

**NEWS &
MARKET
REPORT**

**DECEMBER
2021**





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PAPRIKA CHILLI - INDIA

Current Market Price - 1.88 USD/Kg

Unseasonal rainfall in early November has damaged 30% of standing crop. Farmers are forced to use agrochemicals to protect the crop from fungal diseases. There will be shortage of EU compliant IPM chilli crop.

Key Factors to watch out for

- Erratic weather in growing regions can adversely affect the standing crop
- Increase in export demand for India origin paprika chilli due to shortage in china origin paprika chilli

Price Outlook Short Term▲ Long Term▲

Nov 2021
1.88 USD/Kg

Oct 2021
1.77 USD/Kg

Sep 2021
1.67 USD/Kg

Aug 2021
1.88 USD/Kg

Season
Jan - Mar



PAPRIKA CHILLI - CHINA

Current Market Price - 2.40 USD/Kg

Corn, which is a competing crop for paprika in Xinjiang had seen a price increase in the last year resulting in large area of cultivation for the same this year compared to chilies. In addition to that, government regulation guaranteeing wheat acreage and lower costs for planting, there is a considerable shift from paprika chilli to other crops in Xinjiang region. With relatively less crop output, we can expect shortage of Chinese paprika in the market in 2022 season

Key Factors to watch out for

- Covid 19 related restrictions and onset of fresh COVID wave in China
- Indian paprika price and rain damages which may adversely affect crop production

Price Outlook Short Term  Long Term 



Crop Area - China

10%
↓

Production

12%
↓

Carry Forward
Stocks

LOW

Season
Oct - Dec

Crop Damage due to Unseasonal Rainfall and Fungus



CAPSICUM CHILLI - INDIA

Current Market Price - 1.50 USD/Kg

Unseasonal rainfall in November has damaged 20% of standing crop. Growing region saw 20% of standing crop pest attack from western thrips which attack the flowers and will adversely affect crop production. The recent crop damage has arrested the price drop and the prices have increased by 20% as compared to October 2021.

Key Factors to watch out for

- Excessive agrochemical usage by farmers to protect the crop from pest attack and fungal disease. EU compliant IPM program will be adversely affected.
- Strong export demand from China and other export markets to support price

Price Outlook Short Term Long Term

Nov 2021
1.88 USD/Kg

Oct 2021
1.55 USD/Kg

Sep 2021
1.55 USD/Kg

Aug 2021
1.89 USD/Kg

Season
Feb - Apr



BLACK PEPPER

Current Market Price (Bold Pepper) -

Vietnam : 4.40 USD/Kg

Indonesia : 4.80 USD/Kg

Sri Lanka : 6.00 USD/Kg

Black pepper has entered bullish phase with 40% price increase in last one year. Total crop production in 2022 is expected to be 10% lower than expected global demand in 2022. We are expecting larger price increase in black pepper for the next 3 – 4 years.

Key Factors to watch out for

- Erratic weather in Vietnam can damage crop production for 2022
- Higher freight cost at growing region can inflate delivered prices
- Larger demand from consuming countries to keep larger inventory to manage high lead time from sources
- Farmers increase black pepper plantation area due to higher price realization. New plantation will take 3 years to produce crop.

Price Outlook Short Term  Long Term 



Production- Vietnam
20% 

Production- Sri Lanka
10% 

Carry Forward
Stocks
10% 

Incumbent / Upcoming Season

Sri Lanka (Minor) : Nov - Jan

Vietnam : Feb - May

TURMERIC

Current Market Price - India : 1.02 USD/Kg

Unseasonal rainfalls in the major growing regions during first two weeks of November has negatively impacted the standing crop. We are expecting 10% of the standing crop to be damaged as a result.

Key Factors to watch out for

- Rainfall in coming months can potentially damage standing crop
- Curcumin powder manufacturers should have lower demand for Turmeric as there is larger carry forward stocks available with them

Price Outlook Short Term ▼ Long Term —

Nov 2021
1.02 USD/Kg

Oct 2021
0.97 USD/Kg

Sep 2021
0.97 USD/Kg

Aug 2021
1.03 USD/Kg

Season
Feb - May



DRY GINGER - INDIA

Current Market Price - India : **1.10 USD/Kg**

Heavy rains in November had an adverse effect in the drying processes with as much as 20% of ginger put for drying getting damaged. We are expecting the season to commence with arrivals with higher moisture percentage and aflatoxin issues.

