

*One stop solution supplier*

AUG  
24TH

AMINO ACID  
MONTHLY  
REPORT





## Amino Acid Monthly Report



**One stop solution supplier**

# CATALOGUE

【Preface】 .....	3
Threonine.....	3
Lysine Hcl.....	4
Lysine Sulphate.....	5
Valine.....	5
Tryptophan.....	5
Methionine.....	6

VEGA GROUP

## 【Preface】

### ➤ Raw material

Affected by the frequent occurrence of extreme rains in August and the closure of the new crown epidemic, it has become more difficult to relocate corn. Affected by the price resistance of traders in transportation and producing areas, corn prices in many places have strengthened.

However, the spring corn in the southern region has begun to go on the market one after another, which will moderately ease the supply of corn in the local market to a certain extent. At the same time, the continued large-scale input of imported corn and alternative wheat and other raw materials has greatly eased the shortage of corn supply. However, frequent extreme rains in August will be combined with the impact of the new crown epidemic, which will have a certain impact on the relocation of corn. It is expected that during the second half of August, corn prices in the main producing areas will continue to be strong, and the monthly average price is likely to fall moderately from the previous month.

### ➤ Market overview

Since July, many production companies have begun to reduce operating rates due to low-cost losses and increased inventories, and even some production lines have been suspended due to various reasons. The actual performance of 70% lysine, 98.5% lysine, threonine and methionine The market supply has dropped significantly.

In early August, many people in the industry were still not optimistic about market prices. Although the supply has decreased, based on the consideration of insufficient

downstream demand, it is believed that prices still have room for downward movement, and traders are unwilling to hold more orders or inventory. Since mid-August, following the impact of epidemic control measures, limited logistics in some provinces and cities, the release of news of production cuts in various factories, and the steady increase in raw material prices, downstream companies have begun to worry about the supply situation in September and their willingness to purchase has increased. The low stocks in the market link promoted the rapid increase of market prices. The panic demand has increased significantly, and the price of distribution channels has increased significantly, almost the daily price. At the same time, we can notice the fact that the supply of the factory is extremely tight.

The market trend in September and October will still be affected by two main factors. One factor is whether the downstream feed industry and aquaculture industry can recover and grow; the other factor is the release of upstream manufacturers' capacity, delivery situation and quotation strategy.

## Threonine

The market price is USD 1550 /MT FOB.

Due to the impact of the strict epidemic prevention and control policy on transportation, the supply of Threonine in the market is tight, and the active transactions in some areas promoted a slight increase in quotations. Affected by the policy of "Double Control of Energy Consumption", the Tongliao Meihua plans to reduce or suspend production of Threonine. The current industry production capacity is relatively low, and it is necessary to pay attention to the industry production situation. Recently, domestic exports have improved, and manufacturers' export FOB quotations have been raised, so we need to pay attention to the export situation.

## Lysine Hcl

This month, domestic corn prices have changed significantly due to the impact of the epidemic. Some factories stop part of production for lysine hcl due to policy situation and corn price is up. It is predicated that lysine hcl will keep rebounding and strong as Q4 purchase plan is coming. The current price is around USD1320/MT FOB depending on quantities and brands.

## Lysine Sulphate

Affected by strict logistics and transportation control, the cost of raw material corn gets increasing strongly. At present, some factories have stopped production and quotation; some factories have raised the price with tight supply. There is only limited spot stock in market. If the output continues to decline, the price is expected to keep increasing with growing demand. The current price is around USD 860-870/MT FOB.

## Valine

The quotations of valine manufacturers were raised, the transaction prices rose slightly, and the transaction prices of some companies were slightly higher. The valine quotations in the trade market rose slightly to USD2.6/kg FOB. Huaheng's valine was discontinued for maintenance. And the production of valine at the Meihua Tongliao base was reduced or suspended due to the "dual energy consumption control", the industry started relatively low. Pay attention to manufacturers' production situation and market price.

## Tryptophan

The price of tryptophan has been hovering at the cost line for a long time. In August, many large-scale terminals have been intensively purchased. Manufacturers are willing to increase prices, and prices fluctuate slightly every week. The current manufacturers' transaction prices are mostly USD7.2-7.5/kg FOB.

The tryptophan production line of CJ's Indonesian plant is scheduled to be overhauled in the summer. Julong stopped production for 40 days from July 1st. Supply and demand seesaw, the market price of tryptophan is expected to fluctuate and adjust operation in the later period.

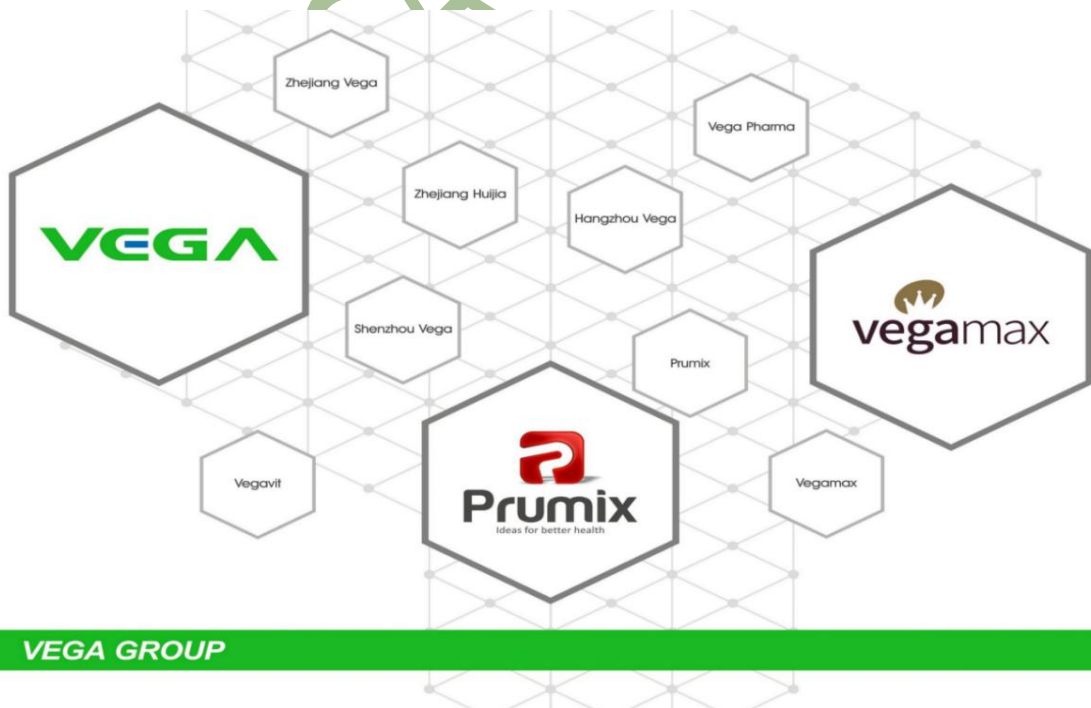
## Methionine

Compared with last month, the market remains stable and the price is around USD 2.5-2.6/KG FOB. The new inquiries get less, and the factories are mainly produce the early orders. Affected by raw materials and transportation, NHU stopped the quotation of methionine from the middle of August, and Ningxia CUC also raised the price slightly. The end users still have a certain inventory, the overall market demand is weak, and the later price trend will maintain the status now.





# ONE-STOP GREEN ADDITIVES MANUFACTURER AND SUPPLIER



**VEGA GROUP**