

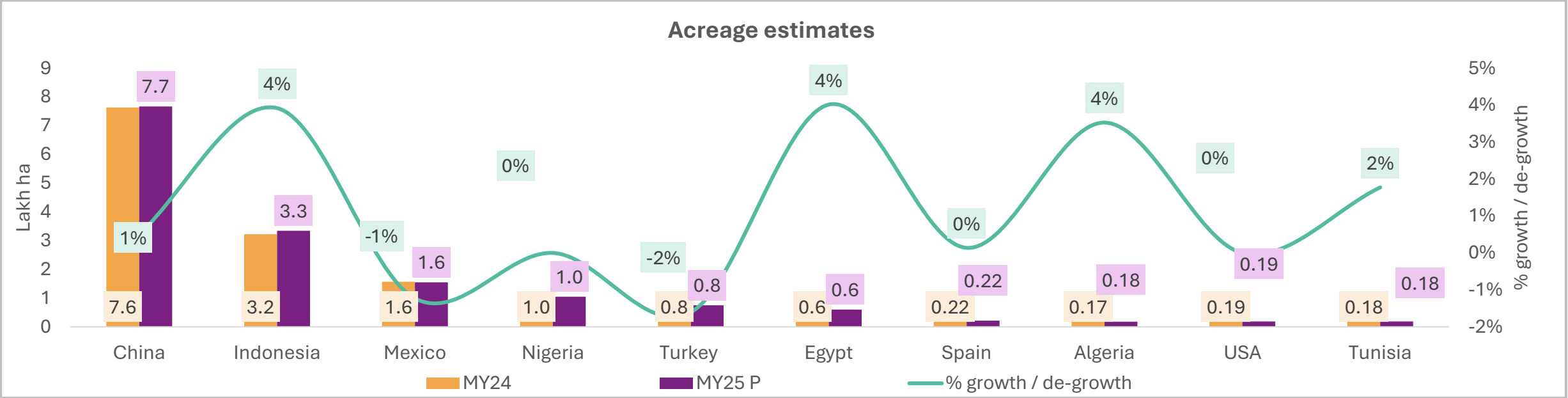
Monthly dashboard - Capsicum



Acreage & Production Trend



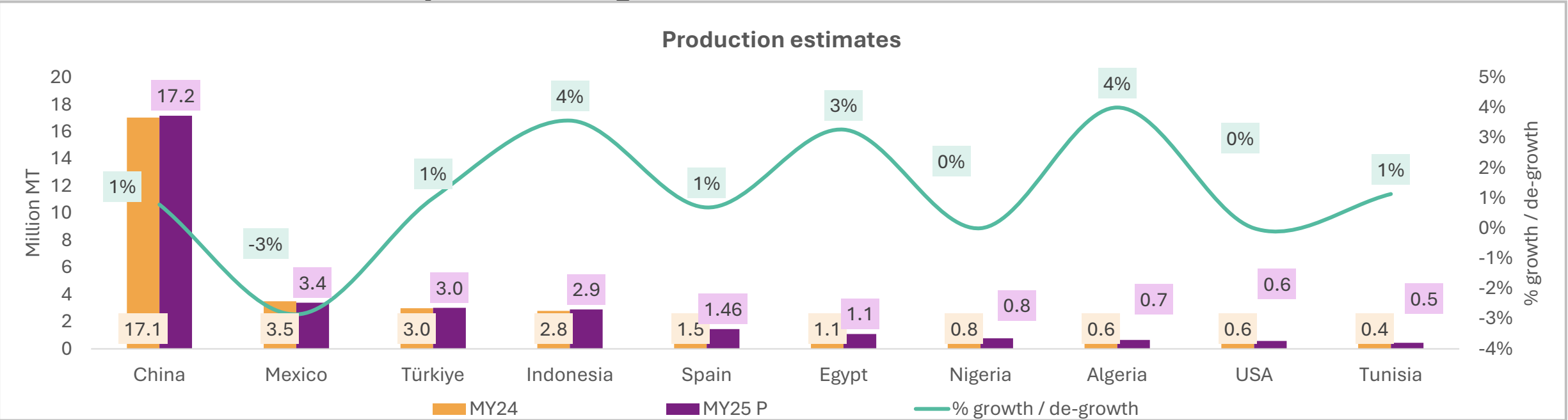
Acreage Estimates of Major Producing Countries



