

Monthly Report On

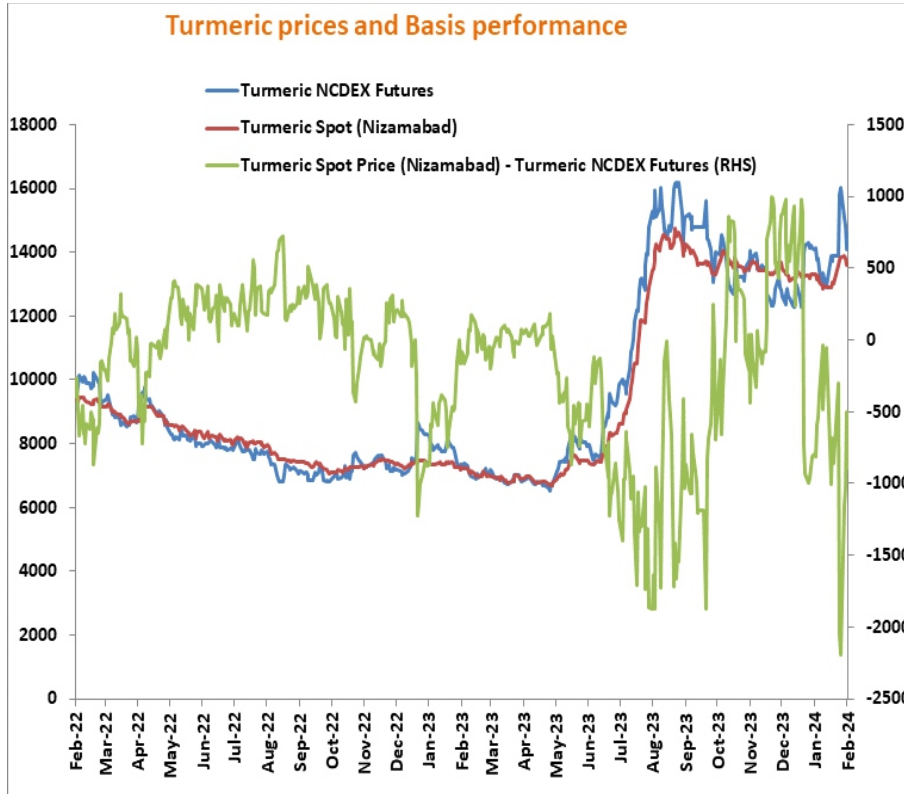
SPICES

FEBRUARY 2024



TURMERIC

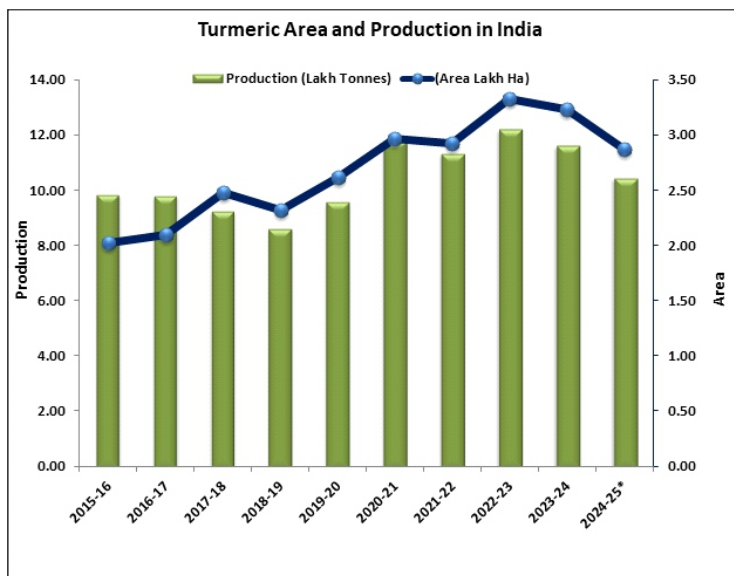
Turmeric prices witnessed sharp gains in Jan'24 following aggressive buying in local market against the limited availability of quality crop. Tighter stocks in the market and delayed harvest of new crop in Telangana lent support to turmeric prices. Turmeric prices jumped about 29% in Jan and marked the monthly high of 16298. Weaker production outlook also contributed in the gains of turmeric prices. However, prices tried to pare of its most of the gains at futures platform in terms of basis correction as prices spread between spot prices (Nizamabad) and NCDEX futures rose up to 2300 against its normal range of 500-1000. Losses remained limited in spot prices due to supply concerns.



