



NEWS &
MARKET
REPORT

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Plant Lipids receives CII Award for Commitment to Food Safety

Plant Lipids Private Limited has won the Award for **Commitment to Food Safety**, conferred by the Confederation of Indian Industries on the 12th CII Food Safety Virtual Awards Ceremony. We have received the “**Commendation Certificate for Strong Commitment to Food Safety**” in the category, ‘**Criteria 3, Large- Food Ingredients, Processing Aids, Oleoresin, Essential oils**’. CII, which recognizes best in class food business operators on food safety excellence, assess the organizations through stringent evaluation by veterans in the food industry, setting benchmark for quality. It is an honor to have been recognized by CII that indeed motivates us to work more towards building a sustainable future.





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BLACK PEPPER

2022 black pepper season in Vietnam will start from February 2022. We are expecting 20% reduction in Vietnam black pepper production in 2022 season as compared to 2021 season. Global production of black pepper in 2022 season is expected to reduce by 15% and for the first time in last 8 years, global production is expected to be lower than global demand for black pepper by 10%. We are expecting black pepper price to keep increasing for next 2 – 3 years.

Minor black pepper season in Sri Lanka is completed by December 2021. Incessant rainfall in November 2021 has damaged 20% of crop. Strong demand from Indian retail market has kept the market firm. Black pepper price in minor season was traded at 15% premium as compared to major season in May – June 2021. We are expecting additional 20% price hike moving into 2022 season due to global black pepper production scenario.



CAPSICUM CHILLI

Unseasonal heavy rainfall in November has damaged large acreage of the chilli crop. Growing regions have reported larger instances of Western thrips pest attack, which mainly attack the chilli flowers, thereby affecting the production yield adversely. Farmers are forced to use higher dosage of agrochemicals to control the pest attack and fungal disease. We are expecting supply chain constraint in EU compliant and US compliant IPM grade chillies in 2022 season. Red chilli prices have increased exponentially and is traded at 50% higher price [December 2021 – USD 2.40 per Kg] as compared to October 2021 [USD 1.60 per Kg]. 2022 season is expected to start in February 2022. We will have better clarity over pricing for 2022 season by month of February 2022

50%
↑
price



15%
↓
production
in China Paprika

PAPRIKA CHILLI

India: Unseasonal heavy rainfall in November 2021 has damaged large acreage of the paprika chilli crop. Farmers are forced to use higher dosage of agrochemicals to protect the crop from pests and fungal disease. We are expecting acute shortage of EU compliant and US compliant IPM grade paprika chillies. The first round of harvest is expected to be of lower production yield and lower quality. In line with increase in price of red chillies, paprika chilli prices have also exponentially increased by 50% in last 2 months.

China: China paprika season is complete with a 15% reduction in crop production as compared to last season. Price for china origin paprika chilli is traded at 20% higher as compared to last season. Strong demand for chillies from domestic spice market and oleoresin manufacturers are keeping the market firm. As we are expecting shortage of chillies from Indian market, we are expecting china chilli market to remain firm till September 2022.

GINGER

India: Unseasonal heavy rainfall in November 2021 has damaged 10% of crop. There is larger winter demand for green ginger from Indian retail market. Dry ginger price in India is traded at 5 year low price now. We would recommend our customers to procure their long term dry ginger requirements now.

10%
↓ Nigerian ginger
Price

Nigeria: Global customers have started buying Nigeria origin ginger due to lower incidence of agrochemical residues and better compliance with regulation. Logistics in Nigeria is not a major concern now as exporters have started using alternate ports to reduce the lead time for deliveries. Nigeria ginger is currently traded at 10% lower price as compared to last season. We would recommend our customers to procure their long term Nigeria ginger requirements now.

TURMERIC

Unseasonal heavy rainfall in November 2021 has damaged limited acreage of turmeric crop. Carry forward stocks of turmeric is low. Total turmeric crop production for 2022 season is expected to be 5% lower than 2021 season. Turmeric price [December 2021 – USD 1.15 per Kg] has increased by 20% as compared to October 2021 price [USD 0.90 per Kg]. We will have better clarity over pricing for 2022 season by March 2022.

20%
↑ price

NUTMEG

India: Unseasonal heavy rainfall in November 2021 has adversely affected the flowering season in Nutmeg. There is acute shortage of nutmeg in Indian supply chain. Nutmeg season will start from March 2022 and we are expecting prices to remain higher in 2022 season.

20%
↑ price



40%
↑
production

CARDAMOM

Cardamom production in India in 2021 season has increased by 40% as compared to 2020 season. This is mainly due to exponential increase in plantation area due to better price realization in 2019 – 20 season. Unseasonal heavy rainfall in November has led to onset of fungal disease in 15% of plantation area. Carry forward stocks in cardamom is very high. Indian cardamom is currently traded at 5 year low price and we would recommend our customers to cover their long term requirements now.

CELERY SEED

Sowing of celery seed for 2022 season is complete. There is 20% larger sowing area as compared to 2021 season. Carry forward stocks in celery seed is high. We can expect lower price for celery seed in 2022 season.

20%
↑
sowing
area

CUMIN SEED

Sowing of cumin seed for 2022 season is complete. There is 30% lower sowing area as compared to 2021 season. We have seen multi year low prices in Cumin seed from 2019 – 21. Farmers have lost interest in cumin seed and have moved on to competing crops like Mustard, Fenugreek, Fennel etc. Carry forward stocks in cumin seed is low. In line with expectation, cumin seed prices have increased by 20% as compared to October 2021 price. We are expecting further increase in price in 2022 season.



CORIANDER

India: Sowing of coriander seed for 2022 season is complete. The sowing area is 5% higher as compared to 2021 season. Carry forward stocks in coriander is low. We are expecting coriander seed price to remain firm in 2022 season.

Russia coriander season is complete. There was strong demand for coriander seed from global retail and essential oil distillers.

More than 90% of crop is traded and there is very limited carry forward stocks available. Price for Russia origin coriander is expected to stay firm in 2022 season.



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