

Turmeric Outlook – November 2018

India is the largest producer, consumer and exporter of turmeric in the world. Indian turmeric is considered to be the best in the world market because of its high curcumin content. India accounts for about 80 per cent of world turmeric production and 60 per cent of world exports. Major turmeric exporting countries are India, Thailand, Taiwan, and several other Southeast Asian, Central and Latin American countries. The major turmeric importing countries include Japan, Sri Lanka, Iran, UAE, US, UK and Ethiopia.

Major turmeric producing states in India are the southern states of Telangana, Andhra Pradesh, Tamil Nadu and Karnataka, the eastern states of Orissa and West Bengal, and the western state of Maharashtra. In Telangana as on 26th September 2018, the area covered under turmeric was 47888 hectares as against 44956 hectares in the corresponding period of last year. Among major turmeric growing districts, Nizamabad has reported 13965 hectares acreage under turmeric as against 12800 hectares in last year. Jagtial has so far reported 13250 hectares as against 12378 hectares during last year and Warangal (Rural) has reported 5521 hectares of acreage compared to last year's 4250 hectares. The same in Andhra Pradesh was reported as 17914 hectares as compared to 14830 hectares in the corresponding period of last year.

As per production estimate, turmeric that would be marketed during 2019 is estimated at 543686 MT (dry crop) compared to previous year's 476771 MT due to increase in area under turmeric in major growing states. Turmeric export during August month was higher at around 16,216 mt than the previous month i.e., 14,842 mt in July month. Major turmeric export destination are Iran 3,353 mt, Italy 2,005 mt, USA 1,120 mt, UAE 991 mt, UK 600 mt etc.

Supply of Turmeric:

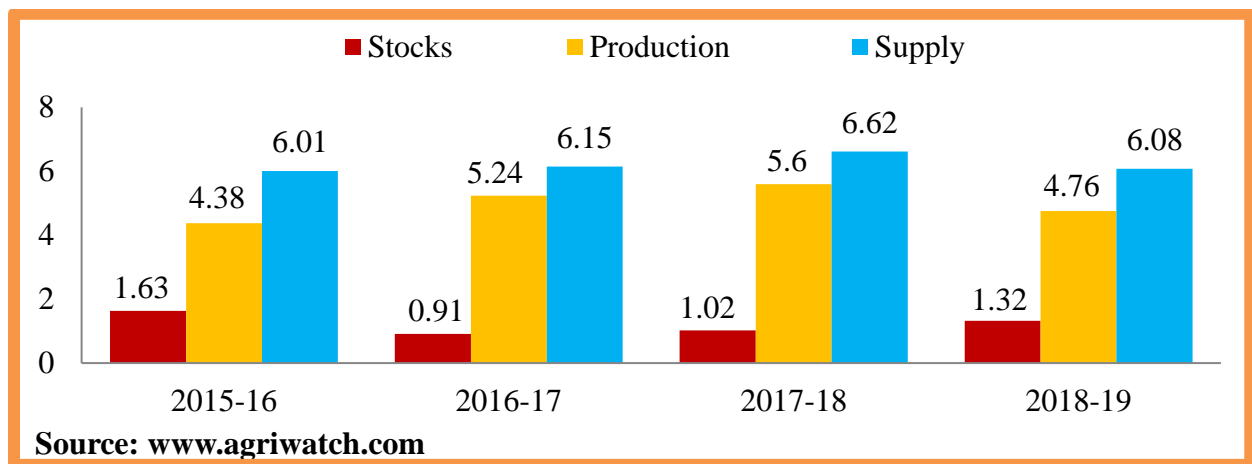


Fig 1: Supply of Turmeric during 2018-19 Marketing Year (in lakh tonnes)

As per turmeric supply figures presented in Fig 1 for 2018-19, the beginning stocks reported around 1.32 lakh tonnes and ending stocks are expected to be around 0.71 lakh tonnes, because of increased domestic consumption and exports under lower production condition in

marketing year (2018). Production estimate of turmeric in 2018 was also down to 4.76 lakh tonnes which is less than last two years.

Table 1: Turmeric Arrival Scenario in India: (in Bags, 65 kgs each)

Market	% Change over Previous Week	Today	Week Ago	Year Ago
		26 th Oct to 1 st Nov 2018	20 th Oct to 25 th Oct 2018	26 th Oct to 1 st Nov 2018
Nizamabad (Telangana)	37.37	13,600	9,900	5,100
Duggirala (AP)*	60.71	22500	14000	3,500
Salem (TN)*	-13.02	114.9	132.1	1255.1
Erode (TN) #	140	28,800	12,000	8,600
Sangli (Mah.)	150	10000	4000	3900
Warangal (Telangana) #	-18.75	650	800	410
Total	85.31	75,665	40,832	22,765

Source: Agriwatch.com

Currently turmeric stocks in Nizamabad (both old and new crop) were estimated around 3.60 lakh bags (1 bag = 70 kgs) as compared to around 2.60 lakh bags same period last year. Currently, stocks reported higher as demand from turmeric powder manufactures shifted to Duggirala and Kadapa markets due to lower prices.

In Warangal market, currently, cold storage stocks continue to arrive at the market to the tune of 100 - 150 bags (65 kg each) per day, last week it was 200 bags.

