



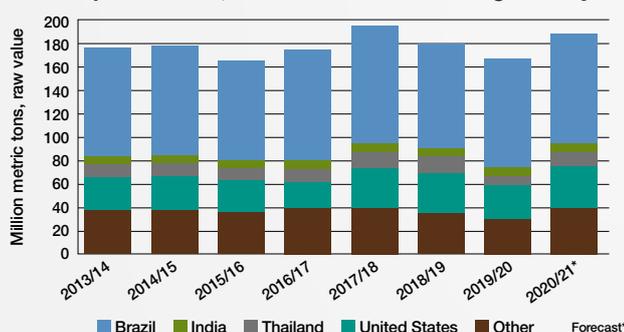
**Market update**

After a number of back to back price rises, we are now seeing winter molasses blend prices stabilise, and in some cases come back from where they are today.

The key factors that drive molasses blend prices are:

- 1. Currency:** Molasses is traded in US\$, so as GB£ sterling has strengthened relative to the US\$, this puts downward pressure on prices. Summer 2020 was priced when currency was around \$/£1.25. It is currently above \$/£1.27\*.
- 2. Sugar Production:** As molasses is a co-product of sugar production, as sugar production increases, the availability of molasses increases. We are seeing global sugar production at a 3 year high. Therefore, we expect to see more molasses coming onto the market, pushing prices down.

**Global Sugar 2020/21 production is forecast up with Brazil, India and Thailand leading the way.**



- 3. Freight:** Ocean freight represents a significant proportion of the cost of getting molasses to the UK. We have seen freight rates fall over the last couple of months as we have seen demand for oil driven by the Covid 19 pandemic.

All of the above have resulted in molasses prices easing from the levels we have seen over the summer.

Moving against the fall in molasses prices, we have seen an increase in the price of other molasses blend ingredients such as CMS (Condensed Molasses Solubles), Pot Ale Syrup, Distillery syrups and other food production liquid co-products driven by tight supply and lack of a currency effect.

The net effect is that high molasses (high sugar) blends will reduce in price more than higher co-product blends. Some high co-product blends will be stand on from the summer and we are likely to see straight syrups and syrup replacers increasing in price.

\* At time of writing

**New developments**

**Sustainability**

We are seeing an increasing interest in sustainable sourced feed materials and sustainable production systems. ED&F Man is a founder member of Bonsucro, the body formed to develop, support and certify sustainable sugar and molasses production.



Under the Bonsucro certification, we are able to offer sustainable cane molasses, which has been produced in accordance with strict sustainability. These guidelines include environmental controls, social responsibility, efficient production and logistics, and economic impact.

We have already supplied sustainable molasses into the food/fermentation industry and we are now working on offering this into the feed industry. With consumers becoming more aware of sustainability, we see demand for sustainably sourced food increase. This will quickly filter down to farm level with livestock farmers starting to factor in sustainability into their feed buying decisions. **For more information on sustainability, please contact your local Commercial Manager.**



1. Obey the law



2. Respect human rights and labour standards



3. Manage efficiency to improve sustainability



4. Manage biodiversity and ecosystem



5. Continuously improve



6. Adhere to EU directives



7 - Organisation of Farmers

As well as sourcing sustainable feed ingredients, it is important to look at sustainable livestock production. It could be possible to feed a sustainable ration, but have a non-sustainable production system. The way forward is to combine a sustainable ration with a well managed sustainable production system.

ED&F Man's range of molasses based feeds have been proven to increase fibre digestion and optimise rumen function, which both help to achieve more efficient production.

## Nutritional update

### Forage quality

Analysis shows that 2020 silage is very variable with dry matters ranging from 19-60% (Source: TNGB), increased fibre levels and low levels of carbohydrates, it is going to be a challenge to achieve a balanced ration this Winter. Forage stocks are higher this year and on average the nutritional value will provide a good foundation for winter rations. However, with forage appearing to be less digestible, farmers must try to enhance digestibility any way possible.



