

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. However, authentic figures about area and production are not available. Major area is in India which constitutes 82% followed by China (8%), Myanmar (4%), Nigeria (3%) and Bangladesh (3%).

Turmeric in India

The important turmeric growing States in India are Telangana, Andhra Pradesh, Tamil Nadu, Karnataka, Kerala, Maharashtra, Orissa, Assam, and West Bengal, in which Telangana occupies large area under Turmeric.

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

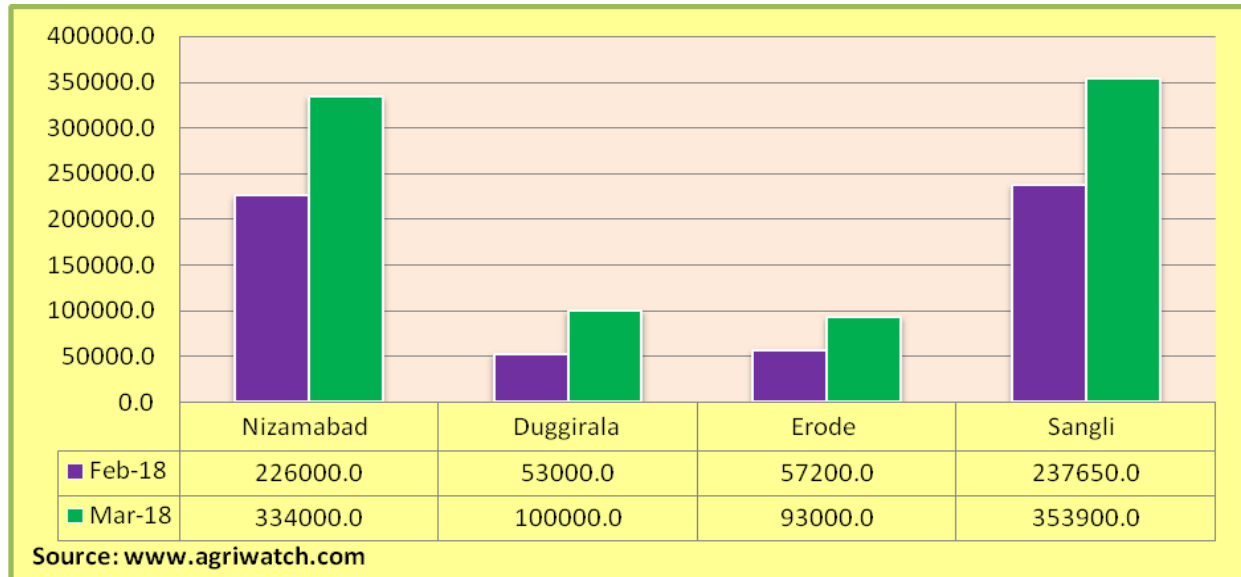


Fig 1: Turmeric Arrivals Scenario in Major Markets in India (Units in bags, 1 bag = 75 kg)

In Nizamabad market, supply was reported up by 108,000 bags during the period and up by 70,000 bags during corresponding period of last year. As per trade sources, new crop supply continued in the Nizamabad market. Till April 1, around 60 – 65% new crop arrivals traded and it will continue till May. In Nizamabad spot market, from 15th January to 31st March 2018,

supply reported around 43,330 MT compared to 35,350 MT in the corresponding period last year. In Maharashtra, turmeric new crop arrivals continued in Sangli mandi (around 20,000 – 22,000 bags, 1 bag = 60 kg), however in Nanded and Basmat region new crop is likely to enter from April first week. In Sangli market, new turmeric from Belgaum district (Karnataka) also reported.

Domestic Prices of Turmeric

March 2018 prices of turmeric are found to be Rs 300-400 higher as compared to the corresponding season of last year at Nizamabad and Warangal markets

Table 1: Turmeric Spot Prices at Different Markets in India (Rs/quintal)

Market	Grade	Week ago	Month ago	Year ago
Nizamabad (Telangana)	Nizam quality	6900	6800	6400
	Double polish finger	7700	7400	7200
	Gattah (unpolished)	6400	6400	5800
	Gattah (double polished)	7300	7000	6300
Warangal (Telangana)	Finger	7300	5950	6950
	Round	8000	6250	6950
Erode (Tamil Nadu)	Finger	7600	7800	7600
	Gattah	7100	7300	6900
	Sellem	8100	8300	8400
Salem (Tamil Nadu)	Bulb	7750	8000	8400
	Finger	8850	9150	9200
Sangli (Maharashtra)	Rajpuri/Selam Finger	9000	8800	6800
	Rajpuri Medium	7000	7700	7100
	DesiKadappa	6800	6100	5400
Duggirala (Andhra Pradesh)	Bulb	7000	7300	7500
	Finger	7000	7300	7500

