

Cloves Weekly Update

1. Clove prices have dropped recently in anticipation of increased supply from the forthcoming harvests.
2. Nonetheless, we are optimistic about price stability for cloves moving forward.

Jul 18th, 2024



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A. Price:

We have Cloves offer as below:

Grade	Prices (USD/MT)
CG1 Comoros new crop	8800
CG3 Comoros new crop	7300
Lal Pari new crop	7100
Price idea for 1x20ft FOB basis Shipment time August Offers are subject to reconfirmation	

Clove prices have seen a noticeable decline recently as a result of the upcoming harvests in key growing regions which are expected to boost supply, leading to increased availability of cloves in the market. This surge in supply typically puts downward pressure on prices, resulting in the current significant price adjustment. However, prices are not expected to decrease significantly.

B. Supply:

Cloves Crop Calendar

Comoros	Around 2500 MT							Jul	Aug	Sep			
Indonesia	100,000 MT – 150,000 MT							Jul	Aug	Sep	Oct		
Madagascar	12,000 MT - 15,000 MT									Sep	Oct	Nov	
Tanzania	700 MT – 1000 MT								Aug	Sep			

The upcoming clove season will witness a simultaneous entry of crops from major producing countries, creating a scenario of heightened supply convergence. This convergence is expected to result in a substantial increase in clove volumes available in the international market. This increase in supply will stabilize the market, facilitating transactions for both sellers and buyers.

C. Demand:

The dominant influence on the clove market in the near term will be the import demand from Indonesia's cigarette industry. Any abrupt changes in demand from this sector could impact prices significantly. However, barring unforeseen developments, we anticipate overall stability in the supply-demand balance for cloves this year, contributing to stable pricing conditions.

D. Our View:

- **Clove prices have recently declined due to anticipated increased supply from upcoming harvests.**
- **However, our outlook remains cautiously optimistic about stability in clove prices for the future.**

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

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