



Spices Market Report

April 2024



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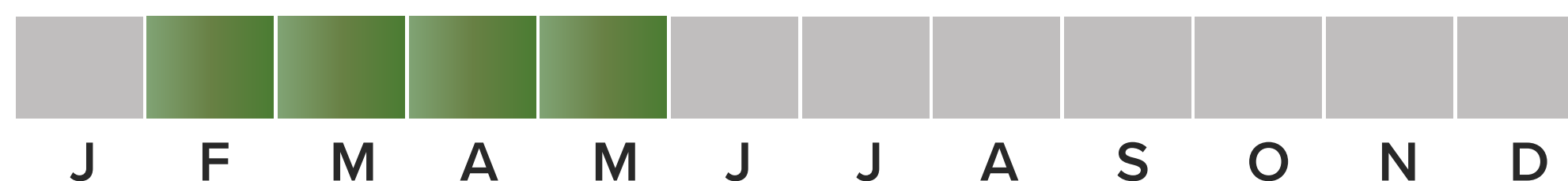


We are honoured to receive the **KMA CSR Award** for our dedication to education and societal change. This recognition validates our team's commitment and belief in the transformative power of education. We are grateful to the Kerala Management Association and will remain committed to social responsibility and sustainability as we strive for a positive impact.

Capsicum

Harvest Season

Southern India



Market Updates

In Southern India, including Andhra Pradesh and Telangana, harvest is almost completed. This year's harvest began earlier compared to 2023, and arrivals have been witnessed from December 2023, with peak arrivals witnessed in mid-March 2024. This year, the average capsaicin levels are about 25 -30% lower than last year for the high pungent varieties.

Most chillies were of medium quality. Market was flooded with wide varieties of chillies with varying levels of quality.

This season witnessed a good yield which supported farmers to sell and store a part of their produce. Low demand from key buying segments, led farmers to divert stock to cold storage. Current storage facilities are filled up to 80% of capacity.

Prices have dropped by 5% due to surplus supply and reduced demand.

The excessive use of fertilizers and pesticides by farmers has significantly affected the availability of IPM materials. Additionally, farmers' high yield expectations have led to excessive spraying between pickings, further impacting IPM practices in certain regions.

Typical high pungent varieties, exhibited significantly lower capsaicin content this season

Current storage facilities are filled up to 80% of capacity



Major growing regions
Andhra Pradesh and Telangana

Paprika


Harvest Season



Market Updates

March saw continuous arrivals, peaking during middle of the month with an average daily arrivals of around 20,900 MT. Cold storage are filled to capacity which led to prices of the hybrid variety Syngenta 5531 dropping. The price of Syngenta 5531 Deluxe has dropped by approximately 13%, while Syngenta 5531 Medium has dropped by approximately 18% during March end, compared to beginning of month. Sharp fall in prices led to farmers participating in violent protests at the trading market. Though the situation was stabilized farmers are still tense about falling prices.

We see a drop in quality, maybe because of the final picking. We also see a low demand because of buyers perceiving a dip in quality with the final arrivals while better quality will be available in cold storages. This year's general elections, scheduled from mid-April to early June, might influence agricultural policies.



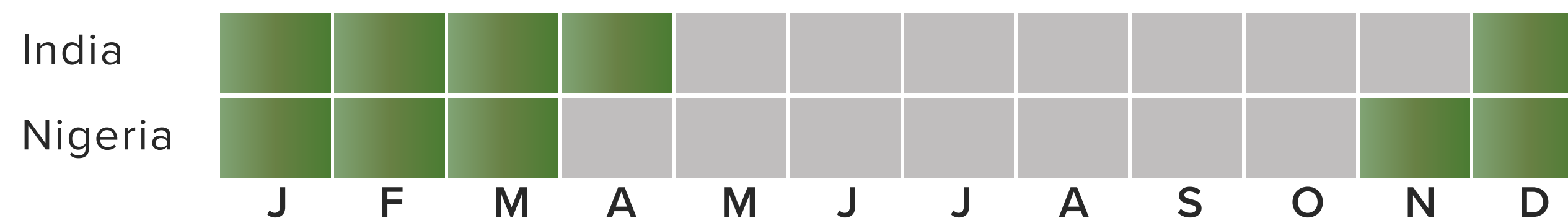
Prices have fallen with increased arrivals, but the quality is lower than last year



Major growing regions
Karnataka

Ginger

Harvest Season



Market Updates

India : Harvest is ongoing for ginger. Market continues to see steady price increases. The shortage of dry ginger continues as farmers find greater profitability from fresh ginger. Additionally, with limited labor availability, there is little incentive for farmers to dry their ginger. Prices for fresh ginger have seen significant increase by 60%, while prices for dry ginger have experienced a more modest 5% increase at the beginning of April compared to the previous month.

