market update
spices and dehydrates

NEDSPICE

May 2026| spices@nedspice.com

Onion

KEY TAKEAWAYS

> **Supply** of Indian fresh white onion in 2026 is estimated at ~700 KMT in Gujarat, a decrease of ~24% compared to the large crop of ~920 KMT previous year. Due to heavy rainfall during the planting at the end of 2025, the area as well as yield decreased due to smaller onion sizes.

> **Demand** from dehydrators is expected to outpace supply in the coming months, as dehydrators compete for the limited large-sized onions.

> Overall, smaller fresh onion arrivals indicate a tighter supply in the market compared to 2025, which is expected to drive elevated dehydrated onion prices later in the year.

PRICE OUTLOOK

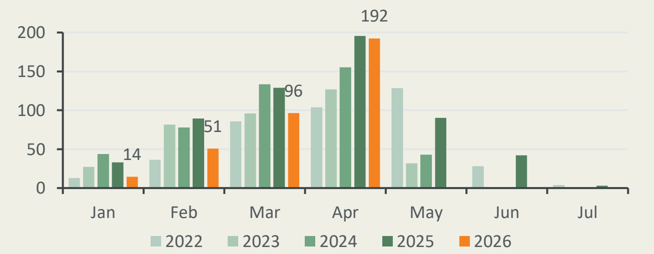
short term ↑

medium term ↑

long term →

SUPPLY DYNAMICS

APMC Fresh Onion Arrivals Mahuva (KMT)



India

> Harvest activities are almost done, with smaller arrivals to the market in May.

> India's 2026 white onion crop is projected to decline compared to 2025 due to floods during sowing at the end of 2025. In Gujarat, the crop size is expected at ~700 KMT, following a record crop of ~920 KMT in 2025.

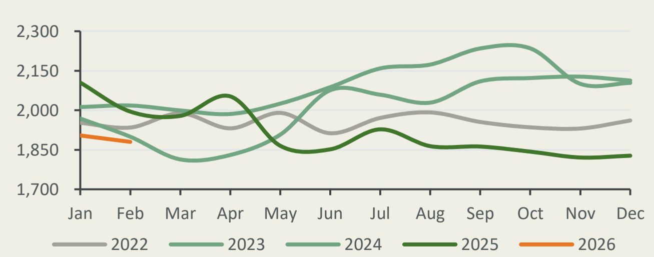
> The 700 KMT of fresh onion converts to ~80 KMT dehydrated material, significantly lower than last year's ~120 KMT.

> The onions are smaller this season; the rainfall delayed the sowing and flooded away some of the seedling sowings, which led to resowing using seeds and a shorter growing cycle.

> Total arrivals from January to April 2026 reached 354 KMT, ~20% lower compared to same period last year.

PRICE TRENDS

Indian Dehydrated onion FOB prices (US$/MT)



> The 2025 season recorded relatively weak price levels because of the bumper crop in Gujarat.

> In early 2026, India FOB prices remain stable compared to the later half of 2025.

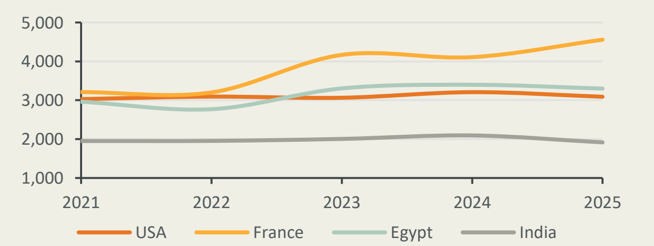
> Prices in the first months of the years tend to be softer until the mid season due to increased crop arrivals, before recovering in the later months as fresh arrivals reduce.

> As dehydrators remain operational until July (and August during years with large crops), expectations are that demand will outpace supply this month, especially the large-size onions.

> While Indian FOB prices (all forms) were ~2000 US$/MT in the past years, US and Egyptian prices were around 3000-3500 US$/MT and France showed an increase to 4,500 US$/MT.

