



Pepper



KEY TAKEAWAYS

- > **Global supply:** Supply remains relatively stable, supported by Vietnam's ~155 KMT crop and Brazil's ~118 KMT production, while Indonesia's crop is estimated at ~32 KMT.
- > **Demand** has increased steadily, with Vietnam exports reaching ~217 KMT Jan–Sep (+16% YoY), particularly to the U.S., China, and the UAE. While global demand is expected to exceed total supply in 2026, declining carry-over stocks are further tightening availability.
- > **Prices** remain stable in Vietnam; Brazilian prices are showing only a limited decline.
- > **El Niño** is expected to have an impact on next year's crops in Vietnam and Brazil, while Indonesia is already facing hot and dry conditions.

PRICE OUTLOOK

short term



medium term



long term



SUPPLY DYNAMICS



Berry-setting in Vietnam (August 2026)

Vietnam

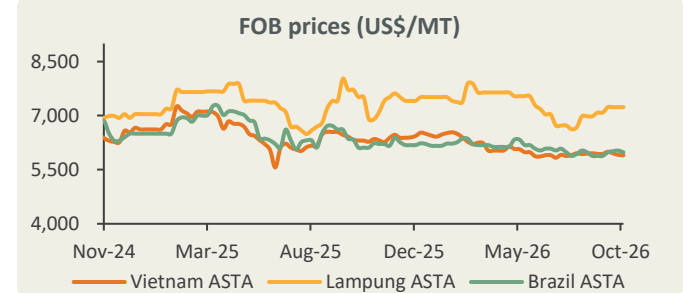
- > Berry setting in Vietnam is progressing normally, although uneven rainfall and high temperatures have caused some flower drop and uneven development, and El Niño impacts are expected by the end of the year. Current crop development remains a stable ~155 KMT production, but potential future impacts from El Niño could still reduce it.
- > Imports from January to September reached ~49 KMT (+35% YoY), driven mainly by increased imports from Cambodia, supporting higher export volumes.
- > Exports from January to September reached ~217 KMT (+15% YoY). Major destinations included the U.S. imported ~39 KMT (+23%), China ~23.5 KMT (+61%), and the UAE ~14.6 KMT (+0%).

EXPORT DYNAMICS

Exports from Major Origins KMT (Jan–Sep)



PRICE TRENDS



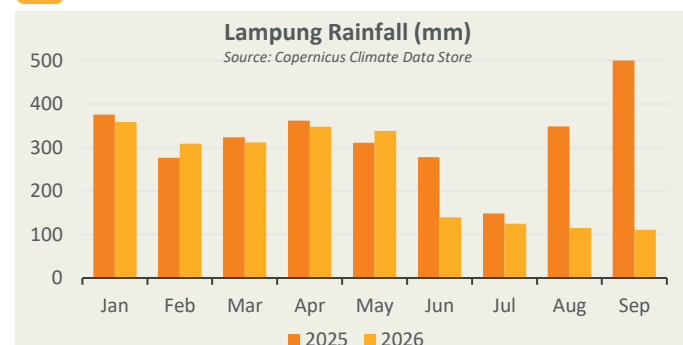
Indonesia

- > The harvest is almost complete, with 2026 production estimated at ~32 KMT. Exports from January to September 2026 reached ~17 KMT (-40% YoY), following high exports in 2024 and early 2025 as accumulated stocks from previous years were released.
- > Indonesia is experiencing very dry conditions, with total rainfall in 2026 estimated at ~2,140 mm—24% lower than in 2025 and 10% lower than during the severe 2015 El Niño.

Brazil

- > Brazil's 2026 crop is estimated at ~118 KMT. El Niño may affect next year's crop, mainly in Pará, which accounts for ~20% of production. Exports Q1 – Q3 increased 3% compared to last year at 67 KMT.