Sowing for the next ginger season has begun, but the severe heat conditions is not conducive for active sowing. Farmers however are planning to increase acreage for next season remaining hopeful for similar prices and good weather.

Nigeria: Nigerian season is complete and farmers are contemplating sowing in May 2024.

Fresh ginger prices surge by 60% compared to last month



Major growing regions

Nigeria - Kaduna

India-Karnataka, Madhya Pradesh, North East, Kerala and Maharashtra

Turmeric

Harvest Season



Market Updates

India: The turmeric harvest is ongoing in major growing areas. Slow arrivals are reported across all growing areas. As informed and reported earlier, arrivals are much lower than expected. Production for this season is expected to be 30% lower than last season.

Farmers are also setting aside seed material / rhizomes for next season. The existing higher prices have led farmers to allocate more area for planting turmeric in coming year due to which there is good demand for seed material. The aggressive sales of seed material at farm levels has also contributed to lower availability of dried turmeric this season.

Farmers prefer to stock the materials for offseason, in anticipation of higher prices, intending to liquidate the stocks later this year. Despite steady demand, buyers have been cautious due to price increases observed in mid-March 2024. However, prices have seen a drop at the beginning of April compared to mid-March prices.

Price of turmeric
dropped by 16%
in early April
compared to
mid-March levels

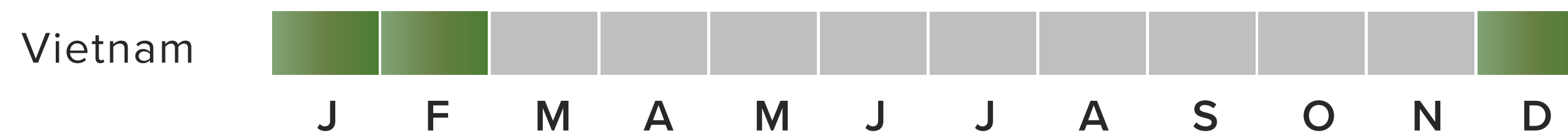


Major growing regions

India - Karnataka, Tamil Nadu, Andhra Pradesh, Telangana, Maharashtra, Meghalaya, Odisha and Kerala

Black Pepper

Harvest Season



Market Updates

Vietnam : Harvest is expected to complete by end of April. Arrivals are less, compared to previous year. The weather this year has been consistently sunny, favourable for drying pepper after harvest.

Due to lower prices over the last three years, farmers have shifted focus to alternative crops like durian, coffee and banana. Cultivation area has been decreasing over the past three years, with no new vines planted since 2017. Coffee prices have further seen an increase in the beginning of April compared to March, further encouraging farmers to harvest coffee in priority.

Demand remains strong from various markets such as the US, EU, and Asia, while Chinese demand remains subdued. FOB prices for 550GL machine cleaned variety have remained stable from mid-March till end of March at around USD 4.5 per kg.

Total black pepper production is forecasted to drop by 15% compared to last year.



Light Berry prices have increased by almost 2.5% during March end, trading at USD 4.2 per kg



