



Fragrand
a r o m a s

**NATURAL
ESSENTIAL OILS
MARKET SITUATION**

Janu. 2020

FRAGRAND AROMAS LTD

The background of the entire image is a vibrant red with a bokeh effect of out-of-focus gold and red lights. In the center, there are several red tassels hanging down, some of which are decorated with gold and silver sequins and small gold bells. The tassels are made of red cord and have a fringed end.

Chinese New Year Festival

Fragrand Aromas team wishes all our clients&friends

**Happy New Year, thriving,
happy and healthy in 2020!**

our company will be closed from 22nd, Janu. and re-open after 2nd, Feb. for CNY
holiday

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Products in this report

Eucalyptus Globulus Oil
Citronella Oil Java
Litsea Cubeba Oil&Cital Natural
Ginger Oil FCC
Cassia Oil&Derivatives
Star Anise Oil
Tea Tree Oil
Michelia Alba Flowers&Leaves Oil
Osmanthus Concrete&Absolute
Roman Chamomile Oil

Fragrand
aromas



Tea Tree Oil

END HARVEST SEASON

Any inquiry please contact us

EUCALYPTUS OIL & EUCALYPTOL

From last week our China Eucalyptus crude oil price was increased from RMB 68/kg to RMB 70-72/kg, and still very difficult to collect from farmers, but for the current crude oil price it's still the lowest level in the last 5 years.

For the reason of past two weeks it was near our Chinese New Year Festival, some farmers, oil brokers and factories need cash to pay the bank's loan or spend for the CNY festival, they sold with low price and caused in the past 3 weeks the price decreased to the lowest market level.

Considering from this week until early or middle of Feb, it's the CNY holiday, no factories and companies willing to offer price to the market, for they still see the price could be further increasing after our CNY, from the autumn and winter main crop season in 2019, for the continuing decreasing price greatly frustrated the farmers and factories production activity, also many of them had high cost stocks of last year's material, caused the new crops seasons had very few new oil into the market.

From the costs side, we think the current price is the suitable time for consideration.



CITRONELLA OIL JAVA

Influenced by Indonesia low price for Citronella Oil, our China's price also back to very lower side position, and currently the price almost the same with oversea, but considering our China's Citronella Oil quality and fragrance are much better than from other sourced area, it's still the priority choose for clients to purchase from our China, the market price after our CNY festival should be continuing stabling and if oversea markets demands become strong, it have possible for increasing.

LITSEA CUBEBA OIL & CITRAL NATURAL

Last year's market demands decreased a lot, but considering last year's high production costs and adding the long-term stocks of bank loaned capital benefits and other stock costs, all factories and companies facing the increasing costs day by day, even there is no demand in past two months, the price hold on very steady, and many of them is waiting for this year's increasing market price, for they predict this year's new crop season will have no farmers and factories to produce and will cause the market no any new oil into the market, only can supply to the market with last year's stocks.



CHINESE GINGER OIL

Influenced by the dried ginger slice raw material price increasing and total output decreased in 2019, the Ginger root oil price is continuing increasing after two weeks ago market price rebounding. And at the moment it's the time for our Chinese New Year Festival, the strongest demands season for Ginger raw material as spice in China, causing the ginger root price increasing very quickly. From the current market price for Ginger Oil, it's very close to the total production costs, as the strictly environment protection policy continuing carrying out in China, in 2020 the Ginger Oil FCC grade production costs have further great possibility to increasing. We advise clients have demands it's still good time to cover.



STAR ANISE OIL & ANETHOL NATURAL

At the end of Nov. for the reason of very week demands for Star anise oil in the market caused the price a little decreased, considering the Star Anise oil price was on a low side, but the fruit price in the Spice market is still on a very higher side, farmers fear the influence for the growth of Star anise in next year, they are unwilling to collect the star anise leaves and twigs to distill the Star Anise leaf oil, there is tiny new winter crop season oil into the market, our whole China star anise oil supply situation still very tight, and in the past two weeks, farmers hold the stock and do not sell pushed the Star anise oil price begin increasing back in short time.

In the next two weeks, it's our Chinese New Year Festival holiday, there will be no any sell and buy activities in the market, we think after our CNY the price will be maintain the current level.



CASSIA OIL&DERIVATIVES

In 2019, the Cassia oil market demands decreased a lot compared with past years, and the price also belong to the historical lower side, there was still some stocks still not consumed. At the end of 2019, about 85% factories didn't collect the new dried cassia leaves and twigs to distill the oil at the Autumn and Winter new crop seasons, that means in the market it's only can sold the last year's stocks. In two weeks ago for the domestic factories that deep processing of Natural Benzaldehyde and Cinnamadehyde have some increasing demands for Cassia oil pushed our China Cassia oil price was increasing very quickly from early of last week, and until today it was almost increased about USD 1.5/KG. But from the production and stock costs, the current price still on lower side, after our CNY holiday, the price for cassia oil further increasing trends have great possibilities.

Cassia Derivaties: the supply of Natural Benzaldehyde, Natural Cinnamaldehydes currently can meet the market demands, but the Natural Cinnamyl Acetate, Natural Coumarin and Natural O-Methoxy Cinnamaldehyde output is small and supply is tight, all those materials price is increasing following with the cassia oil price increasing, especially the OMCA price increased too much and very quickly.

TEA TREE OIL

Last year our China's Tea tree oil total production decreased about 1/4 for the unfavorable weather condition, at the same time, the global main production area in Australia still facing the outbreak wild forest fire, and some of the tea tree plantation damaged, also the current Australia weather is too dry and their tea tree oil production also decreased a lot.

Recently for the oversea demands become strong,our China's tea tree oil began increasing. From 2020, if Australian Tea Tree oil supply can't recovery and meet the increasing demands of global tea tree oil, then the global Tea Tree oil price could be have great possibility for further increasing.



MAGNOLIA FLOWER&LEAVE OIL (MICHELIA ALBA FLOWER OIL)

The flower oil crop season already finished in Dec. and the crops production in 2019 was small, the flower as one of our China's special fragrance flower species, it enjoyed a worldwide population in Flavor and fragrance, especially it's wildly used in Tea Industry and in 2019, the China domestic market increased the demands for the flower. Recently the flower oil price maintain very stable.



OSMANTHUS CONCRETE&ABSOLUTE

The price maintains stable, new collected osmanthus flower at the end of Dec. will be processing after our Chinese New Year Festival. The flower collect price seems a little higher than last year, from the extraction costs of Osmanthus concrete, the current price belong to a lower level. We recommend our clients that have demands can consideration now.



Roman Chamomile Oil

Our China's crop season for Roman Chamomile oil was from July to August, and considering the quality and price have advantages in the global market, in the next half year of 2019 the domestic and oversea markets have strong demands, caused currently the whole stocks limited, price is further increasing trends.



Angelica Root Oil
Any interesting
please contact us

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