



# Spices Market Report

January 2024



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YEARS OF EXCELLENCE

We extend heartfelt New Year's wishes to all stakeholders. May the upcoming year bring prosperity, innovation, and shared success as we continue our journey in the value-added spice industry

Happy New year

2024



# Capsicum

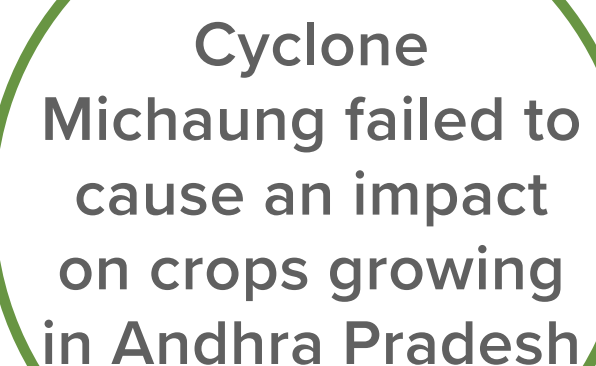
## Harvest Season



## Market Updates

**Southern India:** Cyclone Michaung made a landfall in Southern India on 1st December 2023 and later extended to certain chilli growing areas of Andhra Pradesh, subsequently entering other neighbouring states like Odisha. The impact lasted till December 6th. The Cyclone effect was very minimal in most of Telengana except regions bordering with Andhra Pradesh.

Due to change in weather conditions following cyclone, in areas which saw heavy wind and water stagnation, pest attack from mites, black thrips and white fly were prevalent, leading to diseases like, fruit rot, anthracnose disease, bacterial leaf spot and leaf curl. Farms affected by water stagnation is likely to impact yield per acre.



Cyclone Michaung failed to cause an impact on crops growing in Andhra Pradesh



**Major growing regions**  
Andhra Pradesh and Telengana

# Capsicum

## Market Updates - *Southern India continued*

The standing crop in Telengana and coastal regions of Andhra Pradesh, were not much affected by the pest and viral diseases. With continued favorable climate and no major weather disturbances, yields are expected to be comparable to last year.

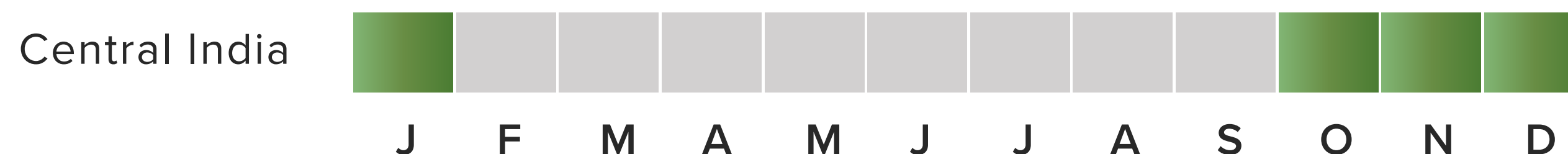
In 2023, many companies introduced new hybrid variants in the high pungency segment, resulting in a wider range of pungency levels. With buyers lifting materials from cold storages, the carry forward levels are down to 15-20%, and most of these are the medium grade varieties. Farmers who had completed their sowing in June, kicked off their harvest in December. The early arrivals were commanding prices similar to last season. With a couple of important festivals (Sankranti, Bhogi, Kanuma) falling in the middle of January, most of the farmers are likely to start their harvest around mid January. We expect arrivals to peak in February and March. At the time of this report finalization, there have been news of prices dropping and farmers resorting to protests seeking government interventions to maintain prices at last season. Farmers are apprehensive that unseasonal rains, may impact the quality of chili crops, and more degraded materials may be expected to arrive in the market in comparison to last year.

Lower quality of  
early arrivals  
witnessed



# Capsicum

## Harvest Season



## Market Updates

**Central India:** The unseasonal rains in Madhya Pradesh, impacted some of the farmers who were drying their harvested chillies. This led to the later arrivals, especially Mahi, being of lower quality.

December also marked peak arrivals of high color varieties which were bought by powder companies mainly and catered to rest of the demand as well.