Buying activities in turmeric have increased in anticipation of fall in overall production as production is likely to be dropped by about 20% due to lower area under turmeric amid tumbling yield. Turmeric production is estimated to be dropped by 20% Y-o-Y to in between 9.00-9.5 lakh tonnes in marketing year 2024-25.

Arrivals pace have been slower due to delayed harvesting activities in Telangana and Andhra Pradesh. Exports dropped in Nov as India exported only 8.58 thousand tonnes of turmeric in Nov'23 against the 12.39 thousand tonnes of previous year wherein total export during Apr-Nov'23 reported at 110.74 thousand tonnes as compared to 111.94 thousand tonnes of previous year down by 1% Y-o-Y. Exports are likely to increase as per export seasonality that will support firmness in prices further. However, new crop is likely to touch the market soon in coming weeks that will cap the excessive gains. Turmeric prices are expected to

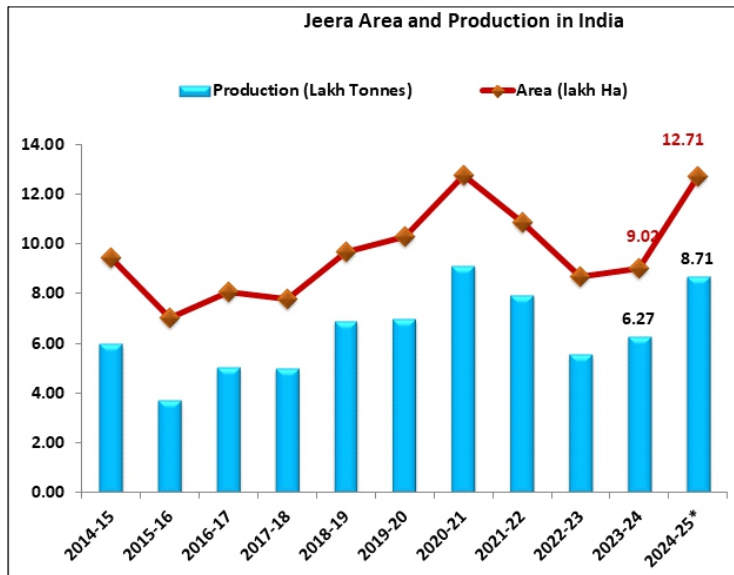
face support near 14400/14000 in the near term wherein resistance is anticipated near 16200/16800.



Jeera futures traded down for most part in Jan'24 tracking bumper production outlook for upcoming season. Aggressive sowing number and reports of sluggish export weighed on market sentiments. Jeera prices dropped by 13% M-o-M and closed the month at 27110. Sowing of jeera surged significantly in year 2024 with rise in area in the top producing states like Gujarat and Rajasthan. In Gujarat, the area under jeera increased by 104% Y-o-Y to 5.61 lakh Ha from 2.75 lakh ha of last year. In Rajasthan, jeera acreage rose to 677,212 ha, from 579,140 ha a year ago. Farmers showed enthusiasm towards Jeera after enjoying bumper return in Year 2023. Favourable weather condition also supported sowing activities in year 2023. Production for the year 2024-25 is likely to be increased by around 30% year-on-year to 8.5-9 lakh tonnes, with a substantial rise in cultivation area.

At demand front, being as perfumery and as a flavouring agent, cumin is widely used in cuisines in across the world. India has been the largest exporter of jeera; export around more than 100 countries across the globe where China, Bangladesh, Vietnam, USA and UAE are the major buyers of Indian jeera; contributes more than 60% of total export from India. India exports around 30% of its annual production and plays a crucial role in global trade. Other major exporting countries are Syria and Turkey as these countries compete India in terms of trade. Jeera export from India has grown with CAGR of 14% in last 7 years due to rising international demand. India exported about 1.76 lakh tonnes of jeera in year 2022-23 and exported about 70 thousand tonnes till Sep in year 2023. Considering the higher production outlook, jeera export is expected to 30% -40% Y-o-Y in upcoming season.

