

agaSAAT® Market Report October 2024

Dear Readers,

It's certainly been a mad year hasn't it? A rainy spring, waterlogging that continued well into summer, a short but lovely period of sunshine and now...? Well, we're hoping for a good September and a "golden October" to compensate for the backlog in the fields caused by the delayed sowing. Unfortunately, in recent weeks we've been faced with heavy rainfall, local flooding and even 100-year floods and reports of natural disasters in Germany and neighbouring countries. This crazy year is slowly but surely coming to an end – where have the last 10 months gone!

agaSAAT FOOD SAFETY Program

Rising temperatures and extremely high humidity provide an excellent living environment for insects and beetles/pests of all kinds. We are currently in the peak season for pest infestations. Please pay particular attention to the quality of the goods during control of incoming goods. We have the technical equipment and know how to offer you a solution to the infestation problem. This is where the advantages of our installed agaSAAT – FOOD SAFETY – program are based on.

Are you familiar with the benefits of our agaSAAT FOOD SAFETY program?

Seeds and spices are agricultural raw ingredients that become food – and therefore "credence products" – after preparation.

When temperatures rise, so does the risk of a pest infestation.

This is precisely where the agaSAAT FOOD SAFETY program comes in. It offers a comprehensive, all-inclusive package of services along with the **know-how** we have gathered from 30 years' experience in our core areas of expertise. Our services are just as flexible as your requirements!

- Storage of goods in separate **quarantine storage units**
- Pressurised disinfestation **using natural carbonic acid (which can also be used on organic products)** in the high-pressure chambers installed at our Neukirchen-Vluyn site
- **agaSAAT fine cleaning** (can be done with a colour sorter and NIR technology if required) at our high-tech cleaning facilities
- Packaging in sacks and big bags, loading onto pallets, labelling as per customer specifications
- Storage and stockpiling under temperature- and humidity-controlled IFS-FOOD conditions, carbon-neutral warehousing

We can take care of all the necessary process steps for you. We are the only company in Germany that can offer these services and this expertise!

We are happy to offer our skills and know-how as a service to your company. We look forward to receiving your enquiry.

You can find more detailed information about the agaSAAT FOOD SAFETY Program on our website:

<https://www.agasaat.de/en/>

Pumpkin seeds

The Chinese economy has slowed down and the forecasted growth has not been achieved. Leftovers from the previous harvest, particularly Shine Skin pumpkin seeds, are putting additional pressure on the market. So, what will happen next? Shipping costs for exports to Europe are still high and due to ongoing unrest in the Red Sea ships are still having to divert around the Cape of Africa. All shipments that are on their way now will arrive in European ports as a late Christmas present or a little greeting for the new year. We recommend that you secure your requirements for the first quarter of 2025 as soon as possible to make sure that you are ready for the upcoming holidays like Christmas, New Year and, of course, CHINESE NEW YEAR.

GWS-quality seeds: Supplies remain scarce. As yields from the new harvest are only average and cultivation areas have been reduced, we expect to see prices increase further. We recommend opting for special offers from the last harvest. The markets at origin are empty – all offers that are available now do NOT meet the expected quality standards and requirements for EU imports. The first shipments from the new harvest should reach us at the start of the new year at the earliest.

Organic pumpkin seeds

Since the start of the harvest, available offers have been gradually increasing once again. Reliable exporters are waiting for the results from the first analyses of the new season's harvest to make sure that the EU's requirements with regards to residues have been met.

It can take between 6 to 8 weeks to inspect a supply chain and during this time goods cannot be moved or used. In addition, collaborating with foreign inspection organisations makes tracing goods more complicated.

Cultivation in the Lower Rhine: The ripening of the pumpkin seeds sown in April looks pretty good. However, we don't expect to see a record harvest. The areas that were planted later still need a little time, and the nice golden October that we mentioned in the introduction, to produce a bountiful harvest.

NATURLAND: Goods remain scarce, so make sure that you secure yours early and for the long term. If you're thinking of switching ranges now, don't hesitate.

Get in touch with us now to get a head start on your area planning.

Association goods cannot be made available at the push of a button, instead enough cultivation areas must be secured first before the goods can be grown.

Blue poppy

There were not enough cultivation areas available in Czechia and at first glance, the poppy crop seemed to cope well with the late sowing and continued rainfall which went on well into July. Unfortunately, when we looked a little closer this wasn't the case. The first harvest analyses produced a – rather nasty – surprise. The harvested seeds have morphine contents of up to 90 mg/kg despite coming from a long-term cultivation area that uses authorised varieties that usually have morphine contents of max. 20 mg/kg, in line with EU requirements. So how did that happen? The cause can be traced back to the development of the plants. And a phenomenon that we haven't seen for several years. Flowering times and persistent rain until capsule growth started resulted in significantly higher morphine contents.

This means that the market situation – despite all predictions – remains tense and prices for authorised

EU-quality seeds continue to rise. Luckily, the seeds with high morphine contents have found a market in the form of exports to Eastern countries. We recommend exercising caution when presented with tempting, cheaper offers from Poland – the quality of the seeds is often difficult to evaluate. In addition, the long-term impacts of the heavy rainfall and flooding in Czechia cannot yet be estimated.

