

A person wearing a blue long-sleeved shirt and a blue mesh apron is shown from the waist down, harvesting small white flowers in a lush green field. The person's hands are visible, carefully picking the flowers. The background is a dense field of similar plants under bright, natural light.

Fragrand
aromas

**NATURAL
ESSENTIAL OILS
MARKET SITUATION
Feb. 2020**

FRAGRAND AROMAS LTD

Shipment Delay Appologize

Since the coronavirus outbreak in our China after 22nd, Janu, 2020 our government had shut down all our China cities, and keep 1.4 billion people at home for weeks for the household quarantine and isolation in order to decrease the risks of cross infection .Until now they are more than 74,500 people have been infected nationwide by the virus, and the entire china stopped working for the authorities, factories, companies, logistics etc had caused some impacts for our society and also some global supply chain system.

In the past two weeks with the great efforts working and supports of our Chinese people for the battle of the Coronavirus, the number of new cased nationwide was sharply falling, except the main area in Wuhan city, other cities very few new cases appear. And our government begins permitting factories, logistics and companies can recovery work from this week if they meet the after virus measures standards.

Our China is one of the main sources of natural essential oils in the global F&F industry and for the coronavirus, many domestic and oversea clients' raw material plans were disrupted and faced shortages for the logistics didn't working during those weeks. Many factories were very shortage of raw material for production, farmers also stay at home and no new oil into the market, some of the natural essential oils in China increased very quickly from early of last week. We hope after the virus in March, when everything back to normal, the markets could be stable.

We are sincerely very sorry for some of our delayed shipment for some of our clients. From this week almost all logistic companies and governments will be back to work and we'll be doing our best to guarantee our cargo catch the earliest ship and flight date. We also very thanks for all clients and friends' concern and greeting after the breakout of our China's Coronavirus.

Many thanks for your understanding and supports, we hope this horrific epidemic will be resolved soon.

The Fragrand Aromas Ltd families



Products in this report

Eucalyptus Globulus Oil
Citronella Oil Java
Ginger Oil FCC
Natural Garlic Oil
Cassia Oil&Derivatives
Star Anise Oil&Anethole
Cajeput Oil
Howood Oil&Linalyl Acetate Natural
Tea Tree Oil BP
Angelica Root Oil
Michelia Alba Flowers&Leaves Oil

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Osmanthus Flower Concrete

Back to production again

Any inquiry please contact us

EUCALYPTUS OIL & EUCALYPTOL

The price for Eucalyptus oil and Eucalyptol is increasing quickly in those two weeks for the following two reasons: First, for the great impact of the Coronavirus in our China, farmers can't go to the mountains to distill the crude oil after our Chinese New Year Festival holiday, and also each villages sealed their road to forbid person and cars in and out, all logistic companies stopped working, making factories can't get raw materials from farmers; Secondly, in last year the eucalyptus oil price was decreased a lot compared with 2018, and it greatly frustrated the production motivation of the farmers and factories, for the low price at the end of 2019, many factories and companies fear the price could be further decreasing and didn't purchase new materials in stock, therefore, at present all factories and companies only sold their limited stocks, this fact pushed the market price for further increasing.

Considering the Coronavirus in our China still not fully controlled and stopped, farmers could be back to work at the middle or end of March, even the logistics recovery and can delivery out raw materials from farmers, the price of Eucalyptus oil already increased and it's very difficulty to back to the level before our CNY. If the demands in March become strong, we think the price have further increasing trends.



CITRONELLA OIL JAVA

Influenced by the raw material supply situation and also for the increasing price in Indonesia, many oversea clients back to China to cover this oil for the better fragrance, also for the influence of our China's epidemic, many farmers increased their sell price for the crude oil, pushed our China Citronella oil market price increasing rapidly in this week.

For the further price trends need to wait until March when the Coronavirus stopped, to our understanding, there are still have raw materials in farmers' hand, if Indonesia's price and oversea demands are further increasing, our China's price will be further follow-up.





CHINESE GINGER OIL

The market price for our Chinese Ginger Oil is further increasing in those two weeks, even before our CNY Festival, the ginger oil price already increased some for the reason of the dried ginger slice raw material price in spice market was increasing and the total output decreased in 2019.

Based on the raw material price and this year's total potential increasing production costs, the present price still in very reasonable level and have great opportunity for up-forwarding trends, we advise clients have firm demands consider now, it's still a very good time.

