



AMINO ACID MONTHLY REPORT





Amino Acid Monthly Report



CATALOGUE

【Preface】	2
Threonine.....	3
Lysine Hcl.....	4
LysineSulphate.....	4
Valine.....	4
Tryptophan.....	5
Methionine.....	5

VEGA GROUP

【Preface】

➤ Key words

Production will gradually resume; corn price; strong demand for Amino Acid

➤ Raw material

Due to the tight domestic corn supply situation, the situation has not changed. As the Spring Festival holiday ends, work and production will gradually resume. It is expected that corn prices will continue to maintain stability in the middle and late ten days, and the probability of moderately strong corn prices is high. The probability that the monthly average price of corn in the main producing areas will continue to rise in February is extremely high; from mid-to-late March to April, the probability of corn prices will continue to be strong.

➤ Market overview

Whether it is the Chinese market or overseas markets, the demand is increasing, and the demand will support the overall market price level of Amino acids. In addition to the recent short-term clearance of some farms, this part of the purchase demand may experience short-term weakness after the holiday, but the overall demand is still rising. Soybean meal prices continued to rise above usd580/ton in early and mid-January, and then gradually declined in late January. However, they have stabilized at the second highest point in the past two weeks and are still at the second highest level of usd520-usd550 /ton in the past five years. Corn prices are still steadily high.

In 2020, the output of commercial feed increased by 10%. In addition to the growth

factor of breeding demand, another factor is that the feed industry and the breeding industry are undergoing industrial changes. Affected by the epidemic, some small feed companies and small farms cannot compete with large feed groups and The competition of breeding enterprises, the transfer of market share from small enterprises to large group enterprises, the reduction of self-made ingredients and the increase of commodity materials, the proportion of Amino acid added by large groups is greater than that of small and medium-sized enterprises, so it will continue to promote the increase in Amino acid demand.

Therefore, 2021 is indeed a good year for the Amino acid industry. There may be short-term fluctuations due to the periodical weakening of demand, but the overall situation of maintaining a higher position and maintaining strong demand will not change. In the short term, the trend of corn will affect the purchasing enthusiasm and market price trend in the next few weeks. After entering late March, especially after April, Amino acids will continue to strengthen. Need to pay attention to corn price trends in the near future.

Threonine

Threonine prices continued to rise this month. Affected by the epidemic, the production of foreign factories is restricted, and the domestic factories is affected by the increase in raw materials and the hindered logistics. So, the cost pressure of manufacturers has increased greatly. The price of corn in the market has reached a record high. The factories continue to raise their quotations, and the trade market is quoting FOB usd2400-2500/MT.

Lysine Hcl

The price of raw materials was slightly stronger. The quotations of Lysine manufacturers increased, and the market price rose slightly. Due to logistics problems in the European market, lead time and shipments were delayed, and the market supply was still tight. The supply of mainstream Amino acid manufacturers in China around the New Year is still severe, and the current corn price is still rising, leading to an increase in market prices. It is currently expected that the price of Lysine hcl will remain at a high level, and the follow-up will still depend on the trend of corn cost. Current pricing is around FOB USD1850-1900/MT just for information, more concrete information please contact our salesperson.

Lysine Sulphate

The price for the raw material corn price remains high, manufacturers under increasing price, and price at high level, also it under increasing after Chinese Spring Festival. At present, 70% Lysine is expected to increase in the later period, now the market price around usd880-910/MT. The time of delivery and shipment around April to May of 2021. Future market price is expected to increase.

Valine

At present, the mainstream price of Valine in the domestic market is usd3.5-usd3.7/kg, and the spot price in the European market is 4-4.2 euros/kg. Market FOB price for reference: Eppen quotes usd3.5/kg, Chengfu quotes usd3.6/kg, Meihua quotes usd4 /kg, Fufeng quotes usd4.2/kg, CJ stop offer.

The market price is relatively stable in the near future, and the possibility of further rise in the later period is pretty high.

Tryptophan

Due to tight supply and logistics in the European and American markets, the spot price rose to USD 10.80-11.00/kg. Chinese domestic manufacturers have signed orders from March to April as a whole, and Fufeng stopped reporting prices.

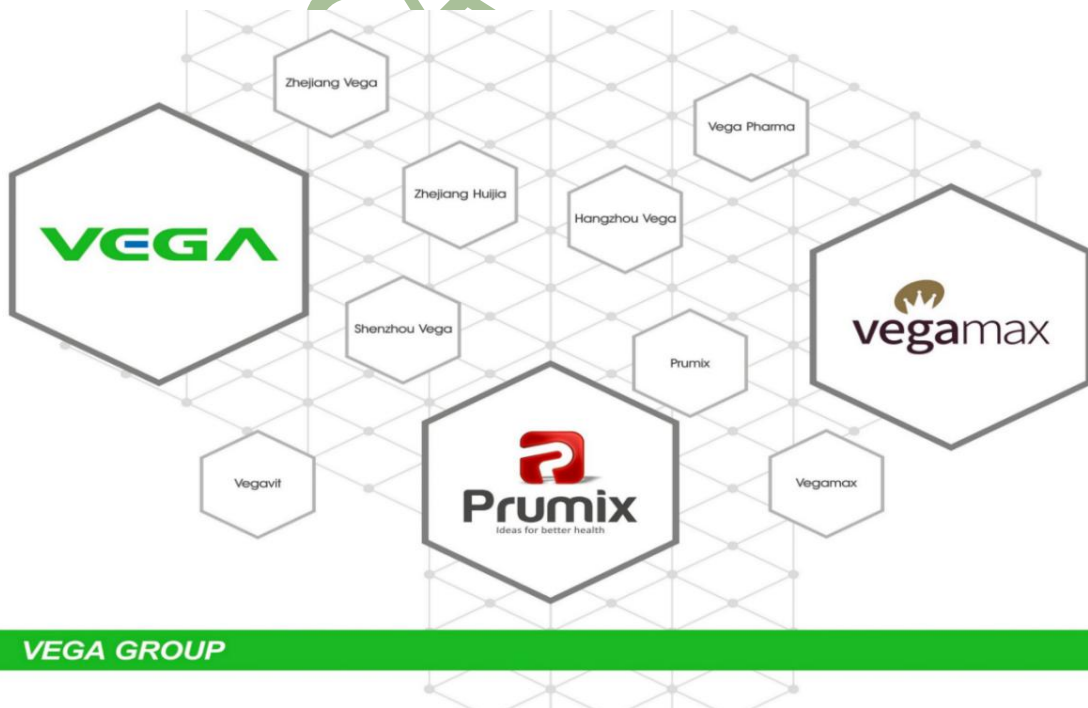
The price increase is due to the epidemic situation in some areas, resulting in traffic control and city closures, and the logistics and transportation are blocked, which reduces the effective market supply. It is expected that the price of domestic Tryptophan manufacturers will remain high in the short term, and the terminal inventory will be relatively sufficient.

Methionine

Due to the tight supplying of raw materials, the price of Methionine continues the previous upward trend. At present, the market price is around USD2.9-3/kg. The orders in the first quarter have been basically signed. At present, the factories are mainly delivery the early orders. Also, due to the raw material issues, Ningxia CUC dropped by 30% production rate before March. Recently, a large area of power failure in Texas caused by cold current, it caused the shutdown of liquid Methionine factory, which led to the shock of the international market. Manufacturers have strong willingness to insist the price, and next the price is trends to up. We need to focus on the change of terminal demand.



ONE-STOP GREEN ADDITIVES MANUFACTURER AND SUPPLIER



VEGA GROUP