

## Currency update:

The period has been dominated by US dollar weakness as the political turmoil, and lack of progress continues in America. Combined with generally good economic data emerging from the Eurozone it has resulted in the Euro rallying significantly against the Dollar. Sterling has also done well despite lacklustre news against the dollar, but slipped slightly verses the Euro.

In the UK with Parliament in recess and mixed data we would anticipate US Dollar weakness being the primary driver over the coming month, along with positive Eurozone news, led by the improving economies of France and Spain. Next week inflation data is expected to be within target, further fuelling the Euro's position.

## FX Monthly movement

- US\$/ £ 1.30 up from 1.29
- US\$/ € 1.17 changed from 1.13
- £/ € 1.11 changed from 1.13

## General news

*Challenges surround seed supplies at present, as customers focusing on potential contaminants and natural levels of constituents start to find issues. We are facing challenges on several residual levels of items that, whilst at almost insignificant levels, are getting caught by MRL default levels set by the EU. This is inevitably going to add cost and complexity to the various supply chains in coming months.*

### Pumpkinseed kernels:

So, the rebound has started, particularly in the GWS grades where the forecasted shortfall for the 2017 harvest is most severe. Stockists are selling the tail of the 2016 harvest at increasing prices trying to recoup some of the losses experienced earlier in the season. Many of the remaining facilities are being overhauled over August & September, adding to a potential supply vacuum in the market place. Prices are up around 30% from the lows, and we see potential for at least a similar increase as demand starts in earnest around October.

### Linseed:

Prices remain under pressure from buyers at present, but we cannot help but feel an increase is due, from these low levels. Stories abound of issues with harvest, either weather related or otherwise, and the market is set to respond as soon as demand picks up.

### Sesame seed:

A combination of bad weather and tax reforms have significantly firmed the Indian sesame complex over the last two weeks, and we do not see prices falling again now for the 2017 harvest. Rains continue in all regions, and as we all know sesame does not like rain. Crops are being washed away, facilities are under water and farmers will have to replant. What does this mean, well the stockholders, are short, because of the implication of the tax reforms on stock, the processors can't process and the crop will be late.

International demand has been poor this season leading to low prices meaning farmers have planted less too, so it looks like we will be in for a disappointing Indian crop.

The Central American situation remains, old crop stocks are limited, and quality issues are becoming more of a concern. Planting occurs mainly from August through September, so hopefully the firming in the global market will encourage some more farmers to plant. New season prices will be higher than this year for sure.

### Sunflower kernels:

Reports from the USA & Canada indicate their sunflower crop is down 25% or more, due to reduced plantings and unseasonal dry weather. In Bulgaria prices remain under huge pressure, yet demand will be higher than normal, and we do feel a correction here is inevitable. Although whilst the hullers battle it out for capacity to fill their plants it seems some way off. The number of hullers in Bulgaria is reducing, and the reliable, quality processors are few. The US situation will only increase demand from Bulgaria, so be ready for an upward movement.

### Hulled millet:

News from Ukraine area indicates that prices are likely to increase for this season. This is mainly due to a significant reduction in planting area, and poor spring weather impacting yields further.

## Poppy seed:

Prices have increased and there is a general awareness of a shortage in supply from all origins these days. As we know the demand from Eastern European countries is steady, and not price dependent. They are also more accepting of variations in quality, and residual morphine levels. We can forecast a widening split in pricing levels going forward between the two qualities.

## Chia:

The latest challenge in this product is the identification of Glyphosate in many of the parcels shipped to EU. This herbicide has not been regularly picked up by pesticide screens, and appears to be an issue in some parcels of Chia. The EU regulations are set at a default level for the MRL, which is providing a huge challenge to suppliers, since other markets have much more tolerant criteria. Inevitably this leads to a two-tier market, and therefore buyers should be wary of cheap parcels, which are offered from non-traditional importers etc.

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## Products

Whether you need seeds such as sesame, linseed or quinoa through to something more exotic, Unicorn has the supply chain to source the wholesale ingredients you need for your bakery, retail chain or hospitality business.

Wherever we travel in the world, we aim to find the highest-quality products and are fully equipped to process them to the standards your customers expect. Making the most of close and long-standing relationships with our suppliers worldwide we can manage the entire process to ensure everything goes smoothly from production through processing, transportation and import to ensure your wholesale supply of ingredients is always reliable.

### Seeds

The market for seeds has become more and more intense in recent years, as food manufacturers, retailers and consumers recognise the health value of the product. The protein and essential fatty acids lead some to describe seeds as 'super foods'.

At Unicorn, we have unrivalled expertise at sourcing the very best seeds and ingredients from our suppliers around the globe, taking responsibility for their quality and managing the entire process from production to delivery wherever they're needed in the world.

### A selection of our products:

Amaranth	Hulled Hemp	Poppy Seed
Black sesame seed	Hulled Millet	Pumpkin Seed
Brown Linseed	Hulled Sesame seed	Quinoa
Chia	Kalonji	Sunflower Seed
Golden Linseed	Natural Sesame seed	
Hulled Buckwheat	Organic Range	

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