

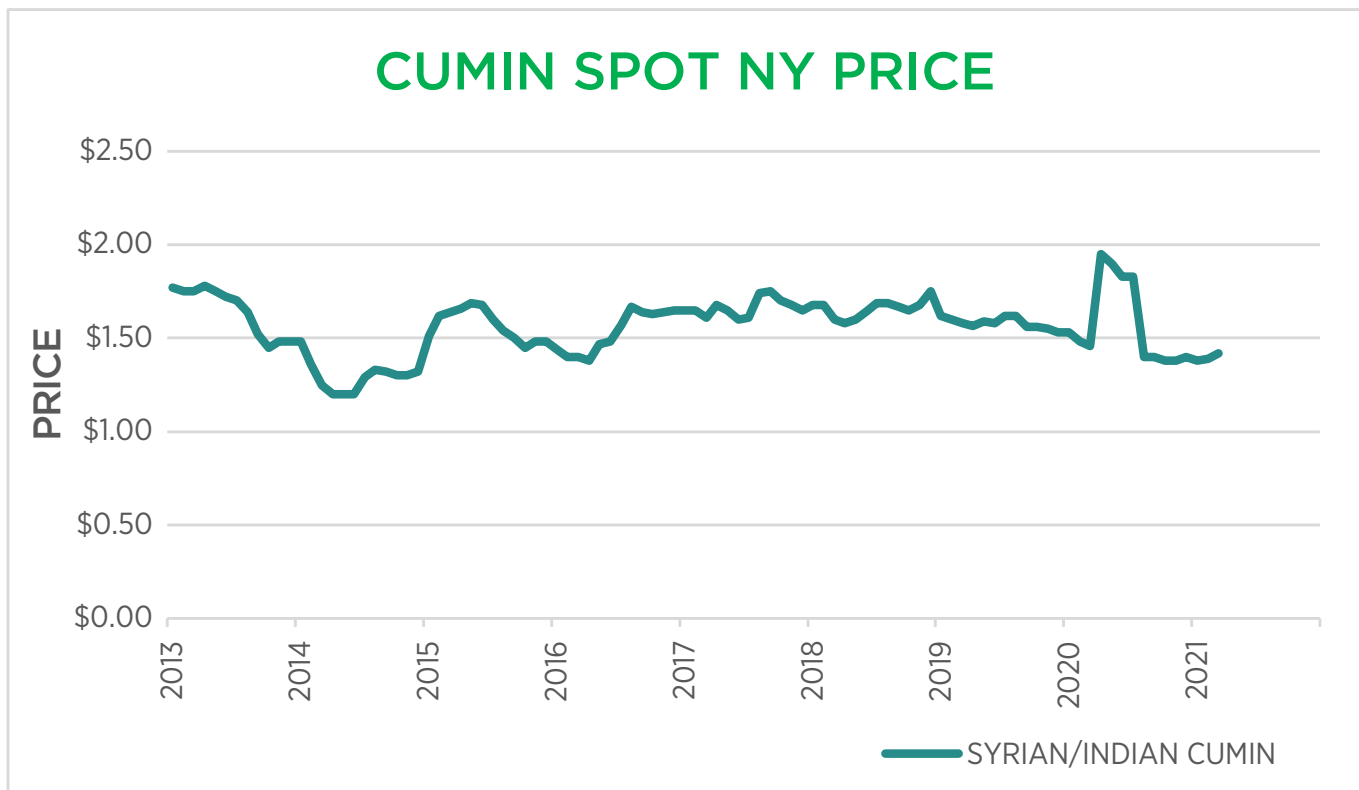
# SEED SPICES REPORT

APRIL 2021

## CUMIN

### Current Market

Local prices in India moved up slightly during the past month. On one hand, a slight decline in production is expected this year due to a reduction in area under cultivation. At the same time, there is good carry-over quantity compared to normal. It is estimated that about 80% of the material harvested last year has been sold so far, while the rest still remains with farmers.



## Crop Conditions

### INDIA

New crop material from Gujarat and Rajasthan has started arriving in markets during the past month. Due to attractive prices for alternate crops during the last season, it is estimated that area under cumin cultivation has decreased marginally this year. Besides, cumin farmers are disenchanted due to the low prices during the last season. It is estimated that there will be a decline in acreage of about 10-20% in both Gujarat and Rajasthan. High daytime temperatures have also caused damage in some areas in the seed setting stage. Harvesting will extend till May.

