

Turmeric Outlook – April 2018

Turmeric is very important spice in India, which produces nearly entire whole 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 the current year 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: Turmeric Arrivals Scenario in Major Markets

Market	30 th March to 5 th April 2018	6 th to 12 th April 2018	19 th to 25 th April 2018	19 th to 25 th April 2017
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

Higher supply of turmeric was reported mostly during the second week of April 2018 in all major markets. In Nizamabad, market supply was down by 5,000 bags as compared to the third of week of April. Compared to last year, supply was down by 20,000 bags in Nizamabad market due to lower production in the current year. In Nizamabad market, during last week of April 2018, arrivals reported around 10,000 to 11,000 bags (70 kg each) per day as compared to third week of April 12,000 to 15,000 bags, as most new crop has been traded already. Till date, around 75 – 80% new crop arrivals traded and arrivals will likely continue till last week of May.

In Warangal, continued increasing Turmeric supply reported as new crop of around 2,800 – 3,000 bags (1 bag = 65 kgs) is coming on daily basis as against third week of April (2,000 – 2,500 bags). Till now, around 35 – 40% of new crop was traded in the spot market while, arrivals

are expected to continue till mid of June. Similarly, 30 – 35% of new turmeric crop supply in Duggirala and Cuddapah and 70 - 75% of new turmeric crop in Maharashtra, Sangli market has traded so far and it will continue till May end in all above markets.

Domestic Prices of Turmeric

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

Market	Grade	5 th April 2018	12 th April 2018	19 th April 2018	26 th April 2018
Nizamabad (Telangana)	Nizam quality	6700	6700	7200	7200
	Double polish finger	7500	7600	8000	8100
	Gattah (unpolished)	6200	6500	6800	7000
	Gattah (double polished)	6900	6800	7600	7800
Warangal (Telangana)	Finger	6300	6300	8062	8019
	Round	6300	6300	NA	NA
Erode (Tamil Nadu)	Finger	closed	7200	6970	6976
	Gattah	closed	6700	7000	NA
	Sellem	closed	8400	8000	7800
Salem (Tamil Nadu)	Bulb	NA	5000	6000	5000
	Finger	NA	6950	6800	6940
Sangli (Maharashtra)	Rajpuri/Selam Finger	8400	8300	8325	8170
	Rajpuri Medium	6400	6300	NA	NA
	DesiKadappa	6200	6100	7349	7415
Duggirala (Andhra Pradesh)	Bulb	5800	5600	6200	6200
	Finger	6300	6100	6758	6753

Source: www.agriwatch.com

The prices of turmeric found to be rising from end of March to end of April in all major markets and also considerable increase in prices was found during this month as compared to the earlier months of this year

All India Stocks

Currently, in Nizamabad turmeric stocks (both old and new crop) were estimated at around 3.5 lakh bags (1 bag = 70 kgs) as compared to around 6.00 lakh bags during

corresponding time last year. As per trade information, the current all India Turmeric stocks reported around 24 - 26 lakh bags (1 bag = 70 kgs) as compared to last year 35 – 40 lakh bags.

Turmeric Prices and Arrivals in Telangana

Currently, turmeric (NCDEX quality) Nizamabad is trading at Rs.7,200 per quintal. We expect that prices may not fall much further from current levels. At these price levels, prospective buyers like stockiest, exporters, masala millers are expected to start accumulating.

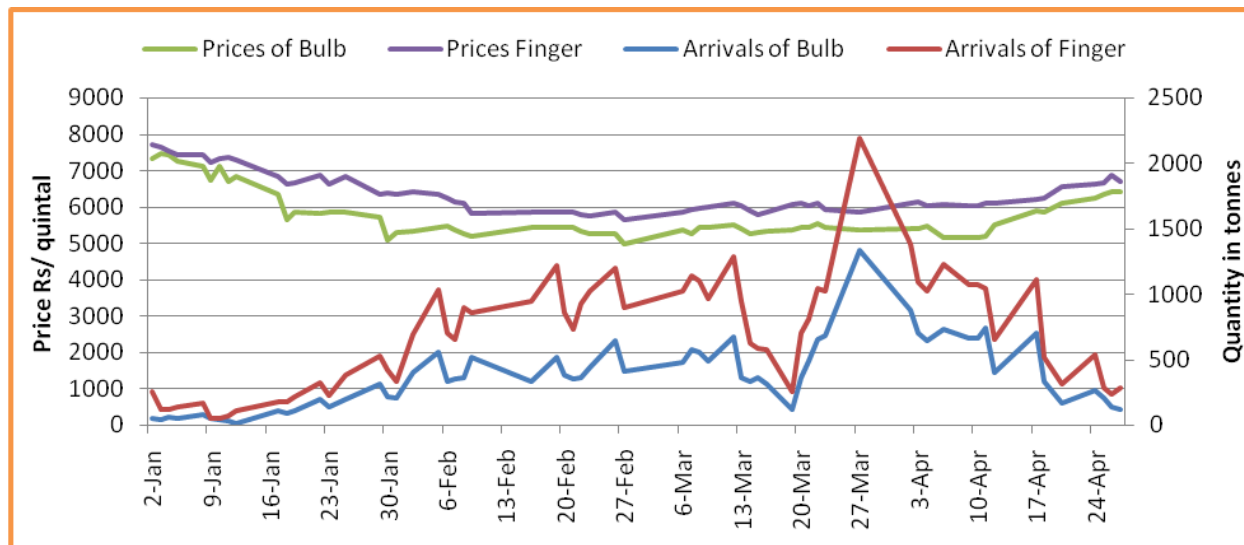


Fig 1: Turmeric Model Prices and Arrivals at Nizamabad Market during January to May 2018

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.6100 - 6400 per quintal during May 2018.