EXPORT PRICES

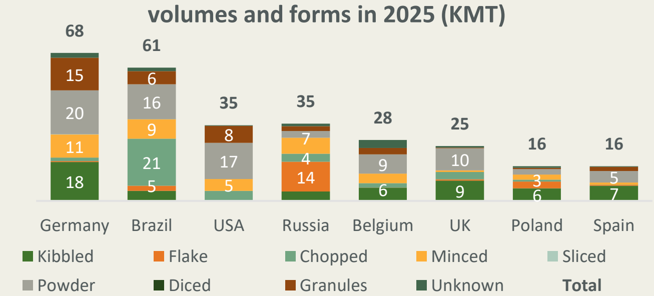
Dehydrated onion FOB prices[1] (US$/MT)



1) Source: trademap.org

EXPORT DYNAMICS

India's dehydrated onion export destinations by volumes and forms in 2025 (KMT)



Pepper

KEY TAKEAWAYS

Vietnam

> The 2026 production is estimated at ~155 KMT with harvest completed in end of April.

> Imports January - April reached 29.3 KMT. Most imports originated from Cambodia (55%) - supported by an increase in documented cross-border trade, and Brazil (25%).

> Farmers experience selling pressure as rising harvest and fertilizer costs force many to sell more pepper stocks, as those who intercrop prefer keeping their coffee.

> Exports grew by 33% YoY (Jan - Apr), reaching 100 KMT. The USA was the largest importer at 19.2 KMT (+41% YoY), followed by China at 12.1 KMT (+279% YoY) after two years of limited buying, while exports to the UAE remained stable at 5 KMT.

Brazil

> Production for 2026 crop is projected at ~118 KMT.

> Exports from January to April 2026 reached 38 KMT, a 14% increase YoY. Vietnam remained the largest importer with 11.3 KMT imported.

Indonesia

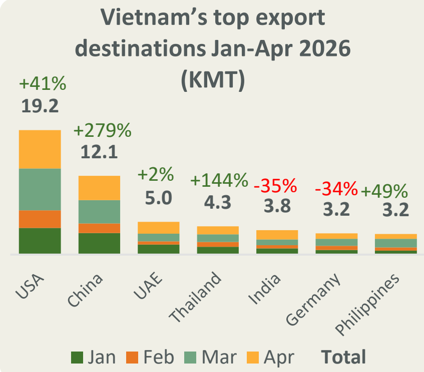
> Supply of the upcoming harvest is expected to enter the market from July. The 2026 production is estimated at 32 KMT, down 13% from last year due to excessive rainfall.

> Prices remain at high levels due to the small 2026 crop and limited carry-over stocks.

PRICE OUTLOOK

short term	medium term	long term
→	↑	↑

EXPORT DYNAMICS



To reach the usual export volumes of ~250 KMT while harvests decline, Vietnam's imports are required to increase.

Nutmeg and Mace

KEY TAKEAWAYS

Indonesia

> Total production of 2026 in Indonesia is expected to be similar to last years at ~18-20 KMT, as various islands indicate mixed production outcomes, mainly influenced by weather disruptions, including Tropical Cyclone Penha. Additionally, smaller fruit sizes reported in certain regions has further pressured nutmeg production.

> Early 2026 nutmeg supply remained limited, with some deliveries supported by carry-over stocks from the 2025 harvest. Supply remains broadly unchanged, with more harvest activity expected later in the year across Indonesia.

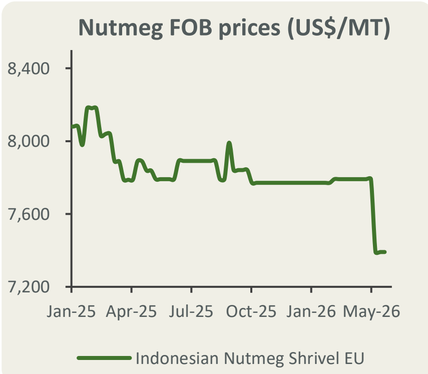
> Demand for nutmeg has weakened, with exports from January to April reached 6.2 KMT, ~19% down YoY, mostly driven by lower demand from the largest importer, China (-27% YoY). In contrast, mace demand continues to strengthen, particularly from India (+41% YoY).

> Nutmeg prices have decreased 4.8% since January 2026, although earlier this year, new buyers aggressively purchased and created short-term price distortions. Meanwhile, mace prices have risen by more than 10% amid strong demand and limited availability.

PRICE OUTLOOK

short term	medium term	long term
→	→	↑

PRICE TRENDS



Nutmeg FOB prices have dropped after a short-term prices volatility in early 2026