### TURKEY

Harvesting is complete. Normal yield has been reported, with weather conditions favorable during the pre-harvest months. However, there has been a significant reduction in acreage during the last season.

## Market Scenario

The carry-over quantity is reported to be larger than normal this year, and this will continue to have an effect on the market. It is estimated that current carry-forward stocks are significantly higher compared to the quantity at the end of last season. Increased arrivals later this month will also have a sobering effect on the market. At the same time, the decline in output during the current season will prevent any major downswing.

Low-pesticide residue material is expected to continue commanding high prices due to shortage in availability and good demand.

## Price Forecast

The carry-over quantity is reported larger than normal this year. It is estimated that current carry-forward stocks are significantly higher compared to the quantity at the end of last season. The stock levels will continue to have an effect on the market. At the same time, the reduction in acreage during the new season will have a stabilizing effect on prices.

Low-pesticide residue material is expected to continue commanding high prices due to shortage in availability and good demand.



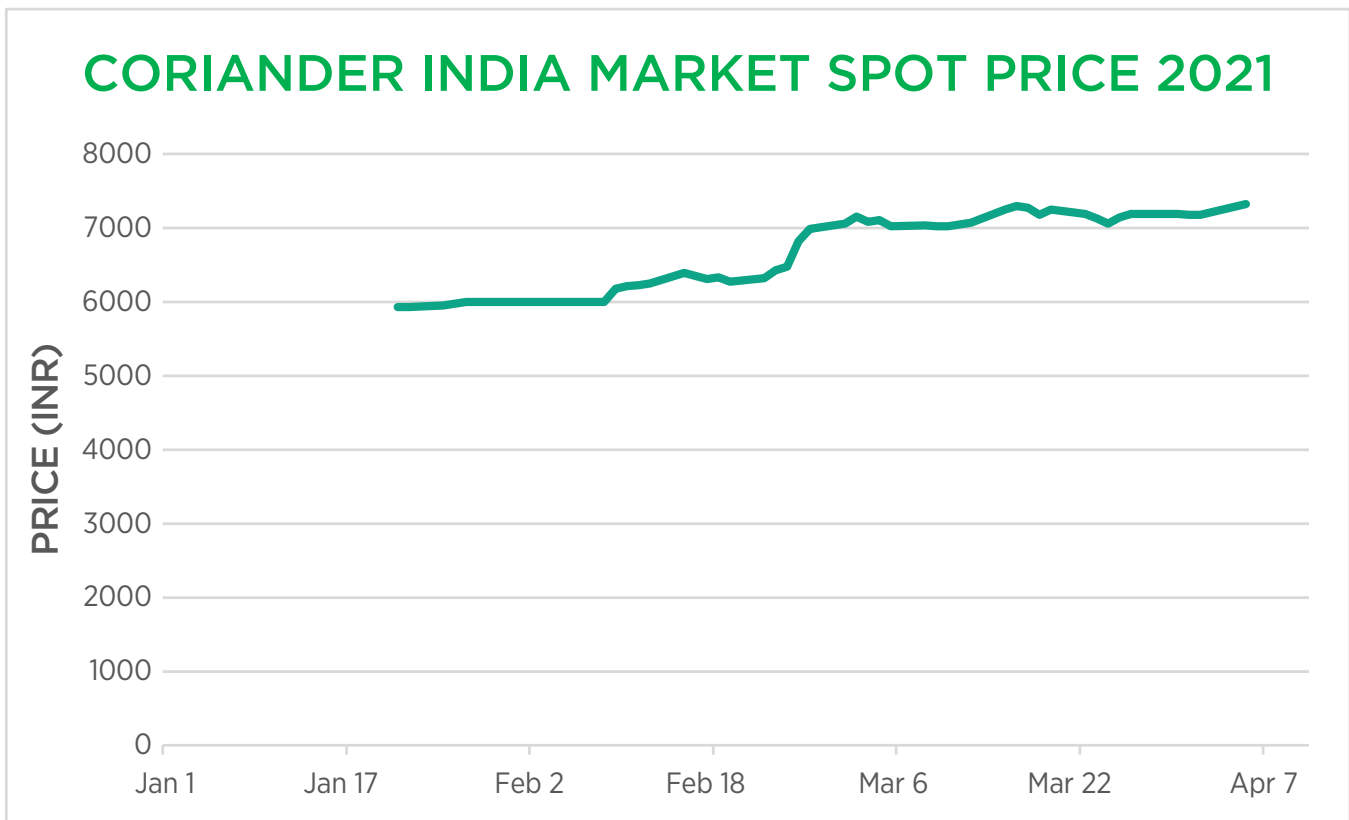
## Coverage Recommendation

With IPM material limited in quantity, prices are expected to remain firm and coverage is recommended for forward requirements. For conventional material, there could be opportunities for extended coverage once new arrivals pick up in the current harvest season.

## CORIANDER

### Current Market

There has been a steady decline in available stock levels, and current stock levels are lower than those during last year. However, with new season harvesting starting, primary market arrivals have increased. Prices have moved up by almost 15% over the past month due to good demand for the new crop material.



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## Crop Conditions

### INDIA

New crop harvesting has started in all the main coriander growing states, and peak harvesting is underway in Gujarat.

During the past two years, farmers in Madhya Pradesh and Rajasthan have turned to cultivation of alternate crops like mustard and garlic due to the unattractive price of coriander. This year, high temperatures and limited irrigation due to low ground water table has resulted in a decline in yield. Production this year is estimated to be about 380,000 – 390,000 tons, a decline of about 5-10% compared to last year.

