

Pepper



KEY TAKEAWAYS

- > Global production is estimated to show a mild decline in 2025, similar to previous year. The weather conditions in India is one of the main drivers.
- > Global demand remains resilient and is substantially above supply for five consecutive years.
- > Generally, price increases encourage farmers to intensify pepper production, slowing down a further drop in supply. However, competing crops like durian and coffee fetch higher profits for farmers in Vietnam currently.

PRICE OUTLOOK

short term



medium term

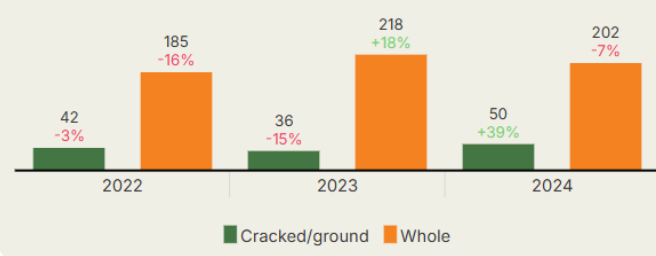


long term



SUPPLY DYNAMICS

Exports volumes from Vietnam, % change YoY



Vietnam

- > The 2024 Vietnamese harvest is expected to reach 172KMT, about 2% lower than last year and 47% down from 322KMT in 2018/2019. The harvest is currently underway, peaking in March and April.
- > Exports to Asia decreased by ~40% while exports to America and the Middle East increased by 20–30%.

Brazil

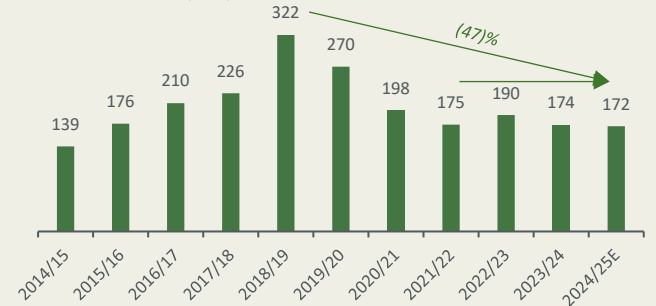
- > Early estimates for the total Brazil crop in '25 fall in the 85-90KMT range. Espírito Santo is currently completing its first main harvest period of the year, which should yield ~20KMT.

India

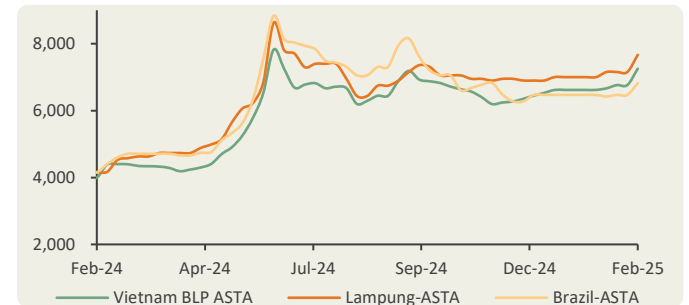
- > India's pepper production is likely to drop 20-25%, mainly due to adverse weather conditions in Karnataka. The smaller crop in India could lead to increased import demand, despite trade barriers.

PRODUCTION CYCLE DYNAMICS

Production over time (KMT)

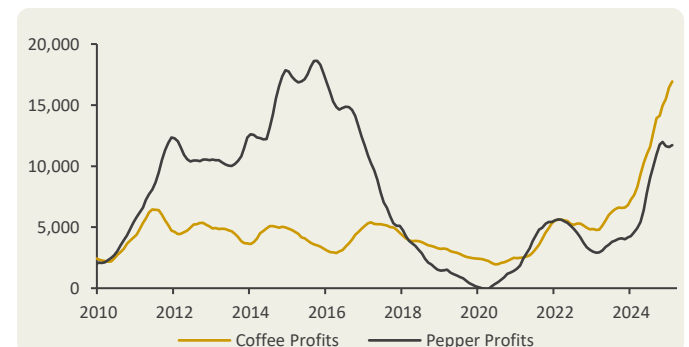


PRICE TRENDS (\$/MT)



