



Spices Market Report

December 2023



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Plant Lipids achieved Four Star Status Recognition from The Government of India

We are thrilled to announce that Plant Lipids has been awarded the prestigious 4-star Export House Certificate of Recognition by DGFT India. This accolade reflects our unwavering commitment to excellence in international trade practices, showcasing our dedication to compliance, efficiency, and global standards. We extend our heartfelt gratitude to our incredible team whose hard work and diligence have made this achievement possible. Here's to more milestones and continued success on the global stage!



Capsicum

Harvest Season



Market Updates

Southern India: Crop is in the growing phase and benefited from occasional rainfall and suitable weather condition until end of November.

Cyclone Michaung which developed in 1st week of December impacted Andhra Pradesh, causing heavy rainfall in Guntur, Prakasam and Rayalaseema areas. Rains and impact of cyclone in Telengana were limited to the bordering areas of Khammam and Bhadrachalam. At the time of publishing reports, farmers are noting severe water logging in almost all growing areas. It will take some time to assess the impact of this on arrivals and quality.

Cold storage stocks are at 35%, and carry-forward stocks are lower than last year. Arrivals will start from January 2024 in Andhra Pradesh and Telengana.

Availability of
IPM grade
materials
remains low



Capsicum

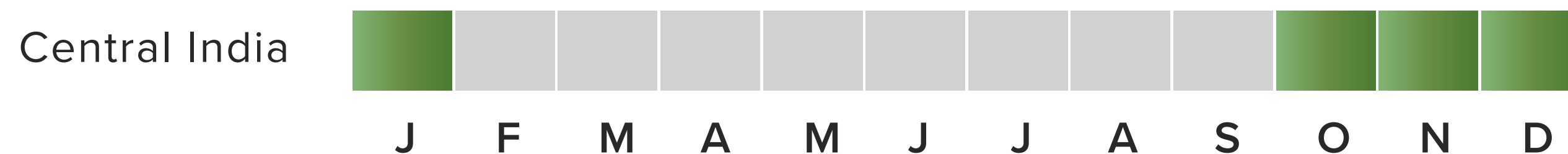
Market Updates

Southern India - Flooded fields



Capsicum

Harvest Season



Market Updates

Central India: November saw steady arrivals from Madhya Pradesh. The recent rains prevented farmers from drying the chillies well. This may deteriorate the quality of chillies being offered from that region. Prices have reduced marginally for low and medium grade chillies, for moderate pungent varieties. Crop from Maharashtra is expected to arrive in the next 2 weeks.

Arrivals are
steady from
Central India



Paprika

Harvest Season



Market Updates

Crop is in growing stage. November rains in Karnataka brought much respite to the farmers, who were relying on the canals and borewells. Light rains in December is likely to support good crop. Leaf curl disease and black thrips have been reported in growing areas of Karnataka. Farmers have resorted to using pesticides to control these which is likely to impact supplies of IPM grade chillies.

Though first pickings had started by late November, farmers are now delaying their picking, due to cloudy weather conditions and scattered rains. Farmers who may resort to harvesting will likely face a challenge to dry the chillies.

Farmers are optimistic about achieving a high-quality crop and improved yield in the coming season if the current weather conditions persist. Paprika stock levels in cold storages are at 40%.

Recent rains in Karnataka aided crop growth

Prices remain stable



Ginger

Harvest Season



Market Updates

India : Carry forward stocks for dry ginger remains very low. Fresh ginger arrivals continue steadily and is enjoying high demand. Prices remain high for fresh ginger and is currently trading at USD 1 / kg, 70% higher as compared to last year prices. The domestic demand for ginger surges during this period of the year, putting additional pressure for prices to go up. Farmers do not see a need to dry the ginger as they are reaping high profits from fresh ginger. Only lower quality ginger is being dried by farmers adversely impacting supplies.

Nigeria : Crop arrivals had begun in November. Due to widespread pest attack, there are unconfirmed news of crop yield being low by around 40% of last year production. Prices are going up as supplies are very limited. Lower crop yield, inflation and depreciation of Nigerian currency are likely to cause Nigerian ginger prices to continue its climb.

In India, farmers, continue to trade in fresh ginger, leading to low availability of dry ginger

In Nigeria, crop yield is estimated to be lower by 40%, vs same period last year



Turmeric

Harvest Season



Market Updates

India: Towards the end of last season, prices fell, resulting in low earnings for the farmers. Farmers then decided to pursue other crops, and in many instances even sold rhizomes that had been set aside for sowing. Just after sowing period ended, prices started moving up, and is currently trading at almost double of last season price. Increased acreage for sunflower, banana, maize, due to lower Turmeric planting, is likely to result in shortage of turmeric next year by 20%. Carry forward stocks remain at moderate levels. Export demand is sluggish currently as prices are high.

