ROB'S CRYSTAL BALL

AN ESSENTIAL OILS MARKET UPDATE

MARCH 2026

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ROB'S CRYSTAL BALL

A MINT ESSENTIAL OILS MARKET UPDATE

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The global spice market continues to face a combination of supply-side constraints, geopolitical pressures, and shifting demand dynamics. Across most key commodities, reduced acreage, weather-related disruptions, increased plantings for alternate crops, and limited carryover stocks are tightening supply and supporting elevated price levels into 2026.

While some categories show signs of stabilization, the broader market remains volatile, with logistics costs and geopolitical risks acting as major wild cards.

SELECT PRODUCTS

CAPSICUM

The capsicum market is entering a tighter supply cycle driven by both reduced planting and agronomic challenges. Acreage is down approximately 10% year-over-year, reflecting grower caution amid prior market volatility. Increased pressure from pests, particularly thrips infestations, is impacting yields and quality.

Lower production volumes are expected to constrain availability, especially for high-color and high-heat grades. Prices are projected to increase through 2026, with upward pressure strongest in premium segments.

PAPRIKA

Acreage is down sharply, approximately 25% year-over-year. A weaker Chinese crop is expected to reduce global export availability. There is increased interest in qualifying Spanish suppliers as an alternative origin. However, we expect strong upward momentum, with notable price increases across all grades.

GINGER

The ginger market is experiencing a tight supply environment, particularly for processed and extraction-grade material. For dry ginger, we are seeing limited volumes entering the market due to the prioritization of fresh ginger sales. Strong global demand for fresh ginger is diverting supply away from drying and processing.

Nigeria's crop has improved compared to last year but more is being held back to replace lost seed material. This, along with strong demand for the fresh market and regional instability, has reduced the overall export volume.

TURMERIC

Turmeric remains relatively balanced but is influenced by low inventory levels and growing demand from adjacent industries.

Overall, there is a limited buffer against demand spikes due to low carryover stock. We expect supply to remain similar to 2025; however, demand may increase as more manufacturers begin using natural color and pigment sources. If prices do increase, we expect them to remain fairly moderate.

BLACK PEPPER

Black pepper continues to operate in a high-price environment despite slight softening signals. There is a stark difference in availability among the quality grades of black pepper berries. Low-piperine berry availability is steadily improving, while on the other hand, high-piperine berries remain much more limited and in strong demand. Overall, global supply is expected to decline. Pricing may soften, but is still relatively elevated compared to historical norms.

CARDAMOM

Cardamom is one of the more stable categories in the current market. Key growing regions, India and Guatemala, have seen stable, if not improved production. This product is at much lower risk than others at this time.

CUMIN

Cumin is entering a tighter cycle due to reduced planting and limited inventories. Acreage is down approximately 15%. There is also a minimal carryover supply, reducing overall market flexibility.

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We recommend buyers secure volume early to avoid exposure to price spikes.

ROSEMARY

Rosemary is under significant pressure due to climate-related impacts in key origin regions. Morocco has experienced a second consecutive year of drought, leading to poor crop yields. We are seeing increased demand for rosemary, particularly for natural extracts and antioxidant usage.

NUTMEG

The nutmeg industry shows moderate supply tightening with relatively controlled pricing. Sri Lanka, a key growing region, had lower yields due to adverse weather. India, meanwhile, is beginning to enter supply into the market, which could allow pricing to remain stable.

CLOVE

Clove remains one of the more stable spice markets currently. Both Indonesia and Sri Lanka have seen stable crop performance and output. This positive performance should allow pricing to remain stable, if not decrease.

KEY TAKEAWAYS

The geopolitical climate has had a tremendous effect on shipping across the board. Both airfreight and container shipping costs have surged as the escalation of the conflict in Iran continues. Even domestic transport costs have increased as gas prices rise. Industries are still navigating evolving tariff uncertainty.

Most spice categories are experiencing reduced acreage, poor yields, or low inventories. Managing inventories carefully will become more crucial than ever, as many critical variables remain uncertain.

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