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# Spices Market Overview

March | 2022

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



# BLACK PEPPER

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## Global Market Scenario:

Black pepper markets in India have shown a rather positive outlook towards end of February 2022 and prices ruled firm. In Sri Lanka, pepper prices also were showing a firm trend due to less domestic inflow and huge export demand especially from India. Vietnam pepper markets were silent due to TET holidays, but arrivals have increased after TET holidays. Indonesian black pepper and white pepper prices remained almost steady during February.



# INDIA

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Pepper harvesting in India is about to complete and crop is reported to be short by 15 - 20% according to farm level reports. Due to speculation, traders and stockists were aggressive in domestic markets to collect pepper for storage purposes. Pepper harvesting in India would be complete by March 2022.

## Market Trend:

Arrivals from new crop has increased in domestic markets. Due to speculation and demand market had shown a firm trend. Indian pepper price would likely to continue its firm trend during medium term. Less pepper availability from Sri Lanka also fuelled Indian pepper prices in February.



# INDONESIA

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The Next black pepper crop season in Indonesia will start from June onwards and it is too early to estimate the production for 2022 season.

## Market trend:

Black pepper and white pepper prices in Indonesia remained stable during February 2022. Most of the factories and markets were closed due to Chinese New Year holidays. Exports were limited due to container and vessel availability as well.



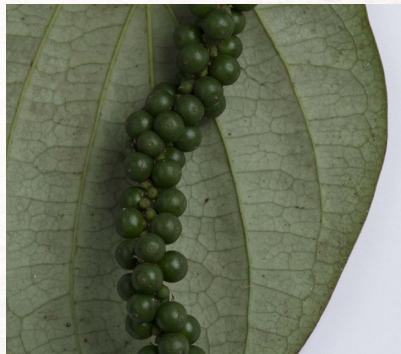
# VIETNAM

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Pepper harvesting in Vietnam is in full swing especially in main producing provinces of Daknong, Daklak, Bin Phuoc and Gia Lai. This will bring more heavy pepper to market and can expect inflows to rise till end of March. In February, pepper markets were almost silent due to holidays and many activities were not reported even after re-opening.

## Market trend:

Prices of extraction grade light pepper remained at higher levels due to less availability of quality pepper.





## SRI LANKA

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Harvesting and arrivals of black pepper from Kandy region is almost complete. Main crop in Sri Lanka this year is estimated to be short by 15-20% according to latest reports. Harvesting would likely to happen from second half of April onwards. Production estimate for 2022 season is around 15000 - 18000 tons against a normal production of 20000 - 25000 tons.

### Market trend:

Black Pepper prices in Sri Lanka remained at higher levels during February 2022. Availability of extraction grade Light pepper was almost nil.



# CHILLI

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Chilli harvesting continued in all major chilli producing states in India, currently last phase of harvesting is going on in most of the regions. Western flower thrips attack over chilli farms continued throughout season and damaged chilli crop extensively resulting yield drop and drying of plants at farms. As reported, the quality of chilli is also affected in terms of capsaicin and colour value. Chilli arrivals are expected to stop at major domestic markets during April.

## Market trend:

Chilli arrivals are steady in all domestic markets. Currently it is a sellers' market due to the less



availability and hence the prices have been ruling high during the month and is not expected to come down the entire season. The Stocks in cold storages are also reported to be less as there has been severe offloading of stocks to the market due to the high prices. Chilli arrivals and availability is expected to reduce after 15th of April.

# PAPRIKA

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## India

Paprika harvesting in India is in its last phase and arrivals have increased in domestic markets. Compared to last season arrivals during the same period in 2022 have shown an increase due to good production in local Byadgi, Kundgol and Gadak regions. Arrivals during 2020 Nov - Dec was around 0.70 Million bags whereas in Nov-Dec 2021, it was around 0.84 Million bags. During Jan '21 arrivals were around 0.73 Million bags while in Jan 2022 it was 1.54 Million bags. In Feb 2021 paprika arrivals were around 1.25 Million bags whereas, Feb '22 recorded arrivals of 1.5 Million bags. In a nutshell,

there is an increase of 1.15 Million bags recorded compared to last season at the same period.

## Market trend:

Paprika / medium color chillies including KDL, Dubby and other varieties showed a slight declining trend during February due to increased arrivals, but the prices are still much higher compared to last year. Since prices have declined, traders will start keeping in cold storages. Prices would be steady during medium term.



# TURMERIC

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Turmeric harvesting has started in some of the producing states in India and sporadic arrivals from new season has started arriving to the market. Karnataka and Maharashtra states have started harvesting in January and in other states harvesting is expected to start during March.

## Market trend:

Prices are almost stable and would continue the same trend during medium term. Currently, oleoresin companies are aggressive in the market for Gundalpet finger turmeric.



## PANANGALI & KOCHA

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Kocha turmeric from Sangli market has started and is currently available. Market opened high due to good demand from oleoresin companies.

### Indonesia

Indonesian turmeric availability is limited, next season starts during June - July 2022. Crop is reported to be normal.



# DRY GINGER

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## India

Ginger harvesting in India is going on and expected to last till April. Arrivals from new season crop have increased at domestic markets. Crop is reported to be short by 10 - 15% this year.

## Market trend:

Dry ginger prices have shown a firm trend towards end of February due to speculation and demand from domestic buyers. Prices are expected to go up in March as fresh ginger prices have increased almost 40% compared to January 2022.



## NUTMEG & MACE

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Nutmeg harvesting in India would likely to start during May - August 2022. Nutmeg crop is estimated to be short by 15 - 20 % according to farm level reports, Due to less availability prices remained at firm levels. Indonesian BWP grade nutmeg prices continued its firm trend during.

### Celery

Celery crop for next season is expected to be almost same as last season. Crop harvesting is expected during May 2022.



# CASSIA

Cassia availability is reported good at Indonesian markets due to harvesting and less export demand. Prices were almost steady

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.

## PRICES FORECAST FOR SHORT AND MEDIUM TERM

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



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