

Spice Market Outlook October 2024



MAJOR SPICE-GROWING REGIONS



BLACK PEPPER

VIETNAM

HARVEST CALENDAR—VIETNAM

J	F	M	A	M	J	J	A	S	O	N	D
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SUPPLY UPDATE

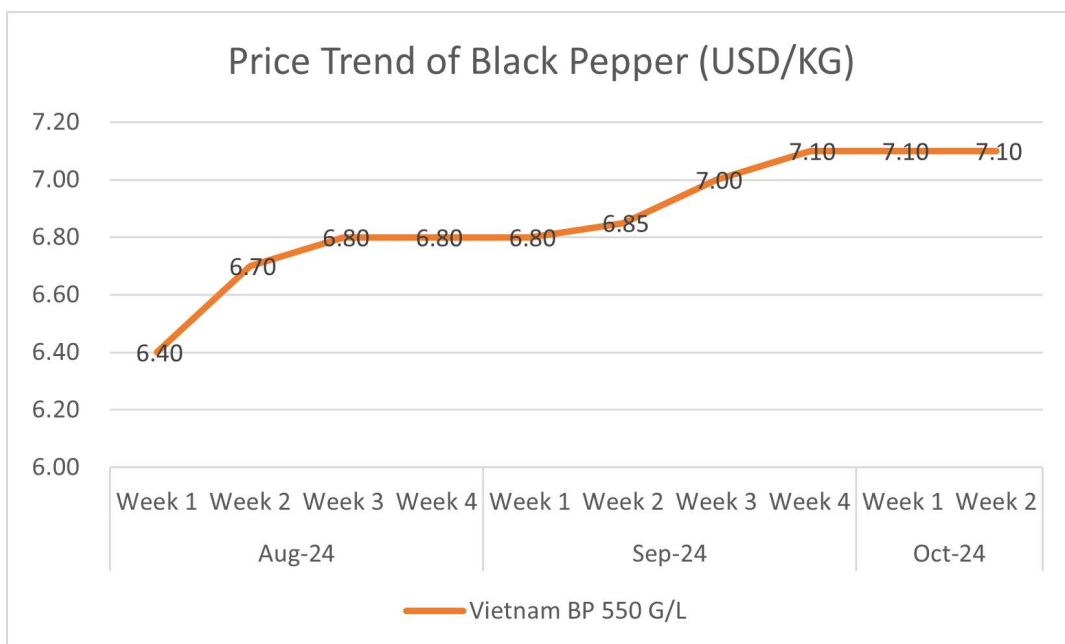
Black pepper prices in Vietnam are stable but may decline slightly short-term as farmers sell stocks ahead of the delayed coffee harvest in November. Production is limited by reduced acreage and aging vines

DEMAND UPDATE

Demand for black pepper, particularly from China, is gradually recovering following the impact of Typhoon Yagi on Hainan province. This resurgence in demand may help stabilize prices in the near term.

COST UPDATE

Long-term prices are likely to rise due to a 25% production decline in Brazil from drought and a decreasing global stock-to-demand ratio. Current offers: **Vietnam BP 550 g/l – USD 7.10/kg.**



BLACK PEPPER

SRI LANKA

HARVEST CALENDAR—SRI LANKA

J	F	M	A	M	J	J	A	S	O	N	D
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SUPPLY UPDATE

Black pepper prices in Sri Lanka have risen over the past month due to a significant shortage of extraction-grade light berries. Current Matale season stocks (7% ASTA Piperine) are priced at USD 7.25/kg, a 7.5% increase from last month. Although a minor Kandy season is expected between November and December, it is unlikely to alleviate supply constraints.

