

Monthly Report On

SPICES

SEPTEMBER 2023



TURMERIC

Turmeric prices witnessed huge volatility in Aug tracking cues from the uncertainty over necessary rainfall in major growing states. Reports of slower sowing progress and fall in area under turmeric supported firmness in prices which headed towards the all-time high of 18076 at NCDEX. However, prices corrected later on demand concerns at such high levels. Fresh export enquires dropped wherein stockists started releasing their stocks on better realization. After touching the high of 18076 at NCDEX, turmeric prices closed the Aug month at 15086. Weakness in turmeric remained continue in Sep as well due to improved weather condition. Revival of monsoon rainfall in Telangana in Sep facilitated the crop progress that weighed on market sentiments.

Table 1: Rainfall status (Week and season)

Region	WEEK			SEASON		
	31.08.2023 TO 06.09.2023			01.06.2023 TO 06.09.2023		
	Actual	Normal	% Dep	Actual	Normal	% Dep
EAST & NORTH-EAST INDIA	28.8	68.6	-58%	931.3	1144.3	-19%
NORTH-WEST INDIA	5.6	35.2	-84%	505.8	515.6	-2%
CENTRAL INDIA	28.6	56.1	-49%	744.9	847.8	-12%
SOUTH PENINSULA	66.4	36	85%	523.6	586.6	-11%
Country as a whole	29	47.7	-39%	657.6	741.6	-11%

Total arrivals of turmeric were reported at 229 thousand tonnes during the time period of Apr'23-Sep'23 as compared to 197 thousand tonnes of previous year. Despite witnessing higher arrivals in year 2023, turmeric price remained higher due to lack of premium quality of produce in the market. Larger part of arrivals touched the market were inferior quality. Export also declined in recent weeks due to higher prices. India exported about 57.7 thousand tonnes during Apr-June'23 as compared to the 49.4 thousand tonnes of previous year. Bangladesh, Morocco and China remained the largest buyer of Indian turmeric. Demand from China has decreased in recent weeks and impact of that is being seen of overall export from India. India exported about 18.35 thousand tonnes in June'23 against the 18.5 thousand tonnes of previous year. Export demand is expected to increase from Oct onwards that will support firmness in prices.

TURMERIC

Turmeric Monthly export (1000 Tonnes)

2022-23 2023-24 Five year average



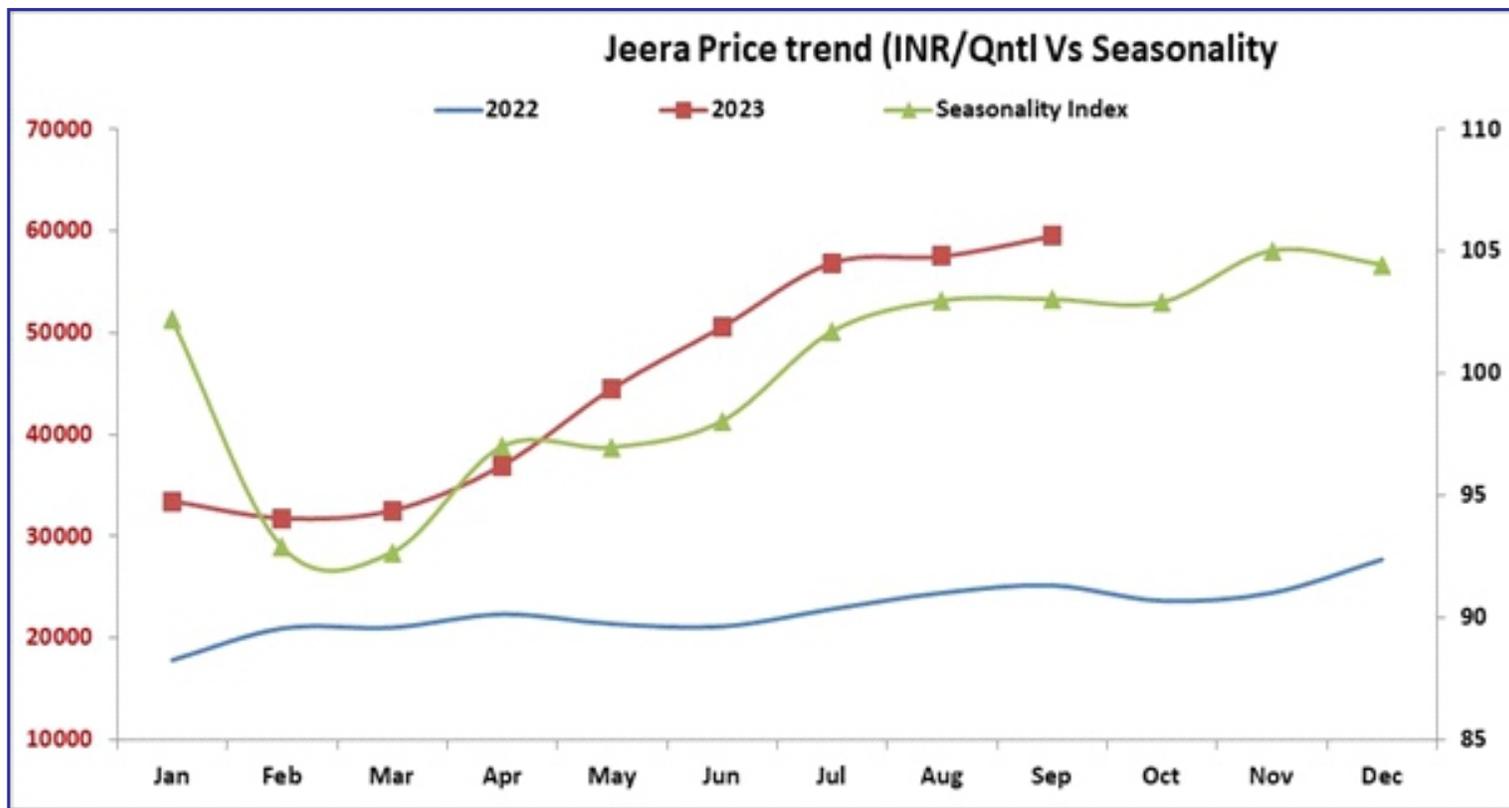
Crop condition is expected to improve in wake of forecast of good rainfall ahead in Sep especially in Maharashtra. However, limited availability of quality crop amid rising festive buying will cap the losses. Crop prospects are weaker for upcoming season as area under turmeric has dropped mainly in Maharashtra and Telangana that will prompt millers to buy turmeric with every dips in prices.

