

WE  
CAPTURE  
WHAT  
MOVES



KANCOR

# SPICES MARKET OVERVIEW

## SEPTEMBER 2021

A monthly summary of the crop and market conditions of various spice crops from growing regions:



# BLACK PEPPER

## Global Market Scenario

Black pepper across the globe have shown a positive outlook during August. Indonesia, Vietnam and Sri Lanka continued its firm trend while Indian pepper prices was almost steady during the month. The good export and domestic demand have caused the prices to go up in Indonesia and Vietnam pepper prices at the domestic markets. Black pepper prices are likely to continue firm in September as harvesting in Sri Lanka and Indonesia are disrupted and also due to the logistic issues because of Pandemic.



# INDIA

2021 - 22 pepper crop in India is expected to be almost same as last season due to the current favourable weather conditions prevailing in Kerala and Karnataka states. The current sunny weather conditions along with intermittent rains are helping the berry setting in pepper plants as of now.

## Market Trend

The pepper prices were almost steady during the month of August but the prices in medium term would depend on the volatility of Srilanka pepper prices and the demand for pepper during the upcoming festival season in India.

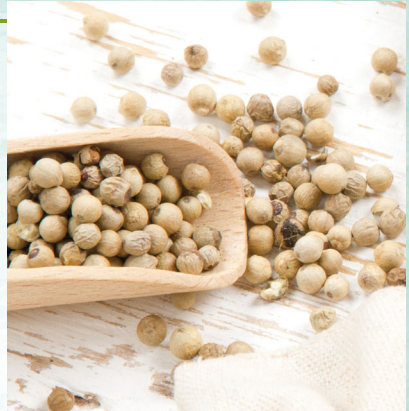


# INDONESIA

The Second wave of Covid pandemic in Indonesia almost disrupted pepper harvesting and hence the availability of light berries was limited. Most of the pepper processing and trading centres were closed during the month and much trade did not happen during the month as normal life was paralysed due to pandemic restrictions during the month.

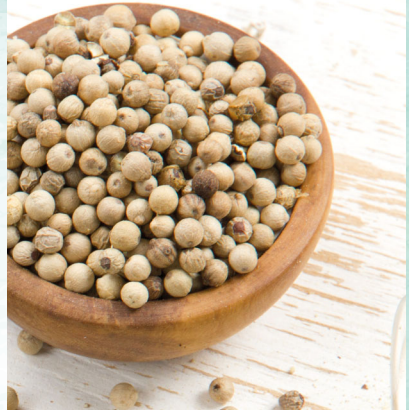
## Market trend:

Light pepper availability in Indonesia was limited due to less availability and further delay in harvesting will make the light berries availability short as all berries would mature into bold berries. The increase in price



is also due to increase in Sea freight, container, and vessel availability issues.

**White pepper** : Prices were firm due to limited availability and demand from China. Extraction grade light pepper availability was almost nil. Available white light pepper was traded domestically by local grinders and processors.



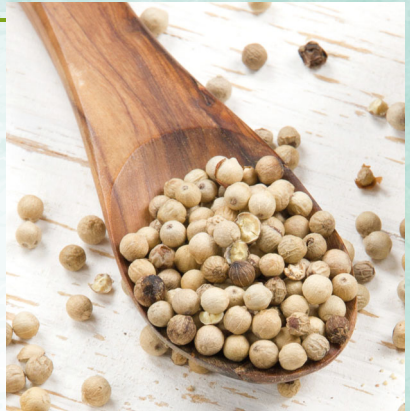


## VIETNAM

Vietnam pepper crop is in its flowering and berry setting stages. As per the secondary reports the next season is expected to be better than last year as farmers have been taking good care of their crop this year due to better prices this year. Sources are forecasting the production to be above 200,000 tons more than the IPC projection of 180,000 tons for next year.

### Market trend:

Heavy pepper prices in Vietnam have shown a slight firm trend due to off-season and good export demand. Currently, light pepper is not available in Vietnam.



