



Spices Market Report

September 2023

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The spice market in this season reflected the volatile nature of the industry driven by unpredictable monsoon patterns. The delayed and deficient monsoon early in the season raised concerns about crop health and yield. However some parts of the country also experienced heavy downpours during later weeks leading to some crop damage. This prompted resowing, potentially leading to delays in transplantation and changing crop areas.

As of September, in majority parts of India it is reported to be one of the driest Augusts in over a century. This unusual dry spell, raises concerns for the country's summer-sown crops. The potential consequences include diminished crop yields, which may result in increased food prices and overall food inflation. It's worth noting that food inflation had already surged in July, reaching its highest level since January 2020. Looking ahead, the spice market will remain dynamic, with price fluctuations tied to monsoon performance and market dynamics. Continuous vigilance and adaptation will be key for industry players in navigating these uncertainties.



Capsicum

Harvest Season

		Season			
Spice	Country	Feb	Mar	Apr	May
Capsicum	India	Start			End

Market updates

The carry-forward stock is at moderate level.

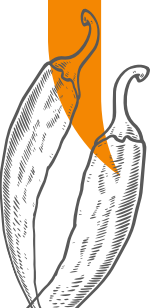
Due to a more favorable price realization last year, there has been a transition from cultivating cotton & maize to cultivating chilli.

Excessive rain in previous months, damaged both nursery and field seedlings, leading to widespread resowing, that delayed transplantation. Currently, 70% of the crop has been transplanted.

There has been 30 % increase in the acreage of the crop.

Andhra Pradesh's rainfall deficit was 25% while growing belts in Telangana enjoyed a surplus of 20% for June, July, August.

Low carry forward stock of EU-compliant material.



Paprika

Harvest Season

Spice	Country	Season							
		Jan	Feb	Mar	Apr	~	Oct	Nov	Dec
Paprika	India	Start			End				
Paprika	China						Start		End

Market updates

In India, the cold storage stock levels remain high.

The heavy rains in July caused damage to both nursery and field seedlings, resulting in extensive re-sowing that caused a delay in transplantation. Approximately 40% of the crop has been successfully transplanted. Transplanting delays can lead to harvest delays. In August, there was less rain, causing a monsoon rain shortage overall this season.

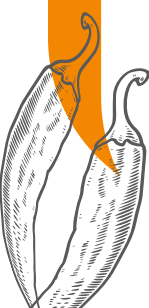
The demand remains stable .

In China, the harvesting of the crop has just started. The main crop arrivals are anticipated by the end of September.

The current climate has been favorable for the crops.

Overall rainfall deficit of around 18 % from June- August in Karnataka.

The prices for Indian paprika have experienced an 8% increase in last month.



Ginger

Harvest Season

		Season					
Spice	Country	Nov	Dec	Jan	Feb	Mar	Apr
Ginger	India		Start				End
Ginger	Nigeria	Start				End	

Market updates

Indian ginger – The higher prices this year have prompted farmers to take good care of the crop.

Rainfall deficit may have an impact on crop development. Green ginger is anticipated to arrive in September, while dry ginger availability is limited.

Carry forward stock is limited.

Nigerian ginger – We anticipate a total crop output of 10,000 to 12,000 metric tons from Nigeria this season.

Sowing was completed last month, and the crop has received adequate rainfall support. Harvesting is projected to commence in November, with the majority of the crop becoming available during that month.

Unfortunately, there are reports of widespread occurrence of crop diseases affecting the ginger root, causing the crop to turn yellow. If not arrested at this stage, this might lead to lower output.

Extreme rains in North Eastern areas has resulted in crop damage of variety used as ground spice.

There is less availability of Indian dry ginger.



Turmeric

Harvest Season

		Season									
Spice	Country	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct
Turmeric	India	Start					End				
Turmeric	Indonesia							Start			End

Market updates

In **India**, most regions have finished sowing. Although July had sufficient rainfall, August experienced a decline, resulting in an overall rainfall deficit. Prices have remained stable for the past month however compared to previous year we see an increase of around 60%. Due to existing higher prices, sale of turmeric has reduced over the last few months. The proactive stocking by speculators in earlier months has played a part in the price increase.

There is an expected decrease of 35% in the crop's acreage.

The carry forward stock is lower compared to the previous year.

