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SPICES MARKET OVERVIEW

September 2024

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

WEATHER FORECAST:

Key states Rainfall from 1st June 2024 to 29th August 2024

States	Actual mm	Normal mm	% Departure	Category
Andhra Pradesh	456.3	360.3	27%	Excess
Telangana	617.7	561.8	10%	Normal
Maharashtra	1018.5	797.2	28%	Excess
Karnataka	818.9	659.9	24%	Excess
Kerala	1488.7	1723.2	-14%	Normal
Tamil Nadu	335.3	204.3	64%	Large Excess

- Active monsoon conditions prevailed over some parts of Northeast India and adjoining eastern parts of India, some parts of northwest India and many parts of Southeast Peninsula.
- Weak monsoon conditions prevailed over west coast of India and most parts of central India except Rajasthan.
- Extreme Heavy Rainfall over Meghalaya during 20th to 21st August; East Rajasthan on 16th August and Tripura on 20th August.
- Low Pressure Area over central and adjoining North Bay of Bengal. It is likely to move west-northwestwards and become more marked over west central and adjoining northwest Bay of Bengal by 30th August. Thereafter, while moving towards north Andhra Pradesh and adjoining south Odisha coasts, it is likely to intensify into a depression over west central and adjoining northwest Bay of Bengal during subsequent 2 days.

*IMD - India Meteorological Department.

RAW MATERIALS:

BLACK PEPPER

Global Market Scenario

- The black pepper market in August displayed a strong trend across all origins, attributed to low stock levels and minimal selling pressure.
- The price of Indian pepper remained firm in both local and international markets.
- Similarly, the local and international prices for Indonesian pepper also showed a firm trend in August, partially due to the strengthening of the Indonesian Rupiah against the US Dollar.
- Sri Lankan pepper prices for both local and international markets continued to exhibit a firm trend as the season ended.
- Additionally, Vietnamese pepper prices maintained a firm trend in August, driven by low availability and robust demand.

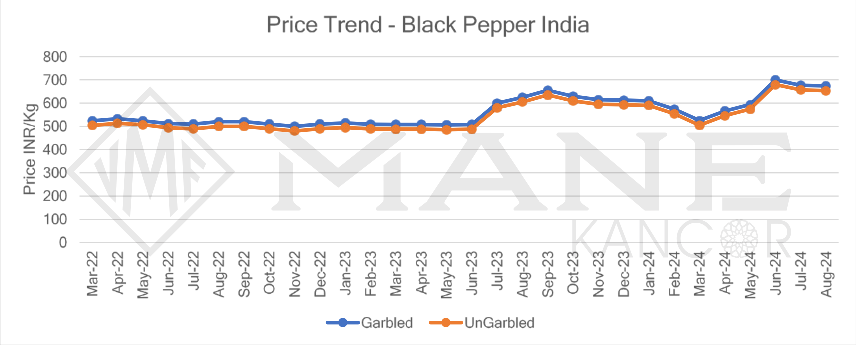
INDIA

Season

BLACK PEPPER	INDIA	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC

Crop Status & Market Trend:

- Black pepper prices exhibited a firm trend in August.
- The arrival of the new crop is anticipated in November.
- A total of 4,350 tons of pepper were imported into the country from Sri Lanka, Vietnam, and Brazil to meet domestic demand.
- The high volume of imports has stabilised prices in the domestic market.
- Farmers are dissatisfied with the current price levels.
- Expectations are that firm prices will continue until the new season.
- Ungarbled pepper was traded at ₹654/kg, while garbled pepper was traded at ₹674/kg in domestic markets.


Price Trend - Black Pepper India
Price INR/Kg
800
700
600
500
400
300
200
100
0
Mar-22
Apr-22
May-22
Jun-22
Jul-22
Aug-22
Sep-22
Oct-22
Nov-22
Dec-22
Jan-23
Feb-23
Mar-23
Apr-23
May-23
Jun-23
Jul-23
Aug-23
Sep-23
Oct-23
Nov-23
Dec-23
Jan-24
Feb-24
Mar-24
Apr-24
May-24
Jun-24
Jul-24
Aug-24
Garbled
UnGarbled

INDONESIA

Season

BLACK PEPPER	INDONESIA	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC

Crop Status & Market Trend:

- Pepper prices have shown a firm trend in August.
- The arrival of the new crop has peaked, with 50% of the crop already sold.
- Buyers from Vietnam and the Middle East are highly active, and prices are expected to increase further in September.
- Farmers are selling their crops due to favourable price levels.
- Currently, light berry black pepper valid offers available.

