

# Monthly Report On **SPICES**

**APRIL 2022**

17th April, 2023

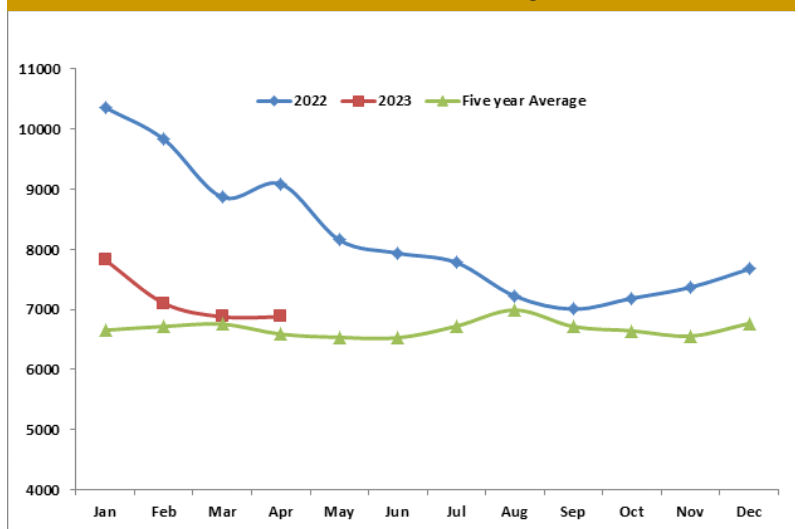


Moneywise. Be wise.

# TURMERIC

Turmeric futures traded down for third consecutive row in Mar'23 tracking muted demand in global as well as in International market. Commencement of arrivals in Telangana and AP and heavy stocks turmeric with stockists weighed on the market sentiments. Turmeric prices which were ruling at 7200 in Feb'23 dropped to 6600 level in Mar'23 due to demand concerns. Despite fall in area under turmeric in Maharashtra and AP, prices remained under pressure due to demand concerns as heavy stocks with millers and stockists kept them away from bulk buying. Turmeric prices ruled down in Apr as compared to last year but remained higher as compared to 5 year average.

**Turmeric Price Seasonality at MCX**



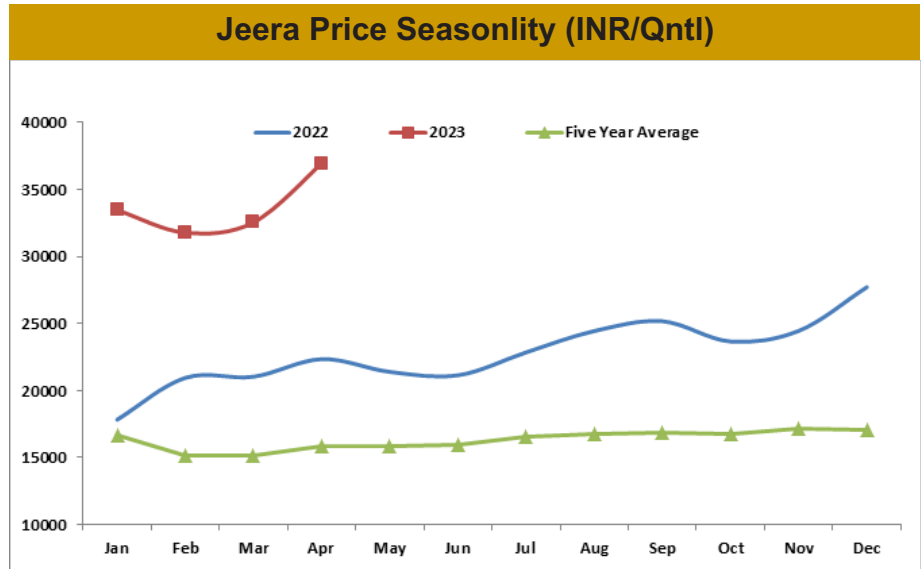
## Price Outlook

Turmeric NCDEX May futures is likely to trade sideways to down with rise in arrivals in Apr. Arrivals are expected to pick up further especially in Maharashtra that will cap the excessive gains in prices. Arrivals are in full swing in Maharashtra and Telangana but reported lower as compared to last year. Market is running with huge stocks of previous session that will keep market sentiments down. Stockist are in wait and watch mood and expecting further fall in prices in wake of adequate supply in the market. However, overall production is estimated to be down by 5%-6% in year 2023 due to fall in acreages in Maharashtra. Also the unseasonal rainfall at initial stage of crop hampered the yield. Export seasonality of turmeric suggests that exports are expected to pick up in coming months that will restrict the major downfall in prices.