Turmeric Oct prices are likely to trade in range of 12300 - 18100.

TURMERIC WEEKLY CHART



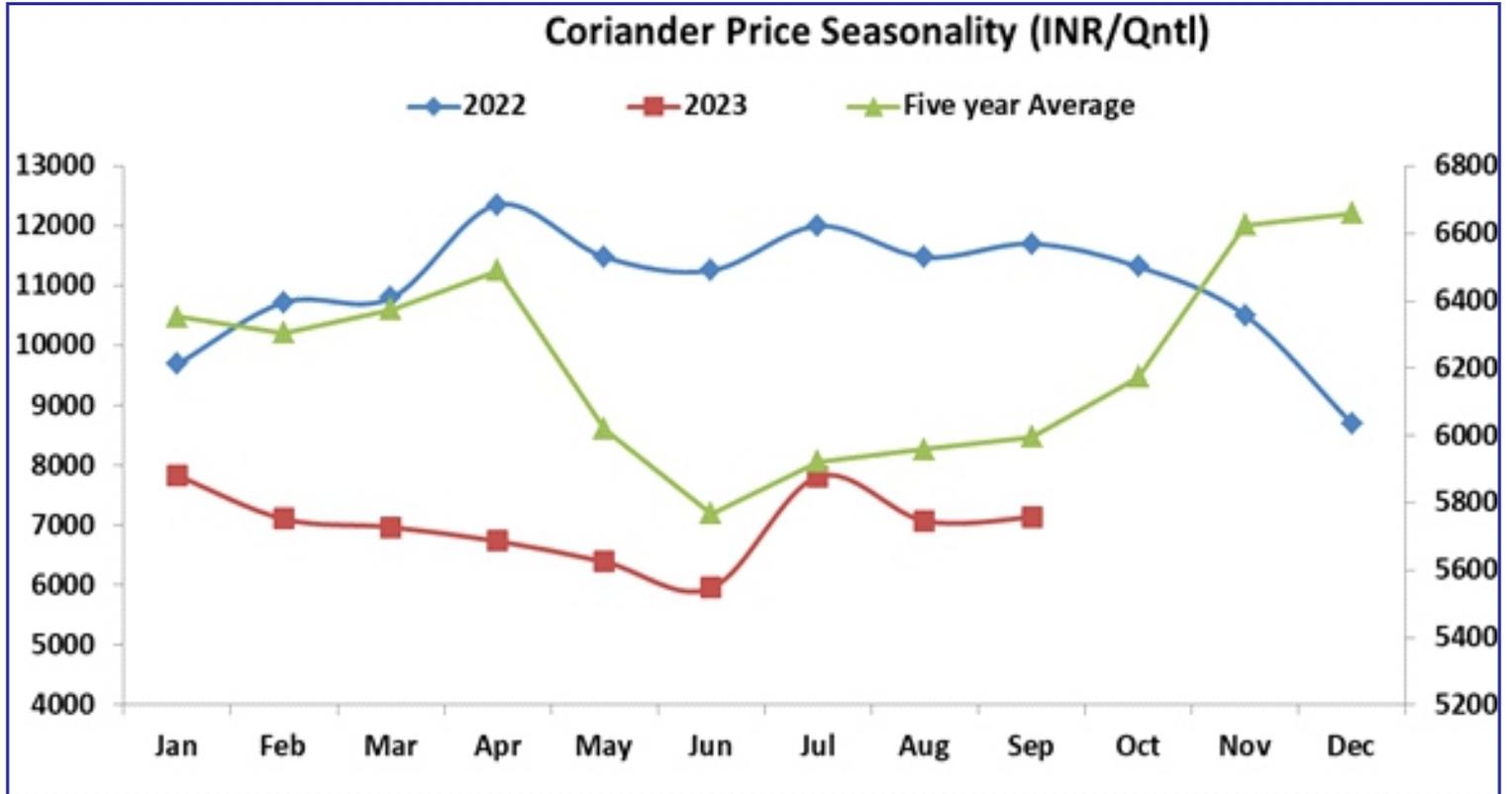
Jeera Prices traded down in Aug'23 due to sluggish export demand. Increased arrivals with improved weather condition weighed on the market sentiments and stockists offloaded their stocks in fear of fall in prices. After touching the high of 64000 in Aug'23, jeera prices dropped to 54824 by end of the month. However, prices surged up sharply in first week of Sep tracking fresh festive buying in physical market. Shrinking arrivals and revival of export enquires supported firmness in prices. Prices moved in line with its seasonality Index in year 2023. About 94 thousand tonnes of jeera arrived during Apr'23-Sep'23 as compared to 121.2 thousand tonnes of previous year.