## SRI LANKA

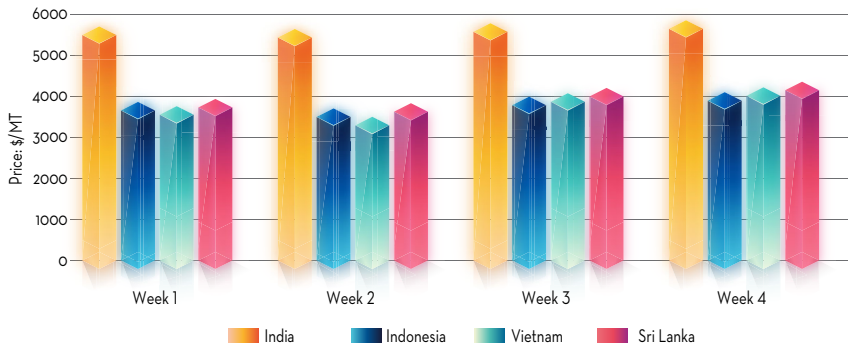
Pepper harvesting in Sri Lanka is getting disrupted due to pandemic issues currently as Sri Lanka govt has extended its lockdown till 6<sup>th</sup> of September. Although they have completed 70% of pepper harvesting, farmers and traders are holding on to their stocks anticipating better prices in long term.

### Market trend:

Black Pepper arrivals to markets were limited at terminal markets due to delayed harvesting and post-harvest operations. Firm trend is expected to continue in medium term. Meanwhile, offers for light berry are less due to less availability.



## FOB prices for bold pepper in different origins in USD/MT





# CAPSICUM

Capsicum seedlings transplantation have started in almost all chilly growing states of India. As per reports, cultivation area is likely to increase during the season since all farmers consider Chilli as one of the remunerative crop during last few years.

## Market trend:

The current chilli availability is from cold storage stocks, average arrivals in Khammam and Warangal markets during August was 2000 - 3000 bags per day whereas in Guntur it was around 75000 - 80000 bags. Prices have shown a steady or slight declining trend during the month. According to trade sources,



chilli prices are expected to continue like this in the medium term unless there is an unusual export demand.

# PAPRIKA

## India

Extensive Paprika cultivation is reported from growing regions in Karnataka state. Paprika includes - all varieties of low pungent and high colour varieties. Weather conditions and water availability has been good so far which has been good for the growth of the chilli plants.

## Market trend:

Paprika prices remained higher during the month due to good demand from North Indian buyers. Prices would stay at higher levels due to limited availability and festival season demand in the medium term.



# TURMERIC

Turmeric crop next season is expected to be almost same as last year according to trade reports. There are reports on sporadic floods and water logging in some of the farms in Maharashtra and Telangana, but it may not affect the overall production in the country.

## Market trend:

Regular finger and bulb varieties of turmeric traded steady at all domestic markets. Prices are expected to remain steady in the medium term since export demand is not good.



## PANANGALI & KOCHA

Panangali and Kocha turmeric availability was limited, and prices were almost steady.

### Indonesia

Turmeric crop harvesting is delayed or stopped in many growing regions of Indonesia due to increasing pandemic issues. Prices are high due to the increase in logistic costs.



# DRY GINGER

## India

The Ginger crop is in its vegetative stage in all the growing regions of India. The weather has been ideal so far for the growth of ginger cultivation. The area under ginger cultivation is expected to come down next season as farmers have not increased their area due to low prices they got during this season.

## Market trend:

Extraction grade dry ginger prices declined marginally due to good stock position at cold storages.



# CELERY

The next sowing season for celery is October and it is too early to predict the next crop.

## Market trend:

Celery availability was good at the Celery markets and current price for extraction grade celery is steady.





## NUTMEG & MACE

As reported, nutmeg production in India is short by 40% during this season. All other Origins have also reported short in production during the 2021 - 22 season.

Prices are expected to increase in the coming months because of the off-season and festival demand.



# CASSIA

Even though cassia arrivals have started in Indonesia, prices remained at higher levels due to good demand. Currently, harvesting is disrupted due to pandemic restrictions in Indonesia.

## PRICES FORECAST FOR SHORT AND MEDIUM TERM

SPICES RM	VARIETY	SHORT TERM	MEDIUM TERM
Black Pepper	Sri Lankan	Firm	Firm
	Indonesian	Firm	Firm
	Vietnam	Steady	Steady
Chilli	Teja Red	Steady	Steady
Turmeric	Erode - Panangali	Steady	Steady
Ginger	Shimoga	Steady	Firm

Disclaimer : Please note some of the information and images used have been taken from other sources. The crop market overview is according to the best of our knowledge. Please note that there can be deviations in the forecast from the actual market conditions.

Mane Kancor Ingredients Private 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. Mane Kancor specialises in complete natural food ingredient solutions right from sustainable sourcing of raw materials, clean extracts, advanced research and formulation. Mane Kancor has its presence in over 75 countries and has regional distribution centers across the world and multi-locational factories in India.

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



MANE KANCOR INGREDIENTS PRIVATE LIMITED

P: +91 484 6730 300 | E: [enquirykancor@mane.com](mailto:enquirykancor@mane.com) | W: [www.manekancor.com](http://www.manekancor.com)