

## Seed spice

### Cumin

Jeera markets are firming up in anticipations of higher export and internal demand. Indian exports have increased by 32% to 101,188 tonnes during April 2016-January 2017 compared to 76,663 tonnes during the same period last season. There is renewed optimism after the slight set-back seen during March, the peak arrival month. As production estimates hovered close to last season, with minimal pipeline stocks, prices rebounded back in April. Due to high volatility NCDEX imposed 5% additional margin on all contracts. Currently, prices have settled in a narrow band and look firmly stable. Indian exporters are expecting to maintain their dominance with Syria and Turkey still coping with internal disturbances and new crop harvests yet to hit market.

Though it is still too early to predict the sowing trend farmers may invest in larger areas if the current price levels prevail.

**Turkey** – Demand is stable; offered quantities in domestic market are also limited. Prices are dependent on USD/TL trends. Upcoming harvest is likely to be better.

**Syria** – Crop is bigger yet prices are unstable due to currency volatility. Export demand for cheaper offers is on the rise. Roads and Ports seem more accessible but internal disturbances continue to haunt.

**Indian Cumin 99% Machine Cleaned - \$3,250 FOB PMT.**

**Syrian Cumin Seed 99% - \$ 2,625 FOB PMT basis.**

### Poppy seeds

Due to lack of clear-cut import policy, poppy seeds import from Turkey, China and Czech are temporarily stalled. Unfavourable weather conditions and restricted licencing has resulted in decline in indigenous production which is estimated just around 5,000 MT. India being a net importer has seen continuous surge in prices due to robust internal demand. Poppy Seeds 99.5% Sortex - ₹ 596/Kg (US\$ 9/Kilo).

### Mustard

Prices remained relatively stable for most part of the season due to limited pipeline supplies from carry-in stocks. The downward bias was more evident as production surged on back of higher MSP announced by Government. Crop size in 2016-17 is seen around 6.97 million tonnes, nearly 15-20% higher than production seen last season.

**Outlook** - In the current scenario, monsoon and winter season demand may boost prices only to a limited extent. Prevailing uncertainties in the commodity markets following Government reforms and proposed changes in taxation systems has further slackened trading and dampened stockists' spirits.

Minimum Support Price for Rapeseed/ Mustard has been increased by 10% to ₹ 3,700 a quintal for 2016-17 crop season when compared to last.

### Fennel

Production this season is pegged at 10-12% higher than last due to favourable weather conditions. This was a bonus to the market which already had a pile-up of 500,000-700,000 bags of carry-in stocks. Prices drifted 20-30% lower as arrivals improved. Thereafter it has been a very stable market witnessing little variation. Domestic demand has been good. Export enquiries are minimal. The best of the season's fresh juicy green harvest is over. **Egyptian** crop harvested in May is expected to be higher and is being offered at attractive prices.

### Fenugreek

No big movements seen. Blame it on the liquidity crunch or absence of middlemen, markets have turned quieter with only genuine buyers around. Prices have dropped on back of higher production and ample carry-over stocks and are trading at lowest levels seen in the last 4-5 years. This discouraging scenario may prompt farmers to shift to alternative crops. Good time to invest.

### Dill Seeds

India - Prices have declined 20-30% during the past month. Dill Tips- Egypt has had a small crop. Season is over.

### Coriander

Lower crop from key growing regions of Rajasthan and Madhya Pradesh were adequately compensated by higher production in Gujarat. 2016-17 Crop is expected to be 585,000 tonnes much in line with the last season crop.

On the futures exchange, the buyers' cartel trying to create a supply squeeze was caught on the wrong foot with imports from Russia and Ukraine bringing overwhelming supplies. Prices of imported coriander is much lower than Indian origin crop. Price of active contact June has plunged 40% lower through April.

Overall, a bearish undertone persists with stockists lying low on back of demonetization and introduction of uniform (GST) indirect tax regime in India from July 2017, increasing speculations over tax implications on trading activities.

**Outlook** – A stable demand and adequate supplies will mean prices holding on to the current lows till more clarity over the next season crop emerges post-monsoon.

**Syria** – Carry over stock is still available. Demand is weak. Planted area of new crop is less than before. Coriander seeds 99% purity, broken 5% being offered at \$ 650/t Fob.

### Celery

New crop arrivals have started. Crop is expected to be 10-15% better than last season and is being pegged at around 6,000 MT. Exclusively grown in the North Indian States of Punjab and Haryana, Celery is mainly exported to USA at a premium price. Cash-rich farmers are stocking expecting overseas winter demand to pick up. Traders are anticipating price recovery from July onwards. Currently, amidst the harvest months, a 10% price drop is much in line with the expectation of higher production.

**Farm Gate Prices – Premium Quality - ₹ 140kg. (\$2/kg)**

# EXOTIC HERBS



## Rosemary (Morocco)

Demand for Rosemary is increasing again. Government is limiting its harvest by issuing collection licenses in wild growing areas in a bid to protect Rosemary natural plantation. Prices are likely to remain stable. Collections have started earlier than expected but have slowed down due to Ramadan.

## Thyme(Egypt)

Egypt has had a good year so far. April/May harvests of **Europe Type** Thyme are of good quality and attractively priced. We recommend coverage of annual needs from the current cuttings. **Moroccan Thyme** wild collection has started in **May** but slowed down due to Ramadan.

## Basil (Egypt)

High prices seen during last season had encouraged farmers to grow Basil. Prices during June/July/August will still be higher when California Type handpicked variety is harvested. Prices may gradually start declining from September onwards.

### Trends & Technical Input by Procurement Team

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## Parsley (Egypt)

Demand for **Curley Parsley** had been strong due to lower European Crop. Fields are being prepared for planting Parsley which will be harvested during December/January.

Egypt remains the cheap supplier of high quality Parsley.

## Spearmint (Egypt)

April/May Cutting was one of the best of the four Annual Cuttings. Quality was consistent with high colour and volatile oil content.

Early coverage of annual needs is highly recommended.



## Marjoram (Egypt)

Prices have improved following limited harvests seen in April/May. Harvests during June/July are the only green cuttings, much in demand in the North European markets which will further propel the price rise which can only be curbed if growers increase production next season.

## Caraway Seeds (Egypt)

Egyptian crop harvested during May was much higher resulting in lower prices. Egyptian Caraway is rated better for its higher V.O content ranging between 2 to 2.5% when compared to other origins.

## Exchange

The rupee ended at 64.22 against USD on June 8, 2017.  
1usd/=22,735 Vietnamese Dong.

## Sage Leaves (Turkey)

Market is stable. Harvests will be seen in second half of June/ early July. Crop size is expected around 9-10,000 MT. Albanian Sage is expected to be around 4,000 MT. Interestingly, here the cultivation trend is slowing changing from 100% wild to 70:30, wild to cultivated variety.



## Oregano (Turkey)

There has been a steady rise in production of Oregano particularly in the key growing regions of Denizli over the past few years. A nil inventory carry-over will prompt exporters to cover their requirements early when harvests begin in July/August. The threat of adulteration persists. 2016-17 production is expected around 13,500-15,000 MT.

## Laurel Leaves (Turkey)

Demand for Laurel Leaves has slowly been increasing during the last 6 years. Besides Europe, U.S. and Canada, China, India and Vietnam are importing increased quantities of FAQ grade material. Prices are likely to increase due to difficult weather conditions, issues in cutting permissions and higher labour costs. Harvests are still a few months away.

## Anise Seed (Syria)

Market is slow. Demand is moderate. Prices are stable. New crop is expected to be smaller as planted area has declined. No clear estimations are available yet. July harvests will bring in more clarity.

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