

# Monthly Report On

# SPICES

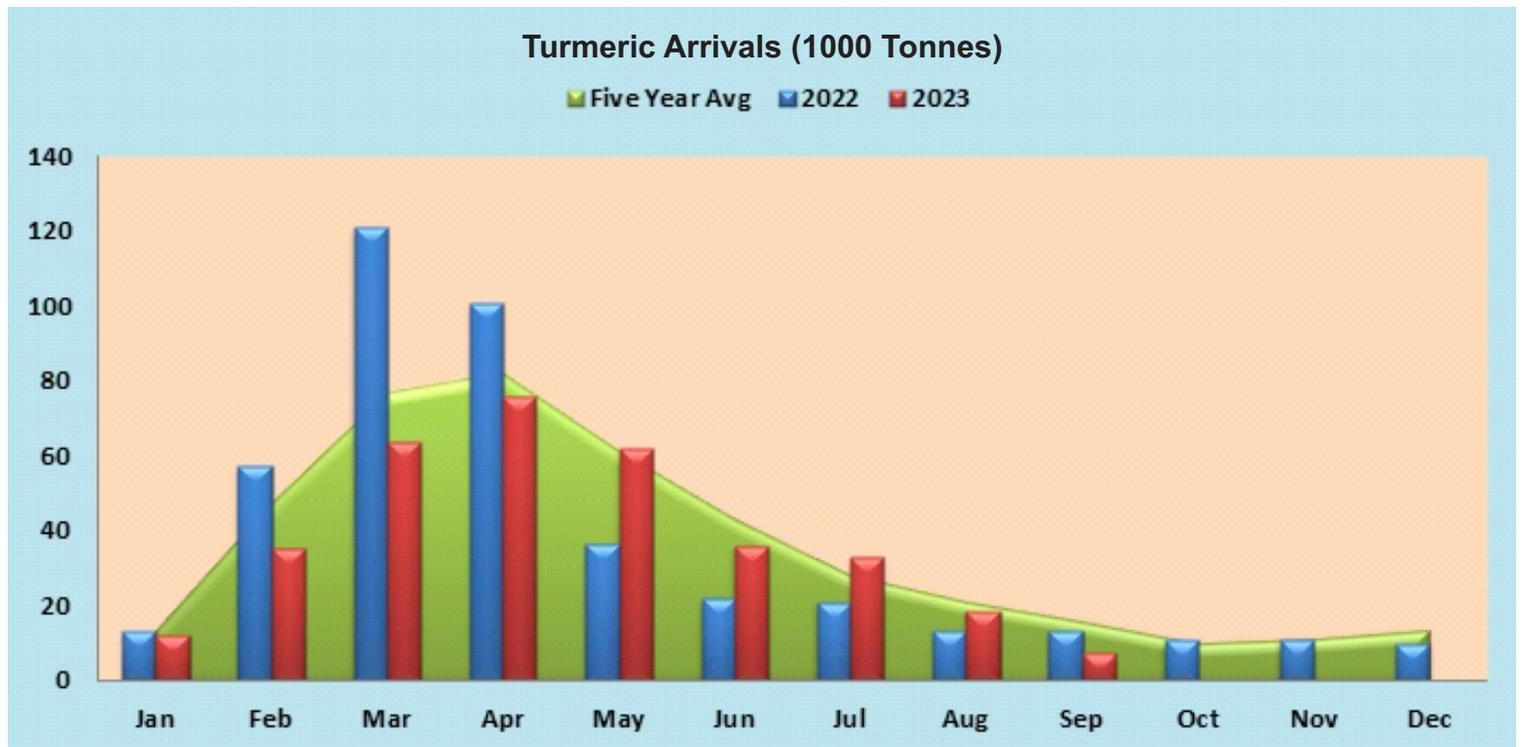
OCTOBER 2023



# TURMERIC

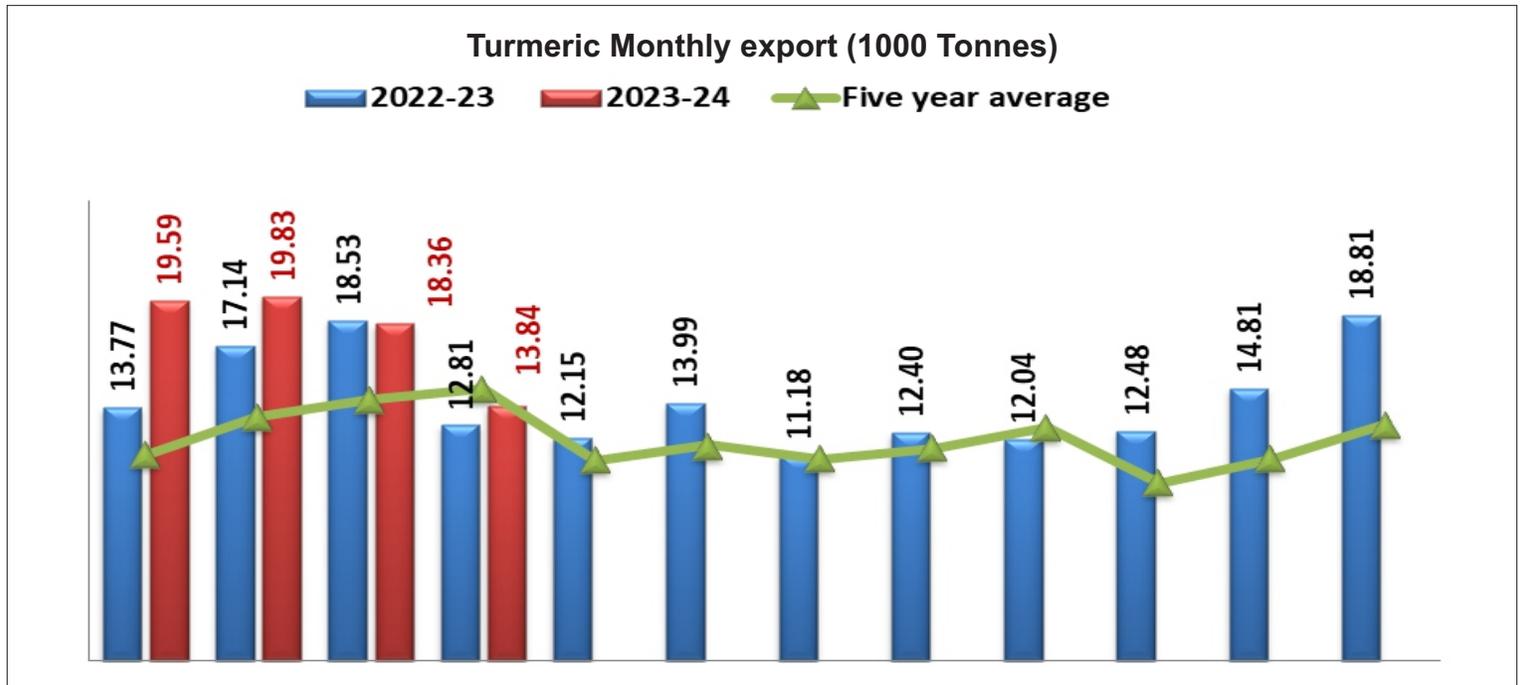
Turmeric prices traded down for second consecutive month in Sep'23 following muted domestic demand. Stockists offloaded their stocks in wake of sluggish export enquires during Sep'23. Turmeric futures dropped about 30% from the record high level of 18076 to the 12772 in Sep'23. Prices moved mostly in line with its prices seasonality which suggest sharp fall in prices during Au-Sep. Improved sowing progress with betterment of weather condition in southern region of India weighed on the market sentiments. Considering the downfall in prices it seems market has discounted the reports of lower acreages and stockists have started releasing their stocks.

Monthly arrivals of turmeric were reported at 7.3 thousand tonnes in Sep'23 as compared to 13.3 thousand tonnes of last year for corresponding month. Overall arrivals during Apr-Sep were reported at 232 thousand tonnes in year 2023 against the 206.8 thousand tonnes of previous year. Going forwards arrivals are likely to remain lower in coming months as new arrivals will start only after the Feb'2 once the new crop touches the market.

