



**NEWS &
MARKET
REPORT**

**April
2023**



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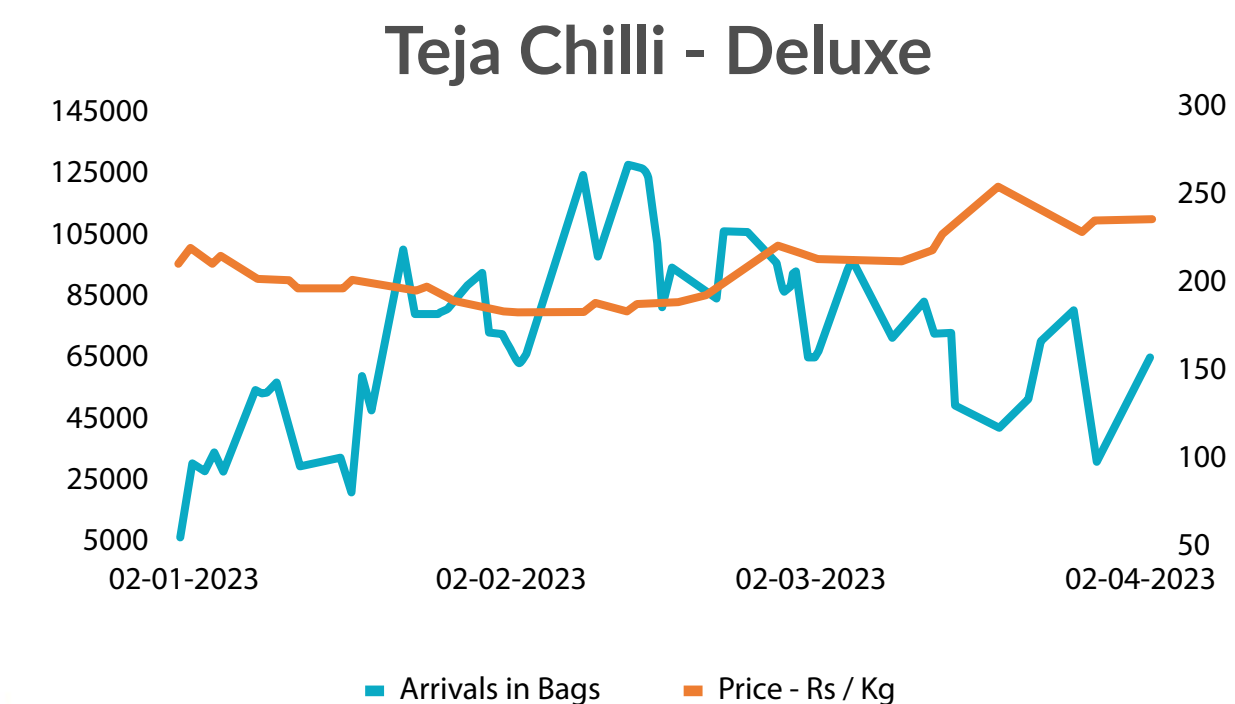
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CAPSICUM CHILLI

Harvesting of capsicum chilli is about to complete in major growing regions in India. About 70% of the total estimated crop has come into the markets and cold storages. The cold storages are about 50% full and still storage space is available which is prompting farmers to store their produce in anticipation of higher prices. Capsicum chilli has traded at historic higher prices during the present season. There has been a shortage of pesticide complaint chillies due to the indiscriminate use of pesticides due to the fear of recurrence of the black thrip infestation. We expect the crop arrivals to get completed in next 45 days.

The soaring demand for whole chillies from exporters to China, Thailand and Bangladesh coupled with muted arrivals to APMC markets have supported higher prices. We expect the prices to remain stable in the short term and see a slight decline till end of season to reflect the drop in quality due to the third pick crop. The prices may climb further depending on the demand during the off season (June to August).

In High heat segment, prices of Teja variety have gone up since March 2nd week on account of high demand and due to speculation on account of unseasonal rains in Southern India. The prices have softened towards 3rd week of March and is steady at 230 Rs / kg. As the crop enter last stages of harvesting, we expect quality also to deteriorate and prices to correct marginally according to the quality of produce.



PAPRIKA CHILLI

Harvesting of Indian paprika chillies are progressing at present. Around 60% of the crop has come into the markets as on date and has seen historic high prices. The ample space available in cold storages are prompting farmers to hold the stocks. There is increased buying at field level by local aggregators / stockists which is pushing the prices higher. There is a shortage of pesticide compliant paprika which has seen an abrupt increase in prices due to higher demand. We expect the prices to remain bullish in short to medium term.

