

BLACK PEPPER

Fundamentals:

Today's Update:

- Steady to firm sentiment was witnessed in Black pepper spot market on Thursday.
- Buyers reported active in the spot market as domestic pepper prices traded at lower levels.
- Vietnam Pepper prices as on 1st December were flat in most key provinces in the country. As noted, the purchase price currently fluctuates in the range of 60,000-63,000 VND/kg. Only Gia Lai increased slightly by 500 VND/kg, back to 60,000 VND/kg – on par with Dong Nai. The two provinces of Dak Lak and Dak Nong maintain the purchase of pepper at a common price of 61,000 VND/kg. Similarly, pepper prices today in Binh Phuoc and Ba Ria - Vung Tau were also stable at 62,000 VND/kg and 63,000 VND/kg respectively. Thus, after many quiet days, the domestic market has now regained the threshold of 60,000 VND/kg.
- World pepper price, according to the update from the International Pepper Association (IPC) on November 30 (local time), world pepper prices compared to November 29 are as follows, Lampung black pepper (Indonesia): at 3,776 USD/ton, down 0.03%, Brazilian black pepper ASTA 570: at \$2,625/ton, unchanged, Kuching black pepper (Malaysia) ASTA: at 5,100 USD/ton, unchanged, Muntok white pepper: at \$5,947/ton, down 0.03%, Malaysian white pepper ASTA: at \$7,300/ton, unchanged.
- According to International Pepper Association (IPC), as of 2021, the world's total pepper area will reach about 745,000 hectares, an increase of 42.8% compared to 521,700 hectares in 2017. In which the increase mainly comes from India and Indonesia when both these countries are linked continue to expand the natural pepper growing area in the forest.
- In contrast, the area under pepper cultivation in Vietnam - the world's largest producer country, has shrunk significantly due to a sharp drop in prices. In addition, the reduction of pepper growing area in Vietnam is also due to the effects of diseases and climate change with the production area decreasing from 152,000 hectares in 2017 to only 130,000 hectares in 2021, corresponding to a decrease of 14.4%.
- World pepper production has also increased steadily over the years, from 560,175 tons in 2018 to over 600,742 tons in 2019. Pepper production has increased significantly due to increased demand and prices.

Previous Update:

- 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	01-Dec-22	30-Nov-22	Change
Kerala	Kochi Benchmark market	Ungarbled	49400	49100	300
		Garbled	51400	51100	300
Karnataka	Chikmagalur	Ungarbled	50500	50000	500
Delhi	New Delhi	Unpolished	54000	54000	Unch
		550 GL	53500	53500	Unch
		Number 11.5	58000	58000	Unch
	Arrivals & Off-take in Tons				
State	Centre	Parameter	01-Dec-22	30-Nov-22	Change
Kerala	Kochi	Arrivals	38.5	27	11.5
		Off-take	38.5	27	11.5

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
24-11-22	2625	6176	3544	5100	3150	3250
25-11-22	2625	6120	3789	5100	3150	3250
26-11-22	2625	6120	-	5100	3150	3250
28-11-22	2625	6120	-	5100	3150	3250
29-11-22	2625	6120	3777	5100	3150	3250
30-11-22	2625	6120	3776	5100	3150	3250

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