

# Monthly Report On **SPICES**

## AUGUST 2021

5th August, 2021

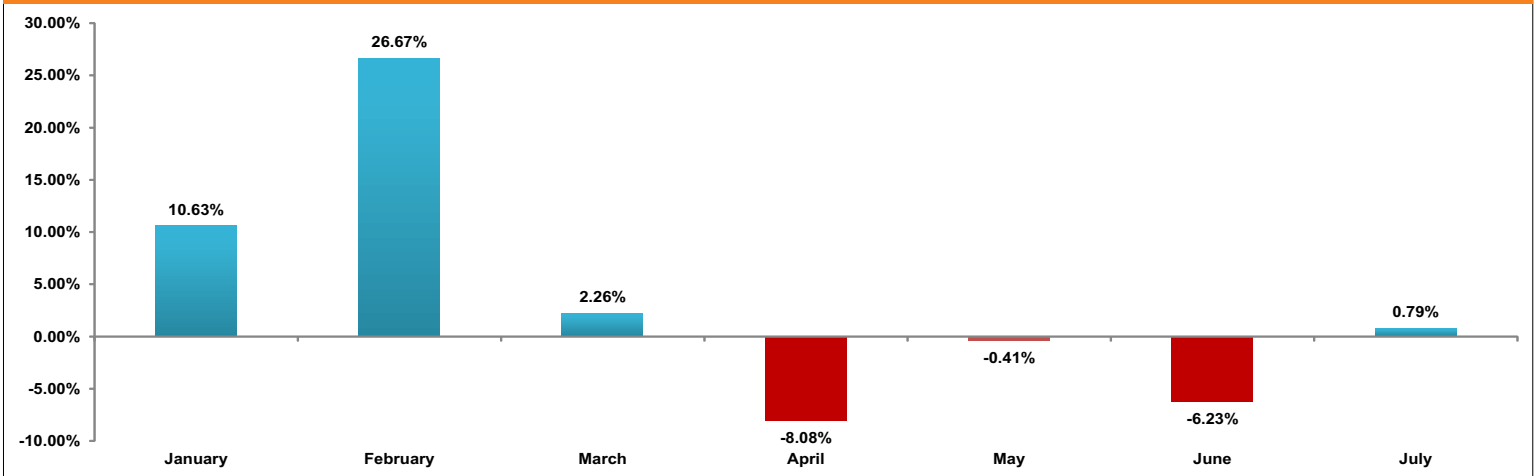


Moneywise. Be wise.

# OVERVIEW

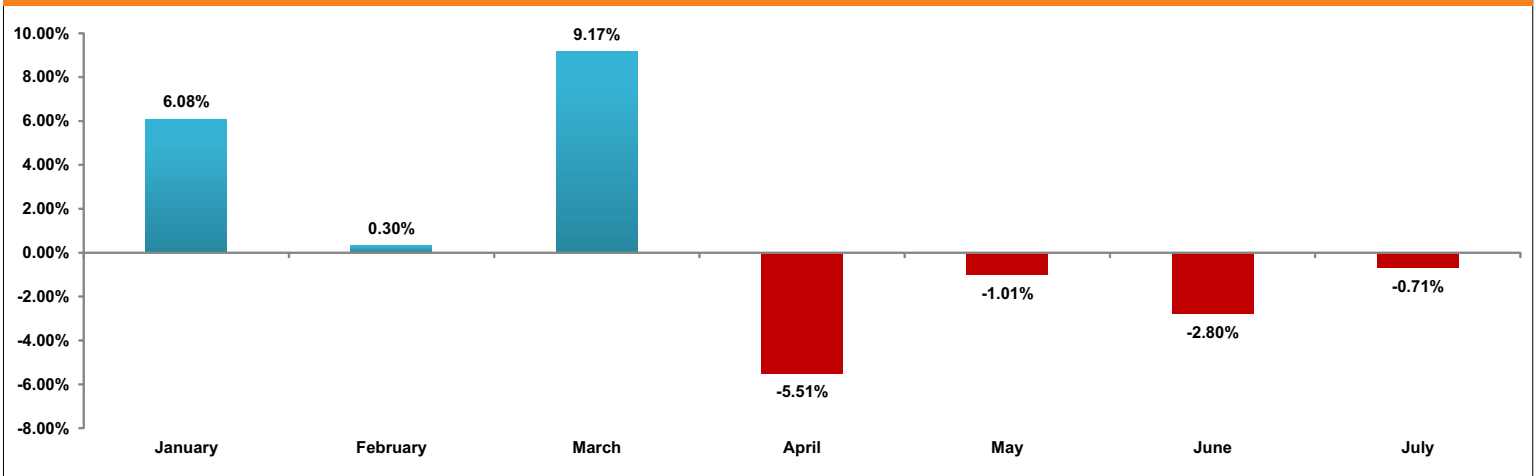
Futures contracts of Spices see some improvement the last month as demand is slowly increasing after lockdown restrictions are now easing in most of the states. Currently, turmeric is in sowing stage while jeera and coriander both are rabi crops already harvested. During the second half of calendar year, spices exports normally remain dull and prices mainly depend on the local and upcountry demand.

