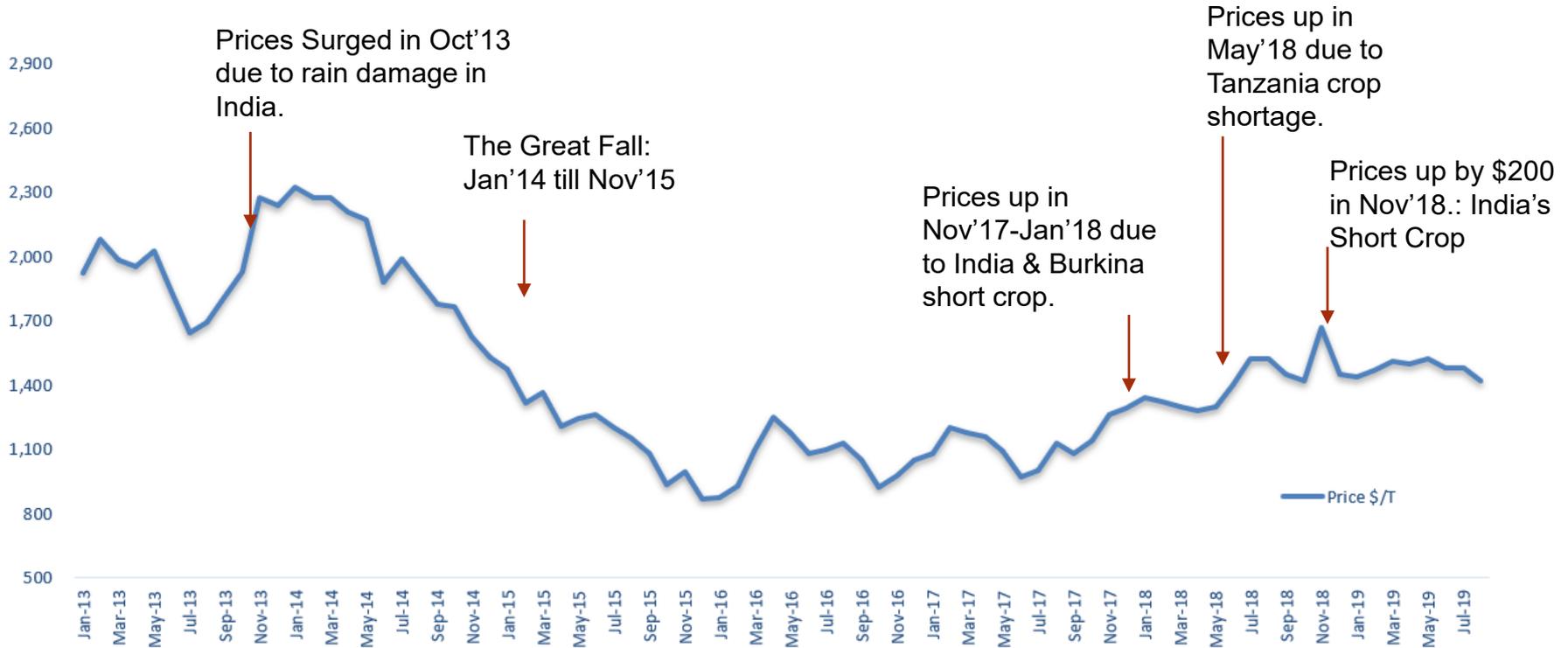
Rest of the World

- Japan follows the sustainable supply model & imports 150k MT.
- Turkey imports 50% from Nigeria & rest from Sudan & other origins.
- Middle East region largely imports from Sudan, India & Ethiopia.
- Europe largely imports from India, but in the last few years, Africa Hulled market share has increased.
- 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's shortfall is covered by Somalia, Sudan & Nigeria imports, but all the imports are for processed re-exports.

The total demand of Processed & Natural Sesame for the rest of the world does not exceed 950k MT & has been relatively stable.

Crush Grade: Price Trend

High: 2275 Low: 870 Current: 1420



- Price volatility owing to Four C's: 1) China 2) Climate 3) Crop Estimates & 4) Currency

Forward Outlook: Our View

Bullish Cues:

- Weather anomaly.
- Sudan: Political instability, currency play, labor shortage?

Bearish Cues:

- **The entire northern hemisphere plantings has increased owing to better returns to the farmers.**
- China port stocks of 140k+ MT continue to limit any chances of price increase.

Bearish Cues are likely to outweigh Bullish cues in Q4. To an extent bearish factors have already been factored in the current traded prices.

Barring any weather anomaly, the global supply is likely to be plentiful.



Thank You