

Market Update

Everything you need to know about what's happening in the Herbs & Spice industry

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Cumin

The harvest in India has started and as expected prices have corrected to more attractive and workable levels compared to last year. The futures market confirms the downward trend that has been established. Currently demand is significant as global stocks have been empty and key players have been waiting for the new crop to enter the market. Therefore it is expected that prices will remain somewhat firm, but possibly will ease further in several months, as long the crop expectations are in line with the reality.

Turmeric

As anticipated the general outlook on turmeric this year was pessimistic and this is currently shown in the prices. The sowing is estimated to be about 25% less than last year and the general decline in output is expected to be 30% less. Prices have been already in an upward trend for the last months, but are currently accelerating as shortages are expected.

Cloves

The harvest of cloves will start in about 3-4 months from now in Indonesia. Indonesia as the biggest producer of cloves is a benchmark for the global clove price. The last years production has been disappointing, and with strong local demand for the tobacco industry it has led to shortages. Currently the clove trees are showing slightly more baby-cloves than previous years, this may be a first indication that production might increase a bit compared to last year. Overall the production remains small compared to the last ten years.

Chili

In India overall crop output is expected to be higher + 15 % vs last year once the full harvest is completed by late April / May. However, the availability of IPM chillis is expected to be 30% lower this year due to the infestation of Black Thrips observed from October to January - due to heavy rains - leading farmers to heavily spray pesticides in order to control the pest infestation.

In the meantime, strong local demand from extractors and processors is likely to keep the market high. We have very little doubts that we'll see better prices for Non IPM over the next few months, but the concern remain for the EU pesticide guaranteed grades ...

In China, last crop (Nov) was reported slightly higher than last year, but domestic demand remains very strong, so prices are basically steady, and we do not expect significant changes in the coming weeks. Bear in mind that over the last few years China has been a net importer of chillies (mostly from India) as its crop was not enough to cover the domestic needs.

Let's get in touch

We share with you this information to the best of our knowledge. As you know, herbs and spices are a product of nature and therefore subjected to weather conditions and world trade conditions. Our Market Update is based on our current view on the market. Please consult your Euroma Herbs & Spices Account Manager for more information!

Euroma's journey to Indonesia

Euroma's procurement and vendor quality team returned from a trip to Indonesia, during which various hotspots in Java, Sumatra, and Sulawesi were visited. We explored the entire supply chain of several spices. Auditing a supplier was also one of the objectives.

It was fantastic to see the nutmeg trees growing in a beautiful tropical environment. We met local farmers and gained insight into nutmeg and mace cultivation, from harvesting to the drying process. Read more about this journey on [our website!](#)