### Monthly price movement of Turmeric futures (%)



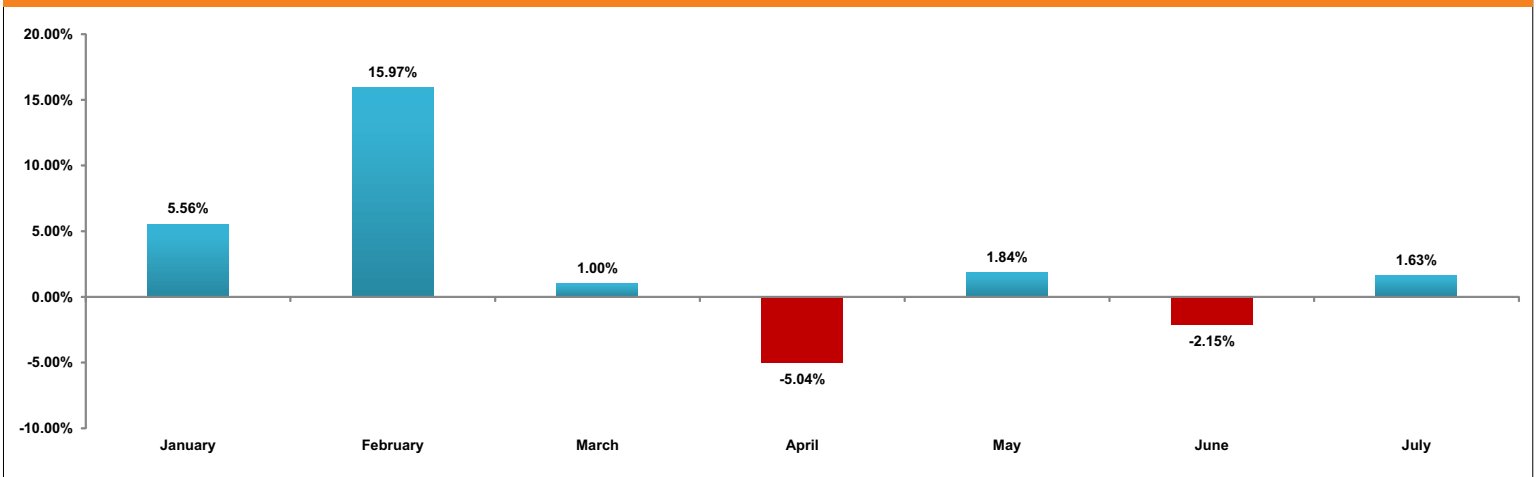
Source: Investing.com

### Monthly price movement of Jeera futures (%)



Source: Investing.com

### Monthly price movement of Dhaniya futures (%)

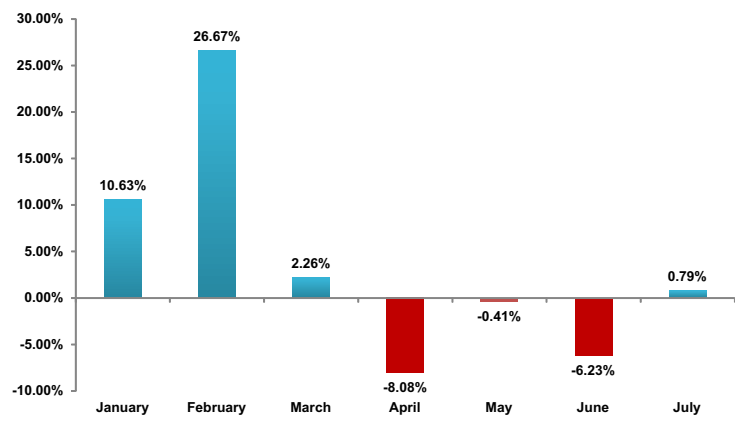


Source: Investing.com

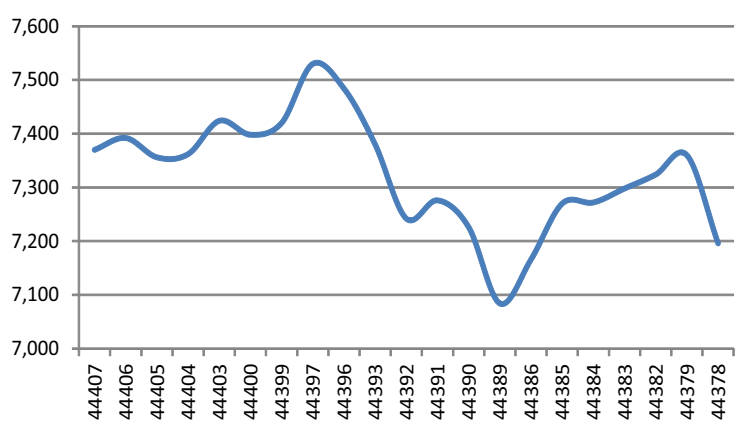
# TURMERIC

Last Month in July, **Turmeric futures** inched higher tracking fairly good domestic demand due to opening of majority of states from lockdown. Export demand for turmeric normally get sluggish after the month of July so prices mainly depends on the local consumptions. Area under turmeric is also good this year due to comparatively higher prices. Currently, turmeric