WHITE PEPPER (WP)

Crop Status & Market Trend:

- Muntok white pepper prices have shown a firm trend in August.
- Material availability is extremely low, and stockist are holding onto their stocks.
- Vietnamese and Chinese buyers are actively purchasing material to cover their requirements.
- White pepper prices are expected to maintain their firm trend.
- Currently, light berry white pepper valid offers are not readily available.

VIETNAM

Season

BLACK PEPPER	VIETNAM	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC

Crop Status & Market Trend:

- The Vietnamese pepper market exhibited a firm trend in August.
- The El Niño and La Niña phenomena have severely impacted the pepper crop, resulting in a lower overall yield this season.
- The area dedicated to pepper cultivation is expected to decrease in the coming years.
- Carryover stocks are extremely low compared to previous years.
- Prices for the new crop season are anticipated to open firmly.
- Currently, light berry pepper valid offers are not available.

SRI LANKA

Season

BLACK PEPPER	SRI LANKA	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC

Crop Status & Market Trend:

- Sri Lankan pepper prices exhibited a firm trend in August and the crop season has ended.
- Demand for light berries remains strong, but the availability of light berries was lower than expected due to high demand for bold pepper.
- Firm offers are not readily available.
- The persistent demand for bold pepper is likely to sustain the firm pricing trend in the Sri Lankan pepper market.

BRAZIL

Season

BLACK PEPPER	BRAZIL	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC

Crop Status & Market Trend:

- The pepper harvest season has begun in Brazil, but the crop has been severely damaged in many regions due to dry weather during the growing stage.
- The Espírito Santo region, a major pepper producing area, is experiencing a severe drought. Production losses are expected to be significant in this region.
- Dry conditions in Brazil, exacerbated by the El Niño weather pattern, have led to a 15% year-over-year decline in pepper production.
- Prices are expected to remain firm due to the reduced supply from Brazil,

CHILLI

Season

CHILLI	INDIA	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC

Crop Status & Market Trend:

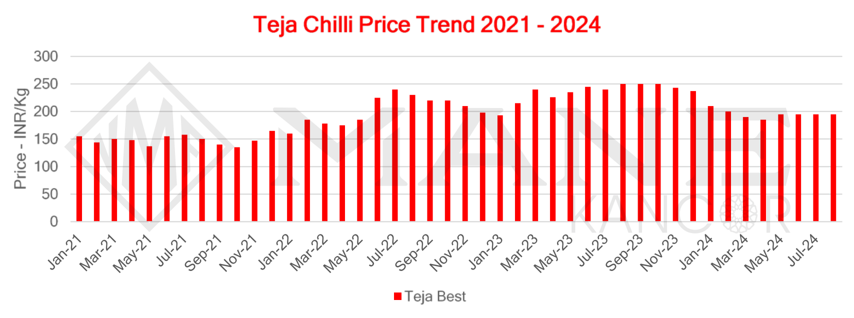
- The chilli trade has been sluggish in August due to subdued demand.
- Seventy percent of transplanting has been completed in Andhra Pradesh and Telangana.
- The monsoon has been favorable this season, contributing positively to crop conditions.
- Stockists and traders are holding onto their stocks, anticipating price increases in the coming months.
- Prices for all major varieties have remained stable.

- The chilli crop in Madhya Pradesh is reported to be in good condition, with normal sowing levels.
- The current market dynamics reflect a cautious optimism, as favorable weather conditions may support future production, despite the slow trade activity observed in August.