Maharashtra, also had a good crop. Farmers indulged in selling green chillies. Green chilli prices fell by 20% in December compared to November. Dry chilli crop arrivals had begun in December. Crop output is steady with more low and medium varieties and is expected to continue so till March.

Arrivals are steady from Madhya Pradesh while in Maharashtra, it has just started



## Major growing regions

Madhya Pradesh and Maharashtra

# Paprika

## Harvest Season



## Market Updates

Low water levels in reservoirs had raised concerns amongst farmers, but it was later realized that water levels were sufficient for good crop growth. Karnataka faced a deficit in rainfall during the South-west monsoon, which is the primary rainy season for the region, but the amount of rainfall received was still sufficient to support crop growth. Cold storage capacity is currently at 30-35%, with last season's crop. Crop diseases reported earlier are now under control. Prices have witnessed a 10% drop over the last month. Peak arrivals are expected to commence in mid-January. The upcoming arrivals and current higher carry-forward stocks is expected to exert pressure on prices, temporarily.

Overall supply of Paprika is expected to be higher than 2023



**Major growing regions**  
Karnataka

# Ginger

## Harvest Season

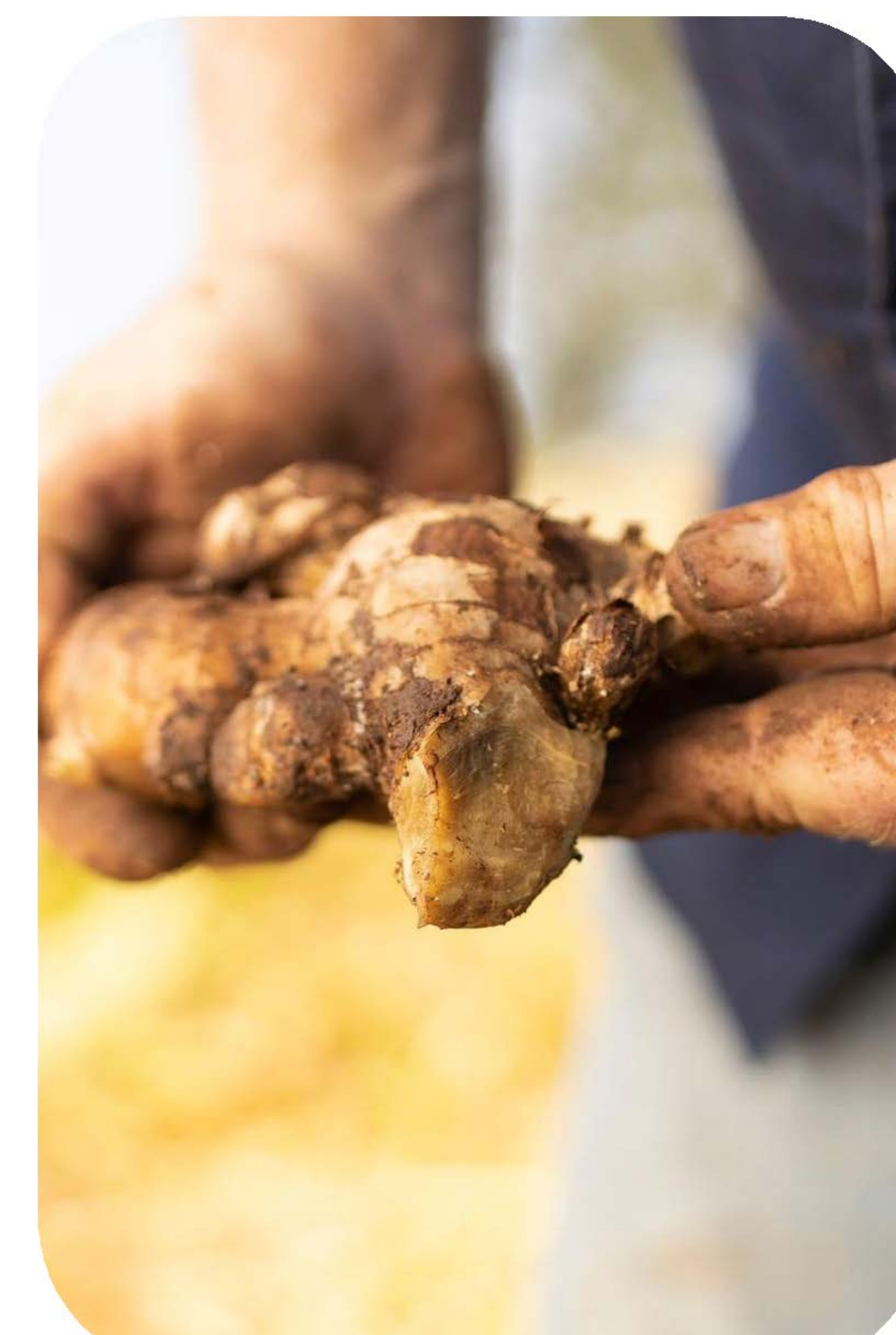


## Market Updates

**India** : All carry forward stocks of dry ginger has been exhausted. There is scarce stocks of dry ginger, as farmers continue to earn good money from fresh ginger. Selling fresh ginger helped farmers with early and quick realization of money and there has been unprecedented demand for fresh ginger also. Most of the farmers who used to predominantly sell dry ginger sold their entire produce as fresh ginger. Very less carry forward stock of dry ginger, is likely to be built up in the next few months.

Fresh ginger prices remain high, up by 10% from the previous month and surpassing last year's rates, currently trading at USD 1.08 per kg.

