

# Monthly Report On

# SPICES

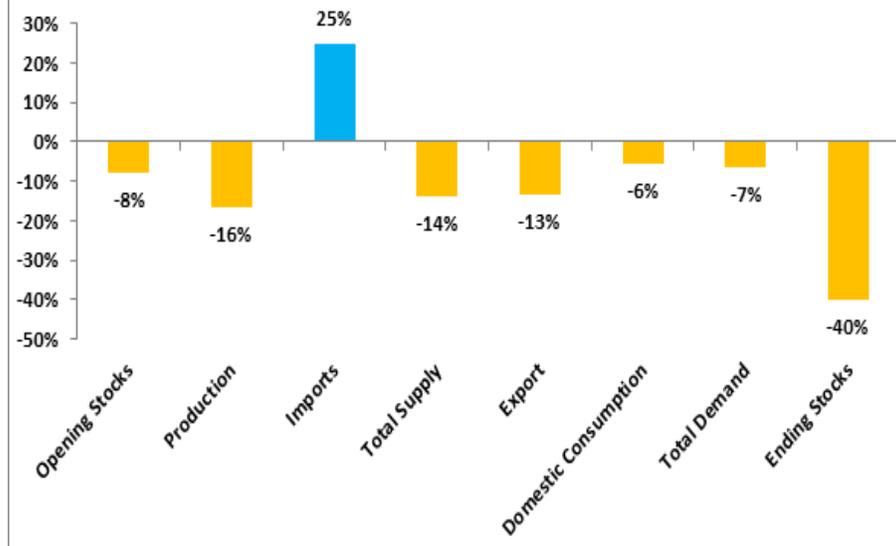
MARCH 2024



# TURMERIC

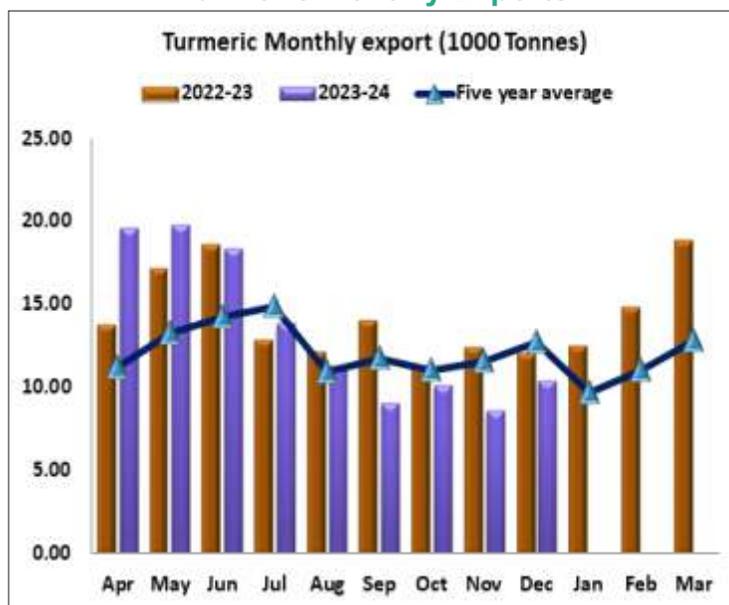
Turmeric prices witnessed sharp gains in Feb tracking prevailing supply concerns in major producing states. Turmeric futures traded at NCDEX moved up about 25% M-o-M in Feb'24 and closed at 17162. Firmness in turmeric was mainly contributed by aggressive buying by stockists against the below normal supplies at major trading centers. Supplies have been lower due to delayed harvest and bleak production in Telangana and Maharashtra. Impact of lower production is being seen on arrival pace as about 15.2 thousand tonnes of arrivals touched the major APMC market in Feb'24 against the 35.15 thousand tonnes of previous year. Prevailing supply tightness is likely to lure stockists to buy turmeric at every dips in prices. Production is likely to be dropped by about 16% Y-o-Y due to lower area amid tumbling yield and may stay in between 9.7-9.9 lakh tonnes. Total supply is likely to drop by 14% Y-o-Y to 13.3 lakh tonnes. Ending stocks are likely to remain tighter during upcoming year that will cap the downfall in prices.

