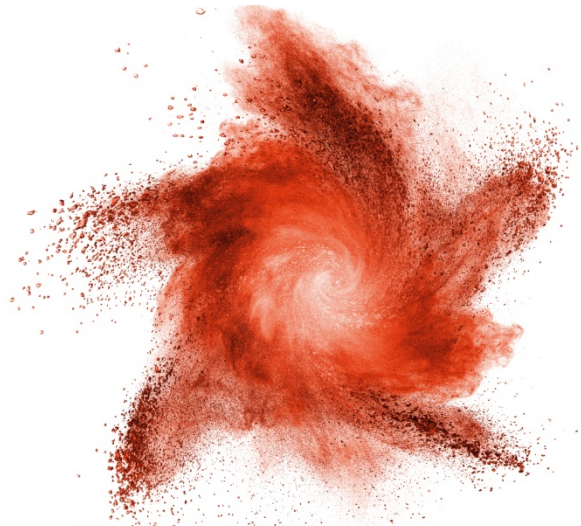


Paprika Crop Report



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SPICES



**2017 ANNUAL MEETING
AND EXHIBITS**

April 23-26, 2017
Austin, Texas | Hilton Austin



Overview



- Last paprika crop smaller than expected
- Oleoresin companies with no carryover played a key role



Overview



- China domestic consumption growing every year.
- World demand steady and increasing every year



Growing Countries and Crop Information



* Estimated 2017

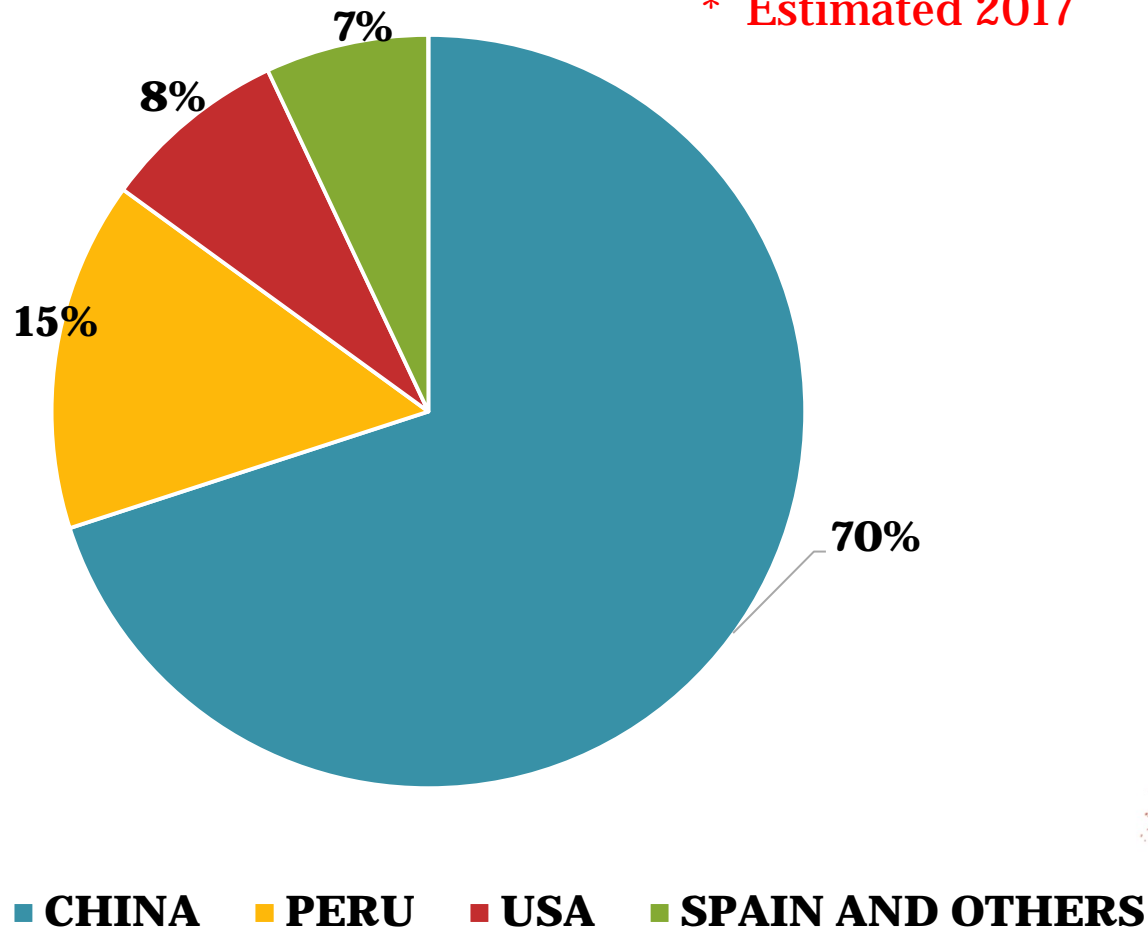
- China 125.000- 130.000 Tons
- Peru 25.000 – 28.000 Tons
- Usa 12.000 – 15.000 Tons
- Spain & Others 9.000 – 12.000 Tons