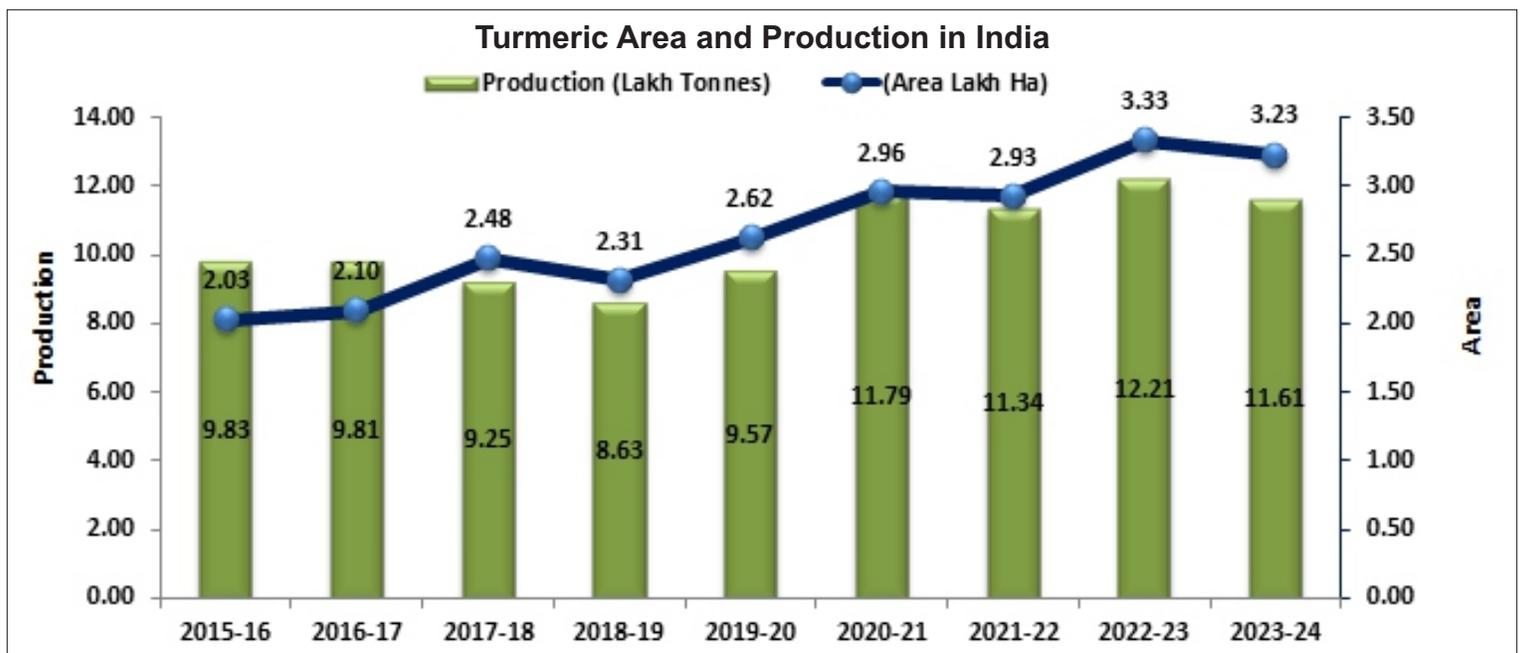


Source: Agmarknet

Export of turmeric rose significantly in year 2023 with rising demand from the Bangladesh, Morocco, UAE, China and USA as these five countries accounted for about 54% of total turmeric export from India where Bangladesh has been the top buyer of Indian turmeric. India exported about 13.8 thousand tonnes in July'23 as compared to 12.8 thousand tonnes of previous year. Total export of turmeric during Apr-Jul'23 was reported at 71.6 thousand tonnes higher by 15% Y-o-Y. Export seasonality of turmeric suggests, export pace remains stable during Oct-Dec as major buyers keep them away from bulk deal ahead of commencement of fresh arrivals in Telangana in Jan which later picks up with subsequent months till Apr. Considering the prices competitiveness of turmeric it seems exports are likely to remain subdued in coming months that will put pressure on prices.



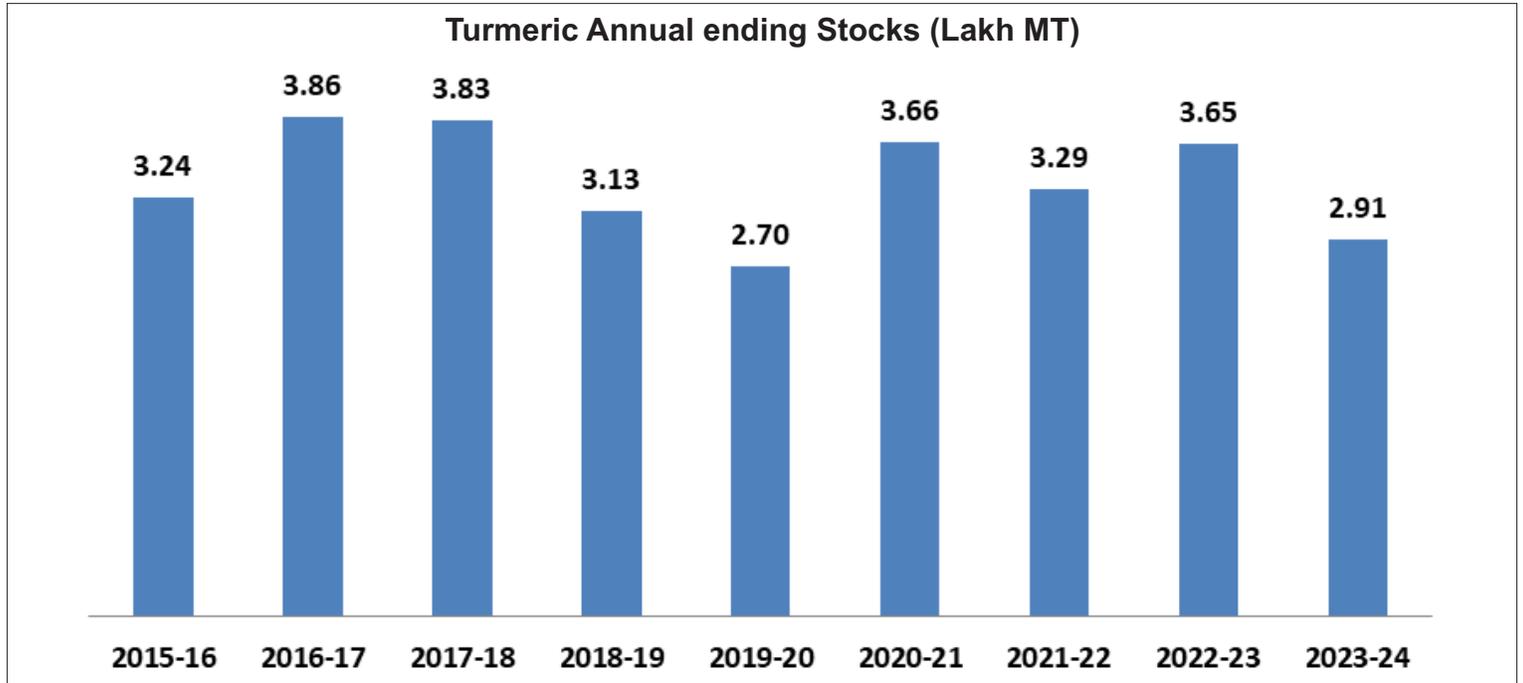
Apart from that prices will track the crop progress as crop is at vegetative and rhizome development stage. Crop condition is satisfactory and it will be ready for harvest ready for harvest during January to March. Early varieties mature in 7-8 months, medium varieties in 8-9 months and late varieties after 9 months. Turmeric production is estimated at 11.61 lakh tonnes in marketing year 2023-24 (Apr-Mar) whereas total acreages was reported at 3.23 lakh Ha. Sowing for marketing year 2024-24 has completed and total area is estimated to be down by 11% Y-o-Y at 2.87 lakh Ha.



