

ESSENTIAL OILS
MARKET REPORT
AUTUMN 2019



1929-2019

ALMOST A CENTURY
AND WE ARE JUST GETTING STARTED

OILS AND ALL THEIR ESSENTIALS



Ultra International B.V.
Essential Oils, Ingredients, F & F

www.ultranl.com



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**FROM THE DESK OF RAVI SANGNERIA
JOINT CHAIRMAN, IFEAT CONFERENCE 2019**

Bring on Bali!

It is with great pleasure and a generous dose of nostalgia that as Joint Chairman of this IFEAT conference, I welcome you all to Bali.

Since the registrations opened in April this year, we have received an overwhelming response. The preparations were on in full swing. As you can imagine, the logistics involved in hosting a conference of this magnitude entail a wealth of meticulous planning and eye for detail. In addition to a lot of liaison work, the Bali Conference Committee, Melali Bali DMC, and the local IFEAT teams have worked round the clock to ensure that your experience is a seamless and enriching one. Our Indonesian partner, Van Aroma, entrusted with supporting and reviewing the proceedings, is looking into all the minutiae. We are truly grateful for their efforts and contribution in ensuring that you return with memorable and cherished IFEAT moments.

IFEAT has touched the lives of scientists, traders, and industry professionals who arrive from all over the world to be a part of this mammoth aroma fest. I remember how a young man signed up for IFEAT's maiden study tour to Sri Lanka in 2005. The call of the wild, the habitats of particular species of botanicals, growing conditions, and oil extraction techniques fascinated that young man so much that he became inextricably involved with IFEAT. It was the beginning of a never-ending love affair with naturals, and I was that young man. The Sri Lanka study tour was not just a milestone for IFEAT; it was also a life-changing experience, which fuelled my interest in naturals and aromatics. Following my election to the IFEAT Executive Committee at the Cape Town Conference in 2006, I became a member and later Chair of the IFEAT Study Tour Committee. This responsibility has inspired me to develop the study tours as iconic explorations of challenges, ways to unearth nature's secrets and knowledge dissemination.

From its humble beginnings of fewer than 100 foreign delegates at Bangalore to over 1,000 here at Bali, IFEAT has, literally, gone places. The vision of uniting the industry under one cohesive umbrella continues to drive the team in taking IFEAT to new heights. And I am honoured to have the privilege of being part of the behind-the-scenes team. Having served as Chairman of IFEAT Singapore in 2012, I now stand before you and welcome you to yet another looked-forward-to edition of IFEAT here at Bali.

The programme format of IFEAT Conference Bali 2019 has been designed to ensure optimum time utilisation for delegates and invitees. We have veered a bit off the beaten track to restrict the lecture sessions to two hours every day from Monday, September 30 to Thursday, October 3, 2019. Considering the popularity of the roundtables in the last two years, this year too we have incorporated two roundtable sessions, discussing developments in citrus and patchouli oils. The registrations for these will take place at the venue, on the morning of the respective sessions, on a first come, first served basis. Other exciting aspects to look forward to are the special Fragrance and Flavour Workshops that promise to be fascinating dives into the world of aromatics. In addition, there will be a Regulatory Workshop and a Scientific Forum at which further presentations will be made.

While you are here to enjoy a wonderfully enriching programme, we hope you can also savour some personal renewal time away. Because while there is no end to learning, there is no harm in mixing business with a bit of sightseeing pleasure! We have the privilege of holding our conference in one of the most beautiful and exotic locales of Southeast Asia. Though the beach paradise of Nusa Dua is enthralling in itself, the Island of the Gods, as Bali is fondly known, has a lot more to offer. Experience the rich culture quotient of traditional Balinese Barong dance, an artisan jewellery workshop and indulge in some selfie love at the most photographed temple Tanah Lot. The tour concierge desk is set up in the lobby for your convenience and will be glad to assist you in detail.

Nostalgia, learning, reflections and relationships have marked my journey with IFEAT. It is with a mix of all these emotions that once again we welcome you, and wish you a delightfully stimulating time ahead.

Ravi Sangneria
Managing Director, Ultra International Group



FROM THE DESK OF PRIYAMVADA SANGANERIA

I am short of words, but not short of emotions, as I write this.

Short of words because whatever I say will not suffice to describe the essence of Ultra International. High on emotion, because this issue of our report is very close to my heart. It is a celebration of the almost 100 year legacy of Ultra International. And it is more special that the report is presented at IFEAT Bali 2019, where my husband, Ravi Sanganeria is Joint Chairman.

From the initial years a small seed of a dream has flowered into a veritable, thriving organisation. The company was lovingly nurtured by Mr Sant Sanganeria from its humble trading and printing days in Kolkata. It was adeptly taken forward by Ravi Sanganeria and close colleagues to become an internationally acclaimed manufacturer and distiller of aromatic compounds and natural essences. Ultra has grown from a fledgling entrepreneurship to become the tree that spreads its branches far and wide, with several subsidiary companies under its aegis.

Emotions have always had a vital role to play in any brand or business. Now more than ever, mood enhancement, stress busting, and emotional upliftment play crucial roles in beauty and wellbeing. Healthy from inside is the mantra, and the world has woken up to the benefits of natural essences. As dynamics shift to a more educated, audience-driven market, so should we gear up to learn, weed out malpractices, and embrace processes to enable us to deliver the full benefits of nature to customers. Years of practice and a keen perception of this pulse has driven us to move in the direction of furthering natural and organic plant essences. As we move from laboratory-synthesised formulations to natural compounds, absolutes, and botanical concentrates, we look forward to another enthralling phase of this journey to achieve new milestones.

It is not easy to encapsulate the journey of several decades into a few hundred words, yet we have tried. It is a great honour to take an aromatic flashback with a whiff of unique flavours that make Ultra International what it is today.

We take this opportunity to acknowledge our team members and their invaluable contributions; and to take a moment for a nostalgic mull over the inception of IFEAT. In addition, of course, we bring you back to the present with essential updates on the farm-fresh news from fields and distilleries across the globe.

Welcome to Bali and I hope you enjoy this walk down memory lane.

Warmest,
Priyamvada Sanganeria
 Director, Ultra International BV

LEMON OIL

Citrus limon L. Burm. F. 🌐 Argentina

Argentina, like some of its other citrus counterparts, is reeling under erratic weather patterns and climate change and this has affected the lemon trees. Furthermore, there is increased channelling of supply into the fresh fruit market, which actually brings good returns in the USA market. This is because the crop from coastal California has gone down and Argentine lemon exports to USA fetch good prices. Mexico, Brazil, Vietnam and Indonesia are the new entrants to the Argentine lemon export market and are expected to offer substantial orders.

The season began well with ideal weather and rising hopes. The current 2019 crop was expected to be higher than last year. However, April brought prolonged showers, in fact copious rainfall for 50 days thereby impeding harvesting. The extensive delay in harvesting impacted the fruit in terms of colour and size. The quality of fruit did not meet export parameters and was thus rejected. This substandard fruit was channelled into the processing industry; distilleries were unable to cope with such large volumes in the time available. Much of the fruit was discarded. Argentine farmers continue to harvest and distill their crop but have overshot timelines. Spain, Turkey and some of the newer players have completed big harvests so now the markets are depressed. Lemon essential oil has seen some spot sales but now slowly the markets seem to be rallying with some requests for bulk orders.

📈 USD 22.00 /kilo

USDA HISTORICAL AND FORECAST FOR LEMON OIL PRODUCTION IN ARGENTINA

Year	Lemon Production MT	Lemon for Processing MT
2014	1,450,000	1,195,000
2015	1,350,000	1,004,000
2016	1,450,000	1,122,000
2017	1,550,000	1,180,000
2018	1,924,000	1,500,000
2019	Less than 1,500,000	Less than 1,150,000





ANISE MYRTLE OIL

Syzygium anisatum 🌍 Australia

Production is severely impacted due to the prevailing weather conditions despite a marked increase in demand.

🏠 AUD 470.00 /kilo

BUDDAWOOD OIL

Eremophila mitchellii 🌍 Australia

The market seems stable with no major fluctuations.

🏠 AUD 495.00 /kilo

CYPRESS OIL BLUE

Callitris intratropica 🌍 Australia

The market is steady and not much change has been reported.

🏠 AUD 495.00 /kilo

EUCALYPTUS HORISTES OIL

Eucalyptus kochii 🌍 Australia

The high cineol content of 90% makes this a coveted oil across the sectors. However, the current setup is ineffectual in meeting demand. It is hoped that the sustained efforts to augment production capacity will soon bear fruit and up the production considerably.

🏠 AUD 28.00 /kilo

EUCALYPTUS RADIATA OIL

Eucalyptus radiata 🌍 Australia

There is potential for this oil to become a fast-moving commodity since demand is quite high. However, the weather is not conducive and production is on the wane. Steps are being taken at farm level to augment the cultivation and develop *Eucalyptus radiata* to meet rising global requirements.

🏠 AUD 65.00 /kilo

FENNEL SWEET OIL

Foeniculum vulgare 🌍 Australia

Demand is increasing while production in Australia is decreasing due to the weather and the lack of production.

🏠 AUD 320.00 /kilo

KUNZEA OIL

Kunzea ambigua 🌍 Australia

There is not much activity on this front. Golden Grove Naturals and the farmer community are actively collaborating to develop this oil. Weather conditions in Australia are not favourable, and this is hampering the work. There will be more clarity on the development of this oil in some months from now.

🏠 AUD 585.00 /kilo

PEPPERMINT OIL

Mentha piperita 🌍 Australia

Peppermint oil production in Australia is still in its nascent stages. Current production is extremely low; and Golden Grove Naturals has involved the farmers in taking corrective measures to augment production of the oil. Though it is taking some time for the results to show, it is hoped that the situation will improve over the next few years.

🏠 USD 45.00 /kilo

SANDALWOOD OIL ALBUM

Santalum album 🌍 Australia

Santalum album is being affected by the competitive crossfire between two of the major Australian stakeholders in this oil. There has been a radical drop in prices at source.

🏠 USD 2700.00 /kilo

SANDALWOOD QUEENSLAND OIL

Santalum lanceolatum 🌍 Australia

Sandalwood oil Queensland is garnering a reasonable amount of interest from the aromatherapy and fragrance industry. Currently, it is available wildly but holds immense potential for development.

🏠 USD 1050.00 /kilo

LEMON MYRTLE OIL

Backhousia citriodora 🌍 Australia

Lemon myrtle has been very well received and has seen an impressive rise in demand. With focussed and increased investments and enhanced plant capacities at Tucki Tucki, the production of lemon myrtle is expected to go up. However, with the weather playing truant and the crop largely affected, the market predicts a weakening in the quantity of oil produced compared to last year.

🏠 AUD 375.00 /kilo

ROSALINA OIL

Melaleuca ericifolia 🌍 Australia

Stable market however production might decrease due to the weather issues in Australia.

🏠 AUD 325.00 /kilo

SANDALWOOD OIL AUSTROCALEDONICUM

Santalum austrocaledonicum 🌍 Australia

The oil has dwindled somewhat in terms of demand and as a ripple effect of the price drop of the album quality.

🏠 Euro 1900.00 /kilo

SANDALWOOD SPICATUM OIL

Santalum spicatum 🌍 Australia

Santalum spicatum oil commands stable prices at source with no major activity in the market.

🏠 USD 1450.00 /kilo

LEMON SCENTED TEA TREE OIL

Leptospermum petersonii 🌍 Australia

Globally, this oil is on the rise. The demand is good but production is predicted to go down. This is because the weather has been too dry; and the arid period has not augured well for the plants. The picture is not very encouraging for tea tree oil; and if this is the situation then a price hike is on the cards.

🏠 AUD 140.00 /kilo

TEA TREE OIL

Melaleuca alternifolia 🌍 Australia

Erratic weather patterns during latter half of 2018 and early 2019 had already hinted at the possible trend of things to come. A period of aridity heightened by prolonged drought was the first of a series of setbacks to plague tea tree farmers. Copious rainfall in the months of March and April 2019 brought some respite and a ray of hope. Market sentiments improved considerably and predictions pointed towards a healthy figure of 800 MT. However, June came with an extreme frost that ruined much of the crop in New South Wales. Several producers, who had delayed the harvest in order to capture the late growth, were faced with largescale crop damage. Consequently, market sentiments are rather subdued with crop predictions pegging the figure at 648 MT, a substantial plunge of 360 MT or 35.71%. Farmers have commenced activities to complete the interrupted harvest; and going by early reports a reduced crop is certain. Reports coming in from the North Queensland growing region indicate no change in yields. In a strong market with overall production below the heavy global demand, the industry is gearing up for an anticipated price rise.

🏠 AUD 64.00 /kilo

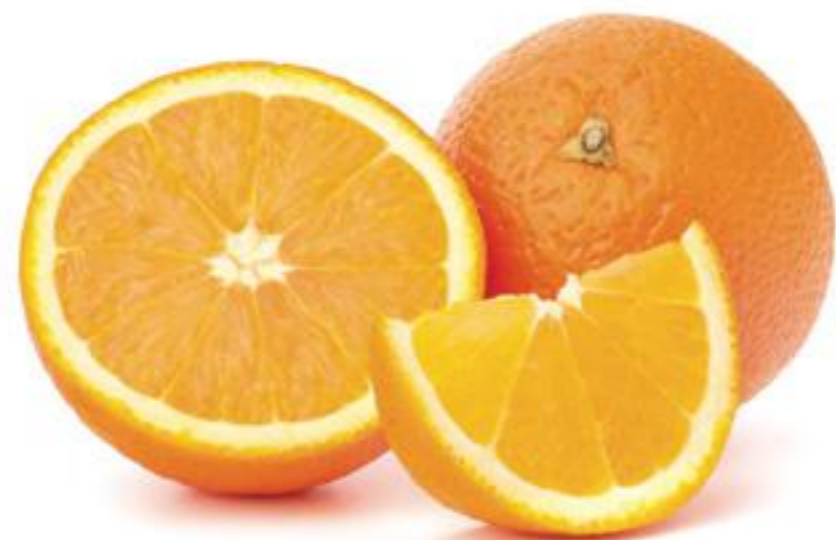


PROTECTING OUR NATURAL ENVIRONMENT, A HOME FOR THE KOALA



Our Initiatives:

1. Planting/establishing additional koala food and shelter trees.
2. Policy of NO domesticated dogs and cats on the farmlands. GGN does not allow guard dogs on farms in Australia.
3. Reducing weeds in and around the koala food for healthier trees that support koalas and other native animals.



ORANGE OIL CP

Citrus sinensis 🌍 Brazil

There is good news from Brazil. Total orange crop production estimates are 26% higher than the previous crop and set to touch 494 million boxes. The São Paulo region, Brazil's star performer in this category, is set to deliver 389 million boxes as against last year's 286 million. It may be safe to deduce, then, that the rise in crop production is from São Paulo and that the rest of the orange growing areas have recorded negligible or no change in the figures.

With the weather as an ally for excellent blooming, fruit setting as well as fruit development, Brazil has recorded a higher number of fruits per tree. Another factor that has contributed to this tremendous harvest is the vegetative regeneration of trees due to lower production from last year. The processing industry is looking forward to an impressive rise of 93.0 million boxes of fruit for processing. There is more than sufficient supply because of the increase in crop size and prices have plummeted by a whopping 60% compared to early 2018.

Out of the 494 million boxes, around 362 million are earmarked for processing. The mood is optimistic regarding the total crop that is around 30% higher than last season. The demand for orange oil has been declining in the domestic, as well as global arenas. Some manufacturers of d'limonene are looking at creating new formulations by using dipentene as a solvent in industrial applications. Brazilian manufacturers are currently wooing the industrial sectors like the resin industry, and other institutional buyers of orange oil. Material is being offered at cheaper rates. Other traders and smaller processors have also joined the low-price bandwagon in an effort to expend old stock before the new batches hit the shelves. An uncertain market fraught with instability and volatility has prevailed over the orange oil market. Demand has weakened and this has been further fuelled by the reformulations of the oil by many producers. Clients are hoping for prices to slide further before booking their requirements; but the time has come for the top-notch players to book material. In this context, prices are expected to firm up and the market is hoping for stability.

