



Pepper



KEY TAKEAWAYS

- > **Global production** shows a downward trend, declining more than 30% since its peak in 2019, stabilizing in recent years with a current production of 460 KMT. Brazil continues to expand planted areas, while in other countries the competitiveness of crops such as coffee limits further expansion.
- > **Global demand** in 2025 was slow as the world's largest buyer, the USA, reduced imports by around 20%. Total Vietnamese exports remained resilient at approximately 250 KMT, supported by increased imports from Brazil and Cambodia. Exports strengthened in early 2026, and overall global production estimates are between 40 and 70 KMT below global demand.
- > **The conflict in Iran** is likely to affect the pepper trade, as the UAE, the second largest pepper buyer from both Vietnam and Brazil, relies on Middle Eastern demand and trade through the Strait of Hormuz.

PRICE OUTLOOK

short term



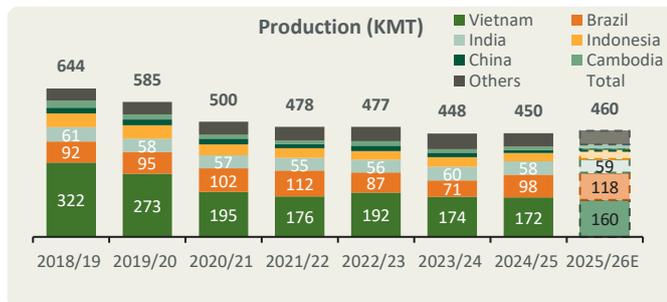
medium term



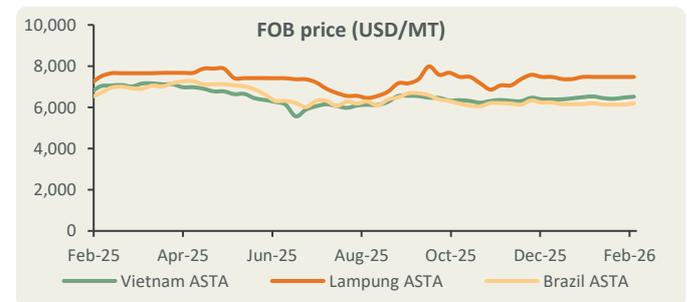
long term



SUPPLY DYNAMICS



PRICE TRENDS



Vietnam

- > Vietnam's 2026 harvest is estimated at 160 KMT, down 7% compared to previous crop, mainly driven by adverse weather in April. The impact of typhoons in November remained limited.
- > Vietnam's imports rose 16% in 2025, reaching over 42 KMT. Imports from Brazil and Cambodia doubled, while Indonesia's shipments declined after liquating the majority of the stocks in 2024.

Brazil

- > Brazil's 2026 production is projected at 118 KMT, driven by large expansion and favorable weather.
- > The harvest in southern Brazil reached around 70% until January.

Indonesia

- > Indonesia's production is estimated at 36 KMT. Carry-over stocks remain low, limiting export availability.

- > Due to the conflict in Iran, reduced trading activity from the UAE is likely to affect pepper demand. Rerouting will likely increase freight costs and lead times to Europe.
- > Vietnam's harvest has commenced, with ~10% completed in January. Harvest is expected to peak after Tet holiday in February. While buyers await peak harvest, farmers held stocks anticipating price increases, resulting in limited volumes offered and minimal forward selling.
- > In January 2026, Vietnam exported 3.3 KMT to China, a threefold increase compared to Jan 2025. Following the US tariff exemption, exports to the US reached over 5 KMT, nearly doubling vs. 2024.
- > Vietnam's pepper prices fell in June 2025 due to US tariffs and an announced Vietnamese domestic VAT policy adjustment. Prices stabilized from December onwards after US tariff exemptions, while Vietnam's removal of the 5% VAT from January 2026 improved exporters' cash flow without affecting material prices.

