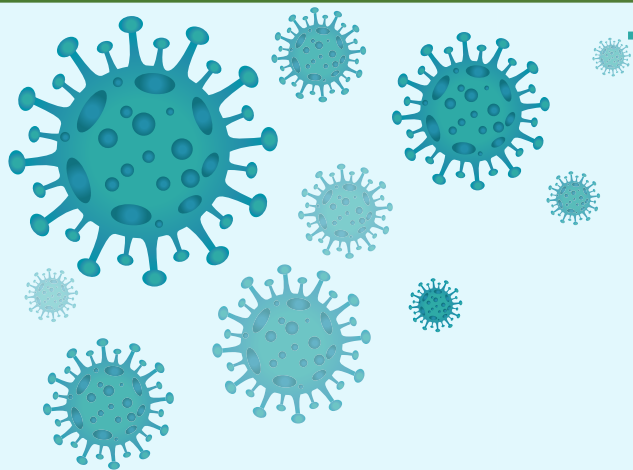




www.plantlipids.com

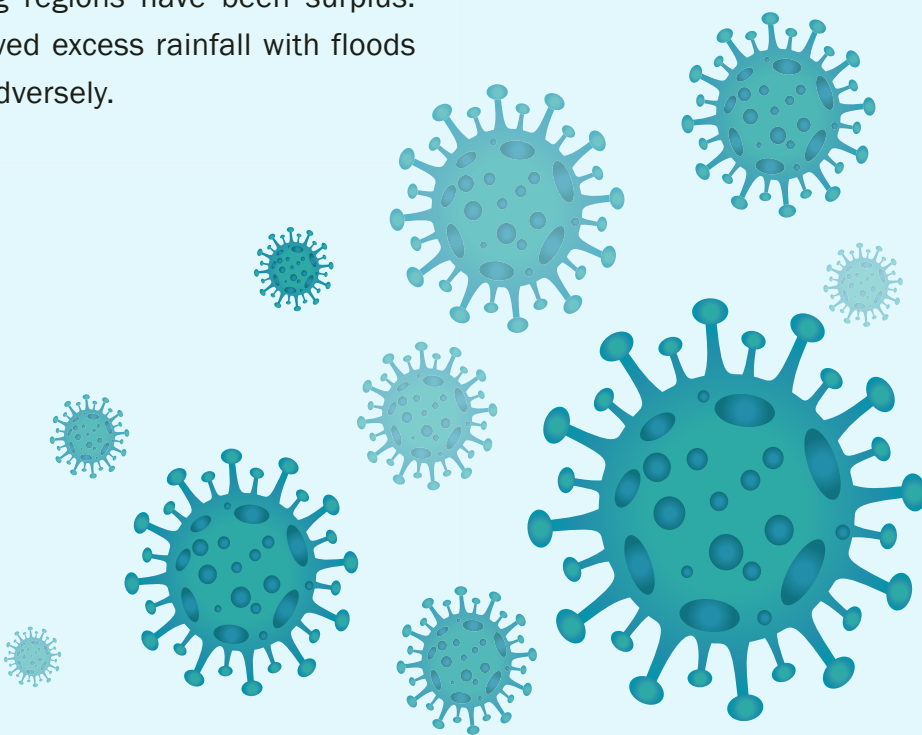
MARKET REPORT

JANUARY 2021



COVID 19 IMPACT

COVID-19 pandemic has disrupted supply chain across the globe. Indian businesses and supply chain are learning to work under restrictions imposed due to the pandemic. Indian agriculture supply chain is labor intensive and restriction in usage of manpower due to social distancing norms is adversely affecting Indian agriculture supply chain. Seed sowing season of major spices like chilli, paprika, turmeric and ginger for 2021 harvest is complete. 2021 harvest season would start from February and end by May 2021. Monsoon rains in all growing regions have been surplus. Some of the areas had received excess rainfall with floods which has affected the crop adversely.





BLACK PEPPER

2020 Black Pepper season is complete across all producing countries. We would be moving into 2021 harvest season of Vietnam Black pepper in March 2021. Black Pepper growing regions in Vietnam faced floods in month of October 2020. We are expecting a 10 – 15% decrease in global black pepper production in 2021 season. Demand for black pepper from EU remains muted due to second wave of coronavirus spread.

Global Black Pepper prices have touched multi-year bottom in May 2020 [\$2.0 per kg] and have bounced back by 40% in June 2020 [\$2.90 per kg]. Current price for Black Pepper from Vietnam is USD 3.00 per kg. Black Pepper price is expected to remain stable till March 2021.

PAPRIKA

India: Sowing of paprika chilli crop is complete. Growing regions have received excess rainfall in month of September 2020 and this will be detrimental to the standing crop. We are estimating crop damage in 10% of growing region. Carry forward stocks of paprika chilli is too low. Indian Paprika chilli crop season is from February 2021 and we are expecting similar crop size as compared to 2020 season. Paprika chilli prices in 2021 season is expected to trade higher than 2020 season.

China: Harvest of 2020 – 21 paprika chilli have started in October 2020. Initial estimates indicate 25% larger crop as compared to 2019 – 20 season. Current price of paprika chilli from China is traded at 10% lower as compared to 2019 – 20 season.

