

Store and sell turmeric in October- November (Oct 2013)

Turmeric price declined to a low of Rs.3,500 per quintal in April, 2012 and thereafter the price is showing a mixed trend with frequent ups and downs. The amount of stocks held, present crop scenario, export demand and domestic demand are the major factors deciding the price of turmeric in India. But now futures trading is also playing a role in deciding the turmeric price.

Andhra Pradesh and Tamil Nadu are the two largest turmeric producing States contributing more than 70 per cent of turmeric production in India. Currently farmers are getting around Rs.5700 per quintal. Most of the Andhra Pradesh farmers have sold the produce at the prevailing price, where as a larger section of Tamil Nadu farmers are storing the produce in anticipation of better prices.

At present as per trade sources, India's estimated turmeric stock accounts for 45 lakh bags (75 kg) of which Tamil Nadu contributed 30 lakh bags and the other States contribute the rest. The annual demand for turmeric is around 65-75 lakh bags which includes both domestic and export demand. Trade sources report that in 2013-14, the area under turmeric cultivation in Andhra Pradesh is around 46000 ha which is 6 per cent lesser than in 2012-13. As per trade sources, in Tamil Nadu, the area under turmeric cultivation in the current season (2013-14) is around 18550 ha which is 40 per cent lesser than in 2012-13. Under this circumstances to guide the farmers in taking better selling decisions, NAIP –Domestic and Export Market Intelligence Cell functioning in the Centre for Agricultural and Rural Development Studies, Tamil Nadu Agricultural University analysed 25 years turmeric price of Erode Regulated Market and it is predicted that price of turmeric will be above Rs.6500 per quintal in October-November, 2013.

Expected increase in demand from North India, increase in export demand, reduction in arrivals from Andhra Pradesh and reduced area under turmeric in Tamil Nadu in the current season will support the price to rule around higher side in the forthcoming months. Hence it is recommended that the farmers could store turmeric for two more months and may release their stock during October-November, 2013.

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