



NEWS &
MARKET
REPORT

August
2021

PLANT LIPIDS' SUSTAINABLE BACKWARD INTEGRATION PROGRAMME IN CHILLI

As part of Plant Lipids' IPM Chilli program, Chilli farmers meeting was organized at Plant Lipids Khammam on 23rd July 2021 to honour the best performing farmers of 2020 – 21 farming year.

During the farmers meet, we have distributed seeds to the top performing farmers for 2021 - 22 farming year.

Learn how Plant Lipids works with the farming community to develop IPM Chilli - Sustainable and Safe



Ethylene Oxide Global Concern:

Background:

In September 2020, very high levels of ethylene oxide were notified through Rapid Alert System for Food and Feed (RASFF) in certain batches of sesame seeds originating in or sent from India and having entered the EU. Those results exceed more than 1,000 times the maximum residue limit (MRL) of 0.05 milligrams per kilogram for ethylene oxide set by regulation.

Ethylene Oxide (ETO) Test Method :

As a proactive step, Plant lipids Quality Control Laboratory developed analytical method to analyze Ethylene oxide (ETO) by GC/MS using the verified procedure.





Content

Black Pepper	5	Cardamom	8
Capsicum Chilli	6	Celery Seed	8
Paprika Chilli	6	Cumin Seed	8
Ginger	7	Fenugreek	8
Turmeric.....	7	Coriander	9
Nutmeg	7	Rosemary	9

BLACK PEPPER

2021 harvest season of Vietnam black pepper is complete and the total crop production is 25% lower than 2020 crop size. This is much lower than our earlier production estimate for Vietnam Black Pepper. Indonesia black pepper season has started and the crop is expected to be shorter by 10%. White Pepper crop in Indonesia is expected to be smaller and with a lower carry forward stocks. Black pepper price has increased by 40% as compared to January 2021 price and has increased by more than 100% as compared to October 2019 price. Current price for Black Pepper from Vietnam is USD 3.90 per kg [Oct 2019 – USD 1.90 per kg, Jan 2021 – USD 2.70 per kg]. We are expecting international black pepper prices to keep increasing for the next 3 – 4 years.



Black pepper season in Sri Lanka was expected to start from May 2021. We are expecting 40% reduction in crop production as compared to normal production level. Sri Lanka was in lockdown from April 2021 till June 2021. There was minimal interest from farmers and traders in plucking and processing black pepper due to covid related restrictions. This lead to green pepper getting mature and not in the best case for extraction purpose. The delayed harvest has adversely affected the production of light berries for extraction industry and we are expecting 60% lower crop availability of light berries as compared to 2020 season.

25%
↓ production

40%
↑ price

CAPSICUM CHILLI

Chilli harvest season in India is from February to May. Sowing of chilli seeds for 2022 harvest has started in July and will continue till September. Initial estimates indicate 25% larger sowing area for capsicum chilli for 2022 season. Weather conditions have been conducive for the crop. Carry forward stocks available in cold storage is higher. Price for chilli is staying firm at higher price level as farmers are expecting better prices from export demand for red chillies. We would recommend our customers to cover their requirements till February 2022.

25% ↑ crop area

PAPRIKA CHILLI

India: Paprika chilli harvest season in India is from January to April. Sowing of paprika chilli for 2022 season has started in June and will continue till August. Initial estimates indicate 25% larger sowing area for paprika chilli for 2022 season.

China: China paprika chilli harvest season is from October to December. 2020-21 paprika chilli crop in China was 25% larger crop as compared to 2019 - 20 season. Sowing for 2021 - 22 season is complete. Initial estimates indicate 15% reduction in crop sowing area as compared to 2020 - 21 season. There are very limited carry forward stocks available in China. Paprika chilli extractors have started advance booking of chillies anticipating shortage of paprika chilli during harvest.

25% ↑ production

15% ↓ crop area



GINGER

Indian ginger harvest season is from November to March. Sowing of ginger for 2021 – 22 season has started in May and will continue till August. Initial estimates indicate 10% lower sowing area as compared to last season. Currently Indian ginger price is cheaper than Chinese and Nigerian origin ginger.

10%
↓ crop area



Nigerian ginger harvest season is from January to April. Due to ongoing coronavirus pandemic [antiviral properties of ginger] and increased ginger flavor usage in food and dietary supplements has led to an exponential increase in the global ginger demand. Chinese ginger crop of 2020 – 21 season is lower than 2019 – 20 season. Global customers have started buying Nigerian ginger in place of Chinese ginger. Nigerian ginger is currently traded at historically high price level - USD 2.65 per kg [Apr 2020 - \$1.70 per kg, Apr 2019 - \$1.45 per kg]. Port congestion and container shortages have adversely affected supply chain. Indian extractors are working on a minimum lead time of 5 months for ginger to reach from Nigeria to India.

TURMERIC

Turmeric harvest season is from February to May. Sowing for 2022 season has started in May and will continue till end of July. Initial estimates indicate 15% larger sowing area for 2022 season. Higher curcumin turmeric carry forward stocks are expected to be lower. We would recommend our customers to cover their requirements till December 2021.

15%
↑ crop area

NUTMEG

Indian nutmeg crop harvest and distillation is from March to June. India faced second wave of coronavirus pandemic during the harvest period and lockdown restrictions have adversely affected the production. There is acute shortage of Indian nutmeg oil stocks in the supply chain. The harvest season was delayed and started from June and is expected to extend up to August – September. Price for Indian nutmeg has increased by 20% as compared to 2020 season.

20%
↑ price

CARDAMOM

Indian Cardamom season is from August to March. Ongoing coronavirus pandemic has decreased the demand for cardamom in domestic and export markets. Indian cardamom prices have decreased drastically and is currently trading at USD 13 per kg [Jan 2020 – USD 53 per kg, Apr 2020 – USD 30 per kg]. Cardamom farmers have increased plantation areas for Cardamom due to better price realization. We can expect larger production in Indian cardamom in the next 3 – 4 years.



25%
↑ production

CELERY SEED

Indian celery seed season is from May to July. We were expecting 25% larger crop in 2021 season as compared to 2020 season. Growing regions received unseasonal rainfall in month of April – May 2021. The unseasonal rainfall has adversely affected the quality of the crop. Celery seed price is trading at 5% lower price as compared to 2020 season

CUMIN SEED

Indian Cumin harvest season is from March to May. Pricing for cumin seed in 2020 season was one of the lowest in last 5 years. 2021 crop production is 10% lower as compared to 2020 season. Current price for cumin seed is USD 2.15 per kg. [2020 season price – USD 1.90 per kg]

10%
↓ production

FENUGREEK

Indian fenugreek harvest season is from February to April. Carry forward stocks in Fenugreek are lower. Fenugreek is traded at 40% higher price as compared to normal price level.

40%
↑ price

CORIANDER

Indian coriander harvest season is from February to May. Price for Indian coriander is firm at higher price level. We are seeing strong retail demand for coriander and are expecting prices to be firm till October 2021.

Russia coriander seed harvest season is from August to October. 2020 – 21 crop was 20% smaller as compared to 2019 -20 season. Price of coriander is trading at 20 – 30% higher as compared to normal price level.

20-30%
↑ price

ROSEMARY

Rosemary harvest season in Morocco is from June – October. Collection permits will be issued by Moroccan government in the month of May – June 2021. We are seeing strong demand for rosemary from extraction industry. Price for rosemary is expected to be firm due to high shipping costs.

Plant Lipids Private Limited
Cochin, Kerala, India
E- info@plantlipids.com
T- +91 484 2844 500

Follow us on

