



Spices Market Report

December 2024



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MERRY
CHRISTMAS
And Happy New Year

Capsicum

Harvest Season



Market Updates

Southern India:

The capsicum crop in South India remains in good condition, progressing through the fruit-setting stage, with early-planted crops starting to arrive by mid-month. The Fengal cyclone has had minimal impact on the capsicum crop in Andhra Pradesh and Telangana. Current weather conditions, characterised by supportive low temperatures and the absence of heavy rainfall, continue to favour crop growth as seen in November.

Domestic and export demand remain subdued, and prices have seen a drop for material arriving from Madhya Pradesh. Stock levels in cold storage are also higher than last year.

It remains to be seen whether the quality of the crop in terms of capsaicin content would be in the normal range and not as low as last season.

There is limited availability of IPM-grade variety.



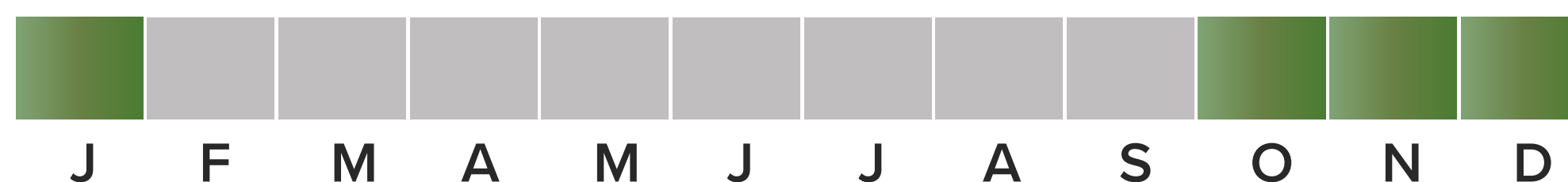
Major growing regions

Andhra Pradesh and Telangana

Capsicum

Harvest Season

Central India



Market Updates

Central India :

The capsicum crop is progressing well, with the third round of green chilli harvesting complete and red chilli harvesting progressing. Favourable weather supports a projected 15% yield increase compared to last year. Harvesting has started, exerting downward pressure on prices.

Initial arrivals are of lower quality due to the early season. Export demand is stronger than last year, though major countries are cautious. Carry-forward stocks maintain a steady supply.

Red chilli prices declined with quality.



Major growing regions
Madhya Pradesh and Maharashtra

Paprika

Harvest Season



Market Updates

India:

Paprika crop in India is progressing with early-sown areas beginning limited red chilli harvesting, while most regions remain in the green chilli stage. Weather conditions have been favourable, with no significant pest or disease outbreaks reported, supporting healthy crop development. There has been a 25% reduction in cultivation acreage compared to last year, but yields per acre are expected to be better, thereby reducing the overall drop in crop from last season.

Domestic and export demand remains subdued. Approximately 40% of cold storage facilities are filled with material, representing the highest carry-forward stocks seen in the last four years. Quality is moderate, as current supplies come from the first picking cycle, with improvements expected in subsequent cycles.

There is limited availability of IPM-grade variety.



