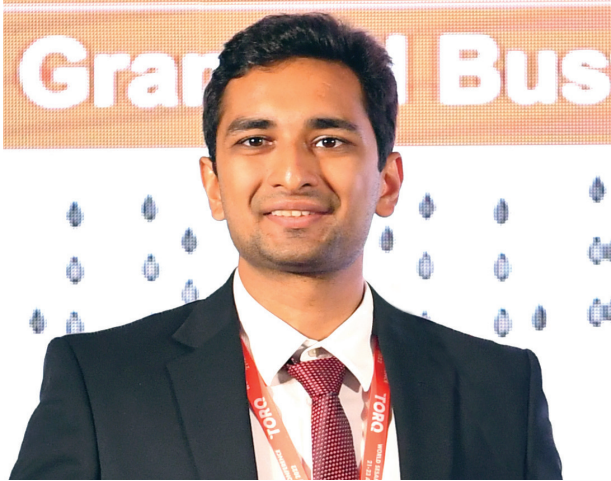


South Korea Sesame Seed tender Breached the Upper Price Circuit; The New Tender Date Announced

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Mr Mihir Parmar

What happened on 27 Jan 2023 sesame seed tender?

South Korean tender for procuring sesame seeds for 2023 has begun. The first tender of 6600MT saw significant participation from Africa, while India could not sell any goods via the tender. Shortage of crops and differences in pricing between India and Africa were the significant factors. The second tender was scheduled on 27 Jan 2023 for 10,500 MT. The details are given below;

Address of Procuring Agency

Korea Agro-Fisheries & Food Trade Corporation,
227, Munhwa-ro, Naju-si, Jeollanam-do,
Korea (58326).
Tel 82-61-931-0932/0935/0936/0937,
Fax 82-61-804-4536

2023 WTO TRQ State Trade 2nd Tender (P1: Arrival of '23.3.31.)

1. Bidding Target

Item	Bid Number	Origin	Breed	Volume	Unit	Arrival Deadline	Port of Arrival
Sesame (1207.40-0000)	AT2540-SI-23(638)	No Limit	General	4500	Ton	~ 2023-03-31	BUSAN

2. Eligibility for Bidding: Refer to the bidding note

3. Schedule

Schedule Divison	Start Date	At the Time of the Deadline	Location 1	Location 2
Bid Registration	2023-01-09 00:00	2023-01-26 14:00	Electronic bidding (aTBid)	Electronic Bidding (aTBid)
Bid Briefing Session	2023-01-12 14:00	2023-01-12 15:00	Naju aT Headquarters Meeting Room	Naju aT Headquarters Meeting Room
Submission of Bids	2023-01-27 10:00	2023-01-27 11:00	Electronic bidding (aTBid)	Electronic Bidding (aTBid)

2023 WTO TRQ State Trade 2nd Tender (P2: Arrival of '23.4.21)

1. Bidding Target

Item	Bid Number	Origin	Breed	Volume	Unit	Arrival Deadline	Port of Arrival
Sesame (1207.40-0000)	AT2541-SI-23(639)	No Limit	General	6000	Ton	~ 2023-03-21	BUSAN

2. Eligibility for Bidding: Refere to the bidding note

3. Schedule

Schedule Divison	Start Date	At the Time of the Deadline	Location 1	Location 2
Bid Registration	2023-01-09 00:00	2023-01-26 14:00	Electronic bidding (aTBid)	Electronic Bidding (aTBid)
Bid Briefing Session	2023-01-12 14:00	2023-01-12 15:00	Naju aT Headquarters Meeting Room	Naju aT Headquarters Meeting Room
Submission of Bids	2023-01-27 10:00	2023-01-27 11:00	Electronic bidding (aTBid)	Electronic Bidding (aTBid)

On 27 Jan 2023, the sesame tender was unsuccessful due to the upper price limit set by the Korean Government. Rebidding was also held, but that too was unsuccessful as the suppliers were reluctant to quote at lower prices. Based on the tender, it can be assumed that the upper limit set by the South Korean Government was und USD 2000 per MT. A sudden price hike in the market was not expected, and the Govt wasn't ready to go ahead with the bidding. Also, the stock levels with the Government were reported as reasonable. On 08 Feb 2023, the South Korean Government announced the new tender date for a volume of 10,500 MT (P1 – 4500 MT; P2 – 6000 MT). The new tender details are given below;

2023년 참깨 TRQ 국영무역 3차 구매입찰 공고

2023년 참깨 TRQ 구매입찰을 아래와 같이 시행하오니 참가하여 주시기 바랍니다.

1. 입찰사항

품 목	구 분		입찰번호	물량(톤)	도착기한	도착항
참깨 (Sesame Seed)	P1	일반품, PP백	AT2554-SI-23(654)	4,500	'23.4.28.	부산
	P2	일반품, PP백	AT2555-SI-23(655)	6,000	'23.5.19.	

2. 입찰방법 : 희망 수량 공개경쟁입찰(최소 300톤, 최대 900톤 / 300톤 단위 응찰)

3. 참가자격 : aT의 물품구매 일반입찰유의서 제7조의2에 의하여 입찰 참가 자격이 제한 되지 아니한 업체

4. 입찰설명회 : '23.2.16.(목) 14:00~ (전남 나주 aT본사 회의실)

5. 참가신청 : '23.2.21.(화) 14:00까지 전자입찰사이트(www.atbid.co.kr)에 입찰서류 제출 (우편 및 직접 제출 불가)

6. 입찰시간 : '23.2.22.(수) 10:00~11:00

※ 기타 입찰에 관한 사항은 061-931-0932, 0935, 0936, 0937로 문의하시기 바랍니다.

SUMMER NOTICE

1. Major Matters of the Invitation for Bids

Commodity	Invitation No.	Quantity (M/T)	Period of Arrival	Destination Port	Time-Limits for Registration	DATE of Bids
P1 : Sesame Seed (General Quality, PP Bag)	AT2554-SI-23(654)	4,500	'23.4.28	Busan	14:00 '23.2.21 (KST)	10.00~11.00 '23.2.22 (KST)
P2 : Sesame Seed (General Quality, PP Bag)	AT2555-SI-23(655)	6,000	'23.5.19.			

From now on!

Prices now have stopped increasing rapidly like was the case before. The market has found some stability at these levels. But origin prices still seem to be higher than comparable prices at the destinations. The price movement now is a bit rangebound for a while. Buyers and sellers both are overall cautious due to high sesame prices. The exact scenario across the globe is difficult to gauge, and the prices would depend on the cargo availability at the origin more than the demand from the buyers.

When it comes to the biggest importer China, it was better than expected Chinese New Year owing to the relaxation of the strict covid policy of China. Chinese importers were shocked once they were back from their holidays, seeing the prices move \$100-300/MT than before. The time after the spring festival is typically considered a bit of off-season. Chinese should be back for another round of buying if the downstream market supports the higher prices. Otherwise, they may focus on the new crop from Tanzania and Mozambique.