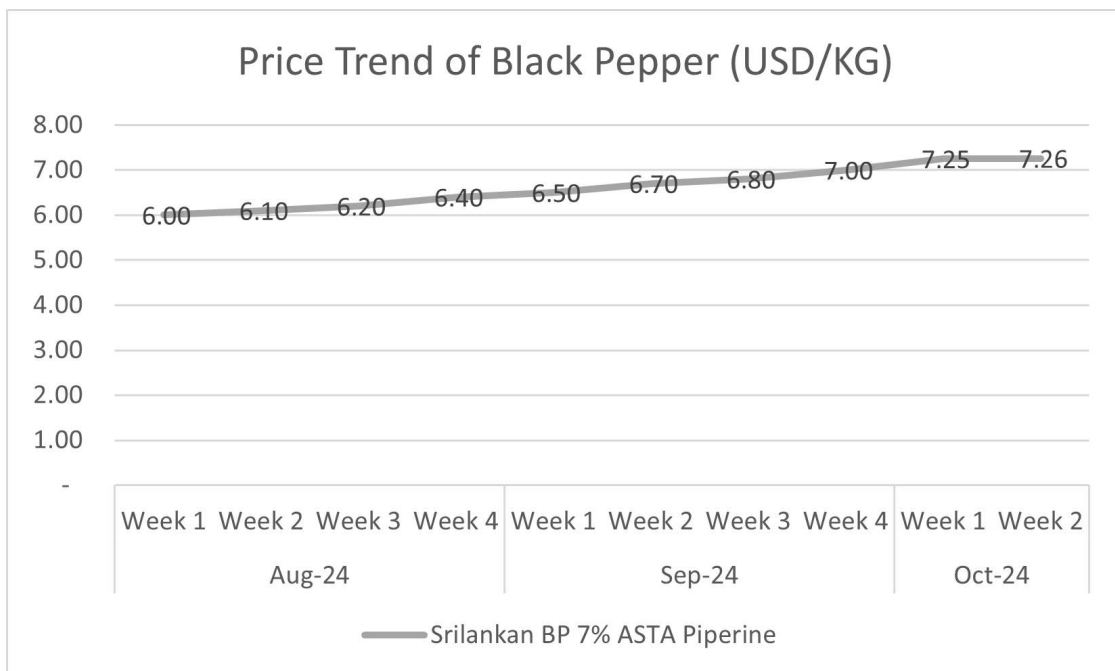
DEMAND UPDATE

Strong demand from Indian grinders and extraction companies are actively supporting the market.

COST UPDATE

Prices are expected to remain firm in the medium to long term due to the combination of limited supply and robust demand.

Price Trend of Black Pepper (USD/KG)



BLACK PEPPER

INDIA

HARVEST CALENDAR—INDIA

J	F	M	A	M	J	J	A	S	O	N	D
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SUPPLY UPDATE

Indian black pepper prices have softened slightly due to substantial imports from Sri Lanka, with relaxed regulations allowing up to 5,000 MT this year. This influx has disrupted the demand-supply balance and led to lower prices. The MG1 grade is currently trading at USD 8.30/kg, reflecting a 2.5% decline from last month.