Major growing regions
Karnataka

Paprika

Harvest Season

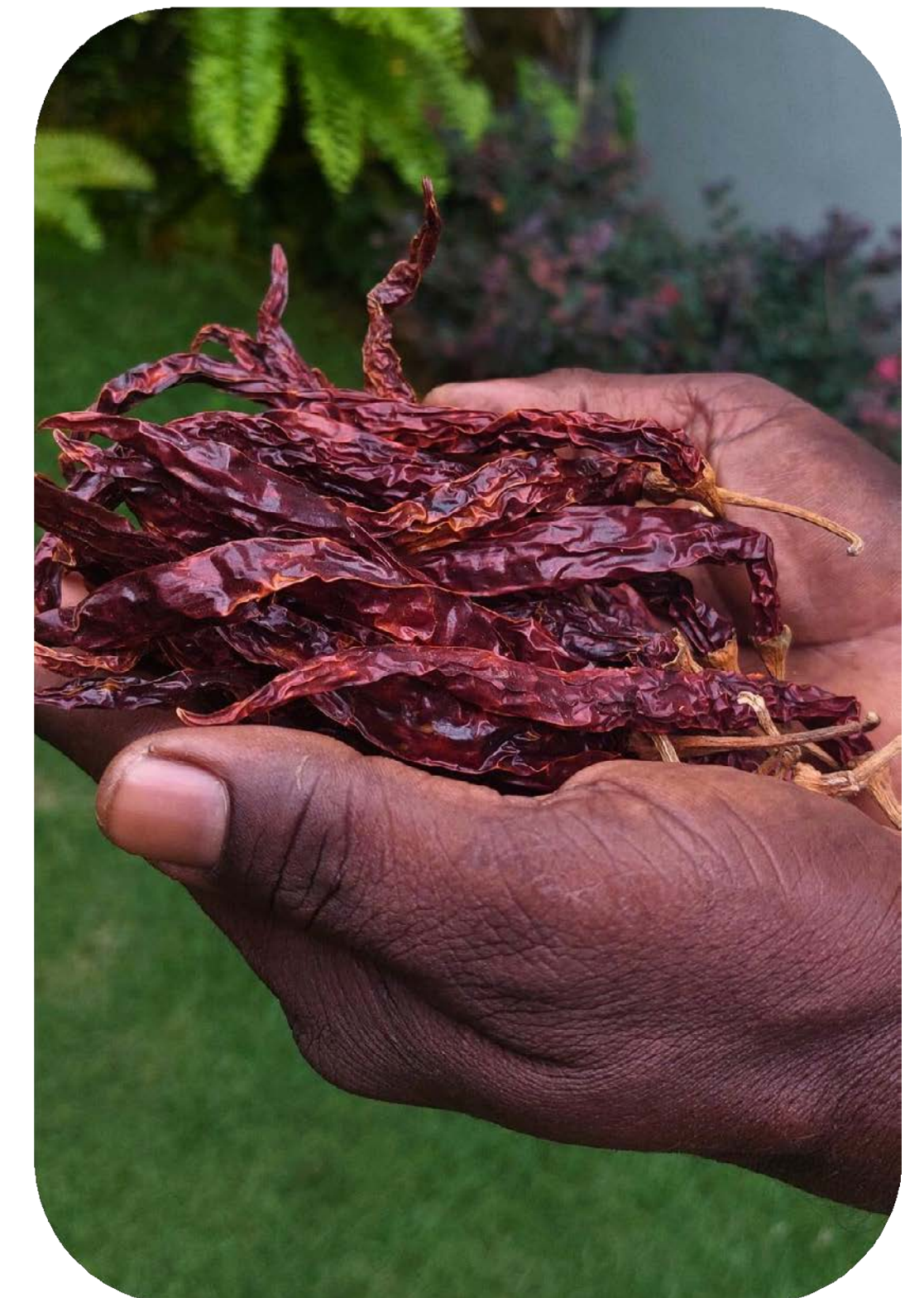


Market Updates

China:

Harvesting has been completed across all growing regions, with the overall crop reported to be approximately 30% higher than last year. This significant increase in production has contributed to the lowest paprika prices observed in the past five years.

Prices are currently about 20% lower than last year.