P – Projected value; MY – Marketing year (Jan-Dec)

- The countries highlighted in the chart account for nearly 80% of the world’s capsicum acreage. Overall, global capsicum acreage in MY25 is expected to remain higher by 2-3% over the last year.
- In the US open field acreage has shrunk by CAGR 2% (MY19-MY24) as 70% of demand is met by imports (mainly from Mexico), while domestic production is concentrated in California.
- China’s accounts for 37% of the total global acreages, much of this is from vast, intensively managed open fields. Acreages for MY25 are expected to see marginal increase by 1-2% on year.
- Protected cultivation (polyhouse/greenhouse systems) is surging in India, Turkey, Mexico, and Spain due to higher productivity (30–50 tons/acre in greenhouses vs. 10–20 tons/acre open field).

Production Estimates of Major Producing Countries



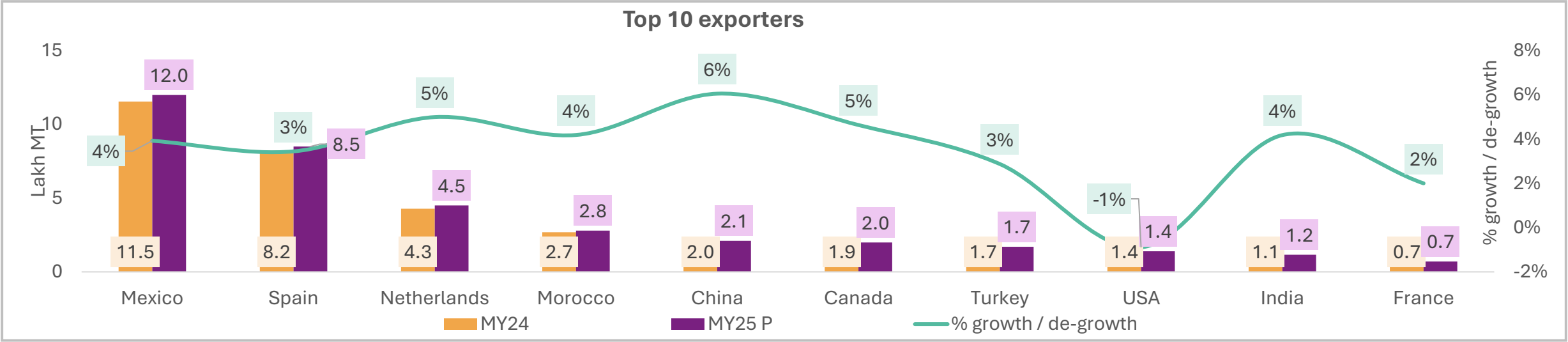
P – Projected value; MY – Marketing year (Jan-Dec)

- The countries highlighted in the chart account for nearly 83% of the world’s capsicum production. Overall, global capsicum production in MY25 is expected to remain higher by 2-3% in over last year.
- China’s production is expected to stay marginally higher around 17.2 MMT in MY25 led by strong domestic demand. Protected cultivation practices are increasing to mitigate climate risks and maintain high yield stability.
- Mexico’s production expected to decline (3-4% in MY25) due to high energy costs and regulatory changes for greenhouse heating, posing challenges for growers
- Turkey’s estimates indicate overall capsicum production to edge up marginally driven by export demand growing at a CAGR of ~10% (MY20-MY24)
- Enhanced incorporation of IPM in Indonesia, to combat rising concerns of pests in regions like Bangka Belitung and Lampung aggravated by low maintenance by farmers is expected to increase area under the crop in MY25P.