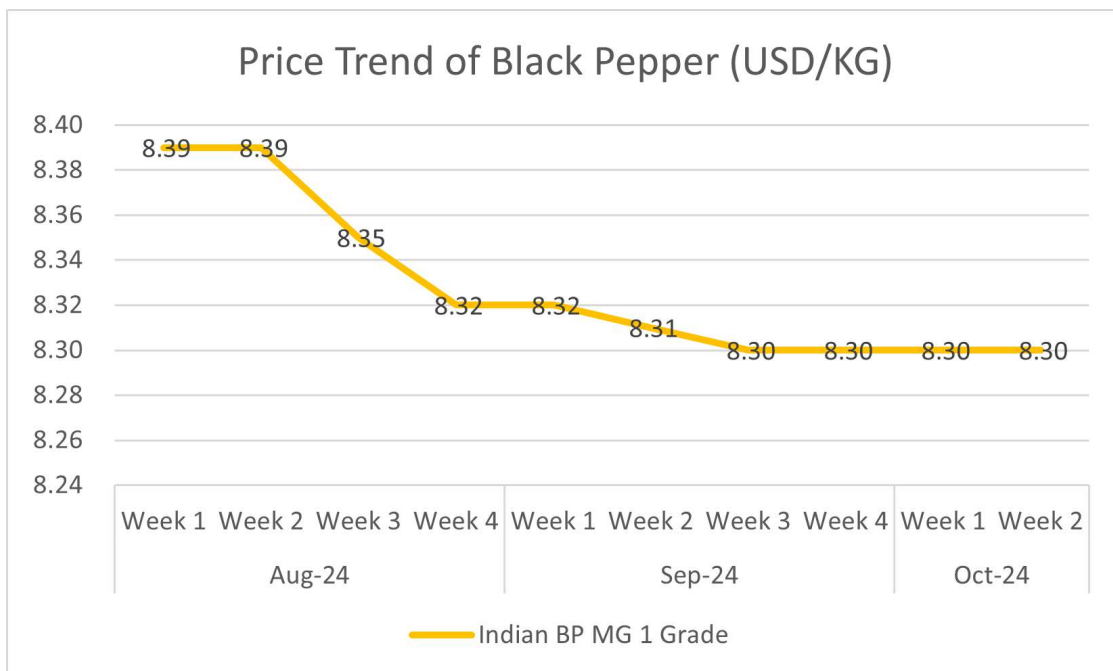
DEMAND UPDATE

The demand dynamics have shifted as imports impact local prices, although local consumption remains steady.

COST UPDATE

The Indian black pepper season is expected to start in January 2025, with an estimated production of around 65,000 MT, which may influence future pricing trends.

Price Trend of Black Pepper (USD/KG)



CAPCICUM—CHILLI

HARVEST CALENDAR

J F M A M J J A S O N D

SUPPLY UPDATE

Chilli sowing is currently in progress across Andhra Pradesh and Telangana, with approximately 85% of open-pollinated varieties (OPV) already sown. The remaining 15% will be transplanted from nurseries by the end of October. Farmers have successfully replanted 60% of the areas affected by recent floods in the Vijayawada region. Reservoirs in the Krishna and Godavari River basins are full,

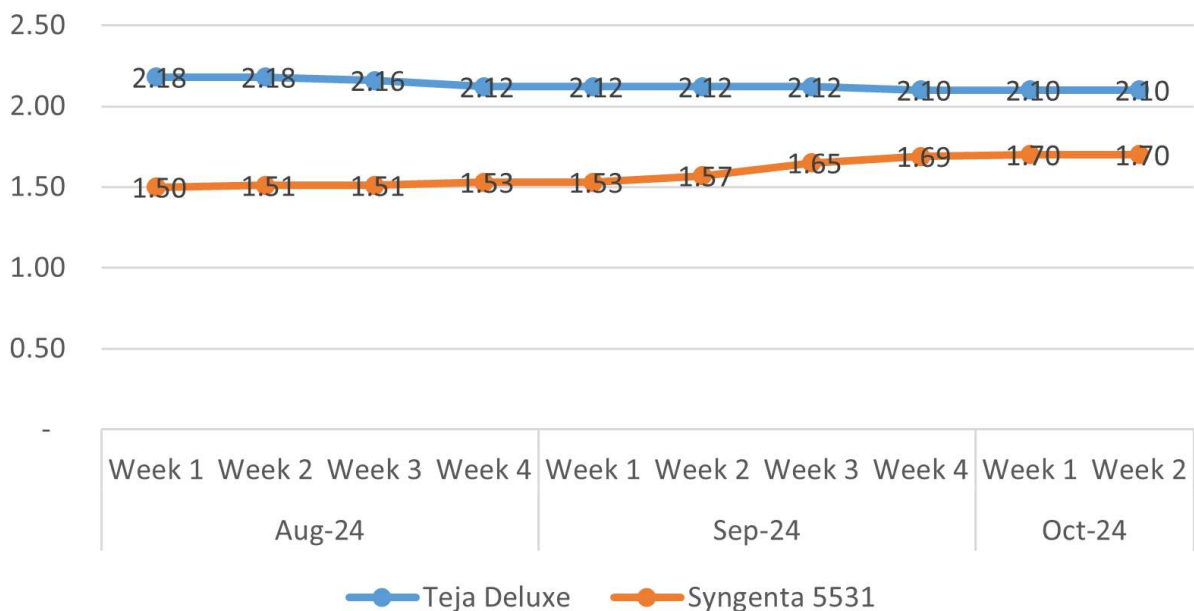
DEMAND UPDATE

A notable decline of 35% has been observed in the sales of F1 hybrid seeds, particularly Syngenta's 5531 and 2043 varieties. These hybrids have largely been replaced by Teja and 334 varieties due to price shifts from the previous season. This change in preference indicates a shift in demand dynamics as farmers respond to market conditions.

