



SWANI SPICE
SUSTAINABLE SPICE SOLUTIONS

Crop Report & Market Updates

August -2025



Dear Friends,

Tariffs:



US Tariffs on Indian Goods: The United States has implemented a 50% tariff on Indian goods, a development that could significantly impact trade relations. The American Spice Trade Association (ASTA) is actively seeking an exemption for spices, underscoring the industry's concerns.

India's Q1 GDP springs big surprise with five-quarter high growth of 7.8% before US tariff blow SECTIONS.

Beating estimates and marking a five-quarter high, India's Gross Domestic Product (GDP) grew 7.8% in the April-June quarter of FY26, data released by the National Statistics Office (NSO) showed this weekend. According to an ET poll of 14 economists, the Q1 GDP growth was projected between 6.3% and 7%, with a median estimate of 6.7%, broadly in line with the Reserve Bank of India's (RBI) forecast of 6.5%. GDP had slipped to a 15-month low of 6.7% in the same quarter last year.

"Real GDP or GDP at Constant Prices in Q1 of FY 2025-26 is estimated at Rs 47.89 lakh crore, against Rs 44.42 lakh crore in Q1 of FY 2025.

Read more at:

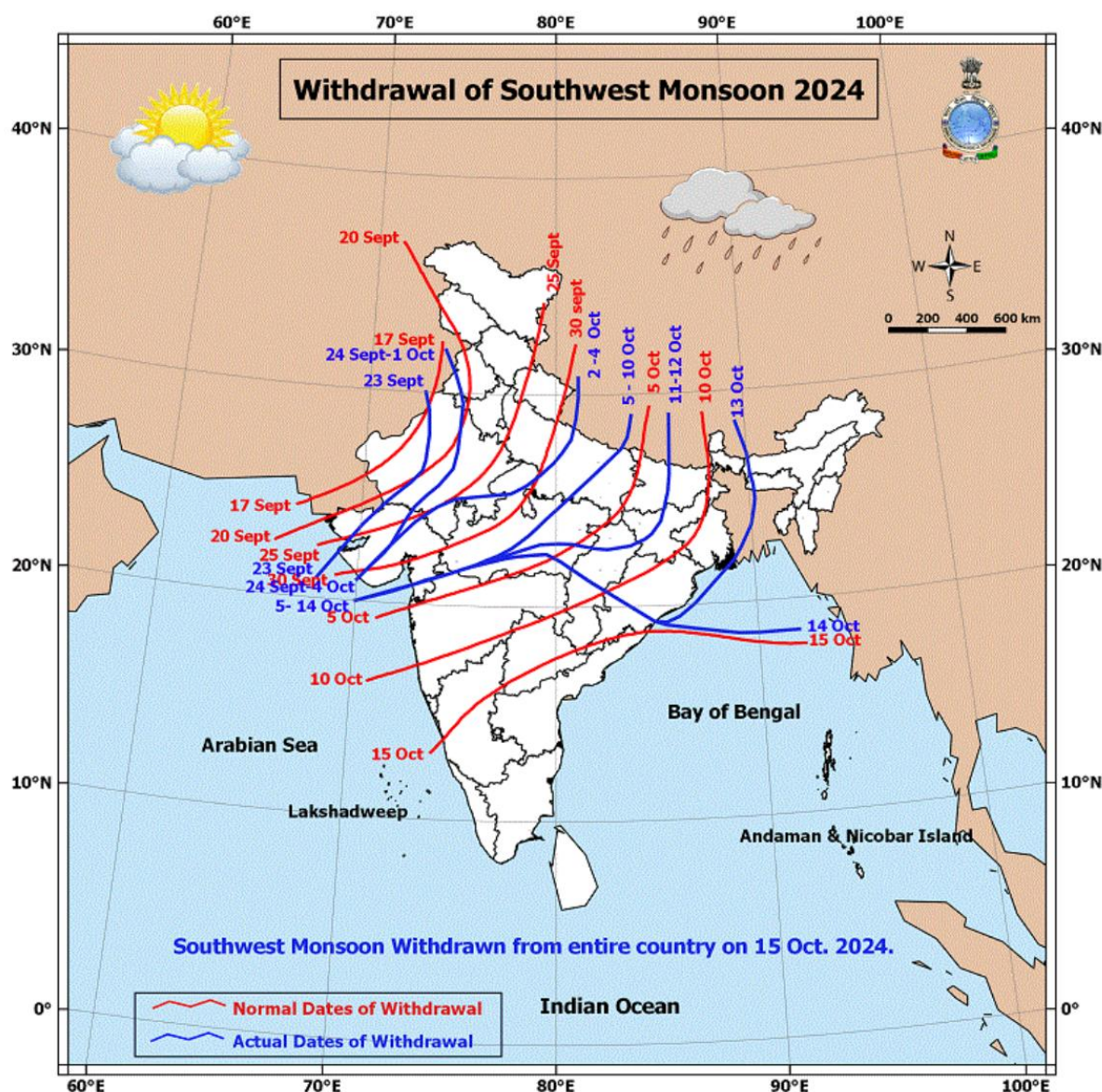
https://economictimes.indiatimes.com/news/economy/indicators/indias-q1-fy26-gdp-growth-quickens-on-quarter-to-7-8-before-us-tariff-blow-shows-impact-beats-estimates/articleshow/123582913.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst

Monsoon Revival:



Western Coastal India has experienced a significant revival of monsoon rains in August, indicating a likelihood of above-average rainfall for the year.