Availability of  
dry ginger is  
very low



## Major growing regions

Karnataka, Kerala , Odisha and Maharashtra

# Ginger

## Harvest Season



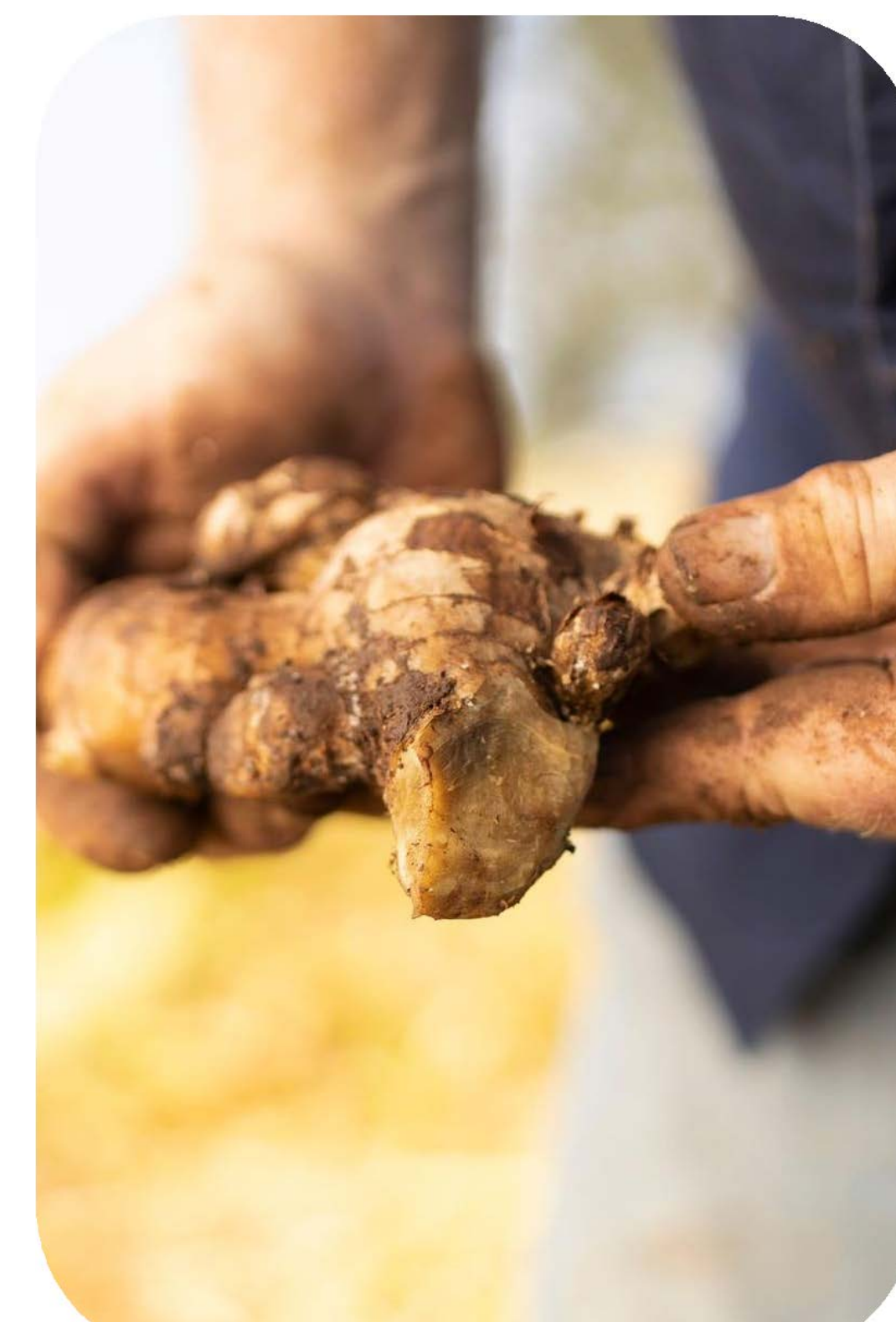
## Market Updates

**Nigeria** : New crop supplies has started from Nigeria. However, widespread pest attacks has severely impacted crop. The quality of current ginger crop is significantly lower compared to previous years. Farmers in Nigeria resorted to using agrochemicals, to save their crop. How this will effect the volumes of IPM ginger from that region is yet to be seen.

Prices have nearly doubled compared to last year.

In Nigeria, it is reported that there is reduction in crop level by around 40% -50% compared to last year

Consumer price inflation in Nigeria is at a record high level



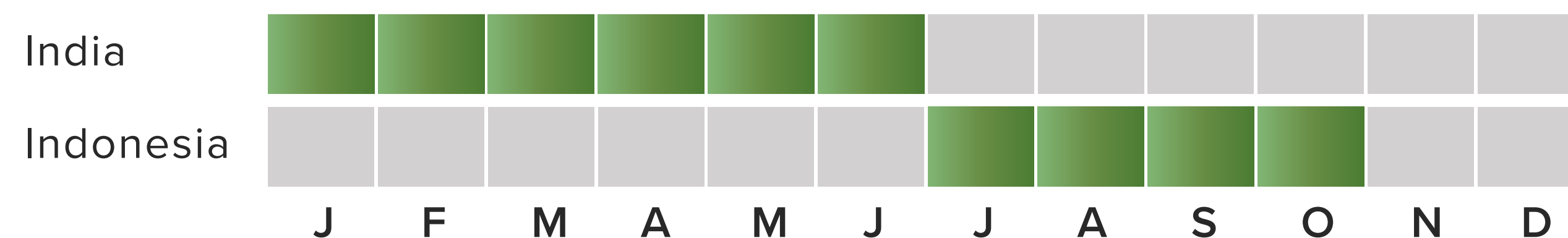
## Major growing regions

Kaduna, Kano



# Turmeric

## Harvest Season



## Market Updates

**India:** The turmeric harvest will start by the end of January. Arrivals will peak in March. Prices have remained consistently high, marking a 10% increase from the previous month due to low carry forward stocks.

As mentioned in our previous report, there is reduction in acreage which will result in lower volumes. A big change we have seen this season is farmers diligently tending to their crops, hoping to get maximum out of their expected yield while hoping for high prices to continue. We are going to see shortage of IPM grade turmeric due to farmers excessively using agrochemicals. As of now, NCDEX spot prices are maintaining a narrow range, trading at USD 1.55/kg.

**Indonesia:** Sowing has completed in December. No carry forward stocks of turmeric to meet export demand. Turmeric fetches higher prices for farmers towards end of season. A good crop and farmers getting higher yield will help in meeting, domestic and export demand.