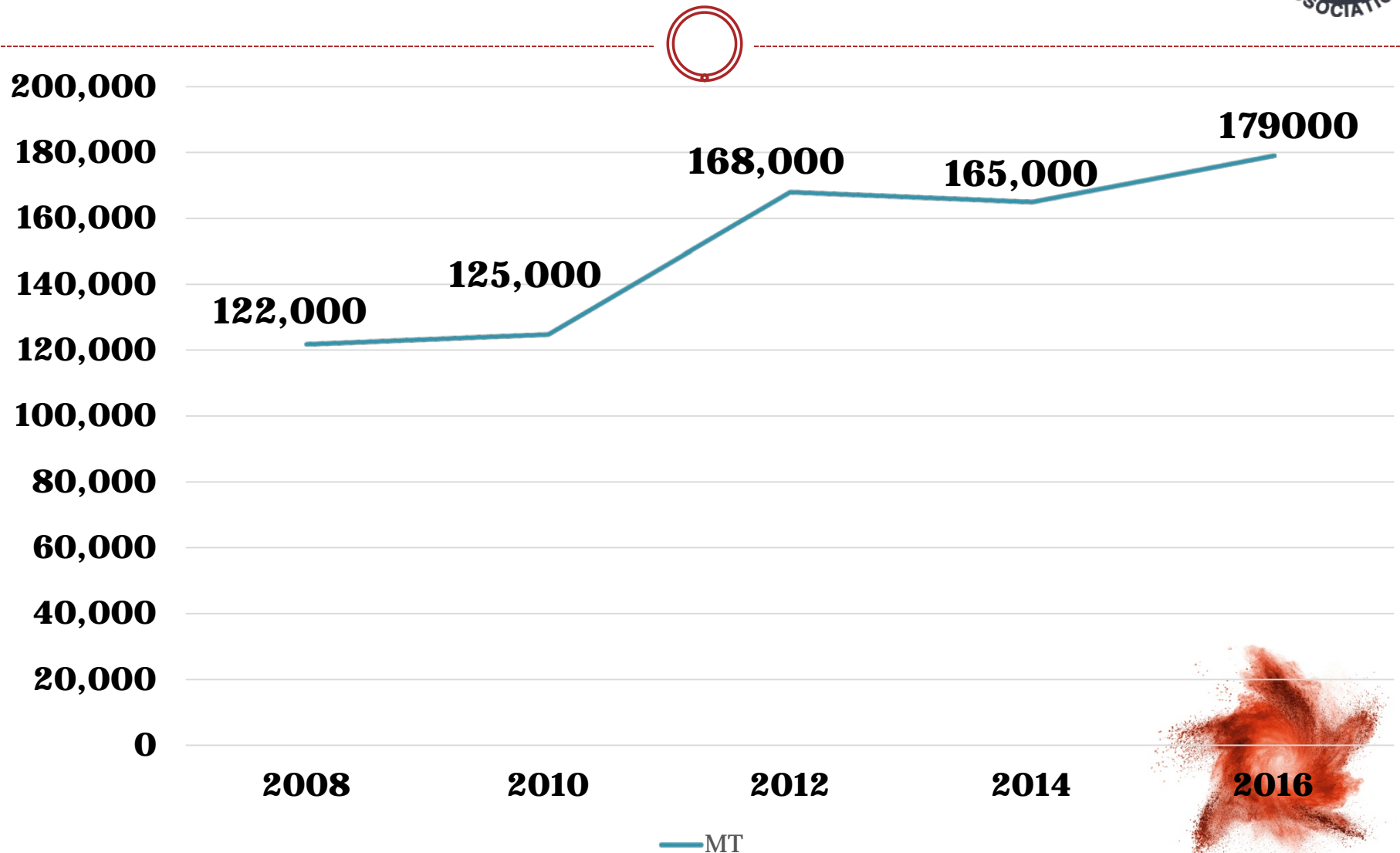
Growing Countries and Crop Information



* Estimated 2017



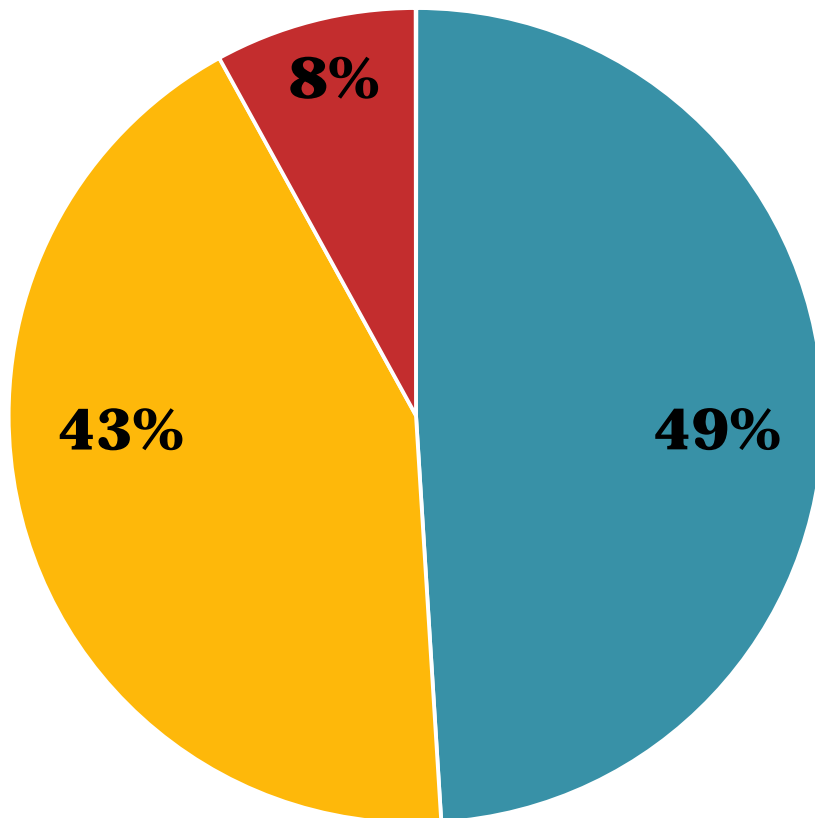
Historical Crop Information MT



Paprika Usage by Type 2017



* Estimated 2017



■ POWDER 90.000 MT

■ OLEORESIN 80.000 MT

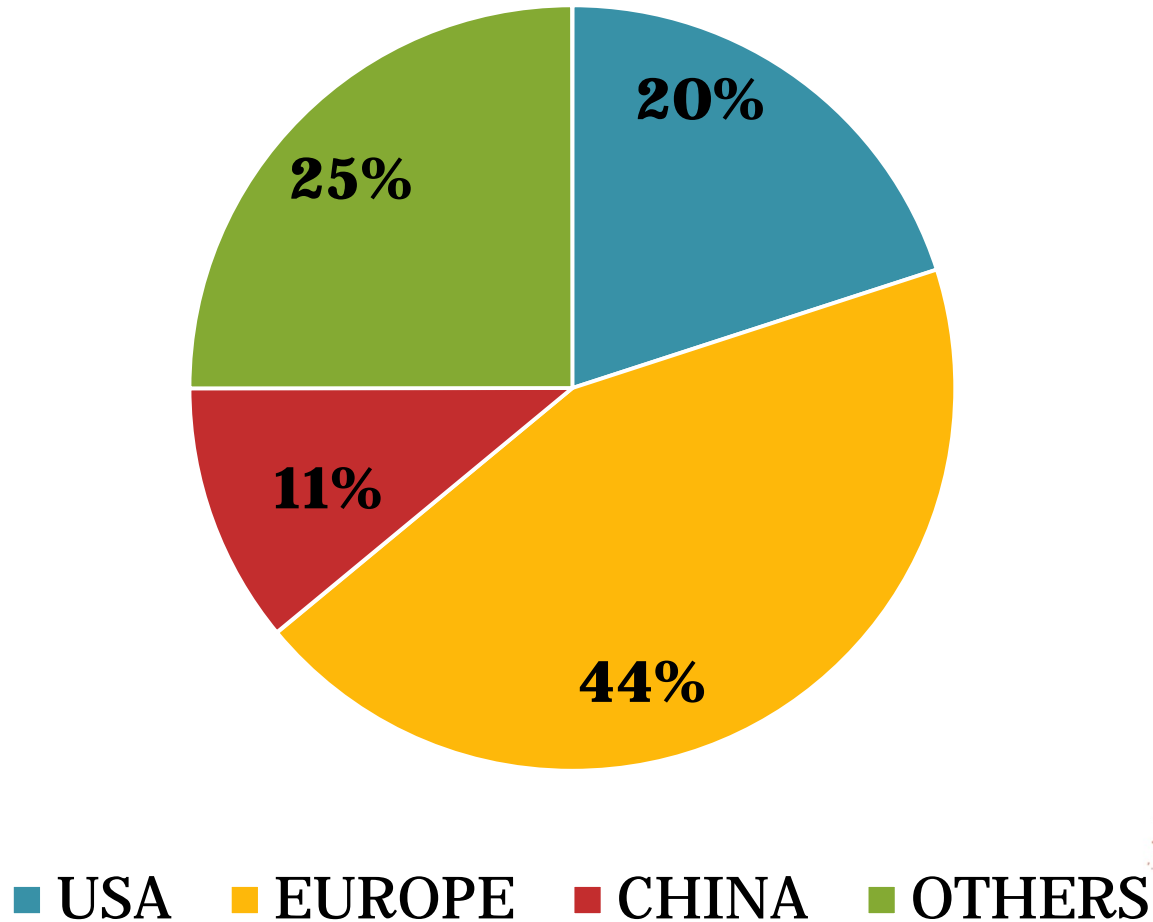
■ WHOLE 15.000 MT



Paprika Powder Demand by Region 2017



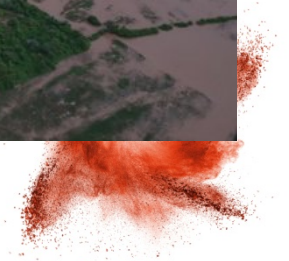