Ginger

Harvest Season

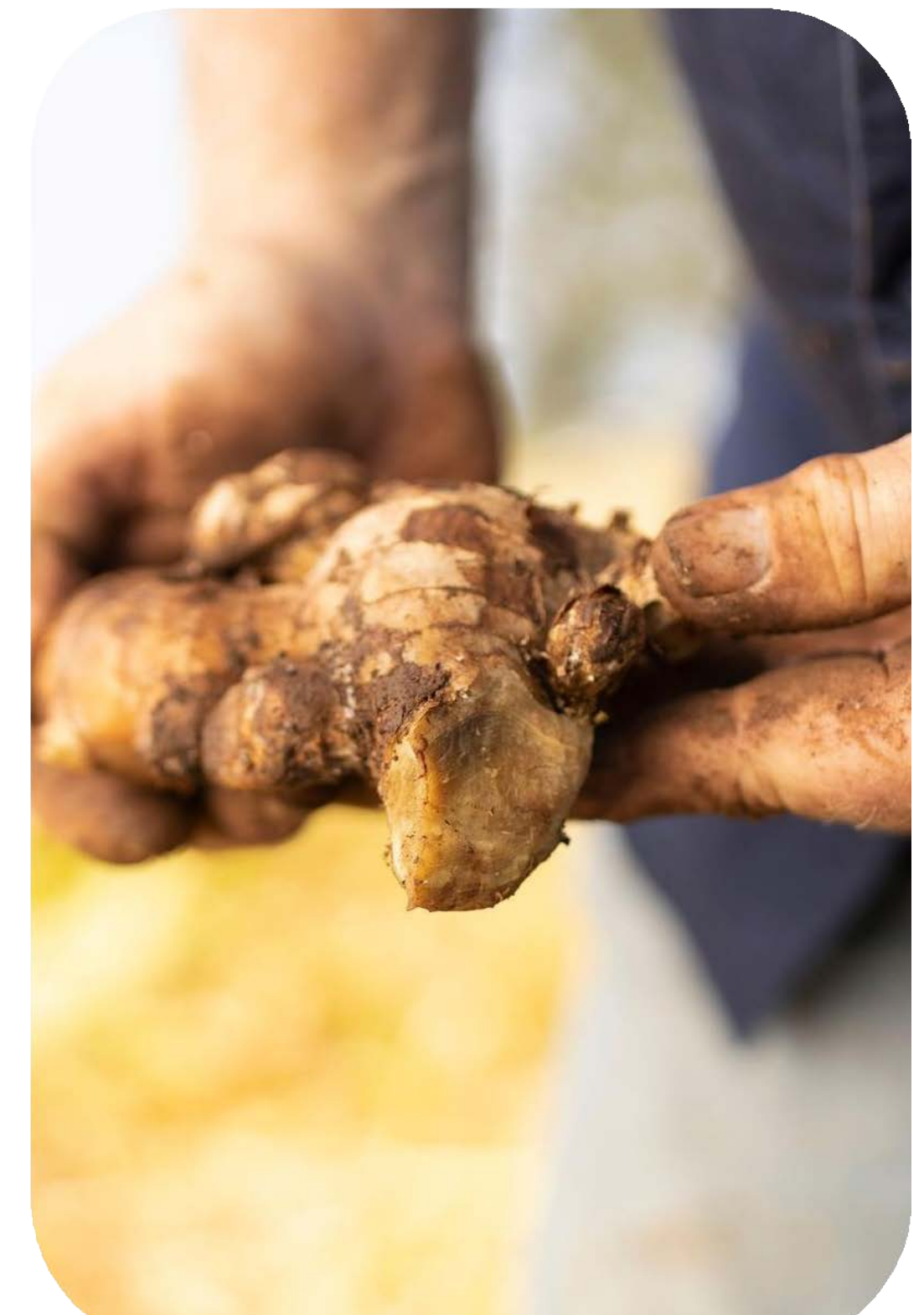


Market Updates

India :

The ginger crop is progressing, with drying of fresh ginger underway but slowed by cold and misty weather. No major reports of soft rot or leaf rot has come in. Carry-forward stocks for dry ginger remain low as the new season begins. Market demand for fresh ginger is stable, but supply is abundant, reducing prices. Dry ginger demand is lower than last year. Logistics and arrivals are slower than last year keeping prices firm

Prices for Indian ginger remain firm despite possibility of a good crop.