## Turmeric Supply and Demand Estimates (2024-25)



Prices seasonality of turmeric suggests prices remains higher during Mar mainly due to festive buying. In wake of series of festivals ahead in coming months and commencement of wedding season demand is likely to keep buyers engage in active buying. However, reports of bleak exports in recent months is likely to cap the excessive gains as turmeric export from India dropped 13% Y-o-Y in Dec'23 reported at 10.4 thousand tonnes due to lower buying from Bangladesh. Continuous surge in prices will keep global buyers away from aggressive buying that may cap the excessive gains. India exported about 121.17 thousand tonnes of turmeric during Apr'23-Dec'23 down by 2.27% Y-o-Y.

## Turmeric Monthly Exports

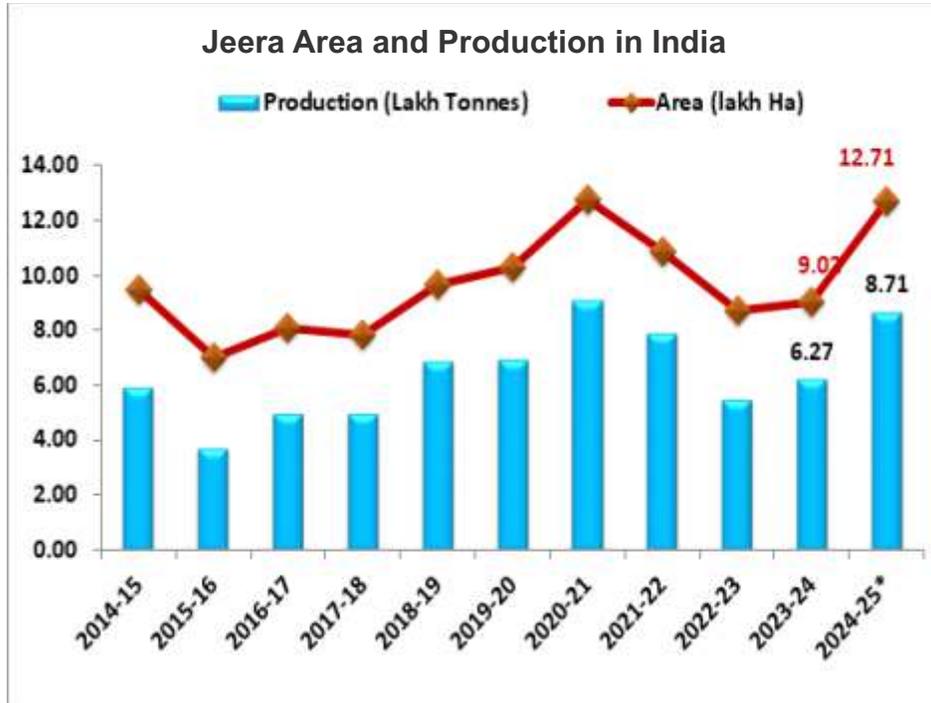


## Turmeric Monthly Chart

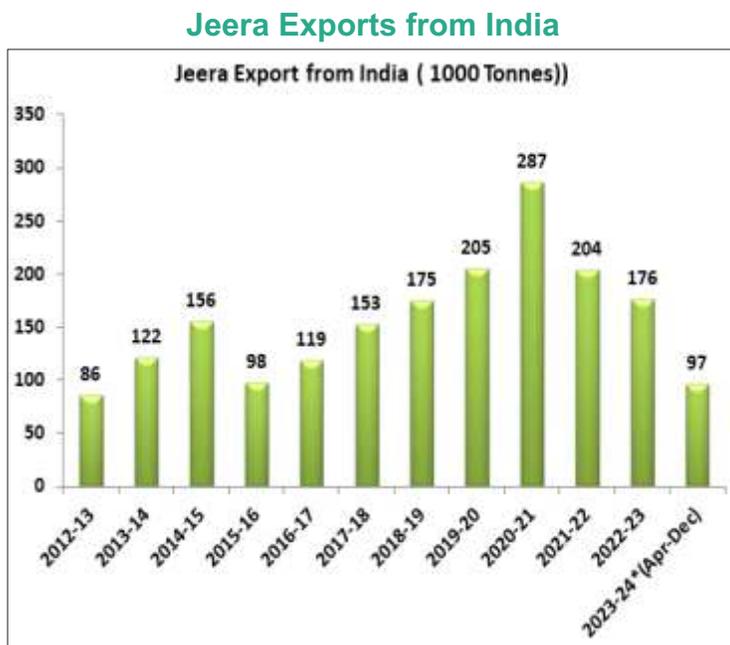