In India, export demand is currently sluggish due to the high prices

In Indonesia, domestic demand and usage is high. Hence crop availability for export is limited



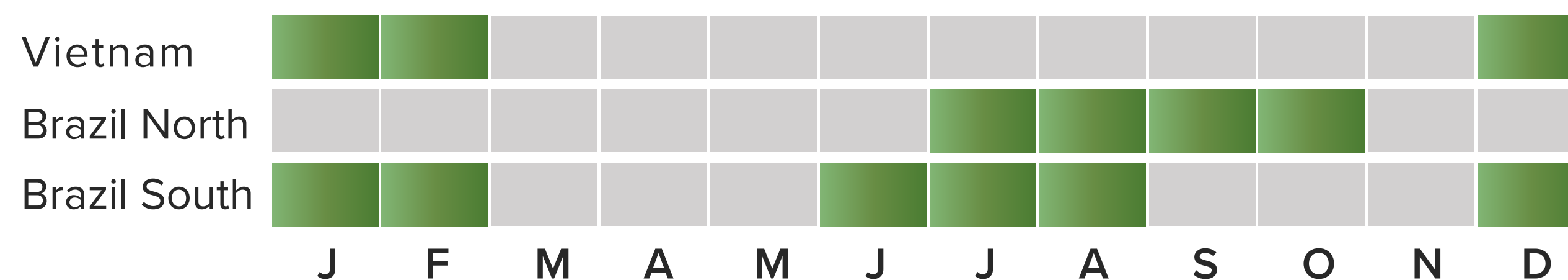
### Major growing regions

**India** - Karnataka, Tamil Nadu, Andhra Pradesh, Telengana, Meghalaya, Odisha, Kerala

**Indonesia** - East & Central Jawa island

# Black Pepper

## Harvest Season



## Market Updates

**Vietnam :** The pepper harvest is delayed by a few weeks, and dry pepper will be available from February. Prices had increased in December by 12% , despite low demand. However prices are showing a slight decline in early January. While acreage remains unchanged pepper farmers have been shifting to other cash crops like coffee and durian. In spite of low demand and exports to China, black pepper prices continue to command high prices in December.

**Brazil :** Brazil pepper market had slowed down for Christmas. Shipments and movements of pepper cargo were limited, though exports to Vietnam continue to happen. Harvest is likely to commence in January. There will be a substantial reduction in overall crop due to severe heat during the spiking stage.

Vietnam's export volume reached 240,000 MT this year, with moderate carry-forward stocks.

Around 63% of Vietnam Pepper imports is from Brazil, higher by 32% compared to last year



