

BLACK PEPPER

Fundamentals:

Today's Update:

- Steady to weak sentiment was witnessed in Black pepper spot market on Wednesday.
- On subdued demand today in the benchmark market, arrivals and prices reported down by 37.68% and 0.20% respectively.
- According to the International Pepper Association (IPC) last week - Lampung black pepper (Indonesia): at \$3,878/ton, down 0.13%, Brazilian black pepper ASTA 570: at 2,750 USD/ton, unchanged, Kuching black pepper (Malaysia) ASTA: at 5,900 USD/ton, unchanged, Muntok (Indonesia) white pepper: at \$6,302/ton, down 0.14%, Malaysian white pepper ASTA: at \$7,600/ton, unchanged.
- Weak consumption demand is still the factor holding back the recovery of pepper prices in the following months, especially from the two major pepper consuming markets in the world, Europe and the US. Currently, Brazil is entering the pepper harvest, output is expected to increase by 10% compared to 2021 to 98,000 tons in 2022. Indian pepper production is expected to increase slightly. However, Vietnam's pepper production is expected to decrease due to unfavorable weather factors, while it is expected to be stable in other pepper producing countries.

Previous Update:

- India imported around 7,866.68 MT garbled black pepper from January 2022 to July 2022 highest from Brazil- 3,894 MT followed by Vietnam- 2,347.60 MT.
- However, it is up by 10.63% from the same period last year. During the last year from January 21 to July 21, total imports were 7110.97 MT, highest from Vietnam- 3,038 MT followed by Brazil- 2,816.78 MT.
- India imported around 236.80 MT ungarbled black pepper, down by 80.97% from the same period last year, at 1,244.19 MT.
- According to some sources, in **India**, more than normal rainfall in July may affect pepper plants during fruiting period. Meanwhile, Sri Lanka's pepper harvest is in its final stages.
- 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 | 28-Sep-22 | 27-Sep-22 | Change |
| Kerala | Kochi Benchmark market | Ungarbled | 49300 | 49400 | -100 |
| | | Garbled | 51300 | 51400 | -100 |
| Karnataka | Chikmagalur | Ungarbled | 50000 | 50000 | Unch |
| Delhi | New Delhi | Unpolished | 54000 | 54000 | Unch |
| | | 550 GL | 55000 | 55000 | Unch |
| | | Number 11.5 | 56000 | 56000 | Unch |
| | Arrivals & Off-take in Tons | | | | |
| State | Centre | Parameter | 28-Sep-22 | 27-Sep-22 | Change |
| Kerala | Kochi | Arrivals | 21.5 | 34.5 | -13 |
| | | Off-take | 21.5 | 34.5 | -13 |

| 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 |
| 21-09-22 | 2750 | 6491 | 3883 | 5900 | 3350 | 3600 |
| 22-09-22 | 2750 | 6406 | 3878 | 5900 | 3350 | 3600 |
| 23-09-22 | 2750 | 6374 | 3877 | 5900 | 3350 | 3600 |
| 26-09-22 | 2750 | 6316 | 3856 | 5900 | 3350 | 3600 |
| 27-09-22 | 2750 | 6309 | 3846 | 5900 | 3350 | 3600 |
| 28-09-22 | 2650 | -- | 3824 | 5900 | 3350 | 3600 |

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/disclaimer.php> © 2022 Indian Agribusiness Systems Ltd.