Key Factors to watch out for

- Unseasonal rains in growing regions will affect the arrival of dry ginger
- Winter demand for green ginger will influence price trend in following months

Price Outlook Short Term▲ Long Term▲

Nov 2021
0.24 USD/Kg
1.05 USD/Kg

Oct 2021
0.18 USD/Kg
1.00 USD/Kg

Sep 2021
0.17 USD/Kg
1.05 USD/Kg

Aug 2021
0.20 USD/Kg
1.07 USD/Kg

Price/KG
Green Ginger
Dry Ginger

Season
Dec - Mar



Crop Area - India

20%▲

Production

15%▼

Carry Forward Stocks

LOW

DRY GINGER - NIGERIA

Current Market Price - Nigeria : 2.50 USD/Kg

Current lead time for Nigerian ginger shipment to India is about 4-5 months and this leads to higher incidence of aflatoxin and ochratoxin in Nigeria ginger.

Key Factors to watch out for

- Chinese ginger is expected to be available from February at 2.6 USD CIF Cochin but it has lower VOC compared to Nigerian Ginger
- Aflatoxin and Ochratoxin levels in Nigerian ginger shipment

Price Outlook Short Term ▼ Long Term —

Nov 2021
2.50 USD/Kg

Oct 2021
2.70 USD/Kg

Sep 2021
2.85 USD/Kg

Aug 2021
3.00 USD/Kg

Season
Dec - Mar



Crop Area - Nigeria

5%
↑

Production - Nigeria

--

Carry Forward
Stocks

Low

CARDAMOM - INDIA

Current Market Price - 14.10 USD/Kg

Unseasonal rainfall in November has damaged 10% of standing crop. Cardamom plantations have been affected with fungal disease. Carry forward stocks is high and cardamom prices are stable at lower price. Cardamom is currently traded at 4 year low price

Key Factors to watch out for

- Erratic weather can damage standing crop
- Guatemala crop is expected to be normal and is expected to cater to global export demand

Price Outlook Short Term▲ Long Term▲



Crop Area - India

Stable

Production - India

Stable

Carry Forward Stocks

High

Season
Aug - Mar

NUTMEG - INDIA

Current Market Price - 8.70 USD/Kg

Unseasonal rainfall in November has damaged the flowers in Nutmeg trees. This will adversely affect crop production in 2022 season. Carry forward stocks are low