📈 USD 3.80 /kilo

USDA FORECAST FOR BRAZIL ORANGE PRODUCTION AND PROCESSING DATA (1 BOX = 40.8 KG)

Marketing Year USA	2014/15	2015/16	2016/17	2017/18	Forecast 2018/19
Brazil Marketing Year	2015 /2016	2015 /2016	2017 / 2018	2018 / 2019	2019 / 2020
Production in Million Boxes	409.7	353.3	512.0	391.0	494.0
For Processing in Million Boxes	282.0	232.0	395.0	269.0	362.0



LAVENDER OIL

Lavandula angustifolia 🌍 Bulgaria

The lavender market is currently marked by a prevailing feeling of trepidation among farmers. A significant jump in the number of lavender plantations compounded by a surplus carryover stock from last year has led to plummeting prices of lavender oil. Despite reasonably good weather and soil conditions, and blossoms flourishing as expected, prices have dropped due to higher production. The harvest period is not over yet, but evidently prices are not going to touch even last year's figures. Farmers are apprehensive that they may drop further. Some of the current prices are lower than the basic production costs, with distilling and logistics expenses being borne by the producer. In this scenario, it is natural that farmers are reluctant to sell bulk stock, and are hoping for a price correction in the coming months.

In hopes of cashing in on the popularity of lavender, many planters began harvesting at a time when the flowers do not contain seeds. The resultant output was substandard both in quality and quantity. Though there are oil supplies available in the market, clients are asking for prices which are below the expenses of distillation. Many of the established buyers in areas like Shumen are not ordering lavender. In this scenario farmers are prone to holding their stocks till December before selling.

📈 Euro 65.00 /kilo



ROSE OIL

Rosa damascena 🌍 Bulgaria

Roses thrive in the historic and iconic Rose Valley, just south of the Balkan Mountains surrounding the Stryama and Tundzha rivers. Much of the harvesting is done here in and around the towns of Kazanlak, Karlovo, and Pavel Banya. In fact, the lion's share of the world's total rose oil production happens here.

The rose crop was plentiful this year with lots of blossoms and therefore prices are expected to be stable. It is also possible that price levels slightly drop later in the year due to existing stock levels.

📈 Euro 7400.00 /kilo



A VINTAGE AROMA A LEGACY OF 90 YEARS

The fragrance is ninety years old and has still not lost its charm. Its aroma lives on and continues to fill the senses and make a difference to many lives.

As Ultra International steps into its ninetieth year, we invite you to come on board for a journey of reminiscences.

1929 TO 1935

The Foundation

The heritage of Ultra International Group can be traced back to the early 20th century. Mr Prahalad Roy Sanganeria, a young lad of 18, started his business in perfumery compounds, raw materials and packing materials under the name of Lakshmi Bottle Stores. Determined to find a footing in business, he took up premises at 17, Ezra Street in central Calcutta, now known as Kolkata. He first obtained a printing press and started printing labels for cosmetic and perfume bottles. Eventually he established All India Printing and Cardboard Box factory at 58/1 Nimtalla Ghat Street for printing labels and manufacturing cardboard boxes. While Mr Prahalad Sanganeria was totally absorbed and oversaw the operations, his wife Mrs Radha Devi Sanganeria remained the silent much-involved supporter. Soon Mr Prahalad Sanganeria was catering for orders from all across India, especially Assam, Bengal, Bihar, Madhya Pradesh, Delhi and had captured a large part of the market in eastern India. Around 130 employees comprised the entire production team, while a fleet of handcarts, pushcarts, and rickshaws were put into the streets to complete deliveries.

INDIA THEN

In 1929, India's population (which then included both Pakistan and Bangladesh) was approximately 360 million, compared with 1.75 billion for the three countries today. India was well into her struggle for independence from the British colonial Raj. The mood was buoyant - Viceroy Lord Irwin had promised to grant India Dominion status. However, succumbing to political pressure from back home, he backtracked. Amid much furore, India revived her fight for freedom with renewed vigour, and the Indian National Congress passed the resolution for Purna Swaraj (complete independence) and avowed civil disobedience.

Photo: The Crown of Kolkata, Victoria Memorial

1935 TO 1940

Doorway to the Fragrance World

In 1935, Mr Prahalad Roy decided to set out for his first business trip, as he wanted to expand his horizons and explore new markets for the forthcoming business. He travelled extensively to Mumbai, Delhi, Guwahati, Lahore, and Karachi and connected with new clientele there. His travels opened up the doorway into an exciting new world – fragrances. He started importing fragrances from Switzerland, Germany, Holland, USA, Japan and England. Some of his associates were reputed names like W.J. Bush & Co. (UK), Polak’s Frutal Works and Narden (Holland), Schimmel & Co. and American Roland (USA), Chuit & Naef (Switzerland).

Unfazed and undaunted by the historical, far-reaching, socio-political developments and volatility in the country, the company began to supply not only raw materials and ingredients for the final product but also its label and packaging. Within a decade, Lakshmi Bottle Stores grew from a label printer to a one-stop shop for aromatic products. The seeds of international business were thus sown by Mr Prahalad Roy Sanganeria, which later found wings to soar under his son, Sant Sanganeria and grandson Ravi Sanganeria.

Like everyone else, Mr Prahalad Sanganeria too was prone to aspirations. And when prosperity beckoned, he gave in to his penchant for cars. One of his first automobiles and “most prized possessions ...” as his son Sant Sanganeria recalls many decades later “...was an absolute dream, an Austin”. Among all the genes he has passed to his later generations, this is surely one since today if you walk into the offices you will find an array, a veritable collection.



INDIA THEN

There were new ripples of rebellion with the salt taxation. In 1930 Mahatma Gandhi called for NAMAK ANDOLAN (Salt March) and the clamour for independence grew louder. These subsequently led to the two Round Table conferences in England; and in 1934 the first provincial elections took place in India. The two-nation theory was first proposed in 1937. Mr Prahalad Sanganeria, by this time well-regarded in his circles, was invited to many talks and meetings, but kept away from politics.



Photo left: Mrs Radha Devi and Mr Prahalad Roy Sanganeria

Photo right: Postage stamp printed in India showing Mohandas Karamchand Gandhi

1940s

A New Twist

By now, Mr Prahalad Sanganeria was totally immersed in his business with his wife by his side. Call it business acumen, visionary or plain intuition for sniffing out opportunities, it was now what was *inside* the bottle that caught the attention of Mr Sanganeria. His travels far and wide, along with his foray into fragrances, instilled in him an interest in the formulations. This was later revealed when his son found his little red book with numerous fragrance formulations for the cosmetic, skin care and hair oil industry. From printing what was on the bottle to the ingredients inside the bottle - Lakshmi Bottle Stores grew into a one-stop shop for procuring fragrances, raw materials, and aromatic chemicals. And all along, his wife, Ms Radha Devi Sanganeria, accompanied him for most of his travels. Many of Mr Prahalad Sanganeria’s international business associates remember her as a warm and gracious hostess when they travelled to India with their families. As Sant Sanganeria fondly recalls, “My mother used to take immense pleasure in helping her guests from foreign shores drape the saree.” Of course, Mrs Radha Devi Sanganeria may not have been the Captain of the ship, but she was definitely the first mate. She played a vital role in developing his business.

The year 1944 saw Mr Prahalad Sanganeria and his wife sailing really high. It was the birth of their son Sant Sanganeria, who was later to hold the reins of the business that Mr Prahalad Sanganeria had so painstakingly built.

1950s

Early Learning

Sant Sanganeria was growing up fast. Growing up in Calcutta, his school life was spent in Hindi High School. Sant also accompanied his parents on their international travels. The seeds of his learning were sown at an early age. All along he was learning about fragrances and their raw materials from his father.



INDIA THEN

India had started her transition from imperialism to independence. With the British reluctant to hand over power, the growing tensions between the Hindu and Muslim communities led to terrible communal violence. In 1947 the British finally withdrew, carving out the two independent countries of India and Pakistan. The economy was reeling under British protectionism, discriminatory taxation, and pushing of British-made goods into the captive Indian market. This led to the massive decline of indigenous industry and India was struggling through a massive revenue drain.

India, a newly formed republic with Nehru at the helm of political affairs, still had not found her feet. Nehru having realised the urgency of an economic push, initiated the industrial policy resolution of 1956. Though it was meant for the best, central planning and involvement of the state in economic activities did not augur well. Enterprises could flourish only under the famed licence-permit quota Raj; and it was the government who dictated who would produce what, in what quantities, and even commodity prices. The state became a powerful facilitator; and business success depended on the art of managing government relationships, and the influence businesses wielded with the bureaucracy.

Photo bottom left to right: Munna Devi Sanganeria, Sant Sanganeria and Vijay Sanganeria

1960s

New Navigator

Now came the turning point when Sant Sanganeria eventually joined his father at steering the business, and actually charting a new course.

Sant Sanganeria left school in 1962; and in 1965 graduated with a Bachelor of Commerce degree from St. Xavier's College. The scion of the Sanganeria family, Sant was now actively involved and helping his father in the business.

Sant Sanganeria's first big assignment of note was in 1964. At the behest of his father and still in college, Sant travelled to Mumbai on a purchasing trip under the guardianship of his father's consultant, one A.V. Soni. It was Sant Sanganeria's first serious dabbling in the essential oils, aromatic chemicals and perfumery products business. His first venture was with Vanillin, Coumarin and Orange oil.

The concept was that while Mumbai would be the place of purchase of raw materials of popular aromatic chemicals and compounds, northern India would be targeted as the consumer market.

1965 turns out to be another memorable year for Sant Sanganeria. Fresh out of college, the young B.Com graduate embarked on a new course of life. This was the same year he wedded Asha Musaddy who later became an integral part of his business.

In 1968, Sant Sanganeria had reason to celebrate. It was the birth of daughter Neeta.

In December 1969, Sant Sanganeria, on the advice of his father, bid adieu to the city of his childhood. Leaving his parents and his brother behind, Sant Sanganeria, along with his close friend Krishna Kumar Sood, boarded the train to Delhi.



Photo left: Asha and Sant Sanganeria

Photos next page: Some old memories of Mr. Sant Sanganeria

INDIA THEN

Meanwhile in Indian business the times were marked by years of regulation. Food prices were skyrocketing and the black market thrived due to lack of efficient checks and measures. Amidst this, in 1967 the Naxalite uprising gained momentum, targeting the elite cocoons of society. Driven by anger at stark inequalities and a sweeping Marxist idealism, a revolutionary warfare ensued with the ruling government. It was an era of violence, assassination and state atrocities.



1970s

New Beginnings

Delhi was a whole new game altogether. While Sant Sanganeria was keen on extending his father's business and setting up a printing press, he was discouraged by his friend, K. K. Sood, having done a bit of extensive background work, realised that the printing business was a no-gamer. The two friends toyed with getting on to the PET bottle bandwagon, the newest phenomenon to hit India at the time. But PET bottles were far ahead of their time in India and never really took off then. Once again, upon his father's advice Sant Sanganeria began testing the waters for potential fragrances and essential oils in Delhi. Initially, the model worked on an order basis; Sant Sanganeria booked the orders while Mr Prahalaad Sanganeria prepared the final product in Calcutta and sent it back to Delhi.

Determined to find his footing, over a period of time from 1967 to 1970, Sant Sanganeria relinquished his interests in Lakshmi Bottle Stores and embarked on a new course. He established a new business entity under the name Radha Sales Corporation. He has never forgotten his first clients who gave him his first break: the neat, immaculate and British-influenced prim and proper businessman, Sardar Sulakhan Singh of Veena Perfumery; and the quintessentially Indian, homegrown trader, Ram Singh who owned Gulab Singh Johrimal. "They were both so intrinsically different, yet both adept at their work," he smiles on a nostalgic walk down memory lane.

By the turn of the year the gentle, persuasive, and people's person, Sant Sanganeria had started booking several international orders and taken up agencies for global clients.

In 1972, Radha Sales Corporation acquired the licence of Tata Exports, which was another feather in his cap. Blessed with an intuitive ability to perceive opportunity when it knocks, Sant Sanganeria on one of his trips to Bombay found that one of the Directors at Tata Exports, Mr. Bhatnagar, was his next-door neighbour. The rest is history. The company was already importing from global partners, and with this licence, the business found new strength.

In 1974, Sant Sanganeria went on a world tour with his wife Asha. By this time he had established a foundation of working relationships, which became rock-solid friendships over time. In addition to this impressive network, Sant Sanganeria's connections with F&F businesses of repute and organisations were beyond compare.

In 1975, Sant Sanganeria had another reason to celebrate. It was the birth of his son, Ravi.

In 1976, a consignment of essential oils dispatched from Indonesia was found to consist of only muddy water with hints of oil on top. The ripples of indignation were felt across the international community. Several traders were affected and this eventually resulted in the formation of an international forum, the International Federation of Essential Oils and Aroma Trades (IFEAT) to safeguard the interests of the essential oils and the perfumery industry. Sant Sanganeria and several international stakeholders came together to build this platform to promote the interests of the essential oils and perfumery industry from adulteration. The idea was mooted earlier, but formal documents were signed on May 18, 1978. Though Sant Sanganeria was instrumental in the IFEAT initiative, it was Dr S. C. Datta, the then Director of Central Institute of Medicinal and Aromatic Plants (CIMAP) who represented Radha Sales Corporation at the signing.

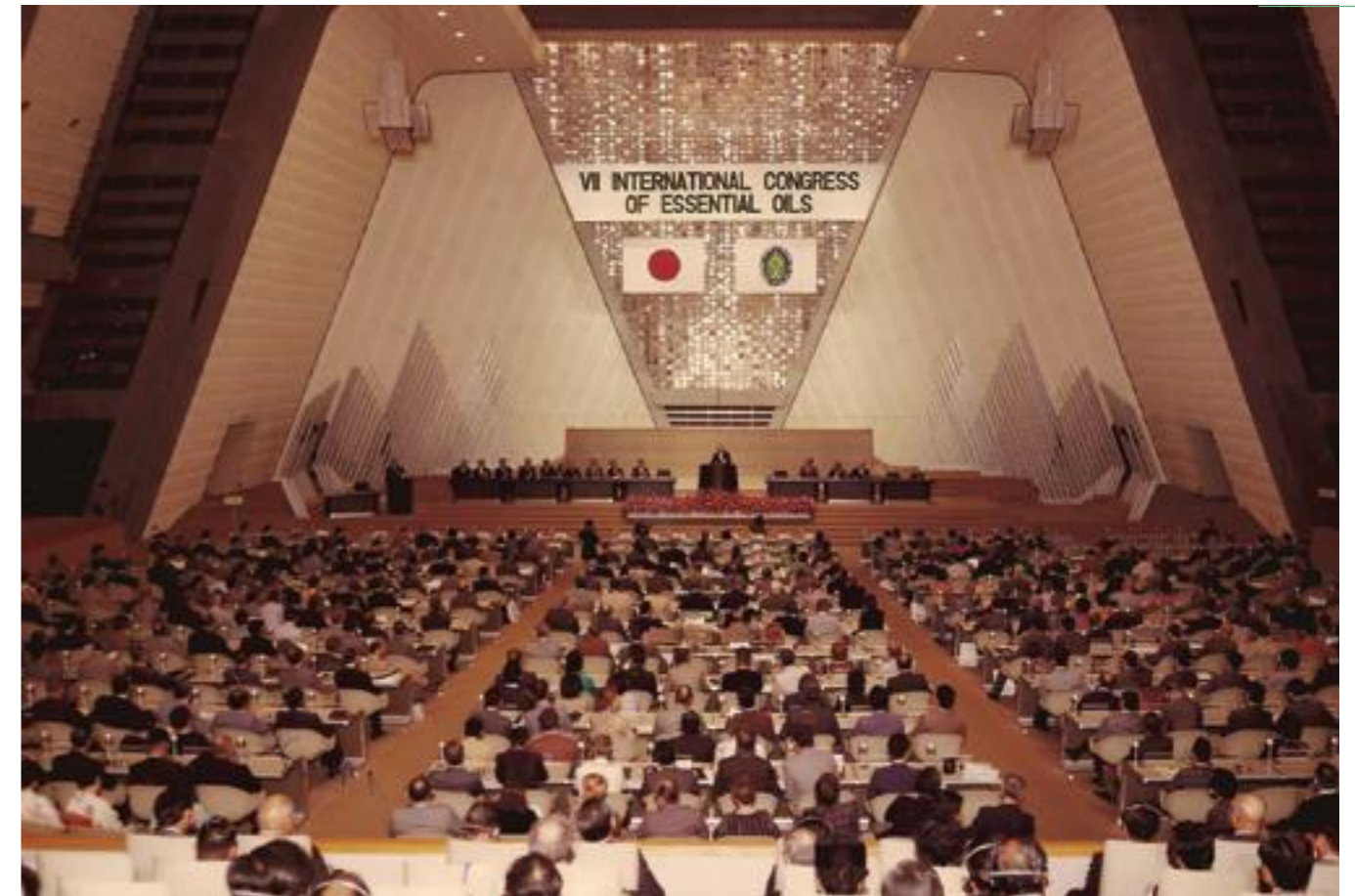
INDIA THEN

The Indian economy however was on a precarious footing. The balance of payments crisis had just started rearing its ugly head, though the Licence Raj regime was still going strong. Duties were extremely high; and licences themselves came for a price. With the emergency in 1975 the economy was in the doldrums.



