

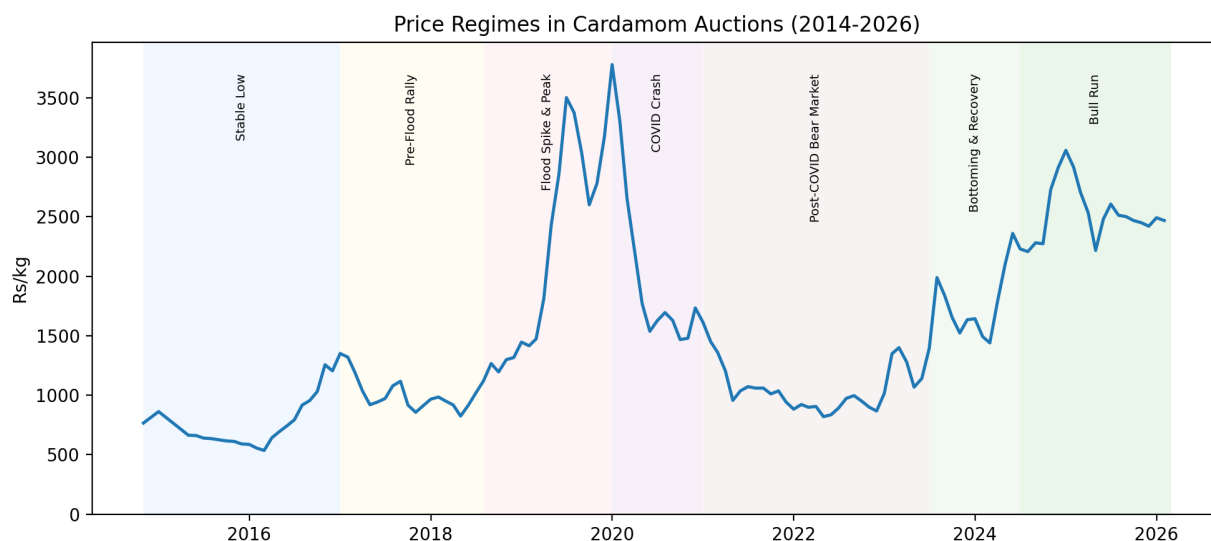
Cardamom Prices: What the Last 11 Years Tell Us

A farmer-friendly research note based on Indian auction prices (Nov 2014 to Feb 2026) and related external data (weather, global production, and Guatemala exports).

Prepared on 07 Feb 2026

Who this is for: Cardamom farmers and farmer groups in Idukki/Kerala who want a clearer mental model of why prices move and how to plan sales and planting.

Key idea: Cardamom is a small market with big price swings. Most large moves come from (1) supply shocks (weather/floods/disease) and (2) the 2-3 year planting response cycle, with demand and global competition amplifying the swing.

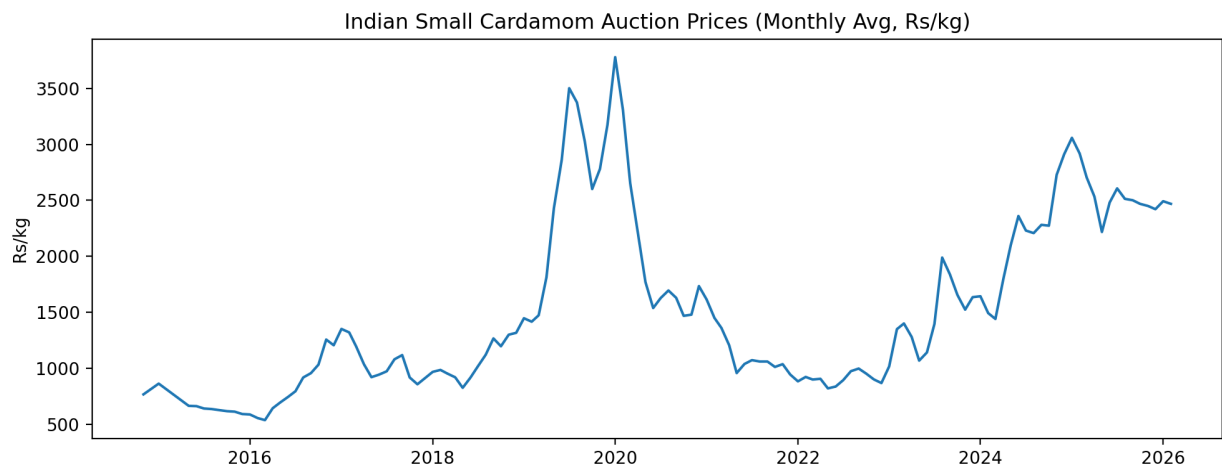


5 takeaways (read this first)

