



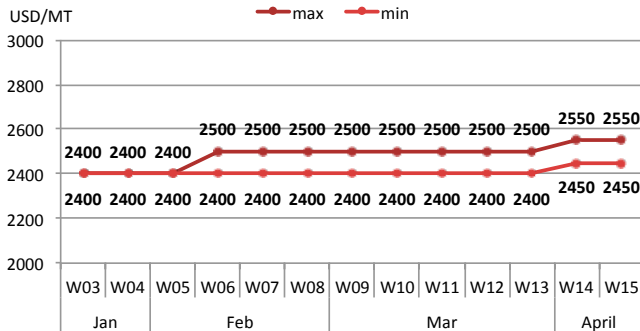
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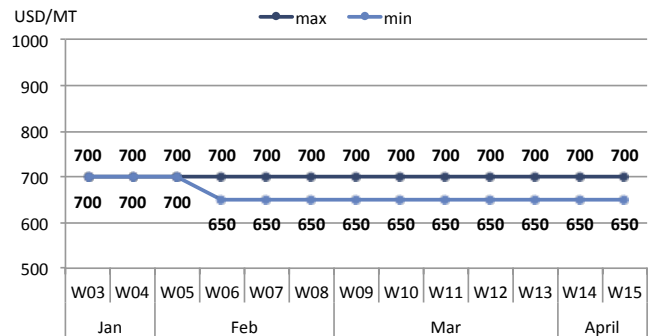
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The Gum arabic market at glance

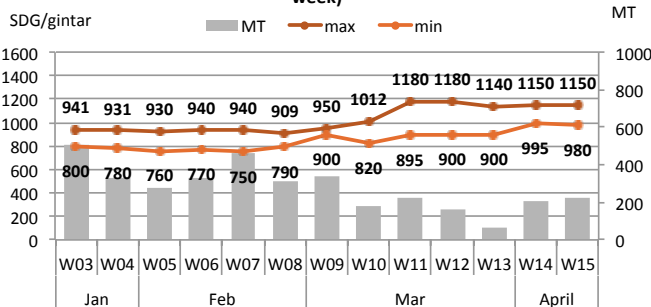
Hashab gum FOB prices in Port-Sudan (USD/MT)



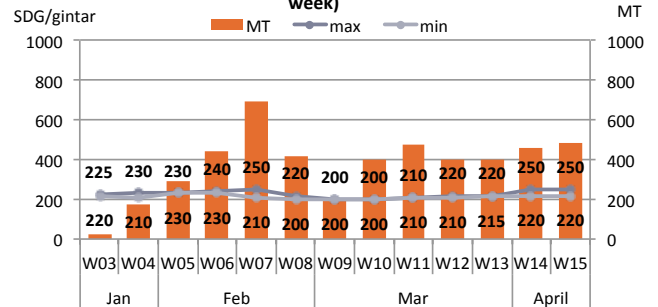
Talha gum FOB prices in Port-Sudan (USD/MT)



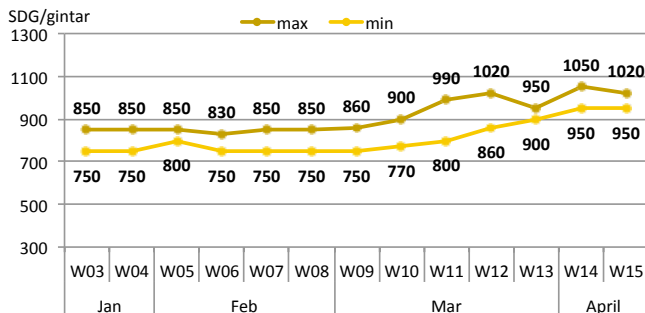
Hashab gum auction market prices in North Kordofan (SDG/gintar) and quantities exchanged at El Obeid market (MT/week)



Talha gum auction market prices in North Kordofan (SDG/gintar) and quantities exchanged at El Obeid market (MT/week)



Hashab gum farm gate prices in north Kordofan (SDG/gintar)



Gum market in Sudan

Farm gate situation in North Kordofan

After a period of hot weather, the climatic conditions have recently fluctuated in most areas in North Kordofan State. This may impact negatively the current gum production, which is already rather low. Currently, the second tapping occurs essentially in El Obeid and En Nuhood surroundings. There is no harvest around Oum Rowaba.

