

Cumin Seasonal Report 2021

(Release date: 30 March 2021)



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Executive Summary

All India cumin production for the season 2021 is estimated at around 4.80 lakh Mt, as compared to 5.35 lakh tons in the previous year, declined by 10%. Total supply for the current season is estimated to decline by 5 to 6%, to 5.32 lakh tons.

Turkey production during 2020 is estimated at around 13,000 to 15,000 Mt. In Syria, political instability has impacted the farming sector. Afghanistan cumin production in 2020 is estimated at around 8000 to 10,000 Mt.

Indian cumin exports during 2020 reached all-time-high to 2.64 lakh Mt as against 2.03 lakh Mt in 2019, increased by 30%. The increase in export is attributed to surged consumption in overseas markets on account of Covid-19. Of the total 2.64 lakh Mt, China alone imported about 92,000 Mt, followed by Bangladesh 39,000 Mt.

Cumin export this season (2021) is expected to be around 2.60 lakh Mt given the increased overseas consumption. Export component on the total supply is increasing year-on-year. About 47.1% of the total supply has gone for export in 2020.

Quantity in '000' Mt (* Forecast)			
Year	Total Supply	Export	% Export on total supply
2015	410	93	22.7
2016	402	120	29.9
2017	398	134	33.7
2018	424	180	42.5
2019	459	203	44.2
2020	561	264	47.1
2021*	532	260	48.9

Potential new export destinations

The following countries are identified as the potential destinations given its steep increase in import quantity;

Country	Quantity in Mt		Increased by
	2020	2019	
Peru	3358	1153	3 times
Algeria	2685	1074	2.5 times
UK	4277	3034	1.5 times
Georgia	425	8	53 times

All India Cumin Demand & Supply Balance sheet (Quantity in '000' Mt)							
Particulars	2015	2016	2017	2018	2019	2020	2021
Opening stock	115	97	68	29	14	26	52
Production	295	305	330	395	445	535	480
Total Supply	410	402	398	424	459	561	532
Exports	93	120	134	180	203	264	260
Domestic consumption	220	214	235	230	230	245	250
Total consumption	313	334	369	410	433	509	510
Closing stock	97	68	29	14	26	52	22

Arrival and price trend (Oct 2020 to Mar 2021)

Peak arrivals commenced from second week of March 2021. As on date, about 8 to 9% of the estimated production has arrived to the market.

Unjha - Uncleaned Cumin (Arrivals in bags @55Kg each, Price INR/Kg)						
Particulars	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21
Min	115	115	115	115	115	115
Max	127	126	127	130	130	130
Avg. Modal	120	120	122	123	125	126
Total arrivals	1,69,000	1,65,000	1,38,000	1,23,000	1,52,000	6,15,000
% Min to Max	10.4	9.6	10.4	13.0	13.0	13.0
% Avg. to Modal	5.8	5.0	4.1	5.7	4.0	3.2

Procurement Strategy

NCDEX monthly continuation

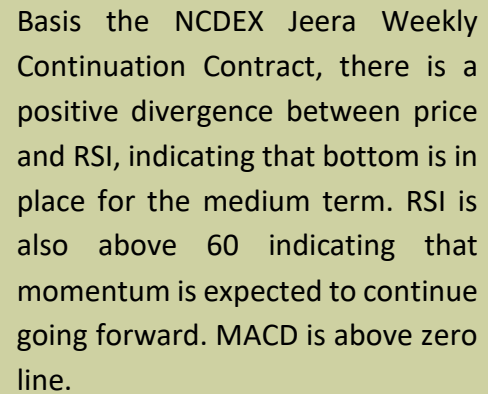


Price is just above the long-term support line. The recent swing low of Rs. 12550/q should act as a strong support.

Be it rising or falling market, probability of prices making seasonal low during Mar/Apr is high (9 out of 15 occasions). This is

largely due to the effect of high arrival on the prices.

Volume and open interest level at NCDEX Jeera contract have declined steeply over the years, more acutely post pandemic. However, as deliveries do happen at the exchange, one may consider NCDEX Jeera contract prices as proxy for the broader market trends and direction.



We see a low probability of price falling below Rs. 12300/q and staying there. Therefore, we suggest that level as a risk limit for buying in the above suggested range.

Please note, liquidity may pose a challenge in exiting positions at NCDEX. So, a judicious mix of physical and futures exposures at the above suggested levels is advised.