According to FISS forecasts, cumin demand is projected to surpass 85 lakh bags this year, while the expected production stands at 65 lakh bags. However, sluggish export demand is still a major concern for Indian traders as Indian jeera prices remained uncompetitive in global market that kept overseas demand subdued. Official export data for July-Aug is due that will decide the further trend in prices. India exported about 9.2 thousand tonnes of jeera in June as compared to 20.4 thousand tonnes of previous year. During April-June 2023, jeera exports increased by 13.16% compared to the same period in 2022, reaching 53,399.65 tonnes. Going forward, prices are expected to move up in wake of festive demand ahead. Apart from that sowing of new crop will also commence in OND quarter that also will be major price driver for jeera. In wake of record gains in jeera prices in year 2023, area under jeera is projected to rise significantly for new crop. Pipelines are drier due to weaker crop and stocks are likely to remain tighter unless new crop touches the market.

Jeera Prices are likely to trade in range of 57000 – 68000 in coming months.

Dhaniya prices traded on weaker note in Aug following adequate supplies in market. Muted domestic buying against higher stocks kept prices under pressure. Dhaniya prices closed the month at 7072. Prices remained under pressure in Sep as well on limited domestic buying. Arrivals remained higher in year 2023 due to bigger crop size. About 335.8 thousand tonnes of dhaniya arrived during Apr'23- Sep'23 as compared to 129 thousand tonnes of previous year. Prices moved in line with prices seasonality and remained sideways in Aug-Sep.



Dhaniya NCDEX Oct prices are likely to trade mixed to down on adequate domestic supplies that affected domestic buying adversely. However, improved export demand will cap the losses. India exported about 11.3 thousand tonnes of dhaniya in June'23 as compared to 2.4 thousand tonnes of previous year. India exported about 46.7 thousand tonnes during time period of Apr-June'23 against the 8.7 thousand tonnes of previous year. China, Malaysia and UAE have been the major buyers of Indian coriander in year 2023. Going forward, prices are expected to move up in wake of price seasonality. Expectation of rise in festive demand will support firmness in prices. Apart from that sowing of new crop will also commence in OND quarter that also will be major price driver for coriander. Area under dhaniya is projected to rise in wake of fair return in dhaniya.

Dhaniya Prices are expected to trade in range of 6700-8000 in coming month.

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