



# Chelmer Foods

## Newsletter



### MARKET ANALYSIS

09.06.2023

It is thought that overall food prices remain **19%** higher than a year ago. Stubbornly high inflation, jitters around more rate hikes and concerns about a worsening global economic environment are causing concerns to prompt another interest rate hike



However, we should hopefully start to see the intrinsic costs trickle down to the supermarket shelves and settle prices.



# FLAXSEED

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It is now considered that we have hit the bottom of the market. The European market has been under considerable pressure recently with Russian prices manipulating and muddying the waters, however, that has created unsustainable price levels.

Having said that, offers are now being made well into next year, and still a favourable time to book volumes where possible.





# SUNFLOWER



Sunflower seed prices are already at an exceptionally low point given the economic challenges growers face, however, this seems to have enticed some packers and traders to gamble on the market with a select few making short term limited offers at heavily discounted rates.

Although short-lived, this did disrupt market price levels and unease expectations. In addition to the low price level, the European Union has made the decision to extend the import restrictions on Ukrainian products till the 15th of September.



# MILLET

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The market remains relatively stable, with no real major movements. Prices in Europe are predicted to stay at current levels till new crop comes into play, then we may start to see discounted prices. Of course, this is all dependent on the continuing Russia Ukraine conflict and the implications that may have, as well as warm weather sweeping Europe.



The situation in the U.S. remains similar and uncompetitive in comparison to European material.





# POPPY



Although the crop is slowly progressing, we should have a better idea of a cultivation estimate in June/July time. Having said that, predictions suggest a 30% reduction in this year's yields. However, much like last year, there are speculators who have their own view, and some predict as much as a 40% reduction.

In combination with fewer poppy seed being cultivated, Europe is expecting hot and dry weather conditions which may also drive-up prices later on in the season in its last critical stages of the plant's growth.



# PUMPKIN

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Although raw material prices remain relatively unchanged some are offering discounted prices as a result of market demand falling flat. If this weakened demand is to persist, we may see prices continue to fall further.



Sowing for new crop has now been completed with the amount of shine skin pumpkin planted reportedly similar to last years, however, it is estimated that GWS pumpkin planting has been reduced by 30%.

