

TURMERIC OUTLOOK REPORT-January to May 2021

Turmeric is an ancient spice derived from the rhizomes of *Curcuma longa* which is a member of ginger family (Zingiberaceae) also known as ‘Golden Spice of India’ and is native to Asia and India. The tuberous rhizomes or underground stems of Turmeric have been used from antiquity as condiments, a dye and as an aromatic stimulant in several medicines. It is widely used as a spice in South Asian and Middle Eastern cooking. It is an important commercial spice crop grown in India and known as “Indian saffron”. India is the largest producer, consumer and exporter of Turmeric in the world. Indian Turmeric is considered to be the best quality due to its high curcumin content and thus it is increasingly used in medicinal and cosmetic applications. Major Turmeric producing countries include Bangladesh, Pakistan, Sri Lanka, Taiwan and China. Major Turmeric exporting countries are India, Thailand, Taiwan, and several other Southeast Asian, Central and Latin American countries.

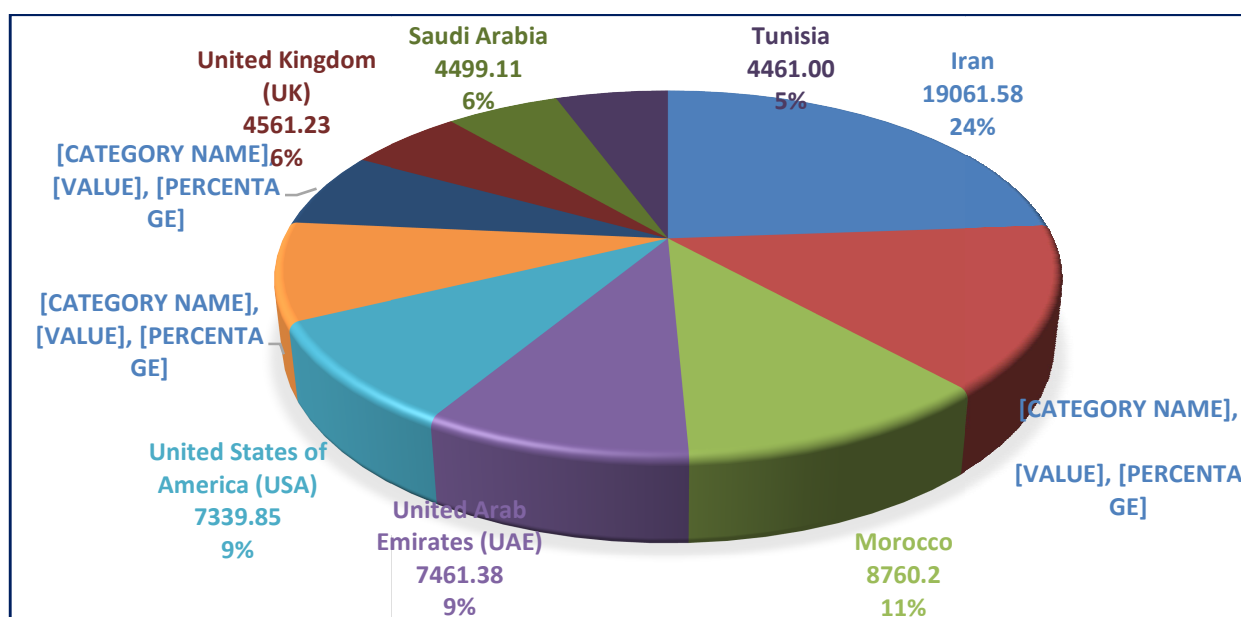
Table 1: Turmeric export and Import

Export			Import		
Years	Quantity (000' tonnes)	Value (Rs. Lakhs)	Years	Quantity (000' tonnes)	Value (Rs. Lakhs)
2015-16	88.5	92165	2013-14	7.35	5931.55
2016-17	116.5	124190.7	2014-15	9.3	7987
2017-18	107.3	103567.6	2015-16	15.33	14634.6
2018-19	133.6	141616	2016-17	14.15	16498.2
2019-20	136	121640	2017-18	17.12	18433.6

Source: Spice Board, Cochin

India is the largest manufacturer, consumer and exporter of curcumin, contributing more than 80 per cent of the global production. Turmeric ranks third in the total exports of spices from India. The exports of curcumin have been increasing over the years and in 2019-20 the exports were 1.36 lakh tonnes with a value of Rs 1216.40 crores. On the other hand, in 2017-18 the import of Turmeric was 0.17 lakh tonnes with a value of Rs 184.33 crores.