Photo top: 1977, Kyoto, Japan, IFEAT was born

Photo bottom: Mr Sant Sanganeria, Chairman ICEOFF (International Conference of Essential Oils, Flavours and Fragrances) addressing delegates, Delhi, 1989



1980s

New Expansions

A consignment containing tonnes of French-Rhodia Vanillin and Coumarin landed in Mumbai. Till now Radha Sales Corporation had made a name for itself as a top importer and provider of perfumery compounds. But now Sanganeria had taken up the challenge of dealing with an entirely new business product and he was successful in selling these aromatic chemicals within no time. Though he had his eye on a potential client, a top soap-making company, Government Soap Factory (later Karnataka Soap & Detergents Limited) headquartered in Bangalore, he could make no inroads into the company. Lady Luck was on his side. A chance conversation with his cousin Mohan Lal Bhagat, whom he regarded as a mentor, brought Sanganeria in contact with Mr. T. Shamana, Chairman of the company. This association helped Sant Sanganeria sell his entire stock of coumarin.

Meanwhile, the year 1982 witnessed Radha Sales Corporation moving into its brand new office space in the premium locality of New Delhi's Connaught Place.

In 1985, the office of Radha Sales Corporation found two new faces. Bhuvana Nageshwaran and Prasenjit Mazumdar joined while the preparations for hosting the ICEOFF (International Congress of Flavours, Fragrance and Essential Oils) in 1989 in India were underway. At the time, Sant Sanganeria wasn't aware that Bhuvana and Prasenjit's fortunes would be intrinsically intertwined with those of the company for more than three decades.

In 1987, Sant and his wife Asha established a new corporate identity, Ultra International Limited. They set up a purpose-built plant at Sahibabad, which was equipped with state-of-the-art machinery. In a concerted change of course, the focus now turned from trading and importing into outright manufacturing of the same aromatic compounds and perfumery chemicals.

Sanganeria's generosity also bloomed simultaneously with his business and along with his father and mother donated their property at 58/1 Nimtalla Ghat Street to Mother Teresa's (now Saint) philanthropic setup popularly known as the Missionaries of Charity. This is now known as Daya Dan.

INDIA THEN

For the first time, India embarked on developing a modern industrial structure. The seeds of liberalisation were brought to fruition under Prime Minister Narasimha Rao. But with the inevitable balance of payments crisis, India was on the verge of international default. The new government ended government licensing, cut tax rates and abolished economic borders. Private enterprise that had hitherto been choked by the weeds of the License Raj, now started to flower.

1990 TO 1999

Winds of Change

The winds were favourable, Ultra International was speeding on, cutting through the waves.

With the implementation of the economic reforms from the 1990s, there were several multinational companies who wanted to set up operations in the country. To facilitate their purchasing requirements of various flavours, fragrances and natural ingredients from across the globe, Ultra was chosen as a partner of choice.

In 1990, Bhuvana pursued her Diploma in Perfumery from the Perfumery Education Centre, London under Dr David Williams. Working closely with Sant Sanganeria, she had developed a keen interest in the bewitching world of fragrances and perfumery products. A penchant for learning and a curious mind led her to experiment with blends; soon she was engrossed in the world of fragrances and essential oils. In 1989, she played a pivotal role in setting up Ultra's R&D centre and today is one of the key pillars of Ultra International and Sanganeria Foundation for Health and Education (SFHE). Today she holds the position of Director, F&F; she is also a member of the board of the RIFM, USA a prestigious global organisation in the F&F industry.

"My identity is with Ultra; Ultra and me are one entity. I incorporated ethical values within myself," says Bhuvana Nageshwaran.

1992 saw Prasenjit training in Poland to familiarise himself with aromatic chemicals manufacturing and processing. Taking each day as a new dawn and challenge, he was instrumental in the setting up of the international Ultra group and other sister companies. Over the years, he has added much value to Ultra's foray into fragrances and flavoured essentials. Today he holds an important portfolio in the business as Marketing Director, India and Group General Manager.

Prasenjit Mazumdar the go-getter credits his confidence to the work ethics of Ultra, "Working here has given me confidence and has made me nurture myself as an individual who does not believe in just building castles in the air but in reality believes in making things happen!"

1998 was the year when Ravi Sanganeria joined the Ultra group as the third generation bringing the vast knowledge and experience he gained in Switzerland and Canada as a student.

During his early career he worked with The Royal Bank of Canada in Toronto after graduating with a Bachelor of Arts in Economics from Carlton University, Canada. With a keen knowledge of the leading global stock exchanges, Ravi's acumen in financial markets and commodity trading was unsurpassable. He soon became one of the youngest stockbrokers within the bank handling clients across diverse geographies.

By 1995, Ultra was fully involved in the manufacture and supply of fragrances, flavours and essential oils. The years 1995 to 2000 marked Ultra's expansion on a global platform, albeit in fragments.



Photo left: Ultra International in 1987

Photo right: Daya Dan, donated by Mr and Mrs Prahalad Roy Sanganeria to Mother Teresa's Missionaries of Charity



Photo: Sant Sanganeria with Bhuvana Nageshwaran and Prasenjit Mazumdar

2000 TO 2010

Plotting a New Course

In his initial years at Ultra International, India, Ravi Sanganeria went through phases of training within finance, marketing, production and quality control. He was instrumental in bringing in automation in fragrance manufacturing, one of the first in India, and also helped to establish SAP integration within all the group companies. Also during this time, he went through intensive GCMS training at Shimadzu, Singapore.

In 1988, Mr Prahalad Sanganeria and his wife donated their ancestral property to Mother Teresa's Missionaries of Charity. Influenced by this gesture, and driven by his belief in the right to live with dignity, Sant Sanganeria has continued to undertake various philanthropic activities. In April 2003 he gave concrete shape to his philanthropic vision by instituting the Sanganeria Foundation for Health and Education (SFHE). Today, the Foundation works extensively in the fields of women empowerment, health and education.

2004 witnessed another flurry of activity at Ultra. Driven by the growing demand of essentials oils and fast-paced technology, Ultra's Creative Centre in Delhi was established. It housed sophisticated R&D, creative and analytical perfumery laboratories, flavour and fragrance creation and application facilities, odour evaluation testing facilities in addition to executive and staff offices. International standards were incorporated. Ultra was now geared to meet the growing demands and large volumes from international beverage, confectionery, and snack food businesses.

2005 was when Ravi's learning curve took on a new angle. Touring the Sri Lankan countryside as part of an IFEAT Study Tour, he gained first hand experience of the farming of naturals, their habitats, and processes of distillation that yielded pure essential oils. This trip sowed the seeds and fuelled the passion for natural essential oils, which still drives Ravi's vision today. The following year he was inducted into the IFEAT Study Tour committee, later to become its chair. Since then Ravi has been instrumental in organising and giving direction to the IFEAT study tours.

2006 brought forth another milestone for Ravi - the IFEAT South Africa conference. Ravi Sanganeria and his wife Priyamvada attended the conference, giving them the opportunity to connect with the global players in the industry. In this year he was also welcomed on to the IFEAT Executive Committee. It also brought him into contact with some of the leading beverage and FMCG companies of the time. Supported by them and backed by 30 years of business relations, Ultra International turned its focus to becoming their preferred supplier of natural raw materials for flavours and fragrances. Once again, this marked a new phase of growth for the company, scripted and shaped by the Sanganeria family.

In the same year, Ravi travelled to Indonesia to meet Sandeep Tekriwal. The outcome was the birth of Ultra's Indonesian sister company, PT. Van Aroma. The first facility in Padang, West Sumatra was set up with the intention of collecting and standardising nutmeg and patchouli oils. Over time, along with these original products, Van Aroma expanded its portfolio to add extracts, natural isolates, oleoresins, aroma chemicals solvents, absolutes and derivatives sourced from indigenous botanicals. With strategic investments, Van Aroma increased their production units taking the total to seven with headquarters in Bogor, Jakarta, Indonesia. It is a well known fact that PT Van Aroma is one of the largest traders of patchouli oil in the world.

The following year, 2007, saw Ravi set up the European headquarters, Ultra International B.V in Spijkenisse, Holland for the production and distribution of essential oils to European and Western markets. Using his experience, Ravi identified demand and zeroed in on newer markets. Gradually from 2006 to about 2010, Ravi increased Ultra's repertoire from nutmeg oil to over 200 essential oils, derivatives and oleoresins. Today, Ultra and her sister companies are the leading traders and processors of patchouli, nutmeg, clove, tea tree and various citrus oils.

INDIA THEN

The Indian business environment had seen the entry of several multinational brands. The Licence Raj had died a slow death, privatisation was the new mantra. 2002 was a milestone with the Competition Act coming in, and we see several Indian companies setting tentative feet in foreign soil. Several corporate scams were unearthed; and the audacious Harshad Mehta escapade led to tighter market regulations. Corporate India began to see more professionalism in the way business was run.



*Photo top: Ultra International R & D Centre, New Delhi
Photo centre left: PT Van Aroma's green field facility
Photo centre right: Patchouli Plantations
Photo bottom: Ravi Sanganeria attending IFEAT Study Tour in Sri Lanka, 2005*



Photo top: Ravi Sanganeria, Chairman, IFEAT Singapore Conference, 2012 at the opening session
Photos: Exploring Australian Naturals, Golden Grove Naturals

2011 TO 2020

Sighting New Land

By 2010, Ravi had established Ultra's subsidiary companies across the global essential oil geographies including Ultra International Far East, Singapore, Ultra International B.V in the Netherlands, Ultra International Inc, New Jersey, USA and PT Van Aroma in Indonesia. From 2012 to 2017 Ravi Sanganeria increased Ultra's portfolio of essential oils and aromatic products and focused on incorporating essential oils from all around the globe.

In the year 2012, Ravi's election as Chairman of the IFEAT Singapore Conference committee proved a resounding success. It was the first time that the customary field trip was replaced with a one-day trade exhibition, which gave the participating companies an opportune platform to showcase their products and network. After all, this was one of the original objectives of IFEAT. This trade exhibition was to go on to become a distinctive feature of subsequent IFEAT conferences.

The year 2012 saw a major development with Colin Ringleib, already a formidable name in global circles, coming on board as Vice President for the Americas. Bringing with him a wealth of forty years experience, Colin today is one of the most senior and respected members of the Ultra team.

In 2014 Ravi's wife Priyamvada, formally came into the family business as executive director, Ultra International BV, Holland. Priyamvada now is in charge of communication, social media marketing and Ultra's upcoming ventures. She is also the CEO of Ultra International Far East, Singapore. With her efforts to highlight prevalent market issues, Priyamvada has successfully established consumer connect and instilled an element of transparency through the Ultra Market Report.

In 2015, Ultra established another American subsidiary, Ultra International Inc. in New Jersey. 2015 through to 2016 witnessed some important investments in facility augmentation of Van Aroma, taking its distillation capacity close to 1,000 MT of oil. In addition to a re-working column for fine-fractionation, new flash distillation and reaction columns were installed to boost capacity.

In November 2016, another industry stalwart Lisa Piccininni came on board. Bringing in her treasure of citrus purchasing knowledge, as well as inventory management, quality, and contract negotiation skills, Lisa now holds the position of General Manager, Ultra Americas.

Ravi now explored ways to harness the rich cornucopia of naturals that Australia offers. Teaming up with Tilman Miritz, MCI Miritz, Germany and Aaron Pollack, Pure PTY, Australia, he founded Golden Grove Naturals. Located in the heart of the Gold Coast, comprising over 250 hectares of essential oil-bearing plants like tea tree, lemon myrtle, kunzea, lemon-scented tea tree oil and honey myrtle, the team down under aspires to propagate more than 50 different naturals on 2,000 hectares over the next 5-10 years with some of the best agronomy practices and infrastructure in the farming industry. With this Ravi's vision of organic farming is also taking shape with new acquisitions that will allow GGN to offer various organic naturals with full certification and traceability.



With this significant step, the Ultra group of companies has footprints on almost every continent.

2016 brought two very prestigious accolades for Sant Sanganeria. IFEAT recognised his efforts with the Founder's Award at the IFEAT Dubai conference. On home ground, he was conferred the Sarthak Samman award and inducted as a Member into the Governing Body of the Trust of Hindu for his indelible contribution to the Hindu College in Delhi.

Ultra continued to consolidate its international presence and strengthen its increasing position in the F&F space. In 2017, Ultra's SFHE joined hands with CIMAP-CSIR to actively support the Aroma Mission initiative. This mission is an effort to bring about transformative change in the rural economy by involving indigenous tribes and promoting the cultivation of certain high value aromatic crops. The objective is to add value and bridge the gap with new technology and knowledge, and improve the living standards of farmers. Already the mission has benefitted more than 550 farmers across various regions of the country. Ultra has also announced financial advantages for promising students.



Photos: Ultra's Long-term Passion- Exploring Naturals at Source



Photo top: The Sanganerla Family- Sant, Asha, Priyamvada and Ravi

2020 AND BEYOND NEW HORIZONS

Standing on the threshold of a new century, Ultra shows no signs of fatigue. Looking forward, Ultra has put in place a strategic business plan and succession formula. While giving top priority to burning issues of sustainability, safeguarding natural resources, value-added agronomy practices and enhanced technology, improving livelihoods of farmers and fostering local economic development, Ultra is also looking at promoting organic farming. A brand new product range under Ultra Organics is in development, and the company is also exploring new frontiers in the UK.

With Sant Sanganerla navigating the tide of new flavours and fragrances, Priyamvada manning the company's upcoming B2C venture, and Ravi holding the fort with backward integration of raw materials and new market forays, Ultra stands tall and completely prepared to face the new challenges that the next decade may bring.

Ninety glorious years, three proud generations, straddling four vast continents, one inspiring story - the story of Ultra International is nothing but a story of a business built with a foundation of relationship, honour, and integrity. It is a story of organic, debt-free growth driven by values and vision; a story of how a humble print-and-packaging enterprise transformed itself into a globally respected soil-to-shelf naturals icon.

Mr Sant Sanganerla has the last word, "Every decade has some achievement and each one was a proud moment."

Some of the key planting regions experienced far too much rainfall. This, along with some other market dynamics had an effect on the Chinese natural oils market. Supplies seem to be rather constricted at the moment.

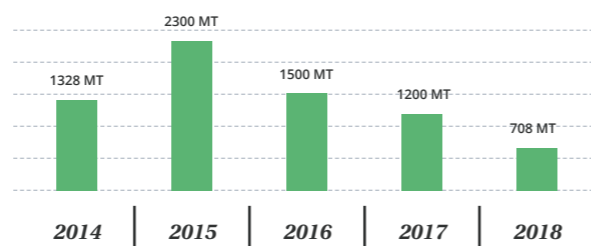
CITRONELLA OIL

Cymbopogon winterlanus 🇨🇳 China

With a citronellal content of about 31% China has been a key player in the citronella market in the last five years. A significant portion of this, around 300 MT, is local production but consignments from Vietnam, Myanmar and Laos also find their way to the Yunnan border. In the light of the recent rains posing challenges for delivery, a marginal drop in prices is on the cards, especially in October when the rainy season ends.

📈 USD 21.00 /kilo

ESTIMATED PRODUCTION OF CITRONELLA OIL



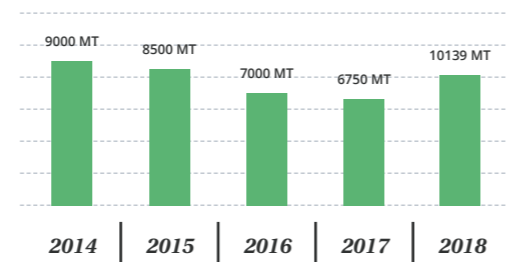
EUCALYPTUS OIL

Eucalyptus globulus 🇨🇳 China

This year looks encouraging with a healthy eucalyptus crop compared to last year. In a direct fallout of last year's rather high prices, several farmers moved to the colder climes of the hills to distill eucalyptus leaves. This is one of the key contributors to the current large crop size. Since June this year, however, a weak demand has led to slow sales and slipping of eucalyptus crude oil prices. Naturally the mood is subdued. Added to this are the woes of procuring raw materials; and now some distillers have already depleted their supplies. In this scenario, some of them have even ceased quoting their rates; and the market is expecting prices to move up. Though clients are hoping for low prices, farmers are reluctant to let their raw material go at the prevailing low prices.

📈 USD 17.00 /kilo

ESTIMATED PRODUCTION OF EUCALYPTUS OIL



CASSIA OIL

Cinnamomum cassia 🇨🇳 China

The traditional quality cassia oil commands a firm pricing of USD 36 to USD 37/KG. The Vietnamese producers are unable to meet this standard but are putting up quite a bit of competition for the cassia oil quality extracted by the new method. The demand for the Chinese variety is quite weak. The USA has levied 25% duties on cinnamic aldehyde natural and benzaldehyde natural and their derivatives, so these products are commanding higher prices than before in America.

