



## Seed Spice

### Sesame

Kharif (summer) sowing has been completed. According to initial estimates area under production is slightly lower than last season.

Amidst liquidity crisis and limited buying by Stockists prices have maintained a status quo.

Exports have slowed down. India is seeking greater access to Chinese markets, which is the largest importer of sesame seeds and Japanese markets which have stringent import restrictions. Korean Tenders continue to be the biggest draw for Indian exporters, who fear the worst if cheaper African origins take over.

Natural Sesame 99.5% pure farm-gate quotes - ₹ 97/Kg Ex Rajkot (\$1.5/Kg)

### Cumin

Following incessant rains and floods in Gujarat during July, prices shot up briefly on concerns about the quality and availability of stocks in warehouses. NCDEX (National Commodity & Derivatives Exchange) had to issue an immediate clarification on concerns raised about despatch of sub-standard material from warehouses. But the rally was short-lived, and prices settled down soon in a narrow-band. Introduction of GST has also put a cap on regular trading activities as many traders are still decoding its implications. A lower crop year with no pipeline stocks has kept prices relatively firm throughout the last quarter.

Next season sowing will begin soon. Area under cumin cultivation is expected to be higher as farmers have received better returns on their investment as compared to other commodities.

Cumin has been the second-most exported commodity from India during 2016-17 after Chillies. Cumin exports recorded an increase of 22% in volume and 28% in value. India exported 1,19,000 tonnes of cumin in 2016-17.

### Poppy Seeds

Poppy seeds cultivation is regulated under the Narcotic Drugs and Psychotropic Substances (NDPS) Act. With many new amendments made traders fear that they may be booked under the act for slight negligence on their part. It is also feared that cheap opium entering India via Turkey is cultivated in China and Taliban. Poppy seeds usually arrive in local markets during June-July. But during this season trading of indigenous produce has been limited. Imports have been higher. Markets are flooded with cheaper produce grown in China and Afghanistan-Pakistan border.

According to Union commerce ministry data, 18,655.41 metric tonnes of poppy seed was imported from Turkey in 2015-16 and 29,541.43 metric tonnes was imported in 2016-17.

## Coriander

July-September was marked with range-bound activities and saw little price movement both in physical and futures markets. Arrivals during monsoon months are generally low. Quality concerns over moisture-laden arrivals is also keeping a lid on the market activities. Speculators have been kept at bay. Supplies have eased as cheaper imports from Russia and Eastern European countries have improved. Internal supply has been adequate too. With nearly a 40% price reduction in coriander prices early this season, many retail brands are offering curry blends at discounted prices.

**Outlook** - With sufficient availability of carry-over stocks to tide over the winter demand and prevailing weather conditions looking favourable for Rabi sowing trading will continue with a downward bias.

## Eastern Europe

The harvest of 2017 from Bulgaria/ Romania / Ukraine were lower than previous year and the quality too has been quite poor. Unseasonal rains during peak growing period has resulted in discolouration of final product. Yields have also been lower and prices did not show the expected downturn with new crop harvests. In Ukraine initial quality was good but as season progressed availability of light coloured material became limited. Russia however has had a good crop and has large carry forward from 2016 harvest which has kept prices depressed. Argentina and Uruguay have also harvested a good crop and their price levels are slightly higher than Russian price ideas.

Syria has also had a good harvest this season.

## Celery

Production this season was seen around 6,000 MT. According to trade estimates nearly 35% stock is still with farmers who are anticipating prices to improve with increase in winter demand from US and European countries. Prices have remained stable during the second quarter of 17-18 after experiencing an initial drop of 25% on back of higher production.

Celery is a *rabi* crop. The key growing regions of Amritsar, Punjab received moderate rainfall this season and are still experiencing hot weather conditions. Delayed onset of winter will mean change in sowing patterns. Farmers may prefer wheat to celery if weather conditions remain unfavourable. Though it is too early to comment on the trend, next sowing is likely to be on lesser acreage as current year prices have been unremunerative.

## Mustard

Higher MSP (minimum support prices) had induced farmers to increase area under mustard cultivation. A bigger crop size had limited price surge from the beginning. Prices have remained stable during the past few months. Winter demand for mustard oil from pickle manufacturers may aid further stability. Central Government during its mid-term review had also hiked import duty on edible oil during August to help revive internal demand for mustard and other oilseeds from oil extractors.

