Implication of Tender to International Sesame Prices:

India market:

Normally, when Korea tender news comes in the market all exporters, traders and stockiest sentiment changes and becomes bullish and creates hope to market goes up. Today market has gone up by US$50 to US$60 for Sesame Seeds in the local market.

Trend of Prices will depend on the Tender Award prices. Due to less arrival of the summer crop market was stable. Due to GST implementation in India prices were stable and not much movement in the market.

Since last one week market was stable and getting stronger. The Korean tender makes the sentiment stronger than before. From yesterday evening, market started getting better after the news of Korean tender. Demand from china and other countries will makes Indian prices higher.

Normally the after tender result local market prices will moves up or down depends on the awarded prices, if the prices awarded on higher side then people will think that market will go up and vis-à-vis. Price will also depend on the local stock availability. At this moment there is huge stock in India and due to that the market were stable and down.

Indian new winter crop will starts in the month of October-November 2017, till date there is good sowing and good rain, which will makes prices down in the month of October-November.

East Africa Market:

The countries mainly Mozambique, Tanzania, Ethiopia and Sudan are participating in the tenders. Mozambique and Tanzania season is going on and will end in next two month. So there is good supply. Ethiopia, Sudan, and Tanzania countries will be biding in this tender. All origin prices are competitive at the moment.

Since last weekend prices has started moving up due to good demand from China. This Korean tender news will makes more push to the Prices in the local market in all origins.

All West African origins prices are up about US$100 in last 7 to 10 days and will be up by another US$50 to US$70 per mt. depends on further demand will continue from china.

West Africa Market:

From West Africa, mainly Nigeria cargo can be participated in these tenders. Nigeria, there is less stock available but Who are going to participate in the tender they should have ready

stocks in their hand. That will not make any much different to the market but exporters will demand more cargo from local market due to increase in international prices. They will buy more cargo from the local market and due to that local market will also go up.

Market is already up due to demand from China but with this additional News of Korean tender will push markets up side

Conclusion:

1. Prices were started moving up from the bottom level of US$900 and reached to US$980 level. It has gone up by US$40 per mt today and will go up further around US$50 per mt.

2. International prices will remain US$1070 to US$1225 till new season will start.

3. I personally feel that International prices will go up for the time being and will not come down unless and until the new crop will arrive in the market from West Africa.