Indonesia: Harvesting got completed in October. The crop output was lower compared to 2022. The domestic demand for crop remained high and crop availability for export was low. With prices of Indian turmeric going up, demand for Indonesian turmeric also went up. However there was a shortage of Indonesian turmeric for the export market. Sowing for the next season is expected to start in January 2024.

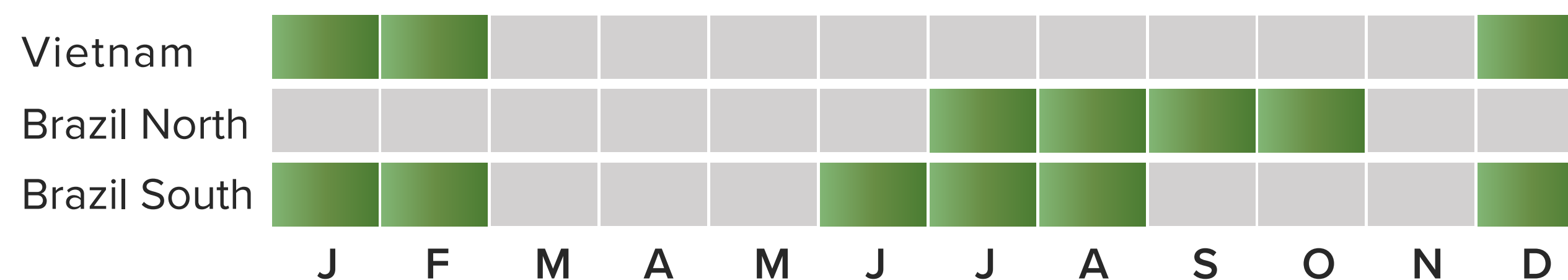
NCDEX predicts
December futures
at USD 1.57/kg
April futures at
USD 1.80/kg

In Indonesia,
the crop output
was 30% lower
compared to
last year



Black Pepper

Harvest Season



Market Updates

Vietnam : Harvest is expected to start towards end of December and dry pepper is expected to arrive in February. Farmers are allocating more acreage for new plantations of crops like coffee and durian due to their higher prices. Vietnam has not seen any new sowing in the last 6 years, and though acreage remains constant, farmers are paying more attention to other cash crops. Prices are high as compared to October.

Brazil : In North Brazil, pepper farmers feared that the extreme heat may affect the crop which led them to harvest much earlier than planned. In South Brazil, farmers usually wait to harvest coffee before harvesting pepper. The harvesting for December crop will start soon and is expected to be 20-30% lower than last year. Dry pepper is expected to arrive from January onwards.

Vietnam
exported around
230,000 MT this
year, 8% higher
than 2022

Brazilian
pepper prices
move in alignment
with Vietnam
prices.



Black Pepper

Harvest Season



Market Updates

India: Total production in 2023 was around 55,000 MT mainly from Karnataka and Kerala. Crop is in growing stage with green berries. The existing weather is supportive of crop growth and we expect similar levels of production next year.

Indonesia: Harvest got completed in October. The overall production of pepper was 71,300 MT in 2023, compared to 75,205 MT in 2022. Acreage for production had reduced since farmers shifted to other new crops like coffee and palm. Stem root disease and stem/branch borers were prevalent due to adverse dry conditions and this contributed to lower yield.

Sri Lanka: We are in the end of Kandy season. This season farmers prefer to take berries to bold stage. Prices continue to remain high. Farmers in Matale are preparing for the next season and if current weather persists, they are expecting a higher yield than last year.

Marginal price drop for Indian pepper

In Sri Lanka, The farmers prefer to harvest peppers as bold pepper due to the higher prices



Cumin

Harvest Season



Market Updates

Sowing has started with around 30% increase in acreage, due to high prices. Farmers are hoping for a cool and dry climate for a good growth and current weather condition is looking favorable for seed germination and growth.

Carry forward stock is at 20%. Demand for Indian cumin is low since prices of Cumin from other regions are more competitive. This led to a price decrease of around 10% for the 99.5% purity Cumin, from USD 6.4/kg to USD 5.8/kg. Availability of IPM grade material is very low.

