

# DE MARK Newsletter

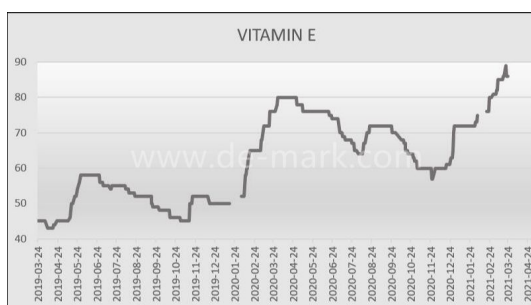
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## MARKET REVIEW

### VITAMIN

After a one-month post-festival recovery of the domestic vitamin market and the impact of rising raw material prices, the prices of most varieties went up enormously, among which vitamin E, calcium pantothenate and biotin were the most eye-catching. Despite this, the rate of calcium pantothenate can still be regarded as at the bottom, which is a perfect time to cover positions.



### Vitamin E

VE is currently quoted at around USD10.70/kg.

The Ministry of Commerce issued an announcement stating that starting from January 15, 2021, anti-dumping duties will be imposed on imports of m-cresol originating in the USA, EU, UK and

Japan for five years. This anti-dumping duty directly promotes the increase in the cost of vitamin E starting materials.

On March 3, a fire accident occurred at BASF's Ludwig Plant in Germany. The company stated that the internal supply of hydrogen and carbon monoxide was interrupted, which is expected to affect VE intermediate isophytoalcohol.

After the holiday, the general rise of chemicals supports the cost side, and domestic manufacturers hold a high price mentality.

On March 17, the market reported that some domestic factories had raised their quotations to USD 12.50/kg. It is estimated that the price of vitamin E may increase significantly in 2021.

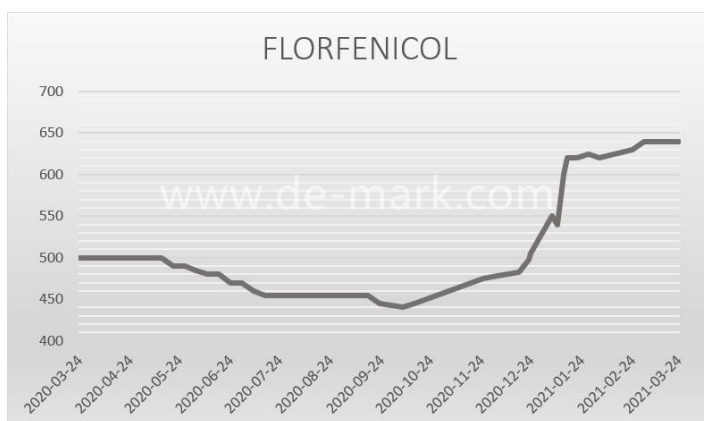
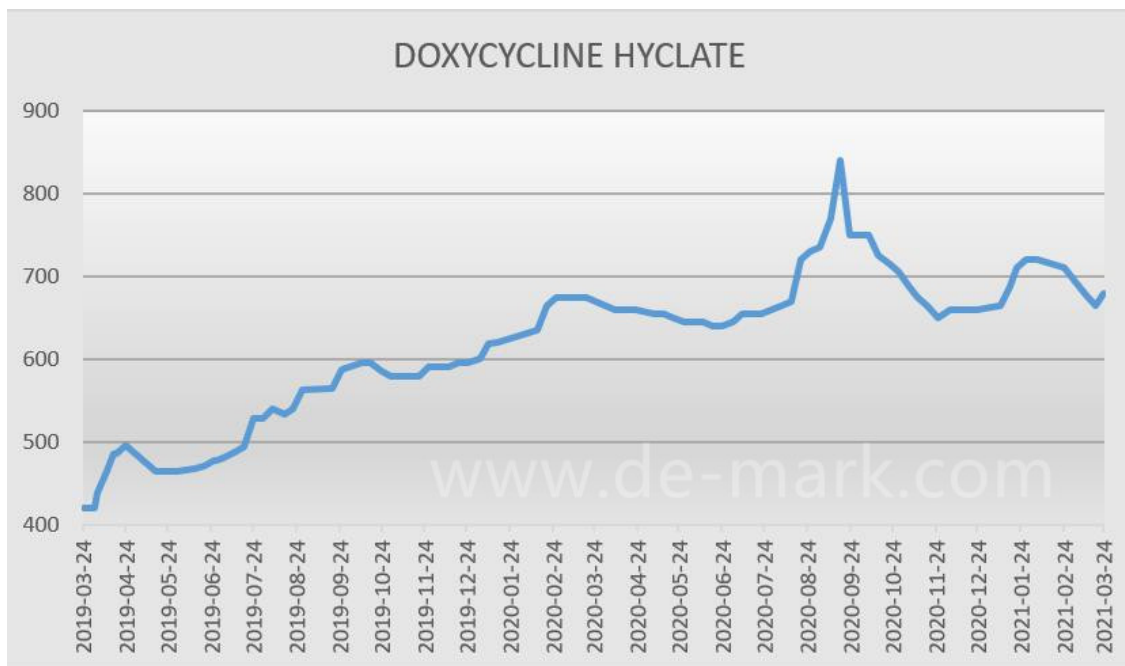
### VETERINARY APIs

#### Doxycycline

The prices of most veterinary drug raw materials have remained stable at high levels. The actual downstream demand-side purchases cautiously, buy-and-use transactions are pretty inactive, trade channels feel pressured, and room for bargaining. As various production restriction measures still restrict production and supply, it is hard to restore normal supply levels in a short time, and they will maintain a high level of operation within 2-3 months.