📈 USD 37.00 /kilo

GARLIC OIL

Allium sativum L. 🇨🇳 China

The prices of raw garlic shot up by almost 20% in recent times in stark contrast to the lowest pricing seen last year. This is because production is much lower than what was initially predicted leading to an upsurge in prices. With the significant increase in supply, there was a marked drop in price from its zenith. Prices dropped drastically to basic production costs. China's strict environmental policies have made it difficult for the polluting plants to resume normal operations.

📈 USD 155.00 /kilo

GERANIUM OIL

Pelargonium graveolens 🇨🇳 China

The rains have hit Binchuan, the main geranium producing area in China. Oil with geraniol content of above 6% is now available. Following the trend of increased pricing in the last few years, this year many suppliers hoarded their stocks for releasing when prices soared. Despite the fact that this year has seen a better output of geranium compared to the last few years, prices are estimated to continue their upward trend.

📈 USD 178.00 /kilo

GINGER OIL

Zingiber officinale 🇨🇳 China

China has enforced strict environmental compliances and producers must work in keeping with the new protection policy. This is still causing some uncertainty in terms of pricing, but, as of now, raw material availability, as well as the price of oil, is stable.

📈 USD 67.00 /kilo

STAR ANISE OIL

Illicium verum 🇨🇳 China

Star anise raw material supplies are tight with a significant drop in crop output by almost 40%. The new oil is expected to be available for buyers only in September, so there are no price upheavals in the market as such. Now is a good time to book your orders since there is a good chance of a price increase in the later half of the year.

📈 USD 23.00 /kilo



LITSEA CUBEBA OIL

Litsea cubeba 🇨🇳 China

The crop season spans from January to December. The rains are playing havoc with flooding reported from many regions. If this kind of rainfall continues throughout the later period of the year the overall content and output are sure to be affected. In the eventuality that bulk quantity orders decline, then naturally output will also decrease considerably. It will be a challenge to predict prices.

📈 USD 37.00 /kilo

TEA TREE OIL

Melaleuca alternifolia 🇨🇳 China

Australian tea tree oil is not easily available at the moment. Clients are looking for alternatives and the Chinese origin tea tree oil has come as the answer. However, customers must be careful that both origins are different and chances are that the lower price Chinese material could be adulterated. This growing demand for Chinese material is pushing up prices from their current steady levels.

📈 USD 29.00 /kilo



VALERIAN ROOT OIL

Valeriana wallichii 🇨🇳 China

January to December is the usual crop season for this oil. Valerian root oil is more in demand in the medicinal sector rather than the fragrance industry. The new oil has been available to clients in August; as such, there is a bit of uncertainty regarding prices and their stability afterwards.

📈 USD 565.00 /Kilo

WINTERGREEN OIL

Gaultheria procumbens 🇨🇳 China

Last year we did not see too many customers making a beeline for wintergreen; so the current purchase prices remain more or less similar to previous years. The production season is now in full swing. Previous stocks are totally consumed, and supply is a tad tight at this time. Though the market eased somewhat due to a marginally bigger crop size in July, with a healthy demand in the later period of the year prices will definitely increase.

📈 USD 53.00 /kilo



Most of the oil prices are affected by the currency fluctuation that is happening with the US dollar. Against the Egyptian pound, the dollar continues to devalue and has lost up to 7% since the beginning of the year.

BASIL OIL LINALOOL

Ocimum basilicum 🇪🇬 Egypt

There are two variants available in the basil category; and the quality of material is a key factor that dictates market dynamics. The paucity of true basil grand vert 50% linalool has led to its exorbitant price in the market. There is an abundance of the other mutated variant with 42% linalool. This year, there is a predicted reduction in basil planting due to disappointing prices last year. However, no major upheavals are expected since prices will be buttressed by carryover stock from last year.

🏠 USD 120.00 /kilo

BLUE CHAMOMILE OIL

Matricaria chamomilla 🇪🇬 Egypt

Farmers are in despair over the prices that blue chamomile has been fetching in the last two seasons. For the previous consecutive seasons the prices have been dismal with farmers selling blue chamomile at almost 30% loss. The additional supply of carryover has contributed to downward pressure on prices. It is evident that in the coming season farmers will be reluctant to plant and there is an anticipated marked reduction in blue chamomile plantations in the coming year.

🏠 USD 595.00 /kilo

GERANIUM OIL

Pelargonium graveolens 🇪🇬 Egypt

The new crop production commenced some time ago. The weather gods were gracious, and the yield is anticipated to be a good one this year. A normal, healthy crop is expected. With about 50 MT of carryover, production is pegged at 180 MT. Demand for geranium is weak but surged somewhat in the last couple of weeks. Local trading prices have softened, but the Egyptian Pound has increased by about 8% against the US dollar. This prevented an increase in export prices and as a result there is no change in price levels.

🏠 USD 105.00 /kilo

ONION OIL

Allium cepa 🇪🇬 Egypt

This summer there was no onion oil production. Compared to the last few years, there is limited availability of fresh onions; and prices are prohibitive. Prices are expected to firm up following specific demand.

🏠 USD 1650.00 /kilo

JASMINE ABSOLUTE

Jasminum grandiflorum L. 🇪🇬 Egypt

This year's jasmine production stands at 7 MT. With the season just beginning in June and the demand already high, the market seems to be a little strained. However, the ample carryover stocks from last year will see it through and prices will remain stable at similar levels to 2018. Producers of jasmine absolute have kept a watchful eye on the quality of fresh flowers received for distillation. Consequently, with the better quality of flowers, an improved quality of concrete / absolute is predicted.

🏠 USD 3450.00 /kilo

NEROLI OIL

Citrus aurantium 🇪🇬 Egypt

For many years now Egyptian neroli oil is known and coveted. Thousands of trees are bearing flowers year on year and so oil production has been consistently good. This year industry pundits predicted 2 MT of oil compared to the previous year's 1.4 MT. 2018 saw a huge upturn in prices following heavy demand. Prices peaked and this year expectations were riding high. However, the weather put an unexpected spanner in the works. With the turning of the weather, the yield from the flowers has fallen drastically, even though it is more than last year. The estimated figure is about 1.6 MT. The market is hopeful of bumper crops and better production in the coming years.

🏠 USD 5600.00 /kilo

CASSIE CONCRETE

Acacia farnesiana L. 🇪🇬 Egypt

This product has been seeing reasonable demand and most of the supplies produced this year have been accounted for. There is some available stock, prices of which will be firmed up once there is a specific enquiry.

🏠 USD 550.00 /kilo

CORIANDER HERB OIL

Coriandrum sativum L. 🇪🇬 Egypt

The market for this seems stable with no major fluctuations. Supply is steady and readily available and stable.

🏠 USD 135.00 /kilo

MARJORAM OIL

Origanum majorana 🇪🇬 Egypt

Even before the cultivation of the next crop, the news that is doing the rounds is that this year the marjoram crop is very limited. As a result, prices have already started escalating.

🏠 USD 75.00 /kilo

PARSLEY SEED OIL

Petroselinum crispum 🇪🇬 Egypt

This year's demand has been reasonable and production has been at par. Prices are expected to firm up.

🏠 NA

PETITGRAIN MANDARIN OIL

Citrus reticulata 🇪🇬 Egypt

Going by past trends, Egypt typically produces around 40 MT of oil dictated by a usually healthy demand. Habituated to predicting demand figures two to three months prior to the season, distillers may produce larger quantities despite the fact that substantial stocks of oil are easily available. There seems to be no change in pricing which so far has been unwavering.

🏠 USD 46.00 /kilo

VIOLET CONCRETE OIL

Viola odorata 🇪🇬 Egypt

The demand for violet is gradually on the rise and supplies are inadequate to meet requirements. The first crop batch is out for production and has yielded a limited supply of oil. As a result, prices have shot sky-high. Violet is being less cultivated because of the deteriorating prices against mounting cultivation expenses.

🏠 USD 550.00 /kilo

CUMIN SEED OIL

Cuminum cyminum L. 🇪🇬 Egypt

This sector has been stable for some time, both in terms of seed prices as well as oil prices. Some producers are offering good quantities based on quantity and destination.

🏠 USD 125.00 /kilo



CLARY SAGE OIL

Salvia sclarea 🌍 France

Cultivated in the main areas of Haute Provence, the crop for clary sage is almost ended and harvesting has begun. Considering initial estimates, the average yield across the entire production area shows a drastic plunge of 50% over the last few years. Fortunately, there have been some new plantations and it is expected that the yield from these will offset a portion of this 50% loss. Propelled by healthy demand and good returns the cultivated area for clary sage has been expanded. However, hit by rainfall deficiency and drought, the flowers have not bloomed as expected and production has taken a hit. At present, sales are nil but the market anticipates a price surge in September. Prices have fallen due to the reduced demand for distilled herbs for sclareol extraction.

📈 Euro 90.00 /kilo

LAVENDER DIVA OIL

Lavandula angustifolia var. Diva 🌍 France

Lavender diva's high resistance and generous yields make it quite popular with distillers. However, its uses are rather restricted from a chromatography point of view. Lavender diva volumes look encouraging and likely to reach significant levels. If this variety turns in a bumper harvest and oil yield, it could create a price imbalance and a negative impact on lavandin grosso in times to come.

📈 Euro 145.00 /kilo

LAVENDER OIL

Lavandula angustifolia 🌍 France

In recent times, there have been planned expansions in the cultivation of lavender as well as lavandin grosso. The north of the Loire and the Rhone Valley has emerged as the new planting grounds for lavender and varieties of new lavender clones.

📈 Euro 165.00 /kilo

LAVANDIN GROSSO OIL

Lavandula hybrida var. grosso 🌍 France

Lavandin grosso has seen a meteoric rise. With a robust demand and more farmers switching to cultivating grosso, it still queens it over the other varieties with 85% of cultivated areas. The other varieties, lavandin super and lavandin sumian, play second fiddle with each representing only 6% of the lavandin surface area. The fields show reasonable balance and equitable distribution of 'fine' lavender and 'clonal' varieties. But a sizeable portion, nearly half of the total traditional lavender population that is lavender abrialis, is over six years old. This has been replaced by the newer clonal variety. The total areas under lavandin remain stable at around 21,000 hectares.

In 2018, the leafhopper insect wreaked havoc due to 'stolbur phytoplasma' and massive quantities of lavender had to be uprooted. Farmers had to undertake intensive efforts to control damage and replant in order to regain traction and lost ground. 2018 to 2019 experienced a stretch of mild weather throughout the autumn and winter months, thus shielding the lavender from extreme freezing or heavy downpours. However, subsequent months were not so kind. The key lavender growing regions experienced intense drought in June with rainfall finally making an appearance in the following month. The total precipitation did not exceed 8 to 11 mm, and is not adequate. Overall the lavandin flowers look rather sunburnt. Distillation has commenced but yield has been abysmally poor, around 30 to 50% below expectations. With the advent of the rain, farmers have decided to stop production and adopt a wait-and-watch strategy.

In the current situation, there are few quantities of oil and it does not seem likely that more will be available in the next few weeks. Despite the augmented cultivation, yields have not matched up with predicted production levels. In the meantime, current available stocks are also being depleted. These factors, fuelled further by widespread speculation, have pushed lavandin grosso prices to exceptionally high levels. In the wake of an unfounded speculative environment and the magnitude of the price rise, the French Interprofessional Organisation (CIHEF) has appealed for reasonable pricing by the lavandin players.

📈 Euro 30.00 - 32.00 /kilo



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CARDAMOM OIL

Elettaria cardamomum 🌍 Guatemala

This market is in turmoil at the moment. The abysmally poor cardamom crop of 2,500 MT resulted in an acute deficiency of raw materials for processing. Producers are searching around to procure cardamom seeds, while demand is transcending supply by leaps and bounds. Prices were already at high levels but now, given this situation, may escalate further.

📈 USD 380.00 / kilo

VETIVER OIL

Vetiveria zizanioides 🌍 Haiti

The spring months were not good for vetiver with some farmers suspending production. It proved to be an uphill task to collect vetiver roots amidst the spring rains, and yields of essential oil during distillation were also impacted. However, work picked up towards the end when weather conditions were more favourable. In addition, some of the less prominent distillers have started production, though there is difference in the quality of the material produced by each. Some qualities are turning out to be superior to others. Some unsold stocks of vetiver from last season have also entered the market. There are adequate supplies of vetiver and global demand remains relatively stable.

📈 USD 355.00 / kilo

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MINT OIL OVERVIEW

The states of Punjab and Uttar Pradesh in India are the main contributors to India's mint output. The nation enjoys a position of power with 80% of the world's mint supply. Out of this almost 75% is exported. In parallel developments, while the prices for pure mint oil in the international markets have been climbing steadily, the supply of synthetic menthol dropped. Consequently, farmers increased the area under mint cultivation. Scientists with The Central Institute of Medicinal and Aromatic Plants (CIMAP) estimate the area under mint cultivation to be around 300,000 hectares. Ultra International sources pure, natural material directly from farmers in various areas of Uttar Pradesh and Punjab.

PEPPERMINT OIL

Mentha piperita 🇮🇳

The first harvest of the season is completed and the second one is just beginning. At 590 MT this season's crop output is somewhat lower than last year's crop of 750 MT. India holds second position (after the USA) among the *M. piperita* mint producing countries with an annual production of 500-750 MT. The claims on Indian peppermint oil seem to be rather weak as there is little demand from the US markets. However, requirements from Europe, China and other key markets are coming in and demand from these quarters seems to be encouraging.

📈 USD 35.00 /kilo

SPEARMINT OIL

Mentha spicata 🇮🇳

Indian spearmint is facing low demand and consequently prices too have fallen. The new crop of 150 MT has come into the market but does not have many takers. This year's crop is remarkably lower than last year's production figure of 215 MT.

📈 USD 42.00 /kilo



GINGER OIL

Zingiber officinale 🇮🇳

It was a year that saw cyclones and extreme flooding in parts of India. The ginger season has closed, and the crop has plunged by almost half the previous figure. The market seems to be finding its footing with prices firming up but are predicted to go up further in the next few months.

📈 USD 115.00 /kilo

JASMINE ABSOLUTE

Jasminum grandiflorum L. 🇮🇳

The way things look, a price hike for jasmine is imminent. The price of flowers has escalated to record a 50% jump compared to last year's prices. This has made it difficult for distillers to procure fresh flowers for processing, even though the crop season is well under way. As far as carryover stocks go, there are none since it was a smaller crop and orders have been booked.

📈 USD 2250.00 /kilo

LEMONGRASS OIL

Cymbopogon citratus 🇮🇳

Towards the end of 2017 there was a deficiency in the supply of synthetic citral. This led to a slight price hike, but the rates have fallen once again. This year material in the market is restricted, though lemongrass production is quite healthy. Current production of citral is average, though demand has decreased since there is a shift in usage of synthetic citral. However, current prices have touched rock bottom in the last three years; and from here can only move up.

📈 USD 19.75 /kilo

MENTHA ARVENSIS OIL

Mentha arvensis L. 🇮🇳

There is good news on the harvest and production front. The current crop is 60,000 MT with almost 1,500 MT of carryover stock. Going by the yield of the first cut, there is about a 25% increase in the yields/acre. This is by far a much better yield in comparison to the last few years. There is also a marked improvement in the quality of the oil. This year the potato and wheat crops have brought in good returns for farmers. As a result, they are holding the *Mentha arvensis* oil and refusing to sell at low prices. A lot also depends upon supplies from the BASF plant from Malaysia. If the stocks come in then there are expectations of *M. arvensis* oil prices remaining steady till the next quarter.

📈 USD 23.00 /kilo

OLIBANUM OIL

Boswellia serrata 🇮🇳

A rising aromatherapy industry has buoyed the demand for this oil. India also has a ready supply, and this has led to a stable pricing regime.

📈 USD 42.00 /kilo

PALMAROSA OIL

Cymbopogon martini 🇮🇳

Palmarosa is a versatile botanical that flourishes in well-drained loamy soil at best. However, it also grows happily in poor fertile soils, slopes, gravel and even in coarse sand. Hot and humid weather is ideal for this plant to grow. For some years, production of palmarosa was rather low, and so were the prices. But of late the market has seen a gradual revival of prices, thereby encouraging farmers to increase cultivation. Demand had lost a bit of traction due to the prices inching up over the last two years. However, currently the situation has normalised with reasonable demand, good availability and steady prices.

📈 USD 43.00 /kilo





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BLACK PEPPER OIL

Piper nigrum L.