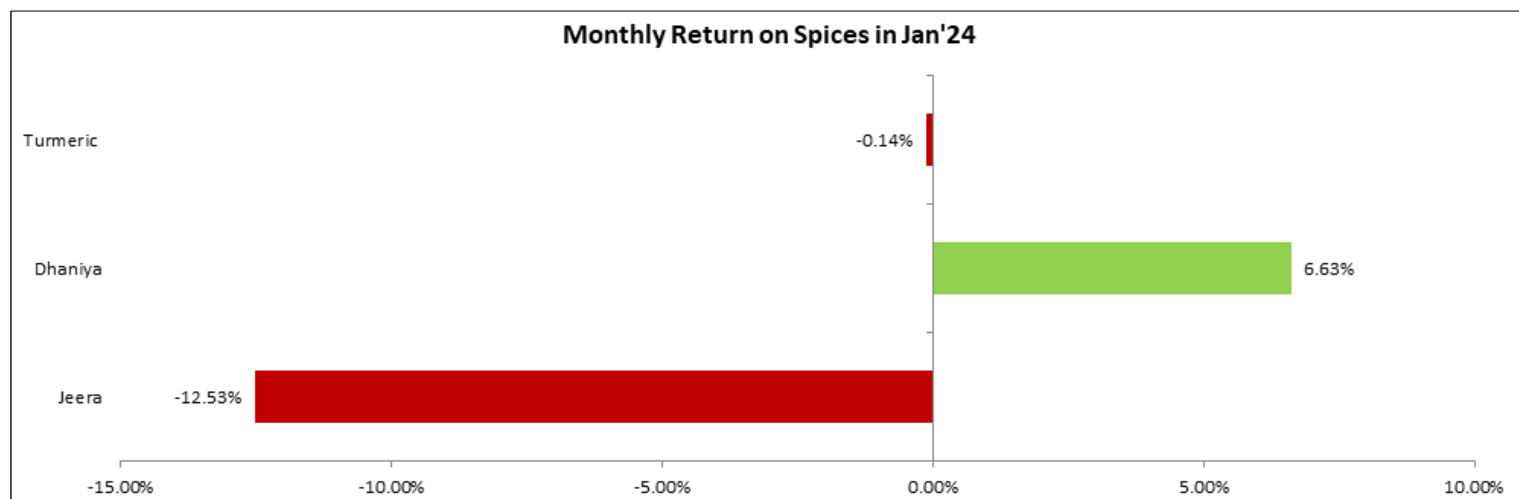
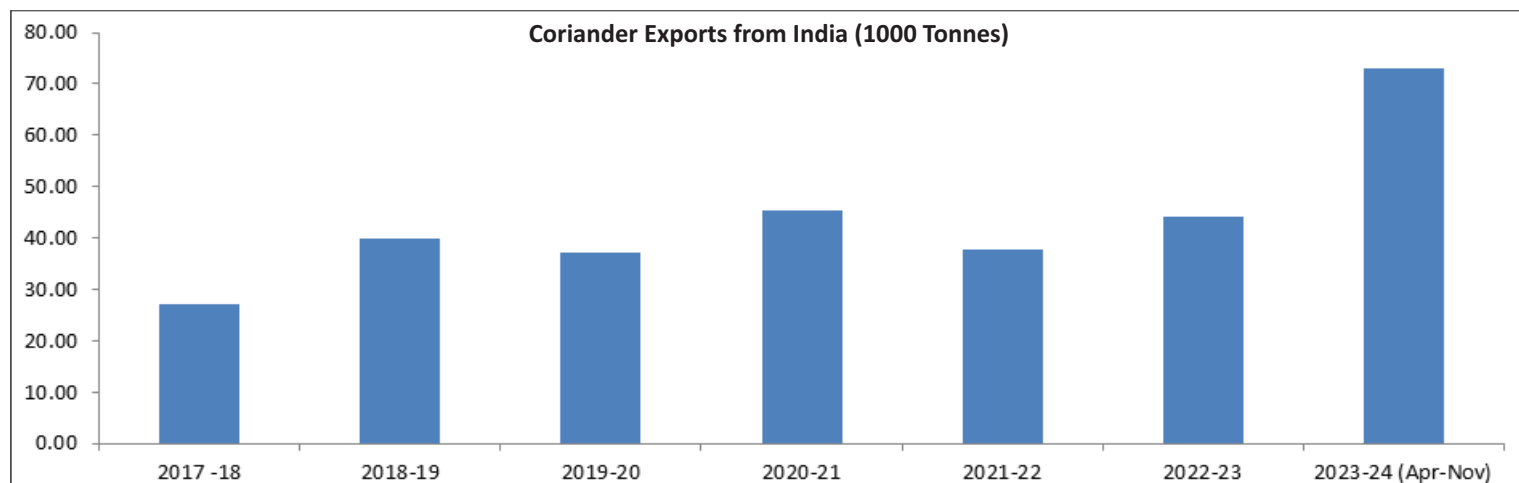
Jeera prices have turned competitive that lured exporters to buy Jeera at prevailing rates. Exports seasonality of jeera suggest that export demand remains higher during Feb-Mar due to strong demand prospects ahead in wake of series of festivals in Mar-Apr. Exports of jeera have been lower so far in year 2023-24 due to reduced availability. Exports remained unattractive during most of the time in year 2023 with unprecedented rally in jeera prices. India exported about 76.3 thousand tonnes of jeera during Apr'23-Nov'23 as compared to 115.75 thousand tonnes of previous year down by 34% Y-o-Y. Exports dropped to 6.2 thousand tonnes in Nov'23 against the 11.7 thousand tonnes of previous year. Gains are likely to be limited in expectations of a bumper crop. Jeera prices are likely to trade in range of 20500-38500.



