

# Monthly Report On

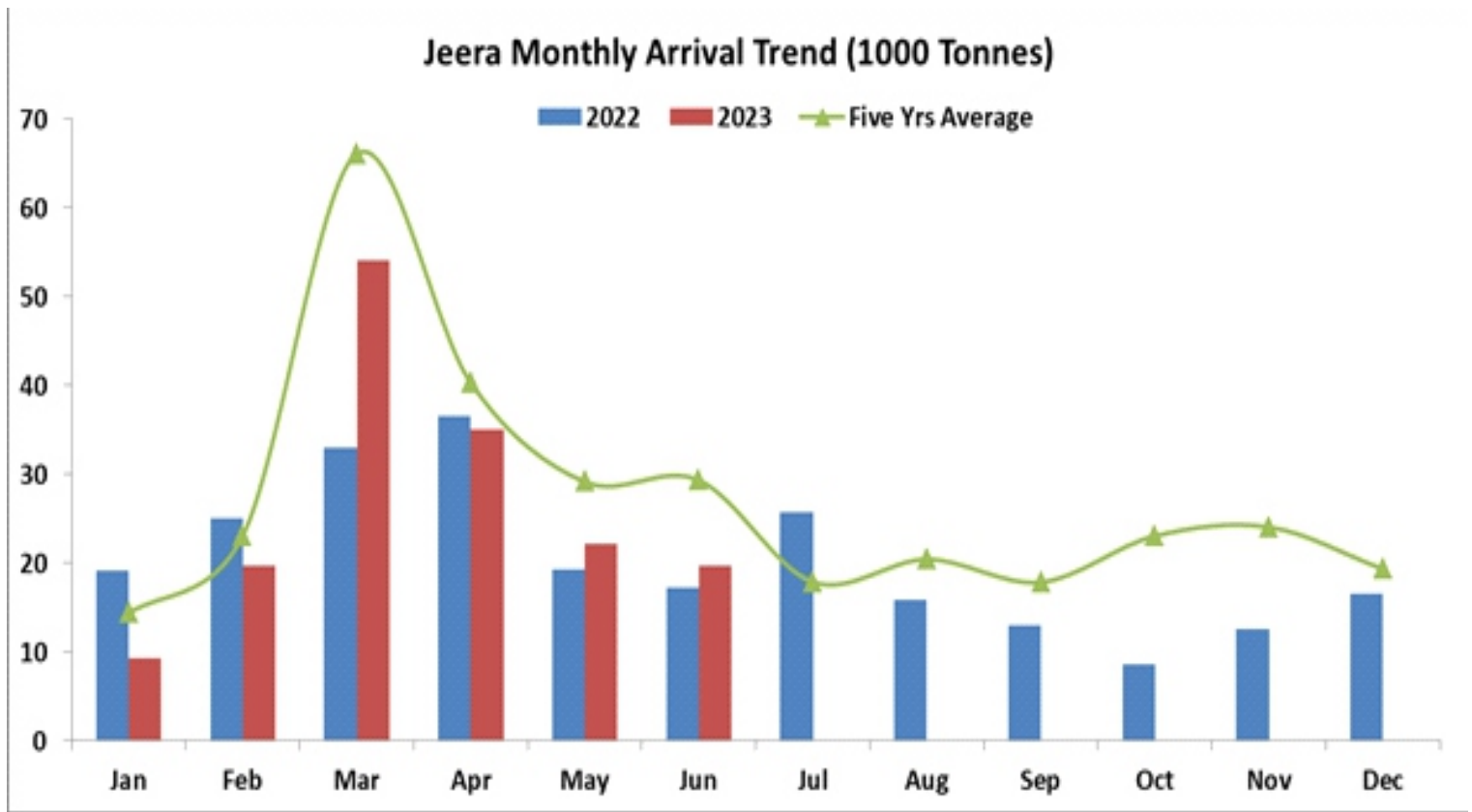
11 July, 2023

# SPICES

## JULY 2023



Jeera extended its rally in June as well as prices jumped 23% M-o-M in June closed at 54975. Major reason can be attributed to the drier pipe line stocks and quality issue with existing arrivals. Moreover, supply disruption caused by "Biporjoy cyclone" also lifted the jeera prices up. Arrival pace got slowed down due to heavy rainfall in Gujarat and Rajasthan in month of June. Gujarat and Rajasthan witnessed 102% and 131% of above normal rainfall till first week of July since 1st June. However, overall arrivals remained higher as compared to last year due to larger crop size. Total jeera production is estimated at 6.27 lakh tonnes in marketing year 2022-23 as compared to 5.55 lakh tonnes as compared to previous year, higher by 13% Y-o-Y.