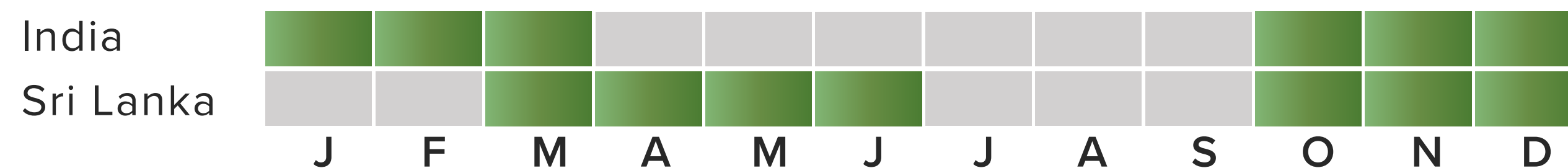
### Major growing regions

**Vietnam** - Dak Nong, Dak Lak, Gia Nai

**Brazil** - Espirito Santo and Para

# Black Pepper

## Harvest Season



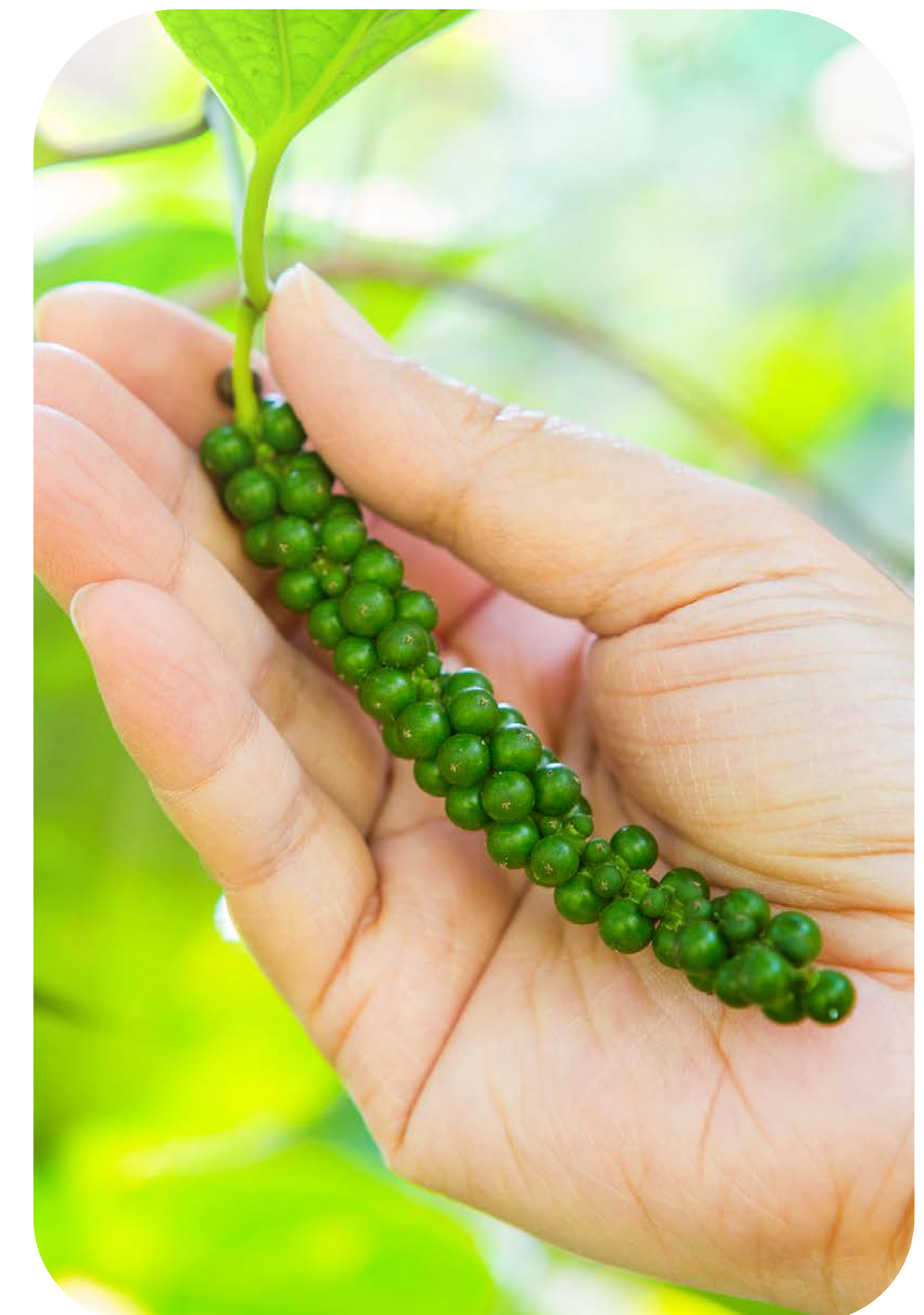
## Market Updates

**India:** Bold berries have started arriving in the market, however arrivals are low. If favourable weather conditions continue, we can expect similar crop output as last year. The demand remains moderate.

**Sri Lanka:** The Kandy crop has nearly concluded, and black pepper prices are holding steady, notably higher compared to other origins. Good demand for bold berries helped farmers to tend to their crops. The Matale season expected to commence in February, is going to be a good crop. Peak arrivals are expected in March.

