

Turmeric Outlook – September 2018

World Scenario

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.

Indian Scenario

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 29th August 2018, the area covered under turmeric was 47760 hectares as against 44,956 hectares in the corresponding period of last year. The same in Andhra Pradesh was reported as 15882 hectares as compared to 13681 hectares in the corresponding period of last year. Turmeric sowing was almost finished in Tamil Nadu due to good rainfall in major growing regions and sowing area is likely to go up in the state. As per production estimate, turmeric that would be marketed during 2019 is estimated at 543,686 MT (dry crop) compared to previous year's 476,771 MT due to increase in area under turmeric in major growing states.

Supply of Turmeric

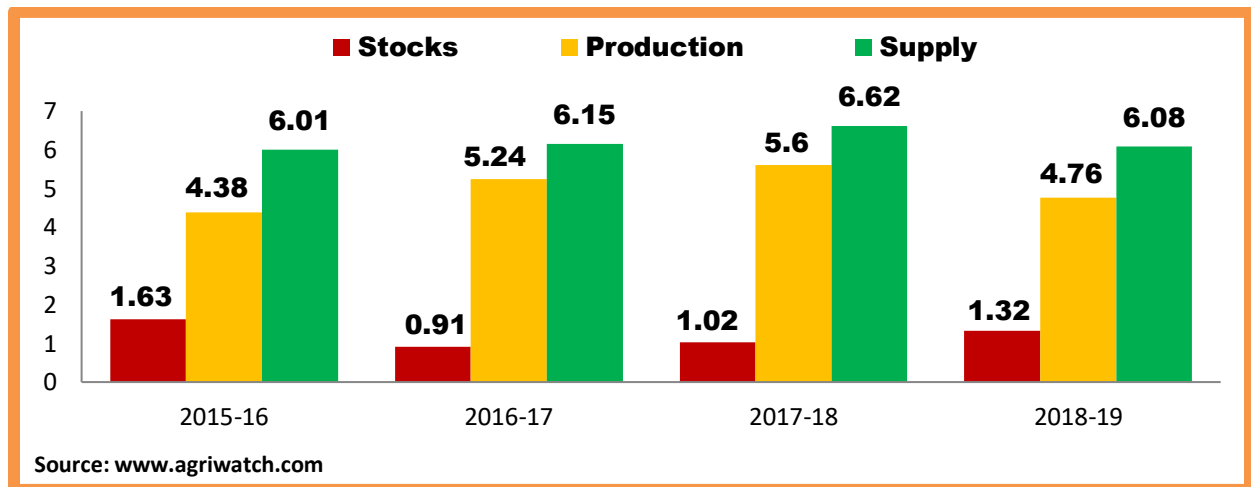


Fig 1: Supply of Turmeric During 2018-19 Marketing Year (in lakh tonnes)

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

Domestic Prices of Turmeric

In the month of August 2018, turmeric prices were moved up with declined domestic arrivals. The weekly average prices were above Rs.7200 per quintal in all major markets of India. Higher prices are recorded at Sangli market, while the same were lower at Duggirala market of Andhra Pradesh.

Table 1: Weekly Spot Prices of Turmeric at different Markets in India (Rs/quintal)

Market	Grade	1 st week of Aug 2018	2 nd week of Aug 2018	3 rd week of Aug 2018	4 th week of Aug 2018
Nizamabad (Telangana)	Nizam quality	NA	7500	73300	7200
	Double polish finger	NA	8500	8300	8100
	Gattah (unpolished)	NA	7200	7000	6900
	Gattah (double polished)	NA	8200	8000	8000
Warangal (Telangana)	Finger	7400	7300	7200	7200
	Round	7400	7300	7200	7200
Erode (Tamil Nadu)	Finger	8200	8200	7900	7600
	Gattah	7500	7500	7000	6700
	Sellem	8800	8800	8500	8200
Salem (Tamil Nadu)	Bulb	NA	8010	7964	7890
	Finger	NA	9095	8990	8970
Sangli (Maharashtra)	Rajpuri/Selam Finger	10200	10500	10200	10000
	Rajpuri Medium	8900	9200	9700	9500
	Desi Kadappa	7700	8000	7700	7500
Duggirala (Andhra Pradesh)	Bulb	6700	6300	6300	6450
	Finger	6700	6300	6300	6450

Source: www.agriwatch.com

Turmeric in Telangana

In Telangana as on 29th August 2018, the area covered under turmeric was 47760 hectares as against 44956 hectares in the corresponding period last year. Among major turmeric growing districts, Nizamabad has reported 13,965 hectares in acreage as against 12,800 hectares

in last year, Jagtial has so far reported 13,250 hectares as against 12,378 hectares during last year and Warangal (Rural) has reported 5,521 hectares of acreage compared to last year's 4,250 hectares.