Source: Ministry of Agriculture.

Considering the supply and demand fundamentals, it seems downfall in turmeric is likely to be limited in wake of estimates of lower stocks as turmeric ending stocks are expected to drop by 20% Y-o-Y to 2.91 lakh tonnes in year 2023-24 due to lower production.

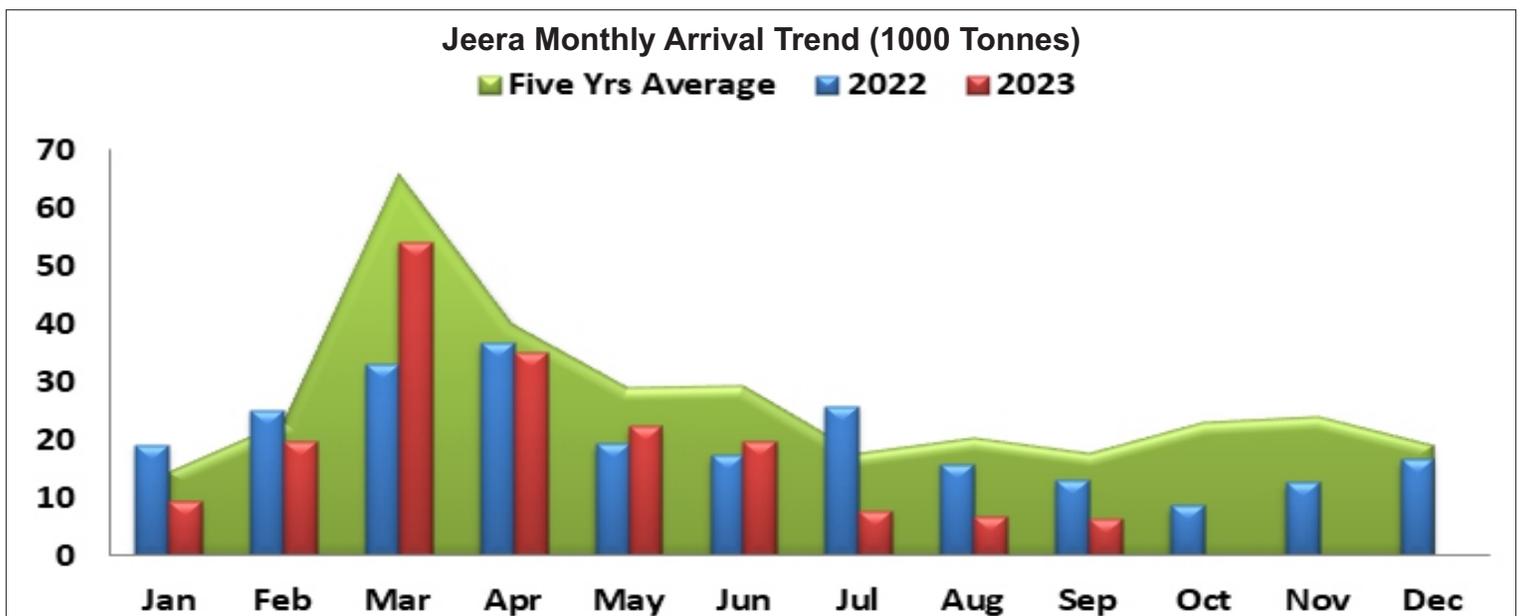