prices are about 30% higher than the last year prices in the local market. In July last year, turmeric prices were at 5700 levels but this year it is trading at 7300 levels.

## Monthly price movement of Turmeric futures (%)



## Turmeric Price Movement - July 2021



## TURMERIC – CMP 7192

S1	S2	PIVOT	R1	R2
6950	7050	7221	7350	7500

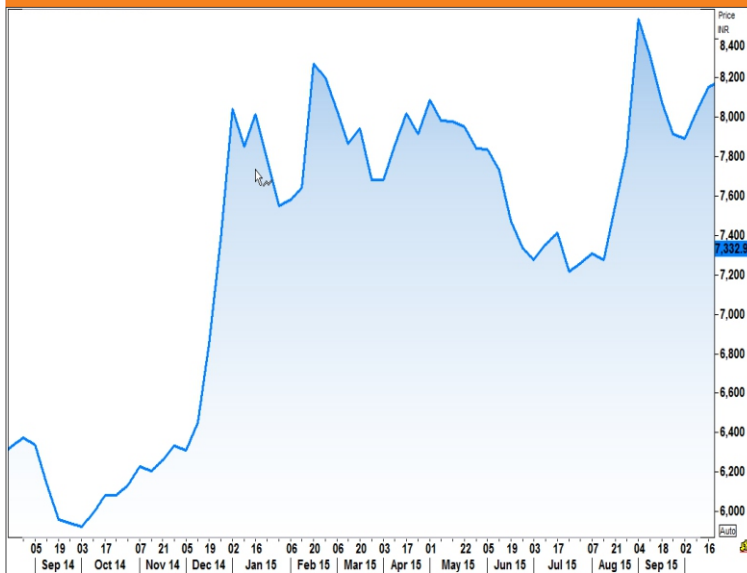
**Analysis:** Turmeric has immediate support at 7050 and resistance 7600. Trend looks negative on the chart. It needs to break the 7050 levels for more downloads towards 6900/6950. If sustained above 7350/7500 will see the upside move towards 7700/77800 levels. Overall, a selling recommendation from higher level in this month.