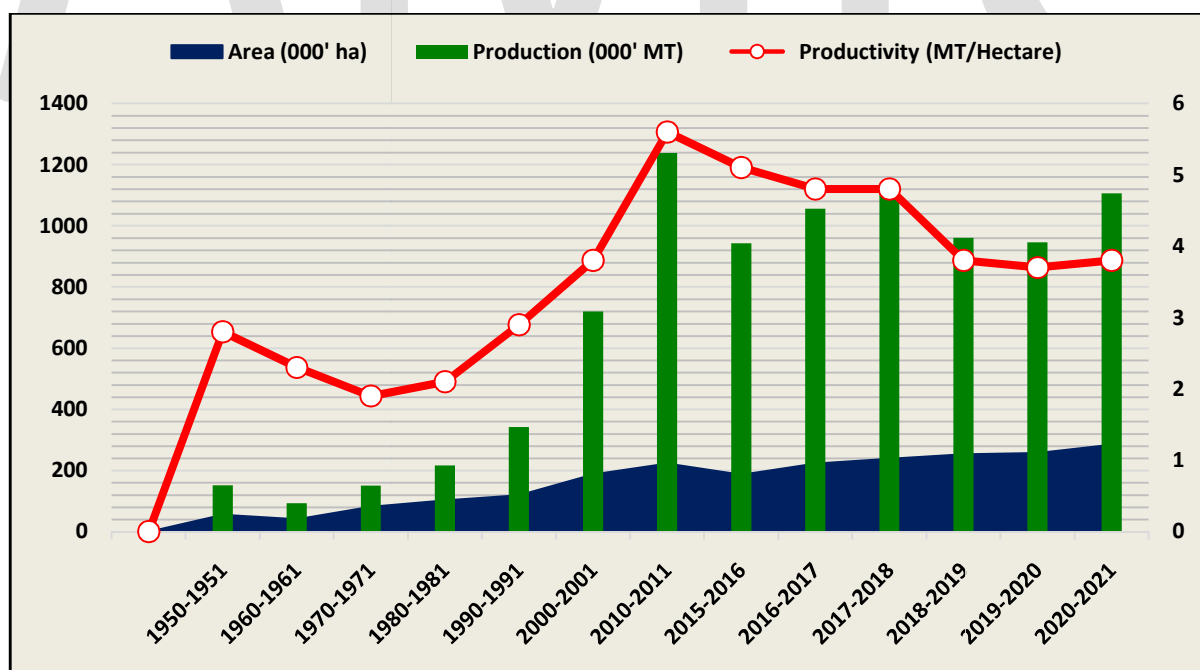
Figure 1: Major importing countries of Turmeric from India (2018-19) (Quantity in MT)



Source: Indiatstat, 2020

From Figure 1 it is depicted that in 2018-19 the major importing countries of Indian Turmeric are Iran (24 %) with 19061.58 MT followed by Bangladesh (14 %), Morocco (11 %), United Arab Emirates (9 %) and United States of America (9 %).

Figure 2: Growth parameters of Turmeric in India.



Source: Indiatstat, 2020

India has an acreage of 2.84 lakh hectares under Turmeric with the production of 11.06 lakh tonnes (NHB, 2020-21^{2nd} Advance Estimates). Turmeric occupies about 6 per

cent of the total area under spices and condiments in India and contributes 10 per cent share to total spices and condiments production.

Table2: Major Turmeric producing states in India (Area-000' ha, Production-000'tonnes)

States/UTs	2000-01		2010-11		2015-2016		2019-2020^	
	A	P	A	P	A	P	A	P
Andhra Pradesh	73.90	375.80	69.20	466.90	17.02	121.12	17.80 (7.2%)	80.10 (8.5%)
Karnataka	9.30	41.00	18.00	90.40	12.82	76.78	26.91 (10.9%)	150.00 (16%)
Odisha	25.30	60.60	26.80	202.90	2.48	30.00	27.87 (11.3%)	43.61 (4.6%)
Tamil Nadu	33.00	158.60	51.40	278.00	34.73	132.40	23.46 (9.5%)	90.22 (9.6%)
Telangana	0	0	0	0	42.54	184.29	48.00 (19.5%)	312.00 (33.2%)
West Bengal	13.90	22.50	15.80	38.30	16.71	42.41	17.73 (7.2%)	45.22 (4.8%)
India	187.40	719.60	222.90	1237.40	185.90	943.30	245.95	938.95

Source: Indiastat, 2020. Figures in parentheses indicate percent share to the total.

The major producing states of Turmeric in India are Telangana, Karnataka, Tamil Nadu, Andhra Pradesh and West Bengal. The highest acreage contribution of Turmeric is from Telangana about 19.5 per cent followed by Odisha (11.3 %), Karnataka (10.9 %), Tamil Nadu (9.5 %), Andhra Pradesh (7.2) and West Bengal (7.2 %). The major trading hubs of Turmeric in India are mainly Nizamabad (Telangana), Duggirala (Andhra Pradesh), Sangli (Maharashtra) and Salem, Erode, Dharmapuri and Coimbatore (Tamil Nadu).