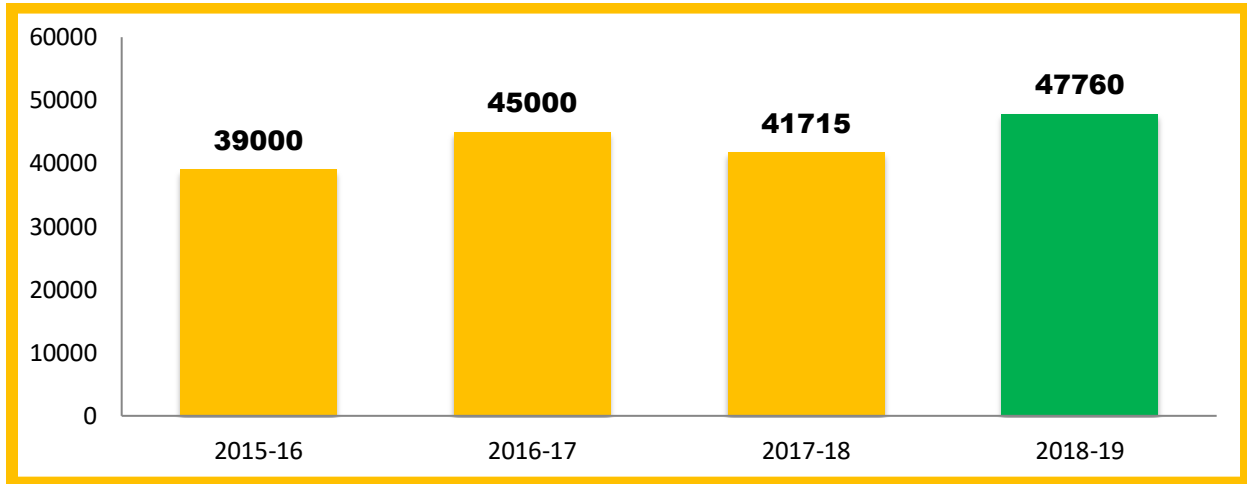


Fig 2: Area under turmeric in Telangana as on 29th August 2018

Prices of Turmeric in Telangana

Currently, turmeric (finger, NCDEX quality) in Nizamabad is trading at Rs.7,200 per quintal. We expect that prices may not fall much further from current levels due to lesser arrivals in all major markets.

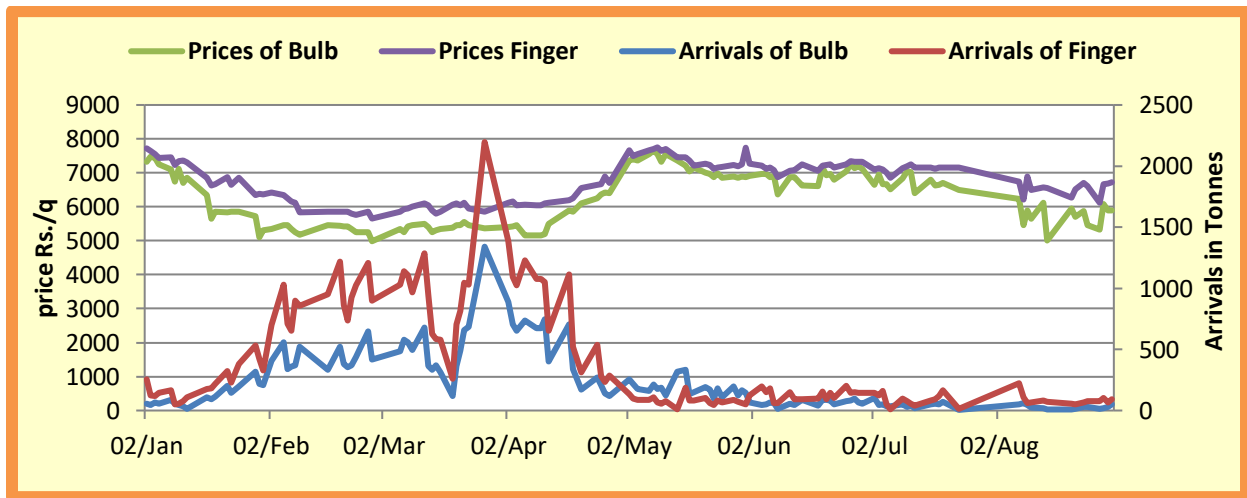


Fig 3: Turmeric Modal Prices and Arrivals at Nizamabad Market during January – August 2018

Due to lowered production, the stocks are also declined in the current year as compared to last year leading for improvement in spot market prices. Under these circumstances, Agricultural Market Intelligence Centre, PJTSAU expect that Turmeric may likely to trade in price range between Rs.6800-7200 per quintal during September 2018.