Source: www.agriwatch.com

Turmeric Supply and Demand Analysis

The supply and demand scenario for 2018-19 beginning stocks reported around 1.32 lakh tons. Ending stocks are expected to be around 0.71 lakh tonnes, after increasing domestic consumption and exports due to lower production in current year. Production of turmeric was also down by 4.76 lakh tonnes which is less than last two years.

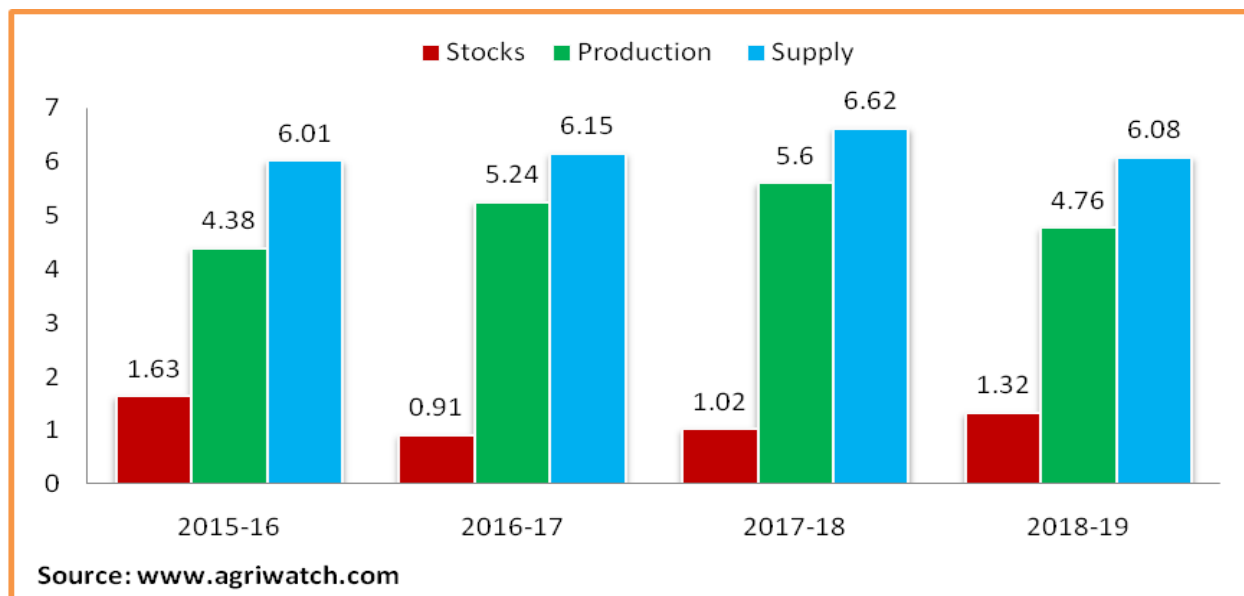


Fig 2: Turmeric Demand and Supply analysis (in lakh tonnes)

Area under Turmeric in Telangana

For 2017-18, turmeric area sown in Telangana was down by 1% to 44,000 hectares as compared to last year acreage of 45000 hectares.