## Heat map & Seasonal table of Turmeric futures

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2021	10.63%	26.67%	2.26%	-8.08%	-0.08%	-6.23%	0.79%	-1.76%				
2020	-9.23%	0.74%	-3.23%	-3.55%	-5.86%	9.10%	0.07%	6.81%	-6.05%	0.90%	-5.01%	7.01%
2019	-5.07%	-1.94%	-3.03%	5.82%	8.23%	-8.98%	6.18%	0.42%	-9.14%	-0.23%	-7.01%	15.12%
2018	-7.75%	-9.07%	0.55%	8.01%	-0.67%	3.75%	-1.22%	-6.30%	-1.17%	0.95%	-4.35%	3.66%
2017	-0.06%	1.75%	-8.70%	-3.50%	-12.15%	19.84%	18.09%	-2.79%	-0.05%	-3.39%	10.04%	0.80%
AVG	-2.30%	3.63%	-2.43%	-0.26%	-2.10%	3.50%	4.78%	-0.72%	-4.10%	-0.44%	-1.58%	6.65%

Source: Reuters

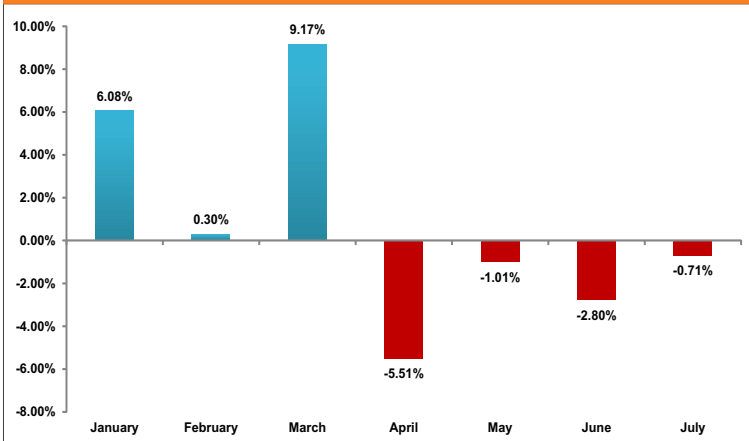
## Weekly Spot Chart - Turmeric



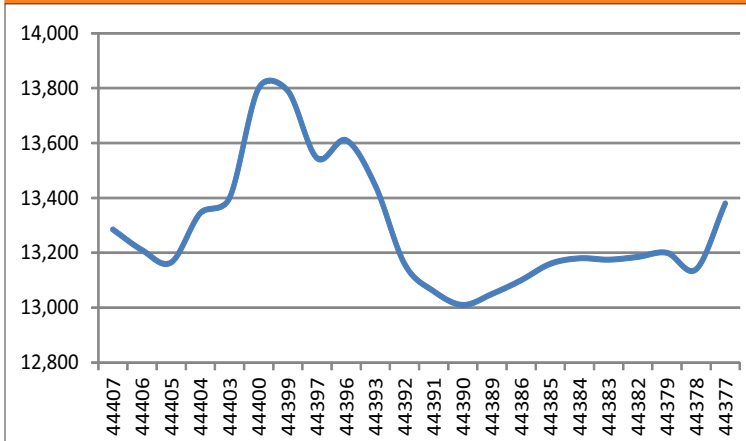
Source: Reuters

In July we have seen some recovery in jeera futures but then closed in slightly in negative due to higher stocks higher arrivals and sufficient stocks with the farmers and traders. The prices have touched 13800 levels last month but good arrival and muted export demand suppress the prices. Country exported more than 1 lakh tonnes of jeera in first 4 month of 2021 up 71% compared to last year. Despite good exports farmers and traders have good quantity of stocks with them due to higher carryover stocks and good production last season. New production from Turkey and Syria will come in Aug – Sep therefore demand for Indian cumin will be less. Therefore the price will be driven by the local demand during coming months. As per price seasonality, jeera prices peak during Jul-Aug and then decline gradually.

