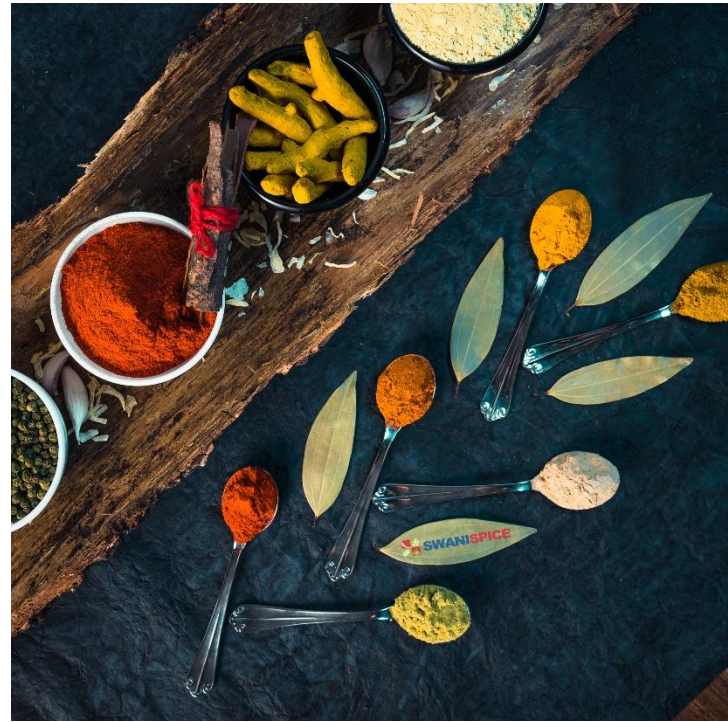




Spices Market Report JAN – 2022



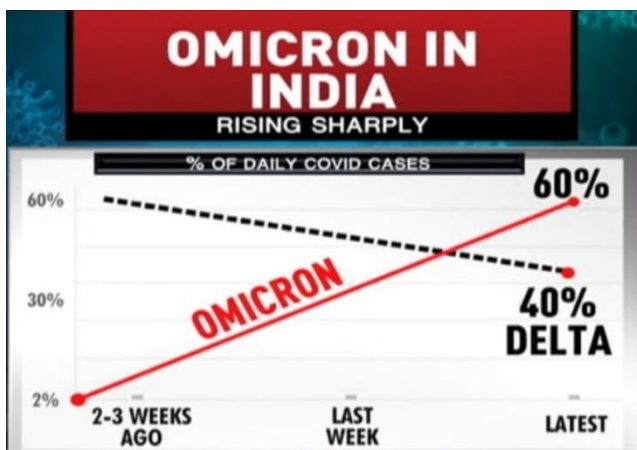
Dear Friends,

Firstly, wishing you a ***Happy and prosperous New year in 2022.***



Hopefully Free of Covid and its Hazards. Let's hope and pray that this wave of Omicron is the Final one, and then we can all live our Normal Lives peacefully.

Cases in India too are rising Rapidly, and Honestly from what I see around me (Is Frightening), the Figures comes from the Officials seen to be Grossly under reported, especially in the Metros. I also don't rule out a Work from Home Order again coming very soon, if this spread continues unabated.



India reports new 33,750 Covid cases, 123 deaths in last 24 hours. India currently has 1700 cases of Omicron while Maharashtra has 510 cases (Highest among all states). As per reports, India Could Require 60,000 People Hospitalised Per Day if Omicron gets worse.

CHILLIES



Initial arrivals have started to improve now in Karnataka, and Andhra, but these are still early pickings. Arrivals in Byadgi are now touching 150,000bags a day Market Days (Mon & Thurs). Guntur is also showing around 150,000 to 200,000 bags every day.

The interesting point is that 65/70% of this is the coming to the Market is Rain damaged (Some are also bringing old crop stocks out of the Cold Stores now). Good quality new crop arrivals are only 35% and out of this more than 50% is not Export worthy material either due to the Rain touched/Rain Damaged Pods. Farmers are starting to say that the Chilli Plants are now starting to recover from the Early rainfall impacts.