Major growing regions

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

Ginger

Harvest Season

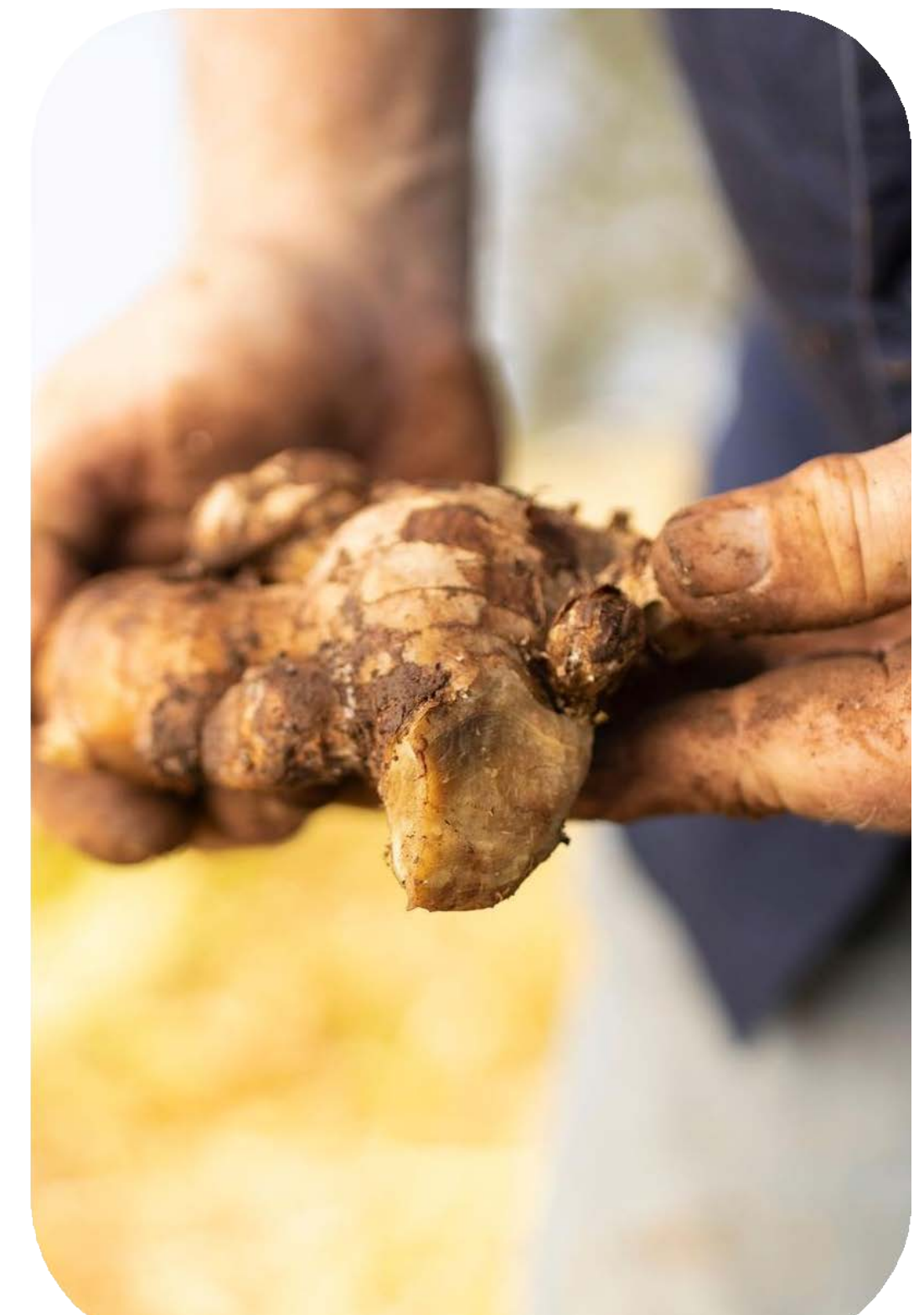


Market Updates

Nigeria:

Ginger harvesting has begun, with drying to follow. Production is expected to be higher than last year but lower than historical averages. Weather conditions support drying. Demand is strong, but high prices limit transactions. Prices rose in November, and minimal carry-forward stocks maintain supply pressure.

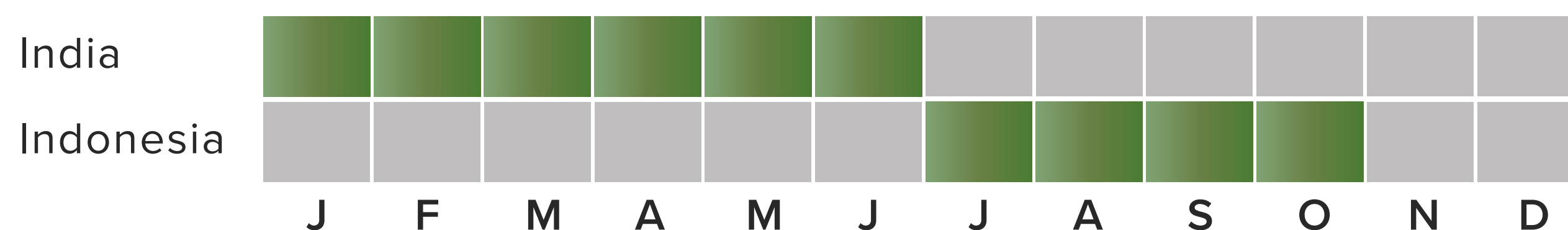
Nigerian ginger prices have reached new highs.