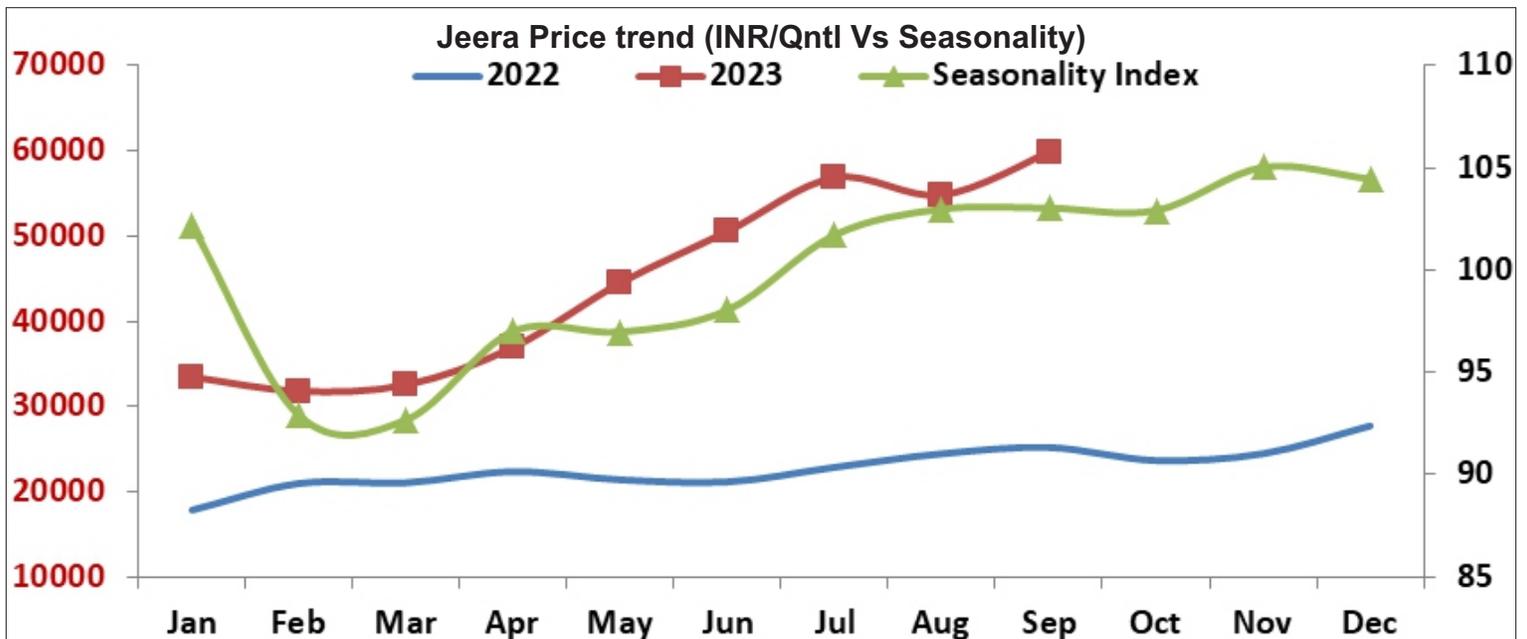
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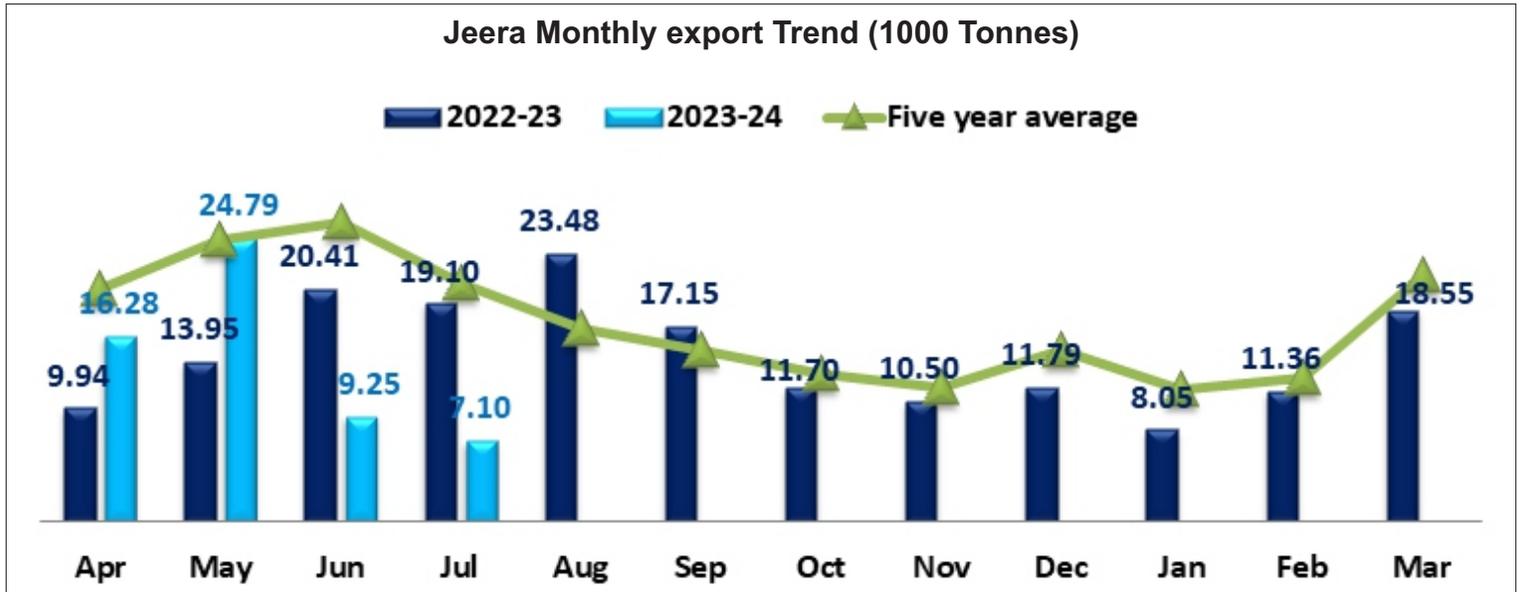
Considering the technical charts and above fundamentals, turmeric prices are expected to slip towards the support of 12000/11500 in coming weeks whereas 16000 will be the major resistance.



