MARKET REPORT
SUMMER 2019

The Summer edition of Advanced Biotech’s Market report
Our approach to creating top quality products with the best flavor and fragrance ingredients is driven by our customer’s desire for exceptional ingredients. Our products are created to meet rigorous standards that ensure the highest consistency in both strength and quality in everything we produce.
Cassia oil prices dipped towards the end of 2018. We expect them to remain in check due to lower demand.

China 2018 estimated cassia oil exports rose to 339MT

Over the past few years, there is a rise in the number of diarrheal diseases globally. Depression is a common factor where consumers are adopting busy lifestyles and incurring more work pressure. On the other hand, Cassia Essential Oil is being associated with several health benefits such as treating diarrhea, improving blood circulation and an effective anti-depressant agent. As a result, Cassia Essential Oil’s critical health benefits help drive the demand for the product in the global market.

Cassia derived products: Benzaldehyde, Benzy Alcohol and Acetate, Methyl Cinnamate
Between 2015 and 2017 Chinese annual cassia oil exports have shown a continuous downward trend falling from 410 MT per year to 280 MT. However, in 2018 estimated cassia oil exports rose to 339 MT.
Production is being expanded due to increased demand for:

**GINGER OIL**

*Zingiber officinale*

ABT CODE# 3018

Traditionally a preferred oil for cooking, it is also used in different applications like aromatherapy, pharmaceuticals, soaps, etc. Increased demands in foods and Asian markets has doubled our production in the last 24 months.

**GARLIC OIL**

*Allium sativum*

ABT CODE# 3010

Oil readily available, prices have adjusted at lower levels.

**MUSTARD OIL**

*Allyl isothiocyanate*

ABT CODE# 3009 & 4083

Traditionally a preferred oil for cooking, it is also used in different applications like aromatherapy, pharmaceuticals, soaps, etc. Increased demands in foods and Asian markets has doubled our production in the last 24 months.
Prices for these products has adjusted and a steady supply is available.

Wood isolate mixture could be a future issue due to heavy processing and environmental impact.

CYCLOTENE NATURAL
GUAIACOL NATURAL
MALTOL NATURAL

METHYL CYCLOPENTENOLONE
O-HYDROXY ANISOLE
Production is being expanded due to increased demand.

ONION OIL
ONION OLEORESIN
ABT CODE# 3001

The prices that were offered to farmers was extremely low leading farmers to plant less wintergreen. Prices have surged 30-50% since mid 2018.

WINTERGREEN OIL
GAULTHERIA PROCUMBENS
ABT CODE# 1194

CLOVE OIL
CLOVE EXTRACT / EUGENOL / VANILLIN NATURAL
ABT CODE# 6150

In the past couple of months we have noticed a price increase for this oil. It is believed that heavy rains have contributed to lower yield of cloves. The issue is further compounded as the clove that has been produced has a very low eugenol content – requiring further processing and making material more expensive.
A large factory fire in China involving the country’s biggest producer of heliotrope has caused prices to steadily increase and supply to become a challenge as a result. We suspect supply may be an issue for the remainder of the year.
CIS 3 HEXENOL
NATURAL
CORN MINT EX INDIA
ABT CODE# 1117

A shortage of mint fractions has affected pricing and availability for this material. Prices remain high due to increased demand of the alcohol and derivatives.

FURANONE
NATURAL & SYNTHETIC
ABT CODE# 1058 & 2059

Production has started for both of these items at our site. Product should be available in the 3rd quarter.

HELIOTROPINE
NATURAL
ABT CODE# 1199

Production site will be erected. Projected lead time 18-24 months to complete. Limited quantity available.
CIS 3 HEXENOL & ACETATE SYNTHETIC

Quantities are very limited due to China factory closures

PYRAZINE & SULFUR

Compounds remain at higher price levels due to factory closures as a result of environmental and odor control
Large production has commenced on Gamma Lactone series at our Totowa, NJ facility.

Production has been relocated to our Totowa facility. Prices have escalated due to lower yields and pilot plant scale.

LACTONES

MYRCENE
WHAT’S NEW

01 China Government
Several factories have been shut down due to another factory explosion (Tianjiayi chemical plant in Yancheng North of Shanghai, China).

02 Trump Tax
Trade negotiations on going. 15% tariff on F&F imports.

03 ABT Production
We have undertaken the task of expanding production of several of our Natural products at our Totowa, NJ manufacturing site.
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<th>NEW NATURAL FLAVORING SUBSTANCES</th>
<th>NEW FLAVOR &amp; FRAGRANCE EXTRACTS</th>
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<td>PASSION FRUIT MERCAPTAN</td>
<td>RED PEPPER SOLID EXTRACT NATURAL</td>
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<tr>
<td>CITRONELLYL ACETATE NATURAL</td>
<td>LAVENDER EXTRACT NATURAL</td>
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<td>ROSE OXIDE</td>
<td>HIBISCUS EXTRACT POWDER</td>
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<td>CITRONELIC ACID NATURAL</td>
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<tr>
<td>COGNAC LACTONE 5% ETOH NATURAL</td>
<td>DRAGON FRUIT EXTRACT POWDER (10:1) NATURAL</td>
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<td>BUTTER DERIVATIVES (VEGAN) NATURAL</td>
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<td>CITRONELLYL PROPIONATE NATURAL</td>
<td>ORANGE PEEL EXTRACT</td>
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<tr>
<td>PHENYL ACETALDEHYDE 85% PEA NATURAL</td>
<td>AZACCA HOPS CONCENTRATE NATURAL</td>
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