COST UPDATE

Prices remain stable and are projected to hold steady in the medium term. The current prices for major chili varieties are as follows:
Teja Deluxe – USD 2.1/Kg
Syngenta 5531 Medium – USD 1.7/Kg
334 Best – USD 1.8/Kg
Syngenta 2043 Best – USD 2/Kg.

Price Trend of Chilli -India (USD/KG)



PAPRIKA – CHILLI

HARVEST CALENDAR

J F M A M J J A S O N D

SUPPLY UPDATE

Karnataka's chilli-growing regions have experienced good to excessive rainfall, completing the direct sowing of open-pollinated varieties like KDL Paprika and Dabbi. Reservoirs are full, providing irrigation in Bellary until December. Seedlings in Bagalkot, Hubli, Ballari, and Raichur are now 90 days after sowing. However, a shift from KDL, Dabbi, and DD varieties to 334 is noted, with overall crop area expected to decline by 40%.

DEMAND UPDATE

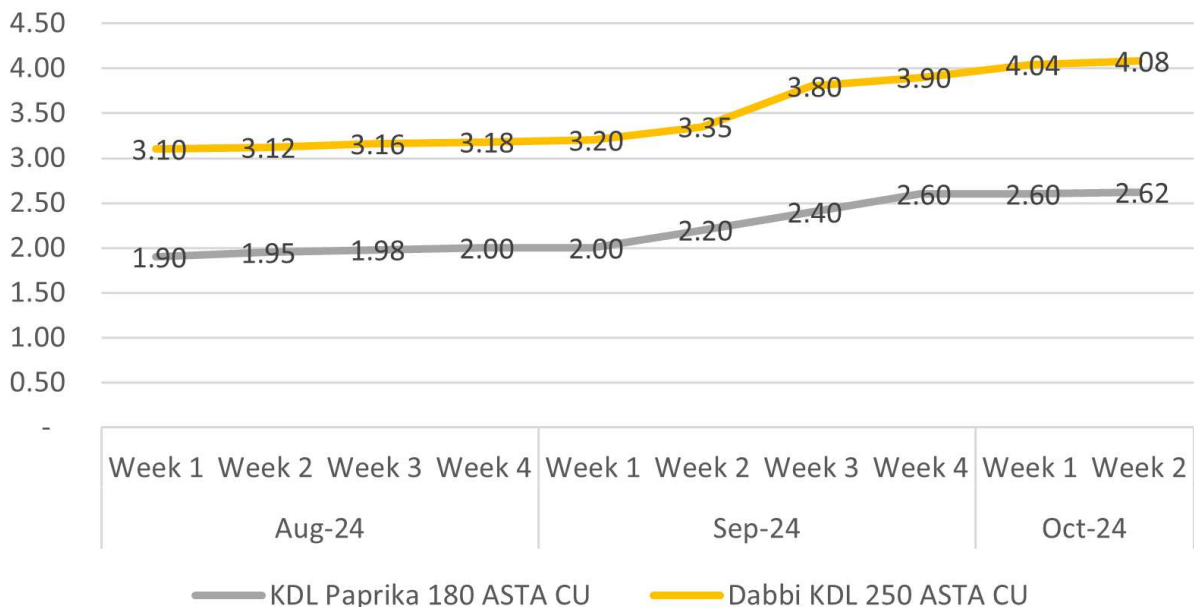
Around 70 cold storage facilities in Karnataka hold approximately 145,000 MT of stock, sufficient to meet industry demand until February 2025. Total arrivals for the 2024-25 season are estimated at 400,000 MT. Carry-forward stocks remain stable amid low market activity, while IPM Chilli availability is limited.

COST UPDATE

Prices for major varieties are stable, with current storage prices as follows:

KDL Paprika 180 ASTA CU – USD 2.6/Kg
Dabbi KDL 250 ASTA CU – USD 4.04/Kg.

