

Turmeric Outlook – June 2018

Turmeric is very important spice in India, which produces nearly entire world's crop and consumes 80% of it. India is by far the largest producer and exporter of turmeric in the world. Turmeric occupies about 6% of the total area under spices and condiments in India. Turmeric is also cultivated in China, Myanmar, Nigeria and Bangladesh. Major area is in India (82%) followed by China (8%), Myanmar (4%), Nigeria (3%) and Bangladesh (3%).

Turmeric in India

Turmeric sown area during 2017-18 was around 156,307 hectares as compared to last year's 187,713 hectares. India's turmeric production for 2018-19 marketing year is estimated at 485,719 MT (Dry crop) as compared to previous year's 560,177 MT (Agriwatch).

Table 1: Weekly Turmeric Arrivals Scenario in Major Markets

Market	4 th to 10 th May 2018	11 th to 17 th May 2018	18 th to 24 th May 2018	25 th to 31 st May 2018
Nizamabad (Telangana)\$	87000	95000	48000	43000
Duggirala (Andhra Pradesh)*	10000	27000	87000	175000
Salem (Tamil Nadu)*	NA	3	228	61.3
Erode (Tamil Nadu) #	NA	25000	19000	24000
Sangli (Maharashtra) @	112000	139000	85000	114000
Warangal (Telangana)#	1900	9000	10300	13950

Source: www.agriwatch.com, Arrival * quintals, # 65 kg, \$ 70 kg, @ 60 kg

In Nizamabad market, current season from 15th January to 31st May 2018, supply reported around 68,845 MT compared to 66,500 MT during the corresponding period of last year. In Erode market, turmeric supply in current year from 1st March to 31st May 2018 was 18,938 MT as compared to 16,958 MT in the corresponding period of last year. In Warangal, on an average 2,600 bags (1 bag = 65 kg) of arrivals of new crop per day as compared to 3,300 bags per day in the May last week.

Till now, in Nizamabad market 95%, Warangal 65 – 70%, Erode 50 - 55%, Duggirala and Cuddapah 45% of new crop has been traded in the spot market and arrivals will continue till mid of June.

Domestic Prices of Turmeric

Turmeric prices during May month ended at Rs.7,700/q compared to previous month Rs.6,800/q due to lower stocks available in the spot market as a result of lower production.

Table 2: Weekly Spot Prices of Turmeric at different Markets in India (Rs/quintal)

Market	Grade	3 rd May 2018	10 th May 2018	17 th May 2018	24 th May 2018
Nizamabad (Telangana)	Nizam quality	8100	9900	7800	7500
	Double polish finger	9100	7900	8700	8400
	Gattah (unpolished)	7700	9900	7400	7500
	Gattah (double polished)	8800	7900	8400	8200
Warangal (Telangana)	Finger	8350	8250	8050	8000
	Round	8350	8250	8050	8000
Erode (Tamil Nadu)	Finger	8200	8400	8400	7800
	Gattah	7300	8000	8000	7400
	Sellem	8600	8800	8800	8700
Salem (Tamil Nadu)	Bulb	7600	7650	7600	8100
	Finger	9100	9100	9100	9170
Sangli (Maharashtra)	Rajpuri/Selam Finger	9900	12600	11600	11400
	Rajpuri Medium	7900	9100	7700	7300
	Desi Kadappa	7400	7800	6800	6500
Duggirala (Andhra Pradesh)	Bulb	6500	6600	6600	6700
	Finger	6700	6600	6600	6800

Source: www.agriwatch.com

All India Stocks

Supply and demand scenario of turmeric for 2018-19 beginning stocks reported around 1.32 lakh tons. Even though current marketing year stated with higher beginning stocks against last three years, it is expected that ending stocks may stand less at 0.71 lakh tonnes, after increasing domestic consumption and exports due to lower production in 2017-18.