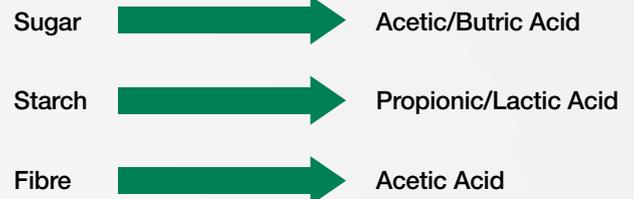
Higher fibre levels in grass silage are less fermentable and need to be supplemented with rapidly fermentable carbohydrate sources in the ration to improve rumen function and efficiency. Rapidly fermentable carbohydrates are required by the fibre digesting bacteria present in the rumen as an energy source to optimise fibre digestibility. By extracting as much energy from fibre, this can help drive greater feed efficiency as well as support animal performance. It also demonstrates a cost-effective method to help minimise feed costs and maximise on farm margins.

Examples of rapidly fermentable carbohydrate sources are ground cereals and molasses based liquid feeds. Sugars are rapidly fermented, and most are utilised within two to three hours of feeding. However, trials show that rumen fermentation remains more active long after the sugars have gone. Additionally, the 6-Carbon sugars present in molasses based liquid feeds are more highly rumen fermentable and more effective at improving fibre digestion. Unlike the 5-Carbon sugars that the rumen fungi are unable to ferment, these sugars are typically found in silages, wheat syrups and fermentation co-products. By promoting faster and more active fermentation, sugars will increase rumen throughput and stimulate dry matter intakes.

**ED&F Man Liquid Products are the only blends available on farm that have been proven to increase fibre digestibility through independent research.** By using a molasses based liquid feed, this will drive Dry Matter Intake (DMI), support milk production, increase fibre digestibility, as well as reduce sorting, dust levels and waste.

### Cereal feeding

With barley prices low, many people will be tempted to feed more. However, in doing so, this can increase the risk of acidosis, potentially compromising fibre digestion and dry matter intakes. The addition of cereal grain into the ration can lead to a drop in fibre digestion of up to 30% due to the changes it can make to the rumen environment. Cereals such as wheat and barley, lead to propionic and lactic acid production in the rumen when fed in high quantities. Lactic acid is ten times more acidic than the other volatile fatty acids produced such as acetic and butyric acid.

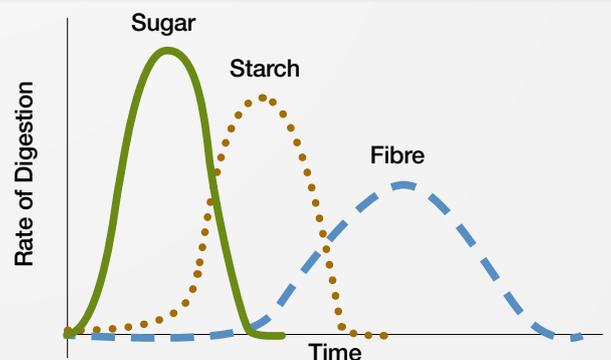


While prices are low, it is sensible to feed these ingredients. However, the key to maximising rumen performance is to get the correct balance of all energy sources: sugar, starch and fibre while maintaining rumen health.

The key benefits of feeding a molasses based liquid feed alongside cereals:

- Increase Dry Matter Intake
- Increase Fibre Digestion
- Optimise Rumen pH
- Increase Microbial Protein Production
- Enhance Animal Performance

Starch and sugars are both rapidly fermentable carbohydrate sources found within plants, but not all carbohydrates are created equal, the main difference being that starch is a more complex carbohydrate than sugar. Therefore, it takes the rumen microbes longer to break down and utilise. Whereas sugars can act as an immediate energy source for the rumen microbes and are fermented much quicker as shown in the diagram below.