Seasonality of arrivals suggests arrival pace is likely to be slower in coming months that will cap the major downfall in jeera prices. About 19.7 thousand tonnes were reported at major APMC madies in June'23 against the 17.2 thousand tonnes of previous year.

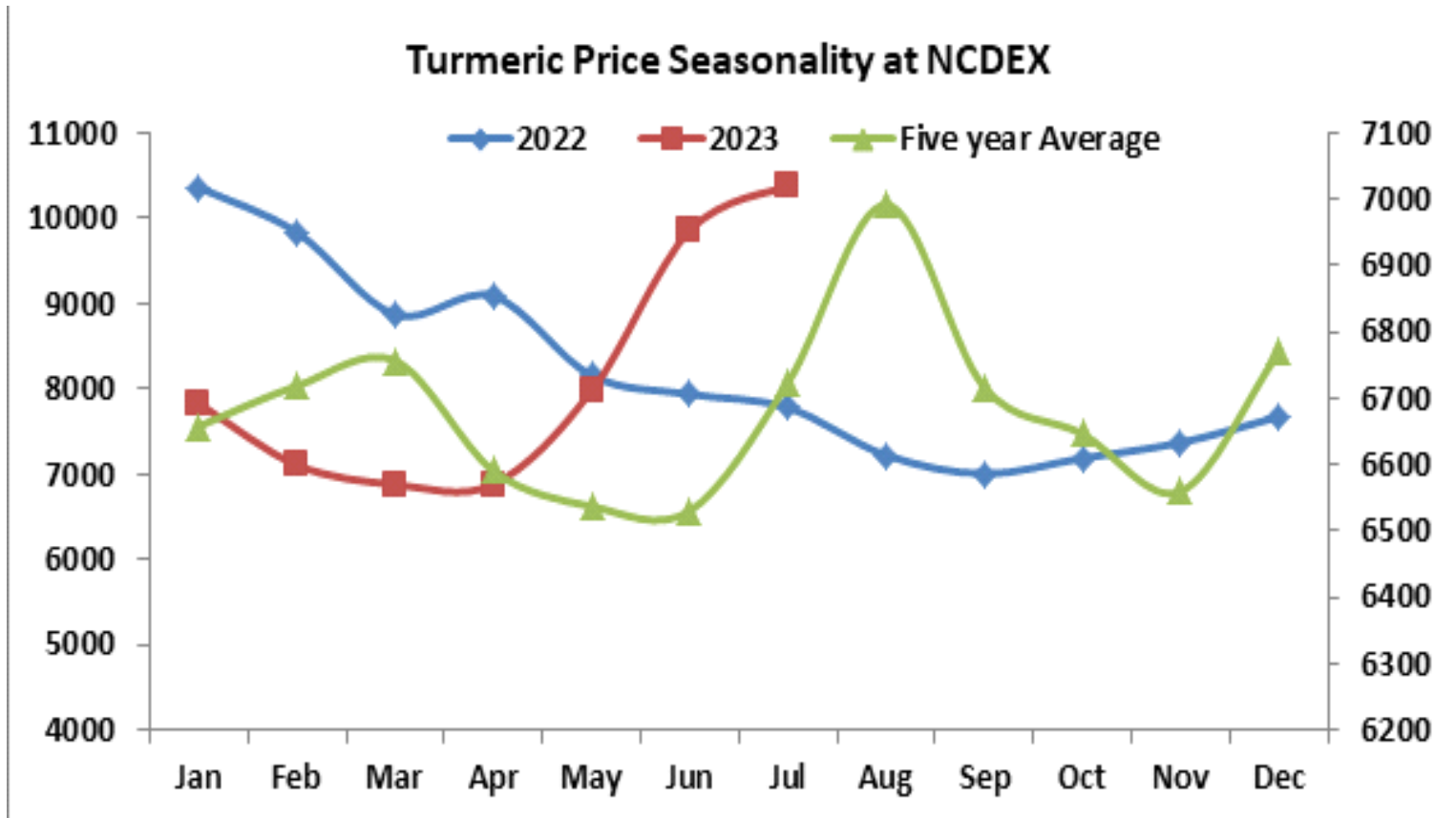
Export demand of jeera increased in marketing year 2023-24 as export jumped for 2 consecutive months of Apr-May reported at 47 thousand tonnes as compared to 23 thousand tonnes of previous year. Demand from China jumped significantly in year 2023 with global supply disruption and lower production. More than half of the total export of jeera from India went to China due to aggressive buying by Chinese buyers. China imported about 22.8 thousand tonnes of Jeera during Apr-May'23 as compared to 3.2 thousand tonnes of previous year. Exports are likely to be lower in coming months with fall in supply in the market. Sharp rally in jeera prices will also make the price un attractive for global buyer that will reflect as slower export from India in coming months.