**Turmeric Prices are expected to trade in range of 14200-20500 in coming weeks**

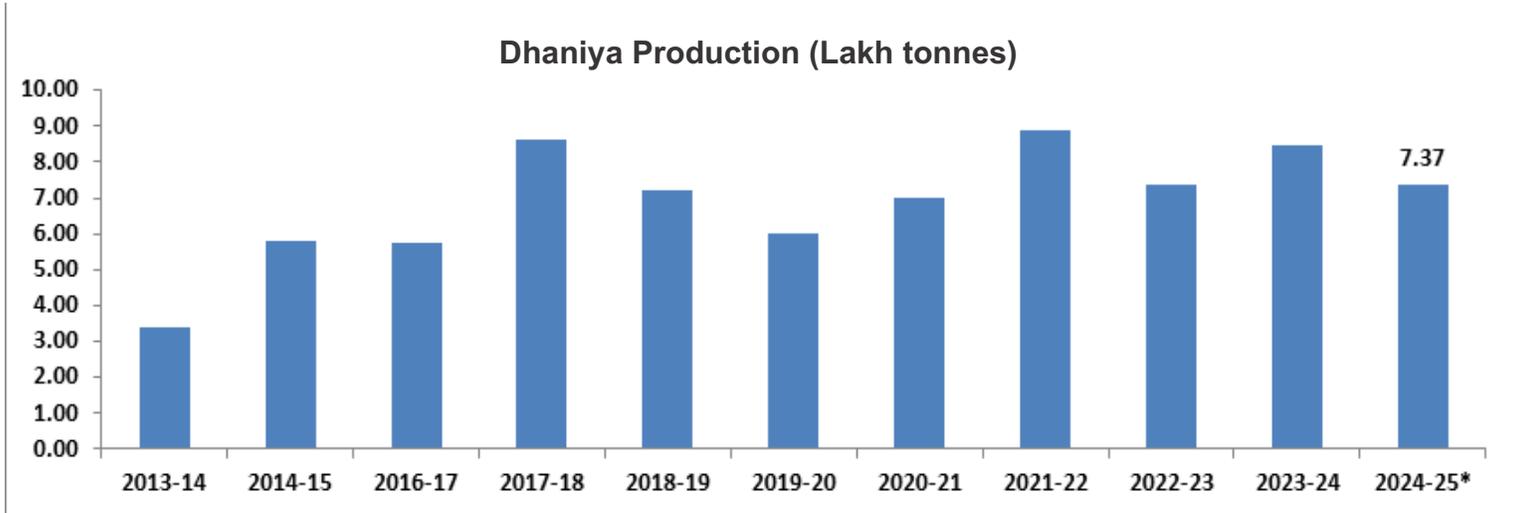
Jeera futures traded down for most of the part in Feb'24 following bumper crop prospects for upcoming season. Sluggish domestic buying and expectation of rise in supplies weighed on market sentiments. Jeera prices dropped to 24745 by end of Feb'24 down by 8.7% M-o-M. Jeera production is estimated to be increased by 30% Y-o-Y to 815 thousand tonnes in marketing year 2024-25 mainly due to significant expansion of area under jeera. Favourable weather condition and better realisation over cost of cultivation prompted farmers to increase area under jeera for marketing year 2024-25. Being as rabi crop, jeera in harvested in Mar and harvesting activities picks up in following month. Considering the bumper crop ahead, overall supplies are likely to be higher in coming months that will cap the major gains in prices.