Due to high prices, acreage for next season crop has increased

Availability of IPM grade material is very low



Cardamom

Harvest Season



Market Updates

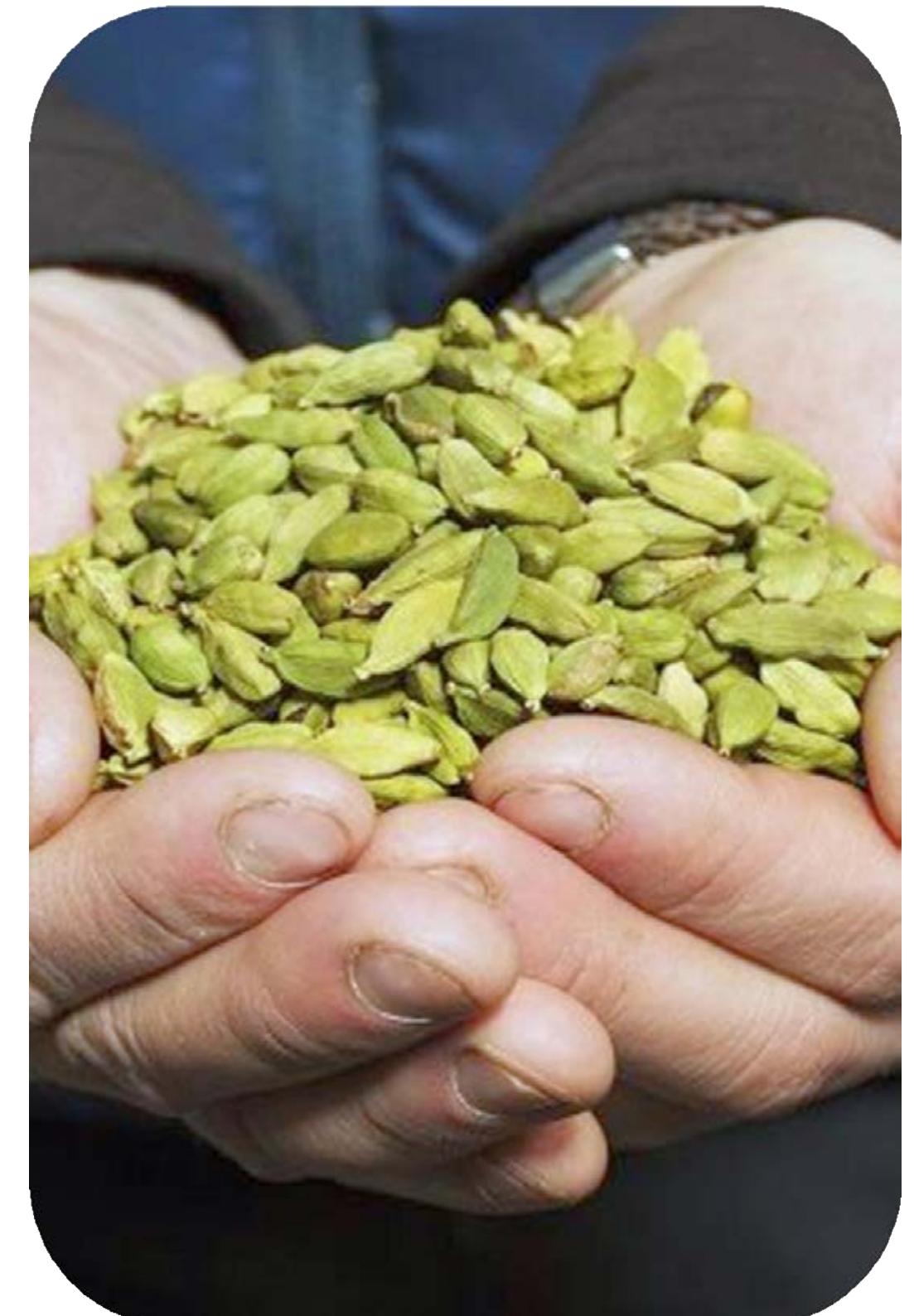
India: Crop harvesting completed. Arrivals are good with around 1,00,000 KG everyday. This year's crop quality seems to be better, however IPM and organic grade cardamom is not available.

Prices remain stable and currently trading at USD 18 - 19 /kg. The demand remains constant. Carry forward stocks are getting sold as new crop arrives.

Guatemala: Arrivals are steady. The total output is expected to be around 70% of last year, approximately 25,000 metric tons. Due to limited supply, prices have increased compared to last month. Demand continues to remain high, particularly from the Middle East.

