Coriander Seasonal Report 2021

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Executive Summary

All Indian coriander production for the current season is estimated at around 4.25 lakh tons, increased by 10.4% compared to previous year. Similarly, total supply for the current season is estimated to increase by 5.7%. Coriander production in Russia, Bulgaria and Ukraine during 2020 is estimated at around 74,000 Mt, as compared to 62,500 in 2019.

Production in Mt			
Country	**2020**	**2019**	**% Change**
Russia	44,000	38,000	15.8
Bulgaria	24,000	20,000	20.0
Ukraine	6000	4500	33.3
Total	**74,000**	**62,500**	**18.4**

India coriander export during 2020 remained all-time-high at 42,500 Mt. On the other hand, coriander import into India during 2020 reported at 12,500 Mt. Of the total, import from Russia accounted for about 5500 Mt, followed by Italy 4472 Mt.

Indian coriander export during 2021 is expected to reach 40,000 Mt. Price factor plays a major role in export volume. Given the competition from other overseas countries, the current year export is not expected to go above the previous year (2020) levels.

All India Coriander Demand & Supply Balance sheet

Quantity in '000' MT							
Particulars	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021***
Opening Stock	100	16	55	285	226	85.5	75.5
Production	290	370	590	320	250	385	425
Import	15	51	27	18	7.5	12.5	10
Total Supply	**405**	**437**	**672**	**623**	**483.5**	**483**	**510.5**
Domestic demand	355	358	360	360	360	365	370
Export	34	24	27	37	38	42.5	40
Total demand	**389**	**382**	**387**	**397**	**398**	**407.5**	**410**
Closing stock	**16**	**55**	**285**	**226**	**85.5**	**75.5**	**100.5**

Estimates

Arrival and price trend (Oct 2020 to Mar 2021)

Ramgunj market – Arrivals in bags (@40 Kg each, Price INR/Kg)						
Particulars	**Oct-20**	**Nov-20**	**Dec-20**	**Jan-21**	**Feb-21**	**Mar-21**
Min	53	52	51	52	52	58
Max	57	56	55	55	62	67
Avg. Modal	55.7	54.2	53.2	53.4	56	62.4
Total arrivals	65,500	60,000	40,000	50,000	1,46,000	3,94,000
% Min to Max	7.5	7.7	7.8	5.8	19.2	15.5
% Avg. to Max	2.3	3.3	3.4	3.0	10.7	7.4

Procurement Strategy

NCDEX Coriander Weekly Continuation contract shown above.

As seen, the upward sloping support line is quite robust. So, for the season, prices should not break below Rs. 5450/q level.

RSI is currently at 70 levels. There could be a temporary weakness in prices from the current level of rs. 7300/q. So, we suggest a staggered accumulation between Rs. 6800/q to Rs 6500/q levels for processors.

We expect the price to gradually firm up to Rs.8000/q, and then to Rs. 8500/q and then to Rs. 9000 levels.

Events that adversely affect demand such as escalation in covid restrictions or export challenges will have negative impact on the up move. Like-wise, delay in monsoon or erratic distribution or deficit monsoon could push prices up on anticipated future supply concerns. Volatility in currency is another concern, although at this point in time, it is of low importance.

We suggest a staggered buy between Rs. 6800/q and Rs. 6500/q levels with risk limit placed at Rs. 5450/q levels as the strategy for meeting the requirement of the next six months (till September 2021). A mix of futures and spot positions can be considered to tackle liquidity concerns in the exchange.

State-wise area under Coriander in India

Area under coriander in India increased by 12.8% this season. The increase is attributed to aggressive sowing in Gujarat where the acreage is increased by 59.5%.

Area in Hectares			
State	**2020-2021**	**2019-20**	**% Change**
Madhya Pradesh	95,850	1,11,200	-13.8
Gujarat	1,41,000	88400	59.5
Rajasthan	56,000	60,039	-6.7
Total	**2,92,850**	**2,59,639**	12.8

Source: Horticulture Department

District-wise area under Coriander in Gujarat

Area in hectares			
District	**2020-2021**	**2019-2020**	**% Change**
Junagadh	39,400	24,200	62.8
Rajkot	23,400	9900	136.4
Devbhumi Dwarka	21,700	18,800	15.4
Porbandar	16,300	12,100	34.7
Jamnagar	14,800	10,400	42.3
Amreli	10,200	3400	200.0
surendranagar	6600	2200	200.0
Others	5900	5800	1.7
Kutch	2700	1600	68.8
Total	1,41,000	88,400	59.5

District-wise area under Coriander in Madhya Pradesh

Area in hectares			
District	**2020-2021**	**2019-2020**	**% Change**
Guna	23,100	24,600	-6.1
Rajgardh	29,200	38,450	-24.1
Mandsaur	20,000	21,500	-7.0
Agar Malwa	8500	9650	-11.9
Neemuch	8750	10,600	-17.5
Others	6300	6400	-1.6
Total	**95,850**	**1,11,200**	**-13.8**

District-wise area under Coriander in Rajasthan

Area in hectares			
District	**2020-2021**	**2019-2020**	**% Change**
Jhalawar	36,100	35,757	1.0
Baran	8800	9400	-6.4
Kota	6000	10,667	-43.8
Chittore	3800	2117	79.5
Others	1300	2098	-38.0
Total	**56,000**	**60,039**	**-6.7**

Rainfall Influence in Coriander sowing – India

Southeast Monsoon

Ideal rainfall pattern observed in the major cumin growing regions in India.