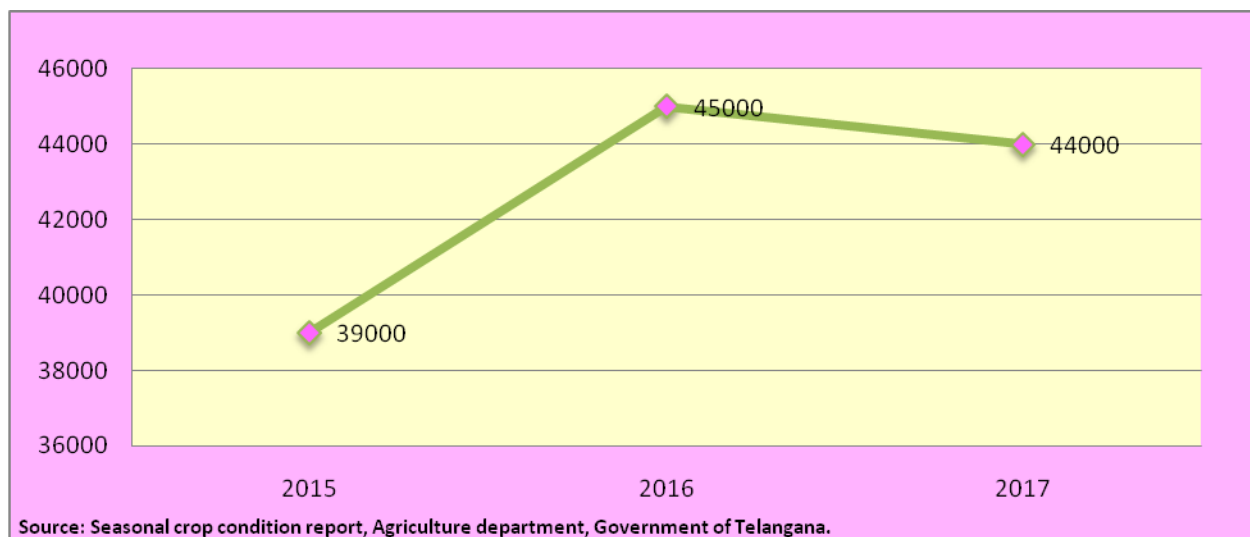


Fig 3: Area under Turmeric in Telangana (Area in hectares)

Turmeric Prices and Arrivals in Telangana

As per trade sources, increase in arrivals was found in all major markets and considerable quantity of arrivals will be continued upto last week of May.

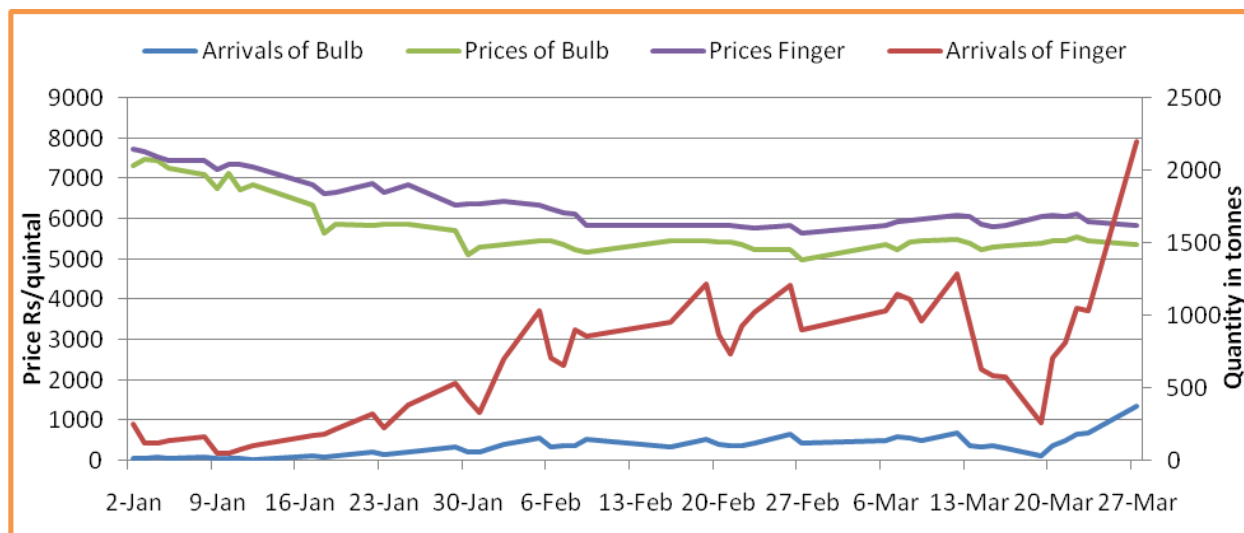


Fig 4: Turmeric Model Prices and Arrivals at Nizamabad Market during January to March 2018

Even at increased arrivals, the prices may not fall much further from current levels, at most another Rs.300 - 400 per quintal fall is expected due to stocks in India reported around 20 - 25 lakh bags (1 bag = 70 kg) as compared to last year 35 – 40 lakh bags. Also the stockists are only interested in releasing their old stocks at higher prices level.

Under these circumstances, Agricultural Market Intelligence Centre, PJTSAU expect that Turmeric prices are likely to trade in price range between Rs.5800-6200 per quintal during April 2018.