## Monthly price movement of Jeera futures (%)



## Jeera Price Movement - July 2021



## JEERA CMP - 13200

S1	S2	PIVOT	R1	R2
12,578	12,932	13,308	13,662	14,038

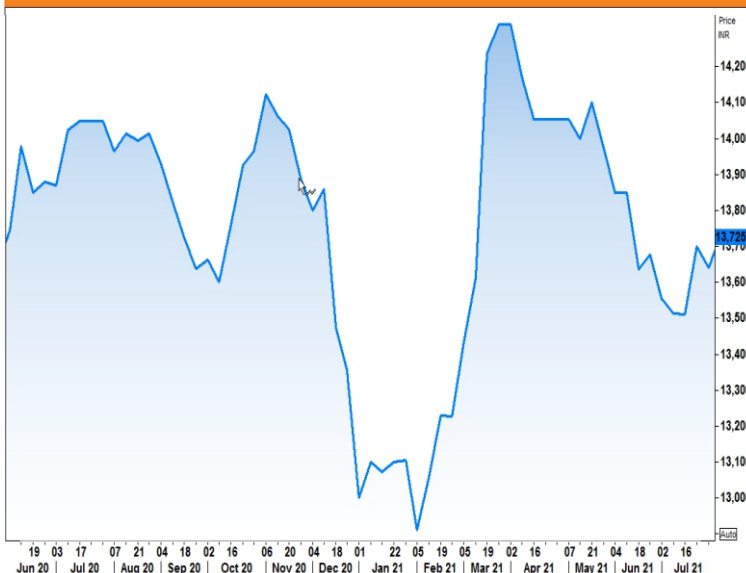
**Analysis:** Jeera is in down trend this season and it continuously fallen after touch 15000 in Apr 2021. We have seen lowest level of 12900 in July from where it recovered to 13700 levels. Therefore, currently the major support is at 12900 levels while the resistance 13700. Presently it has taken a support near 13100 and trading above that level. If it breaks this level, the prices will test the 12900 levels. However, if it sustained at the present levels, we see some upside towards the resistance levels of 13,600.

## Heat map & Seasonal table of Turmeric futures

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2021	6.08%	0.30%	2.26%	-5.51%	-0.97%	-2.80%	-0.71%	-0.26%				
2020	-13.20%	-2.98%	3.25%	1.49%	-5.48%	0.70%	3.44%	0.89%	-3.58%	5.35%	-4.56%	-8.26%
2019	-9.73%	-3.38%	2.01%	7.75%	2.68%	-1.41%	2.71%	-4.20%	1.63%	-4.43%	-0.73%	-0.25%
2018	-23.65%	-9.89%	-2.52%	8.44%	2.89%	14.20%	9.16%	-4.83%	-2.34%	9.70%	-9.47%	-5.12%
2017	0.51%	-5.61%	5.95%	8.88%	-9.54%	7.26%	2.27%	2.74%	-3.47%	-3.23%	17.35%	-0.60%
AVG	-8.00%	-4.31%	3.57%	4.21%	-2.08%	3.59%	3.38%	-0.72%	-1.94%	1.85%	0.65%	-3.56%