Table3: Area, production and yield of Turmeric before and after bifurcation

Before Bifurcation		After Bifurcation					
2010-11		2015-16		2018-19		2019-20	
AP	India	AP	India	AP	India	AP	India
Area (in 000' ha)							
69	2,22	17	186	18	253	17.80	245.95
Production (in '000 tonnes)							
467	1,237	121	943	124	961	80.10	938.95
Yield in Kg/Hectare							
6,751	5,600	7,117	5,100	6,888	3,800	4500	3817

Source: Indiastat, 2020

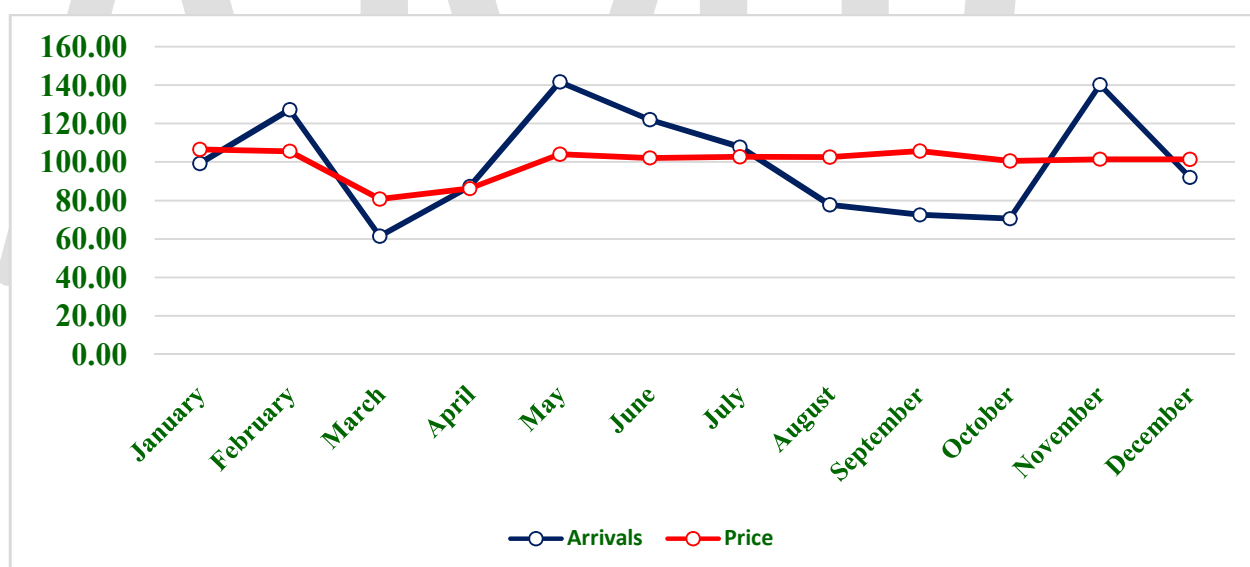
The area under the Turmeric crop has declined after the bifurcation from 69 thousand hectares to 18 thousand hectares as the majority of the crop area was under the Telangana region. At present, Telangana is the major producing state of Turmeric in India with 19.5 per cent of total area with 33.3 per cent production and 6500 kg/ha productivity during 2019-

2020. Andhra Pradesh was left with an area of 17.80 thousand hectares with 80.10 thousand tonnes of production during 2019-20.

Table 4: Seasonal indices of Turmeric arrivals and prices of Duggirala market of Andhra Pradesh (2015-20)

Months	Arrivals	Price
January	99.27	106.58
February	127.23	105.66
March	61.42	80.80
April	87.33	86.23
May	141.73	104.01
June	122.08	102.16
July	107.83	102.81
August	77.75	102.61
September	72.53	105.72
October	70.54	100.54
November	140.29	101.51
December	92.01	101.39

Figure 3: Trends in Turmeric arrivals and prices of Duggirala market of Andhra Pradesh (2015-20)



Turmeric Price Outlook:

As per May 2021, Turmeric lower supply reported in the spot market due to unseasonal rainfall during September and October, some yield loss was reported in AP, Telangana and Maharashtra yet continued good domestic demand (for immunity purpose) along with upcountry demand is likely to support the prices in future. New Turmeric crop supply reported at Nizamabad spot market with higher moisture content around 4 – 5%. As per agriwatch trade sources for the 2021-22 marketing period, turmeric expected 0.62 lakh

MT ending stocks (with increasing exports and domestic consumption), which is lower than 0.98 lakh MT from last year.

