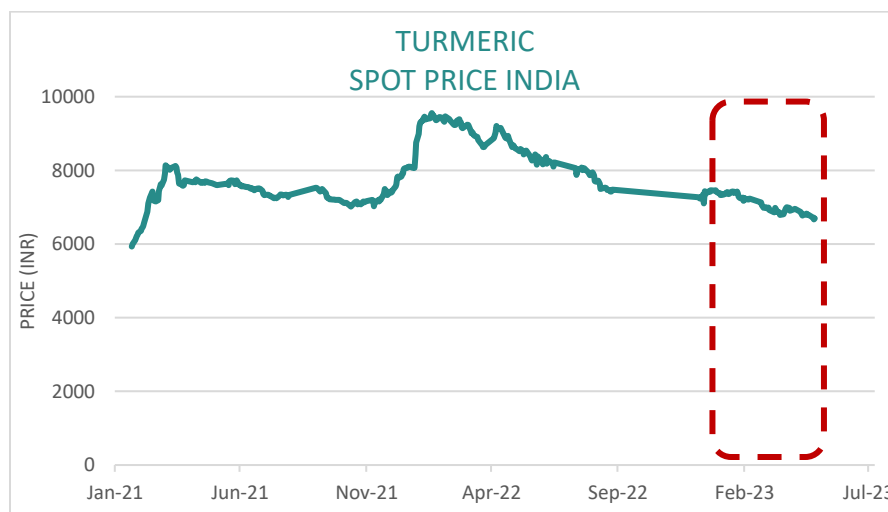


Turmeric

Current Market

INDIA: Primary market arrivals have increased substantially, with harvesting mostly complete in most of the major growing areas. Trading activity has been limited due to weak demand for fresh turmeric in both domestic and export markets. Buyers have been cautious, preferring to wait. Prices have moved down due to good carry-over volumes.



Crop Conditions

INDIA: There has been a slight decrease in area under cultivation this season. Harvesting is mostly complete in most of the growing regions. Harvesting and drying have been hindered by unseasonal rains during early-March, affecting primary market arrivals also. Production this season is estimated to be comparable to last year's output, even though there was a fall in acreage.

Yield levels have been good due to adequate availability of rainfall during the crop development stages, as well as less incidence of pests and diseases. Heavy rains during July-October had affected the standing crops, but overall the crop condition was good. Production in Maharashtra, which is the main producing state, is estimated to be 10% higher than last year. Production in the states of Telangana and Karnataka is estimated to have fallen marginally due to a decline in cultivation area. A reduction in output is estimated in Tamil Nadu also, while higher yields are estimated in the states of Andhra Pradesh and the North East.

INDONESIA: Harvesting will start in August. There has been excess rainfall last year in most of the growing areas in Java, and this is expected to result in a 10-15% reduction in yield. There has also been a slight decline in acreage.

NIGERIA: Harvesting is mostly over. Some of the growing areas have been affected by the heavy floods during June-October 2022. Besides, there has also been a decline in area under cultivation.

Market Scenario

INDIA: Overall production is expected to remain at almost the same level as last year. There are good carry-over stock levels, resulting in adequate availability of material and weakening prices. The current attractive prices are expected to create export demand. The recent decision by the Government of India to provide a minimum support price for turmeric has provided some support to prices. Demand continues to be sluggish as buyers are mostly inactive.

Coverage Recommendation

Prices are expected to remain low as current season arrivals continue, and could gain strength marginally in the medium term as demand increases. Going forward, farmers could lose interest in turmeric cultivation due to continuous low prices, and could move towards cultivation of alternate crop, having a bullish impact on prices in the long term. Any reduction in acreage during the coming season could provide support to prices, especially if demand increases. It is therefore advisable to make use of current price levels and cover for long-term requirements while arrivals continue.



Ginger

Current Market

INDIA: There has been a reduction in production this year, leading to a rise in prices. The quantity available for drying this season has been limited due to the high price of fresh ginger, caused by the reduction in output, and this has led to a rise in price of dry ginger also.

CHINA: Prices have been mostly stable in the post-harvest period also. Availability of material has been affected by a fall in production of about 20%, caused by reduced acreage and excess rainfall.

NIGERIA: Production had increased by about 10% this season. There had been a slight increase in acreage, and weather conditions had been favorable. Harvesting is complete, and there is not much quantity left. Stock levels have decreased, keeping prices firm. Increased export demand has contributed to the upward movement of prices during the past month.

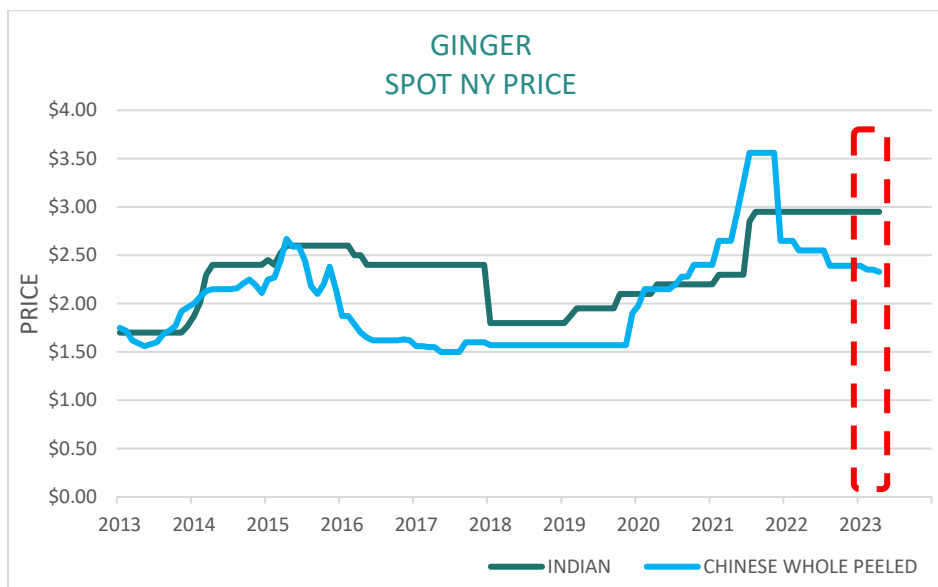
Crop Conditions

INDIA: Current season arrivals started in the second week of January. Harvesting is now complete in all the major growing areas. Production is estimated to have fallen by about 30% this season, partly due to excessive rainfall last year. The fall in ginger prices during the post-pandemic period has made ginger cultivation less attractive for farmers.

CHINA: Harvesting is complete in most areas. There is scarcity of high-quality material, with production affected by excess rainfall.

NIGERIA: Harvesting was completed in January. Weather conditions were favorable this season, and production is estimated to have increased by about 10% compared to last year. Current stock levels are very low. Increased export demand has contributed to keeping prices firm. Farmers are now preparing for next season sowing.





Market Scenario

INDIA: Production has decreased due to excessive rain. Prices have moved up due to limited availability of material.

CHINA: Production has been affected by reduced acreage and unfavorable weather. Prices have remained mostly firm due to good domestic demand and limited availability of material.

Continued on Next Page



Price Forecast

There has been a decline in production. With fresh ginger prices remaining firm, quantities used for drying continues to be limited. The reduction in available material, together with strong export demand, could continue to support prices.

Coverage Recommendation

The fall in production, leading to low stock levels in all the major producing countries will continue affecting prices. Availability of higher quality low-pesticide residue compliant material is limited. It would be better to have adequate forward coverage, considering the possibility of an increase in prices if demand increases.

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