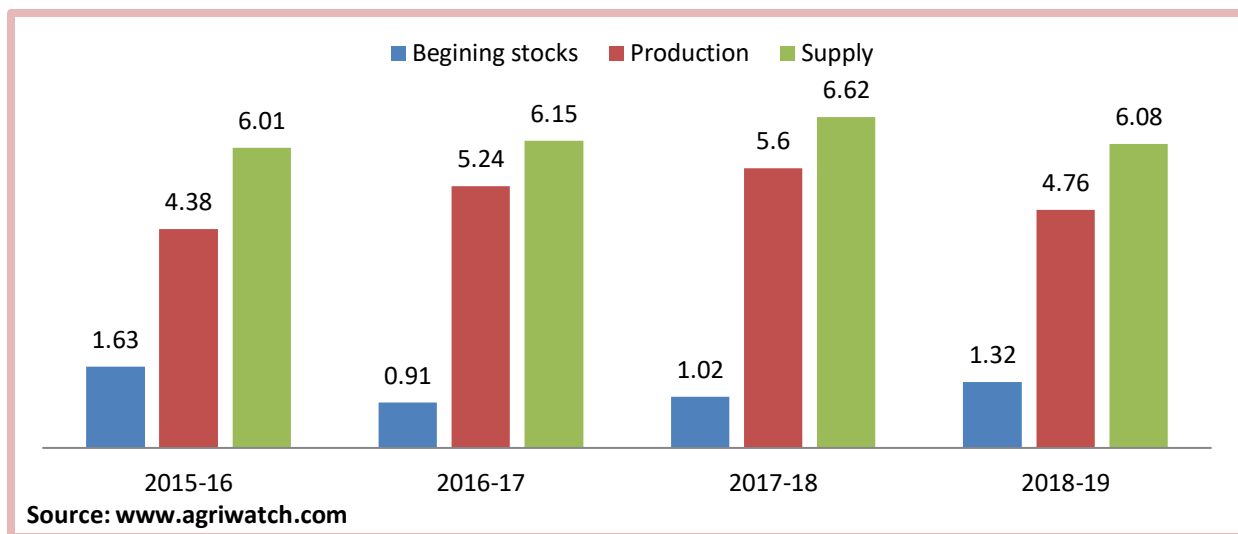
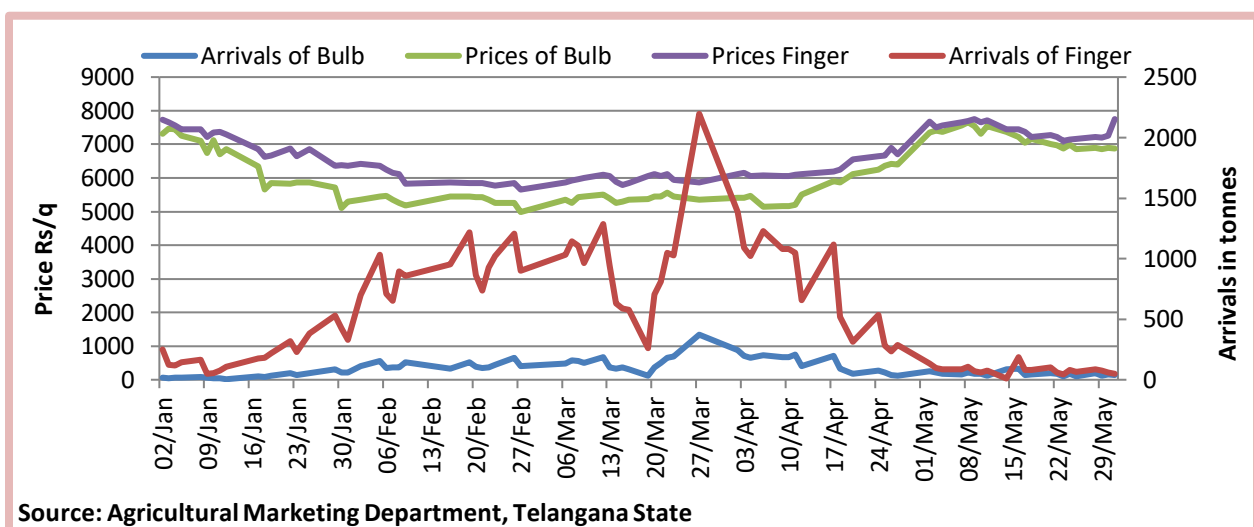


Fig 1: Domestic Balance sheet of Turmeric (in lakh tonnes)

Turmeric Prices and Arrivals in Telangana



Currently, turmeric in (NCDEX quality) Nizamabad is trading at Rs.7400/quintal. We expect that prices may not fall much further from current levels due to lesser arrivals in all major markets. At these price levels, prospective buyers like stockiest, exporters, masala millers are expected to start accumulating.

Due to lowered production, the stocks are also declined in the current year as compared to last year leading for rise in spot market prices. Under these circumstances, Agricultural Market Intelligence Centre, PJTSAU expect that Turmeric prices are likely to trade in price range between **Rs.6500 - 6900** per quintal during June 2018.