Export trends and price outlook

Major Exporters of Capsicum

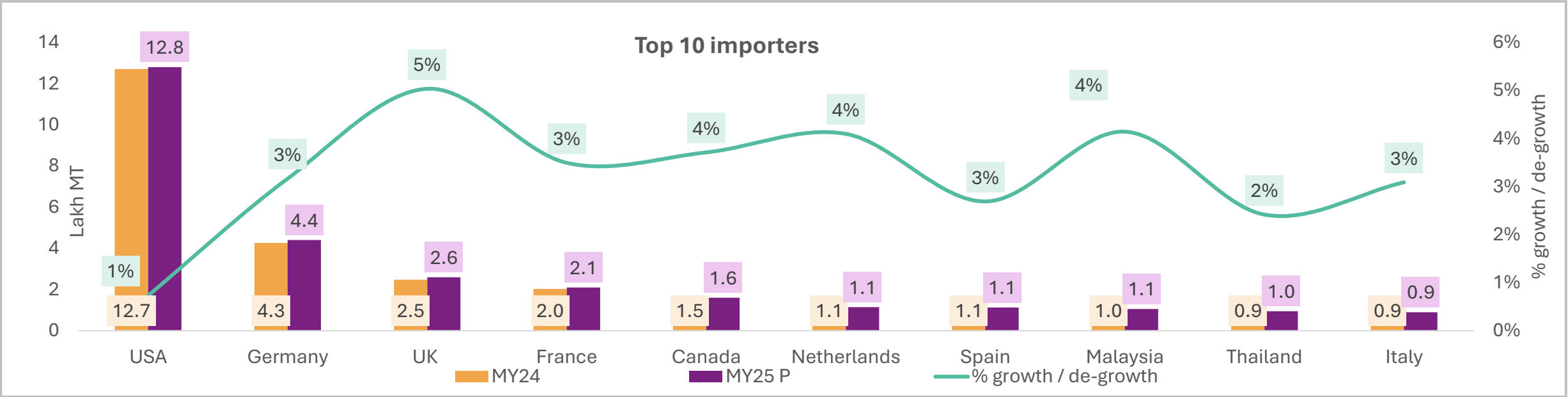


% share of global exports	28%	20%	10%	7%	5%	5%	4%	3%	3%	2%
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- The countries in the chart accounts for ~86% of the global exports. Global exports for MY25 are expected to increase by 3-4% on year.
- Mexico exports are expected to grow by around 3–4% in MY25 as yields are expected to rebound over lows of last year when crop got impacted due to heat and drought. Mexico has also tapped Japan in 2025 wherein consignments from Sinola, one of the Mexico’s primary pepper producing states has begun. This milestone is the result of years of work to meet the strict sanitary standards required by the Japanese market and represents a strategic opportunity to strengthen Mexico's presence in Asia.
- Spain export volumes are set to rise about 3-4% in MY25 as greenhouse production rebounds from pest and weather issues from last year. EU demand (Germany, France, UK) remains robust. China’s export growth is expected at around 8–10% driven by rapid expansion of controlled-environment farming and stronger demand from Southeast Asian markets.
- Turkey exports are expected to grow on year backed by demand from countries like Russia, Germany, Poland and Roman in MY25.
- India's exports are projected to increase by 3-4% in MY25 amid rising greenhouse production in southern states and targeted shipments to the Middle East.

Source: ITC trade map, HS code 070960 P – Projected value; MY – Marketing year (Jan-Dec)

Major Importers of Capsicum



% share of global exports	32%	11%	6%	5%	4%	3%	3%	3%	2%	2%
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- The countries in the chart accounts for ~71% of the global imports. Global imports for MY25 are expected to increase by 3-4% on year.
- USA imports are expected to rise by slightly 1-2% in MY25, driven by stable year-round consumer demand and strong supply from Mexico and Canada, with greenhouse produced imports gaining share.
- Germany’s import volumes are set to rise (2–3%) in MY25, as demand for colored and organic bell peppers are reportedly increasing. However, imports volume to be impacted from Spain due to pest infestations and storms that is impacting supplies from the country.
- Malaysia’s imports are likely to rise 4-5% in MY25 with increasing urban consumption and expanded sourcing from Vietnam, Thailand, and China for fresh and semi-processed capsicum.
- UK’s imports are forecast to grow by 4-5% in MY25 as domestic production remains limited and retail demand for pre-packed, mixed-variety peppers strengthens.