As an indicator product in the current veterinary API market, doxycycline supply and price

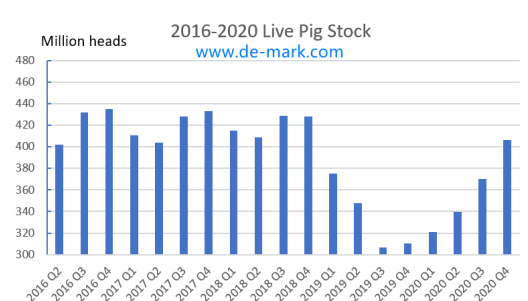
have always attracted much attention. The supply of mainstream factories has eased slightly, and traders have begun to release their willingness to reduce inventories, and market prices have loosened.



#### Florfenicol

In the past three months, the manufacturers have been in a state of suspended production; hence no goods available for the market. Hubei Longxiang took the lead in resuming the quotation in early March, and the output of other factories is

also recovering. The market quotation has now risen to about USD86/kg with a slight price drop recently. The market is mainly on the sidelines, entering a period of long-short seesaw and consolidation.

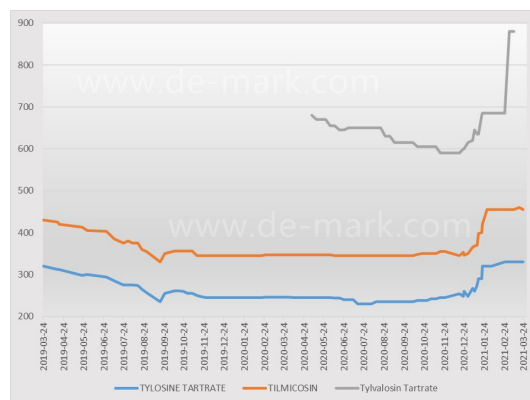


#### Tylosin tartrate, Tilmicosin, Tylvalosin

The market for this series of products is significantly affected by the boom of the pig industry. The ASF outbreak severely hit the domestic pig farming industry in 4Q/2018. By the 3Q/2019, the number of pigs on the farm reduced to approx. 72.5% of the usual year, then slowly

recovered. At the end of 2020, the national live pig population was 406.5 million, a year-on-year increase of 31.0%, with a quarter-on-quarter growth for five consecutive quarters, returning to 92.1% of storage at the end of 2017. Related veterinary APIs have also ended several years of downturn, and prices have begun to rebound sharply. For example, tylosin

tartrate rose by 33.33% before the Spring Festival and cannot fall to date.



## Amino acid

The wait-and-see atmosphere in the market has increased, and market transactions have been relatively quiet. Corn prices have been rising for a few months, pushing up the cost of its deep processing downstream products. Amino acid products are one of the most prominent examples. (See NEWSLETTER 2021002). Despite the recent slight correction of corn prices at high levels, the market is still optimistic about the overall trend of corn.



On March 9, the Inner Mongolia Autonomous Region Government issued the "Notice on Several Guarantee Measures for Ensuring the Achievement of the Energy Consumption Dual Control Targets and Tasks in the Fourteenth Five-Year Plan". The purpose is to adopt some measures to ensure the realization of the energy consumption dual control goal in the "14th Five-Year Plan" period.

Although the fermentation industry is not a high energy consumption industry, the most significant feature is that it must rely on the high consumption of water, electricity, coal and cereal. Almost all amino acid fermentation companies have owned a thermal power plant classified as one of the six high energy consumption industries. It is also facing the possibility of increased fixed costs and decreased supply due to production restrictions, especially the supply risk of lysine and threonine, which was in a tight balance in 2020. Starting from March 18, the manufacturers successively increased their quotations, and the inquiries have rapidly increased. As of March 26, some amino acid manufacturers have stopped quoting and signing orders, focusing on implementing the signed contracts.

According to the National Energy Consumption Dual Control Plan, the evaluation and assessment of energy consumption double control targets will be further strengthened. Thinking back of power supply shortages in parts of Hubei, Hunan, Guangdong, Zhejiang and other provinces in the second half of 2020, in terms of dual control of energy consumption, Inner Mongolia has just set off, and other regions and municipalities will follow up.

## FEATURED PRODUCTS

**TYLVADIS:** Antibiotic TYLVADIS (50mg, 250mg/g Tylvalosin Tartrate) for prevention of respiratory diseases [Click here](#) for more information of this product



## ANTI-ASF SOLUTION

So far, biological prevention and control is relatively simple and effective method. We recommend the below solution for full range of protection against the ASF.



### PECHOO

(Potassium Peroxomonosulfate Compound Disinfectant)

Potassium hydrogen persulfate has strong penetrating power, can penetrate the envelope virus, and is non-toxic and nonirritating to pigs. It can be widely used in the disinfection of equipment, appliances, environment and drinking water in the production and processing areas of pig farms. [Click here](#) Download leaflet



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