### BULGARIA

New crop harvesting is estimated to commence by mid-July. Last year (2020), production was estimated at about 20,000 tons.

### RUSSIA

Harvesting is expected to start by July. Good yield is expected this year. Last year (2020), production was estimated at about 19,000 tons, a decline of over 25% compared to 2019 due to a reduction in both acreage and yield.

### UKRAINE

Harvesting is expected to start in July. This year, production is expected to touch 10,000 tons, an increase of about 10% compared to 2020.

## Market Scenario

The expected decline in production in India, the largest producer of coriander, is expected to have an impact on prices. There is strong domestic demand for the new crop. Together with limited carry-over stocks, this is expected to keep prices firm.

## Price Forecast

Prices are expected to be kept firm due to the decline in production. Good domestic demand and speculative support will also affect the market. The availability of IPM material will be affected by higher pesticide usage in some areas to control powdery mildew.

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## Coverage Recommendation

Depending on new season production, some firmness in prices can be expected. IPM prices could remain firm, and forward coverage is recommended.

## FENNEL

### Current Market

After the slowdown due to the COVID-19 outbreak, market activity has mostly recovered and nearly 90% of the material harvested last year has been sold so far. Prices have moved up due to shortage of good quality material.

### Crop Conditions

#### INDIA

New season arrivals have commenced from Gujarat and Rajasthan. Acreage is estimated to have decreased by about 20% this year, resulting in a decline in total production of about 20%. Production this year is estimated to be slightly below 130,000 tons, down from about 160,000 tons in 2020.

The overall lower production, together with high temperatures in the growing areas, has resulted in a shortage in production of higher quality green color material.

#### EGYPT

Harvesting will be during April-May. This year, total production is estimated at around 6,000 tons, an increase of over 30% compared to 2020.

