

BLACK PEPPER

Fundamentals:

Today's Update:

- Continued steady sentiment was witnessed in Black pepper spot market on Tuesday.
- Vietnam Pepper price as on 18th October continues to be stable in the range of 59,500 - 62,000 VND/kg. In which, the highest price was recorded in Ba Ria - Vung Tau province. In Gia Lai is the locality recording the lowest price with 59,500 VND/kg. Better than Dong Nai at 60,000 VND/kg.
- The two provinces of Dak Lak and Dak Nong also maintain the purchase of pepper at a common price of 60,500 VND/kg. Similarly, pepper prices today in two provinces of Binh Phuoc and Ba Ria - Vung Tau were stable at 61,500 VND/kg and 62,000 VND/kg respectively.
- World pepper price, according to the update from the International Pepper Association (IPC) on October 17, world pepper prices compared to October 14 are as follows: Lampung black pepper (Indonesia): at \$3,692/ton, down 0.60%, Brazilian black pepper ASTA 570: at 2,600 USD/ton, unchanged, Kuching black pepper (Malaysia) ASTA: at 5,100 USD/ton unchanged and Muntok white pepper: at \$5,976/ton, down 0.59%, Malaysian white pepper ASTA: at \$7,300/ton, unchanged.
- In September alone, Vietnam imported 2,246 tons of Brazilian pepper, up 52.7% over the previous month. In addition to Vietnam, Brazil also boosted pepper exports to a number of other markets in September such as: UAE up 35.7%, Morocco up 72.7%, especially Germany increased more than 7 times.

Previous Update:

- Brazil's pepper exports increased by 34% in September, low pepper prices is the main reason for Brazil's pepper exports increase again in recent months, of which many orders come from Vietnam - the world's largest pepper exporter.
- According to the data of the Brazilian State Center for Foreign Trade Statistics, in September pepper exports of Brazil, the world's second largest pepper exporter after Vietnam, increased by 34% over the previous month to 8,063 ton.
- However, in the first 9 months of the year, Brazil's pepper exports still fell slightly by 3.4% compared to the same period last year, reaching 59,739 tons. In which, Vietnam imported 12,997 tons of pepper from Brazil in the first 9 months of the year up 2.7 times in volume over the same period last year. This is also the largest volume of pepper that Vietnam has ever imported from Brazil so far. Thereby making Vietnam become the largest pepper importer from Brazil, accounting for 22% of the country's pepper export market share compared to 8% of the same period last year.
- Brazil's black pepper is attracting importers thanks to its competitive pricing and ample supply as the country is in the midst of its biggest harvest of the year.
- Brazil's pepper price is quite competitive, but the biggest obstacle of this pepper industry is still the presence of Salmonella bacteria on black pepper, making it difficult for Brazil to expand its market share in high-demand markets in terms of quality like EU or US. Meanwhile, Vietnam is the country with the most modern pepper processing technology in the world. Therefore, in addition to exporting, Vietnam is also one of the leading importers and processors of pepper.
- 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	18-Oct-22	17-Oct-22	Change
Kerala	Kochi Benchmark market	Ungarbled	49000	49000	Unch
		Garbled	51000	51000	Unch
Karnataka	Chikmagalur	Ungarbled	50000	50000	Unch
Delhi	New Delhi	Unpolished	54000	54000	Unch
		550 GL	55000	55000	Unch
		Number 11.5	57500	57500	Unch
	Arrivals & Off-take in Tons				
State	Centre	Parameter	18-Oct-22	17-Oct-22	Change
Kerala	Kochi	Arrivals	30.5	20.5	10
		Off-take	30.5	20.5	10

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
11-10-22	2550	--	--	5100	3250	3350
12-10-22	2600	--	3718	5100	3250	3350
13-10-22	2600	--	3722	5100	3150	3250
14-10-22	2600	6199	3714	5100	3150	3250
17-10-22	2600	--	3692	5100	3150	3250
18-10-22	2600	--	--	5100	3150	3250

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