Major growing regions

Vietnam - Dak Nong, Dak Lak, Gia Nai

Black Pepper

Harvest Season



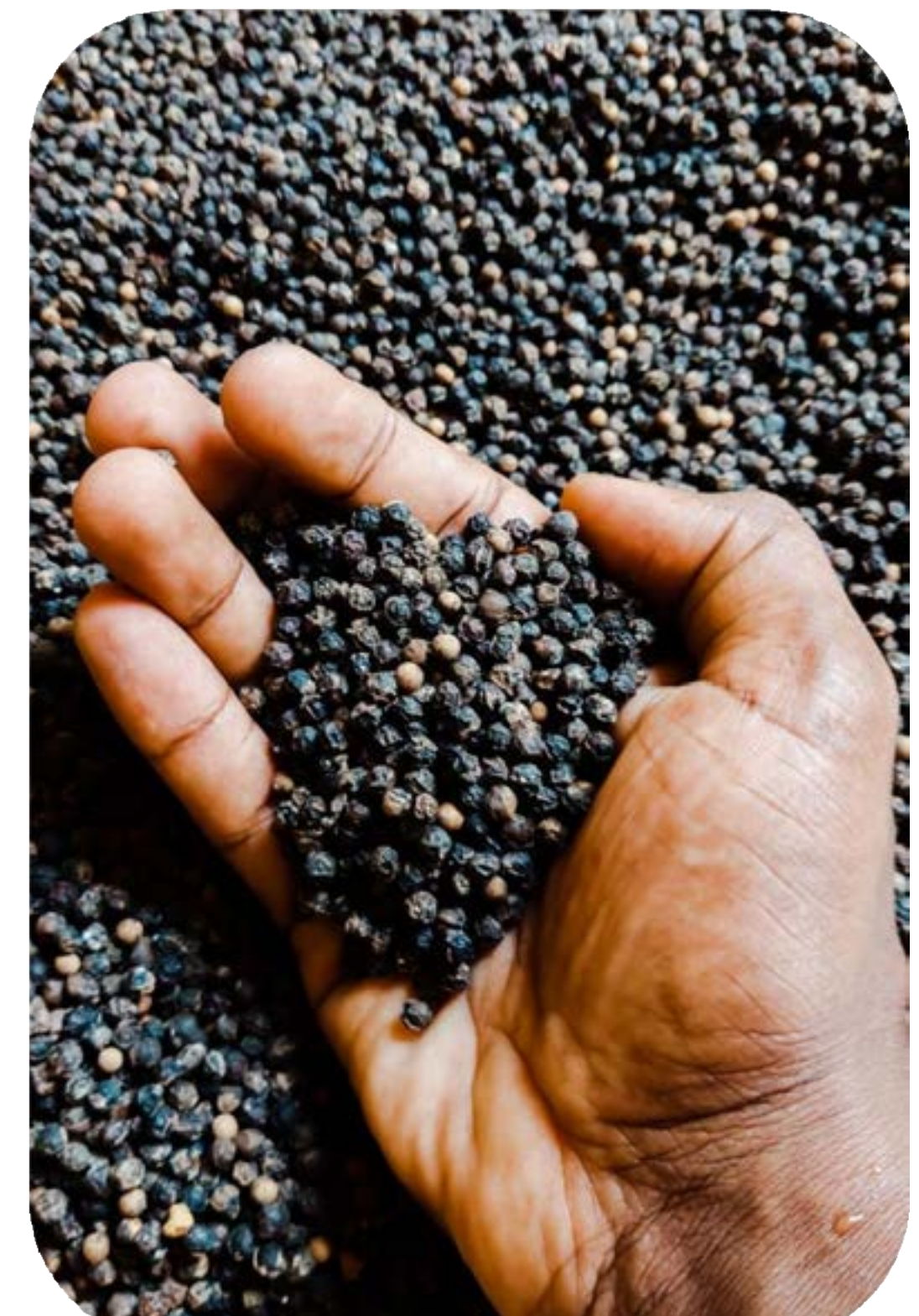
Market Updates

Brazil : Harvest in Southern region has been completed. Forecast for next season is not looking favourable given current weather condition. Farmers have faced challenges due to intense heat caused by El Niño, resulting in historically low yields. Drought conditions have also been reported, leading to pepper vines dying.

The next harvest from Northern regions is expected to start around August.

Prices remain stable for FOB 550GL machine cleaned variety remain stable at around USD 4.45 per Kg.

Intense heat in Brazil poses challenges for crop growth



Major growing regions

Brazil - Espirito Santo and Para

Black Pepper

Harvest Season



Market Updates

India : The harvest is in full swing in Kerala, Karnataka, and Tamil Nadu, and is nearing completion. Consistent arrivals are being reported, contributing to the overall production of black pepper, which is anticipated to be higher than the previous year. Though price fluctuations have been observed throughout March, prices have stabilised by the end of March and trading at USD 6.5 per kg.

Sri Lanka : Harvesting from Bibile and Matele has commenced but arrivals are low and are expected to increase in April. This year's crop output is expected to be better than last year. Prices have dropped slightly in 1st week of April compared to previous month, due to new arrivals. Carry forward stocks are reported to be low.