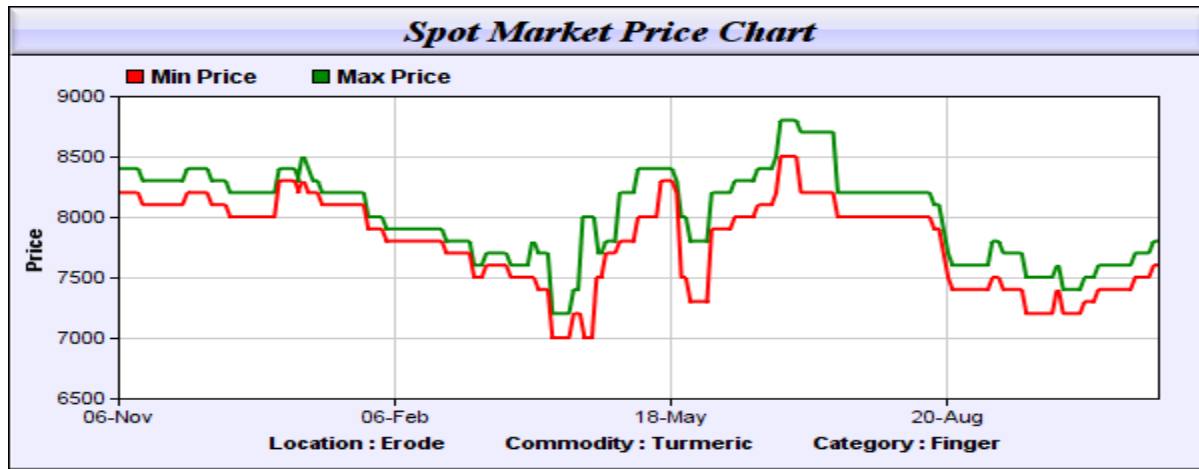


Fig 2: Spot Prices of Turmeric (Finger) in Erode Market in October 2018

Table 2: Turmeric Spot Prices (Rs/q)

Centre	Variety	% Change Over previous Week	Week Ago	Month Ago	Year Ago
			25 th Oct 2018	1 st Oct 2018	1 st Nov 2017
Nizamabad	Nizam quality	2.94	6800	6900	7800
	Double polish finger	Unchanged	7800	7900	8400
	Gattah (unpolished)	4.55	6600	6700	7500
	Gattah (double polished)	2.63	7600	7700	8100
Duggirala(A.P.)	Bulb	3.39	5900	6100	6600
	Finger	3.03	6600	6100	6900
Erode(T.N.)	Gattah	1.49	6700	6700	7600
	Sellem	4.71	8500	8500	8500
Salem(T.N.)	Bulb	-3.66	7100	7904	7600
	Finger	-3.78	8470	8980	8200
Sangli (Mah.)	Rajpuri Medium	2.5	8000	8300	9500
	Desi Kadappa	2.86	7000	7400	7800
Warangal (Tel)	Finger	2.82	7100	6800	7350
	Round	2.82	7100	6800	7350

Source: Agriwatch.com

Table 3: Turmeric (Bulb and Finger) prices at Nizamabad market in November 2018

Date	BULB				FINGER			
	Arrivals (Quintals)	Minimum Price (Rs/q)	Maximum Price (Rs/q)	Modal Price (Rs/q)	Arrivals (Quintals)	Minimum Price (Rs/q)	Maximum Price (Rs/q)	Modal Price (Rs/q)
1	889	7,158	4,500	6,969	1,566	6,606	3,120	6,475
3	478	6,789	5,005	6,469	981	7,136	4,061	6,486
4	594	6,702	5,589	6,615	1,049	6,667	4,220	6,475
5	538	6,616	4,060	6,100	338	7,028	3,810	6,460
8	570	6,651	4,285	6,069	1,221	6,727	4,885	6,415
12	496	6,845	3,427	5,931	1,225	7,107	5,405	6,555
15	593	6,651	4,506	5,900	1,060	6,985	5,065	6,550
16	503	6,686	4,010	5,636	1,083	6,809	4,427	6,300
22	538	6,905	5,040	5,727	1,544	6,951	4,420	6,580
23	480	6,815	3,011	5,900	437	6,979	4,210	6,599
24	246	6,869	5,505	6,000	928	6,937	5,005	6,655
24	268	6,660	4,307	5,850	598	7,056	3,825	6,465
30	194	7,219	4,025	5,855	648	7,545	4,527	6,785
31	993	7,089	5,100	6,605	623	7,239	5,069	6,425

Source: <http://tsmarketing.in/>

Turmeric modal prices (Bulb and Finger) at Nizamabad market ranged between Rs. 5636 – 6969 and Rs. 6300 – 6785 per quintal respectively during October 2018.

Turmeric Price Outlook:

Deficit rainfall in Maharashtra and Karnataka affected turmeric standing crop. As per local trade information, currently standing crop is likely to witness a damage of around 10 - 20%. With continued higher temperature in the next 15 - 20 days, damage percentage may go up to 30 - 40%. About 87% deficit rainfall was recorded during October 2018. Turmeric sown area has moved up by 5 - 6%, as some new area has come up due to higher prices in the current year. Currently, turmeric (finger, NCDEX quality) in Nizamabad is trading at Rs.7,000/quintal.

Under these circumstances, Agricultural Market Intelligence Centre, PJTSAU expect that Turmeric is likely to trade in price range between **Rs.6700 – 7100** per quintal during November 2018.