Rising FOB prices and limited local supply in North Kordofan have pushed hashab farm-gate prices up in two weeks ago. Past week farm-gate prices remained high but in with however a slight decrease in comparison to the previous week. In the El Obeid surroundings, hashab gum has been sold last week at 950-1020 SDG/gintar when farm-gate prices were between 920 and 930 SDG/gintar at the end of March

(week 13). In the En Nuhood area, hashab gum farm-gate price decreased to 950 SDG/gintar after having cumulated to 950-1000 SDG/gintar the previous week. In Oum Rowaba villages, the few hashab gum exchanges have been done last week at 950-1020 SDG/gintar.

Auction markets in North Kordofan

El Obeid:

The amount of hashab gum exchanged last week in El Obeid at the auction market was about 28 MT, less than the 42 MT exchanged the previous week. However, the hashab quantities exchanged outside the auction market were more important: 197 MT of hashab gum have been exchanged last week when 165 MT have been sold the previous week. Hashab gum auction market prices remained steady last week with a very slight increase in minimum price and evolved between 1054 and 1150 SDG/gintar. Outside the auction market, hashab gum prices narrowed to 1140-1170 SDG/gintar. To be noticed that high quality gum from Gum Arabic Producers Associations (GAPAs) has been sold at 1265 SDG/gintar, that is to say +10% over the auction market prices.

Talh gum supply (coming from West Kordofan state) remained good, with 481 MT exchanged the last (+20 MT in comparison to the previous week). Talh gum price interval reduced to its upper value and reached 230-250 SDG/gintar.

En Nuhood:

The hashab supply is decreasing since 2 weeks in En Nuhood. 108 MT of hashab gum have been exchanged at the auction market last week, - 154 MT in comparison to the previous week, and 233 MT of hashab gum have been sold outside of it (- 54 MT in comparison to the previous week). This decrease in supply did not impact strongly the auction market price, which may indicate a good but limited local demand for the gum. Hashab gum auction market prices have decreased a little to reach 980 to 1010 SDG/gintar during the past week. Outside the auction market, the hashab gum prices decreased to 1000-1020 SDG/gintar while the previous week prices were 1020 to 1050 SDG/gintar.

Oum Rowaba:

There is virtually no hashab gum supply at this auction market since 1 month. 9 MT have been exchanged during the past week at a price ranging between 1050 and 1070 SDG/gintar. 57 MT of talh gum have been sold the past week. Auction market prices ranged between 220 to 240SDG/gintar.

FOB prices

Hashab gum FOB quotation experienced an increase 2 weeks ago and reached 2450-2550 USD/MT. Talh gum FOB quotation remain stable at 650-700 USD/MT.

International market

In Chad, the hashab gum supply is now low and of poor quality (mixes of talh and hashab gum). Wholesalers have limited their funding in some regions and local market prices have on the whole decreased to 800 FCFA/kg (1.31 USD/kg). Talh gum supply remains particularly good but lower demand is making local prices go down. Talh gum is exchanged at 160-200 FCFA/kg (0.26-0.33 USD/kg).

Analysts' outlook

Hashab gum market. Diminishing supply at the farm-gate level drove prices a bit up during the past week but the competition between traders for the gum is currently rather low (*ie*, no farm-gate price increase last week in El Nuhood despite lower supply). With small available batches and a quality not as good as expected, we do not forecast a price increase in the coming week despite the small supply in hashab. Stable prices will dominate the gum market.

Talh gum market. Talh gum prices remain firm and even tend to strengthen. The demand seems to remain rather good, as there are some buyers that purchase from the production sites and send the batches directly to Khartoum without passing through local auction markets. However, there is no a significant move at FOB level. We expect no big increase of the talh gum price in the coming weeks.