



Pacific Spice Company, Inc.

August 2016

Market Report

Cumin

Over the last few months Cumin prices have climbed significantly. Although this year's Indian crop was large, there was an unusually small carryover from the previous year's supply. Stronger demand both internally and worldwide, especially from China, pushed prices higher. Syria, and more recently Turkey as well, have both been difficult as sources due to the unrest in both regions, although Turkey seems to be stabilizing. Wary of the lack of supply from those regions and seeing high demand everywhere, Indian suppliers and traders have kept a tight leash on supply despite the large crop. Short term, prices will probably remain high, with a possible dip if Indian sellers see that they are holding too much material. Next year's crop, which begins harvest in February/March, will depend heavily on the weather and as such remains an unknown.

Garlic

The unprecedented price levels of Chinese Garlic we reported almost a month ago seem to get worse with each passing day, with prices continually climbing and availability limited. Markets worldwide are scrambling to get their hands on any material they can, which in turn drives the prices even higher. Prices have shattered records and there is little expected relief in sight. With the domestic crop, due to the issues with the Chinese product, the lack of domestic carryover and reduced domestic plantings the domestic suppliers are also taking price increases and are hesitant to take on new/un-forecasted business. We will continue to do our best to allocate our inventory and keep our customers supplied to the best of our ability. We will continue to send out information as we see changes in the market.