

BLACK PEPPER

Fundamentals:

Today's Update:

- Steady to weak sentiment was witnessed in Black pepper spot markets on Tuesday.
- The prices of pepper in the domestic market of Vietnam have continued to rise by 500-1,000 VND/kg as of May 9th, 2023, due to lower supply. Specifically, the prices in Dak Lak and Dak Nong have increased by 1,000 VND to 73,000 VND/kg, while Gia Lai has seen a significant increase, trading at 72,000 VND/kg. In Dong Nai, the prices have risen by 1,000 VND, trading at 72,500 VND/kg, and in Ba Ria - Vung Tau, they have sharply increased to the threshold of 75,000 VND/kg. Binh Phuoc pepper has seen a slight increase of 500 dong, trading at 74,500 VND/kg. The ongoing hot weather has been affecting the flowering and fruiting of crops, raising concerns about the yield in the upcoming crop. This has further supported the pepper prices, which have been experiencing a decline in supply.
- During Q1 of 2023, Vietnam's pepper exports to China surged over 12 times to 25,919 tons, compared to 2,138 tons in the same period last year, and exceeding the total exports of 20,498 tons to China. The increase is attributed to China reopening its borders after the Zero COVID policy impacted the market in 2022. However, the General Department of Customs Vietnam reported a decline in pepper exports to other major markets, such as the US and India, which fell by 21.6% and 20.7% respectively, likely due to the economic crisis leading to decreased market demand.

Previous Update:

- According to the preliminary data report of Vietnam Customs, pepper exports in the first 17 days of April 2023 reached 14,464 tons, bringing exports in more than three months. Current year to 89,795 tons, up 39.27% in volume and 8.59% in value over the same period in 2022. The average export price of pepper in the period was recorded at USD 3,048/ton, up 2.35% compared to the average export price of March 2023.
- During April 2023, Vietnam will be able to export 25,000-30,000 tons, bringing the total export volume from January to April 2023 to 102,000-107,000 tons, expected to be higher than the recorded 79,410 tons in the same period last year.
- As per current situation, AgriWatch expects India's pepper production for 2022-23 likely to be around 52,000 to 53,000 MT. Last year production was 57,000 to 58,000 MT.

Black Pepper Spot Market Prices (Loose): (Rs/Qtl)					
State	Centre	Grade	09-May-23	08-May-23	Change
Kerala	Kochi Benchmark market	Ungarbled	48600	48700	-100
		Garbled	50600	50700	-100
Karnataka	Chikmagalur	Ungarbled	49500	49500	Unch
Delhi	New Delhi	Unpolished	NA	NA	-
		550 GL	54000	53000	1000
		Number 11.5	56000	55000	1000
	Arrivals & Off-take in Tons				
State	Centre	Parameter	09-May-23	08-May-23	Change
Kerala	Kochi	Arrivals	41.5	40.5	1
		Off-take	41.5	40.5	1

Black Pepper FOB Prices (USD/MT)						
Date	Brazil	ex Kochi (India) ASTA	Lampung (Indonesia)	Kuching (Sarawak, Malaysia) ASTA	Ho Chi Minh (Vietnam) 500g/l	Ho Chi Minh 550g/l
	ASTA 570		ASTA 570			
03-05-23	2950	6129	3498	4900	3275	3325
04-05-23	2950	6129	3516	4900	3275	3325
05-05-23	2950	6129	3506	4900	3275	3325
08-05-23	2950	6083	3575	4900	3500	3600
09-05-23	2950	6083	3564	4900	3500	3600