#### TURKEY

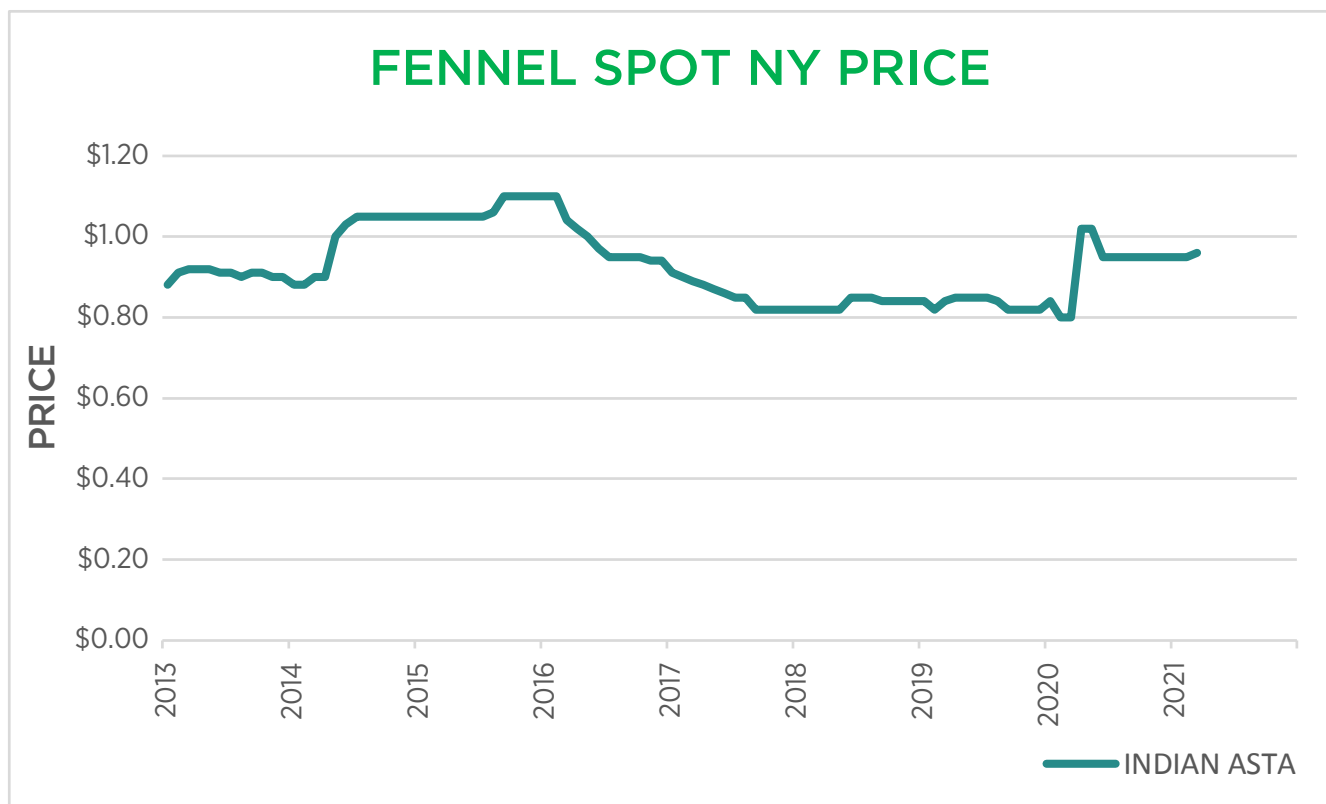
Harvesting will start in end-August. The acreage and yield this season are expected to remain almost the same as those in 2020. Approximately 3000 tons was produced last year.

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## Market Scenario

There is good domestic and export demand. Carry-over stocks from last year's production are quite limited. So far, about 90% of the material has been sold off by farmers.



## Price Forecast

Lower production, together with good demand, is expected to have a bullish impact on the market. For IPM material as well as good-colored higher quality material, there could be limited availability due to good export demand.

## Coverage Recommendation

Prices are expected to remain firm due to limited supply and good demand. Prices of IPM and good color material could also move up, considering the limited supply. Forward coverage is recommended during the peak arrival period.

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## FENUGREEK

### Current Market

There has been a slight increase in prices for the new season material due to reduced production expected this year. New season market arrivals have started.

### Crop Conditions

New crop arrivals have started, and peak arrivals are expected during this month. Weather conditions have not been very favorable in the growing regions, affecting yields. A marginal decline in acreage is also estimated this season. The decline in yield, together with reduction in acreage, is expected to result in a slight reduction in production this year. Production this year is estimated at around 135,000 tons, down from about 140,000 tons last year.

### Market Scenario

There has been a slight decrease in area cultivated this season. Besides, weather has not been very favorable, leading to a decline in yield. There has been an increase in export demand, and carry-forward stock levels are low compared to last year.

### Price Forecast

Limited availability of material, together with good demand, is expected to create some bullishness in the short term. However, as peak arrivals commence from Rajasthan, Gujarat and Madhya Pradesh, prices are expected to remain mostly range bound.

### Coverage Recommendation

Lower crop production and limited inventory levels could create some uncertainty in the market. There could be attractive offers as peak arrivals from the main growing states start. It is advisable to cover if attractive offers are available.