Jeera futures resumed its uptrend in Sep'23 on prevailing concerns over supply tightness. Increased festive buying during first half of Sep'23 and limited availability of quality produce helped prices to move up further. Jeera near term futures jumped to the record level of 65900 in Sep'23 higher by 20% M-o-M tracking festive demand. However, prices wiped out its most of the gains in second half of Sep'23 following lowering demand at such record levels. Reports of subdued export also impacted market sentiments adversely that pulled the prices down. After touching the record level of 65900, jeera prices dropped to 59865 by end of Sep'23 but remained higher by 9% M-o-M from the last month close of 59865. Prices witnessed bit deviation from its seasonal move tracking concerns over supply tightness in domestic market. Spot prices of Jeera rose significantly with shrinking supplies. About 181 thousand tonnes of jeera arrived at major APMC mandies across India during the time period of Jan'23-Sep'23 as compared to 205 thousand tonnes of previous year lower by 12% Y-o-Y.



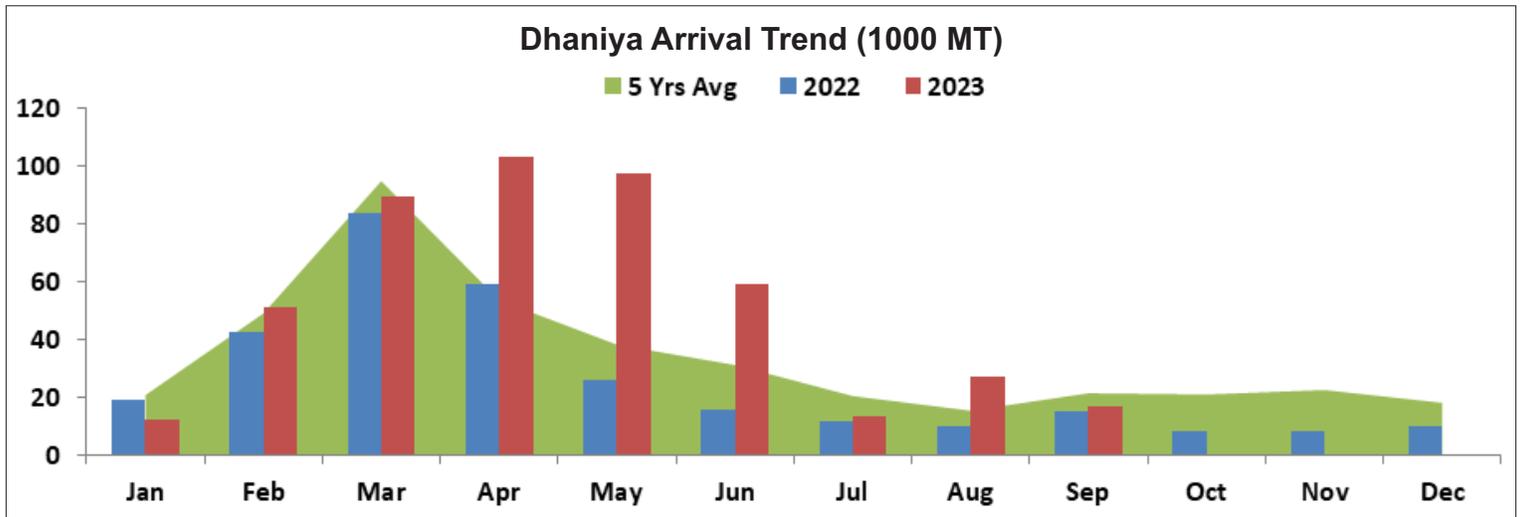
Jeera export dropped in Sep'23 as prices turned uncompetitive in global market after sharp gains. Global demand of Indian jeera slumped as most of buyers preferred other destinations like Syria and Turkey due to higher prices of Jeera in India. India exported about 7.1 thousand tonnes of Jeera in July'23 as compared to 19 thousand tonnes of previous year. Total jeera export during Apr'23-Jul'23 was reported at 57.5 thousand tonnes against the 63.3 thousand tonnes of previous year. Export is likely to remain down in upcoming months as per the export seasonality.