- Prices moved through **7 clear regimes** from 2014-2026: stable low, pre-flood rally, flood spike, COVID crash, post-COVID bear market, recovery, and the current bull run.
- The **2018 Kerala floods** were the biggest supply shock in this dataset; the effect lasted ~18+ months because replanting and recovery take time.
- Seasonality: on average, **May is the weakest** month and **Sep-Feb are stronger**. (This is an average across years; shock years can break the pattern.)
- Global competition matters: months with **higher Guatemala exports** tend to coincide with **lower India auction prices** (moderate negative correlation in this dataset).
- High-price years are often followed (2-3 years later) by oversupply and low prices - the classic commodity cycle.

1. Price history: what happened and when

We used daily auction records and computed a quantity-weighted average price (Rs/kg). Below is the full monthly series. The shaded chart on the cover shows the same series with regimes.



Best and worst years (by average price)

Note: 2014 and 2026 are partial years in this dataset, so treat them as indicative.

Top 5 high-price years:

Rank	Year	Avg price (Rs/kg)	Peak max (Rs/kg)
1	2025	2572	4511
2	2019	2491	7000
3	2026	2480	3458
4	2024	2121	4002
5	2020	2061	7000

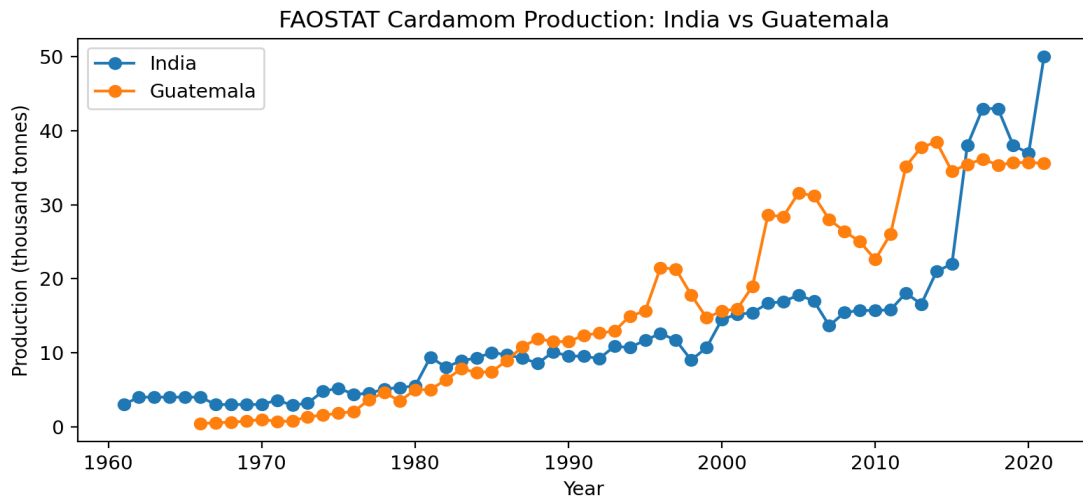
Top 5 low-price years:

Rank	Year	Avg price (Rs/kg)	Peak max (Rs/kg)
1	2015	660	1176
2	2014	766	958
3	2016	826	1578
4	2022	903	2555
5	2017	1051	1767