NCDEX turmeric spot prices increased by 8 % in last one month. NCDEX predicts futures at USD 2.16 /kg.

In Indonesia, harvesting has started, existing weather has been supportive for drying turmeric.

Prices have gone up by 25% due to aggressive export demand.

In major growing areas, rainfall deficit was 50% - 62% in August.

Prices of Indian turmeric are stable compared to last month.



Black Pepper

Harvest Season

Spice	Country	Apr	May	June	~	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Black Pepper	Vietnam								Start		End	
	Sri Lanka	Start		End			Start		End			
	India							Start				End
	Brazil			End			Start		End			Start
	Indonesia			Start			End					

Market updates

In **Vietnam**, carry-forward stock is at a moderate level. In August, Vietnam exported 15,000 metric tons of black pepper, and the USA was the primary country of purchase.

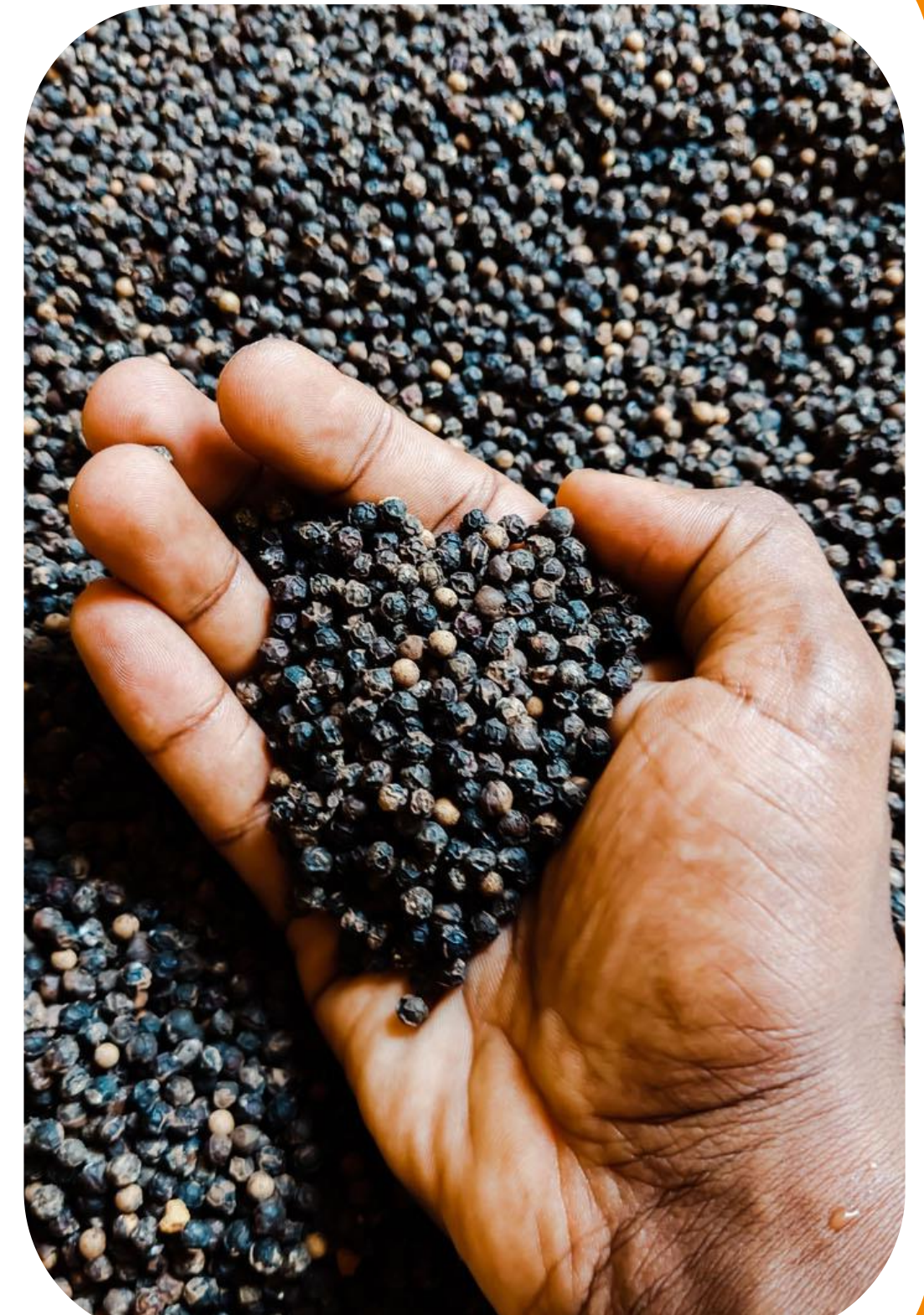
In **Sri Lanka**, availability of light berries is limited. Strong demand for bold pepper continues. Export demand is high from India. Prices have seen an increase compared to last season. However over the last 15 days, prices remain stable.