* Estimated 2017



Issues Impacting Supply / Price



- Weather
 - ✦ China
 - ✦ “Niño Coastal” phenomenon will affect Peru
- Diseases
- Pesticide residues
- Mycotoxins



Issues Impacting Supply / Price



- **Alternative Crops**

- ✦ Artichoke
- ✦ Avocado
- ✦ Fruit trees
- ✦ Tax benefits



- **Increase in costs**

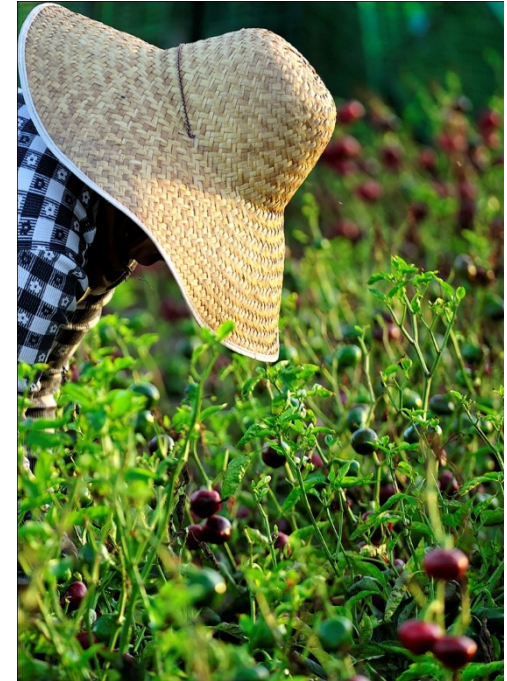
- ✦ Environmental concern
- ✦ Labor



Food Safety/Quality



- Mycotoxins
- Adulterants
- Allergens
- Pesticide residues
- Organic & Sustainable



Summary



- Still some factors to check before new crop is ready; Weather, Yield.
- Oleo producers, the US, and the EU demand to play a key role
- Global paprika crop projected to be similar than last one.



Thank you!



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