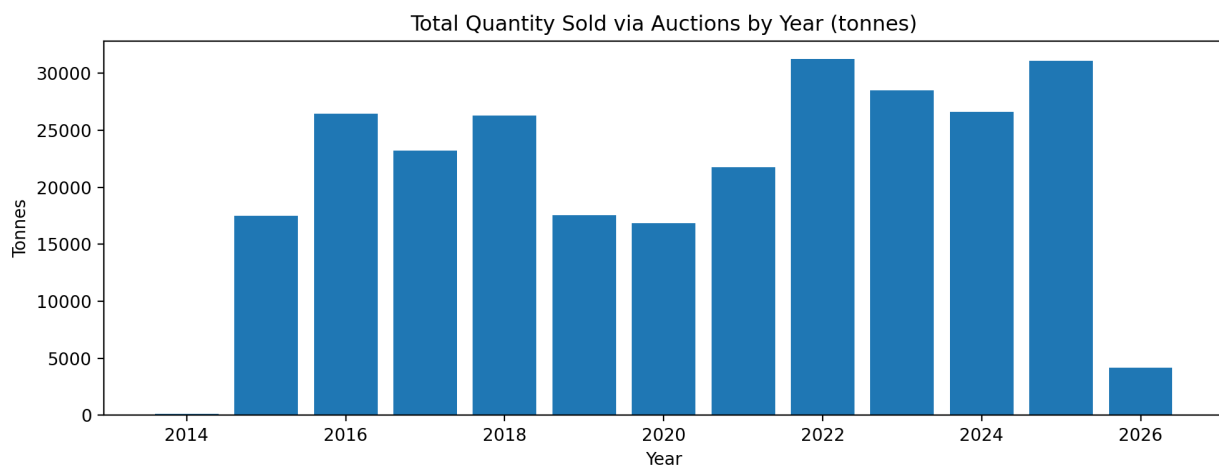
2. Production and supply: India, competitors, and what auctions show

Two supply signals are useful:

- **Global production** (FAOSTAT) to understand long-term supply changes across countries.
- **Auction arrivals/quantity sold** as a practical proxy for supply coming to market in Kerala auctions.



In the auction data, the total quantity sold grew at ~**5.9% CAGR** from 2015 to 2025 (a proxy for market throughput; not a perfect measure of farm production).



3. The 7 price regimes (a practical way to think)

Instead of treating every week as new, it helps to recognize regimes - periods where the same forces dominate.

Stable Low (Nov 2014 - Dec 2016)

Prices mostly Rs.700-900. Supply adequate; no major shocks.

Pre-Flood Rally (Jan 2017 - Jul 2018)

Demand strengthening + gradual supply tightening lifted prices to ~Rs.1,400.

Flood Spike and Peak (Aug 2018 - Dec 2019)

Kerala floods caused plantation damage; a supply shock pushed prices to record highs (max trades touched Rs.7,000).

COVID Crash (2020)

Demand shock + logistics disruption. Prices fell sharply from the peak.

Post-COVID Bear Market (Jan 2021 - Jun 2023)

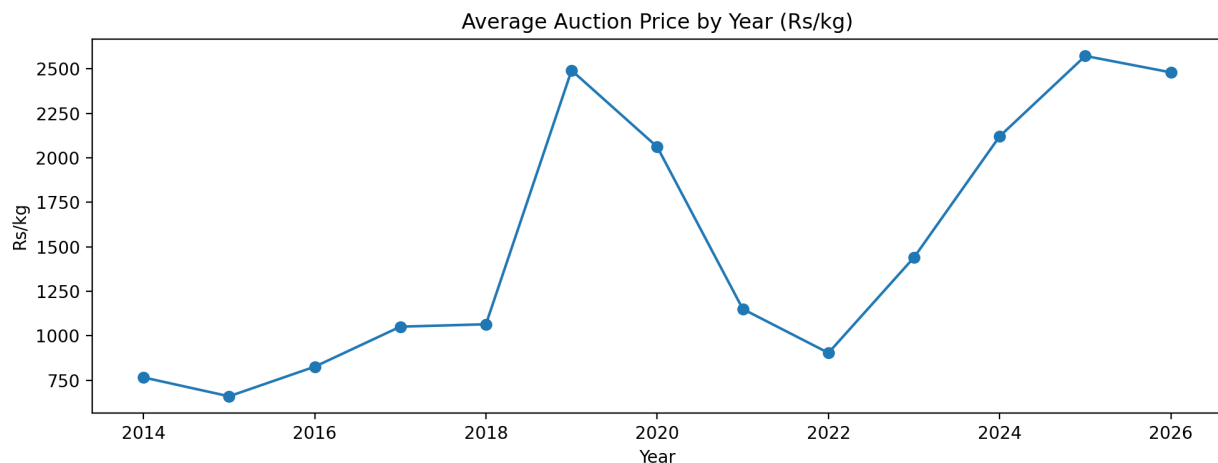
Oversupply arrived after high prices encouraged planting; long grind down to ~Rs.900-1,100.

Bottoming and Recovery (Jul 2023 - Jun 2024)

Demand returned; supply tightened; prices moved up steadily.

Bull Run (Jul 2024 - Feb 2026)

Tighter supply + strong demand lifted prices to the Rs.2,400-2,700 range.



