

BLACK PEPPER

Fundamentals:

Today's Update:

- Steady sentiment was witnessed in Black pepper spot market on Saturday.
- Vietnam pepper prices as on 2nd December remained stable in the domestic market. Currently, the highest purchasing price according to the survey is 63,000 VND/kg. In which, the lowest price of 60,000 VND/kg was recorded in Gia Lai and Dong Nai provinces. Next are the two provinces of Dak Lak and Dak Nong with the same 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.

Previous Update:

- Buyers reported active in the spot market as domestic pepper prices traded at lower levels.
- 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.
- 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	03-Dec-22	02-Dec-22	Change
Kerala	Kochi Benchmark market	Ungarbled	49500	49500	Unch
		Garbled	51500	51500	Unch
Karnataka	Chikmagalur	Ungarbled	Closed	50300	-
Delhi	New Delhi	Unpolished	55000	55000	Unch
		550 GL	54500	54500	Unch
		Number 11.5	58500	58500	Unch
	Arrivals & Off-take in Tons				
State	Centre	Parameter	03-Dec-22	02-Dec-22	Change
Kerala	Kochi	Arrivals	14	21	-7
		Off-take	14	21	-7

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
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
01-12-22	2625	NA	NA	NA	3150	3250
02-12-22	2625	NA	3852	5100	3150	3250

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