Conventional black pepper oil has been a part of the Van Aroma repertoire for some time now. Now with technologically advanced equipment and supercritical fluid extraction, Van Aroma offers black pepper oil and oleoresins of different percentages with zero residual solvent. The use of pharmaceutical grade CO₂ under high pressure yields pure black pepper oil with higher terpene content than a conventional variety.

🏠 USD 58.00 /kilo

CANANGA OIL

Cananga odorata

Cananga oil has been growing in popularity as a unique alternative to ylang ylang. As such this oil has seen an escalating demand from the aromatherapy sector. This year the rains have played havoc with the flower crops, and as a result the oil production too has been impacted. The cananga harvest is not taking place as frequently, and demand has overtaken production. Prices are predicted to go up in the next few months.

🏠 USD 175.00 /kilo

CITRONELLA OIL

Cymbopogon winterianus

Indonesia retains its foremost position as the largest producer of citronella oil. Sumatra, Java and Sulawesi are key producing regions with secure supply streams. Being a perennial grass, it is expected that there will be an uninterrupted supply of raw material leading to fairly stable pricing throughout the country. Consequently, there is a more than sufficient supply of citronella oil, which does not seem to be abating anytime in the future. Not all exporters follow the ISO specified standard, so buyers must be wary of oils that are not up to the mark being offered at cheaper rates. Though the prices are fairly competitive the rates are lower than previous years', and are anticipated to remain so for the imminent future.

🏠 USD 19.75 /kilo

CLOVE OIL

Eugenia caryophyllata

The clove leaf market is rather subdued. With excessive rainfall there is a shortage of dried clove leaves for distillation; and so, the oil output too has been low. Past crop patterns have shown that Indonesia sees a big clove harvest every fourth year. In keeping with the trend, this year too is set to have a robust harvest that can last for two to three months. In comparison to the leaf, clove buds have brought in better prices for farmers and distillers. The bud harvest season has begun and the markets are abuzz and waiting. The shift in attention from leaf to bud may result in decreased oil quantities, as well as a potential hike in prices. However, Van Aroma is holding adequate stocks and can fulfill any bulk order. While the price for eugenol and eugenol derivatives are at a low, clove oil rates will remain on the higher side till the clove bud season is over and, once again, stems and leaves are the cynosure of all eyes.

🏠 USD 14.00 - 17.00 /kilo

PATCHOULI OIL

Pogostemon cablin

Patchouli requires adequate rainfall to grow, but a dry spell prior to harvesting. Severe storms and floods in the producing areas are preventing the leaves and twigs from drying. Several factories including Van Aroma's Kolaka facility were under water for over four days. However, things were soon brought under control and adequate measures taken to handle the backflow when the river breaks its banks. The floods have damaged quite a substantial portion of the crops and have been an impediment to the planned harvest schedule. Farmers are reluctant to harvest when it rains copiously and with the recent flooding it will take time for them to recover their losses. May, the holy month of Ramadan was an addition to the rain woes, and all put together, supplies as well as production have been severely hampered. Given this situation, coupled with inclement weather the already tight supply situation is further strained. The worst is over, and things are looking up. Prices are showing signs of recovery, but in light of the uncertainty and inflow of orders there is nothing to arrest the price ascent.

🏠 USD 45.00 - 65.00 /kilo

SUMATRAN COFFEE ARABICA OIL

Coffea arabica L.

Van Aroma's latest offering is a unique essential oil extracted from carefully roasted premium Sumatran coffee beans that have been sustainably procured and meticulously ground. Once again, the supercritical fluid extraction method is used - high pressures and close to room temperatures yield rich full-bodied coffee oil with a beautiful aroma. Sample batches are available for those who are interested.

🏠 USD 135.00 /kilo

VETIVER OIL

Vetiveria zizanioides

Indonesian producers have been active with implementation of sophisticated equipment and improved distillation units. Naturally, there has been a significant improvement in the quality of the Indonesian variety. Van Aroma now offers vetiveryl acetate, a unique derivative of vetiver oil Java. Indonesian vetiver oil commands stable pricing, though lower than its Haitian counterpart.

🏠 USD 205.00 /kilo



KORINTJE CASSIA BARK OIL

Cinnamomum cassia

Van Aroma is proud to introduce cassia bark oil extracted from *Cinnamomum burmannii* from the famed Kerinci in Sumatra. With hints of sweet notes, this oil abounds in cinnamic aldehyde, the compound that gives cinnamon its distinctive flavour. The oil profile obtained by this extraction method also captures several water-soluble compounds, which are lost in the traditional steam distillation of the bark. In the western world, cassia cinnamon oil is a much-favoured ingredient, providing almost 70% of the cinnamon flavouring.

🏠 USD 375.00 /kilo

NUTMEG OIL

Myristica fragrans Houtt.

A good grade of nutmeg oil is free of allergens safrole and methyl. A significant portion of the Van Aroma nutmeg oil production is dedicated to manufacturing safrole-free pure nutmeg oil. The raw materials - that is, the unripe kernels used for oil processing - are unusually low in supply, so prices are inching up steadily, and this trend is predicted to continue for some time. The dominance of the spice industry and the increasing use of oleoresins have led to a marked change in the demand-supply equation.

🏠 USD 62.00 /kilo



THE PERCEPTION OF NATURAL: LESSONS AND PREDICTIONS

Eddie Bulliqi

Summary: This article considers the roles emotion and association play in the perceived value of ‘natural’ within the health and beauty sectors, how changing public opinion from the 1970s to today has changed supplier practices, and what the natural essential oils industry can learn from the historical mistakes made by their chemical-producing competitors in big pharma and lab synthesis.

A lot has changed in the naturals industry since the Ultra International Group’s story began in 1929 when Mr. Prahalad Roy Sanganeria and Mrs. Radha Devi Sanganeria started selling essential oils under the brand name ‘Lakshmi Bottle Stores’. In analysis conducted this April, Allied Market Research predicted that the global essential oil market will reach \$11.19 billion by 2022, almost doubling from 2016 figures, and riding a CAGR of 8.7% in that six-year period¹. Transcending an illustrious family lineage of essential oil experts, Ultra’s Executive Director Priyamvada Sanganeria thinks that “with more end customers seeking pure, sustainable products, the naturals industry is in a good place”, echoed by her colleague Prasenjit Mazumdar in his statement that “to me, the future is very bright and encouraging as the world is moving more towards naturals”. Integrated within the exploding realm of mindfulness that is sweeping anxiety-ridden millennials globally, as well as the growing trend for functional wellness that attempts to achieve specific performance goals from wellness products, the spotlight on natural essential oils indicates that the industry has nothing to worry about in the coming decade.



WHAT PEOPLE WANT NOW

For Sandeep Tekriwal, CEO of Van Aroma, one of the biggest changes to take place in the last 20 years has been “the huge increase in the demand for naturals from the aromatherapy industry”, disturbing the traditional stranglehold from flavour and fragrance clients on farmer output, also noted by Ultra Director Bhuvana Nageshwaran in her statement that “three decades back, due to growing demand for synthetic aroma chemicals, there was a slump in the consumption of essential oils leading to decrease in growth of this sector”. In a corroborating Telegraph article, aromatherapy expert Gemma Clare revealed that “when I started out as an aromatherapist over 15 years ago, the scientific community could be quite dismissive but thankfully this perspective has changed due to the increased evidence that aromatherapy can benefit us on several levels”, continuing that “aromachology (the relationship between scent and behaviour) is definitely starting to reach consumers who are wanting to feel more vibrant or calm, for example”.² Elucidating this strand of thought, Director at NPD UK June Jensen comments that “2019 has been a challenging year and, in uncertain times, customers return to natural, heritage ingredients that offer a comforting, nurturing effect on skin, body and soul”.³

Recent studies underscore the ripening public appetite for naturals: research analysts Beneo Inc. found that 65% of consumers in the Americas consider natural products as better and 47% actively look for natural products when making food purchase decisions; Racked document a December 2017 study that found 56% of adults surveyed think that it’s important for their personal-care products to be “natural or organic”; whilst Psych Central reports how the majority of US consumers prefer natural products over ‘artificial’ counterparts even when the two are chemically identical and show no difference in their effectiveness or safety rating.⁴



WHY THEY WANT IT

The belief that nature and natural processes are positive and righteous has a history that dates back to the very start of civilisation; the cultural weight nature carries is rooted in deeply held value systems and emotional associations that tie the natural world to healthiness, balance, quality, freshness, nourishment, morality, spirituality, purpose and fulfilment. It is no exaggeration to assume that subconscious links are made between the use of natural essential oils and a sense of sublime soul-enriching enlightenment that has classically been celebrated through natural landscapes and the fruits that they bear.

In today's social landscape, the appeal of natural products extends even further into artistic qualifications: the proposition that natural oils are more interesting than their synthetic parallels, possessing endless levels of personality and character, whether it be concerning intensity (such as the uplifting sharpness of citrus) or complexity (such as all of the nuanced oddities and facets of patchouli). The scientific community sometimes criticises that the 'natural is better' view is based on misinformation; sometimes that view is correct. Take the trend for 'raw water' (drinking unprocessed, unfiltered, untreated water direct from rivers and lakes that are often contaminated with dangerous bacteria), or reports that many women in the UK were forced into 'natural' childbirth by midwives, intimidated into avoiding anaesthesia or caesarean section.⁵

A 2015 paper from the Nuffield Council on Bioethics found that "participants often equated naturalness with rightness, and unnatural with wrongness. Describing a technology or product as natural was commonly employed to express ideas about acceptability, safety, and healthiness. In contrast, the use of unnatural often conveyed ideas of unacceptability, dangerousness, and unease".⁶ For the health and beauty sectors, this is powerful information. Givaudan's Sophie Davodeau, Consumer Sensory Insights Head for the EMEA region, offers that in general, to consumers, natural means 'as intended by nature', and is pure and unprocessed in some way – it retains its natural integrity. In France, for example, we found that what is most important is the ecological aspect of natural. In the UK, it's about going back in time to a more natural era, when food was simpler and less processed. Germany puts more emphasis on organic, and for Russians it's about resistance to chemicals in their food...very different nuances.



“A 2015 paper from the Nuffield Council on Bioethics found that “participants often equated naturalness with rightness, and unnatural with wrongness”.

HOW TO WIN

Whilst it may seem that naturals are untouchable today, the case was very different 50 years ago. The efficiency of mass-production that followed the Second World War saw mechanical innovation capture the hearts and minds of many that previously relied on simple natural sources for food and everyday products; whilst the appreciation for nature never left them, the idea of preservation or sustainability of natural habitats was not equivalent to the potential to be gained from human progress. Consumer trust shifted from local business to global corporations that offered factory-driven precision, remarkable consistency, and lightning-fast turnarounds. Exclusivity resided in being able to get the same result time and time again and getting it whenever you want, rather than in the unique, sometimes inconsistent results of nature.

But then the image of large chemical and medicine companies changed - promises not kept, public health concerns and malpractice from capital greed contributed to a deep suspicion (such as cigarettes, asbestos, nitro musks, even the Chernobyl disaster falls into this category). One too many bad incidents created irreparable scepticism about the true intention of closed-door labs in medicine and consumer products. Vox journalist Jen Kirby believes the strong swing towards all-natural philosophies find their footing because "traditional medicine has failed people in many cases, and often lacks solutions for the most common health woes — chronic pain, obesity, Alzheimer's. You need not look any further than the raging opioid epidemic to find cases where medicine has also done more harm than good".⁷

Instead of focusing on end-consumer needs and emotions, synthetic chemical manufacturing giants placed their efforts entirely on satisfying client goals, not fully informing the public about quality assurance and not even fully understanding the effects of their products themselves. This is something the naturals community is not immune to: Tekriwal suggests that "with severe competition and easy knowledge access, every player wishes to source naturals from the cheapest available source thereby compromising on the quality and sourcing naturals responsibly". It is not entirely impossible to imagine a future in which the largest natural players have avoided best-practice QC procedures and demands for sustainability and are then seen to be blamed for dwindling crops and their poor quality profiles, with general opinion and trust swinging back to chemicals and what they are able to achieve.

It is important that naturals focus on the consumer demands that are driving the big ideas of this century and don't get distracted by short-term gain, pinpointing areas for innovation such as "[the] scarcity of water due to depletion of sources ... decreased farming landscape due to the massive extension of urbanisation ... adulteration ... and camouflaging synthetic essential oils as natural essential oils", as suggested by Nageshwaran, to ensure the reputation of naturals remains high. In Tekriwal's view, "as markets mature and demand for naturals increase, smaller and marginal players will find it difficult to survive by just selling cheap. Suppliers who innovate, are closer to the ground sources for supplies, and commit to sustainable practices will thrive". Whilst natural products used to be connected exclusively to small business because it was so difficult to manage oil networks globally and at-scale, it is now larger groups like Ultra that are poised to make the biggest difference and capitalise on the world's revived passion for all thing natural via new ways to share expertise and new initiatives concentrated on giving back to the soil and communities alike.

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2. Becci Valis for The Telegraph, 'The real reason aromatherapy is on the rise', <https://www.telegraph.co.uk/beauty/body/real-reason-aromatherapy-rise/>

3 Ibid.

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6. Tom Burton for the Nuffield Council on Bioethics, 'Review of research on public perceptions of naturalness', <http://nuffieldbioethics.org/wp-content/uploads/Public-perceptions-of-naturalness-web.pdf>

7. Vox, Ibid.

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CITRUS ROUNDUP

Spring has been kind and so has the summer. With ideal growing weather, citrus production in the EU is estimated to scale up by 17% to reach 3.4 million MT. Production is boosted by higher consumption, near-record imports and increased volumes of fruit for export as well as processing.

Due to heavy rains that lashed the orchards, the production of citrus crops from Sicily has been nothing to write home about. The demand from the fresh fruit market has seen a downslide generating higher volumes of fruit for processing. The lemon crop was unchanged with a drop in prices while orange production was reduced. The mild temperatures were beneficial for citrus, but the processing campaign did not bring in as many rewards as expected.

BERGAMOT OIL

Citrus bergamia 🇮🇹 Italy

It is a catastrophic year for Italian bergamot farmers. More than 70% of the bergamot flowers in one of the most important growing areas, Reggio Calabria, have been wiped out by a heat wave. With no more flowers left and little chance of the plants flowering again, farmers have reconciled themselves to this drastically reduced crop. Prices are expected to rise.

🏠 Euro 225.00 /kilo

LEMON OIL

Citrus limon L. Burm. F. 🇮🇹 Italy

This year's lemon production remained the same as that of 2018. Last year, the crop was at around 500,000 MT. Going by past trends, usually 20 to 30% of the total crop is earmarked for the processing industry. This time, demand for the fresh market has dropped significantly. The Italian oil industry, which is largely influenced by the dynamics of the fresh fruit sector, saw a corresponding rise in availability of processed lemons. Lemon oil prices last year fetched much better prices compared to this year.

🏠 Euro 24.00 /kilo

BLACK PEPPER OIL

Piper nigrum L. 🇲🇩 Madagascar

For a long time, Madagascar pepper oil was produced in very limited quantities and was difficult to obtain. However, with this oil increasingly becoming a favourite for perfumers and preferred over other qualities, steps have been taken to establish pepper plantations. Consequently, supply of oil has gone up, and is now more consistent than before. Madagascar pepper oil has unique notes and commands somewhat higher prices than other origins. However, the current small batch of oil is available at prices competitive to Vietnam pepper.

🏠 USD 52.00 /kilo

GERANIUM OIL

Pelargonium graveolens 🇲🇩 Madagascar

In the 1970s the Bourbon quality set a precedent and became the much-touted benchmark for geranium oil. Nudging out the Bourbon variety, this particular oil from Madagascar is slowly making its place. The market has seen a strengthening demand with prices firming up. In view of the swelling clamour for Madagascar geranium oil, production is expanding annually but is falling short of meeting the entire requirement.

🏠 Euro 245.00 /kilo

CLOVE LEAF OIL

Eugenia caryophyllata 🇲🇩 Madagascar

The clove crop last year was arguably the smallest that the market has seen in the last ten years. Naturally, this year's expectations are riding high. If all goes well in the growing regions without the ravages of storms and typhoons, the coming three months will see production in full swing. No significant distillation is happening since it is in the middle of the crop season. Producers are hoping for demand to increase since prices will inch up from an all-time low since the end of 2016/2017. This year's higher production from Sulawesi is also cause for tension for Madagascar farmers. Clearly, in the wake of weak demand, requirements are coming in from traders and clients who renew and replenish their existing stocks in anticipation of a price rise.

There is another curious albeit rather chaotic development on the Madagascar clove oil front. A parallel circle has been established with the arrival of some new players, and this has added some chaos to the situation. A certain section of reliable, reputed traders book orders from distillers, analyse the material and then deliver the standard oil that customers have been receiving for years from that origin. Another group of new entrants is offering clove leaf oil at markedly discounted rates. However, it should be noted that this is oil that has failed to meet standards and has been discarded by traditional exporters. Recently, several containers were returned to Madagascar. Though the lower prices are tempting, it is advisable to check before accepting material.