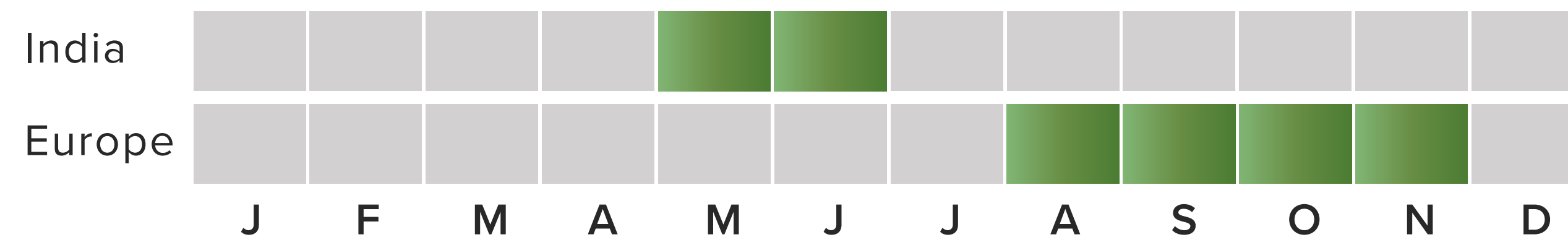
In India, the growing regions has received normal amount of rainfall

In Guatemala Cardamom arrivals have started but at significantly reduced levels



Coriander

Harvest Season



Market Updates

Europe / Russia: Harvest in eastern Europe got completed in November. We expect arrivals to continue till end of December. Due to ongoing Ukraine Russia war, cargo movements continue to remain affected, leading to higher shipping costs. Additional duty on exports, imposed by Russia in October, led to hike in prices.

India: Sowing for next season has started in north and north western parts of India. There are reports of seed sales being lower as compared to 2022 as farmers preferred growing cumin in the same region. Due to this preference shift, acreage has reduced by around 30% compared to last year. If crop production for next season is low, prices may increase over long time. Currently prices remain stable. The carry forward stock remains moderate.

Shipping costs have increased due to ongoing war conditions

Crop for next season expected to be short, which may lead to increase in prices for Indian coriander



Celery

Harvest Season



Market Updates

With farmers shifting to other cash crops like wheat and maize for better returns, lower volumes of seeds for sowing were procured from market. Moderate carry forward stocks available. Demand remains moderate. Weather conditions are favorable for next season.

Prices currently stable.

Availability of IPM grade and EU compliant materials is lower



Fenugreek

Harvest Season



Market Updates

Sowing is almost complete in North and Western parts of India. These regions also cater to Cumin, which commanded historically high prices in 2023, which is likely to impact Fenugreek cultivation. There have been reports of Fenugreek seed sales being much lower than last year.

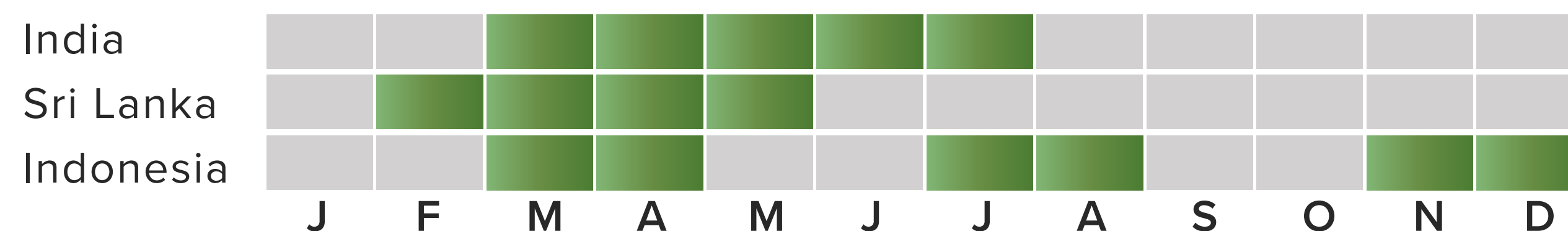
Carry forward stocks are limited. Prices remain stable but due to reduced acreage planned for next season, we should start seeing prices going up as carry forward stocks reduce.

Demand for fenugreek remains consistent, leading to stable prices



Nutmeg

Harvest Season



Market Updates

India: November showed a more favourable climate for nutmeg, and harvest is expected to begin in March and will continue through May. Carry forward stock is low and prices will remain high until harvest.

Sri Lanka: The weather condition has been supportive for a good nutmeg crop. We should start seeing steady arrivals from February. The overall crop yield is expected to be similar to last year. Prices are high but remain stable and expected to continue so for the month of December.

Indonesia: The severe heat conditions have resulted in lower yields of Nutmeg however farmers are hopeful of rains shortly. Indonesia Nutmeg BWP currently trading at USD 5 / kg. If next season arrivals are good, prices may go down.

In India,
prices remain
steady

In Indonesia,
harvesting has
started with good
arrivals reported





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Thank You