India's current harvest is nearing completion in all growing areas

Arrivals in Sri Lanka are expected to increase in April



Major growing regions

India - Kerala, Karnataka & Tamil Nadu

Sri Lanka - Kandy, Matale, Bibile, Ratnapura and Kegalle

Cumin

Harvest Season



Market Updates

Harvest has started and we are witnessing higher arrivals since the end of March. Arrivals from Rajasthan have commenced now and expected to increase in April. Dry weather conditions persist, favourable for cumin cultivation.

Last year, the cumin market saw record-high prices, leading farmers to switch from crops like mustard and coriander to cumin cultivation. This shift increased cultivation acreage by 30% - 40% compared to the previous year, potentially boosting total crop production. Estimated production this year is 550 Mn MT compared to 330 - 385 Mn MT during the 2023 season.

Last year carry forward stocks is low. New material is also entering into market. Price remain stable compared to previous month, as new crop arrives.

Arrivals are in full swing, and price corrections are expected in April with the influx of more material



Major growing regions

India - Rajasthan, Gujarat, Madhya Pradesh



Cardamom

Harvest Season



Market Updates

India: The Indian cardamom harvest has completed. Stocks continue to arrive at auctions from farmers and traders.

March end saw a spike in cardamom prices due to continuing heat conditions. Persisting heat is likely to cause prices to increase further. Steady demand is being observed. Rains in April and May will decide on cardamom prices for June/July. Guatemala cardamom is currently unavailable.

The intense heat prevailing in growing region has resulted in crop damages and have affected the yield levels



Major growing regions
India - Kerala

Coriander

Harvest Season



Market Updates

India: The coriander harvest is nearing completion across major growing regions. Gujarat harvest is almost completed with an average daily arrival of around 275 MT in March end, compared to peak daily arrivals of 1925 MT previous month.

Rajasthan average daily arrival is 2230 MT and Madhya Pradesh is around 2530 MT in March end.

This year, a 30% reduction in coriander acreage was observed in Gujarat and Rajasthan due to low prices in the previous year, prompting farmers to switch to other crops like Cumin. Demand has been high since crop output is expected to be low. Prices have increased by 6% by March end, compared to March beginning. Carry-forward stocks are higher compared to last year.

Prices have surged
by 6% now trading
at USD 1.06 per kg



Major growing regions

India - Gujarat, Rajasthan, Madhya Pradesh

Coriander

Harvest Season




Market Updates

Europe: The next sowing period for coriander is set to begin in June. Carry-forward stocks are limited.

The global spice trade is currently facing challenges stemming from the Red Sea crisis, impacting shipments originating from Eastern Europe. This situation is expected to persist for several months.

However, demand for coriander remains steady.



In Eastern Europe, prices of coriander stable



Major growing regions

Eastern Europe - Russia (Kransnodar), Bulgaria, Europe

Celery

Harvest Season




Market Updates

Celery is currently in the flowering stage, with the harvest expected to commence during middle of May. During sowing season, farmers had shifted to higher-priced crops like wheat and maize, resulting in a decrease in celery acreage by approximately 15-20%. current weather conditions remain favourable for crop growth, although it is still too early to estimate the crop yield accurately.

The carry-forward stock is low.

Prices have remained stable. Demand for celery is moderate, and there is lower availability of material in the market.



Limited
availability of
IPM grade
material
reported



Major growing regions
India - Punjab, Haryana

Fenugreek

Harvest Season



Market Updates

Harvesting of fenugreek has commenced, but arrivals are low. Madhya Pradesh reporting daily arrivals of around 375 MT, Gujarat 275 MT, and Rajasthan 40 MT.

Arrivals are expected to increase.

Carry forward stocks remain at a low level.

Demand is moderate.

Prices have
dropped by 8%
compared to
last month



Major growing regions

India - Gujarat, Rajasthan, Madhya Pradesh

Fennel

Harvest Season



Market Updates

Harvest is ongoing in all growing areas. Currently, the daily arrivals have significantly increased, at around 1925 MT compared to 275 – 385 MT per day in February.