Location	Actual (in mm)	Normal (in mm)	Diff. (in mm)
Baran	617	772.7	-155.7
Jhalawar	776.2	837.3	-61.1
Kota	600	712.4	-112.4
Barmer	276.1	299.4	-23.3

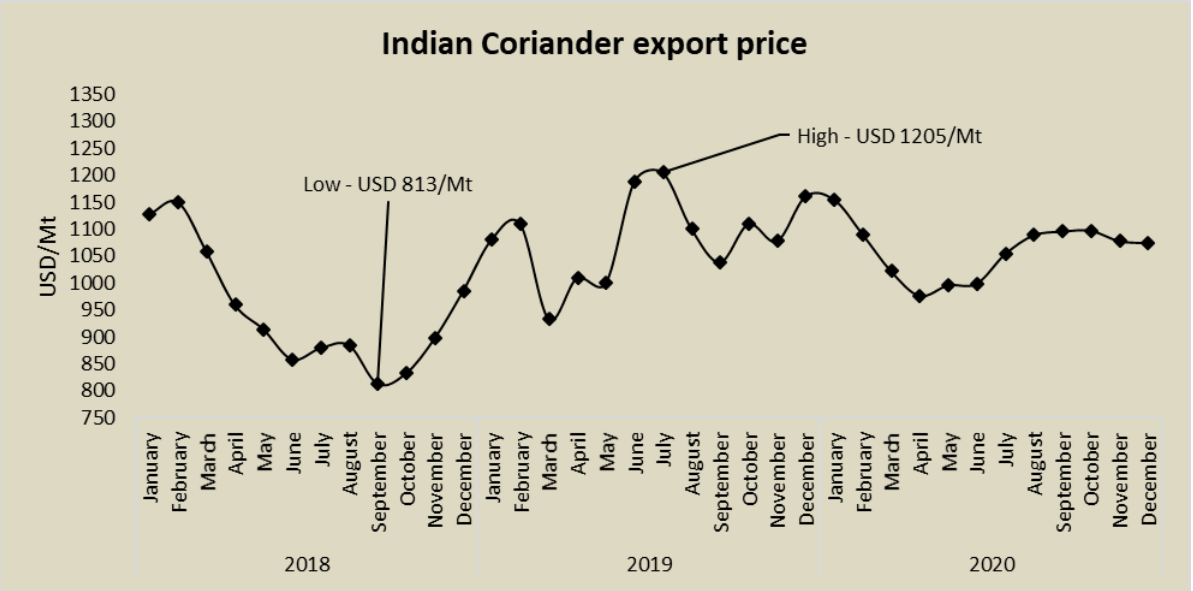
Rainfall during Sowing

Week	Baran			Jhalawar			Kota			Barmer		
	Actual (mm)	Normal (mm)	Difference	Actual (mm)	Normal (mm)	Difference	Actual (mm)	Normal (mm)	Difference	Actual (mm)	Normal (mm)	Difference
October												
1	0	7.6	-7.6	0	7.7	-7.7	0	5.5	-5.5	0	2.4	-2.4
2	0	9.2	-9.2	0	10.8	-10.8	0	11	-11	0	1.5	-1.5
3	0.5	4.8	-4.3	1.3	3.5	-2.2	0	4.3	-4.3	5.8	2.4	3.4
4	0	1	-1	0	1	-1	0	0.8	-0.8	0	0.6	-0.6
November												
5	0	1.6	-1.6	0	2.1	-2.1	0	1.5	-1.5	0	0.5	-0.5
6	0	1.3	-1.3	0	2.4	-2.4	0	2.1	-2.1	0	0.4	-0.4
7	1.5	3.2	-1.7	0.5	2.3	-1.8	0.6	2.1	-1.5	0	1.4	-1.4
8	0	2.6	-2.6	0	5.9	-5.9	0	3.7	-3.7	0	1.1	-1.1
December												
9	0	2.4	-2.4	0	3.1	-3.1	0.9	1.8	-0.9	0	0.2	-0.2
10	0	1	-1	0	2.8	-2.8	0	1.3	-1.3	0	0.1	-0.1
11	2.6	1.3	1.3	0	0.6	-0.6	0.5	0.8	-0.3	0.2	0.2	0
12	0	0.7	-0.7	0	3.3	-3.3	0	0.7	-0.7	0	0.4	-0.4
January												
13	0	1	-1	0	5.3	-5.3	0	0.9	-0.9	0	0.2	-0.2
14	5	0.5	4.5	0	1.2	-1.2	28.6	0.5	28.1	0	0.2	-0.2
15	6.4	1.3	5.1	0	1.4	-1.4	13.6	1.6	12	0	0.3	-0.3
16	0	1.9	-1.9	0	1.3	-1.3	0	1.5	-1.5	0	0.2	-0.2
17	0	0.6	-0.6	0	0.6	-0.6	0	0.6	-0.6	0	0.1	-0.1

