



Newsletter



MARKET ANALYSIS

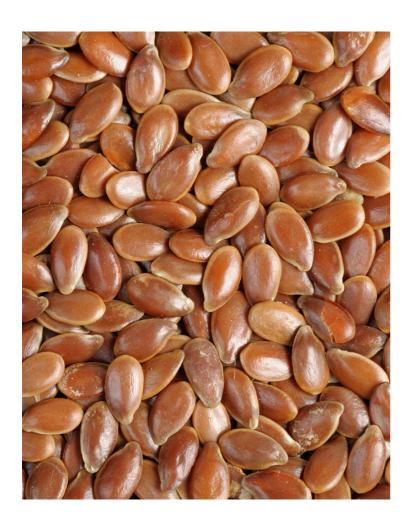
22.06.2023

The Bank of England (BoE) surprised many people by raising interest rates by half a percentage point to 5% on June 22, 2023. This is the highest level since 2008, and it comes as inflation in the UK is running at a 40-year high.





The BoE said that it was raising rates in an effort to "bring inflation back down to its target" of 2%. However, the decision has been met with criticism from some economists, who argue that it will only serve to slow down the economy and could even lead to a recession.



FLAXSEED

Flaxseed sowing in the major producing countries is expected to be significantly lower this year, due to a number of factors, including the ongoing Russia-Ukraine conflict and the rising cost of production. This could be an opportunity for Canadian exporters to regain a foothold in the international market. Canada is one of the world's leading producers of flaxseed, and it has a strong reputation for quality.

If Canadian exporters can capitalise on the lower production from other countries, they could increase their market share and boost exports. However, there are also some challenges that Canadian exporters will need to overcome. The global flaxseed market is highly competitive, and there are a number of other countries that are also major producers. In addition, the rising cost of production could make it difficult for Canadian exporters to compete on price.





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SUNFLOWER

Production is expected to be higher in Romania and Bulgaria, but lower in Hungary, France, Spain, Greece, and Slovakia. This is due to a number of factors, including weather conditions, plantings, and yields. Drought is an issue in Spain and Greece, which will lead to lower production. However, favorable weather conditions in Romania and Bulgaria will lead to higher production. Hungary has also seen an increase in plantings, which will lead to higher production. Looking at Ukraine, the destruction of the Nova Kakhovka dam has had a devastating impact on agriculture in the region.

The dam provided water for irrigation to over 500,000 hectares of farmland, and its collapse has left this land without water. This means that crops that were already planted, such as wheat, barley, and rapeseed, have been destroyed. However, there is some hope that crops that were sown in the spring, such as corn, soy, and sunflowers, may survive after the waters recede. These crops are still young and have not yet reached their full growth stage, so they may be able to withstand the flooding.





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MILLET

The millet market is currently stable, with prices expected to remain at current levels until the new crop comes into play. This is due to a number of factors, including the ongoing Russia-Ukraine conflict, which has disrupted global supply chains. Warm weather in Europe is also expected to contribute to stable prices.

The situation in the United States is similar, with prices remaining uncompetitive compared to European material. This is due to a number of factors, including the higher cost of production in the United States. Overall, the millet market is expected to remain stable in the near future. However, the situation could change if there are any major disruptions to the global supply chain.





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POPPY

It is clear that the crop is facing a number of challenges, including a decline in production and hot and dry weather conditions. This is likely to lead to higher prices for poppy seeds in the coming months. The decline in the poppy seed crop is likely to have a ripple effect throughout the industry.

Processors and distributors will need to find new sources of poppy seeds and could lead to higher prices for consumers. This could lead to lower yields and higher prices. It is still too early to say what the long-term impact of the decline in the poppy seed crop will be. However, it is clear that this is a challenging time for the industry.





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PUMPKIN

The Chinese pumpkin seed market is currently in a state of flux. Speculators are starting to get nervous as the new crop approaches, and they are trying to sell their stocks as quickly as possible. However, buying interest is very weak, especially in Europe. This is likely due to the fact that most European buyers are already covered for the upcoming season.

The markets in Southeast Asia and North America look a little better, but even there, demand is not strong. It remains to be seen whether prices will rise in July and August, as some speculators are hoping. If demand does pick up, prices could increase. However, if demand remains weak, prices could fall. The situation is fluid, and it will be interesting to see how it plays out in the coming months.





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