Going forward, jeera prices are likely to remain volatile and trade with positive bias due to limited availability of quality produce in the market. Arrival may increase in July'23 as prices are ruling at record level and may touch 65000 level soon that will prompt stockists and farmers to bring their produce to handsome profit at such record levels.

**Based on above fundamentals, its seems Jeera Aug prices are likely to trade in range of 54000-63000 in coming weeks.**

# TURMERIC

Turmeric prices witnessed sharp gains in June tracking slower monsoon progress that caused delayed sowing in major producing states especially Maharashtra and Telangana. Moreover, robust export demand from Bangladesh and Morocco also bolstered prices to move up. Turmeric prices rose about 26% in June'23 touched the 14th month high of 10048 at NCDEX. After witnessing adverse move with seasonality, turmeric prices followed its seasonality and moved accordingly during June – July'23.



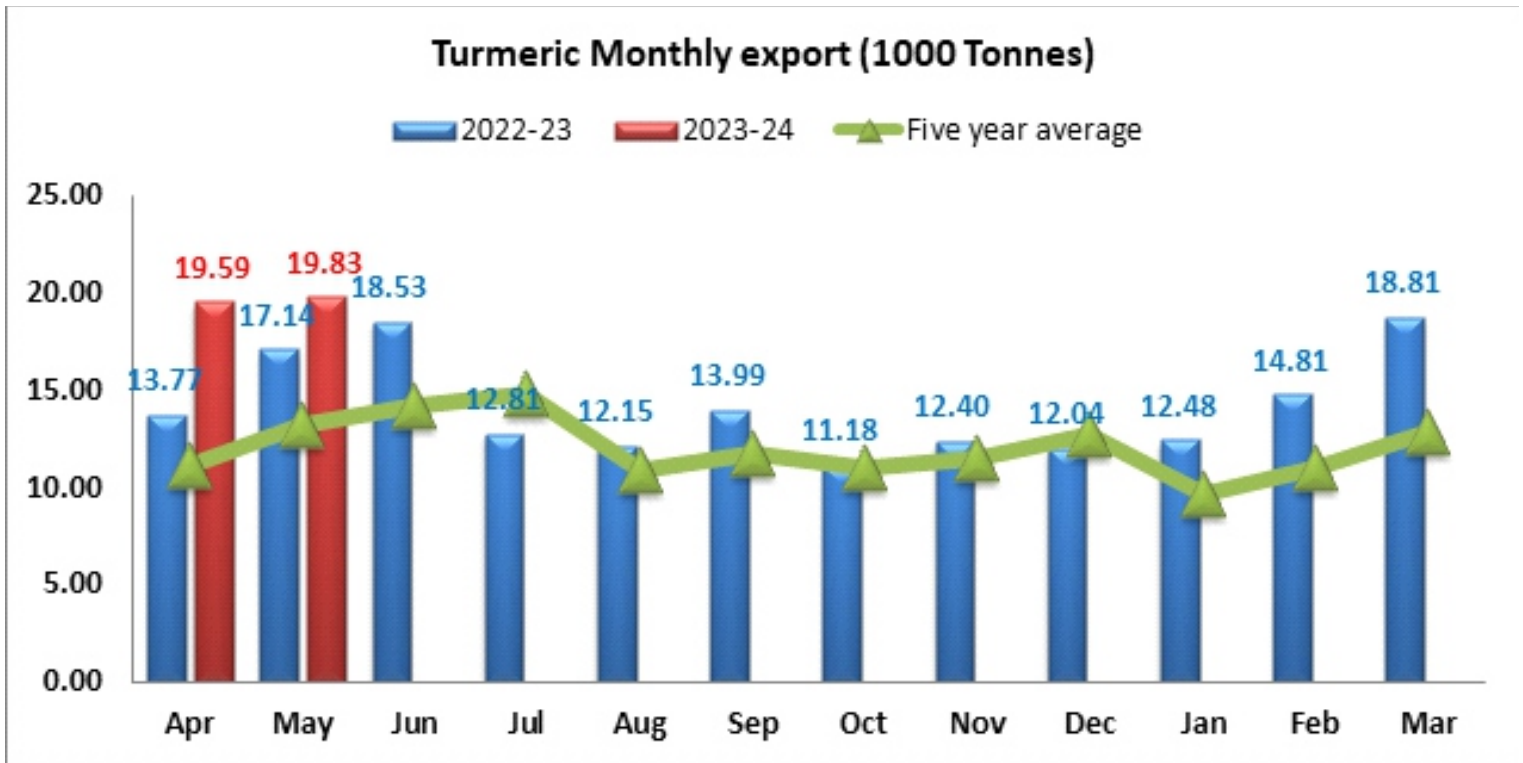
Going forwards, turmeric is likely to trade mixed to down with advancement of sowing activities. Lowering demand from stockists will also weigh on market sentiments. Rally in turmeric prices in June'23 will prompt farmers to increase their area under turmeric that will put pressure on prices. However, it will be bit early to say how much acreages will increase as overall sowing has been delayed due to slower monsoon progress in June. Monsoon rainfall has gathered pace in Maharashtra and Telangana that will boost the overall sowing activities. Total area under turmeric is expected to reach near to 3.2 lakh Ha in year 2023 that is almost near to last year level of 3.23 lakh Ha of previous year.

Overall arrivals have been reported higher by 4% Y-o-Y since 1st Apr till end of first week of July as about 170 thousand tonnes of turmeric has arrived during above mentioned period as compared to 163 thousand tonnes of previous year. Quality of the arrivals has been questionable as long spell of rainfall reported at some of harvesting in Gujarat and Rajasthan affected overall yield adversely. Limited availability of quality produce in the market also prompted millers and stockist to go for buying at every prices correction in turmeric.

Export demand of turmeric has improved in recent months that are likely to cap the major downfall in prices. Export jumped for second consecutive month in May'24 during year 2023-24 supported sharp gains in turmeric prices. India exported about 39.42 thousand tonnes of turmeric during the time period of Apr-May'23 as compared to 30.9 thousand tonnes of previous year, higher by 28% Y-o-Y. Export pace will be slower in coming months as per seasonality that will cap the major gains in prices.