Source: Reuters

## Weekly Spot Chart - Turmeric

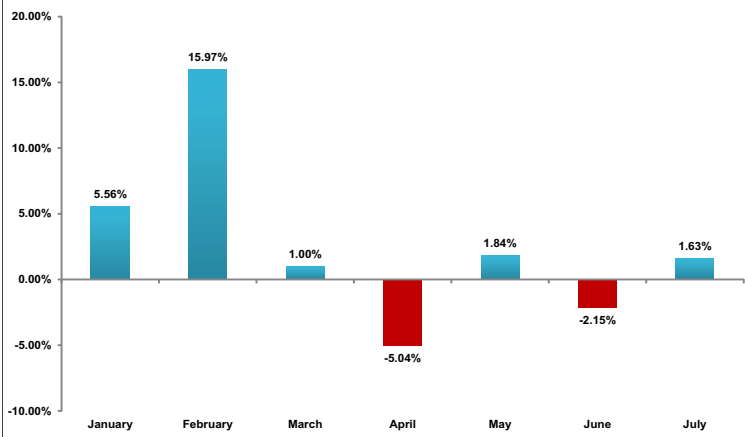


Source: Reuters

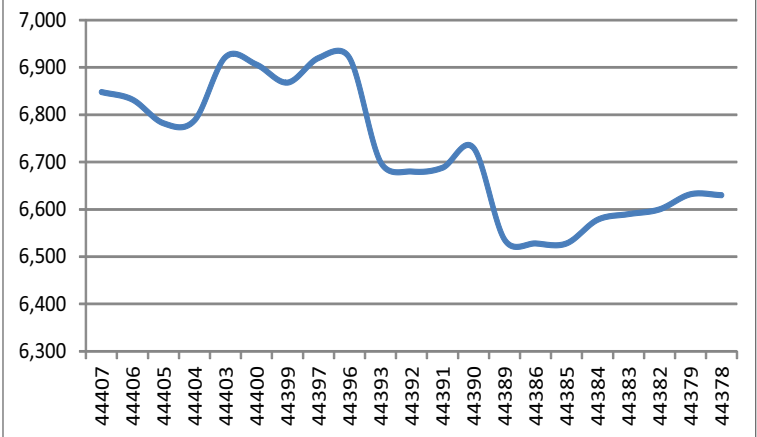


Dhaniya futures closed in positive last month as supplies have affected in the mandies due to monsoon season. However, according to the market sources, the stock is sufficient with the traders and the price will move according to the demand in coming weeks. Spice board has estimated higher production of coriander during the current year. Coriander exports up 40% to 19,700 tonnes during Jan-Apr compared to last season same time. Coriander prices have been higher this season by about 10-15% mainly on good export demand.

## Monthly price movement of Dhaniya futures (%)



## Dhaniya Price Movement - July 2021



## Dhaniya

S1	S2	PIVOT	R1	R2
5,916	6,382	6,680	7,146	7444

**Analysis:** Dhaniya futures are in downtrend in last 3 months and have immediate support at 6625 levels. If breaches this level, then will trade downside towards 6400/6300. On charts resistance is seen over 6980 levels. If it breaks this level then the prices may move towards 7100/7200. Sell on rise advisable in current month.

## Heat map & Seasonal table of Turmeric futures

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2021	5.56%	15.97%	-1.00%	-5.04%	2.08%	-2.80%	1.63%	-0.73%				
2020	-5.28%	-8.86%	-1.60%	1.08%	-4.52%	11.66%	1.11%	9.83%	-2.61%	-0.74%	-5.52%	-7.97%
2019	3.97%	-6.48%	7.75%	7.93%	2.38%	-6.40%	-5.08%	-8.31%	-6.69%	22.27%	-2.19%	2.62%
2018	8.21%	-7.17%	-8.90%	-6.68%	-7.95%	8.38%	9.06%	-8.40%	3.98%	19.74%	11.10%	-1.78%
2017	2.28%	-13.20%	15.92%	-12.87%	-27.97%	6.41%	-2.70%	0.88%	-9.84%	9.70%	11.48%	0.86%
AVG	2.95%	-3.95%	2.43%	-3.12%	-7.20%	3.58%	0.80%	-1.35%	-1.94%	12.74%	3.72%	-1.57%

Source: Reuters

## Weekly Spot Chart - Turmeric



Source: Reuters

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