Key Factors to watch out for

- Erratic weather can adversely affect crop production

Price Outlook Short Term▲ Long Term▲

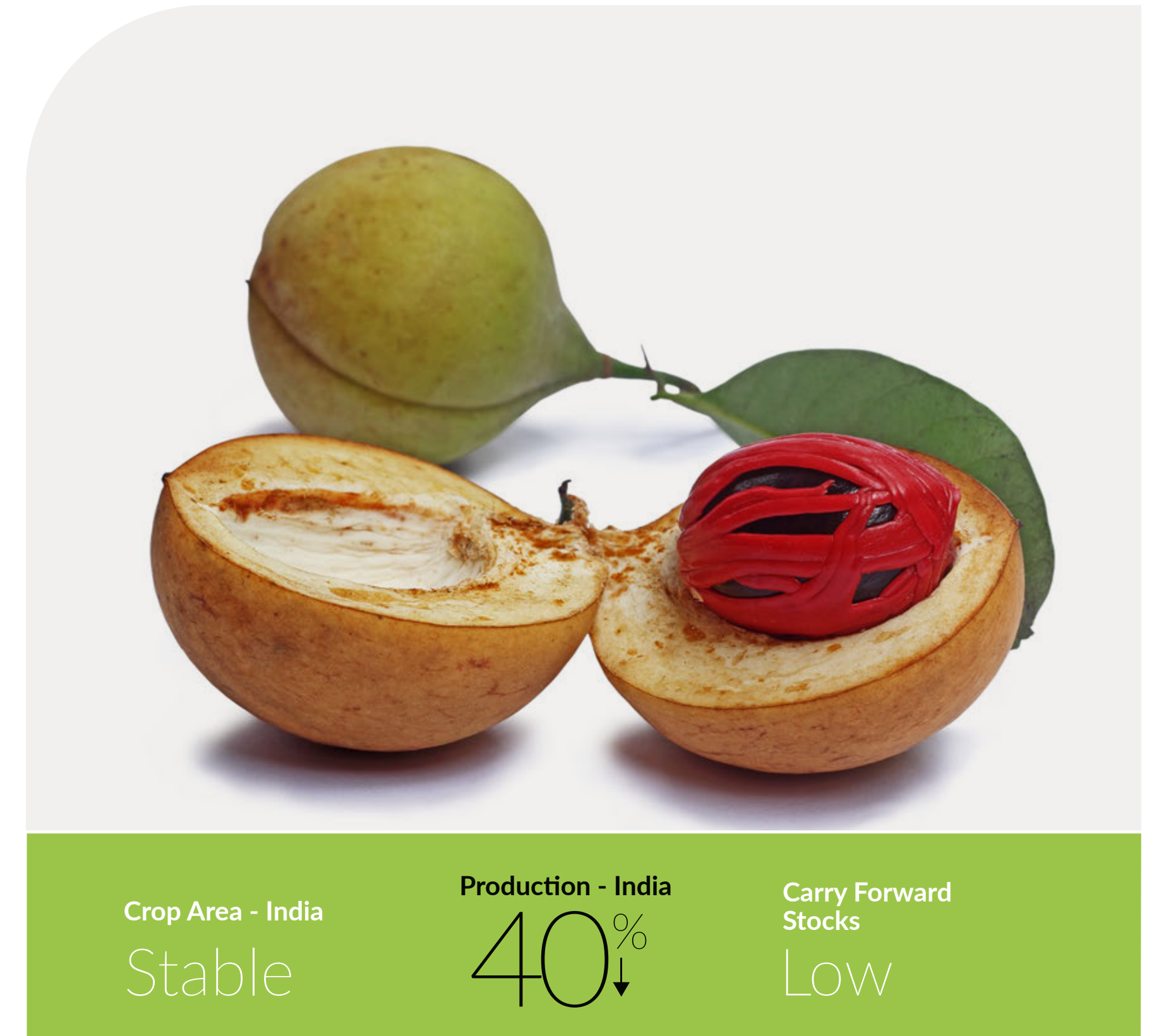
Nov 2021
8.38 USD/Kg

Oct 2021
8.12 USD/Kg

Sep 2021
7.99 USD/Kg

Aug 2021
7.99 USD/Kg

Season
Mar - Sep



CELERY SEED - INDIA

Current Market Price - India : **1.13 USD/Kg**

Sowing of celery seed for 2022 season is ongoing. Celery seed supply chain and pricing has been stable.

Key Factors to watch out for

- Minimum support price for food grains in growing region can allure farmers to competing crops

Price Outlook Short Term- **Stable** Long Term- **Stable**

Nov 2021
1.13 USD/Kg

Oct 2021
1.13 USD/Kg

Sep 2021
1.13 USD/Kg

Aug 2021
1.13 USD/Kg

Season
May - Jul



Crop Area - India

10%↑

Farm Level Productivity - India

20%↑

Carry Forward Stocks

Low

CUMIN SEED

Current Market Price - India : 2.40 USD/Kg

Cumin seed sowing is ongoing. Price for cumin seed has increased by 25% in last 6 months.

Key Factors to watch out for

- Export demand for cumin seed from China to drive demand
- Interest from speculators in cumin seed. Cumin seed is one of the crops targeted by speculative traders in India.

Price Outlook Short Term  Long Term 

Nov 2021
2.40 USD/Kg

Oct 2021
2.19 USD/Kg

Sep 2021
2.19 USD/Kg

Aug 2021
2.12 USD/Kg

Season
Feb - Apr



Crop Area - India
Stable

Farm Level
Productivity - India
10%
↓

Carry Forward
Stocks
Low



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