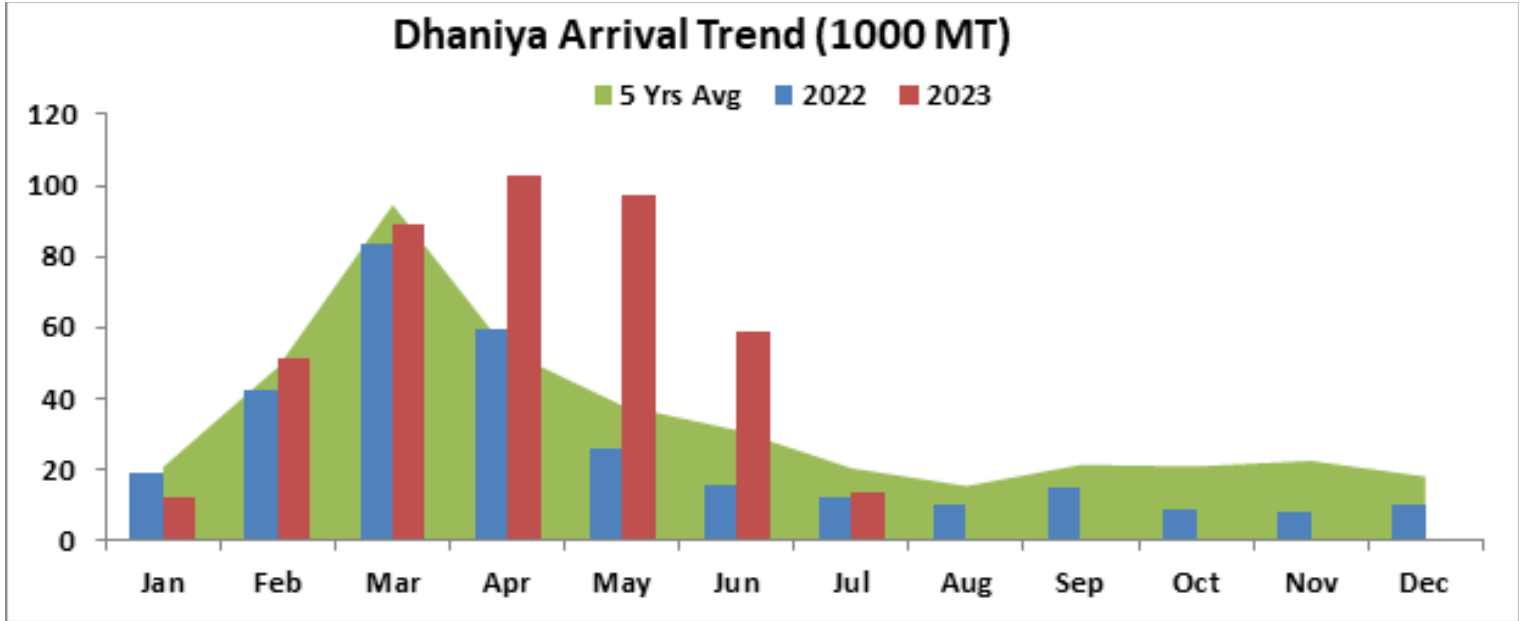
# TURMERIC



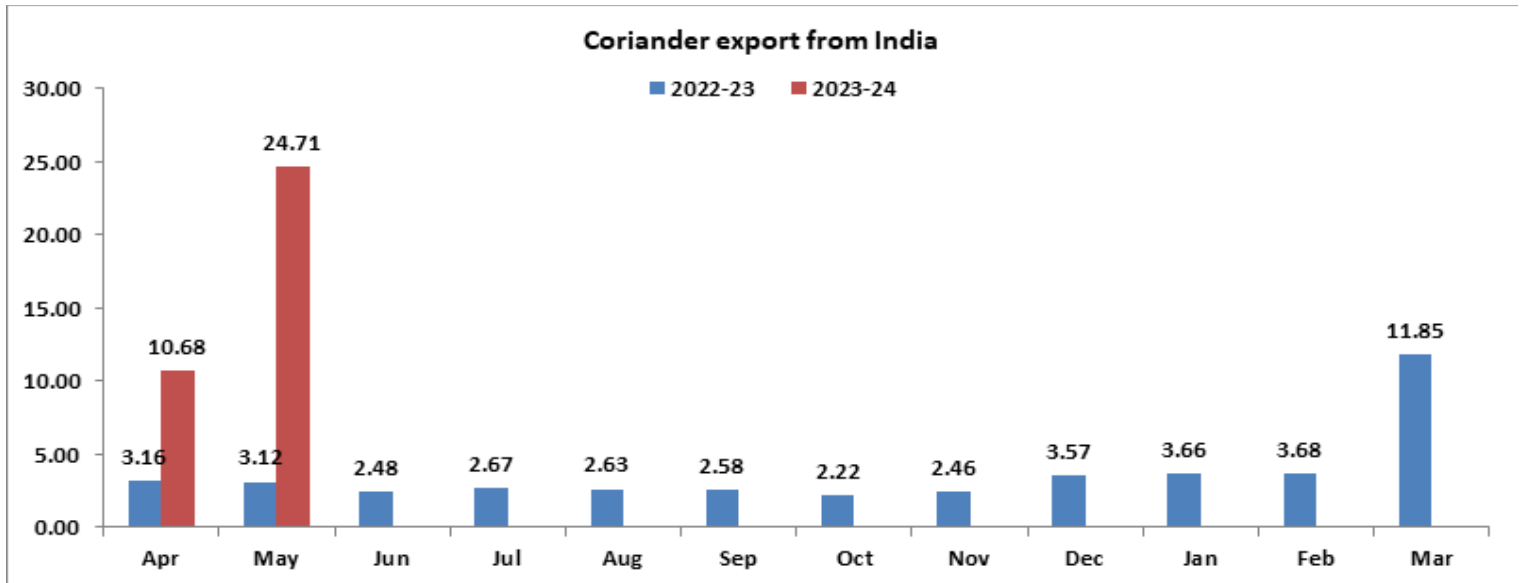
Based on the above fundamentals, Turmeric Aug prices are expected to trade in range of 9200-11300.



Dhaniya prices halted its bearish streak in June'23 as prices found support near 5950 and recovered about 13% from the low in June. Buying activities improved with rise in festive and wedding demand that helped prices to move up. Moreover, increased export enquires also helped dhaniya prices to move up. However, heavy arrivals in the market and adequate stocks with stockists capped the major upward move in the prices. About 271 thousand tonnes of dhaniya arrived so far in year 2023 since 1st Apr against the 103 thousand tonnes of previous year. Total dhaniya production is estimated at 8.47 lakh tonnes in marketing year 2023-24 as per Spices Board of India, higher by 15% Y-o-Y.



Dhaniya export surged up significantly in year 2023 with increased demand from China and Malaysia. China imported about 20.5 thousand tonnes of dhaniya during Apr-May'23 as compared to 147 tonnes of previous year. India exported about 35.4 thousand tonnes during time period of Apr-May'23 against the 6.23 thousand tonnes of previous year.