Current market price of other major varieties is:

341/334 Chilli	: INR 120 -170/kg. (CS)
5531 Red medium quality	: INR 120 -150/kg. (CS)
Teja Red	: INR 185 -195/Kg. (CS)

Price Trend:



Teja Chilli Price Trend 2021 - 2024
Price - INR/Kg
300
250
200
150
100
50
0
Jan-21
Mar-21
May-21
Jul-21
Sep-21
Nov-21
Jan-22
Mar-22
May-22
Jul-22
Sep-22
Nov-22
Jan-23
Mar-23
May-23
Jul-23
Sep-23
Nov-23
Jan-24
Mar-24
May-24
Jul-24
Teja Best

PAPRIKA
INDIA

Season

CHILLI	INDIA	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC

Crop Status & Market Trend:

- Ninety percent of transplanting chilli seeds has been completed in Karnataka.
- We expect to receive details on the crop acreage by the end of September.
- Traders and stockist are actively holding the chillies, expecting a price increase.
- Prices have indicated a stable trend for the high and medium color varieties.
- The market has been slow in August owing to low demand.

TURMERIC

Season

TURMERIC	INDIA	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC

Crop Status & Market Trend:

- Regular finger turmeric prices have shown a stable trend throughout August.
- Sowing of the new crop has been completed in major growing areas, with a reported increase of 20% compared to last year.
- Rainfall has been favorable across most regions, positively impacting crop growth. However, excessive rain has caused damage in some areas.
- The curcumin market remains firm, with prices ranging from ₹7,300 to ₹7,500 per kg, and valid offers are currently available.
- Prices are expected to maintain a firm trend in the long term.
- Extraction-grade finger turmeric is currently offered at ₹145 to ₹150 per kg.
- Kocha availability is extremely low.
- Panangali availability is also extremely low.

INDONESIA

Crop Status & Market Trend:

- Turmeric prices continue to exhibit a firm trend.
- Crop arrivals are nearing completion, with reports indicating a short supply.
- High demand for wet turmeric has negatively impacted dry turmeric production.
- European and Asian buyers are actively sourcing material in the market.
- Prices are expected to maintain their firm trend in the long run.

DRY GINGER

INDIA

Season

GINGER	INDIA	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC

Crop Status & Market Trend:

- Prices for premium quality dry ginger have indicated a stable trend in August.
- Wet ginger prices have firmed up due to damages caused by the heavy rains.
- Wet ginger is currently traded at INR 180 per kgs.
- New crop harvesting is expected to start in November-December.
- Dry ginger material availability is extremely low. High demand and low availability are sustaining the prices.
- Extraction grade dry ginger offers are extremely low.
- Quality of the available material is also lower.

NIGERIA

- The price of Nigerian ginger has continued the firm trend in August.
- Ginger crop condition is reported to be good.
- Current available quality is inferior.
- Extraction grade Nigerian Sliced Ginger offers is very less.

CELERY

Season

CELERY	INDIA	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC

Crop Status & Market Trend:

- Celery seed prices have indicated a stable trend in August.
- Stockists are slowly releasing the stocks in the market; hence arrivals have improved.
- International and domestic demand continues to be slow.

NUTMEG & MACE

Season

NUTMEG	INDIA	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC

Crop Status & Market Trend:

- Indian nutmeg and mace prices have shown a firm trend in August.
- The nutmeg and mace crop season are ongoing, but the quality of the material is reported to be low.
- Expectations are that prices will increase in the coming months.
- Indonesian nutmeg prices have also shown a firm trend in August due to a short supply of material.
- New crop arrivals are expected in October.

CASSIA

Season

CASSIA	VIETNAM	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
	INDONESIA	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC

Crop Status & Market Trend:

- Indonesian Cassia prices have indicated a firm trend in August.
- Demand has been good this season.
- High VO material availability is low.
- Vietnam Cassia prices also indicated a firm trend in August.
- Low availability has supported the prices.
- High VO material availability is low. The arrivals will improve in coming month.
- Prices are expected to continue the stable trend once the arrivals improve.

Price Forecast for Short and Medium Term:

Spices RM	Variety	Short term	Medium term
Black Pepper	Sri Lankan	Firm	Firm
	Indonesian	Firm	Firm
	Vietnam	Firm	Firm
Chilli	Teja Red	Firm	Stable
Turmeric	Erode Panangali	Stable	Stable
Ginger	Shimoga	Stable	Stable

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 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 80 countries and has regional distribution centers across the world and multi-locational factories in India.

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