

# Cardamom Weekly Update

1. Given the adverse weather conditions in major producing regions, prices are anticipated to increase.
2. Although demand remains strong, buyers are cautious and hoping for price adjustments with the upcoming harvest.

Aug 20th, 2024



**Inside**

**A. Price**

**B. Supply**

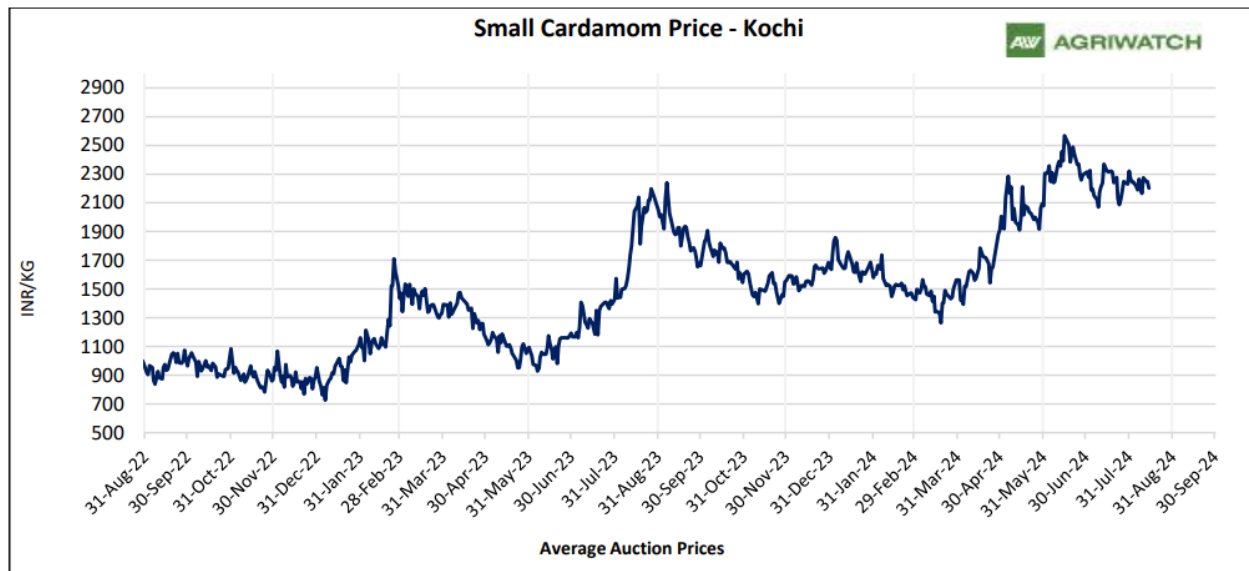
**C. Demand**

**D. Our View**

## A. Price:

Grade	Prices (USD/kg)
8mm bold	33.83
7 to 8 mm	31.08
Indication offer for for 1x20ft <b>FOB basis</b> Shipment time September Packing in 10 kg carton Offers are subject to reconfirmation	

The cardamom market in the first half of August did not experience significant price fluctuations, but prices remained relatively stable at a high level. The current sentiment suggests prices may rise due to strong demand and crop losses this year. Small farmers have limited harvests, and stockists are holding onto their produce in anticipation of price increases.



Source: Agriwatch

## **B. Supply:**

**In India**, the heavy rains in July have led to capsule rot, resulting in an estimated 48% reduction in yield. Farmers are also focusing on preparing their plantations to withstand fungal infections expected due to the ongoing rains. Stockists and planters are reluctant to release their stocks at current prices, further tightening the supply.

**In Guatemala**, according to Climate Prediction Center's Central America Hazards Outlook, Central Guatemala was drier than average during the same period, receiving 75-100 mm of rainfall in the last week. Rainfall has been erratic and scarce over central Guatemala for the past 30 to 90 days. As a result, an abnormal dryness polygon has been placed in those regions. The current weather continues to affect crops, leading to fewer and shorter spikes, which means there will be fewer fruits. Therefore, it is highly likely that production will decrease significantly, potentially falling below 28,000 MT.

## **C. Demand:**

On the demand side, while it remains robust, there is noticeable hesitation among buyers at the current price levels. Many are adopting a wait-and-see approach, hoping that the upcoming harvest will bring about a price correction.

## D. Our View:

- Given the adverse weather conditions in major producing regions, prices are anticipated to increase.
- Although demand remains strong, buyers are cautious and hoping for price adjustments with the upcoming harvest.

For any questions or comments please feel free to contact our team:

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