Trade Flow

Export from India

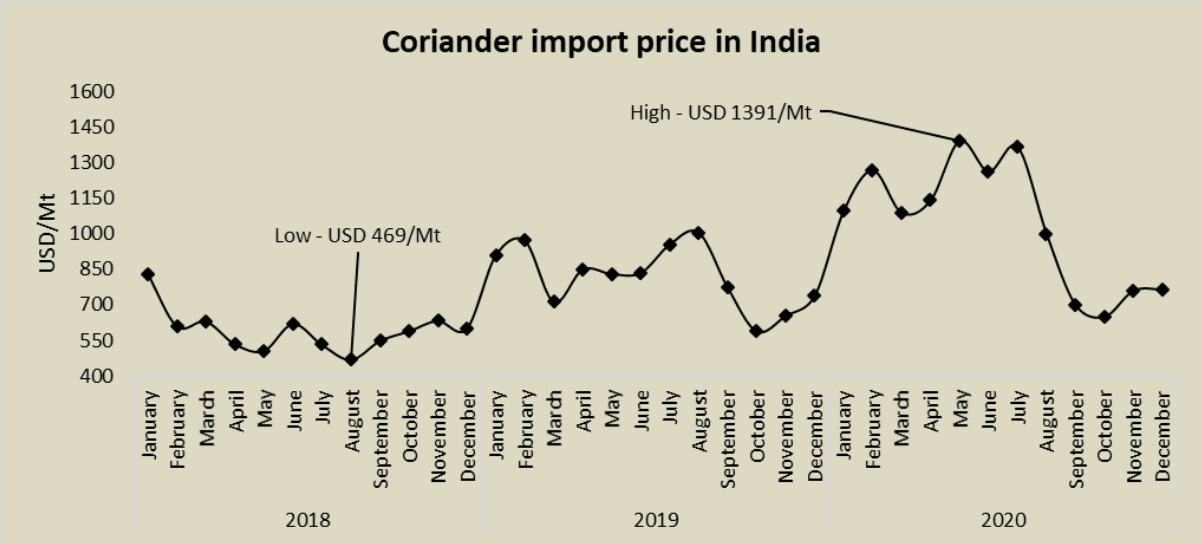
Quantity in Mt						
Month	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**
January	1907	2051	1478	1809	2654	2545
February	1854	1488	1644	1660	2100	3053
March	6309	3810	3382	3080	4210	2632
April	5495	3350	2521	2814	4028	2877
May	5338	2351	2379	3466	3681	5742
June	2335	1865	2277	3435	2095	4503
July	1661	1457	2156	2592	2482	3130
August	1930	1592	2312	3762	3115	2341
September	1557	1540	2348	4758	3754	3404
October	1802	1581	1965	4046	3208	3991
November	1586	1273	2191	2896	2755	3951
December	2025	1557	2374	2942	3635	4393
Total	**33,798**	**34,536**	**27,028**	**37,260**	**37,717**	**42,563**



Import into India

Coriander import during April 2020 to September 2020 remained low corresponding higher import price.

Quantity in Mt						
Month	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**
January	728	6142	1887	1831	44	2282
February	526	4454	2306	2838	350	1152
March	324	1832	2268	1984	84	1323
April	109	1401	2279	3781	129	745
May	80	1633	4952	2448	349	381
June	467	5440	3874	2161	790	958
July	245	7886	3212	883	1089	432
August	624	4340	1472	939	1154	20
September	1833	6209	975	511	620	485
October	3019	5851	1338	459	816	1230
November	2218	4206	1910	364	1223	2813
December	4904	2415	1334	217	895	770
Total	**15076**	**51808**	**27806**	**18414**	**7545**	**12592**



Disclaimer: The report is based on the research done at Eventell Global Advisory Private Limited, Bangalore based on available secondary data and field visit. Due care is taken to check the accuracy of the data. Projections are based on objective analysis and past-guidelines. However, actual production may vary from the projections. Eventell will not be responsible for any kind of losses incurred by any party either directly or indirectly based on our research results, though we have presented the best of our knowledge.