Major growing regions
Nigeria - Kaduna

Turmeric

Harvest Season



Market Updates

India: Turmeric crop is nearing harvesting period, with leaf cutting started in major growing regions. Stable crop health has been observed, despite earlier heavy rains in Andhra Pradesh and Maharashtra. Crop damage is estimated at 30% in Andhra Pradesh and 15% in Maharashtra, while Karnataka and Tamil Nadu remain unaffected. Cultivation acreage has increased compared to last year. Current arrivals are mostly from carry-forward stock, reducing market pressure. Domestic demand is strong, while export demand remains steady. New RMC/APMC charges in Karnataka and Tamil Nadu have raised procurement costs.

Indonesia: Turmeric availability is minimal as the harvest season concluded earlier. Local demand for fresh turmeric reduced dry material availability. Weather conditions are stable. Next season's production may decrease due to lower prices last season. Prices remained stable in November. Carry-forward stocks are negligible.

Prices have dipped slightly compared to November but are 18% higher than last year.

In Indonesia, prices remain unchanged from last month.



Major growing regions

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

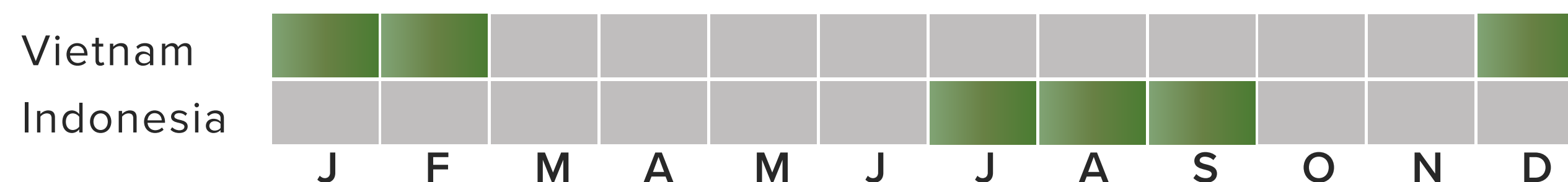
Indonesia - East & Central Jawa Island



* Turmeric, India - Leaf cutting

Black Pepper

Harvest Season



Market Updates

Vietnam: The pepper crop is maturing. Unpredictable weather, including irregular rainfall and extreme temperatures, has impacted crop growth, with early quality assessments indicating inferior results.

Global demand for Vietnamese pepper is gradually improving. Limited fresh arrivals, lower carry forward stocks and market dynamics have driven price increases.

Indonesia : The pepper harvest in Indonesia has concluded. Fresh arrivals remain limited, and the availability of 550 GL (bold, matured pepper) has been low. Demand in both domestic and international markets is subdued due to persistently high prices. Compared to November, prices have remained stable, reflecting no significant change. Carry-forward stock levels are moderate, though overall production for 2024 was lower than in 2023.

December price is approximately 5% higher than the November.

December prices remain unchanged from last month.



Major growing regions

Vietnam - Dak Nong, Dak Lak, Gia Nai

Black Pepper

Harvest Season



Market Updates

India: The pepper crop in India is currently maturing. Heavy rainfall in growing regions has been reported, which could impact yields and quality. Bold pepper arrivals are down compared to last year, with production for the upcoming harvest expected to be approximately 30% lower. Domestic and export demand is gradually improving. Carry-forward stock levels remain moderate due to last year's substantial imports, keeping bold pepper prices stable for now.

Sri Lanka: Pepper cultivation in Sri Lanka is gradually recovering after disruptions caused by Cyclone Fengal, which affected pepper arrivals in key regions like Kandy. Arrivals from the minor season have started but remain limited due to the cyclone's impact.

