

*One stop solution supplier*

APR  
27

AMINO ACID  
MONTHLY  
REPORT

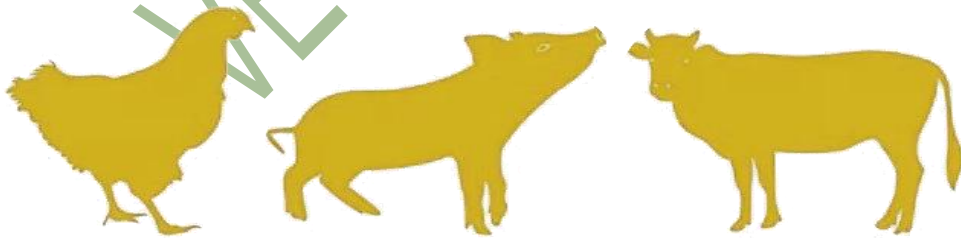
VEGA





# Amino Acid Monthly Report

Apr.27th,2023



**One stop solution supplier**

[www.vegapharma.com](http://www.vegapharma.com) / [www.vegafed.com](http://www.vegafed.com)/[www.prumix.com](http://www.prumix.com)

# CATALOGUE

【Preface】 .....	3
Threonine .....	3
Lysine Hcl .....	5
Lysine Sulphate .....	5
Valine .....	5
Tryptophan .....	6
Methionine .....	6

VEGA GROUP

## 【Preface】

### ➤ **Breeding situation**

The relevant data from the National Bureau of Statistics showed that the pig inventory at the end of the first quarter of 2023 was 430.94 million head, up 2.0% YoY. The main reason is that the profit of pig farming is still good, and many farmers are optimistic about the future market, leading to an increase in the amount of pig farmers, then piglet prices rose significantly after a large number of piglets replenish.

Because of the large number of pig stock at this stage, if do not take into account the pig epidemic damage to pig breeding in the northern region, the relevant inventory will be put into the market later and effect the later pig prices, even if the pig prices in the third quarter can rebound significantly, the magnitude will also be significantly limited, the possibility of a significant price increase is relatively small.

### ➤ **Raw materials**

As Chinese spring farming is about to start and corn storage costs increased, the farmers' willing of selling stock is increasing. The acquisition progress of various grain companies in the main production areas is about 6% faster.

In terms of demand, the profit of egg poultry and meat and poultry has rebounded, but pig farming is still in a loss state, and the overall feed consumption demand is not as good as expected.

The corn deep processing market maintained low inventory and low production status. After some factories started maintenance or shut down due to losses, the downstream demand was still light, and most of them were digestive inventory. The sale of the remaining stock in the main production area has entered into the end period, the trade inventory is relatively sufficient, and the demand side continues to be sluggish.

➤ **Market situation**

Based on the overall recovery of export growth in March, at the end of March many amino acid mainstream enterprises to rekindle confidence for future market.

At the same time, as the low price in Q1 of 2023 may have an impact on the performance of listed companies later, factory operating pressure increased greatly, on the other hand, taking into account the impact of the release of new production capacity on the market in June, manufacturers hope to seize the time gap in April and May, strong willingness to raise prices.

In the second quarter, the export orders for new overseas demand were basically concentrated in March, especially the increased orders from Asia Pacific and North America, which eased the pressure of overseas sales for some manufacturers.

The export volume of 98.5% L-lysine hydrochloride in the first quarter and in March both dropped significantly YoY, but the overseas demand roses compared to the Q4 of 2022 and February 2023.

Exports volume of 70% L-lysine sulfate increased slightly by 1.7% YoY and 10.8% sequentially in Q1 2023 and by 14.4% YoY and 27.2% sequentially in March 2023.

Threonine, 48,000 tons exported in March, up 12.2% YoY and down 17.0% YoY, and 127,000 tons exported in the first quarter, down 24.9% YoY.

## Threonine

Mainstream enterprises have a strong willingness to raise prices, and manufacturers' transaction prices have increased, leading to an increase in their quotation to FOB USD1350/MT. Some manufacturers have suspended quote the price, and some companies plan to conduct maintenance in the near future and lower their operating rates. The increase in transaction prices by manufacturers has stimulated an improvement in market purchasing and sales.

Pay attention to the support of manufacturers' commencement on market price and also the delivery situation.

## Lysine Hcl

Lysine hcl is keeping stable and little weak as domestic and foreign demand keeps stable. Most customers are buying carefully according to their inventory.

Although the lysine factories are losing money as raw materials pricing is very high, it is predicted that the market will still keep stable. Now the FOB price is at around USD1150-1175/MT depending on different markets.

## Lysine Sulphate

At present, the Chinese domestic market quotation is continuously stable, and price is hovering at bottom levels. The overall market inquires are flat. End users purchase base on demand.

Currently export offer is around FOB USD770/MT. Continue to pay attention to the customer's demand and factory sign orders' quantity in the later stage.

## Valine

The mainstream Chinese domestic valine market is slightly stable, currently quoted at FOB USD3.35-3.4/KG. Although some Chinese domestic factories resumed production and the industry's production rate increased, but the market supply is still tight and prices remained on the strong side as factories now still have many old contract to execute.

Demand on the export side is relatively weak and market transactions are also flat. The market is expected to be stable in the short term.

The European market spot offer is €5.00-5.10/KG.

## Tryptophan

Manufacturers' transaction prices continued to be weak and stable, And traders' quotations remained stable, with average transactions.

The manufacturer's production is normal this month. The trade market quotation has been reduced to FOB USD7.65-7.80/KG. The demand for end users continues to be weak, mostly with buying and using, and market transactions are light. Pay attention to changes in end demand.

## Methionine

In April, the DL-Methionine market is stable and still keep weak, the market price is around FOB USD2.3-2.4/KG. Recently there are less inquiries and deals, some traders sales at lower price. the end users has weak demands, they are purchased base on current demands, and the manufacture's supplying status is still needs to attention.



# ONE-STOP GREEN ADDITIVES MANUFACTURER AND SUPPLIER



**VEGA GROUP**