



NEWS &
MARKET
REPORT

MARCH
2022



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BLACK PEPPER

Vietnam : The active season is on in Vietnam, and harvest has begun to arrive in the market slowly. Harvesting in Vietnam is taking place in most of the country's major growing regions, but we are observing lower arrivals compared to 2021. With buyers showing active interest, we could see a steady increase in the demand for the commodity and farmers are anticipating good commodity pricing. In comparison to previous month, we have noticed a 4% increase in pricing. The shipments delays from Vietnam on account of supply chain disruptions continues to be a major concern.

Srilanka: The season is expected to start by first week of April. The crop production is expected to be on similar lines of last year. The price of bold pepper has remained steady over seasons, however LKR's decline against US Dollar may see prices going high.



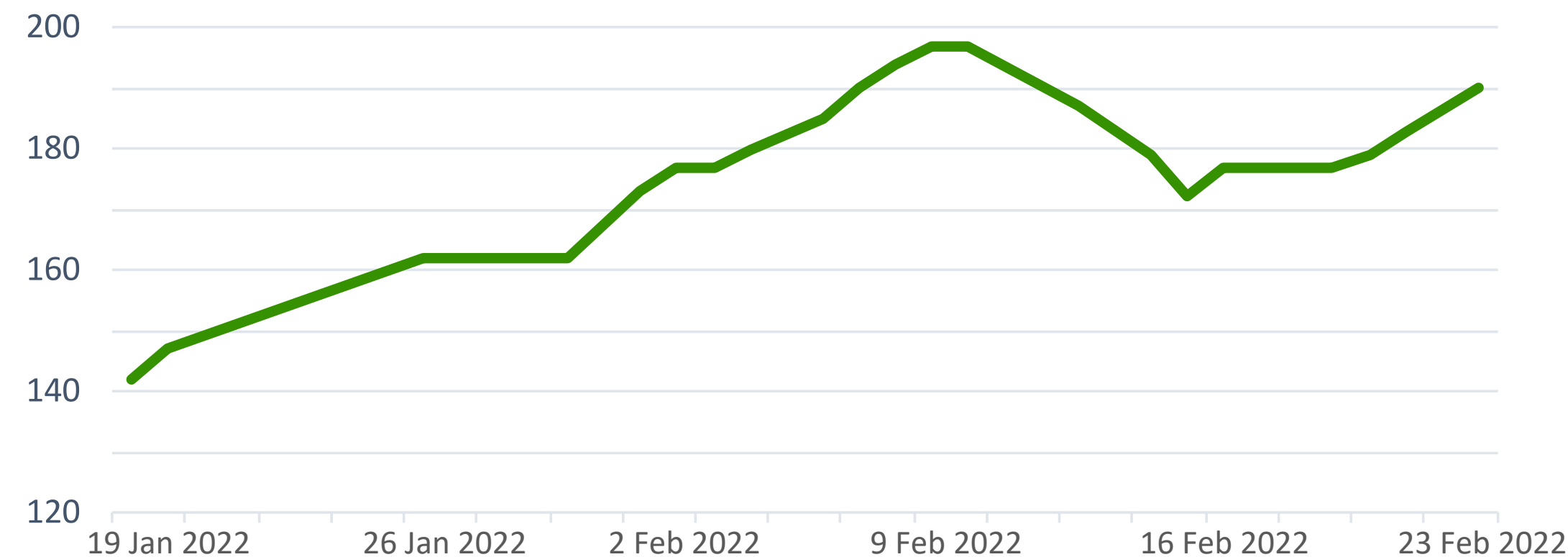
CAPSICUM CHILLI

The lack of crop in fruiting stage and the absence of third picking in majority of the regions, could result in premature closure of season resulting in price increase in the coming weeks post February. The chilli prices have increased steadily and peaked in the latter part of the month with prices at around US\$ 2.55 range. With the yield being much lower as compared to last year, many farmers and suppliers are diverting some of their stock to cold storages in anticipation of cashing in on the larger demands during off season. Cold storages in the growing and surrounding regions are 40-45% full across Andhra Pradesh and Telangana region. This year, the yield is 50% less compared to the previous years and steady arrivals were seen in the 2nd half of February. With significant damage on crops due to rain and black thrips, there will be a shortage and we can expect to see the remaining crop arriving in the market through the month of March and arrivals from farms will start tapering by early April. With first picking over, some farmers have already started their 2nd picking which may be the last for many farmers. We recommend our customers to cover their short term and long terms requirements soon.

50%
farm level yield



HOT CHILLI (INR/Kg)



DRY GINGER

India: Ginger season had begun in January. The arrivals of dry Ginger have been good. We expect the material availability to be consistent through April. Prices seem to be steady and demand too seems stable. The yield this season was 15% lower, but an increase in the crop area by 20% has kept the supplies steady. As arrivals slow down towards March end, we may see price corrections. Currently, Ginger is being quoted at US\$ 1.16.

20%
↑ Indian ginger
Crop Area

Nigeria: The Ginger season in Nigeria is almost coming to an end and prices of Nigerian ginger dropped marginally after starting off at a high of US\$ 2.45 in December 2021. The crop area also went up by 5%. Carry forward stocks remain low and these are mostly available with stockists in other countries. A major concern with Nigerian Ginger imports have been the unusually high transit times. Although the container and vessel availability seem to be in control, port congestion is adversely impacting all schedules and shipments. We expect to see arrivals to end by March beginning.

TURMERIC

Turmeric season has started, and we are seeing good arrivals. Farmers are happy with the crop and area under cultivation is 10% higher than last season. Farm output too seems to have risen by 5%. The arrivals are expected to continue through May 2022. In some of the growing regions, 50-60% harvesting is over and the boiling and drying process is underway. No noticeable crop damage has been reported and the quality of arrivals is meeting expectations. We expect price rise due to higher demand for higher curcumin content material coupled with aggressive stocking by speculators to stock up Carry forwards.

10%
↑ Crop Area

40%
↓
production

NUTMEG

The production of Nutmeg in India is 40% lower than expected. Carry forward stocks are limited and may not be sufficient to meet demand. The price of Nutmeg continues to increase due to short supplies. Current prices of Indian Nutmeg are at US\$ 3.00, seeing a 15% increase in the last four months. The season for nutmeg would start in April and will end by September.

CUMIN SEED

The harvest season for Indian cumin runs from March through May. Sowing had been comparatively lower compared to last year. Initial surveys indicate 30% lower crop compared to 2021. Cumin has already seen a 24% increase in prices in the last 2 months. Significant crop damage has been reported. Farmers are exploring switching to mustard production. Carry forward stocks of Cumin is expectedly lower. We are expecting price hike for IPM Cumin as more countries are shifting from conventional to pesticide free crops, and availability for same is low. Current price of Cumin is at US\$ 3.2.

30%
↓ Production

FENUGREEK SEED

Fenugreek season commenced in February. Farm level productivity and crop area has seen a 10% increase this season. With no adverse impact of rains, a good crop is expected. Prices being offered to farmers have been in line with their expectations and our survey indicates that farmers may increase area under cultivation and new crop sowing across states of Madhya Pradesh, Rajasthan and Gujarat. Fenugreek export demand has been reported to be modest and the carry forward stocks for fenugreek is expected to be low.

10%
↑ Production

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