NATURAL GARLIC OIL

Our Chinese Natural Garlic Oil price is increasing follow up the spice of Ginger Oil, especially the breakout of Coronavirus in our China cause person to believe the Garlic have the function of kill virus and anti-influenza, also all Chinese people stay at home for the quarantine and isolate the virus, it consume a lot of Garlic as spice when cooking, many cities' supermarket and spice market already out of stock for weeks, garlic raw materials price was rapidly up-forwarding.

For the shortage&quicly increased price of of garlic and our China's continuing strictly environment protection policy, the first half of 2020 will be no any new oil into the market. The Natural Garlic oil could be have great opportunity for further upforwarding.



CASSIA OIL&DERIVATIVES

The Cassia Oil price is stable at present, this year our China's Coronavirus didn't greatly influenced the main production area and farmers can go to mountains to collect the cassia barks,leaves and twigs, factories also in regular operation.

But from the current collecting price for dried cassia barks, leaves and twigs,this Spring crop season's total production costs will be not lower than last year, considering the present market price for Cassia oil is still on history low level, factories have very tiny profits to maintain the whole year's operation, the price must be increasing rapidly in a stage of the year(maybe the middle of this year). We advise it's the very good time for covering this material at present.

Cassia Derivaties: the price of Natural Benzaldehyde, Natural Cinnamaldehydes , Natural Cinnamyl Acetate are stable, but for Natural Coumarin and Natural O-Methoxy Cinnamaldehyde still very shortage and price have further increasing trends.

STAR ANISE OIL & ANETHOL NATURAL

The main production area in Guangxi was influenced by the epidemic of Coronavirus, and in those weeks the price of Star Anise Oil increased very quickly mainly for the following two reasons:

1. according to the past experience, after our CNY holiday farmers begin production parts of the spring oil, but this year for the strictly control of the coronavirus in different villages, all farmers cooperate with the government and stay at home, until now the coronavirus alert still not over, we estimate this year's New Spring Oil (before April) will not likely into the market to relieve the tight supply situations.

2. At present the spice market price for the Star anise fruit still very higher side, and farmers unwilling to cut the leaves and twigs to distill the star anise leave oil

We estimate this year our China's Star anise oil and anethole supply will be continuing tight and price also on higher side.



CAJEPUT OIL

The Cajeput Oil price although increased a little before our CNY holiday, but it is firming at present for the demands still weak. In last year the bad weather condition was not good for the harvest and growth of the Cajeput, the total production in last year in our China decreased.

For the continuing expending used in the baby care, Medicine oil and Phyto feed industry, the market price in this year should be firming up.



HO WOOD OIL & LINALYL ACETATE NATURAL

At present our China's Natural Linalool and Linalyl Acetate prices are firming up since the price had decreased a lot in some periods of last year for the reason of last year's weak demands.

According to the production costs, the current prices almost the same with the costs level, and for the strictly environment protection in our China, the chemical factories become harder operation, the synthetic factories for Syn. Linalool and Linalyl Acetate more and more shortage chemical raw materials, also their synthetic oil price is higher and higher.

Most oversea clients still like purchase our Natural Linalool and Linalyl Acetate for their formulations, main new harvest season for ho wood and leaf oil have to wait the Autumn in 2020, we advise our clients that the current prices are the very good purchasing time.





TEA TREE OIL

Our Chinese Tea Tree Oil price is firming up as explained the reasons in last market reports that caused by the total production decreased in our China in last year for the unfavorable weather condition, also for the Australia's nation-wide outbreak wild forest fire influence, and pushed some oversea clients to come to our China for some high quality Tea Tree Oil.