Prices ↑



BLACK PEPPER

Harvesting of black pepper is ongoing in major growing regions of Vietnam and about 70% of the crop has come into the markets. Black pepper prices are currently stable. The estimated total crop production is expected to be higher by 10% when compared to last year. The carry forward stocks remain high. Exports of bold pepper from Vietnam has picked up in recent months due to increased buying from China and US., leading to a slight increase in prices.

In Sri Lanka, the major season has just begun. New crop has started arriving slowly at the local markets. The estimated crop is lower by 10% in comparison to last year on account of lower yield. The carry forward stocks remain moderate in Sri Lanka at present. The reduction in yield is due to the change in climatic conditions and unseasonal rainfall in Jan & Feb. Bold pepper is currently trading at 5.2 USD to 5.4 USD/ kg.

In Indonesia, crop is expected to be harvested from May onwards. The crop size is estimated to remain like last year. The carry forward stocks remain moderate to high. The price for Indonesian black pepper remains on a higher level in comparison to Vietnam.

Prices
↔

10% ↑ Crop



GINGER

Indian ginger harvest has completed in major growing areas. The total Indian crop was 30% lower than last year. The overall lower crop production has resulted in bullish prices for green ginger. The shortage of green ginger available for drying has prompted an increase in prices of the dry ginger. The green ginger prices have gone up by 150% y-o-y in March. The dried ginger prices have also gone up by similar numbers.

30%
↓ Crop

10%
↑ Crop

The Nigerian ginger harvest has completed, and the dried material is currently traded. The total crop output is higher than last year by 10%. Nigerian ginger prices have firmed up in last one month on account of increased global demand. Nigerian ginger is currently trading at USD 1.75/ Kg, which is still below last year's prices.

TURMERIC

Turmeric harvesting is almost completed in major growing regions of India and dried turmeric is available in the markets. The carry forward stocks remain high. Lack of demand coupled with peak season arrivals have put pressure on the prices. The Government of India has declared market intervention scheme and have announced minimum support price of Rs.66,900/ Mt to prevent distress sale from farmers. This has caused the prices to correct marginally. Turmeric prices are still witnessed 15% decline y-o-y in March 23. The quality of turmeric has declined compared to last year. We expect the prices to remain stable in short term and a marginal increase in medium term.



CUMIN

Harvesting of cumin has just started in major growing areas. Recent rain fall in the growing region has resulted in quality deterioration. Arrivals of new crop to the markets are less when compared to last year in the same period. The carry forward stocks remains very low. The availability of storage space is prompting farmers to store the produce in anticipation of higher prices in coming months. There is a lack of pesticide compliant material due to rampant usage of agro chemicals by farmers in anticipation of higher yields & prices. The demand for cumin remains high which is supporting the prices. We expect the prices to remain bullish in the long term given the lower stocks and higher market demand.

Crop ↓
availability

Price ↑



CELERY

We expect the new crop arrivals to come into the markets from 1st week of May. Due to favourable prices, farmers have shifted to competitive crops such as wheat and maize. This has resulted in a 15% decrease in sowing area. The region is currently experiencing favourable weather supportive of crop growth. Heat waves in 2022 had a negative impact on the standing crop and led to yield loss restricting total crop output. The final crop output will depend on the temperatures in coming months. Any instances of heat waves could result in lower yield. The carry forward stocks are about 50% of last year. The estimated crop is expected to be 20% lower than last year.

15%
↓ Crop area

20%
↓ Production



CARDAMOM

The harvesting of green cardamom is ongoing in India and there has been good arrivals in the market. The cardamom prices have remained bullish amidst higher domestic and export demand. The prices have strengthened by 25% in last one month. We expect the prices to move further north on account of lower crop output and increased demand from major consumers across the world.

Crop ↓

25%
↑ Price

NUTMEG

The Indian nutmeg prices have remained stable in March. The upcoming crop size is expected to remain same. The availability of good quality material remains low. The Indian nutmeg BWP prices have been trading around Rs.230/ Kg. The Indonesian crop is size is reportedly short and the prices have been firm. New material has started coming to the market in Northern Indonesia. The Indonesian nutmeg BWP is trading around 5.5 USD/ Kg.



Crop ↓
availability

Price ↔

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