



NEWS &
MARKET
REPORT

July
2021

COVID-19 VACCINATION DRIVE

Through NURTURE initiative, Plant Lipids is providing free Covid-19 vaccinations to all of its employees and their immediate families. Currently, COVID-19 Free Vaccination Programme – Phase 1 is in full swing and covers manufacturing facilities in Kochi, Bangalore, Hyderabad and Sri Lanka. The scheme is implemented with the support of relevant authorities and follows all safety protocols.

“With this vaccination drive, we re-emphasize our focus on prioritising the health and safety of all our employees and their families”.

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OCEAN FREIGHT MARKET UPDATE

2020 will be remembered by many as one of the years that has caused maximum upheaval in terms of freight rates, space and equipment capacity in all markets around the world.

5 reasons global shipping costs will continue to rise:

- Continued global imbalances push prices up further
- Few alternatives to ocean freight
- An unbalanced recovery throughout 2021
- Reduced blank sailings will help ease capacity constraints
- Port congestion and closures keep creating delays

Destination	2020	2021	% Increase
New York	USD 2450	USD 7100	289%
Rotterdam	USD 800	USD 3500	438%
Vietnam	USD 300	USD 1150	383%
Morocco	USD 1150	USD 3500	304%
Nigeria	USD 2100	USD 6300	300%
Surabaya	USD 225	USD 1300	577%
Shanghai	USD 200	USD 1200	600%
Jakarta	USD 225	USD 1300	577%





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BLACK PEPPER

2021 harvest season of Vietnam black pepper is complete, and the crop production was 10% smaller than normal production level. Indonesia black pepper season starts from July 2021 and the crop is expected to be shorter by 10%. 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 is in lockdown from April 2021. There was minimal interest from farmers and traders in plucking and processing black pepper due to covid related restrictions. This should lead to green pepper getting mature and not feasible for extraction purpose. We are expecting an acute shortage of black pepper from Sri Lanka.

10%
↓ production

40%
↑ price

CAPSICUM CHILLI

2021 harvest season in chilli is completed. We had 20% larger crop production in 2021 season as compared to normal production levels. The carry forward stocks from 2020 season was low and price for chillies in 2021 was traded at 10% higher as compared to 2020 season. Sowing of chilli seeds for 2022 harvest is ongoing. We would have better idea on sowing by September 2021. We are in off season and procurement of chillies would be from chilli stocks stored by farmers in cold storages. Price for chilli is expected to stay firm till December 2021. We recommend our customers to cover their requirements until March of 2022.

20%
↑ production

PAPRIKA CHILLI

India: 2021 Paprika season is complete. Paprika chilli was traded at historically high price level in 2021 season. Sowing of paprika chilli for 2022 season is ongoing. There is increased interest from farmers due to high price realization for paprika chilli. We are expecting larger sowing area for 2022 season. We will have accurate data on sowing by month of September 2021.

China: 2020-21 season in China is complete. 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 10 – 15% reduction in crop area as compared to 2020 – 21 season.

25%
↑ production

10-15%
↓ crop area



TURMERIC

2021 Turmeric season is completed. Turmeric price in 2021 season was traded at 50% higher level as compared to 2020 season. This is due to acute shortage of carry forward stocks from 2020 season. Ongoing coronavirus pandemic has increased the demand for curcumin supplements around the world. Turmeric sowing for 2022 season is ongoing. We will have accurate data on sowing by month of September 2021.

50%
↑ price



GINGER

2021 Nigerian ginger season is complete. Due to ongoing coronavirus pandemic [antiviral properties of ginger] and increased ginger flavor usage in food, global ginger demand has increased exponentially. China ginger crop of 2020 – 21 season is lower than 2019 – 20 season. Global customers have started buying Nigeria ginger in place of China ginger. Nigeria ginger is currently traded at historically high price level - USD 2.85 per kg [Apr 2020 - \$1.70 per kg, Apr 2019 - \$1.45 per kg]. Indian ginger sowing for the next year on going and we will have accurate details on sowing by August 2021.

Nigerian Ginger
30%
↑ price

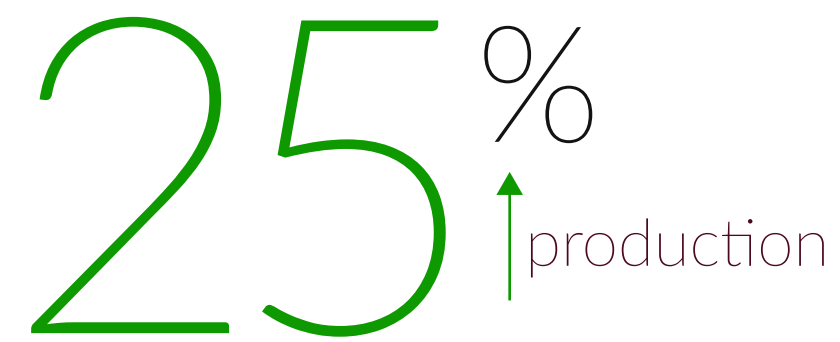
NUTMEG

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. We expect the harvest season to be extended 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 12 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.

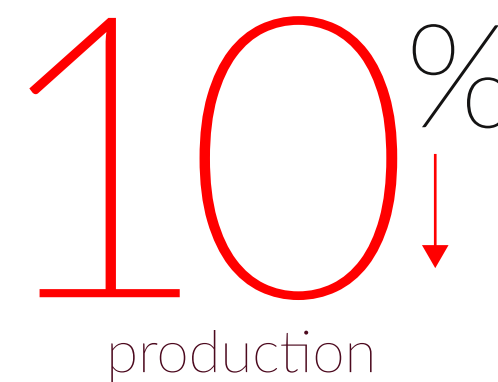


CELERY SEED

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.

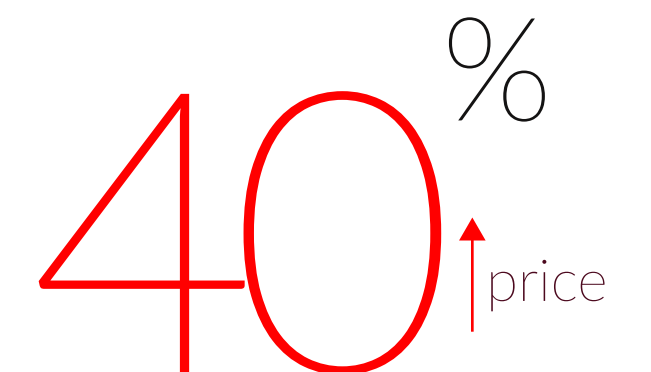
CUMIN SEED

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]. One of the challenges is availability of IPM Cumin and has delayed shipments to a very large extent.



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.



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.

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