CAPSICUM

Sowing of chilli seeds for 2021 crop is completed. The growing regions received heavy rainfall and floods in month of September 2020. We have estimated crop damage in 20% of growing region. Farmers have replaced damaged crop with new transplants in month of October 2020. This will delay the crop harvest by 30 – 40 days. Some of the major growing regions have reported wilt disease and it should adversely affect the production yield in the region. We are seeing larger domestic and export demand for red chillies in recent months. Carry forward stocks are expected to be consumed at higher pace till start of new season. Price for chillies are expected to be firm till start of 2021 season. Harvest season for chilli is expected to start from March 2021. We would advise you to procure your short term requirements for chillies till April 2021.



NUTMEG

Indian nutmeg crop harvest and distillation is from March to June. In 2020 harvest season, national lockdown was in place and has adversely affected the harvesting of Nutmeg. Carry forward stock availability is lower at the source. We are expecting a better crop of Indian nutmeg in 2021 season as compared to 2020 season. There is shortage of Nutmeg oil in supply chain and prices are expected to be firm till March 2021.





GINGER

Indian ginger season has started. We are estimating 20% larger crop in Indian ginger as compared to 2020 season. We are seeing increased usage of ginger flavors in culinary requirements of Indian households. Demand for Indian ginger will increase during winter season. At the moment, Indian dry ginger is cheaper compared to Nigeria and Chinese ginger. Current price of Indian ginger is USD 1.50 per kg

2021 Nigerian ginger season has started. We are estimating 20% larger crop in Nigerian ginger as compared to 2020 season. Due to Coronavirus outbreak [antiviral properties of ginger] and increased ginger flavor usage in food, global ginger demand has increased exponentially. China ginger crop of 2020 season is lower than 2019 season. Global customers have started buying Nigeria ginger in place of China ginger. Nigeria ginger is currently traded at USD 2.10 per kg [Apr 2020 - \$1.70 per kg, Apr 2019 - \$1.45 per kg].

CARDAMOM

Indian Cardamom season is from August to March. Indian cardamom farms have received optimum monsoon rains from June to September 2020. Weather has been favorable for cardamom crop till now. With COVID-19 outbreak, demand for cardamom from domestic and export markets have reduced drastically. Indian cardamom prices have decreased drastically and is currently trading at USD 22 per kg [Jan 2020 - USD 55 per kg]. Cardamom farmers have increased plantation areas for Cardamom due to better price realization. We can expect larger production in Indian cardamom in 3 - 4 years.



TURMERIC

2020 Turmeric season saw turmeric traded at 15 year low price. Indian farmers have started losing interest in Turmeric as turmeric price has been steadily decreasing from 2017 season.

Ongoing coronavirus pandemic has increased the demand for curcumin supplements around the world. Sowing of Turmeric for 2021 season is complete. Growing conditions have been highly favorable for turmeric. Initial estimates indicate that Turmeric crop in 2021 season would be 10% lower than 2020 season. We recommend our customers to procure their long term requirements in turmeric now.

CUMIN SEED

Indian Cumin harvest season is from March to May. Indian cumin crop in 2020 season was 20% larger than 2019 season. Cumin crop faced locust attack in end December 2019 and this has impacted 10% of the crop. With covid-19 pandemic, export demand for cumin seed is subdued. Current price for cumin seed is USD 1.90 per kg. This is one of the lowest traded price for cumin seed in last 5 years. Sowing season for 2021 crop has started. We are expecting lower sowing in cumin seed for 2021 crop due to low price realization for cumin seed in 2020 season. We will have better estimates on 2021 crop by end of January 2021.



FENUGREEK

Indian fenugreek harvest season is from February to April. Fenugreek crop of 2020 was of similar size as 2019 season. Carry forward stocks was reported lower. Price for fenugreek was traded at 40% higher as compared to 2019 season. Current price for fenugreek is USD 1.00 per kg

CELERY SEED

Indian Celery seed season is from May to July. We had 25% crop decrease in Celery seed in 2020 season due to larger migration of farmers from Celery seed to wheat. Celery seed price is currently trading at 40% higher as compared to 2019 season. Current price of celery seed is USD 1.45 per kg [May 2020 – USD 1.25 per kg]. Sowing of celery seed for 2021 season has started. We would have better estimates for 2021 season by end of January 2021.

ROSEMARY

Antioxidant industry demand for Rosemary has driven demand in the last 5 years. New plantations in new sources are coming up to meet the increasing demand. Increased supply of rosemary in the global market will keep prices subdued in short term. Rosemary price from Morocco is traded at USD 1.35 per kg.

CORIANDER

Indian coriander harvest season is from February to May. Indian coriander crop of 2020 was 10% lower as compared to 2019 season. Price for Indian coriander is traded at 10% higher as compared to 2019 season. Current price for Indian coriander is USD 0.95 per kg

Russia coriander seed harvest season is from August to October. We are expecting 25% lower crop in 2021 season as compared to 2020 season. Price of coriander seed is expected to remain volatile from August to October. Current price of Russia coriander seed is USD 0.95 per kg.

LEMONGRASS OIL

Demand for citral has increased in global market due to increased consumption of sanitizers and cleaning liquids. Citral [natural / synthetic] is trading at high price level. Demand for lemongrass oil has increased in line with international citral requirement. We are expecting price to be firm till March 2021.





happy
*new
year*



info@plantlipids.com
www.plantlipids.com

Cochin, Kerala, India
+91 484 284 4500