Way Ahead for Indian Capsicum Exports

United Kingdom

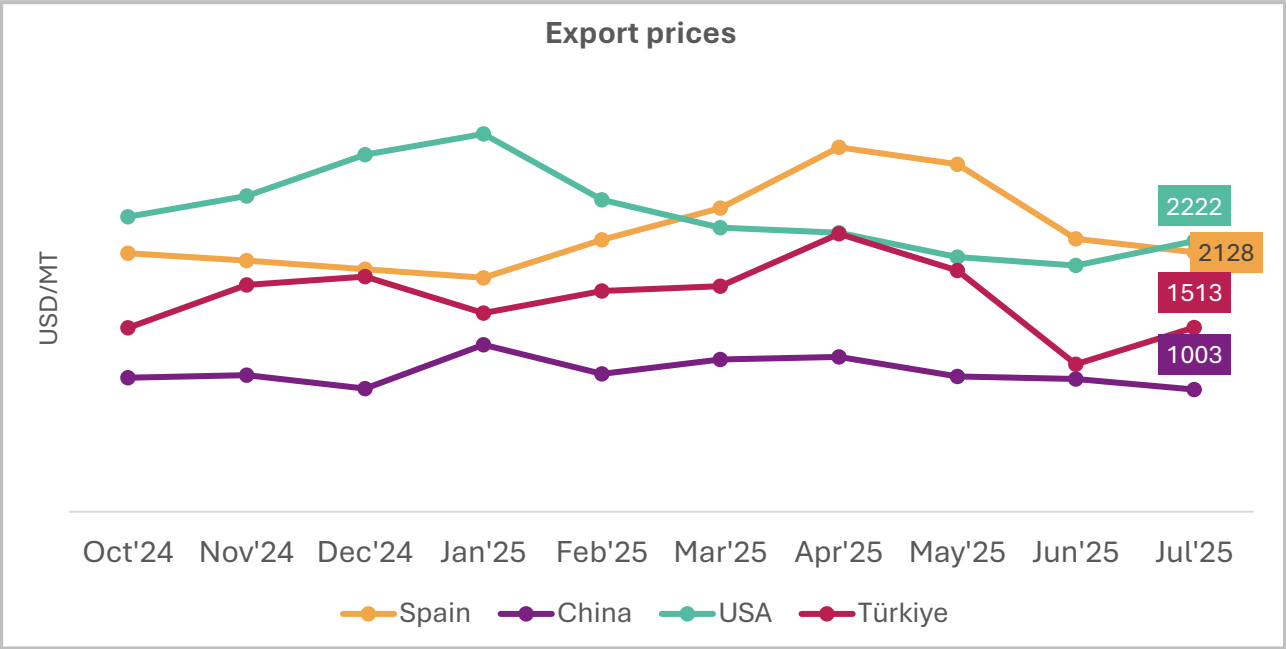
- The UK is a high-value, strategic market for capsicum with a ~6% share in import basket and the trade is concentrated in a few large EU suppliers (Netherlands and Spain together account for ~85% of UK imports). The immediate commercial opportunity now is in the recently concluded India–UK trade agreement materially improves tariff conditions, wherein capsicum was earlier subjected to a ~8% tariff. However, India's fresh capsicum shipments to the UK have weakened in recent years largely due to SPS / pesticide-residue issues wherein in capsicum shipments from India, recent notifications include ethion alerts, which drives buyer caution and increased testing and remains a key lookout.

Vietnam

- Vietnam is a high growth market with a CAGR of ~144% in past five years (MY24-MY20) for capsicum largely due to demand in processed grade formats. Current presence in Vietnam for fresh/processing capsicum is limited compared with regional suppliers (China, Thailand and the US are larger sources). India's geographic/logistics position is favorable vs. Europe/North America wherein typical sea transit from Chennai to Ho Chi Minh is ~12–13 days reducing perishability which India can leverage to tap the market.