Farmers are showing reluctance to pluck light berries, anticipating better prices for bold pepper in the coming months. Despite weather challenges, demand for light berries remains strong, pushing prices higher. Prices for light berries have increased by approximately 30% compared to November, while bold pepper prices have remained stable. Low carry-forward stock levels at the origin continue to support the market's bullish trend.

Production is
30% lower
compared to
last year.

Light berries
prices increased
by 30% compared
to last month.



Major growing regions

India - Kerala, Karnataka & Tamil Nadu

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

Black Pepper

Harvest Season



Market Updates

Brazil: Brazil's pepper crop is in its growth stage. Weather conditions remain favourable, supporting crop development. No fresh arrivals have been reported in the domestic or export markets yet. Global demand for Brazilian pepper surged in November due to its competitive pricing, the lowest among major origins, although domestic demand remains modest.

Prices have increased by approximately 6% compared to November, influenced by limited carry-forward stocks and anticipation of higher production in the upcoming year.

Prices have increased by approximately 6% compared to the previous month.



Major growing regions
Brazil - Espirito Santo and Para

Cumin

Harvest Season



Market Updates

Cumin sowing completed in major producing regions, though acreage is expected to decrease compared to last year due to the abundant 2024 crop and significant price drops. Delayed winter and high temperatures during the sowing period initially impacted sowing. Export and domestic demand have been robust, driven by lower prices, which are currently nearly 44% lower than the same period last year.

Carry-forward stock levels remain high, adding to the bearish sentiment. Prices are fluctuating and market trends will depend on the final sowing data, with potential price increases if sowing remains extremely low.

Prices are 44% lower compared to the same period last year.



Major growing regions

India - Rajasthan, Gujarat, Madhya Pradesh

Cardamom

Harvest Season



Market Updates

India:

The Cardamom plantations in India are progressing with the third round of picking, supported by favourable weather conditions. No major pest or disease issues have been reported. Market arrivals are evenly split between fresh produce and carry-forward stocks, with 40% of total stocks carried over from the previous season.

Domestic and export demand remains steady, with export orders continuing to be strong. Prices have doubled compared to December 2023. The yields per acre have been lower this year, but quality is expected to be good, maintaining market interest.

Prices have
doubled
compared to
last year.



Major growing regions
India - Kerala

Cardamom

Harvest Season



Market Updates

Guatemala:

The crop size in Guatemala is significantly lower this season, estimated to be about 70% lower than that of the previous year. This substantial decline is attributed to intense heat in the growing regions, which has impacted production.

Prices for MYQ grade cardamom have risen by approximately 9% compared to the previous month. While arrivals are ongoing, they remain limited. Farmers and traders are holding back new crop supplies, anticipating further price increases, resulting in restricted offers in the market.

The market also faces challenges such as limited availability and prolonged transit times, further affecting trade activity.

MYQ grade
cardamom price
rose by 9%
compared to
last month.



Coriander

Harvest Season



Market Updates

India: Coriander sowing has completed. Weather conditions have stabilised after initial delays caused by unfavourable conditions. Domestic and export demand remains moderate, and carry-forward stock levels are at medium levels. Prices have increased by approximately 5% from September to November but stabilised in December. The market reflects an incremental pricing trend, with the current supply consisting mainly of offseason material.

Europe: The coriander harvest in Europe has been completed, but the yield is significantly lower, with exports being only 70% of last year's levels. Farmers are holding back their stock, which has led to expectations of further price increases. Despite the logistical costs stabilising, the ongoing war in the region is causing delays in shipments. Stock levels in Europe remain lower compared to last year, with a 30% reduction in yield reported. Prices have seen a marginal increase reflecting a steady rise compared to the same period last year, where prices were approximately 27% lower.

Prices have stabilised in December after a 5% rise from September

In Europe, Prices are marginally higher compared to last year.



Major growing regions

India - Gujarat, Rajasthan, Madhya Pradesh

Eastern Europe - Russia (Kransnodar), Bulgaria, Europe

Celery

Harvest Season



Market Updates

Celery sowing has not yet begun. The carry-forward stock levels remain at medium levels, while export demand in December has shown improvement. Domestic demand remains subdued, consistent with the trend in November. Prices have continued their upward trend, increasing from November, with December prices approximately 14% higher than last year's levels for the same period.