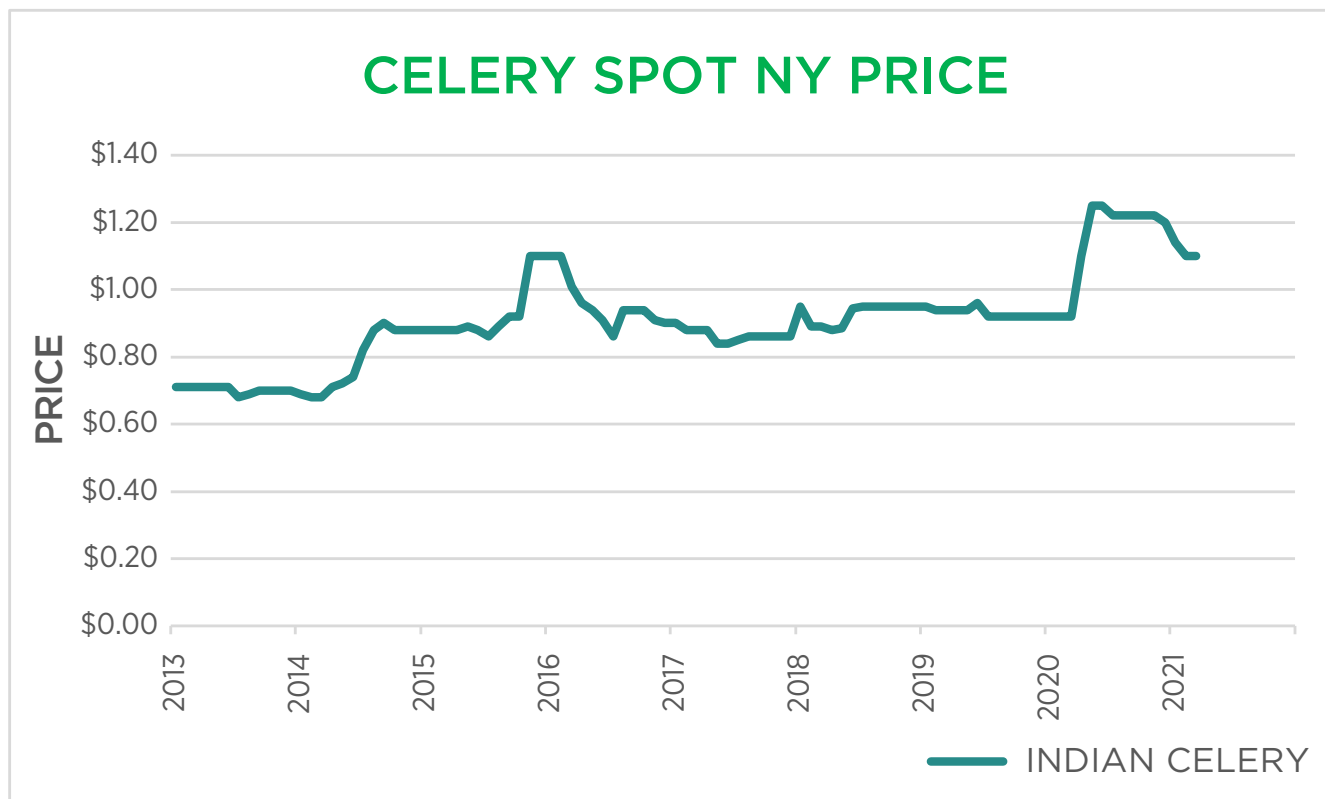
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## CELERY

### Current Market

Prices have weakened during the past month due to limited demand from traders. At the same time, availability of good quality material is limited with most of last year's production already sold off by farmers.



### Crop Conditions

The current season crop is in the vegetative growth stage, and harvesting is expected only in May. Above-normal rainfall was reported in the initial stages of growth. There is an increase in acreage of about 25-30% this season.

### Market Scenario

Stocks remaining with farmers are very limited. New crop arrivals are expected only by May. There has been a fall in demand during the past month, having a bearish effect on the market.





## Price Forecast

Prices are expected to remain range-bound till new season arrivals commence in May. Available stocks are limited. Demand during the coming months will influence the direction of the market.

## Coverage Recommendation

It is recommended to follow the market closely and cover, particularly for higher quality material. If conditions remain favorable for current season production, there could be opportunities for extending coverage once arrivals commence later in the year.

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