Price trends of key exporting nations

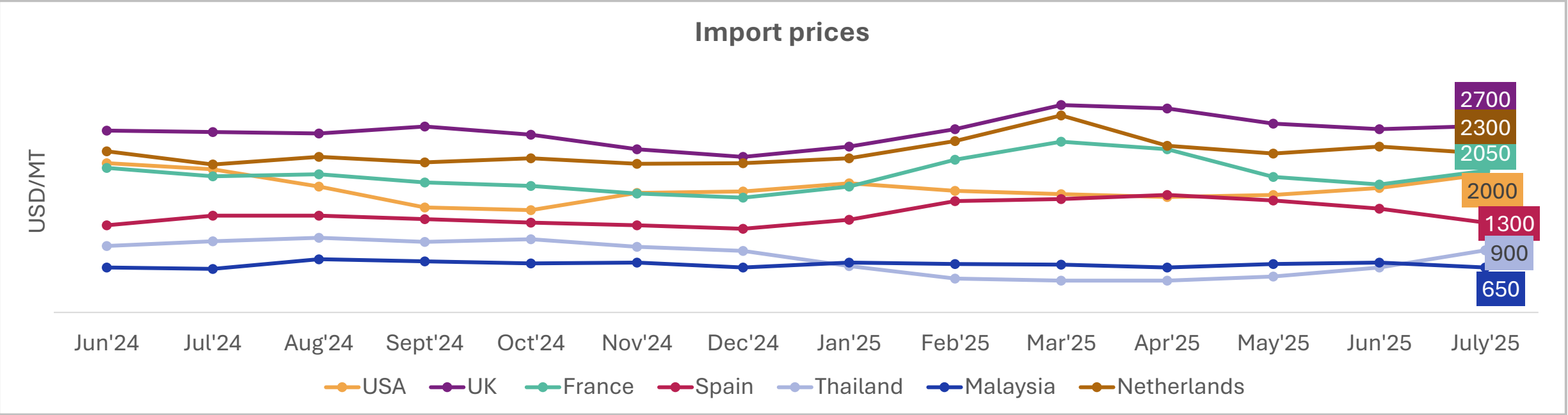


Price outlook for next quarter (ASO)					
Countries	Jul'25 Price (USD/MT)	Jul'24 Price (USD/MT)	%age ch ange	Price direction	Average price range for ASO (USD/MT)
Spain	2128	2210	-4%	Bullish	3000-3200
China	1003	1270	-21%	Bullish	1200-1300
USA	2222	2220	0%	Bullish	2600-2800
Türkiye	1513	1230	23%	Bullish	1700-1800

- Countries with historically higher export prices such as the Spain, the United States, and Turkey—are typically associated with glasshouse-intensive cultivation and premium colored bell pepper varieties that command higher farm-gate values. In contrast, lower-priced origins like India and China generally focus on bulk, field-grown exports, which often face barriers in accessing premium markets.
- Globally, the bell pepper (Capsicum) market is navigating a mix of price shifts, production challenges, and evolving export dynamics. In the United States, prices have edged higher due to reduced plantings in Mexico and ongoing uncertainty around potential tariff changes. Mexico is actively exploring opportunities in the Japanese market. Turkey has managed to maintain stronger price levels in early 2025, supported by Ramadan-driven demand and the sustained popularity of its specialty types such as “Kapia,” “Dolma,” and “Sivri” often marketed in 400-gram packs. Although production costs rose in 2024 due to adverse weather and higher input prices, export volumes from Turkey are in the rise.
- Spain faces reduced yields and early crop termination in regions like Almeria and Andalusia due to pest pressure and weather, pushing prices higher. Further reportedly extremities of weather have also caused quality concerns in MY25P.
- Export prices for China have remained firmed for past two years backed by growing demand , the next quarter is expected to maintain the trend as winter sourcing relies on greenhouse produce which command premium pricing in MY25.

Source: ITC trade map, HS code 070960 Note : ASO stands for August, September and October

Price trends of key importing nations



Source: ITC trade map, HS code 070960

- EU and US markets both face upward price pressure in 2025, driven by adverse weather, supply disruptions, and higher input/energy costs. The EU's reliance on Morocco and Turkey grows as Spanish production remains flat. Premium, organic, and sustainably produced bell peppers command additional price premiums in EU and US.
- Thailand import prices dropped from around 960 USD/ton in mid-2024 to 490–500 USD/ton in early 2025 as strong domestic production arrived in the market. Tourism-driven consumption slowed after the holiday season. However, prices rebounded to around USD 650/ton during May–June 2025, as domestic supplies tightened after May, while steady demand from hotels, restaurants, and retail segments is expected to keep prices firm.
- Malaysia import prices stayed comparatively low and stable, averaging 650–720 USD/ton through 2024–2025. Most of the country's capsicum come from greenhouses in the Cameron Highlands, but some colored and organic peppers are imported from Thailand and the Netherlands. Rising demand for premium peppers in cities and supermarkets led to moderate rise in prices.

Thank You


Methodology for Price Forecasting

Our methodology combines comprehensive secondary research, targeted stakeholder consultations, and rigorous analytical techniques to ensure accuracy and actionable insights. The methodology comprises three key stages: Data Collection, Data Analysis & Interpretation, and Price Forecasting.

