

BLACK PEPPER

Fundamentals:

Today's Update:

- Steady sentiment was witnessed in Black pepper spot markets on Wednesday.
- Increased availability of imported pepper in the spot markets put pressure on domestic prices. Buyers are reported inactive in the spot markets due to continuous supply.
- The current domestic market price of Vietnam Pepper has witnessed a simultaneous decrease of 500 VND/kg compared to yesterday. Specifically, in Dak Lak and Dak Nong, pepper prices have slightly decreased to 72,000 VND/kg. In Gia Lai, the price has decreased by 500 VND/kg, with trading at 70,500 VND/kg. Similarly, in Dong Nai, the price has slightly decreased, with trading at 71,000 VND/kg. In Ba Ria - Vung Tau, the price has also decreased slightly to 73,500 VND/kg, while in Binh Phuoc, it has traded down to 73,000 VND/kg.
- According to the Vietnam Pepper and Spices Association, the pepper harvest for the year 2023 has essentially concluded, resulting in an estimated output of nearly 200,000 tons. This output reflects a significant increase of 9.3% compared to the previous year, 2022. Over the past weeks, the domestic pepper market has experienced positive developments. Starting from the last week of April 2023 and continuing until the present, the price of pepper has shown an upward trend, rising from 66,000 VND/kg to 76,000 VND/kg during the second week of May. However, there has been a slight decrease in price thereafter. The surge in pepper exports to China during March and April has played a significant role in driving the continuous increase in domestic pepper prices.
- As per the International Pepper Community (IPC), today's world pepper price showed a slight increase in Indonesia while remaining stable in other markets. According to the IPC's report, the estimated global pepper production for the year 2022 is 537,000 MT, representing a decrease of 2% compared to 2021. The decline in output is primarily attributed to Indonesia and Vietnam. Forecasts suggest that global pepper production in 2023 will continue to decline by approximately 1% compared to 2022, amounting to around 531,000 MT. The upcoming harvest in Indonesia, Malaysia, and southern Brazil is expected to take place within the next 2-3 months.

Previous Update:

- 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	07-Jun-23	06-Jun-23	Change
Kerala	Kochi Benchmark market	Ungarbled	48800	48800	Unch
		Garbled	50800	50800	Unch
Karnataka	Chikmagalur	Ungarbled	49500	49500	Unch
Delhi	New Delhi	Unpolished	NA	NA	-
		550 GL	54000	54000	Unch
		Number 11.5	56000	56000	Unch
	Arrivals & Off-take in Tons				
State	Centre	Parameter	07-Jun-23	06-Jun-23	Change
Kerala	Kochi	Arrivals	31.5	35.5	-4
		Off-take	31.5	35.5	-4

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			
01-06-23	3350	6112	-	4900	3500	3600
02-06-23	3350	6112	-	4900	3500	3600
05-06-23	3350	6112	3762	-	3500	3600
06-06-23	3350	6112	3775	4900	3500	3600
07-06-23	3350	6112	3765	4900	3500	3600

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