Tough Times Expected for Indian Coffee Industry

The Indian coffee industry may face a tough time in 1999. Coffee prices in international markets have started coming down after three years of unbelievably good prices. The main reason for this situation is oversupply, especially from Brazil. India also expects increased production for this and next year, thus further saturating the market. To absorb the surplus, the Indian coffee industry is rather keen on expanding its domestic market and has already submitted a proposal to the Ministry of Commerce regarding this. Besides this, Indian coffee exporters have planned to improve on the quality of their coffee beans in order to stay competitive in the international markets. High demand for speciality coffees in international markets has caught the attention of Indian exporters. Following this, some representatives of the Indian coffee industry have visited other coffee producing countries to study their processing techniques involved in the preparation of speciality coffees.

Asia's Rubberwood Industry Sees Uneven Growth

Rubberwood, a tropical timber, is a valuable commodity in the international and domestic markets of Malaysia, Thailand, India and Sri Lanka. Although the development of the industry has been rapid in the last 10 to 15 years, growth is very uneven in the various producing countries. Currently, Malaysia is the market leader in producing and exporting rubberwood products, including furniture. Rubberwood furniture accounts for approximately 80% of the country’s furniture exports. The industry’s success here is mainly attributable to active promotional policies by the government, and to support of the RRIM and forestry and timber institutes. Now there is intensive research on silviculture and the commercial aspects of rubberwood. Elsewhere in Asia, the income-generating potential of the timber has encouraged the RRIs to oversee the development of the industry as a national sector in Thailand and Sri Lanka. A specific Rubber Wood Task Force has been set up in India to develop the industry there. At present, the International Tropic Timber Organisation (ITTO) is considering two mega projects, one on the development of the Indian rubberwood industry, and the other on the development and extension of rubberwood processing and utilization technology in China.
Shrimp Industry in India Good for Farmers

The shrimp industry in India has seen some ups and downs in 1998, with a disparity in prices of some 30% between the peaks and the troughs. Wide fluctuations were seen for both raw shrimps as well as processed and packed products. In summary, the farmers rather than exporters were the main beneficiaries, as prices of raw shrimps had on the whole increased while export prices had been relatively stable due to intense competition among exporters.

Exports to Japan had increased in terms of rupees but quantities in terms of weight had in fact seen a decline. This was due to the escalating price of shrimps which reached a peak in mid-1998. The year also saw an increase in export of shrimps from India in the international market, which enabled the country to match the prices of its produce with that of Indonesia’s traditionally higher price. As India became the dominant supplier in the international market, the price of its product became the base price for other exporters.

The increasing price of raw shrimps amidst relatively flat prices for exports resulted in a gradual reduction of profit margins for packers. Especially difficult times were when the market saw apparently random fluctuations even in the absence of high demand from Japan. These price inconsistencies were probably due to unguided speculative purchases resulting from low market transparencies regarding raw material availability and increased areas for shrimp farming which mainly came from the rejuvenation of dormant shrimp ponds. Thus, the information on the availability of shrimps was very reliant on word of mouth rather than systematic data.

The initial huge production in early 1998 did not help exporters who had purchased correspondingly higher quantities of the shrimps which, however, was not easily sold and had stretched the capacities of exporters. The situation was worsened by the shortage of ice particularly in summer. Thus, the issue of quality became a main consideration for buyers.

The 1998 year was on the whole, a farmers’ market which saw escalating prices of raw shrimps while exporters who had initially scrambled for the raw produce had become saddled with excess stock, unstable prices and aggressive competition.

Growth in Diabetic Cases Most Significant in Asia, Says WHO Report

A study carried out by the WHO Diabetes Unit shows that worldwide, the number of adult diabetes cases is expected to increase from 135 million in 1995 to 300 million in 2025, a jump of 122%.

“Asia is one of the regions which will be significantly affected,” said Dr. Hilary King at the WHO Diabetes Unit.

The number of adults with diabetes mellitus in the developing countries is expected to rise from 84 million in 1995 to 228 million in 2025, an increase of 170%.

In 1995, China and Indonesia had 16 million and 5 million diabetes cases, respectively but the numbers are predicted to increase to 38 million and 12 million, respectively in 2025. The growth is attributed to increase in the population, aging, obesity, unhealthy diets and sedentary lifestyles.

Moreover, the average age of people with diabetes will be increasingly lower. This does not augur well because the economies of these countries will be adversely affected, while individuals will have a higher lifetime risk of long term complications.

Dr. King added, “Countries should develop national programs for diabetes which include assessing the current burden, establishing standards of clinical care, increasing professional and public education, and promoting healthy lifestyles with an emphasis on balanced diets and regular exercise.”