

### BLACK PEPPER

#### Fundamentals:

#### Today's Update:

- Steady sentiment was witnessed in Black pepper spot market on Thursday.
- Vietnam Pepper price stable in the range of 68,000 - 71,000 VND/kg. In which, the lowest price is 68,000 VND/kg in Gia Lai province. Next is Dong Nai province at 68,500 VND/kg. Similarly, the two provinces of Dak Lak and Dak Nong maintained the purchase price at 69,000 VND/kg, Binh Phuoc province at 70,000 VND/kg. Currently, Ba Ria - Vung Tau is the leading locality with the highest price, reaching 71,000 VND/kg.
- In the beginning of 2022, the domestic price of pepper in the Malaysian market has decreased significantly due to oversupply. Specifically, the price of black pepper grade 1 decreased to 13,750 ringgit / tonne and the price of white pepper grade 1 decreased to 23,850 ringgit/tonne.
- According to the International Pepper Community (IPC), the pepper market is on a downward trend as the world grapples with demand erosion this year due to shifting inventories from deficit to surplus. In addition, other factors are depreciating the currency due to a stronger dollar, high inflation and low consumer appetite.

#### Previous Update:

- According to a report from the Import and Export Department (Ministry of Industry and Trade) Vietnam is the largest source of pepper for the US in the first 5 months of 2022 with imports reaching 27.52 thousand tons. This number increased 19.8% in volume over the same period in 2021.
- Vietnam's pepper market share in total US imports increased from 64.48% in the first 5 months of 2021 to 74.65% in the first 5 months of 2022. In contrast, the US reduced pepper imports from India with a decrease of 9.5% in volume, but an increase of 16.3% in value compared to the first 5 months of 2021, reaching 2.8 thousand tons, worth 14 million USD in the first 5 months of 2022. India's share of pepper in total US imports fell from 8.68% in the first five months of 2021 to 7.59% in the first five months of 2022. In general, the supply of pepper to the US is still concentrated mainly from Vietnam. Thanks to the advantage of stable supply, Vietnam plays an important role in the structure of pepper supply to the US in the coming time.
- In Asia, China's pepper imports in the first 6 months of 2022 decreased by 23.4% compared to the same period in 2021. New crop supplies from Brazil and Indonesia are continuing to add to the market.
- As per current situations, AgriWatch expected India's pepper productions for 2021-22 likely to go down by 8 to 10% compared to last year. Last year (2020-21) India's Pepper production was 62,000 MT.

Black Pepper Spot Market Prices (Loose): (Rs/Qtl)					
State	Centre	Grade	25-Aug-22	24-Aug-22	Change
Kerala	Kochi Benchmark market	Ungarbled	50000	50000	Unch
		Garbled	52000	52000	Unch
Karnataka	Chikmagalur	Ungarbled	50000	50000	Unch
Delhi	New Delhi	Unpolished	56500	56500	Unch
		Number 11.5	58300	58300	Unch
	Arrivals & Off-take in Tons				
State	Centre	Parameter	25-Aug-22	24-Aug-22	Change
Kerala	Kochi	Arrivals	18.5	22.5	-4
		Off-take	18.5	22.5	-4

Black Pepper FOB Prices (USD/MT)						
Date	Brazil ASTA 570	ex Kochi (India) ASTA	Lampung (Indonesia) ASTA 570	Kuching (Sarawak, Malaysia) ASTA	Ho Chi Minh (Vietnam) 500g/l	Ho Chi Minh 550g/l
17-08-22	3000	6486	NA	5900	3750	4000
18-08-22	3000	6461	4078	5900	3550	3800
22-08-22	2950	6484	4070	5900	3550	3800
23-08-22	2950	6501	4067	5900	3550	3800
24-08-22	2950	6508	4079	5900	3550	3800
25-08-22	2950	--	--	5900	3550	3800

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