Going forward dhaniya prices are expected to remain firm as arrivals pace is likely to be slower in coming weeks that will support the firmness in prices. Apart from that, robust export demand from India will also help prices to trade on positive bias.

**Dhaniya NCDEX Aug futures are likely to trade in range of 6400-7300 in coming weeks.**



Vandana Bharti (AVP - Commodity Research)  
Ravi Shankar Pandey (Sr. Research Associate)

Boardline : 011-30111000 Extn: 625  
Boardline : 011-30111000 Extn: 674

vandanabharti@smcindiaonline.com  
ravi16@smcindiaonline.com

E-mail: smc.care@smcindiaonline.com



**Corporate Office:**  
11/6B, Shanti Chamber,  
Pusa Road, New Delhi - 110005  
Tel: +91-11-30111000  
www.smcindiaonline.com

**Mumbai Office:**  
Lotus Corporate Park, A Wing 401 / 402 , 4th Floor,  
Graham Firth Steel Compound, Off Western  
Express Highway, Jay Coach Signal, Goreagon  
(East) Mumbai - 400063  
Tel: 91-22-67341600, Fax: 91-22-67341697

**Kolkata Office:**  
18, Rabindra Sarani, Poddar Court, Gate No-4,  
5th Floor, Kolkata - 700001  
Tel.: 033 6612 7000/033 4058 7000  
Fax: 033 6612 7004/033 4058 7004

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