🏠 USD 17.50 /kilo

GINGER OIL

Zingiber officinale 🇲🇩 Madagascar

Earlier ginger oil used to be considered a by-product. Now there is a concerted effort to cultivate and produce ginger oil either from fresh or dried roots. Production has expanded in order to cater for the rising demand.

🏠 Euro 115.00 /kilo

YLANG YLANG OIL

Cananga odorata 🇲🇩 Madagascar

Prices for ylang ylang now seem within reach despite still being very high. The last few months have seen a bit of easing out of the price situation in Comoros and Madagascar. However, it is difficult to determine whether this is a result of a drop in demand or an increase in production, or a combination of the two.

🏠 Euro 225.00 /kilo



KEY LIME OIL

Citrus aurantifolia 🌍 Mexico

Key lime oil distilled has been in a downturn for the past couple of years. After a long period of slowdown, the demand for key lime oil has revived. This has come as an impetus for the main growing regions Colima and Michoacan to expand their cultivating area, which has gone up to cover approximately 6,000 hectares of land. Naturally production too is set to go up by an estimated 10% in around three to four years. The cold pressed key lime oil market is largely influenced by the fresh fruit industry; and currently is balanced with steady supply and strong prices that are expected to remain firm.

The first half of the year from January to June was quite a heartening time, with a significantly healthy crop of 130,000 MT. Producers are expecting to sign off 2019 with a bang and touch a crop level of 250,000 MT shared between all processing plants. The market hopes for a normal crop on a par with last year's figures. The fresh fruit market is quite strong and this has put an upward thrust on price levels. Raw material prices are scaling up and will soon touch USD 0.51/kg. In turn this has impacted the prices of industrial lime, which has escalated. The robust key lime demand has led to large scale booking of orders; and currently stocks are somewhat restricted. This is bound to push up prices.

🏠 USD 34.00 /kilo

NEROLI OIL

Citrus bigaradia 🌍 Morocco

Weather disturbances have caused a marginal drop in production figures compared to last year. The flowers thrived in the dry weather at the beginning of the year and matured well. Harvest began as usual by the end of March but was ruthlessly inhibited by hailstorms, rain and a sudden drop in temperatures in early April. This resulted in a 20% loss of raw material. Producers had to resort to staggered picking which thereby led to a rise in costs. Despite the hitches, producers are hopeful that their strong collaborative setup of many years will enable them to meet the requirements of clients. Currently there are two varieties of material available in the market – the conventional variety as well as an organic variant.

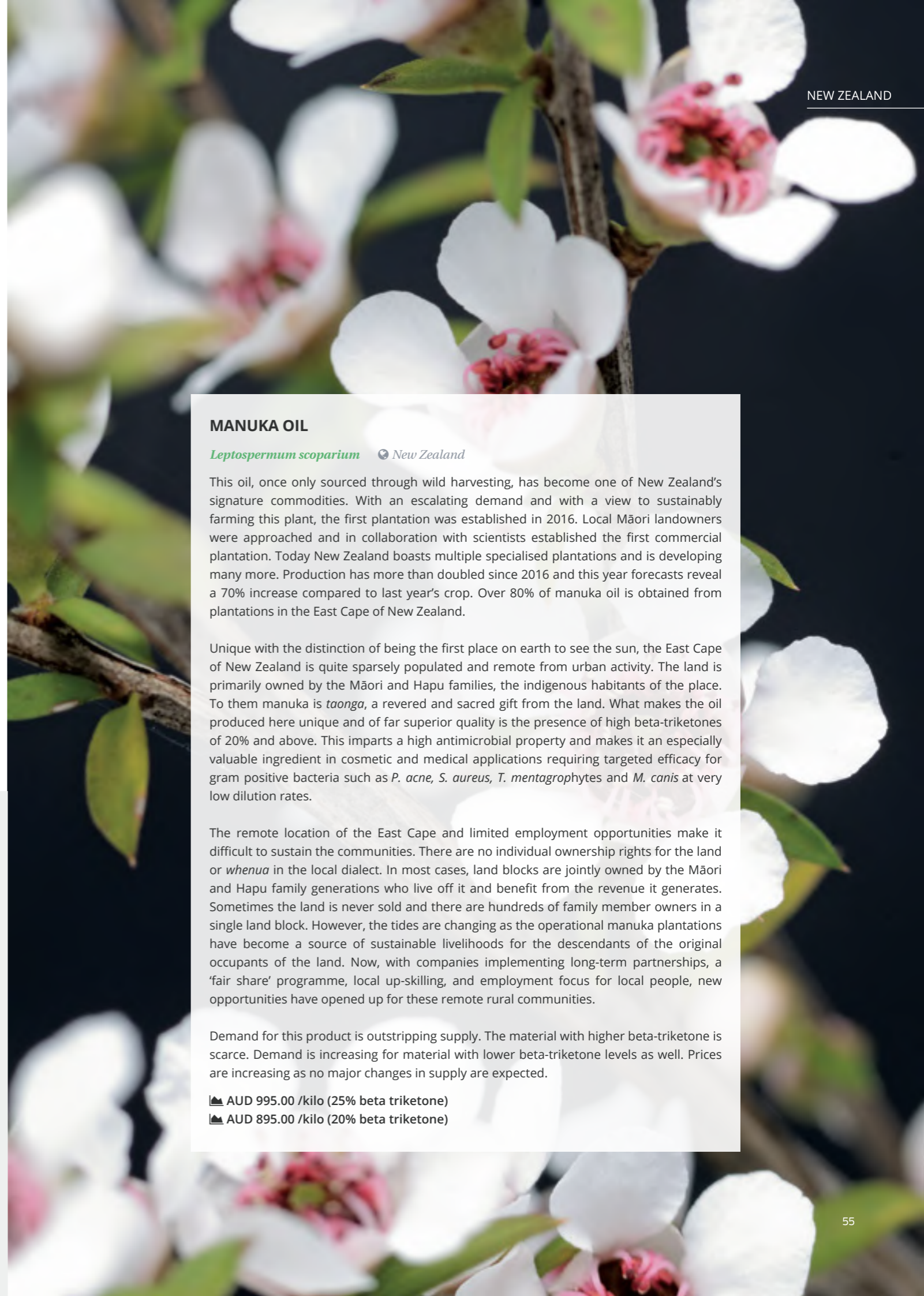
🏠 Euro 5000.00 /kilo

ROSE OIL

Rosa damascena 🌍 Morocco

2018 witnessed inconsistent weather with drought and spring frost. After this complicated cycle, 2019 opened with lower temperatures in which the rose bushes flourished. The cold was beneficial and truly helped through the protracted, lasting spell of warm weather that followed soon after. The season closed with a reasonably acceptable harvest. Prices of rose oil remain at par with those of last year.

🏠 NA



MANUKA OIL

Leptospermum scoparium 🌍 New Zealand

This oil, once only sourced through wild harvesting, has become one of New Zealand's signature commodities. With an escalating demand and with a view to sustainably farming this plant, the first plantation was established in 2016. Local Māori landowners were approached and in collaboration with scientists established the first commercial plantation. Today New Zealand boasts multiple specialised plantations and is developing many more. Production has more than doubled since 2016 and this year forecasts reveal a 70% increase compared to last year's crop. Over 80% of manuka oil is obtained from plantations in the East Cape of New Zealand.

Unique with the distinction of being the first place on earth to see the sun, the East Cape of New Zealand is quite sparsely populated and remote from urban activity. The land is primarily owned by the Māori and Hapu families, the indigenous inhabitants of the place. To them manuka is *taonga*, a revered and sacred gift from the land. What makes the oil produced here unique and of far superior quality is the presence of high beta-triketones of 20% and above. This imparts a high antimicrobial property and makes it an especially valuable ingredient in cosmetic and medical applications requiring targeted efficacy for gram positive bacteria such as *P. acne*, *S. aureus*, *T. mentagrophytes* and *M. canis* at very low dilution rates.

The remote location of the East Cape and limited employment opportunities make it difficult to sustain the communities. There are no individual ownership rights for the land or *whenua* in the local dialect. In most cases, land blocks are jointly owned by the Māori and Hapu family generations who live off it and benefit from the revenue it generates. Sometimes the land is never sold and there are hundreds of family member owners in a single land block. However, the tides are changing as the operational manuka plantations have become a source of sustainable livelihoods for the descendants of the original occupants of the land. Now, with companies implementing long-term partnerships, a 'fair share' programme, local up-skilling, and employment focus for local people, new opportunities have opened up for these remote rural communities.

Demand for this product is outstripping supply. The material with higher beta-triketone is scarce. Demand is increasing for material with lower beta-triketone levels as well. Prices are increasing as no major changes in supply are expected.

🏠 AUD 995.00 /kilo (25% beta triketone)

🏠 AUD 895.00 /kilo (20% beta triketone)

GUAIACAWOOD OIL

Bulnesia Sarmientoi 🇵🇷 Paraguay

Paraguay's export orders had run into a roadblock a few months ago. The mid July consignments had not been approved by the authorities. However, our sources indicate that CITES certificates have been given to most suppliers and they are able to export. In the current situation Guaiacawood is in a comfortable position with adequate availability.

📈 USD 27.00 /kilo

PETITGRAIN OIL

Citrus aurantium ssp. 🇵🇷 Paraguay

The on going winter months are a lean time for production but this is no aberration. The busy crop season peaks around October. Farmers are apprehensive of the plants being affected by frost if cut earlier than necessary.

📈 USD 61.00 /kilo

PINK PEPPERCORN OIL

Schinus molle 🇵🇷 Peru

The Huanta region, where this crop is grown, is susceptible to stormy rains. It has good fertility, which yields fleshy and well-formed fruit. The harvesting of pink peppercorns is relegated to the backburner since maize and tara command priority. The individual collectors follow their own methods in keeping with the optimum conditions. Harvesting is underway; but with 30% of the total forecast production it remains rather low. Going by past instances, *Tara spinosa* has raked in better profits for farmers in comparison to *Schinus molle*, that is pink peppercorn. This is one of the key reasons that this sector urgently requires a boost with the help of sustainable crop measures and policy support.

📈 Euro 135.00 /kilo



ARTEMISIA TAURICA OIL

Artemisia taurica 🇷🇺 Russia

The rain has played truant, so a lot of fields are affected. Some of the fields look promising but others are worse than the previous year. The crop season will start only in September or October, so there will be more clarity at that time.

📈 NA

CLARY SAGE OIL

Salvia sclarea L. 🇷🇺 Russia

Insufficient rainfall in the growing regions has reduced the crop by almost 20% this year.

📈 USD 120.00 /kilo

CORIANDER HERB OIL

Coriandrum sativum L. 🇷🇺 Russia

More than sufficient carryover stock from last year is enough to meet current requirements. Oil production has been negligible this year.

📈 USD 77.00 /kilo

CORIANDER SEED OIL

Coriandrum sativum L. 🇷🇺 Russia

As has been the trend, the demand from the spice industry drives the market for coriander seed oil. During harvest time, this demand surges and generally farmers quote higher prices. Due to the spice industry taking precedence, most producers have no choice but to wait for good quality seeds for distilling.

The new harvest season has begun but mixed reports are filtering in from Russia. The regions of Rostov, Volgograd, Samara, Belgorod, Kursk and Voronezh have been struggling to cope with drought during the late spring and summer months. As a result, market sentiments are also subdued with low expectations of crop returns. On the other hand, Crimea, Krasnodar and Stavropol have fared better. It is hoped that the bonus yield from these areas will balance out the dismal crop performance of the other regions. Some quantities of oil from previous batches are up for sale, but this seems to be of inferior quality. Also, some European importers, who are sitting on carryover stocks, are waiting for the new crop oil to hit the shelves before they adjust their rates and release their supplies..

📈 USD 55.00 /kilo

DILL WEED OIL 🇷🇺 Russia

Anethum graveolens L.

There is a marked reduction in total crop output this year. Due to lack of interest in pre-contracts, many producers did not go ahead with dillweed crop cultivation. Those who did reported a much pared down crop with around 70% output due to inadequate rainfall.

📈 USD 41.00 /kilo

FENNEL OIL 🇷🇺 Russia

Foeniculum vulgare

With the look of the fields currently, market sentiments are rather subdued and output is expected to be lower than usual.

📈 USD 43.00 /kilo

FIR NEEDLE OIL 🇷🇺 Russia

Abies sibirica Ledeb.

The Siberian region has witnessed several forest fires this year and this is bound to have some sort of impact, especially availability of raw material. Though production seems to be at a decent level, prices are set to go up.

📈 USD 34.50 /kilo

LAVENDER OIL

Lavandula angustifolia 🇷🇺 Russia

Crop and production are reasonable, but the extreme heat and sparse rainfall has affected total output this year.

📈 USD 79.00 /kilo

EUCALYPTUS SMITHII OIL*Eucalyptus smithii* 🌍 South Africa

The global demand for this oil has been on a downturn. Though some intermittent supply streams are making their way into the market, efforts are on to control supply dynamics and contain oversupply. Producers and traders are monitoring the situation closely to try to ensure that there are no major price fluctuations and that prices remain viable for farmers and distillers.

📈 USD 22.00 /kilo

TAGETTE OIL*Tagetes erecta* 🌍 South Africa

Tagette oil is one sector where the market remains unwavering in terms of demand and supply as well as the resultant prices.

📈 USD 164.00 /kilo

TEA TREE OIL*Melaleuca alternifolia* 🌍 South Africa

The clamour for tea tree oil continues to be high, with a growing need for an organic variant. In the context, it must be mentioned, that there are extensive cultivations catering for conventional, as well as organic plant material. Despite meeting client requirements across geographies, there is some supply of oil left over.

📈 USD 38.00 /kilo

CITRUS OVERVIEW

Predominantly a citrus growing nation, South Africa has traditionally given the USA and Europe a run for their money. The largest citrus producing region is the Limpopo province, found to contribute a significant 43% of the total citrus plantation. Coming up a close second is the Eastern Cape with 27%; and following on its heels is Western Cape with 17%. The Mpumalanga region accounts for 8% while the KwaZulu-Natal supplies about 2%. The remaining 2% is contributed by Northern Cape with the North West bringing up the rear with less than 1%. The cooler climates of the Western and Eastern Cape are where navel oranges, lemons, limes, mandarins, tangerines and other soft citrus fruits flourish. The warmer temperatures of the Mpumalanga, Limpopo and KwaZulu-Natal provinces are more conducive to grapefruit and Valencia oranges.

Soft citrus fruits and lemons have fetched attractive returns on investment prices in the last couple of years. Buoyed by this trend, there was a 3% increase in the area under cultivation – from 74,902 hectares in 2017 to 77,550 hectares in 2018. The citrus harvesting season spans February to September. Considering the fresh thrust of investments and aggressive plantings, estimates predict a furtherance of this growth trend into this year as well. South Africa's citrus production is dominated by oranges, accounting for 58% of total citrus area planted. University of California Riverside developed the tango citrus variety, a new entrant on the South African citrus scene. In 2016 this variant won the plant breeders rights; and looks all set to compete with the Nardocott variety. It is heartening to see a significant spurt in the area under soft citrus and lemon plantation. Concerted efforts have been undertaken by farmers to promote the growth of soft citrus and lemons. With a planned increase in area planted compounded with new plantations being fully operational, and water management techniques to address frequent drought conditions, a robust crop is estimated this year as well.

The soft citrus, lemon and limes market is set to grow, both in terms of production as well as the exports. The USA is a crucial market for South Africa; and under the African Growth Opportunity Act (AGOA) duty free exports of citrus to the United States have received an added impetus, which is expected to continue.

**GRAPEFRUIT OIL***Citrus paradisi* 🌍 South Africa**Fresh fruit market**

Leading the pack among the grapefruit producing states is Limpopo. The province contributes around 59% of total production. Mpumalanga follows with 22% and KwaZulu-Natal with 10%. A mere 6% comes from the Northern Cape with the Western Cape contributing less than 1% of grapefruit. The Star Ruby variety, commanding the highest demand on a global scale, forms the bulk of the produce with 84% of production. The Marsh variety makes up 13%; with negligible amounts of the Rose, Redheart, Pomelit, Ja Shaddock, Flame, and Fe 1(Jackson) varieties.

Global demand for grapefruit, especially in Asia and the Middle East, is on the rise. The South African farmers have increased their cultivation of this rather profitable crop from 7,950 hectares in 2017/18 and covered almost 8,200 hectares in 2018/2019, an increase of 3%. In the face of higher than normal temperatures and severe aridity, the size of the fruit is smaller than average. Furthermore, since grapefruit follows a cyclical production pattern and 2018/19 corresponds with a lean period, the total production has fallen by a marginal 1% at 415,000 MT. The 2017/18 production was 419,000 MT. The decline in production has been somewhat mitigated by the increase in cultivation. However, the water levels in the dams, and prevailing drought conditions in some growing regions such as Letsitele in Limpopo, will severely impact the 2019/20 crop if there is inadequate rainfall by November 2019.