Price Trend of Chilli -India (USD/KG)



TURMERIC



HARVEST CALENDAR

J	F	M	A	M	J	J	A	S	O	N	D
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SUPPLY UPDATE

Turmeric sowing for the upcoming season has been completed in most of India's growing regions, reflecting a 35% increase in crop area compared to the previous season. The crop is currently 120 to 150 days after sowing, with no significant pest or disease issues reported. This expansion is primarily attributed to the higher returns farmers experienced last year.

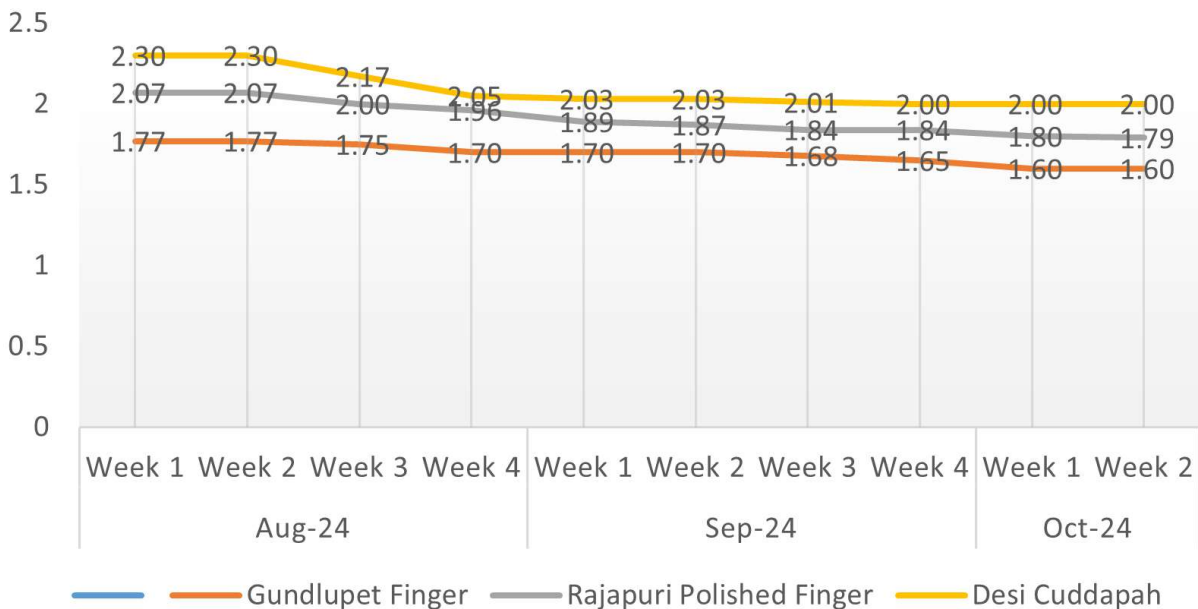
DEMAND UPDATE

Strong demand for quality seed material has driven prices up to INR 80/kg, marking a 70% increase from the previous season. Despite this rise, current market demand is bearish. The new crop is expected to be available starting in February 2025.

COST UPDATE

Current prices for major turmeric varieties are as follows:
 Turmeric Rajapuri Finger Double Polished – USD 1.8/Kg
 Turmeric Desi Cudappah – USD 2/Kg.

Turmeric Price Trend (USD/KG)



DRY GINGER

HARVEST CALENDAR

J F M A M J J A S O N D

SUPPLY UPDATE

Dry ginger extraction grade availability is currently very low. In the Wayanad region of Kerala, farmers have been forced to harvest ginger prematurely due to rot caused by persistent rains. As a result, fresh ginger is more abundant in the market, but the supply of dry ginger remains constrained. New crop harvest is expected to happen in November-December.