4. What drives prices: the big factors (ranked)

Based on the data patterns and known market structure, these are the most important drivers to watch. Think of them as 'levers' that shift supply or demand.

1) Local weather shocks (floods, long dry spells)

Biggest impact. Extreme rainfall in 2018 (Idukki) lines up with the start of the sharp price regime shift. When plants are damaged, supply stays low for multiple seasons.

2) The 2-3 year planting response cycle

High prices motivate expansion and better upkeep; 2-3 years later, supply rises and prices fall. Low prices cause neglect/exit; 2-3 years later, supply tightens and prices rise.

3) Seasonality (harvest and arrivals)

On average, prices are weakest around May and stronger from Sep-Feb. Use this as a planning baseline, not a rule.

4) Export demand (Middle East demand cycles, festival buying)

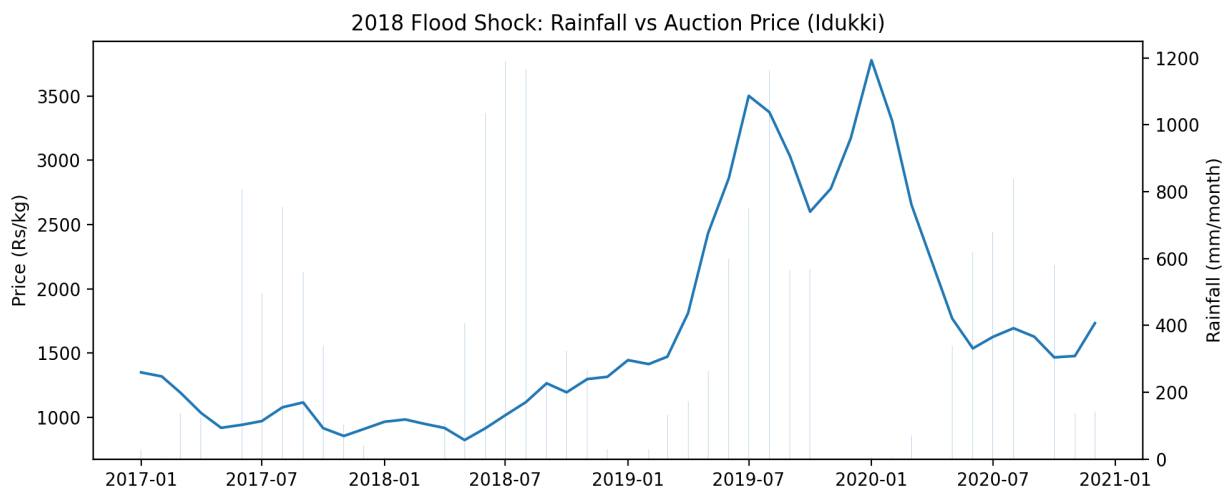
Demand is lumpy. Large buyers entering (or pausing) can move prices quickly because the market is small.

5) Global competition - Guatemala supply

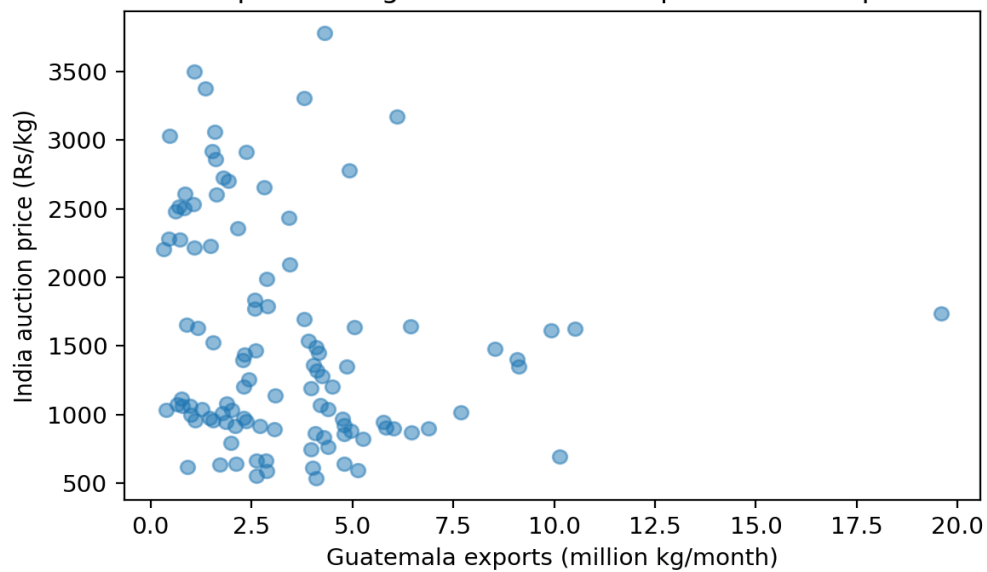
When Guatemala exports rise, India prices tend to soften (moderate negative relationship in the monthly data).