Organic poppy: The entire German harvest is under contract, leftovers from Austria are in high demand and Czechia does not produce a lot of organic goods. Imported goods from Turkey are still available but even they are not infinite. And association goods like **NATURLAND**- or **BIOLAND**-certified seeds? Difficult to get your hands on – available quantities have already been spoken for. **agaBLUE**® seeds from contract farms are **NATURLAND**-certified and also only available to a limited extent, but they are an alternative option that we have added to our range for the very first time this year. We have taken the step of investing in the expansion of contract cultivation areas in Flanders. Quantities here are limited too and the secured morphine contents of <4mg/kg cannot be equalled. In terms of quality, **agaBLUE**® organic seeds are in another league and you will not find a better, more resilient, and above all more sustainable, raw material supply anywhere else.

Sesame

Pakistan is currently shipping out the new summer harvest, Africa is cautiously starting work on the first offers from the upcoming winter harvest. Prices are still stable and fluctuations between the different sources of origin are minimal. Imports are still being affected by delays and long standing times on a daily basis. The associated standing and warehousing charges are incredibly high and local authorities are not accepting any responsibility for this. We strongly recommend securing and assigning your required quantities and time periods in the long term to make sure that you can take the lead times into consideration. The EU market is still not fully covered and the incoming quantities are far from sufficient to ensure a good supply. But don't wait too long – if demand increases, we expect prices to explode. Growers in Africa have also been dealing with adverse weather.

Organic Sesame: Shipments from Egypt and Pakistan are on their way and should reach EU ports in the coming weeks. In Africa, preparations are underway for the harvest that will start in November. It remains to be seen exactly what the harvested quantities will be. Growers in Africa have also been dealing with adverse weather – flooding and extreme rainfall have resulted in a very different picture than usual.

NATURLAND sesame: Demand and supply continue to be good. We also recommend planning for the long term here and ensuring that your needs are covered. Association goods are in short supply and being snapped up a lot quicker than you might think. If all goes to plan, the harvest of our cultivation project in UGANDA will start in November. But it is also important to factor in lead times here too. This year the first containers reached Europe in April, five months after the harvest was completed. We expect to see a similar situation again this season. Warehouse stocks for prompt delivery are already largely under contract. If you still have short-term requirements that need covering, we recommend making a decision quickly.

Linseed

The first offers from this year's harvest in Kazakhstan have just come in. Available goods from the Ukraine are significantly affected by residue-related issues. Goods from Russia are still subject to import fees. For now, it's difficult to see how the situation will develop. We hope to get a better picture over the coming weeks.

We are already in the final stages of planning and securing our cultivation areas for **agaSUZANNE®** and **agaGOLDFLAX®** contract cultivation. We have been able to secure an additional cultivation area in the EU and will start sowing contract areas in Italy in November. More detailed information about this to follow.

Sunflower seeds

The harvest is in full swing. Developments in the market are a hot topic right now, with opinions varying widely. We're just going to stick to the facts:

- 1. Harvest forecasts** have been reduced but current estimates for the harvest quantities are only slightly below original expectations.
- 2. COUNT figures** – It's true that the seeds from this year's harvest are smaller and so some manufacturers have adjusted their specifications according to the available goods and increased their COUNT FIGURE in line with this.
- 3. Lower hulling yields** – This is also an issue. Due to the smaller seeds, we are seeing higher hulling losses as the proportion of hulls to seeds is much larger with smaller seeds.

But are these all reasons to drive prices up yet again? We're not sure and so recommend a cautious, short-term procurement of seeds from the SPOT market.



agaSAAT GmbH · Kelvinstraße 2 · D-47506 Neukirchen-Vluyn

BACK_ GEWÜRZ_ SAATEN_

Natürlich und gesund genießen.

Organic sunflower seeds: The picture here is similar to that for conventional seeds – lower yields or even no yields at all, as is the case in parts of Romania, lower hulling yields, no exports from Ukraine to supply the hulling plants in Bulgaria. But unlike with conventional seeds, prices in the organic segment have been increasing relatively consistently and haven't jumped up all of a sudden. Due to the overall scarce availability, we recommend securing your requirements in the long-term – for at least six months if possible.

Nigella / Black cumin

A poor harvest in Egypt has had far-reaching consequences. Export regulations on the import of Syrian goods are not helping the situation and despite all original forecasts and estimates, we do not expect things to get better any time soon. The market situation is getting worse and worse, it's very difficult to organise supplies of raw goods from origin. Furthermore, the increasingly stricter limit values for organic imports may result in additional shortages in the future. Europe is well on the way to destroying the diversity of varieties available in the organic segment – the example of nigella seeds used here is just one among many...

If you need nigella seeds, we recommend that you don't hesitate and secure goods for the long-term. Even though prices are high now, we are certain that they will only increase further in the coming weeks and months.

If you have any questions about this market report or would like to request a tailored quote, please Or please feel free to call us on +49 (0)2845-91460

www.agasaat.de