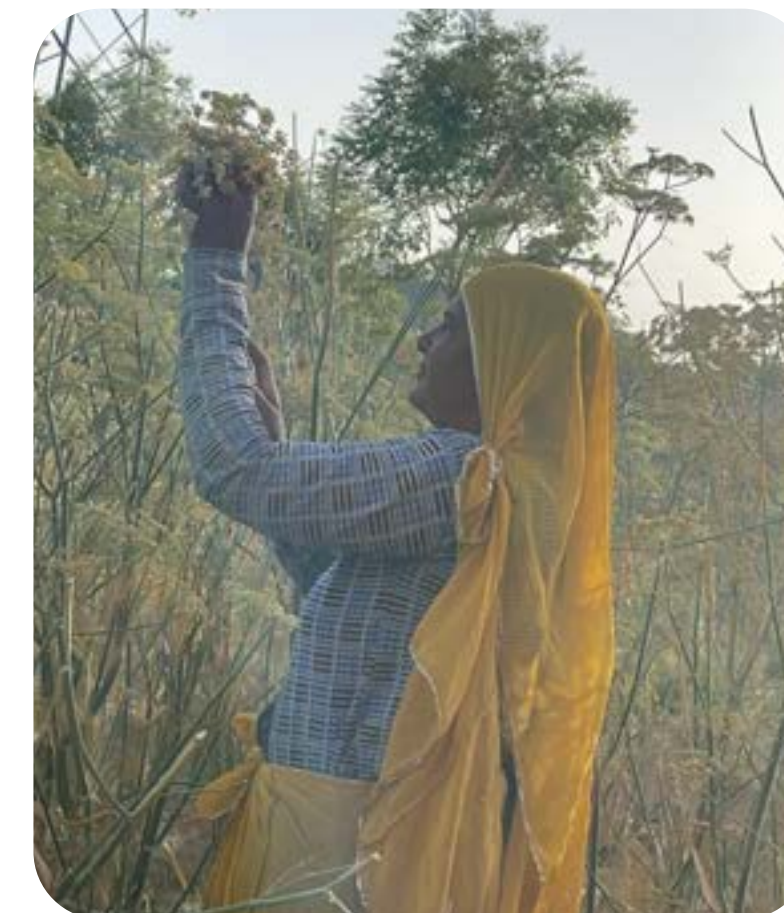
Prices have dropped by 13.6% by March end compared to beginning, and trading at USD 1.3 per kg.

Carry-forward stocks are moderate.

Anticipated good arrivals in April may lead to a drop in prices



Major growing regions
Rajasthan and Gujarat



Nutmeg

Harvest Season



Market Updates

India: Harvesting is ongoing with low arrivals and expected to pick up in April. The current weather conditions are favorable, with occasional light summer rains. Prices for BWP variety remains stable. Demand is consistent.

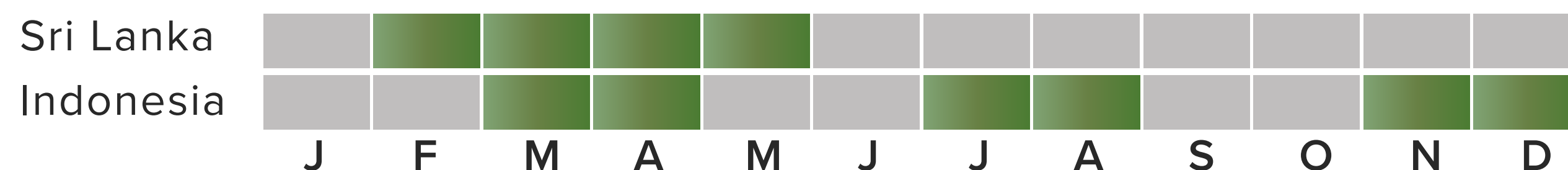
In India, prices for BWP grade in India remain stable

Major growing regions
India - Kerala



Nutmeg

Harvest Season



Market Updates

Sri Lanka: In the Kandy region, arrivals have increased compared to previous month. The climate is favourable, with good rains received in the growing region in March end. Arrivals are expected to increase by mid-April and are anticipated to continue until May. A 15% increase in production is anticipated. Prices have decreased by approximately 2% by the end of March compared to the beginning of March. Demand remains moderate.

Indonesia: Harvesting has commenced in the North Sulawesi province with low arrivals. Arrivals are expected to increase in May and June. The region is experiencing rainfall currently which is favourable for the crop.

In Sri Lanka, arrivals have increased compared to last month

Prices remain stable



Major growing regions
Sri Lanka - Kandy
Indonesia - Sulawesi



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