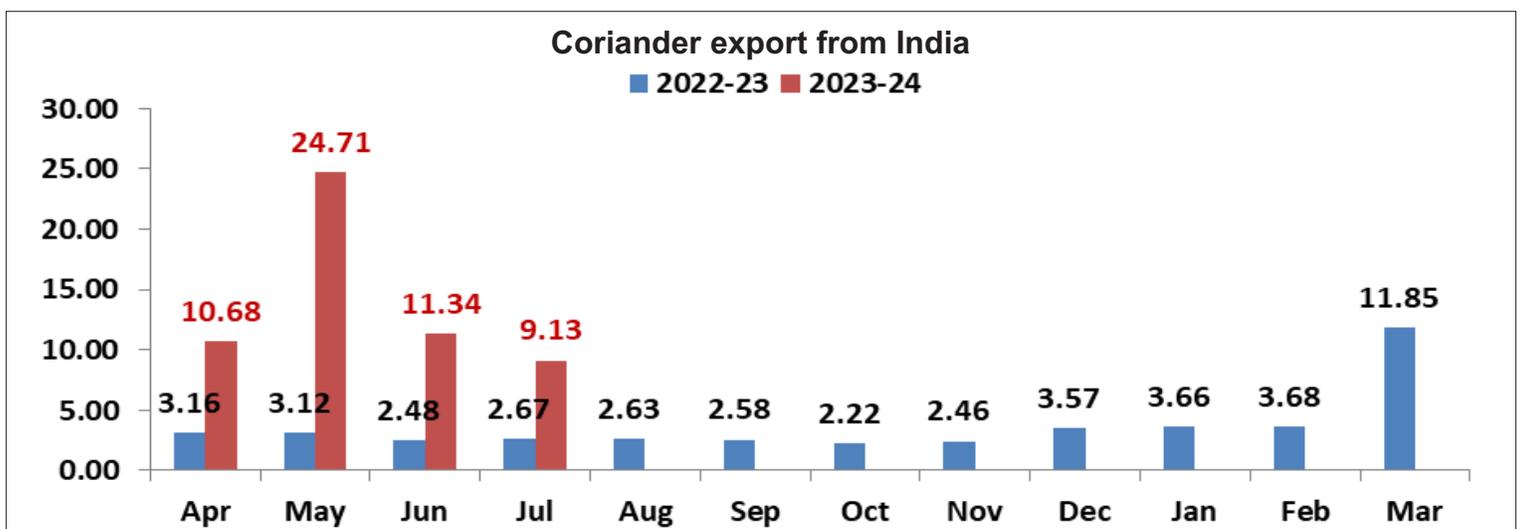
Jeera prices are likely to trade in limited range in upcoming month. Major focus will be on sowing progress as sowing will start in Oct. Considering the limited availability of quality produce demand will remain higher that will support prices. However, bleak export will be the major concerns for exporters that will cap the major gains in prices. Jeera prices are expected to trade in range of 52000-66000 in coming weeks.