Processing

The EU is a major importer of grapefruit juice and concentrate. A favourite in the food industry for jams, fruit preserves, and marmalades, the inner peel is a source of pectin and citric acid. Many a beverage and soft drink use leftover pulp following commercial juice extraction as a preferred flavouring ingredient. Tonic water gets its signature flavour from naringin obtained from grapefruit peel, while the essential oil from the peel is used in scented fragrances. This year's market forecasts a 26% jump to 160,000 MT of fruit delivered for processing as opposed to last year's figure of 127,000 MT. The main reason behind this increased volume is the smaller fruit size and, with the increased production, a significant quantity of fruit that has not met the export criteria has been channelled into processing.

📈 USD 54.00 /kilo (White)

📈 USD 28.00 /kilo (Pink)

ORANGE OIL*Citrus sinensis* 🌍 South Africa**Fresh fruit market**

Once again Limpopo takes first place in orange production, accounting for 49% of the total area planted. The Eastern Cape follows a close second with 25%. The Western Cape and Mpumalanga fill in with 15% and 8% percent respectively. KwaZulu-Natal, Northern Cape and the North West Province contribute 1% each. Out of the total area dedicated to orange, 61% is the famed Valencia variety, while navel oranges cover 39% of the area.

Production

Overall there has been a rise in the area of orange cultivation. With a perceived shift towards late blooming, high yielding orange crops and improved water management techniques, the crop size is predicted to be on the higher side. In fact, industry predictions peg the orange crop at 1.60 million MT in 2019, a 3% jump from 1.55 million MT in the last year. This however, will be evened out by the crop damage due to hail, dry weather and small fruit sizes. It is estimated that the area under orange plantation will expand by around 2% to reach 45,000 hectares in 2019 due to an increase in planting of the seedless orange variety. Parity, however, is on the cards as the Western Cape and Limpopo gradually turn their attention away from oranges to soft citrus farming.

📈 USD 4.00 /kilo



LEMON OVERVIEW

Spain is the second largest producer of fresh lemons after Argentina, and this year has substantially closed the gap. Also it is the second largest processor of lemon juice, essential oil and dehydrated peel; a position once again reinforced with this season's crop production figure of 1,104,000 MT. With this astounding crop figure, stakeholders in the supply chain are hoping to benefit despite the fall in prices. Obviously in addition to boosting the commercialised Spanish lemon sector, it will enable Spain to face the stiff competition offered by developing nations like Turkey, even though these are strictly monitored for pesticides. Also, from the point of view of producers, the prestigious Global G.A.P. and GRASP certifications will be added factors for incentivising the promotion of sustainable practices under economic, environmental and social indices for next season.

The 2018/2019 season saw Spain's record bumper harvest. This year's prediction of 1,104,000 MT tonnes indicates a fall of 14%; though the first rains during the summer and autumn months will be the clincher.

Fino Lemon

The Fino lemon crop has seen fruit maturing to their optimum size thanks to adequate watering. This is augmented with the progressive entry of many new plantations, and has led to an estimated production of 845,000 MT. This is actually a marginal reduction of 8%.

Verna Lemon

The Verna lemon variety is forecast at 260,000 MT. Verna lemon follows a periodic cycle of alternate bumper and lean harvests. Last year delivered a record harvest, so naturally this year will be of low productivity. Despite the decrease in production, the volumes are enough to encompass the entire summer requirements for 2020 with superior quality fruit.

LEMON OIL

Citrus limon L. Burm. F. 🇪🇸 Spain

With an estimated lemon production of 1.1 million MT Spain is set to once again win the crown of being the world's *numero uno* producer of lemons for fresh consumption. This figure released by AILIMPO is an upsurge of 19.0% from last year's crop, though of late Turkey has emerged as a stiff competitor with viable price points. Producers have undertaken efforts to expand the areas under lemon cultivation and, backed by exemplar weather, literally, their efforts have borne fruit. Excellent flowering and very good fruit setting have produced good quality fruit. However, the challenge from Turkey has cast a shadow over Spanish farmers. Driven by the apprehension of losing out market share to their Turkish counterparts and be left at a price disadvantage, many growers have decided to slow down the harvest by leaving much of the fruit on the trees. Another factor that has led to this decision is the drop in processing of lemon by the industry.

🏠 Euro 20.00 /kilo (Low AR)

🏠 Euro 15.00 /kilo (Normal AR)

EUROPEAN UNION-ESTIMATED LEMON PRODUCTION (MT)

Countries	MY 2014/2015	MY 2015/2016	MY 2016/2017	MY 2017/2018	Forecast 2018/2019
Spain	1,089,000	775,800	995,000	928,000	1,108,094
Italy	429,000	394,000	447,000	435,000	400,000
Greece	55,700	68,500	68,829	85,003	85,000
Portugal	13,000	16,000	16,000	16,000	16,000
Cyprus	11,000	15,000	8,000	8,000	8,000
Total Production	1,597,700	1,269,300	1,534,829	1,472,003	1,617,094

CISTUS OIL ABSOLUTE

Cistus ladaniferus 🇪🇸 Spain

Andalusia and Seville are renowned for their rich and quality harvest leading to excellent yields. The season commenced in May with a sunny and mild spring, especially the key growing region of Almadén de la Plata. However, as the weather became hotter and more arid with the absence of rain, initial reports indicate some cause for worry. Nevertheless, considering that the harvesting areas have increased, the distillers are confident of adequate quantities of cistus branches for higher yields, thereby meeting requirements.

🏠 Euro 635.00 /kilo

GRAPEFRUIT OIL

Citrus paradisi 🇪🇸 Spain

The season for grapefruit commenced in October. Market predictions for 2018/2019 peg the production figure at 76,000 MT, hardly any change from the last crop. Even for processing there is no change expected in the quantity or volumes of fruit. Last year around 10,000 MT of fruit was received for processing.

🏠 Euro 45.00 /kilo

Sri Lanka witnessed a deadly terrorist attack on Easter Sunday. The country was in turmoil with tourism severely impacted, as also the economy in general. This year, in an aberration from the usual trend of flooding, the monsoons have been woefully inadequate with insufficient rainfall. Another recent development is the identification of safrole as a carcinogen. Cinnamon leaf oil, which contains a high proportion of safrole, as a result has seen marked decline in demand. In addition, global regulatory developments on ingredients have largely affected the cinnamon leaf oil industry with the US dollar continuing to hold strong against the Sri Lankan rupee.

CINNAMON BARK OIL

Cinnamomum zeylanicum 🇱🇰 Sri Lanka

The months of April through May are when there is no dearth of raw materials, as the abundance of rain contributes to the process of peeling, and work resumes after the festivities. The demand for cinnamon bark oil is on the rise with its popularity across various industries. However, supplies are a tad low due to a robust demand for cinnamon spice powder. May and June witnessed a slight slump in global cinnamon spice prices but this did not affect the prices of raw material that is earmarked for processing. There may be an eventuality where prices dip further to levels below the average cost of production. In this situation peeling and production work may be interrupted, and distillers may face a scarcity of raw materials. The Sri Lankan currency is rather weak at the moment. The descending prices of cinnamon in the global market, coupled with ample availability of oil grade materials, mean cinnamon bark oil prices are estimated to fall. However, with apprehensions of restricted raw material availability prevailing in the market, it is advisable to plan purchases in advance. No significant price fluctuations are expected until the end of this year.

🏠 USD 285.00 /kilo

CINNAMON LEAF OIL

Cinnamomum zeylanicum 🇱🇰 Sri Lanka

Past trends have shown the prices of cinnamon leaf oil dipping in the months of December and January, with a resurgence around April. The recognition of safrole as a carcinogen has come as a severe drawback. It impacted the demand; this year seeing a marked decline and consequently lowering of prices. The market is hoping for a price revision around the months of September and October. The smaller distillers mainly produce cinnamon leaf oil. Though there is good availability of raw material because of cinnamon peeling, the rock-bottom prices of the oil have stalled the leaf distillation. A serious scarcity of supply is on the cards unless demand picks up.

🏠 USD 17.50 /kilo

CITRONELLA OIL

Cymbopogon winterianus 🇱🇰 Sri Lanka

Rainfall has been quite good, and this has been favourable for a good citronella crop. While there is abundant available raw material for distilling, this year has seen bumper production. Consequently, both demand as well as prices have plunged by drastic margins. The situation is expected to remain status quo, as there seems to be no improvement in demand. The oil from Java continues to offer the Sri Lankan variety a run for its money, but there is a gradual improvement in demand for Sri Lanka citronella this quarter. No major upheavals are expected on the price front, but prices will not reduce further since the market looks encouraging for the next few months.

🏠 USD 24.50 /kilo



NUTMEG OIL

Myristica fragrans 🇱🇰 Sri Lanka

The Sri Lankan nutmeg crop is almost finishing but a small harvest is expected in September. Following its usual yearly graph, the prices of raw material have escalated but has now stabilised. In comparison, Indonesian nutmeg commands lower prices, which puts the Sri Lankan producers under pressure to compete. Prices have inched up recently.

🏠 USD 50.00 /kilo

PEPPER OIL

Piper nigrum L. 🇱🇰 Sri Lanka

In general, the prohibitive prices of Sri Lankan pepper have made it a costly and unviable item for many markets. However, the market is seeing activity in the pepper market due to some demand from India.

🏠 USD 42.00 /kilo

CLOVE MARKET

The Sri Lankan clove crop is over, and stocks are limited. Supplies are available at exorbitant prices. The market is expected to hold till the new crop comes in Sri Lanka next November. In the meantime, Comoros and Indonesia are producing cloves. Responding to a healthy demand the price of Comoros cloves has been very competitive.

CLOVE BUD OIL

Eugenia caryophyllata 🇱🇰 Sri Lanka

Right now, the harvests have been consumed and a fresh harvest is expected to come in by the end of the year. At this point it is difficult to predict the prices. The 2018 harvest was not up to expectations, and so raw material is difficult to come by. This puts the pressure on the prevalent rates. However, this year's favourable weather has fuelled hopes for a better clove harvest; and farmers are pinning their hopes on the current crop. The prices remain unchanged compared to the earlier quarter.

🏠 USD 82.00 /kilo

CLOVE STEM OIL

Eugenia caryophyllata 🇱🇰 Sri Lanka

Since the clove harvest is not scheduled to come in before the end of the year around December, there is limited supply. Prices of raw materials have not yet stabilised; and clove stem oil prices remain comparatively high.

🏠 USD 34.00 /kilo



NEROLI OIL

Citrus aurantium 🌍 Tunisia

April commenced with the first neroli crop. However, the months were fraught with cold; and heavy rains hindered the timely blossoming of the flowers. The coastal and specific regions sheltered from the rain and cold have fared better, with the flowers in full bloom. What is encouraging is that the weather too has cleared up; so now the farmers are hoping for a strong crop season. Supply remains steadfast and stable; but prices are moving in an upward direction amidst the mounting pressure of intensifying demand.

📈 Euro 6200.00 /kilo



ROSEMARY OIL

Rosmarinus officinalis 🌍 Tunisia

Sufficient and frequent rainfall from the months of September through to March has helped the plants to thrive. The imminent sunny weather is also beneficial for a good, strong yield of oil. If initial indications are anything to go by, then the rosemary scenario looks quite encouraging and points to a healthy crop size. Though there is quite a bit of carryover stock from 2018, this is not expected to affect the current prices.

📈 Euro 65.00 /kilo

LEMON OIL

Citrus limon (L.) Burm. F. 🌍 Turkey

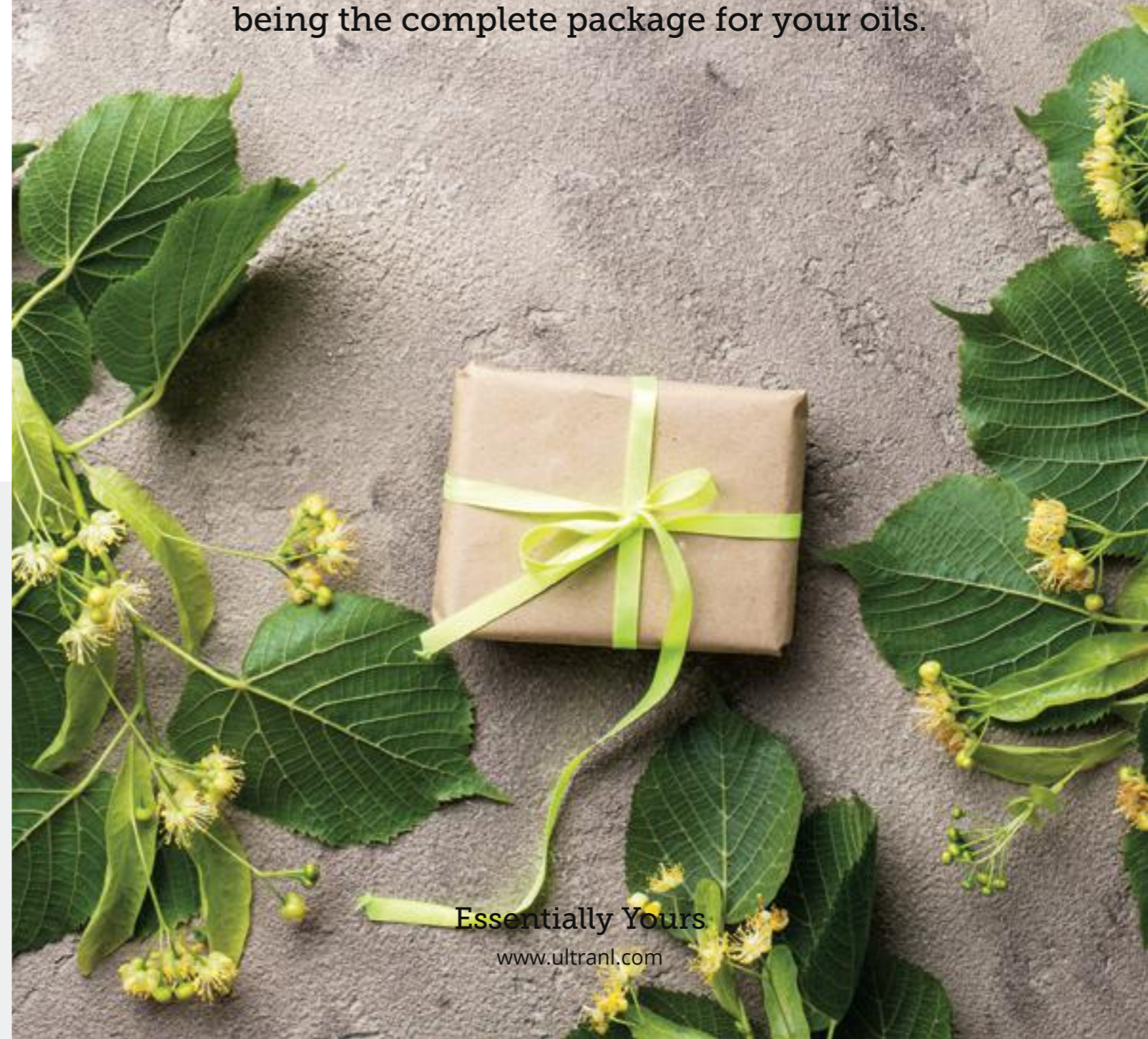
Last year's bumper lemon crop which was an all-time high of 1.1 million MT set a benchmark for this year's forecasts. This was further strengthened with the onset of a prolonged period of favourable weather conditions. Market calculations anticipated an increase of 10% compared to the last crop. However, throwing predictions into disarray was the sudden hailstorm that struck in the spring and hampered flowering. Revised calculations estimate a fall of 8% in the total crop figure compared to last year.

📈 NA



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GRAPEFRUIT OIL

Citrus paradisi 🌍 USA

The July forecast has come with good news for Florida farmers. Compared to last year's crop of 3.88 million boxes, this year's crop is set to touch 4.51 million boxes, according to the USDA. White grapefruit seems to be a little tight on the supply front with a prediction of a crop size of 0.770 million boxes only. The coloured grapefruit variety is set at 3.74 million boxes.