PEPPER CROP SITUATIONS IN MAIN ORIGINS



VIETNAM'S EXPORT TO MAJOR MARKETS IN JANUARY



**Turmeric**



**KEY TAKEAWAYS**

**PRICE OUTLOOK**

- > **Global dry turmeric supply** is estimated at 1417 KMT, with India accounting for ~80% of supply with a production of 1172 KMT. Excessive rainfall in parts of western and southern India is expected to reduce the yields by ~5%, however, an estimated of expansion in sowing area of ~20% offsets the losses, showing a ~15% YoY production increase.
- > The 2026 harvest of India has started, and the main harvest is expected to fall in mid February to March.
- > **Demand** is relatively firm, with Indian exports in 2025 up by 3%, but imports fell by almost 50%. Despite a larger crop in 2025 stocks decreased, driving market volatility and speculation. Prices are down ~15% from the 2024 peak, but swings of more than 20% have been observed. The upcoming crop should allow partial stock rebuilding, though volumes are not yet expected to return to levels seen in 2023.

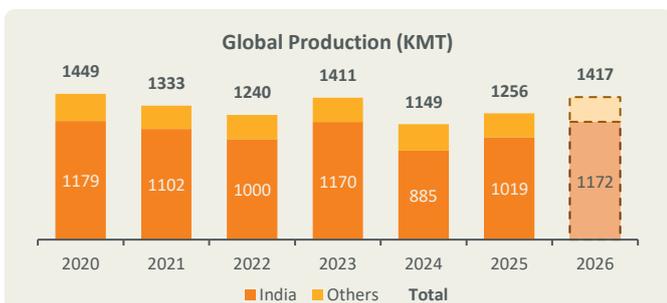
short term

medium term

long term

**SUPPLY DYNAMICS**

**PRICE TRENDS (USD/MT)**



**Ginger**



**China**

**Nigeria**

**PRICE OUTLOOK**

- > Planted area in China in 2025 nearly doubled from 2023, with production reaching up to 6 million MT of fresh ginger. Favorable weather conditions resulted in larger bulbs with a higher moisture content compared to the previous crop.
- > Increased supply has driven FOB prices down to 2,750/MT USD, ~28% lower than last year. Due to this price decline, farmers are expected to reduce planting area for the next crop.

- > The harvest season has ended with an estimated crop of 220 KMT. The country is recovering but still at 20-30% of pre-blight production levels. Exports volumes are still extremely limited.

Short term

Medium term

Long term

**India**

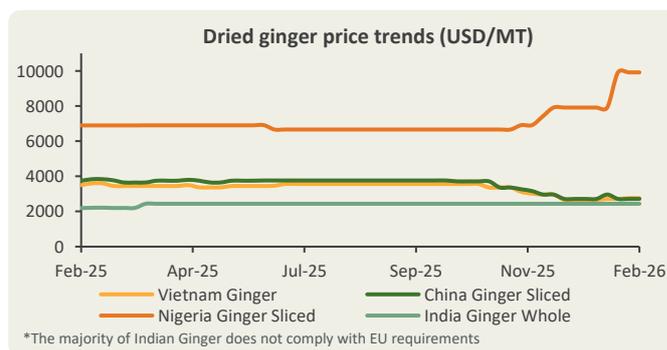
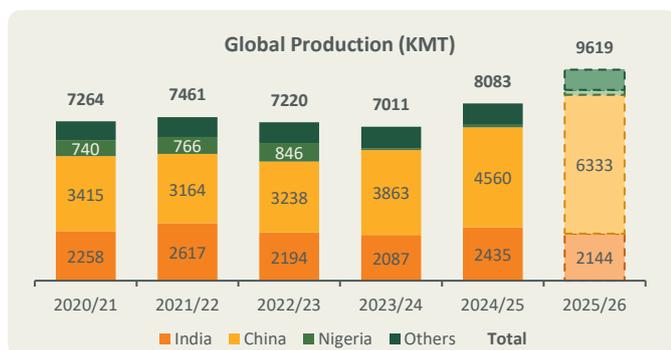
**Vietnam**

- > Cultivation area declined while yields are relatively stable, with a total estimated crop of 2144 KMT. Most of this is consumed domestically, but exports of dried ginger have grown, even doubling to more than 40 KMT with the largest destination being Bangladesh.

- > As of early February, around 70% as of the harvest has been completed and expected to finish by April. Local demand for fresh ginger during the Tet holiday is high.
- > Strong harvest and ample supply from China have driven local prices down compared to last year.