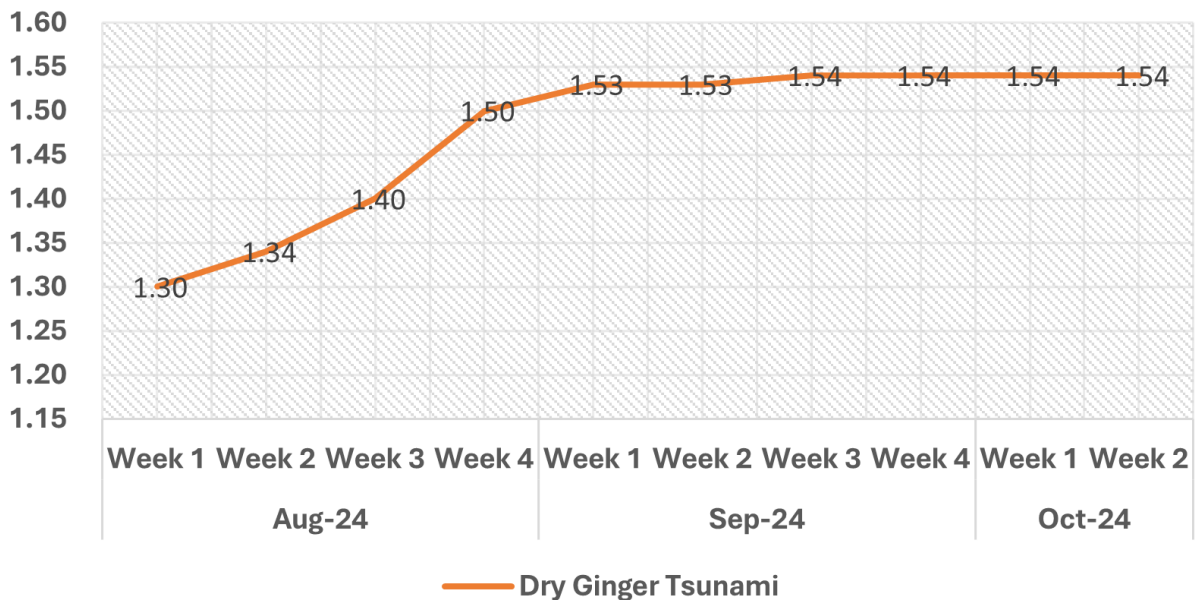
DEMAND UPDATE

Overall, the demand for dry ginger in October 2024 is expected to remain stable, as the upcoming season is just two months away.

COST UPDATE

Prices for major ginger varieties are currently stable, with the following market offers:
Dry Ginger Tsunami (2% essential oil content): USD 1.54 per kg

Dry Ginger Price Trend (USD/KG)



CARDAMOM

HARVEST CALENDAR

J F M A M J J A S O N D

SUPPLY UPDATE

Cardamom harvesting is experiencing delays due to a lower berry set, with prices remaining 31% higher than last year. Farmers anticipate fewer pickings and lower per-acre yields this year compared to 2023. However, this outlook may change if weather patterns shift in the coming months. In the Idukki region, cardamom growers are facing challenges in protecting their plantations from the persistent attacks by Malabar Parakeets, which is likely to result in crop reductions in the area.