WEATHER DYNAMICS

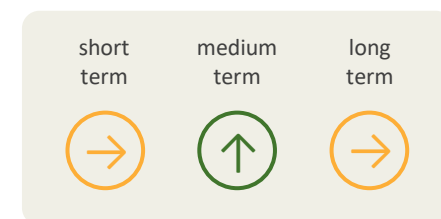
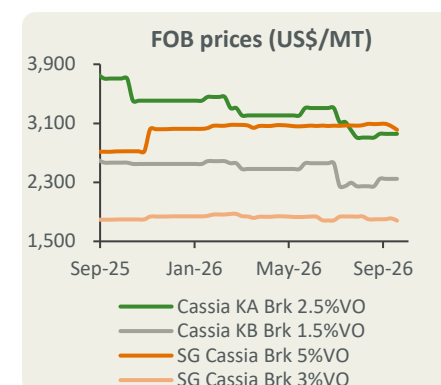


Cassia
ORIGINS
Indonesia

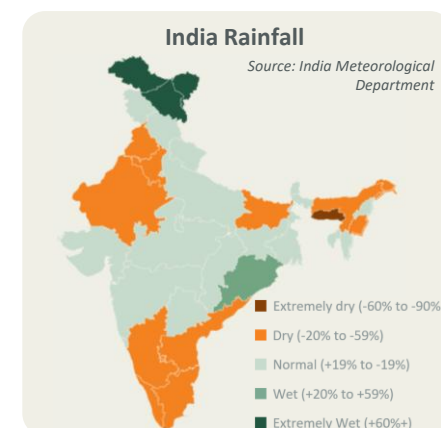
- > Indonesian cassia production in 2026 is expected to remain relatively stable.
- > Limited planting expansion is observed around Kerinci lake in recent years. Crop converting and intercropping with corn, fruits, patchouli and coffee has constrained new cassia planting. However, planting activities in new areas further away from the lake will increase production in the future.
- > El Nino has extended dry conditions in cassia-growing regions into November, compared with the usual end around October. However, yield and total production is not expected to be affected.
- > Exports from January to September reached ~21 KMT (+10% YoY), with leading exports to the U.S. at 10 KMT (+14%), Vietnam at 2.1 KMT (+5%), Europe at 4.7 KMT (+10%).

Vietnam

- > The main harvest has started; however, recent heavy and continuous rains have postponed harvesting activities.
- > The market remains quiet during this period due to weak demand from the Middle East and India for split cassia, the main cassia product. This has discouraged farmers from harvesting, potentially leading to lower production as less cassia is harvested.
- > Exports from January to September reached 93 KMT (+3% YoY). India remained the largest destination at ~36 KMT, followed by the U.S. at ~13 KMT (+27% YoY) and Bangladesh at ~13KMT (+11% YoY).

PRICE OUTLOOK

PRICE DYNAMICS
**Indian Turmeric**
KEY TAKEAWAYS

- > The 2025–2026 crop production is estimated to have increased by ~10% compared to last year, due to an expansion in sowing area. However, available stocks remain at low levels, due to low carry-over stock in 2024–2025, and concerns over the potential impact of El Niño on the next crop.
- > Sowing for the 2026–2027 crop was delayed by around 15 days and was completed in August. The sowing area is expected to increase by around 25% compared to last year, as current price levels have encouraged farmers to expand sowing.
- > Drought linked to El Niño affected the outlook for the upcoming crop and subsequent prices. The South of India experienced rainfall shortages of 20%-59% below the 50Y Avg, from June to the end of Sept. Marathwada, which supplies roughly 30% of India's turmeric production also faced severe drought.
- > Scattered rainfall between September 17 and 23 in some growing areas has provided some relief from concerns over crop conditions.
- > Prices have remained elevated after the sharp rally in August, supported by tight availability, with IPM compliant material remaining particularly scarce.
- > Exports from January to June 2026 remained broadly stable, reaching 85 KMT (+3% YoY), despite declines in major markets. Bangladesh, the largest destination, decreased to ~12.5 KMT (-23% YoY), followed by UAE at ~6.2 KMT (-15% YoY), and the U.S. at 4.7 KMT (-12% YoY). Meanwhile, exports to China increased from almost 0 KMT to ~2.6 KMT, and exports to Malaysia reach ~5 KMT (+25% YoY).


PRICE TRENDS
