

## BULGARIAN LAVENDER OIL FROM THE DOBRICH REGION

MARKET OVERVIEW BY BULGARIAN LAVENDER LTD.

Earlier this year Bulgarian Lavender Ltd. issued its first ever newsletter broadly evaluating risks and opportunities faced on the Bulgarian lavender oil market. General trends covered were, among others, abundance of out-of-standard lavender oil due to last year carryover, reduced amount of contract-based sell-out and low prices. On top of that, worsened overall macroeconomic conditions due to the world pandemic and lockdown were considered major impediment.

The outlook, therefore, was not optimistic.

Reality, however, was manageable. Below a summary of how traits could be either mitigated or turned into opportunities for both current and future reference.

### 2020 CAMPAIGN AFTERMATH

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- \* Despite relatively low yields, current year lavender oil production is on par with international quality standards. In addition, first-year-fields harvested compensated for the deficiency in the amounts supplied.

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  - \* The COVID-19 crisis did not have the direct effect of demand decrease expected. If anything, purchases were pushed back a couple of months, yet remained persistent.

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  - \* While prices did go down as compared to 2019, this will unlikely be the case in the years to come. Small farmers are willing to switch to different cultures as cost of harvest and distillation exceed the benefits of the sales opportunities. This will inevitably push prices up.

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We therefore encourage our partners to plan accordingly and place their orders at earliest convenience.

As always, let's stay together and continue growing!

*Sincerely Yours,*  
Ivan Ivanov, Company Owner