



ESSENTIAL OIL MARKET OVERVIEW

OCTOBER 2020

A monthly summary of the crop conditions and precipitation during the growing seasons of all the spices we offer from different parts of the world where they are at its best.



NUTMEG OIL

Crop situation remains same as reported during August. Nutmeg Oil market continues to be firm and upward. Demand for Indian Nutmeg oil from market have increased far beyond supply. It is now fag end of season; crop arrivals are still low and the pandemic incidence has affected various growing clusters in south India. Being a household farm

grown crop, the regular supply chain from the farm to collection centres have severely affected. There is an acute shortage for good quality raw material in the market and hence the availability of quality nutmeg oil is also less in the market and is expected to continue the same way till next April end 2021.

CARDAMOM OIL

Crop season is going on. The Cardamom plantation sector has been affected due to the outbreak of pandemic which has affected the availability of migrant workers, logistics and proper marketing facilities during the season. As the restrictions are currently getting relaxed by the Government, the situation is slowly coming back to normal. Cardamom production in the country has declined

in 2018-19 and 2019-20 due to the unprecedented flood and subsequent prolonged dry spell experienced in the major cardamom growing regions in the country. **The prices have declined considerably compared to last year and would be the right time to cover short - medium term requirements.**

CYPRIOL OIL

Market continues to be upward. The availability was poor last month due to early monsoon in growing region; the lockdown also had an impact in slowing down the arrivals. As indicated, the product being a small crop; smaller changes in demand is creating an increased price trend. **Expectations are that prices will rule firm for the year as the next season is 3 months away.**

DAVANA OIL

Crop sowing/nursery will start from the month of October - November. Price continues to be stable during the month. Shortage for high Davanone material continues. **Due to a reduction in carry over stock, prices are showing an upward trend.** It would be the right time to start covering for requirement till early next year as the new crop season will start only in February. It is too early to predict the new crop and Davana is also very sensitive to any change in climatic conditions.

TURMERIC OIL

Turmeric sowing is nearly complete across origins. The major growing regions have received good rainfall in the last couple of weeks, which is favourable for the standing crop. Arrivals have improved across origins, especially in Marathwada markets. The prices rallied up 3% - 4% during the second half of August. However, it has corrected down by 2%, due to lack of aggressive buying interest at higher price levels.

LEMONGRASS OIL

Due to sudden demand in market there was a **sharp increase in price during past few months.**

Production has picked up in growing regions across India due to a favourable monsoon. Though distillation had stopped in between due to rains; Production is expected to pick up, to meet the continuous demand generated in the market.

PALMAROSA OIL/ GERANIOL

Market remains stable; The production is expected to resume after monsoon, rains are expected till October/November. Carry over stock is low & is expected to remain low till October. The lower demand in the market kept the prices steady till recently; **currently market is showing an upward trend for the oil.**

CITRONELLA OIL

India is a small producer of Citronella Oil unlike other origins. Prices were at all time low till recently. But **demand have currently picked up & the prices have started slowly moving up.**

GINGER GRASS OIL

Crop is small and slight increase in demand pushes the market up. **The prices are slightly upward with recent demand for the Oil in market.**

HOLY BASIL OIL

The season will start by November. Carry over stock is low. **There is an upward trend in price due to demand.**

GINGER OIL

The climate is favourable for the crop. The demand for oil is sharply increasing due to poor arrivals of raw material. Extraction grade ginger availability continues to be limited. **Current prices are stable at a slightly higher level.**

CLOVE BUD OIL

There is good availability from this season and that has helped to keep the prices lower. It is a good time to cover for the year

VETIVER OIL

There is a growing interest towards Indian Vetiver oil, due to its unique aroma, highly preferred by perfumers. **It is the right time to cover as prices have been lower till now.**

CUMIN SEED OIL

The key cumin growing regions are experiencing normal to excess rainfall. Export and domestic demand were weak during the last few weeks. Market is at multi-year low. **Conventional prices are expected to remain stable.**

FENNEL OIL

The crop is better; **the raw material prices are steady.** Unless the demand is high; there is no reason for further increase in price

AJOWAN SEED OIL

The raw material prices are steady. Unless the demand is high; there is no reason for further increase in price

DILL SEED OIL

The new raw materials have arrived into the market. **The demand is limited, and the prices continues to be steady.**

Kancor Ingredients Limited is a pioneer in the field of Global Spice Extraction, whose roots in the spice trade can be traced back to 1857, at the spice capital of the world; Cochin. Now a part of the Mane Group, France - one of the largest Flavour and Fragrance companies in the world; Kancor specialises in complete food ingredient solutions, from sourcing of raw materials, extraction, research and formulation, to testing and final delivery.

The year 2019 marked the 50th anniversary of the company.

FSSC 22000, ISO 9001, ISO 45001, ISO 50001, ISO 14001, GMP, CODEX HACCP,
HALAL- MUI, IFANCA, HALAL INDIA, KOSHER- OU, FAMI-QS, RSPO, SEDEX, ORGANIC.



Kancor Ingredients Limited

P: +91 484 305 1100 | E: enquirykancor@mane.com | W: www.kancor.com