**Outlook** - Due to uneven distribution of south west monsoon, parts of Madhya Pradesh, Uttar Pradesh and Western India have received excessive rains while others have been left with deficit monsoon. Reservoirs are partly full and depleted soil-moisture conditions may not augur well for winter sowing in rain-deficit regions. MSP for mustard has been increased for 2017-18 by 8.1% from current ₹3,700 to 4,000 per quintal. New crop arrivals will begin in March-April.

## Fennel

Current season production pegged at 153,000 tonnes is nearly 20% higher than last as farmers had invested in fennel farming following consecutive years of high prices. Prices dipped as harvests peaked. With stockists at bay price levels have remained too realistic to debate.

Exports during 2016-17 has risen by almost 129% in volume and 79% in value when compared to 2015-16.

**Outlook** - Gujarat has received irregular bouts of heavy rains and witnessed the worst flood in almost a century. Many districts in Rajasthan have also received excessive rains this season. It is yet to be seen how these regions will cope with the next sowing that has just begun.

## Fenugreek

Higher production numbers and higher carry-forward stocks continued to weigh on market sentiments. Prices touched new lows. Absence of buying from Stockists was a bigger deterrent as markets remained devoid of the usual vigour and volatility during most part of the last quarter. Winter sowing has just begun. Farmers may invest less in fenugreek following this season's debacle.

## Dill seed

Trade continues with a downward bias in a market devoid of high-volume activities.

## Morocco

### Rosemary

Due to huge demand for Rosemary antioxidant extract, market is showing large movements and price increase. Expecting a shortage before end of 2017.

### Outlook - Bullish

### Thyme

Harvest season is ending with a below-average crop. Next crop scheduled to arrive in April/ May will also be lower due to continuous drought in the south of Morocco. Significant price rise has been seen during the last few weeks as raw material is getting scarce.

### Outlook - Bullish

## Turkey

### Oregano

We estimate approximately 3,000-3,500 MT raw material to be left in the market. This quantity includes amount of stocks in oregano villages and in stockholders' warehouses. Raw material prices have increased week by week and now villagers are withholding their stocks. They are still expecting higher prices. We still estimate that some portion of the raw material has been purchased by speculators who foresee sudden price increases in oregano market.

Oregano Rubbed min. 2.70% - 3.00% VO is at USD\$4,700.-

Oregano Rubbed min. 2.50% VO is at USD\$4,450.-

Oregano Rubbed min. 2.00% VO is at USD\$4,100.-

**Sage:** Demand is stable. Rain deficit may negatively damage sage crop. Raw material prices are steadily increasing. Weather conditions in October / November will define the future of sage market.

Turkish Sage officinalis cut at USD\$3,550.-

Albanian Sage officinalis cut at USD\$3,350.-

**Laurel Leaves:** Markets have opened this September. Fresh laurel leaves prices are 15% higher than last year's prices.

Turkish Laurel Leaves Cut at USD\$2,500.-

Turkish Laurel Leaves Semi Selected at USD\$3,225.-

Turkish Laurel Leaves Hand Semi Selected at USD\$4,100.-

Turkish Laurel Leaves Hand Picked Selected 5-10 cm at USD\$7,750.-

Turkish Laurel Leaves Hand Picked Selected 4-8 cm at USD\$9,400.-

## Seed Spice

### Cumin

Markets have turned quieter for the past 3-4 weeks after Eid Break. Stockists are unwilling to sell at these levels. More clearer picture will emerge in the coming weeks.

Price Indication: Turkish Cumin Seed Whole Cleaned available at USD\$3,300.-

### Anise Seed

There are rumors that Raki (Turkish liquor) manufacturers are going to re-start buying anise seed for processing. Availability of good quality anise seed is limited.

Turkish anise raw material suppliers (stock holders) are trying to keep the market firm.

Turkish Anise Seed Whole Cleaned at USD\$4,975.-

### Fennel Seed

EU compliant raw material is almost exhausted in the market. Turkish Fennel prices range between USD\$2,400.- USD\$3,600.- depending on cleanliness / pesticide residue levels.