As per agriwatch estimates turmeric (Dry) all India production for 2021-22 (marketing year) is estimated at 4.46 lakh MT and in Andhra Pradesh is around 43,523 MT (the previous year it was 45,534 MT) and in Maharashtra, Turmeric production would be around 62,809 MT (the previous year it was 52,341 MT). In Karnataka, production likely to be around 38,010 MT (the previous year it was 32,098 MT).

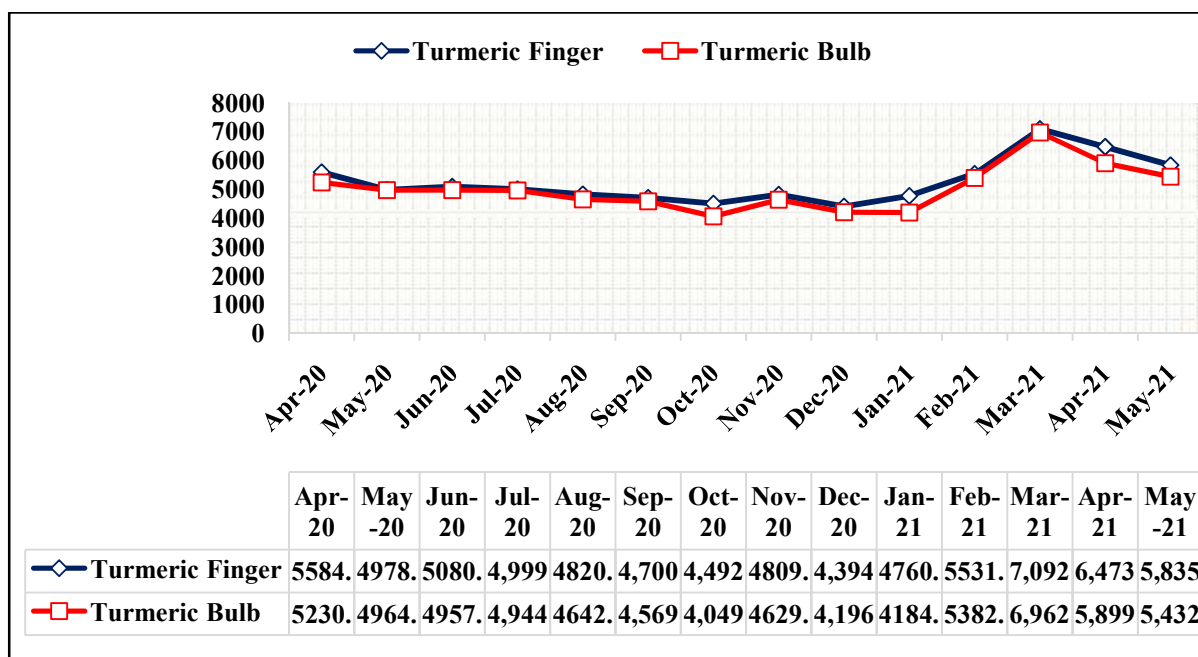
Table 5: Monthly Turmeric (Dry) Arrival Scenario

Turmeric Arrival Scenario (in bags *qtl, #65 kgs)					
State	Market	% Change Over Previous Month	April 2021	March 2021	April 2020
Telangana	Nizamabad	-54.62	172000	379000	-
	Warangal#	-	13800	-	-
Tamil Nadu	Salem*	-92.44	1.8	23.8	1187
	Erode#	-47.62	60500	115500	3300
Andhra Pradesh	Duggirala*	-88.10	595	5000	-
Maharashtra	Sangli	-75.01	104900	419800	-
Total		-61.73	351797	919324	4487

Units -Bags (1 bag = 75 kg), *qtl. Source: www.agriwatch.com

From 1st January 2021 to 26th February 2021 the turmeric supply in Guntur market was reported 22085 MT as compared to same period in 2020, 22428 MT which is down by 1.53% as stockiest were holding back their stocks with an expectations of higher prices in future. In the Nizamabad market, Turmeric arrivals were around 60,025 MT from 1st January 2021 till 26th April 2021 compared to 41,328 MT same period in 2020 and is up by 45.24% as stockiest were releasing their old stocks at higher prices also new crop supply continued. In Erode spot market, the new turmeric supply is arriving at an average of 5,750 bags daily basis.

Turmeric average price in major markets of Andhra Pradesh during April was Rs.6400 /-qtl slightly down from March Rs.7000/- qtl. Turmeric (finger, NCDEX quality) in Nizamabad is trading at Rs.7,800/ quintal.

Figure 4: Average Monthly Prices of Turmeric Major Markets in Andhra Pradesh.

In these circumstance, the AMIC, ANGRAU forecast price for Turmeric fingers is around Rs 6300-6600 and for bulbs is around 6200-6400 in the coming months of 2021-22 based on quality standards.