In **Brazil**, The total expected crop is 10% lower compared to last year. Crop arrivals have increased in comparison to the previous month. We anticipate that prices may decrease with more arrivals for next few months.

In **India**, The availability of crops is limited. The festival season demand has supported the prices.

The prices remained steady across Vietnam, Brazil and India in August.

Indonesia pepper shortage due to weather.



Cumin

Harvest Season

Spice	Country	Season				
		Feb	Mar	Apr	May	June
Cumin	India	Start		End		

Market updates

India Cumin – Prices remain steady, though they are at higher levels.

Sale of seeds for the next crop will commence next month.

There is low carry forward stock and availability remains limited.

Adequate rainfall this year has left farmers optimistic about the next crop.

Sufficient rains have replenished all reservoirs and dams in major growing regions in northern India. This ensures water availability for upcoming irrigation needs.

IPM grade cumin availability is limited and currently at a high price.

There is strong domestic demand for Indian cumin.



Cardamom

Harvest Season

		Season					
Spice	Country	Sep	Oct	Nov	Dec	Jan	Feb
Cardamom	India	Start					End

Market updates

Although rain intensified in July, there's a 62% rainfall deficit in major cultivation regions.

Prices increased by 60% due to delayed rains compared to the previous month, and further price increases are anticipated if the current weather persists.

Crop availability decreased compared to the previous year due to damage from reduced rainfall.

The arrivals of the crop remained consistent throughout this month. Carry-forward stock is currently at a moderate level.

Quality remains inferior when compared to the standards set in the previous year.

In major growing areas rainfall has been highly deficit (June- August) by 62%.

Prices have increased by nearly 60%



Coriander

Harvest Season

Spice	Country	Season						
		Mar	Apr	~	Aug	Sep	Oct	Nov
Coriander	India	Start	End					
Coriander	Europe				Start			End

Market updates

In **Europe**, the harvest has started, and the crop yield is favorable. However, there are hurdles in material transportation, compounded by currency fluctuations.

In **India**, due to lower price for coriander this year, the farmers preference has shifted to other crops such as cumin and fenugreek. This might lead to reduction in acreage for coriander cultivation in coming months.

The carry forward stock remains very high.

**Russia Ukraine war
limits the
availability of
the coriander.**

**The prices for
Indian
Coriander is
stable.**



Fennel

Harvest Season

Spice	Country	Season					
		Feb	Mar	Apr	May	June	Jul
Fennel	India	Start			End		

Market updates

The arrivals are from carry forward stock.

Prices have decreased due to lower demand.

The quality of this year crop is inferior compared to last year due to rainfall during harvesting.

Crop yield was lower during this harvest.

**Prices
have decreased
by 15 %
compared
to last
one month.**



Fenugreek

Harvest Season

Spice	Country	Season						
		Feb	Mar	Apr	May	June	July	Aug
Fenugreek	India	Start		End				
Fenugreek	Morocco				Start			End

Market updates

Total crop production was lower by 20 % limiting the total crop output.
Current arrivals are from carry forward stock.

Prices rose by 30% compared to last year.

This prompted farmers to limit selling this year produce and stock them in anticipation of higher prices in coming month.

**Prices are
expected to
increase in
future.**



Celery

Harvest Season

		Season	
Spice	Origin	May	June
Celery	India	Start	End

Market updates

Celery prices have decreased over last one-month by 3% due to lower export demand.

Approximately 70% of the material has entered the market.

Carry forward stock is at a moderate level.