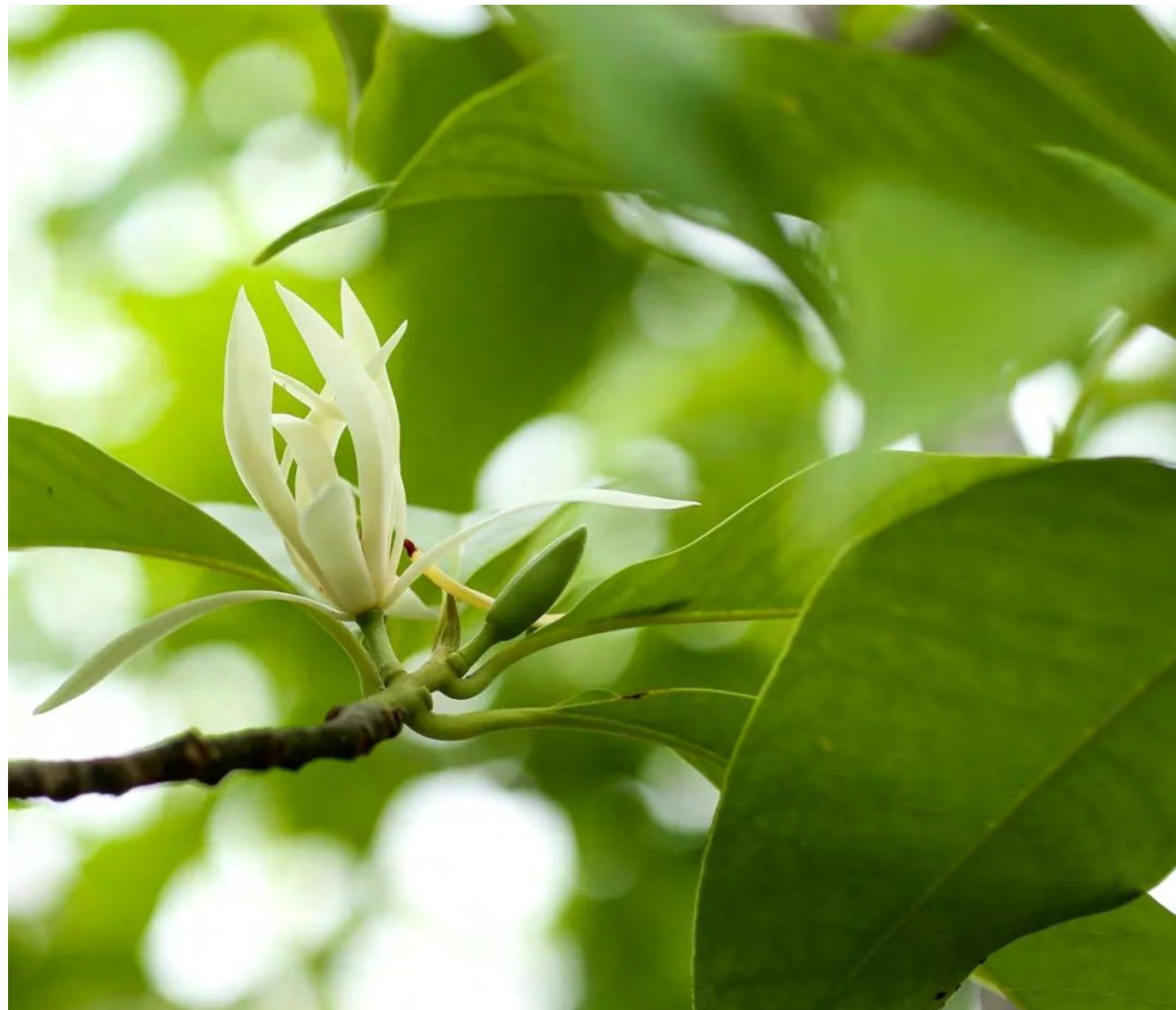
New Crop seasons have to wait until Sept., if oversea demands in the next few months still increasing, we think our Chinese Tea Tree Oil price that meet BP and ISO standards will be further increasing.

MAGNOLIA FLOWER&LEAVE OIL (MICHELIA ALBA FLOWER OIL)

At present the prices for Michelia Alba Flower Oil and leave oil maintain stable, but the flower oil price have great chance for increasing in the next few weeks and months, for the whole stocks in last year's harvest are very shortage, especially in last year our China market increased the demands of the flower oil that used in F&F and also the Aromatherapy industries.

The current prices are still on very reasonable level, this year's new harvest season's production costs will be higher than last year.

(Our company's Flower Oil meet the ISO 17382:2007 standards, any interesting please contact us)





ANGELICA ROOT OIL

This month's market price stable, but in this year the angelica root oil price have great possibility of increasing. In the year of 2018, the rain and weather was very good for the harvest of Angelica root in the production area, supply was enough and price decreased a lot in 2018. But in the year of 2019, the labor and other growth costs increased, at the end of 2019, there was some plant diseases and insect pests breakout, harvest on 2019 decreased, farmers can't earn money. Many villages largely decreased the growth of new angelica root in 2019, that means this year of 2020's production of Angelica root raw material will be largely decrease and can prompt the price increasing.

Valerian Root Oil
Any interesting
please contact us



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