- > After a steep increase during the end of the '24 harvest season in Vietnam, prices have been fluctuating within a relatively narrow band.
- > This crop season, the financial position of farmers in Vietnam is stronger than last year, supported by high prices. This is likely to reduce selling pressure.
- > High profitability of crops like coffee and durian in Vietnam limits large-scale new pepper planting, despite attractive prices.
- > China was largely absent during 2024, with exports from Vietnam down by >80%. As stocks in the country deplete, it's uncertain when Chinese buyers will return in force, potentially driving prices up further.

ESTIMATED PROFITS, PEPPER VS OTHER CROPS (\$/HA)





Cumin

KEY TAKEAWAYS

- > India's 2025 cumin production is estimated to be 20-25% lower than last year. Gujarat's harvest is in full swing, while activities in Rajasthan just started. Carry-forward stocks from the high 2024 crop should help stabilize prices.
- > IPM cumin prices are expected to be lower than last year's average, with export demand and Rajasthan's production volumes being key determining factors.
- > Indian cumin exports in 2024 were 45% higher compared to 2023, with China and the UAE as the largest importers.

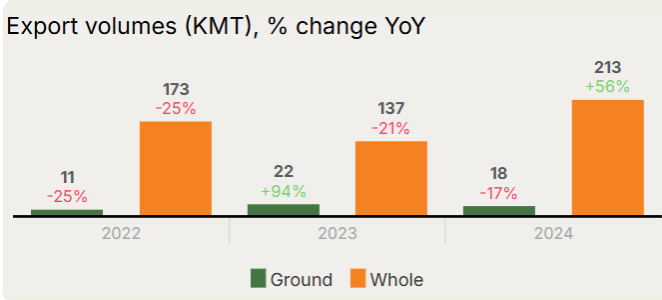
PRICE OUTLOOK

short term

medium term

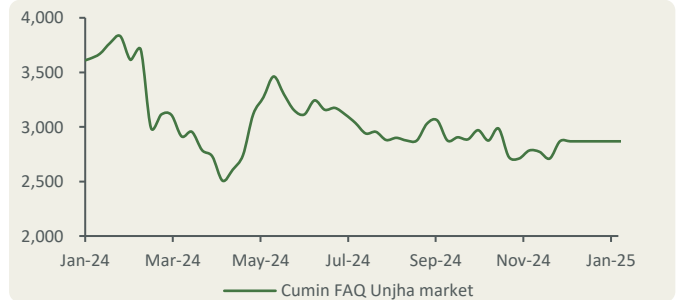
long term

SUPPLY DYNAMICS



- > The 2025 harvest season is ongoing, with an expected production of 500-550 KMT, showing a reduction of 20-25% compared to 2024.
- > Leading up to the current crop season, traders and farmers were holding about 20% of the previous year's crop.
- > In Gujarat, farmers have opted for chickpea and wheat cultivation instead of cumin, resulting in 25-30% reduction in area.
- > Cumin exports from India increased by 45% in 2024 to around 230KMT, coming from the small 2023 crop which resulted in an export volume of just 160KMT.
- > The exports of whole cumin increased by 56%, whereas the exports of ground cumin were down 17%.

PRICE TRENDS (\$/MT)