State-wise area under Cumin in India

All India cumin acreage declined by 9% compared to previous year. Most of the cumin farmers in Rajasthan shifted other remunerative crops such as Garlic, Moong etc.,

State	Area in Hectares		% Change
	2020-2021	2019-2020	
Rajasthan	6,84,800	7,79,775	-12.2
Gujarat	4,69,000	4,88,200	-3.9
Total	11,53,800	12,67,975	-9.0

District-wise Cumin sowing in Gujarat

District	Area in Hectares		% Change
	2020-2021	2019-20	
Devbhumi Dwarka	88,500	1,00,100	-11.6
Banaskantha	77,200	85,100	-9.3
Surendranagar	75,400	69,300	8.8
Kutch	71,800	62,100	15.6
Patan	33,400	48,300	-30.8
Rajkot	27,200	29,800	-8.7
Morbi	24,800	14,500	71.0
Jamnagar	23,500	16,500	42.4
Porbandar	16,700	30,200	-44.7
Ahmedabad	12,400	14,600	-15.1
Others	18,100	17,700	2.3
Total	4,69,000	4,88,200	-3.9

Source: Gujarat Agriculture Department

District-wise Area under cumin in Rajasthan

District	Area in Hectares		% Change
	2020-21	2019-20	
Barmer	2,15,000	2,08,691	3.0
Jodhpur	1,90,000	1,91,073	-0.6
Jalore	1,00,200	1,37,619	-27.2
Jaisalmer	76,500	1,05,888	-27.8
Nagaur	52,100	83,976	-38.0
Bikaner	26,500	23,666	12.0
Pali	14,200	16,432	-13.6
Others	10,300	12,430	-17.1
Total	6,84,800	7,79,775	-12.2

Source: Rajasthan Horticulture Department

Rainfall influence in Cumin Sowing

Southwest Monsoon

Rainfall remained excess in the major cumin growing regions of Gujarat. Due to excess soil moisture conditions, sowing delayed by 10 to 15 days.

Location	Actual (in mm)	Normal (in mm)	Diff. (in mm)
Surendranagar	838.1	520.7	317.4
Rajkot	1283.8	598.8	685
Banaskantha	729.7	556.8	172.9
Patan	812.3	503.4	308.9
Junagadh	1587.4	835.3	752.1

Rainfall during Sowing

During Jan and Feb 2021, cold dry wind is reported in saurashtra region, Gujarat, however, the impact reported low.