There has been some damage with the recent 2 cyclones. The first pickings have been definitely damaged, as reported above, and now as the 2nd and 3rd pickings start to pick up – the quality is also improving, and we hope that the pricing will also come down to sensible levels.

Our earlier view was that prices would come down below the levels of 2021 have been shot down, despite higher acreage, because of the Untimely Rains in Karnataka and Andhra. We continue to keep a close watch on the Market and will keep you updated.

Don't expect good quality material for shipment before End Jan. For immediate needs just cover from the Current crop and wait for better material to show up in a few weeks. Prices had jumped by about 25% during the last weeks, but is slowly now starting to come downwards. There is still room for a further decline so we should try and wait for about 2 weeks before considering to buy 2022 crop.

CUMIN

Planting is definitely down by about 35% (Our Agri Team is estimating this at closer to 50%) if not more, because of the low prices last few seasons. Farmers have given preference this season to Mustard and Psyllium because of the very attractive prices they are getting for these.

On the Positive side:

Weather so far is good, the Cold has set in properly, and is assisting in the Germination of the planted seeds. Recently some Winter Rains have also happened which is good for the standing plants (Still in the Infant stages).

Let's keep our Fingers crossed and bless the plants, so they grow well, and pray for favorable. Weather in the coming Months, if good weather continues, we might even see some improvement in yields but this is very premature optimism. Prices have already improved about 20% from the earlier lows, and holding stable for now. Long term outlook is definitely Bullish.



NEW CROP UNDER FLOWERING



CELERY:



Planting has just commenced. Our Agri Team believes that after talking to the farmers that they will plant a larger Acreage this season because of the good prices they got for their 2021 crop. Let's hope that will keep the market now from running away. Recent Winter Rains in North India will also augment the moisture in the Soil.

Our View is that we should stay covered now until March 2022 and then take your chances later on the market depending on how the crop and Acreage fans out.

CORIANDER



No change from the earlier reports. Planting in Gujarat is being reported at about 80/85% of last year's acreage.

MP & Rajasthan are also reporting similar acreage to what was planted last year. (Both of the above were reduced acreages compared to 2021)

Higher prices for Wheat, Mustard and Gram have dissuaded farmers from allocating higher acreage to Coriander.

Prices from East Europe are holding stable, which is indicating that the Crops have been good this year. Weather (In India) is favorable and already there are speculative offers of New crop (But at similar levels of the current prices) so to me this indicates a continued stability until the second Half of 2022.

Having said that, I would still prefer to stay covered until March 2022 and then wait for the New Crop.

TURMERIC



There is really no further excitement to report from the last commentary. Stable market, but demand is slack – which is normal at this time of the year.

There is no rush to do anything until March. First arrivals of 5 bags from new crop came to Nizamabad Market this week. Plants are so far looking Good and healthy (As reported by our Agri Team)

Just buy your immediate requirements for now and wait for new crop.

FENNEL



As reported earlier, that the planting is less, as reported by our Ground staff of the Agri Division. Having reached that Fait Accompli, now just keep hoping for good weather, through the growing period so we end up with a good quality crop for 2022 season.

I recommend coverage now up to Feb 2022 because as reports of the lower planting start filtering into the Trade, market prices will start to firm up.

GINGER



Notwithstanding what the farmers might say, I definitely believe that the farmers must have allocated similar acreage to Ginger looking at the current price levels.

Despite that the Farmers keep complaining of Low prices (Because they saw astronomical prices 2-3 years ago and are still dreaming of these prices to come back again).

There are no weather issues yet on Ginger, so far. Stay covered at least for the next 6-8 weeks and then wait for the new crop and see how it fans out – Prices will stay stable because if prices decline – Farmers won't sell.

CARDAMOMS



Crop of 2022 has been higher by about. 5/6000 tons compared to last year.

This has also brought some marginal relief in prices and market is now holding stable. I think it's a good time as any, to cover your needs as prices are reasonable and quality is very good and Green.

With Our Best Regards

Sincerely,
Kirandip Swani