Further detailed meteorological data will be incorporated in future reports. Complete withdrawal is expected by 16th of October 2025.



Cumin Market Analysis:

Supply & Demand:

The 2025 crop yielded 495,000MT, supplemented by a 110,000MT carryover from 2024. Approximately 330,000MT have been sold to date, with stockists/traders holding 82,500MT and farmers retaining 137,500-148,500 MT in anticipation of improved prices.

Domestic Demand:

Significant domestic demand is anticipated during upcoming festive seasons, including Ganpati, Navratri, Dussehra, and Diwali, which could lead to an uptick in prices.

2026 Cultivation Outlook:

Early projections indicate a **30% reduction** in cumin cultivation for the 2026 crop due to more favourable prices for alternative crops such as mustard, castor, and chickpeas. As the monsoons develop and the moisture levels in the soil change, Farmers will choose the appropriate crops accordingly.

Recommendation: It is advisable to secure cumin positions through the end of the year given these market dynamics.

Fennel Market Overview:



Fennel Transplant

Crop Yields:

The 2024 crop totalled 203500 MT, while the 2025 crop was significantly smaller at 99,000 -104,500 MT.

Price Stability: Despite the reduced 2025 crop, prices remained stable due to the substantial carryover from 2024.

2026 Outlook: The 2026 crop is expected to be similar in size to 2025. If the existing carryover stock diminishes, an upward movement in prices is anticipated.

Recommendation: Current prices are considered reasonable, making it opportune to cover positions. Minimal downside risk is foreseen for fennel.

Also please follow the below link for our story : https://www.linkedin.com/posts/swani-spice_sustainableagriculture-swanspicefarms-sustainableliving-activity-7363319031006715904-Rg0B?utm_source=share&utm_medium=member_android&rcm=ACoAAC8lxllBgpXlW7XWnBguZTKrMX5MFm4S7XU

Chilli Market Trends:



Chilli standing crop

Karnataka Cold Storage: Stocks in Karnataka cold storage decreased from 240,000MT at the end of August to 135,000MT presently, resulting in a 25-30% price increase from their lowest point.

Andhra Pradesh Stocks: Andhra Pradesh began the season with 510,000MT now reduced to 390,000MT, with an expected further reduction to 210,000-240,000 MT by January 2026. Andhra prices have also risen by 25-30%.

Farmer vs. Trader Behaviour: Farmers are currently selling their stored chillies, while traders are holding out for higher prices.

2026 Planting Outlook: Initial reports suggest a 40% reduction in planting in both Karnataka and Andhra Pradesh for the next season. The impact of recent price increases on farmers' planting decisions remains uncertain.

Monsoon Impact: Favourable monsoon rains have ensured ample water supply, alleviating concerns about water scarcity.

Price Outlook: Prices are expected to remain stable, with a potential 10% improvement based on demand.

Export Demand: Strong export demand, particularly for lower-grade powder from the Middle East and African countries, has led to a doubling of prices for these grades. High-heat chillies (65-70K SHU) have experienced the most significant price gains.

Cardamom Market Update:

Crop Size: The new crop shows a 25% increase, with trade estimates around 24,000-25,000 tons. Daily auction arrivals of 150-200 tons are being fully absorbed.

Inventory Levels: Supply pipelines are depleted due to a lack of inventory at previously high prices, leading traders to monitor price movements closely.

Price Trend: Prices have remained stable since the season's inception. While festival demand is currently robust, it is expected to subside by October 15th.

Recommendation: Maintain a "hand-to-mouth" purchasing strategy and avoid accumulating excess stock. Re-evaluate purchasing strategies in mid-October.

Ginger Market Insights:

2026 Crop Planting updates: North East has gone through heavy monsoons and the eventual impact of this will be known only next month.

Bangalore Region: Some yield loss (estimated 20%) for fresh ginger, but potential for recovery in the 7-8-month crop.

North-East Crop: Healthy planting observed. Initial new crop arrivals saw higher prices and active farmer selling. As prices declined, farmers began holding stock. A significant number of farmers opted to sow rather than sell at current low prices, leading to an approximate 25% increase in acreage at the ground level, excluding trader stock.

Rainfall: Ample to surplus rainfall in key regions ensures no water shortages.

Current Prices: Current crop prices are considered reasonable, with markets stabilizing.

Recommendation: Assess autumn/winter demand to inform purchasing decisions.

Celery Market Conditions:

Crop Damage & Price Surge: Severe damage to the standing crop in late May has allowed traders to exert significant market control, resulting in a 50-60% price increase since mid-May with no immediate signs of abatement.

IPM Challenges: Traders have reportedly commingled IPM (Integrated Pest Management) farm material with other lots, posing a significant challenge to IPM integrity this year.

Price Outlook: Prices are not expected to ease until planting figures become available at year-end.

US Tariff Impact: The 50% US tariff could negatively impact demand from the USA (the largest consumer outside the oleoresin industry), potentially creating nervousness among local traders.

Recommendation: Exercise caution and ensure short positions are adequately covered.

Should you need more information on any of these, or other crops please feel free to ask.

With best regards
Yours Sincerely,

Kirandip Swani



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