Dhaniya prices traded on positive bias in Jan'24 with reports of tumbling acreages under dhaniya. Stockists are active in wake of weaker production prospects ahead. Production is likely to be down about 10-15% Y-o-Y due to fall in area and yield. Coriander is cultivated across India though production is concentrated in Rajasthan, Madhya Pradesh, Assam, Gujarat and Andhra Pradesh. Being as a rabi crop, coriander is sown in Oct-Dec and initial sowing numbers for marketing year 2024-25 is showing that area under coriander has been dropped so far in year 2023 due to delayed kharif harvest. Higher stocks at physical market and downfall in prices forced farmers to trim their area under coriander. Dhaniya production is expected to drop by 13%-15% Y-o-Y to 7.30-7.50 lakh tonnes.

India exports about 5%-10% of production in global market where China and Malaysia are the major buyer of Indian coriander accounts for 62% of total exports from India. Being as largest buyer of Indian coriander, China bought about 34.5 thousand tonnes in year 2023 compared to 2.5 thousand tonnes of prior year. Supplies concerns in China with significant rise in demand supported aggressive buying by Chinese importers. Apart from India, coriander is grown majorly in Morocco, Canada, Romania, Russia and Ukraine these countries dominates the global coriander exports. Coriander has been cultivated for seed purpose in India and many other countries. Demand of coriander is mainly comes from Middle East, South-east Asia, USA, UK and Germany. India exported about 3.05 thousand tonnes of coriander in Nov'23 as compared to 2.4 tonnes of previous year whereas total exports during Apr'23-Nov'23 was reported at 73.18 thousand tonnes against the 21.3 thousand tonnes of previous year up by 243% Y-o-Y.

Adequate supplies in domestic market in year 2023 kept overall imports of dhaniya down in year 2023. Firmness in dhaniya is likely to remain intact due to bleak supply outlook supported by lower production estimates. However, new arrivals are likely to commence in coming weeks that will cap the excessive gains. Dhaniya prices are likely to trade in range of 7500-8530.



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