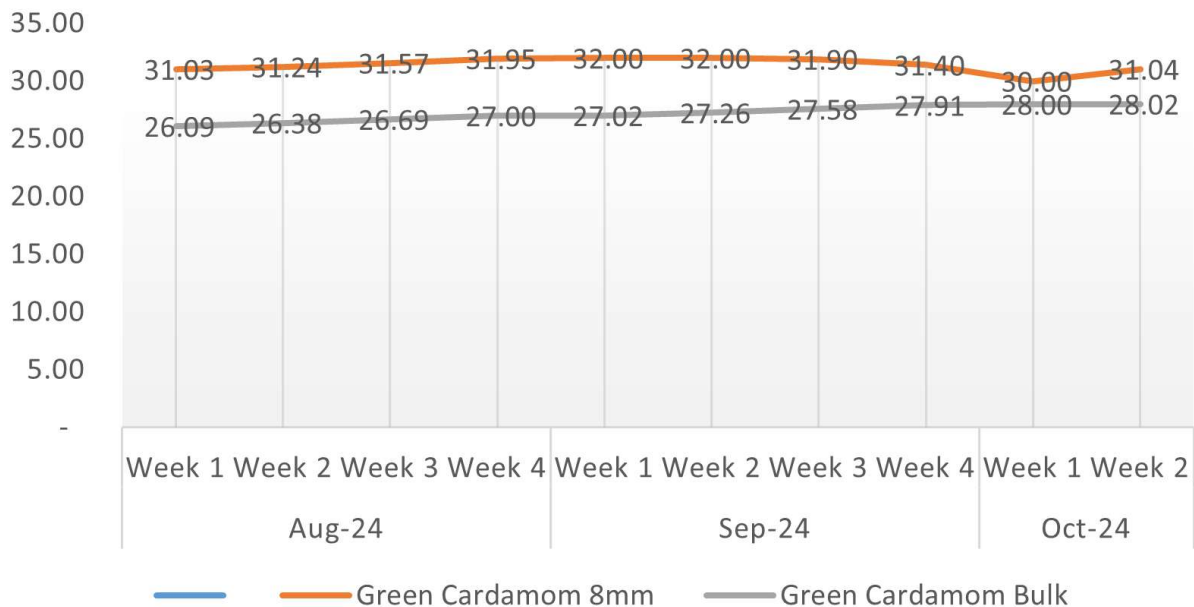
DEMAND UPDATE

Demand for cardamom is expected to increase in October as the upcoming Diwali season approaches, with North Indian buyers likely to be active in the auction centers of Tamil Nadu and Kerala.

COST UPDATE

As of now, the market rates for various grades of cardamom in India are approximately as follows:
Green Cardamom Bulk - USD 28 /kg
Green Cardamom 8 mm - USD 30/kg.

Cardamom Price Trend (USD/KG)



NUTMEG & MACE



HARVEST CALENDAR

J	F	M	A	M	J	J	A	S	O	N	D
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SUPPLY UPDATE

In India, nutmeg harvesting has concluded. Despite ongoing rains in the growing regions, there have been no reports of damage. Arrivals have significantly decreased, and the quality of the new crop is lower than last season, with higher moisture levels noted. Furthermore, this year's crop production is reported to be smaller compared to previous year.

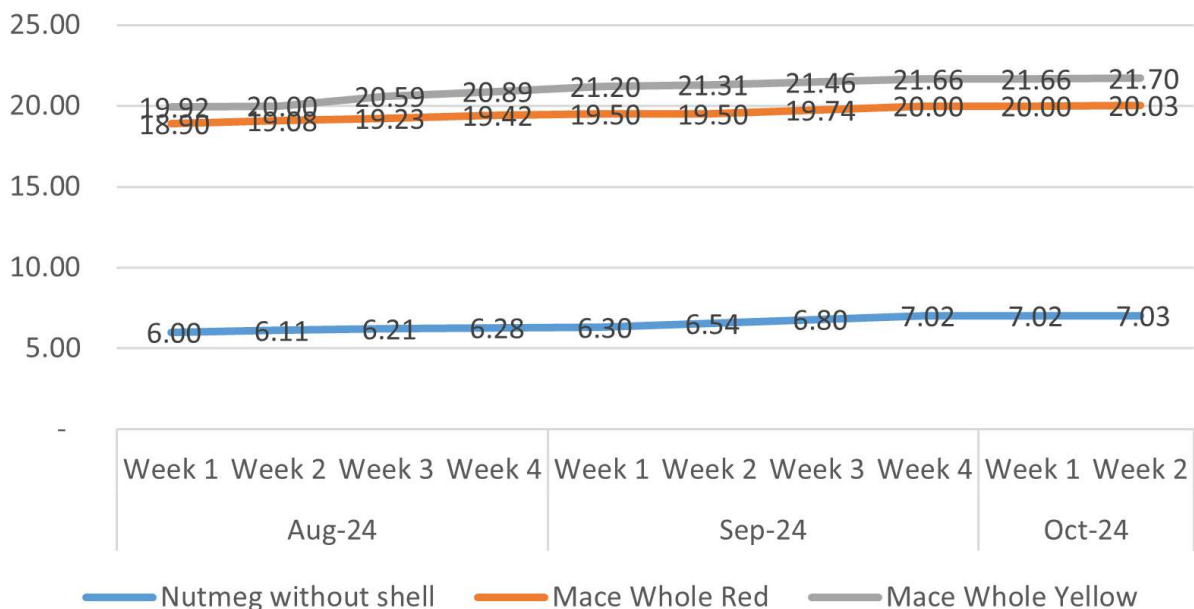
DEMAND UPDATE

Demand for nutmeg remains moderate. While there is a steady interest from both domestic and export markets, factors such as lower crop quality and reduced arrivals have impacted overall demand.