In India, prices witnessed a marginal drop, and the ongoing harvest is supported by favourable weather

In Sri Lanka, the black pepper prices remains steady but higher than in other origins



## Major growing regions

**India** - Kerala, Karnataka & Tamil Nadu

**Sri Lanka** - Kandy, Matale, Bibile, Ratnapura and Kegalle

# Cumin

## Harvest Season



## Market Updates

Sowing has been completed across all growing regions. There have been reports of farmers shifting from other crops to grow cumin as well. During 2022 sowing time, warmer temperatures affected the germination rate. But this year, farmers have been happy with the weather conditions. Carry-forward stocks are moderate.

Increased sowing areas coupled with availability of lower priced materials from other origins led to considerable price correction. Prices witnessed a dip of around 27% for the 99.5% purity Cumin, from USD 5.8/kg to USD 4.21/kg compared to last month.

Availability of conventional and IPM grade material is expected to be higher than last year, due to the projected higher crop size.

It is reported that there is an increase of around 30% in acreage compared to the previous year

Present weather conditions remain favorable for crop growth



## Major growing regions

India - Rajasthan, Gujarat, Madhya Pradesh

# Cardamom

## Harvest Season



## Market Updates

**India:** Cardamom arrivals were steady with daily average around 135,000 Kgs. The carry forward stocks remain moderate. The prices had marginally increased in December but now there has been a very small correction in the last days of December and currently trading at USD 19 - 20 / kg. Shortage of IPM and organic grade cardamom will continue as farmers have resorted to agrochemicals to protect their crops. December also saw higher sales of Indian cardamom.

**Guatemala:** Arrivals had begun in November. The effects of climate change including higher temperatures and no rainfall, due to El Nino, has affected the growth of the crop. It was observed that the crop was low and quality was not as expected. There was report of 30-40% decline in crop output.

In India, the growing region received more than adequate amount of rainfall

In Guatemala there is a notable decrease in cardamom arrivals



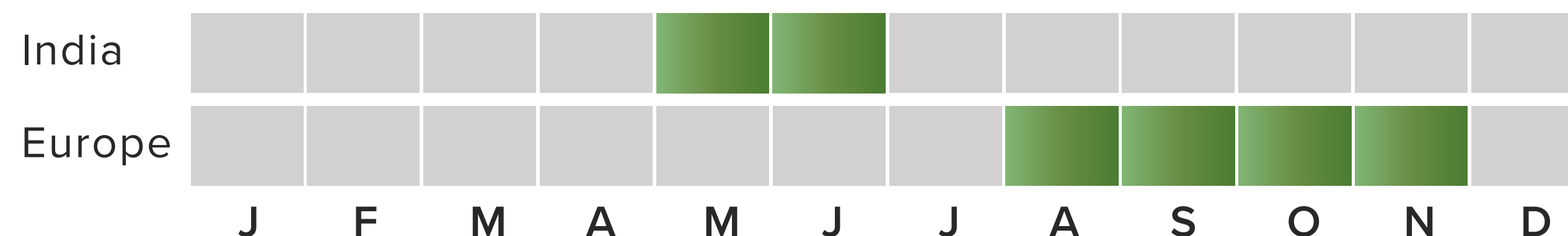
### Major growing regions

India - Kerala

Guatemala - Alta Verapaz

# Coriander

## Harvest Season



## Market Updates

**India:** Sowing has been completed. There have been reports of further reduction in acreage compared to the previous year. Farmers prefer to grow other higher priced seed spices like Cumin and Fennel. Current weather conditions is favourable for crop growth. Demand for coriander remains stable. Carry forward stocks are moderate. Prices are stable currently but may potentially increase if production for next season is low.

**Europe / Russia:** Harvest stands completed. Arrivals are slowing down. The ongoing disturbances in Red Sea and Black Sea, had caused considerable increase in the freight rates and increased transit time for Coriander shipments out of Eastern Europe to India and the far east. Prices continue to remain high.

