**Paprika**

The paprika harvest in China is underway. Initial reports indicate a favorable crop, slightly larger than in 2015. Pricing for new crop Chinese material should be known by January. The crop in India will commence in January. Early reports indicate a slightly larger crop that should be characterized by higher yields. You may recall that last year there was an acute shortage of water. It was so acute that water for manufacturing was diverted to quench the needs of a thirsty population. Although the estimates are favorable, prices will need to retrace the increases of 2016 in order for more normal pricing to exist. I will be visiting India in February and will supplement this report upon my return. It will be interesting to see if, by then, the strong dollar has softened.

**Capsicum**

The news from the producing areas is better than last year at this time. Instead of drought, rainfall has been so plentiful that production will be delayed by 15-20 days. Not surprisingly, higher prices have led to higher production. We have learned that many farmers switched from cotton to chili this past year so the number of hectares is up. Based on these factors, we believe prices will retreat in the spring. We strongly urge our customers to give us your volumes so we can procure the best prices for 2017-2018. As always, Trilogy is in a strong position to help in all varieties of oleoresin of capsicum with various levels of heat and color.
Black Pepper Oleoresin

At the recent International Spice Conference in Goa, India, the world pepper production was estimated to be 367,500 MT from all its origins. The 2016-2017 crop is forecasted at 365,500 MT, which supports the Conference estimate. The most notable predictions downward came from India, Indonesia and China while production in Vietnam should increase. The forecasted quantity for the all-important oleoresin extraction (high piperine, light berry) grade from Sri Lanka is also believed to be near the historic average. It will be many months before we learn if this proves to be accurate. In addition, Sri Lanka expects the customary minor December crop to be processed. Similar to chili, we recommend that customers provide their forecasts so we can secure product at precisely the most favorable time. In 2017, we believe that will be in April. With black pepper oleoresin, the timing of the purchase is very important. Last year, two weeks made a difference of 20%.

Black Pepper Oil

The news from the producing areas is better than last year and prices are stable to slightly softer than a year ago. As always, we are ready to support your purchases with top quality oil, priced competitively.
**Celery Seed**

The celery seed season is over. In 2016, prices for seeds firmed considerably. That being said, based on the demand, we expect the oleoresin prices to be similar to last year. TEI has a solid position and is eager to help.

**Ginger**

The news from Kerala and Karnataka, the two major growing areas in India, is favorable. The news is also positive from China, Nigeria and Ethiopia. The Indian crop starts in November and we are hearing reports that there are carry forward stocks which should support stable prices. However, the demand for fresh ginger is the key to the availability for the processors. We would recommend covering your needs around February/March for the best possible prices, which should be in-line with last season.

**Fennel**

This year’s March-April harvested crop is stable.
**Nutmeg/Mace**

This past year marked steeply higher prices as inventories dwindled and major farmers held surplus stocks in expectation of higher returns. In recent weeks, prices have plateaued in India, Sri Lanka and Indonesia. This should give us stable prices over the next 6 months. We have taken good positions for customers and still feel the time is right if you require additional volumes.

**Turmeric**

The turmeric season is over in all the key growing regions. While the Indonesians report increased prices, the Indian (oleoresin-quality) turmeric is in good shape. Trilogy continues to maintain adequate inventories of many low curcumin qualities. Please inquire!

Turmeric spice prices are up in all the growing regions of India, Ethiopia, Myanmar and Vietnam. This marks the first time in a long time that prices are up, including the low curcumin quality. The main reason for the increase in price is the reduced acreage as growers are opting to grow alternate crops. To some degree, this is also due to a difficulty in finding laborers. We have also been told that a prolonged dry spell has had a negative effect on quality. This has reduced the amount of top quality spice in storage. As stated, TEI is in an excellent position to support your purchases including products with a lower curcumin content.