Jeera prices have turned competitive at prevailing rates that attracted international buyers. Exports seasonality of jeera suggest that export demand remains higher during Mar due to strong demand prospects ahead in wake of series of festivals in Mar-Apr. Jeera export from India rose in Dec'23 with increased demand as India exported about 12.23 thousand tonnes in Dec'23 as compared to 11.79 thousand tonnes of previous year. Gains are likely to be limited in expectations of a bumper crop. Production for the year 2024-25 is likely to be increased by 65%-70% Y-o-Y to 10.3 million bags as per FISS with a substantial rise in cultivation area. Jeera prices are likely to trade in range of 21000-34500.

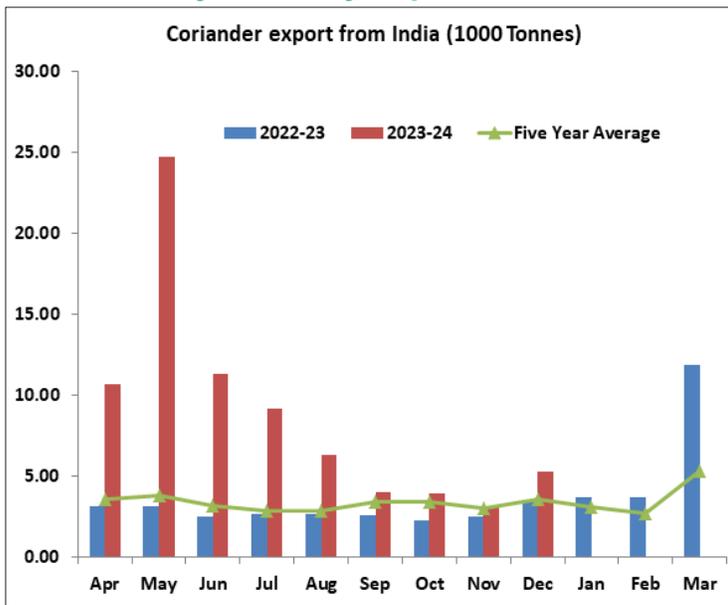


Dhaniya prices extended its monthly gains on weaker supply outlook for upcoming season. Gains in dhaniya was also contributed by the reports of yield losses as larger part of sowing area impacted by recent untimely rainfall in northern and central part of India. Lower acreages under dhaniya and reports of yield losses may keep overall production of dhaniya down in year 2024-25. Production is likely to be down about 10-15% Y-o-Y due to fall in area and yield may stand at 7.37 lakh tonnes down by 13% Y-o-Y.



Robust export demand also helped dhaniya prices to trade on positive bias. India exported about 78.47 thousand tonnes of coriander during Apr-Dec in year 2023 compared to 24.8 tonnes of previous year up by 215% Y-o-Y. China, Malaysia and UAE were the major export destination of Indian coriander export where China has been the largest buyer imported about 34.8 thousand tonnes during Apr'24-Dec'24 as compared to 3.1 thousand tonnes of previous year.

### Dhaniya Monthly Export from India



### Dhaniya Monthly Chart



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 7300-8900.

Vandana Bharti (AVP - Commodity Research)  
Ravi Shankar Pandey (Sr. Research Associate)

Boardline : 011-30111000 Extn: 625  
Boardline : 011-30111000 Extn: 674

vandanabharti@smcindiaonline.com  
ravi16@smcindiaonline.com

E-mail: smc.care@smcindiaonline.com



**Corporate Office:**

11/6B, Shanti Chamber,  
Pusa Road, New Delhi - 110005  
Tel: +91-11-30111000  
www.smcindiaonline.com

**Mumbai Office:**

Lotus Corporate Park, A Wing 401 / 402 , 4th Floor ,  
Graham Firth Steel Compound, Off Western  
Express Highway, Jay Coach Signal, Goreagon  
(East) Mumbai - 400063  
Tel: 91-22-67341600, Fax: 91-22-67341697

**Kolkata Office:**

18, Rabindra Sarani, Poddar Court, Gate No-4,  
5th Floor, Kolkata - 700001  
Tel.: 033 6612 7000/033 4058 7000  
Fax: 033 6612 7004/033 4058 7004

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