**SUPPLY DYNAMICS**

**PRICE TRENDS (USD/MT)**





**Onion**

**KEY TAKEAWAYS**

- > **Supply** of dehydrated onion in 2025 remains comparable to previous year. While China ‘s production recovered from a shortage year, India’s production in 2026 is projected to decline due to adverse weather and reduced sowing area. U.S and Egypt maintain similar output.
- > Limited availability of large-size onions in India may constrain near-term dehydration supply, with quality improving gradually from mid-February.
- > **Demand** for Indian dehydrated onions has risen in the recent years, showing continuous export growth. India and the EU concluded FTA negotiations in January 2026, which may benefit Indian dehydrated onion exporters, but quota details and ratification remain pending.

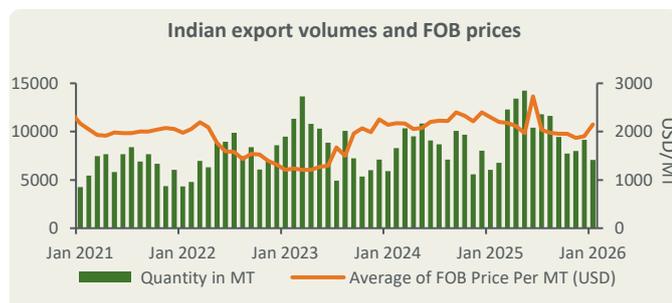
**PRICE OUTLOOK**

short term

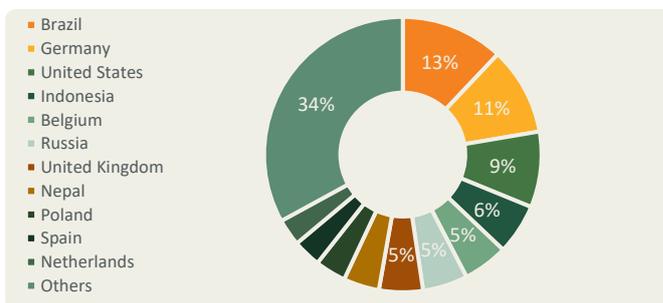
medium term

long term

**EXPORT VOLUMES AND PRICE TRENDS**



**INDIAN ONION EXPORT DESTINATIONS IN 2025**



**India**

- > Fresh onion production in Gujarat for 2026 is estimated to decline to 740 KMT, down from a record 920 KMT last year. Adverse weather and flooding caused a reduction in sowing area and lower yields, as larger bulbs used for dehydration have less time to grow.

**China**

- > The planting area in 2025 increased by ~15% compared to 2024, driven by a supply shortage in the previous year. As a result, dehydrated output is projected to rise from 78 KMT in 2024 to ~90 KMT in 2025. New planting for 2026 crop will start in April.

**USA**

- > Production in 2025 in the USA is expected to be stable, with dehydrated onion output at around 80 KMT.

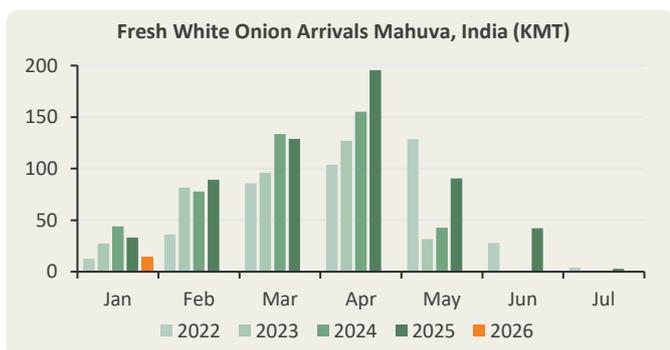
**Egypt**

- > Egypt saw a similar crop size in 2025, with low carry-over inventories, and dehydrated onion exports reached around 22 KMT.

- > Indian dehydrated onion exports in 2025 reached 115 KMT, a 12% increase compared to previous year, with powder onion remaining the dominant product. The largest destinations of the shipments were destined for Brazil (13%), Germany (11%), the USA (9%) and Indonesia (6%).

- > On 27 January 2026, India and the EU concluded FTA negotiations, which could eventually benefit Indian dehydrated onion exporters through preferential market access. However, dried onions are subject to quota-based access rather than full tariff elimination, and specific quota volumes have not yet been published. The deal is also not yet in force — it still requires legal review, formal signing, approval from the European Parliament, and ratification by all EU member states, a process that could take up to a year.

**APMC MARKET ARRIVALS CHART**



**INDIAN DEHYDRATED ONION EXPORTS IN 2025**

