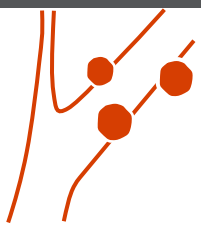
Gum arabic market report

June 8th 2020 - Number **150** - www.nkalo.com



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Gum market in Chad by Akouane Djabré

In **Chad**, in the past three weeks, the talha gum market has registered very few transactions. In all the picking areas, the stocks of local traders are almost exhausted and the demand for talha gum is not very lively at the level of wholesalers. Local supply is now very small compared to April. The agricultural season is approaching and there are fewer and fewer pickers in the gum forests.

In **Chari-Baguirmi** and **Hadjer-Lamis**, transactions around talha gum are timid. Supply remains higher than demand and the prices observed in recent weeks are stable compared to the past month and range between 150 and 240 FCFA/kg. The quantity collected reaches 150 to 200 kg per collector. The short-term price trend is stable to decreasing.

In **Batha**, local traders are not very active in the markets and the supply is decreasing. The quantities collected reach 150-250 kg/buyer. The prices observed are stable and range between 150 and 200 FCFA/kg. The picking of talha gum as well as the transactions continue in the localities where the rains have not yet been recorded (Ati and Koundjourou). The supply is still higher than the demand but the quantity collected is reduced compared to the month of April. Some local collectors maintain customers despite their low capital. The short-term trend is decrease.

In **Guéra** and **Salamat**, the movements of nomadic herders towards the North and field work contributed strongly to the drop in local supply. Demand is also low. The picking of talha gum as well as the transactions continue in localities which have not recorded rains such as Mouraye, Djondjol, Abreye and Eref and Dorga (department of Mangalmé), Amkarouba, Sila and Gogmi (department of Barh Signaka Melfi) , Katalok, Banda and Delep (department of Guéra) and Aboudeia (Salamat). The quantities collected have changed in recent weeks between 200 and 400 kg/collector. The prices observed in the markets are stable compared to last month and reach 150 to 200 FCFA/kg.

Gum market in Mali by Alassane Sogodogo

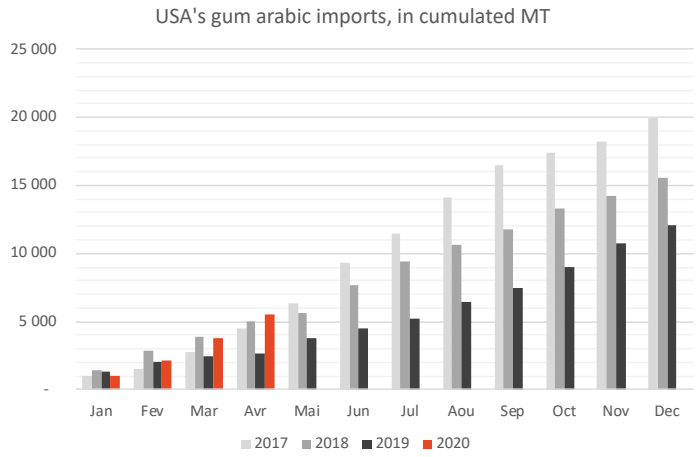
In **Mali**, gum arabic marketing activities have been stopped for the past month. This halt in marketing is linked to the start of the rainy season and producers active in the preparation for the coming field works.

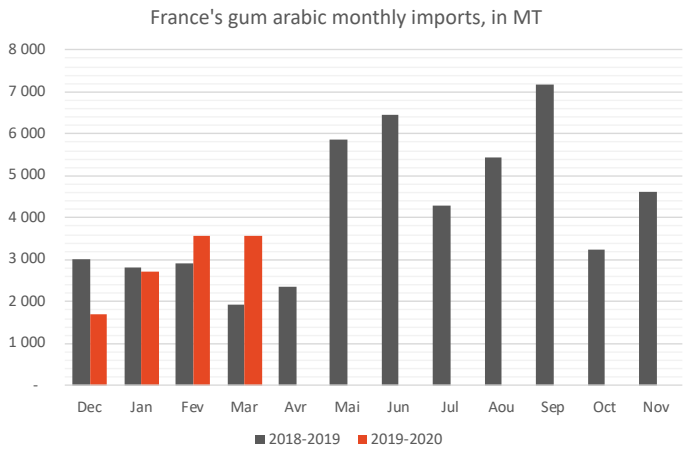
Currently on the market, there are no more stocks of hashab gum. However, in certain production areas, a few local traders and wholesalers have still small stocks of talha gum and karaya gum. The prices of these stocks are up compared to last month and are between 300 and 350 FCFA/kg, farm-gate prices, and 400 to 500 FCFA/kg for wholesale.

Gum market in Sudan

In **Sudan**, the rains started in the south of the country, particularly in South Kordofan and south of North Kordofan. Gum arabic exchanges are reduced. Wholesale trade prices at auction level remain at last month's level: 5800 SDG/kantar (127.8 SDG/kg) in El Nuhud and 6000 SDG/kantar (132.2 SDG/kg) in El Obeid. In the countryside, producers are now focused on field work.

Importing countries





In the **United States**, imports of gum arabic were down in 2018 and 2019 (in total, 15,590 MT in 2018 and 12,060 MT in 2019). The latest available customs statistics indicate a good recovery in demand for 2020. Between January and April 2020, the United States imported 5,510 MT. This recovery in demand mostly benefits European countries, particularly France. If we compare with 2019, imports from Sudan are falling and stable for Chad over this period: the availability of gum arabic was less during the first months due to the late start of the campaign.

USA's gum arabic imports (in MT)			
	2019	2020	
Origins	Jan-Apr	Jan-Apr	Variations
Sudan	1 449	1 026	-29%
Chad	423	425	0%
France	501	3 339	566%
Others	327	720	120%
Total	**2 701**	**5 510**	**104%**

In **Europe**, the latest available statistical data also indicate an increase in imports of gum arabic from producing countries during the first months of 2020. This increase is particularly supported by French and Belgian imports. In March, French imports reached 3,560 MT, 1,635 MT more than in March 2019.

EU's gum arabic imports* (in MT)			
	2019	2020	
Importers	Jan-Feb	Jan-Feb	Variations
France	5 720	6 294	9%
Germany	834	969	14%
Italy	44	133	67%
Slovakia	132	264	50%
Belgium	2	1 206	100%
Total	**6 732**	**8 865**	**24,1%**

** extra EU imports*

Outlook

In the producing countries, the rains announced the start of field work and the preparation of fields for rain-fed crops. Trade in talha gum continues in Chad in areas where rainfall has not yet started but local demand and supply are weak. The increase in imports by Western countries in recent months plays in favor of an increase of gum stocks prices still available at the level of traders, wholesalers and exporters.

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