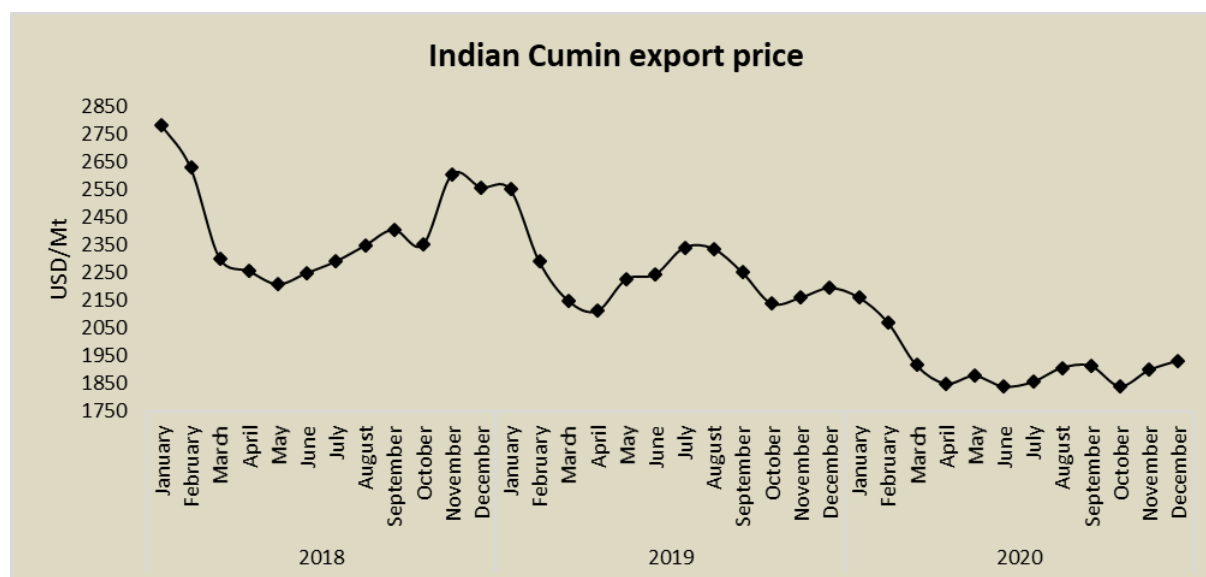
Week	Surendranagar			Rajkot			Banaskantha			Patan			Junagadh		
	Actual (mm)	Normal (mm)	Diff.	Actual (mm)	Normal (mm)	Diff.	Actual (mm)	Normal (mm)	Diff.	Actual (mm)	Normal (mm)	Diff.	Actual (mm)	Normal (mm)	Diff.
October															
1	0	2.3	-2.3	16.2	7.6	8.6	0.3	3.3	-3	0	1.8	-1.8	28	7.3	20.7
2	4.9	3	1.9	0	3.5	-3.5	0	2.9	-2.9	0	2	-2	0	5.6	-5.6
3	0	0.7	-0.7	33.5	3.6	29.9	7.9	4.6	3.3	5.4	0.9	4.5	25.7	6	19.7
4	0	1.8	-1.8	0.9	3.2	-2.3	0	2.8	-2.8	0	1.5	-1.5	5.4	4.7	0.7
November															
5	0	3.7	-3.7	0	2.4	-2.4	0	1.7	-1.7	0	1.8	-1.8	0	3.5	-3.5
6	0	2.5	-2.5	0	2.5	-2.5	0	1.1	-1.1	0	2.5	-2.5	0	5	-5
7	0	2.5	-2.5	0	1.6	-1.6	0	2.5	-2.5	0	1.4	-1.4	0	1.4	-1.4
8	0	0.3	-0.3	0	3.8	-3.8	0	3.2	-3.2	0	2.7	-2.7	0	3.5	-3.5
December															
9	0	0.2	-0.2	0	0.3	-0.3	0	0.3	-0.3	0	0.3	-0.3	0	1	-1
10	0.8	0.3	0.5	0	0.5	-0.5	0	0.1	-0.1	0	0	0	0	0	0
11	0	0.2	-0.2	0.8	0.5	0.3	0	0.5	-0.5	0	0.7	-0.7	0	0.6	-0.6
12	0	0	0	0	0.1	-0.1	0	0.5	-0.5	0	0.4	-0.4	0	0	0
January															
13	0	0.1	-0.1	0	0.2	-0.2	0	0.1	-0.1	0	0	0	0	0	0
14	0	0.2	-0.2	0	0.1	-0.1	0	0.1	-0.1	0	0.6	-0.6	0	0.1	-0.1
15	0	0	0	0	0.2	-0.2	0	0.2	-0.2	0	0	0	0	0.1	-0.1
16	0	0	0	0	0	0	0	0.1	-0.1	0	0	0	0	0	0
17	0	0	0	0	0	0	0	0.4	-0.4	0	0.3	-0.3	0	0	0

Cumin export from India

Indian cumin export reached all-time-high during 2020. Year-on-year average growth rate stood at around 23%.

HS Code 090931	Quantity in MT					
Month	2015	2016	2017	2018	2019	2020
January	8982	7624	7498	7160	8948	12,456
February	7911	6600	7410	9256	9612	11,454
March	10,903	14,394	15,421	32,785	22,686	18,732
April	9152	14,070	14,279	25,599	22,464	13,195
May	9674	21,223	13,662	27,092	29,996	31,809
June	7104	10,178	13,093	21,256	17,480	42,867
July	6194	8407	7067	12,341	18,293	31,460
August	5435	9345	13,597	10,811	15,801	17,647
September	7364	7037	14,535	9126	15,971	19,481
October	7054	7101	9879	9241	14,433	19,458
November	5894	6247	9866	7310	11,007	19,220
December	7865	8642	7923	8459	17,259	26,273
Total	93,530	1,20,867	1,34,231	1,80,437	2,03,951	2,64,051

Source: Indian Ministry of Commerce and Industry



Major Country-wise cumin exports (Quantity in Mt)

The belowmentioned destinations imported about 59% of the total quantity.

Country	2020	2019	% Change
China	92,926	45,719	103.3
Bangladesh	39,725	32,832	21.0
UAE	12,066	8042	50.0
USA	11,883	10,213	16.4
Total	1,56,600	96,806	61.8

Cost of Cultivation – Per acre

Particulars	Surendranagar - Gujarat	Jodhpur - Rajasthan
Land preparation	1650	1600
Seeds	2350	2550
FYM	1300	1300
Basal dressing	2500	2250
Weeding	2750	2600
Irrigation	3400	3500
Plant protection	2650	2750
Harvesting	1900	1450
Drying (15-16 days)	700	600
Threshing	950	1150
Cleaning	900	1000
Packaging	1000	900
Transportation to APMC	1050	1250
Total	23,100	22,900
Yield in Kgs	400	370
Cost of Production (A1+FL) INR per kg	58	62

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.