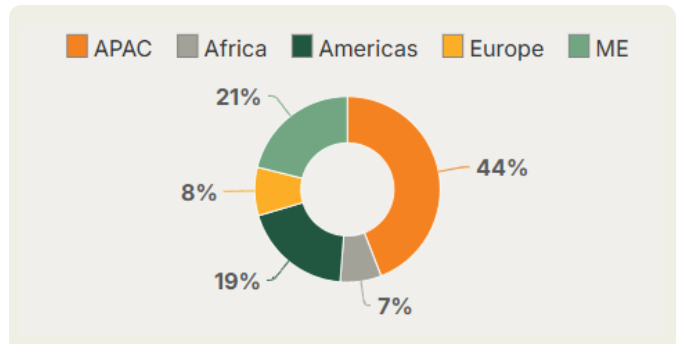


- > Current prices of conventional cumin are lower than last year due to subdued demand, with a current farm gate price around \$ 2,100 – 2,500/MT.
- > Price development for the new crop will depend on weather conditions in the coming weeks, as untimely rains pose significant risks.
- > The impact on prices due to the reduction in area and production is likely to be mitigated by the carry-forward stocks from the previous season.
- > IPM cumin availability will remain limited, with the price premium in line with last season.

CUMIN DRYING IN THE FIELD



INDIA EXPORTS BY DESTINATION REGION, 2024





Turmeric

KEY TAKEAWAYS

- > The turmeric harvest for the 2025 crop has begun in India, with an estimated 20% production increase vs last year, facilitated by increased acreage.
- > Total production is estimated at 450 KMT, most of which will be consumed domestically. The effect of the larger crop on prices is expected to be balanced by limited carry-forward stock.
- > India exported around 145 KMT of turmeric in 2024, approximately 10% more than 2023. The UAE and USA are the top turmeric-importing countries.

PRICE OUTLOOK

short term



medium term

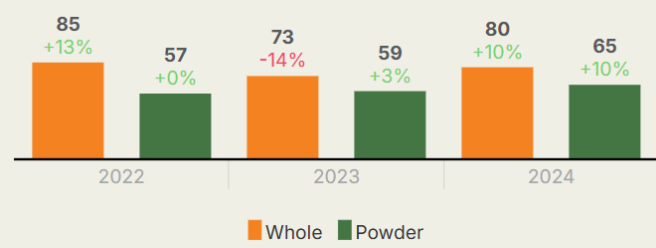


long term



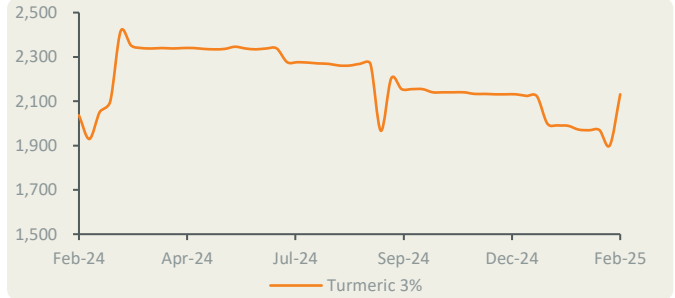
SUPPLY DYNAMICS

Turmeric exports from India (KMT), % change YoY



- > The turmeric harvest of 2025 is beginning with an expected production of approximately 540KMT, showing a 15-20% increase compared to 2024.
- > Turmeric whole exports saw a 10% increase in 2024, recovering from a 14% decline in 2023, while turmeric powder exports grew 10%, up from a 3% growth in the previous year.
- > The availability of IPM turmeric remains a challenge, as high prices for conventional turmeric (Mar-Aug 2024) have led farmers to rely more on agrochemicals to boost yields.

PRICE TRENDS (\$/MT)



- > Overall prices remain volatile, with the market closely watching the upcoming crop harvest to determine pricing.
- > Carry-over stocks for 2025 are at a record low due to last year's short crop, unlike previous years when large carry-forward stocks helped stabilize prices.
- > Farmers may hold back from selling if prices go lower, while buyers are holding off on purchases, anticipating a price drop once the new crop enters the market.

LEAF CUTTING STAGE (LEFT), HARVEST STAGE

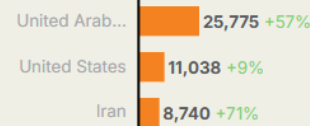


INDIAN EXPORTS BY DESTINATION 2024

Volume (MT) - 2024

145,410 (+10%)

Top 3 Destinations



Regional Destinations

