

AMINO ACID MONTHLY REPORT

Report Date. Mar 30,2024

One stop solution supplier





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BETTER LIFE***

Amino Acid monthly report

Report Date. Jan 01,2024

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PREFACE

BREEDING SITUATION

Chinese Pork consumption has entered the off-season after the Spring Festival, but the supply of live pigs is also decreasing, pig prices are showing signs of stopping decline and stabilizing now.

As of March 28, 2024, the daily slaughter volume of main slaughterhouses was 109,754, which was far less than the level of the same period. At present, most slaughtering companies have reported that the slaughter volume has declined significantly, mainly because the inventory level of frozen products in the warehouse is relatively high, the demand during the off-season is limited. As we all know, if the rise in pig prices is supported by demand, it can get more lasting positive feedback. At present, the support of demand still needs to be discussed. Mainly because the market predict the price is going to increase.

According to market feedback, from October to November 2023, due to swine diseases in the Northern of China, the production capacity was damaged. These area's medium-term production capacity is mainly concentrated in April and May, coupled with the reduction in the number of slaughterhouses in some group farms, which increases the believe that the shortage of pigs in the central provinceof china is more serious, and there may be a certain supply interruption in the past Jan to Feb, so the bullish atmosphere is relatively strong.

From the current market performance, after the Spring Festival, under the background of market sentiment and the performance of secondary breeding and breeding farms reluctant to sell, the timing of the rise in pig prices is earlier than expected. And it may exert some restraint on future high prices. In the case of weak demand, there is insufficient motivation for short-term rise in pig prices,

RAW MATERIALS

The good news that China Grain Reserves continues to increase its stock,supported prices, and the confidence of grain holders in supporting prices has been boosted.However,the downstream demand side is not very active, is mainly focusing on replenishment of urgent needs.

In the later period, as the weather gets warmer and the rain increases, corn storage becomes more difficult which will accelerate the sell speed; on the other hand, as the inventory of domestic corn continues to decline, the supply of corn will gradually be tight, and theoretically the price of corn is likely to rise.

However, in the short term, corn supply is generally sufficient for most of April. In the second half of April, as the demand from the breeding side further recovers and corn stocks continue to decline, the possibility of price rebound will gradually increase. At the same time, the latest weather forecast report shows that El Niño will gradually end from April to June, and the probability of turning to La Niña from June to August will gradually increase. The probability of drought in China's corn and soybean producing areas is relatively high. Therefore, the focus of the subsequent futures market in April will gradually shift to the corn planting area and weather conditions in the production areas.

It is predicted that corn prices in producing areas will be stable and continue to show a slightly weak trend in the first and middle of April. However, there are still opportunities for short-term rebound and shock adjustment.

Threonine

Mainstream enterprises have seen an increase in their quotations, leading to a tight market supply. Prices have risen to USD1380-1395/MT, and attention should be paid to the situation of manufacturers signing orders and users restocking.

The company's exports are good, and the effective domestic supply is tightening. The transaction is still good, and it is expected that the price of threonine will remain stable and slightly strong in the near future.

Lysine Hcl

After the upward trends in February, the Lysine HCL market continued to rise in a strong transaction situation in March. The market trading is strong with order signings and the market supply is relatively tight. The end-users purchase is based on positive replenishment wish. The mainstream factories keep rising quotation in export market.

At the late of the March, the domestic corn and soybean market are not stable lead to the prices increasing, which may further affect the Lysing HCL market at following .

Currently, the Lysine HCL 98.5% price has risen to USD1360-USD1400/MT with the lead time is around May to June, a few factories' lead time is around July, need to pay attention to market situation and factories delivery situation at following .

Lysine Sulphate

The market is stable and a bit strong this month, with prices rising gradually. This month's buying and selling market is very enthusiastic, and end-users mainly purchase for replenishment.

The current mainstream quotation in the export market is about USD755-775/MT (FOB), with lead time around June. We need to pay attention to the production situation of manufacturers in the future. It is expected that the price of Lysine Sulphate will be stable with strong trend.

Valine

Valine market tends to be strong recently, price also going up than last month, Now the market price at USD2.15-2.2/KG, delivery at about end of April.

In EU market the price at 3.8-3.85 Euros/KG.

Tryptophan

For Tryptophan, in early March, the quotation of manufacturers was lowered, and the market price fell. Some enterprises have resumed production, the terminal replenishment is not much, the market turnover is less, the terminal demand is weak, the mainstream price of the Chinese market tryptophan market at the end of March is USD9.2-9.3/KG, and the market price continues to decline slightly. The end demand is weak, and the market turnover is average. In the short term, the price of tryptophan is expected to continue to weaken slightly.

Methionine

In March, DL-Methionine gets little tightly and some factories stopped offering, just same situation to the whole amino acids market. now the market price is around USD3-3.05/KG and actual deal price in the trading market may little lower. the factories are mainly excute the old orders, and one main fatory is still under facility maintenance. it needs to take more attention about the supplying status and delivery time next.

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