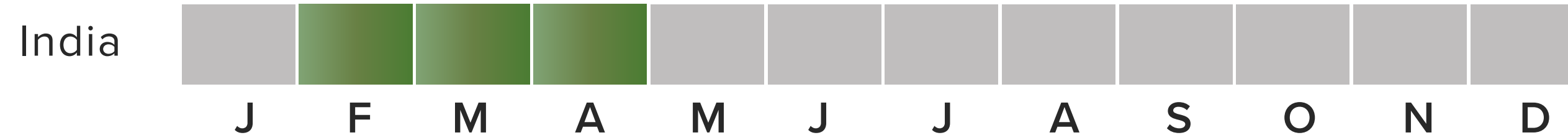
Prices are
14% higher than
last year.



Major growing regions
India - Punjab, Haryana

Fenugreek

Harvest Season



Market Updates

Fenugreek sowing completed in December, sowing period was supported by favourable weather conditions for germination. No significant pest or disease issues have been reported so far. Domestic demand remains moderate, while carry-forward stock levels are at moderate levels as well. Prices have stabilised after the increase observed in November, holding steady at a higher range compared to earlier months. The market outlook remains stable for December.

Prices have stabilised following last month's increase.



Major growing regions

India - Gujarat, Rajasthan, Madhya Pradesh

Fennel

Harvest Season



Market Updates

Fennel sowing completed in December, with a significant reduction in cultivation acreage anticipated compared to last year, largely due to the bumper crop and high carry-forward stocks from 2024. Weather conditions have been favourable so far, supporting the sowing process. Domestic and export demand remains strong, bolstered by competitive pricing. Prices, which saw a marginal increase in November, continued to trend upward in December, reflecting stable demand and reduced planting expectations.

Prices have continued to rise marginally in December.



Major growing regions
Rajasthan and Gujarat

Nutmeg

Harvest Season



Market Updates

India: Nutmeg arrivals remain scarce as the BWP harvest season has concluded. Persistent rainfall in growing regions has not caused any reported damage but has contributed to delayed availability. The quality of nutmeg remains subpar compared to last year, with higher moisture levels observed. Domestic and export demand continues to be strong amidst limited carry-forward stocks, keeping prices elevated compared to the previous month.

Sri Lanka: Sri Lankan nutmeg sales continue to rely heavily on carry-over stock as the harvest season has concluded, with arrivals remaining lower than in November. Persistent rains in the region have contributed to high-moisture material entering the market, further affecting quality. Despite these challenges, domestic and export demand remains robust, driven in part by rising interest following the conclusion of the Indian season. Prices are trending higher due to limited availability and steady demand, although they remain lower than last year.

Current price is 13% lower than last year's price.

Sri Lankan nutmeg prices remain unchanged from last month.

Major growing regions
India - Kerala
Sri Lanka - Kandy



Nutmeg

Harvest Season



Market Updates

Indonesia: The nutmeg harvest in Indonesia has been delayed to December, particularly in the Sulawesi region, but current favourable weather is supporting harvesting and drying activities. Demand in both domestic and export markets remains stable, and carry-forward stocks are at moderate levels. While BWP-grade prices have seen a slight decline compared to November, ABC-grade nutmeg has shown a marginal increase, reflecting its continued strong demand.

Freight rates are decreasing, which may provide some relief to exporters. Compared to the previous year, prices are higher for both grades, with global market availability slightly tighter, especially for premium-quality material.



Indonesian
nutmeg prices
remain unchanged
from last month.



Major growing regions
Indonesia - Sulawesi

Annatto

Harvest Season



Market Updates

India: The annatto harvest in India has begun in December and will continue into the new year. The crop is reported to be 20% smaller than last season, contributing to a significant price increase. With demand remaining strong and the reduced crop size, prices are expected to remain elevated throughout the new season.

Ivory Coast : The annatto harvest in Ivory Coast has started early. Though this year's production is good, the total supply is estimated to be 10–15% lower than last year, due to the minimal carry-forward stock at the start of the season.

Hoarding activities have further tightened market availability, creating a supply shortage. Strong demand has driven prices up significantly, with current levels approximately 59% higher than the season's starting prices. The market remains bullish as supply struggles to keep pace with demand.

Price expected to be on an increasing trend.

Price is 59% higher than the opening price.





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