

Russian Feed Additive Market Sees Covid-19 Impact on Prices

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23 March 2020 - Feed additive importers raised concerns over strong fluctuations of prices for some categories of feed amino acids in the country in light of the continuing Covid-19 pandemic.

“The new coronavirus impacted almost all feed vitamins, not depending where they are produced. The price for most vitamins jumped by 30%, with the strongest increase for vitamin H at around 300%,” said a spokesman for Russian feed additive importer Vitomek.

“As for amino acids, coronavirus impacted primarily threonine, since it is almost fully coming from China. The prices for threonine increased by around 30%,” he added.

The price fluctuations on the market began in February, according to the Vitomek spokesman. All supplies are now coming with a month’s delay and it is anticipated that in late March and April, the situation could worsen with a shortage for some feed additives feared. Some Russian companies are still receiving feed additives shipped before the lockdown in China in January of 2020, he said.

The Vitomek spokesman went on to say that despite that, so far Russian feed additive importers are not switching to alternative suppliers.

“On average the price for feed vitamins on the Russian market increased by 30% to 50%,” said a spokesman for Adisseo Eurasia. “It continues to worsen every day and it remains rather unpredictable.”

It is also hard to say for which feed additives the price increase was provoked by supply disruptions and for which it was associated with panic on the market, he said.

As of early-March the price for methionine in Russia increased by 15% but the epidemic itself is not the key factor contributing to this growth, he added.

On 20 March 2020, the Russian government announced measures aimed to prevent shortage of food and agricultural products on the domestic market. Among other measures, the Russian Federal Customs Service was instructed to streamline custom clearance of agricultural goods, including feed additives at border level.