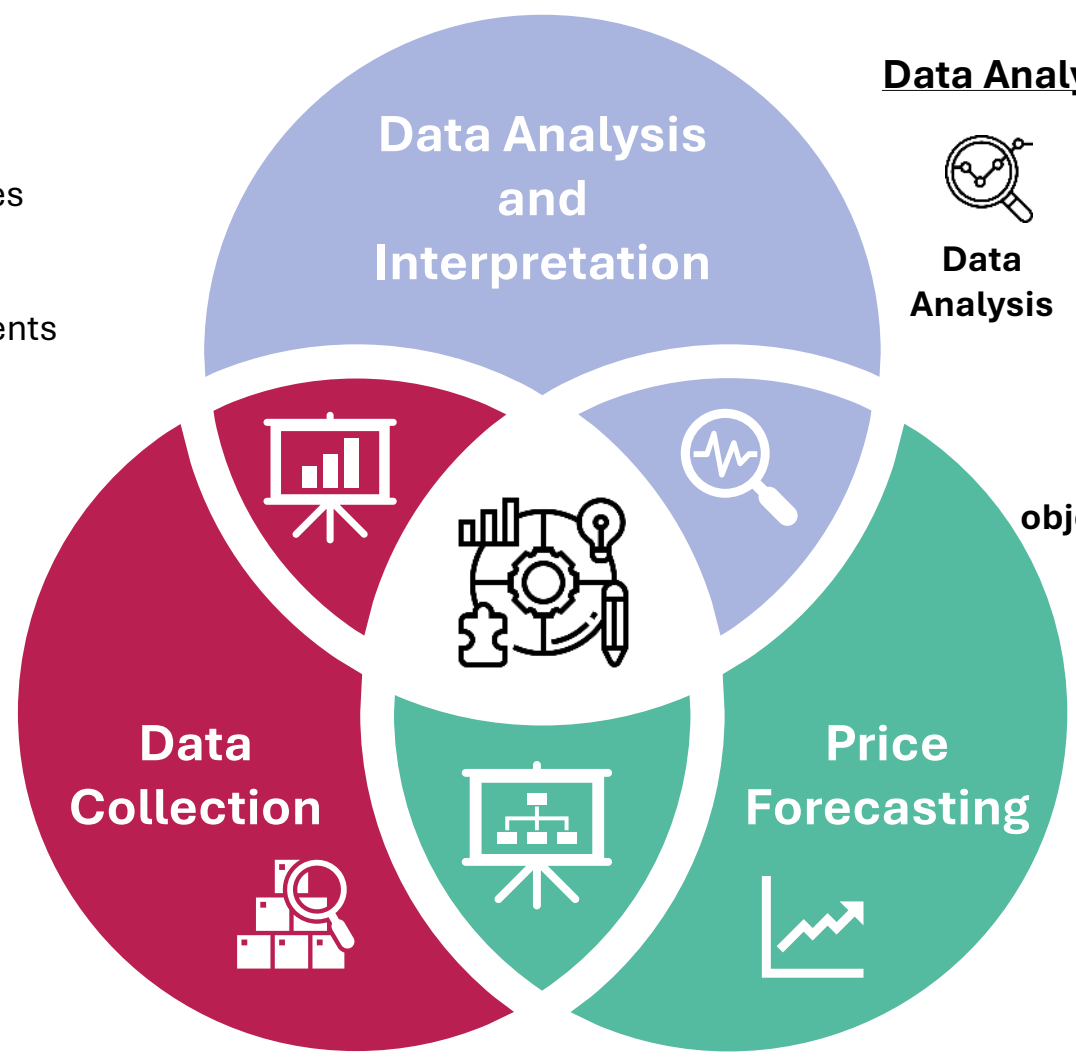
Data Collection

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Sources
- Global agricultural databases (USDA, FAO, etc.)
 - Country-wise statistics from official agriculture departments
 - Industry publications and research reports

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Policy Updates
- Detailed review of Production policies & trade barriers for each country
 - Data from government websites & official publications



Data Analysis and Interpretation

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Data Analysis
- Supply-demand assessment
 - Policy impact analysis
 - Stakeholder consultations

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Key objectives
- Production trends
 - Trade dynamics
 - Policy implications

Price Forecasting

- Historical Trend & Seasonality
 - Macro-Economic & Trade Variables
- Integration of commodity fundamentals to forecast future price ranges.

Structured consultations with Indian exporters and industry associations, cross-verifying secondary data and validating price forecasts to refine production, trade, and policy assessments.