COST UPDATE

The current market price is as follows:
Nutmeg without shell: USD 7.02/kg
Mace Whole red: USD 20/kg
Mace Whole Yellow: 21.66/kg.

Nutmeg and Mace Price Trend (USD/KG)



SEED SPICES

HARVEST CALENDAR

J	F	M	A	M	J	J	A	S	O	N	D
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SUPPLY UPDATE

The cumin harvest has concluded in key regions, with heavy rains reported but not expected to impact the October sowing. Carry-forward stocks are medium. The availability of IPM grade cumin is limited.

Fennel sowing is set for October, with no reported delays. The growing regions are currently experiencing continuous rainfall. Carry-forward stocks for next year are expected to remain high due to a bumper crop.

Fenugreek harvesting has been completed, and the next sowing is also scheduled for October. Although there has been consistent rain, no damage has been reported. However, arrivals are lower because of the weather.

DEMAND UPDATE

Demand for fennel remains strong, but there is a shortage of high-quality green material, with only inferior light green quality available. In contrast, both export and domestic demand for fenugreek are moderate, with carry-forward stocks at a manageable level.

COST UPDATE

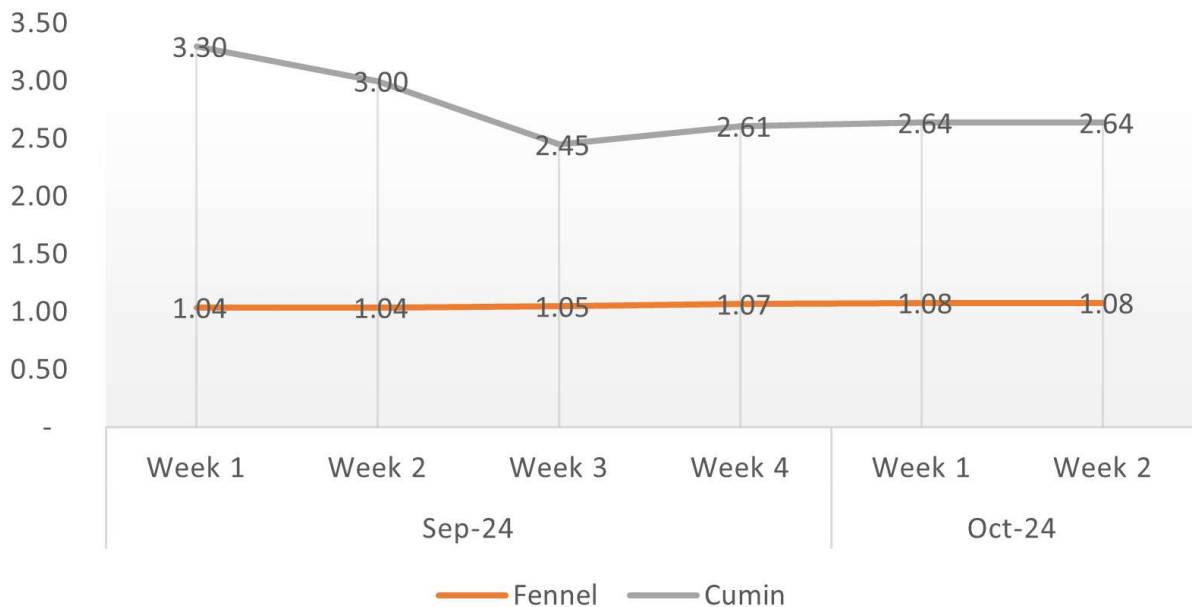
The current market rates is as follows:

Cumin - USD 2.61/kg.

Fennel - USD 1.07 /kg.

Fenugreek -USD 0.83/kg.

Seed Spices Price Trend (USD/KG)



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