6) Macro variables (USD/INR, inflation, credit)

Not directly in this dataset, but historically important: a weaker rupee supports exports; tight credit can reduce inventory holding and pressure prices.



Competition Signal: Guatemala exports vs India price



5. Practical guidance for farmers

A. Selling strategy (risk management)

- **Avoid 'all at once' selling in high-volatility regimes.** In spike/crash regimes, sell in 3-5 tranches over several weeks to reduce timing risk.
- **Use seasonality as a soft guide.** If you have flexibility, May tends to be weaker; Sep-Feb tends to be stronger on average.
- **Watch arrivals closely.** When weekly arrivals rise fast for multiple weeks, price pressure often follows.
- **Track 3 early-warning signals.** (1) abnormal rainfall events, (2) pest/disease reports in the district, (3) Guatemala export surges.

B. Planting and investment decisions

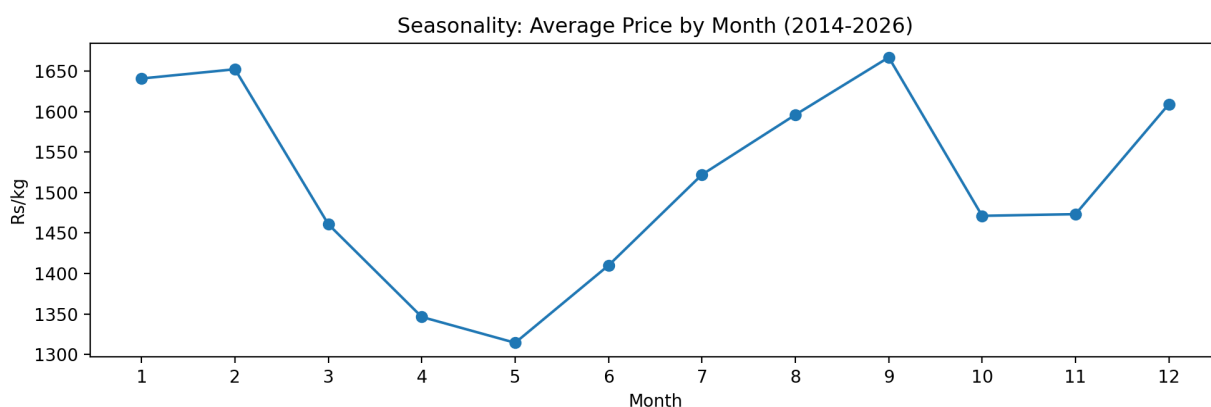
Because supply responds with a 2-3 year lag, avoid making expansion decisions based only on the last 2-3 months of prices.

A useful rule of thumb:

- If prices have been high for 12+ months, assume more supply is coming later - expand cautiously and focus on productivity/quality first.
- If prices have been low for 12+ months, supply may tighten later - maintain plant health so you can benefit when the cycle turns.

C. What to watch every month

What to watch	Why it matters	Simple action
Auction arrivals (kg)	Fast rising supply can push prices down	If arrivals jump for 3-4 weeks, accelerate partial selling
Idukki rainfall vs normal	Flood/drought changes yield and quality	After extreme events, plan for volatility
Guatemala export volumes	Global competition affects export demand	If exports surge, expect softer prices for a few months
Festival/export demand news	Demand shocks move prices quickly	Coordinate with traders/coops to time sales



Data sources used

- Indian small cardamom auction daily prices and quantities (Nov 2014 - Feb 2026).

- Idukki daily weather (rain, temperature, humidity) aggregated to monthly.
- ENSO Oceanic Nino Index (ONI) as a climate signal.
- FAOSTAT production for cardamom (India and Guatemala, latest available years in the file).
- Guatemala monthly exports (as a competition/demand proxy).

Disclaimer: This report is educational and based on historical patterns. Prices can change due to policy, trade, disease, and other shocks not captured here.