🏠 USD 65.00 /kilo (White)

🏠 USD 43.00 /kilo (Pink)

USA - GRAPEFRUIT PRODUCTION ('000 BOXES)

<i>X 1000 Boxes</i> 1 Box = 40.8 Kg	2013/14	2014/15	2015/16	2016/17	2017/18	Forecast 2018/19
Total Production	15,650	12,900	10,800	7,760	3,880	4,510
White	4,150	3,250	2,490	1,480	700	770
Red / Pink	11,500	9,650	8,310	6,280	3,180	3,740

LEMON OIL

Citrus limon (L.) Burm. F. 🌍 USA

Arizona reported a good crop and increase in production from last year. Combining this with the output from California, the USDA forecasts the combined volumes at 22.390 million boxes. This is a slight increase from last year's 22,200,000 boxes. Currently, the quality of oil is good and this is bringing in reasonable prices.

🏠 USD 35.00 /kilo

LIME OIL

Citrus aurantifolia 🌍 USA

This oil is seeing some difficulties due to overproduction and a surplus supply. An increase in the plantation area has resulted in a surfeit of limes, which, released into the market, has led to saturation. However, this augurs well for the processing industry since a larger volume of fruit is now earmarked for distilling into oil. In the face of weak demand, supply is adequate but prices have plunged to their nadir in the last five years.

🏠 NA

PEPPERMINT OIL

Mentha piperita 🌍 USA

Considering the weather problems faced last year, this year has been quiet and reasonably strong in terms of weather. There have been no major disturbances. The harvest, following its year-on-year pattern, points to average yields and is proceeding as planned. In fact, farmers in the Northwest have completed the harvest for the first cut; those in the Midwest are still continuing amidst good weather. Going by the initial reports so far from the harvest, as well as the condition of the fields that are yet to be harvested, forecasts do not anticipate any upheavals or change with regards to demand and prices.

🏠 USD 50.00 /kilo

ORANGE OIL

Citrus sinensis 🌍 USA

Orange production in 2018/19 is set to outshine the previous crop with an increased output of 4.2 million MT leading to an estimated global production of 51.8 million MT. As a result, fruit for processing will go up to an estimated 21.2 million MT this year. USA's combined orange production from Florida, California and Texas is estimated at 124.09 million boxes.

Florida, the USA's biggest orange-producing state and third largest orange producer in the world has been plagued by the dreaded citrus greening disease and hurricanes. The state, which once boasted a peak production of 244 million boxes in 1998, has dwindled by a mammoth 70% over the last decade. Citrus greening is fatal for the trees. The bacteria impact the vascular systems of citrus trees, hinder nutrient uptake and naturally, adversely affects yield, fruit size and quality. The cost of production also goes up. After concerted steps were taken to battle this disease, the industry has slowly limped back to normal. Despite weather setbacks, crop production this year looks promising with an estimated increase from last year.

The USDA pegs the total Florida orange crop for 2018/2019 to be 71.6 million boxes, a sharp upsurge of 26.55 million boxes from last year's crop. Hurricane Irma coupled with citrus greening had brought down the last crop (which ended in July 2018) to 45.05 million boxes. This year, out of the predicted 71.6 million boxes, 30.4 million boxes are expected to be the early, midseason and navel oranges while the remaining 41.2 million boxes will be the Valencia variety.

Approximately 95% of Florida's orange bounty is sent for processing. The 2018/2019 Florida total orange crop is somewhat reduced from the initial 76.5 million boxes forecast in April; it is still a significant improvement. This year will bring relief to several farmers who were struggling to come to terms with the massive, 75-year-low precipitated by Hurricane Irma.

🏠 USD 4.50 /kilo

USDA ESTIMATED USA ORANGE PRODUCTION

<i>Million of 40.8 Kg Boxes</i>	2013/14	2014/15	2015/16	2016/17	2017/18	Final Count 2018/19
Florida	104.70	96.95	81.70	68.85	45.05	71.60
California	49.50	48.20	58.50	48.30	45.40	50.00
Texas	1.78	1.45	1.69	1.37	1.88	2.49
Total	155.977	146.602	141.891	118.52	92.33	124.09

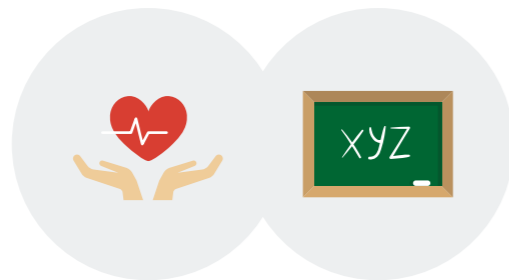
ORANGE TERPENES

Orange terpenes have been commanding exorbitant prices over the last couple of years prompting many in the chemical industry to look at alternatives. In an effort to reformulate the composition, many have ended up switching solvents. Consequently, demand has been on the decline; and prices started dropping. At present, prices have plunged to an all-time low. If this scenario persists, the market may start to stabilise around these price points; and any minor fluctuations are unlikely to have a major impact.

🏠 USD 2.50 /kilo

THE SANGANERIA FOUNDATION FOR HEALTH AND EDUCATION (SFHE) GIFTING DREAMS

Compassion and responsibility towards society has always taken priority at Ultra. Our focus is on how concrete plans can be implemented in order to make a difference.



Born over a century ago, in 1910, Prahalad Roy Sanganer, the Founder of the Ultra group (initially: Lakshmi Bottle Stores, Kolkata), was a visionary who felt the need to use the capabilities and resources at his command in the service of the people of the country. Motivated by Mother Teresa's philanthropic setup popularly known as the "Missionaries of Charity", he devoted his entire energy and effort to implement his vision of making societal changes in India, especially in his ancestral state of Rajasthan and Kolkata. Born in the same year as Mother Teresa, he was immensely touched by her life and so working in parallel with her ideologies was an extreme passion for him.

To express his solidarity, in April 1988, he along with his wife Smt. Radha Devi Sanganer donated their ancestral property to her congregational set-up in Kolkata, viz. The Missionaries of Charity. The flagship home is now known as DAYA-DAN, which is a nursing home for the differently-abled as well as an orphanage for the children of ages between 1-12 years. This erstwhile Sanganer residence is situated at 58/1, Nimtolla Ghat Street, Kolkata, India.

Mr. Sanganer's principles and ideologies were later soaked up by his son, Shri Sant Kumar Sanganer. Like his father, he too was a staunch believer that the right to live with dignity is the essence of meaningful existence. Never deterred from this conviction, he worked unceasingly to further the cause of education and help underprivileged children. However, it took him a few years before he was finally able to institute the Sanganer Foundation for Health and Education (SFHE) in April 2003, and formulate a roadmap for the way ahead.

SFHE has adopted literacy for children, gender equality, women empowerment, community upliftment, and health and hygiene as the key areas to concentrate efforts. Its invaluable partnerships with other foundations, non-profit organisations, and welfare committees are its strength on this challenging journey.



EDUCATION

Open a school and you close the doors to darkness.

With this thought, the SFHE has been the beacon of hope for many educational institutions, which have been struggling due to lack of financial support. The Raghunath Balika Vidyalaya in Sikar, Rajasthan, was established in 1967, by the persistent and tireless effort of Shri Prahalad Roy Sanganer.

Though the School was started with a handful of students, say 65/70 girls in 1967, it now has a total strength of approximately 1,000 students. As student numbers increased, the school found it difficult to meet its administrative expenses. It was at this juncture our Foundation extended its helping hand. Later in 2013, SFHE became a Permanent Trustee and helped in building up a Science Block in memory of the late Radha Devi and Prahalad Roy Sanganer. The Foundation has also instituted several cash awards and scholarships for meritorious students.

The association with the Purkal Youth Development Society (PYDS) in Uttarakhand, dates back to 2006. The Foundation has undertaken the responsibilities for the educational development of 21 poor rural children of this school, which is situated in the remote foothills of the Himalayas. These children were later referred to by the school as "Sanganer Scholars".

The year 2007 saw the SFHE teaming up with Humana People to People India (HPPI) to work for the street and working children in the Sahibabad Industrial Area.

At the Gateway School of Mumbai, a non-profit school for students with learning disabilities, the SFHE has been sponsoring the education of a special child, on a year-on-year basis.

Since 2009, SFHE has been sponsoring 11 students of Dayawanti Punj Model School every year. Likewise, Maharani Laxmibai College in Hissar, Haryana has also benefited from the funding of SFHE.

In 2017, SFHE joined hands with HPPI to implement the KADAM Step-Up Programme for children who have been denied formal education, in preparation for mainstreaming them into formal schools. The KADAM Programme is supported by a nutritious mid-day meal sponsored by Ultra International Limited.

Always an ardent follower of science, Sant Sanganer is no stranger to the curious explorations of the mind. Always one to support the furtherance of education, he was pivotal in helping develop the 'Sanganer Science Block' at the premises of the Hindu College, Delhi University. This science block comprises four laboratories each dedicated to the Departments of Physics, Chemistry, Zoology and Botany – spanning four floors – which was duly completed and inaugurated in the year 2016.

In 2019, SFHE has accepted the proposal of Banaras Hindu University (BHU), Varanasi to create a 'SANGANERIA CHAIR' and donating a 'CORPUS FUND' to top up the salary of the selected Faculty Members to motivate them to orient their research towards industrially relevant problems.

WOMEN'S EMPOWERMENT

A woman with a voice is a strong woman, and we are proud to help many find theirs.



SFHE develops and undertakes specific programmes for imparting vocational training and schemes for encouraging their participation. The Ultra Skill Development Centre in Karkar village in Sahibabad, Uttar Pradesh, is a case in point where courses in tailoring and beautician classes are running successfully with strong participation.



HEALTH SERVICES

Health is wealth and the true path to building a happy community.

At the ancestral hometown of the Sanganerias, the age-old Shree Raghunath Hospital is a century old charitable institution supported by SFHE and the expanded facilities include new laboratories. In addition, the SFHE supports the Kiwanis Club of New Delhi providing artificial limbs cost-free to patients. The Rajiv Gandhi Foundation for quality education at the primary level received 10 vehicles for the use of those orthopaedically challenged.



COMMUNITY BUILDING

We grow together and take everyone with us.

Rana Street in Karkar village of Ghaziabad were gifted a beautifully refurbished portion of the locality. A joint endeavour by SFHE and HPPI, residents all came out to celebrate the covered drains, newly-planted saplings, strategically placed dustbins, and painted walls.

The village of Sikar in Rajasthan is doing its bit for the environment with the help of SFHE in collaboration with HPPI. The village is breathing easier after the installation of 50 biogas plants fed by decomposing agricultural crops, manure, and bio waste. The residue after decomposition makes good quality fertilizer; and of course big strides have been made in generating biogas as a renewable alternative energy resource.

The SFHE, under the guidance of Sant Sanganeria is also actively involved in promoting and furthering the cause of scientific thinking and encouraging young scholars.

As part of its Corporate Social Responsibility (CSR) Mission and commitment towards the Council of Scientific and Industrial Research (CSIR) Aroma Mission, SFHE in conjunction with ULTRA has given awards to progressive scientists and farmers for their outstanding performance in aromatic crop cultivation during the Essential Oils Association of India (EOAI) International Congress & Expo 2018 held at Bangalore, India.

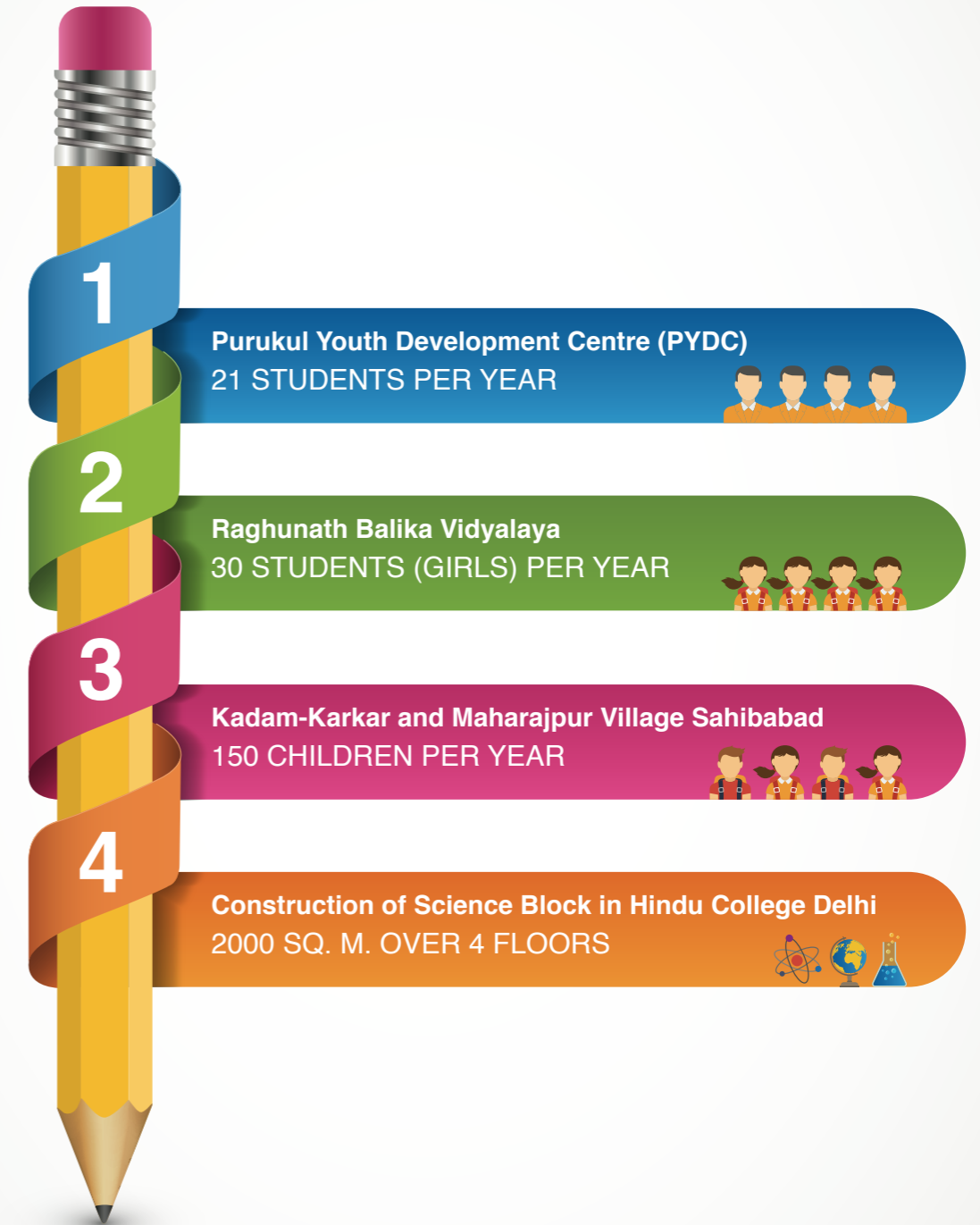
Also a Team Award of Rs.100,000 (USD 1,500 approximately) each was presented to the three following CSIR institutes for their innovative and impactful efforts towards promotion of cultivation and processing of aromatic crops for improving essential oils production and thereby enhancing the income of large number of farmers:

- CSIR-Institute of Himalayan Bioresource Technology (IHBT), Palampur
- CSIR-Indian Institute of Integrative Medicine (IIIM),
- Jammu CSIR- Central Institute of Medicinal and Aromatic Plants (CIMAP), Lucknow

The Foundation has recently donated six distillation units to the Hill and Tribal Farmers in Tamil Nadu and U.P. for the extraction of essential oils from aromatic crops like vetiver, lemongrass, mint & palmarosa, which they cultivate – two units to tribal farmers in “Anamalai Tiger Reserve” and one to hill farmers in Ooty, Tamil Nadu and one each to farmers in Bastar, Mirzapur & Sitapur in Uttar Pradesh. We are sure that these units will be helpful for them to extract the oils free of cost, which is definitely a cost cutting measure as well as a key factor for their upliftment.

Nature is at the heart of our business, and our values its backbone. A legacy of 90 years stands on the bedrock of our core values of integrity, understanding, excellence, unity, and responsibility. From the Managing Trustee Sant Sanganeria, to the other trustees Asha Sanganeria, Ravi Sanganeria, Priyamvada Sanganeria, Neeta Todi, Nirmal Todi, Bhuvana Nageshwaran, Prasenjit Mazumdar and Prof. Ashok Mittal, to our field team who live with communities at grassroots level, each one feels their responsibility very strongly. It is driven by this conviction and our tenacity to persevere that today we are able to leave you with these figures – 1,900 children educated, 1,000 women empowered, 1,900 active volunteers, and 1,900 funding parties; and we're still counting.

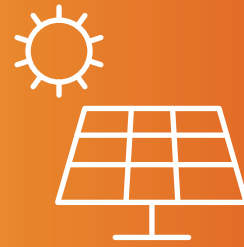
4 STEPS TOWARDS EDUCATION



SANGANERIA FOUNDATION
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 A NON-PROFIT ORGANIZATION
 SINCE 2003-HELPING THOSE WHO ARE IN REAL NEED



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