In India, sowing has been completed. Around 40% decrease in acreage reported, compared to last year

Shipping and operating costs increase as shipping lines opt to avoid Red Sea route



### Major growing regions

**India** - Gujarat, Rajasthan, Madhya Pradesh

**Eastern Europe** - Russia (Kransnodar), Bulgaria, Europe

# Celery

## Harvest Season



## Market Updates

Sowing has started. Due to wheat and maize price increase observed during their respective sowing period before, farmers had shifted some of the celery cultivation area to these competitive crops. Hence current cultivation area for celery has witnessed a reduction by 10% compared to last year. Growing regions are experiencing favourable weather conditions supportive for crop growth. Carry forward stock is moderate. Prices have remained stable.

Prices are consistent and remain stable at lower levels

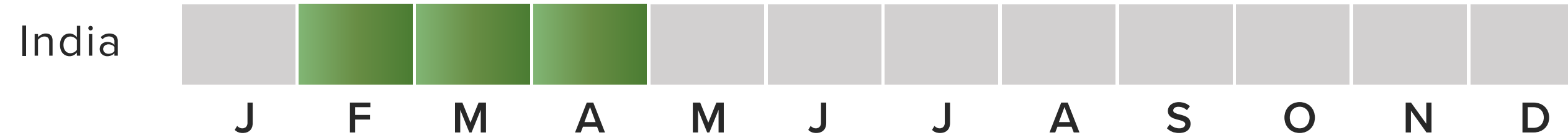
Availability of IPM grade and EU compliant materials is lower



**Major growing regions**  
India - Punjab, Haryana

# Fenugreek

## Harvest Season



## Market Updates

Arrivals anticipated in February from all major growing areas. The crop output is projected to be lower than previous year due to farmer focus shifting to Cumin. Carry-forward stocks remain at moderate levels. Prices for fenugreek remain stable, but due to reduced acreage planned for the next season, prices may increase. Prices that farmers receive for this season will be an influencing factor for next fenugreek season.

It is reported that there is around 50% reduction in acreage



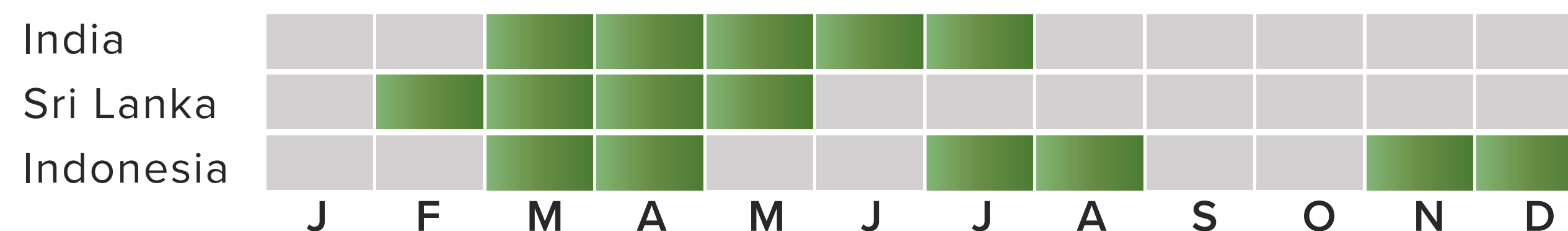
### Major growing regions

India - Gujarat, Rajasthan, Madhya Pradesh



# Nutmeg

## Harvest Season



## Market Updates

**India:** Favourable weather conditions prevailed in December, raising expectations for a promising harvest. Demand is consistent.

**Sri Lanka:** Favourable weather conditions persist. Farmers are hopeful for a good harvest next season. Arrivals are anticipated from February onwards. The overall crop output is expected to be more than last year's, owing to the favourable weather. Prices remain stable for for A grade variety and currently trading at USD 5.5 / kg.

**Indonesia:** Intense heat conditions in Indonesia resulted in reduced nutmeg yields reported in December 2023. There have been reports of rainfall in December 2023, which has come as a temporary relief. Current demand for Indonesian nutmeg is low. Prices remain stable for Indonesia Nutmeg BWP, currently trading at USD 5 / kg.

In India,  
prices remain  
steady

In Indonesia,  
harvesting has  
started with good  
arrivals reported

### Major growing regions

India - Kerala

Sri Lanka - Kandy

Indonesia - Sulawesi





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# Thank You