**Availability of
IPM grade celery
is in moderate
level.**



Nutmeg

Harvest Season

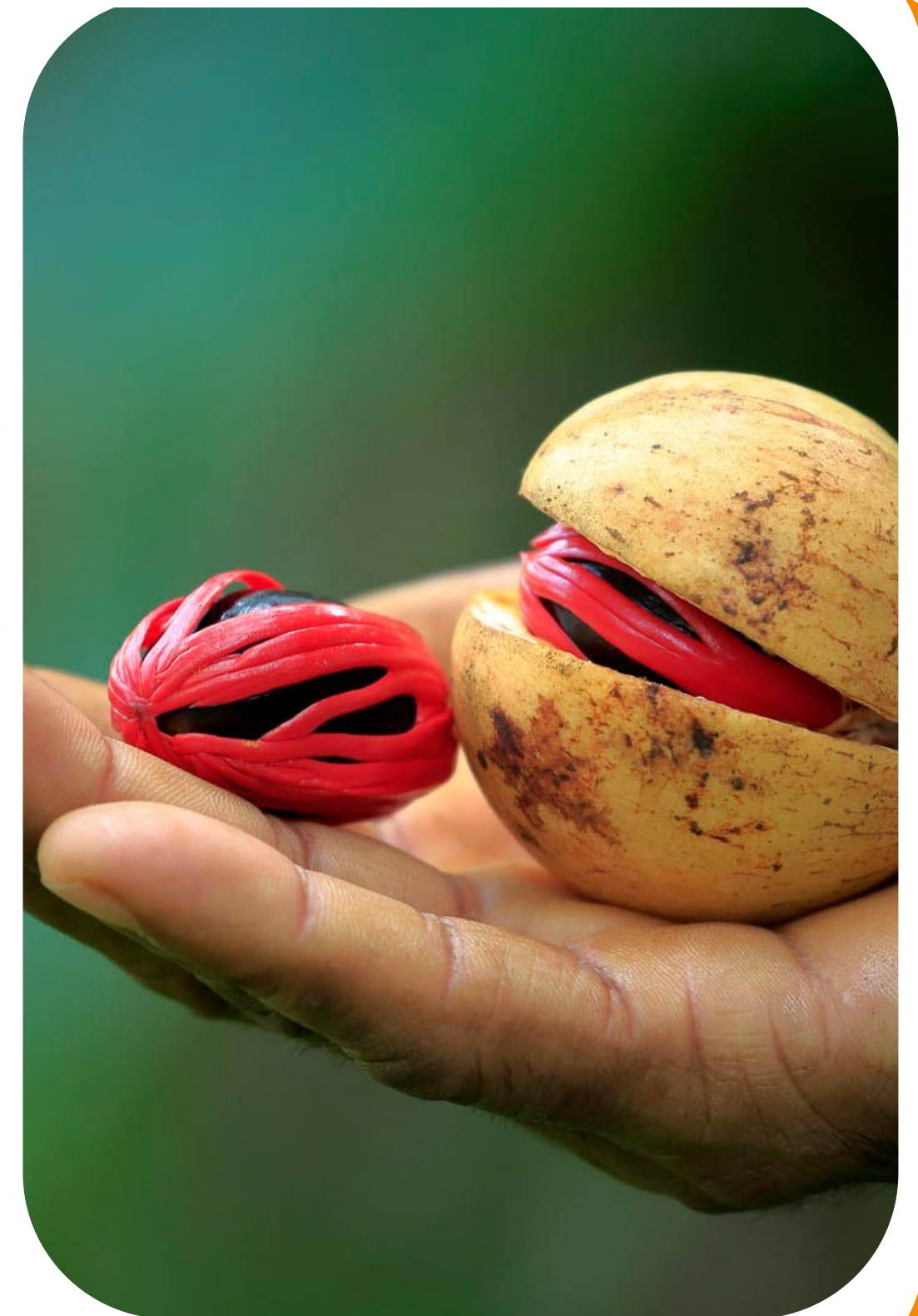
Spice	Country	Season					
		Feb	Mar	Apr	May	Jun	Jul
Nutmeg	India		Start				End
Nutmeg	Sri Lanka	Start			End		

Market updates

India – The season has been completed and arrival of the crop is limited as farmers await favorable conditions to harvest.

Sri Lanka – The season has been completed. There is a limited availability for the material.

**Indian Nutmeg
prices remain
steady.**





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