

UNITED MARKET NEWS

JUNE 2024

AMINO ACIDS

Lysine and Threonine market conditions for most of May were generally flat and starting to trend weaker as supplier efforts to drive and maintain higher prices eased due to overall weak global demand. Recently, the market has firmed due to surging ocean freight rates. Amino acid importers have seen sharp freight increases in the last two weeks due to continued disruptions in the Red Sea and newly reduced available vessel capacity. Surging freight rates have led to an active market in the recent weeks as increased rates have begun to reflect in Q3 contract quotes. Domestic producers continue to hold prices at current levels with no changes expected.

Tryptophan remained stable in May. Lower soy prices and weaker demand have pushed producers to lower prices to maintain sales.

Methionine market has remained stable and quiet. Valine is weak and demand is low.

INGREDIENT	Price Trend: 1 Month	Price Trend: 3 Month	Supply Availability
LYSINE	→	→↑	GOOD
THREONINE	→	→↑	GOOD
METHIONINE	→	→	GOOD
TRYPTOPHAN	→	→↓	GOOD
VALINE	→	→	GOOD

DAIRY POWDERS

Overall, dairy powder markets have seen very little change during the past few weeks. With continued variable demand from international markets prices have remained pretty stable. Supplies of all major dairy powders are available to meet spot to contract demand. The expectation is markets will remain stable as we go through the summer months.

INGREDIENT	Price Trend: 1 Month	Price Trend: 3 Month	Supply Availability
WHEY PERMEATE	→	→↓	GOOD
LACTOSE	→	→	GOOD
WHEY	→	→	GOOD

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VITAMINS

Activity in the vitamin category has picked up over the last 30 days mostly driven by supply availability and increased logistics costs.

Recently, a major producer of vitamins A, E and D experienced an explosion causing production to be impacted. It's unclear if this will cause any supply issues in the long term. In the meantime, spot supplies were quickly bought with prices moving higher. Additionally, international freight costs have nearly doubled recently due to longer shipping lanes from Asia combined with reduced vessel capacity.

A combination of these factors has caused the vitamin markets to at least stabilize with some moving higher. Experts predict a firm market through the summer months.

INGREDIENT	Price Trend: 1 Month	Price Trend: 3 Month	Supply Availability
VITAMIN E	↑	→↑	TIGHT SPOT MARKET SUPPLY
VITAMIN A	→↑	→	TIGHT SPOT MARKET SUPPLY
CAL PAN	→	→	GOOD
NIACIN	→	→	GOOD
D3 500	→↑	→	TIGHT SPOT MARKET SUPPLY

MINERALS

Trace mineral markets, especially copper and zinc have shown recent strength driven primarily by an imbalance of supply and demand fundamentals combined with rising international freight costs.

Copper sulfate pricing is reaching levels not seen in many years. The main driver for the recent sharp increase in pricing is rising demand for use in consumer products, especially electric driven cars, and equipment. Sellers are forced to resort to weekly pricing given the current market conditions. The expectation is the trend will continue through the summer months. Zinc sulfate and oxide have been on an increasing price trend for the last couple months. With a large portion of these products coming from outside the US, freight costs are a key contributor to price increases. Additionally, given longer shipment times especially from Asia, are forcing prices higher along with lower available spot supplies. Experts predict additional supply capacity coming to the market later this summer. In the meantime, prices will remain firm with tight supply conditions.

Monocalcium phosphate markets price conditions are unchanged while demand remains high especially for agronomy as planting season continues.

INGREDIENT	Price Trend: 1 Month	Price Trend: 3 Month	Supply Availability
MONOCALCIUM PHOSPHATE	→	→	IMPROVING
ZINC OXIDE	↑	→↑	TIGHT