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Government Recognised Export House

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Dear Friends

Let me begin by wishing you and your family a very happy, healthy and prosperous new year.

The Indian sesame markets have been quite confused this crop season. It started with trade estimates on quantities restricted to about 150,000 – 175,000 Mt at the maximum. Last minute rainfall in many growing areas for possibly the third year in a row led to smaller numbers. The debate locally was on complete washout of some crop or rain damage on the crop with a very small percentage of cargo being washed out. Clearly with the way that arrivals have played out in the last 3 months now, there is a serious issue on both quantity as well as quality.

Somehow while the general impression was that the whitish seed would be an issue for the sortex quality shipments, korean tenders and local demand. For the hulling quality however, we didn't anticipate any problems since the assumption that the rainfall would have led to more of this variety becoming available. This too has become a problem and all the hulling factories are running hand to mouth on raw materials as well as costings.

We, as an origin, rushed to import cargo and covered about 25 – 30,000 tons for the Indian market as per trade guesstimates. With many Indian traders now active on third country business it is difficult to get guidance on how much cargo would physically come to India and how much would be diverted to other destinations which would possibly have better margins for the buyers at the time of shipment from origin. Total trade by india based traders is assumed at over 50,000 tons in the last 3 months.

While a small part of the imported cargo has arrived, it would be correct to say that over 60 - 65 % of the shipments contracted for Nov or Nov – Dec shipments are yet to be shipped from origins, mainly Sudan and Nigeria. This has upset plans for many of the buyers who expected to use this material during the peak winter demand season. At the same time since we have another 5 months before our summer crop, it may not be difficult to absorb these quantities. Peak local winter and seasonal demand is practically over and for the next 4 – 5 months we would have a small but steady local demand as well as the usual export demand for hulled sesame until the summer crop becomes available Both of these factors would be adequate to provide support to the market, albiet even with a small correction in the coming months as traders may choose to move to other cash crops for storage.

Current FOB prices from our end –

Natural Whitish Sortex, 99.95 % - USD. 2075.00 pmt

Natural Black Sortex, 99.95 % - USD. 1815.00 pmt
Natural Jet Black Sortex, 99.95 % - USD. 1905.00 pmt

Hulled Sesame, 99.95 % - USD. 2265.00 pmt
Hulled Sesame, 99.97 % - USD. 2290.00 pmt

With freight rates normalising to most parts of the world we are happy to offer on CFR basis as we used to do in the past.

Awaiting your inquiries.

Regards – Sanjiv Sawla