Technically, prices are ruling below to the 200 days moving average that depicts overall trend of turmeric is bearish. However, some intermittent pull back is expected in near term as Stochastic RSI is moving in oversold region. Overall turmeric prices are expected to trade in range of 6200-7400.



Jeera NCDEX futures witnessed strong rally in Mar'23 in fear of yield losses in major growing states. Tighter pipeline stocks and reports of delayed harvest in Gujarat and Rajasthan due to unseasonal rainfall also fuel up the rally in jeera counter. Jeera prices moved up by 23% M-o-M made high of 36415.



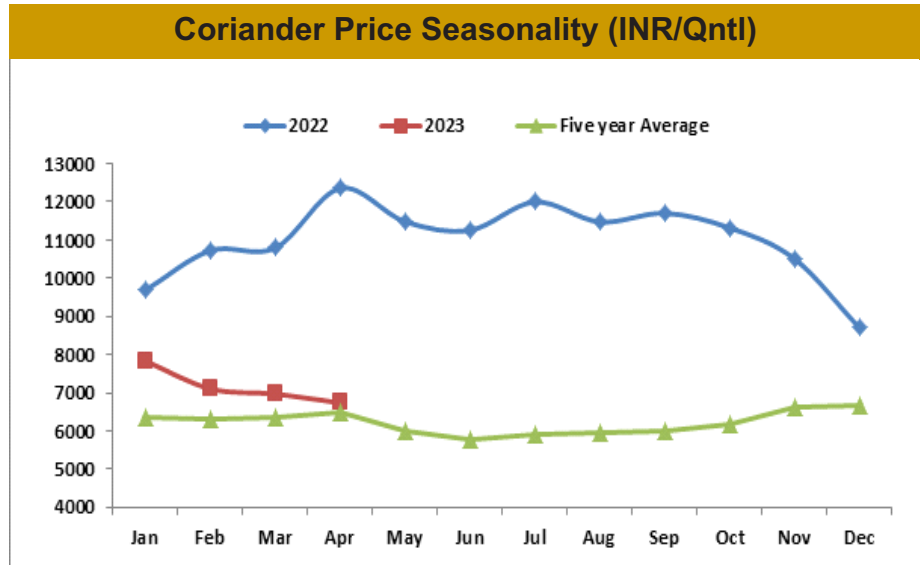
## Price Outlook

Jeera futures are likely to trade higher due to disruption in harvesting activities in Gujarat and Rajasthan caused by unseasonal rainfall. Unseasonal rainfall led to delay in harvesting activities and also hampered the yield. Reports of crop damage in Gujarat and Rajasthan due to unseasonal rainfall will lead to downward revision in production numbers of Jeera. Overall production in Gujarat is likely to be down due to lower acreages and yield losses. Seasonal export demand of jeera is expected to pick up with increased supply of good quality of produce in the market. Federation of Indian Spices Stakeholder has projected total production is estimated to increase by 28% Y-o-Y in year 2023 but it may fall due to crop damage in major growing states. Prices are likely to hold support near 33000 and will move towards 39000.

Technically Jeera prices are still moving above to the 200 moving average that depicts uptrend in Jeera. Prices are expected to honor the support of 36000 and likely to move up gradually towards 45000 in coming days.



Dhaniya Prices traded extended its losses in Mar'22 following higher production outlook of for year 2023. Increased imports from Russia and heavy stocks with stockists kept the demand subdued for dhaniya in domestic market. Prices have dropped by more than 45% from the top of 13000 reported in Apr'22.



## Price Outlook

Dhaniya NCDEX May prices likely to trade sideways to down due to surging arrival pressure at major trading centers. Millers are stockists are avoiding bulk buying in expectation of further fall in prices. Overall production of dhaniya is estimated to be higher by about 18%-20% in year due to larger area that will drive the prices down due to higher supply outlook. However, losses are likely to be limited in wake of yield losses in Rajasthan caused by unseasonal rainfall and hailstorm in Mar'23. Overall production is likely to be revised down due to recent crop damage in Rajasthan. Technically, prices are likely to find support near 6100 – 6000 level and can witness upside recovery from those levels. Prices are expected to honor the resistance of 7500.



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