This year, barley is widely available and offers a cost-effective source of starch and energy in rations. Starch plays an important role in rumen microbial growth and availability of energy available to the cow and is commonly included in rations at around 18-20% dry matter (DM). Research shows

that by replacing a proportion of cereals with a molasses based liquid feed, this will increase the supply of rapidly fermentable carbohydrates without the increased risk of sub-acute ruminal acidosis (SARA). The added sugars have been found to help maximise dry matter intake (DMI) and feed efficiency, contributing to higher levels of animal performance.

### On farm molasses use

Even though we have seen on farm molasses blend prices increase over the last few years, we have also seen an increase in the use of molasses blends on farm, a trend which we expect to continue. This has been mainly driven by an increased recognition from livestock farmers and on farm advisors of the nutritional value of molasses based liquids in ruminant rations. ED&F Man has led the way in increasing this knowledge by investing in research into this value of 6-Carbon sugars and molasses blends and publishing numerous reports and trial data that has highlighted their unique nutritional value. This is an ongoing program and as we complete more research we will be sharing this information with all interested parties.



### NEW Beef research

A research project carried out at the University of Milan in collaboration with ED&F Man, investigated the effect of feeding a molasses based liquid feed in finishing beef cattle by replacing a proportion of starch in the diet. The animals were split into two groups, both groups were fed the same diets, which differed by the inclusion of 1kg/head/day of a molasses based liquid feed in substitution of maize meal in the treatment group.



The control group diet had a sugar content of 3.7%, whereas the treatment group diet was 7.0% sugar. As well as looking at the growth performance of the animals, a rumen bolus was also administered, which recorded the pH fluctuations and the time the rumen spent in acidotic condition, below pH 5.8. The results from this trial found:

- Increased daily live weight gain
- Increased dry matter intakes
- Improved feed conversion ratio
- Increased carcass weight
- Less rumen pH fluctuations, creating an optimum rumen environment
- Time spent in acidotic conditions significantly lower

If you would like more information on this trial, please email [technical-info@edfman.com](mailto:technical-info@edfman.com)

### Fresh-Guard

With variable silage quality this year, we have already begun to hear more reports of TMR's heating up at feed out. One of the best and most cost-effective ways to stop this from happening is to add **Fresh-Guard** to your molasses based liquid feed. **Fresh-Guard** is a ration conditioner that has been proven to reduce ration heating and aerobic spoilage. This results in increased dry matter intake, better animal performance and reduced feed wastage. All this leads to increased profitability on farm. Get in touch to find out how **Fresh-Guard** can help you.



## Cost effective protein

Protein prices are rising significantly.  
Have you considered a liquid protein option?

**ED&F Man High Protein Liquid Feeds: Cost effective protein with your sugars for FREE.**

Regulated Release protein technology is designed to provide a synchronous release of energy and protein into the rumen.

Research proven to nutritionally replace up to 1.6kg of conventional protein sources with 2kg of Regumaize 44.

- Cost effective protein with all the benefits of a molasses based liquid feed
- ED&F Man's high protein liquid feeds are available year-round in delivery sizes from 5 to 29mts
- Find out more about the reasons why to feed a molasses blend on our website



**USING CURRENT PROTEIN PRICES, THIS CAN LEAD TO A SAVING OF £2000+ OVER WINTER ON A 250-COW HERD!**



## Trial a storage tank - for free!

If you are thinking of using molasses for the first time, and you want to see if it works for you and your stock, then ED&F Man offer a tank trial scheme.

In ED&F Man's tank trial scheme, a fully-equipped storage tank is delivered on-farm for two months, you only pay for the product. During this time the beneficial effects of using ED&F Man's molasses products can be assessed. After the two month trial period, you can purchase the tank outright, or spread the payment using ED&F Man's interest free finance scheme. In the unlikely event of seeing no benefits, the tank can be returned at no cost, except that of the product purchased.

These high level tanks are convenient to use, and allow more cost-effective bulk purchases to be made.

Offer may be withdrawn at any time and is subject to terms and conditions.

**ED&F  
MAN**  
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Liquid  
Products

## Want to know more?

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