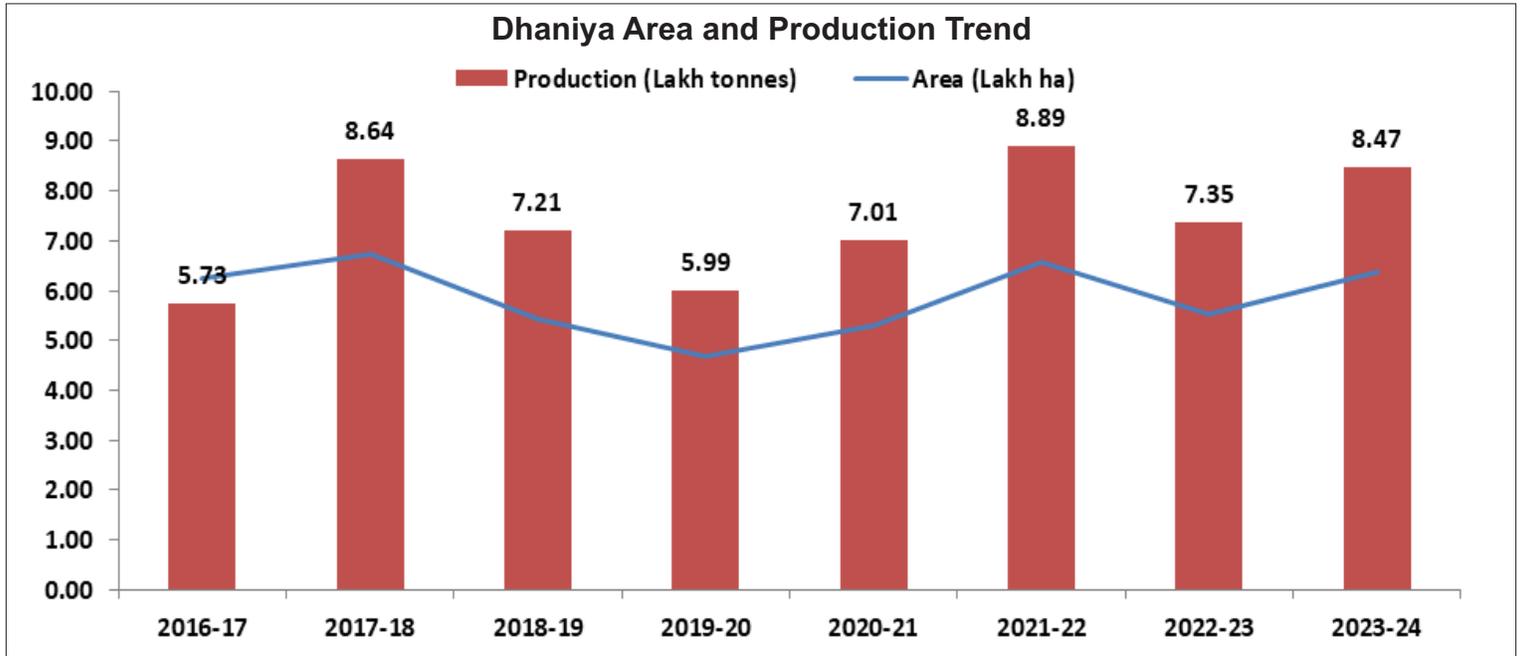
Dhaniya prices traded down in Sep following adequate availability in the market. Muted domestic demand against the increased supplies at major trading centers weighed on market sentiments. After touching the high of 8068 at futures platform, prices corrected sharply as stockists started offloading their stocks on better price realization. On account of heavy selling in physical market, Dhaniya prices has dropped about 15% so far from the high of 8068. About 16.6 thousand tonnes of dhaniya arrived in major APMC mandies during Sep'23 as compared to 14.97 thousand tonnes of previous year. About 349 thousand tonnes of dhaniya arrivals were reported at major APMC mandies during the time period of Apr-Sep'23 against the 138 thousand tonnes of previous year for corresponding period.



Dhaniya export rose significantly in year 2023 due to supply concerns on other producing countries. Shrinking global supplies boosted overall export from India that helped domestic prices to move up. India exported about 9.1 thousand tonnes of dhaniya in July'23 as compared to 2.6 thousand tonnes of previous year. China, Malaysia and UAE have been the major buyers of Indian coriander in year 2023. India have exported about 55.8 thousand tonnes during Apr'23-Jul'23 against the 11.4 thousand tonnes of previous year.



Going forward coriander prices are likely to track the sowing progress as sowing for new season is likely to start from the Oct onwards. Acreages under coriander are estimated to be down in wake of higher stocks in the market. India planted about 6.39 lakh Ha under coriander in year 2023-24 higher by 15% Y-o-Y. On account of higher acreages, total production dhaniya rose up to 8.47 lakh tonnes in marketing year 2023-24 as compared to 7.35 lakh tonnes of previous year.



Dhaniya prices are expected to trade higher in coming weeks mainly due to bleak supply prospects. Arrivals are expected to be down in coming months due to that will support firmness in prices. Moreover, IMD forecast of more than drier weather in Oct will also add concerns for sowing that will reflect as gains in prices. **Dhaniya prices are expected to trade in range of 6100-7600 in coming weeks.**

### Dhaniya Monthly Chart:



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