

BLACK PEPPER

Fundamentals:

Today's Update:

- Steady sentiment was witnessed in Black pepper spot markets on Tuesday.
- 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.
- On June 13th, 2023, the price of Vietnam Pepper has shown an increase ranging from 500 to 1,000 VND/kg compared to the previous day. Currently, the domestic price of pepper is fluctuating within the range of 70,500 to 73,500 VND/kg. In Dak Lak and Dak Nong, the price has risen by 1,000 VND/kg, reaching 72,000 VND/kg. Gia Lai has experienced a slight increase of 500 VND/kg, trading at 70,500 VND/kg. In Dong Nai, the price has sharply increased by 1,000 VND/kg, with purchases at 71,000 VND/kg. In Ba Ria - Vung Tau, there has been a 1,000 VND/kg increase, reaching 73,500 VND/kg. Binh Phuoc is trading at 73,000 VND/kg, reflecting a 1,000 VND/kg increase.
- On June 13th, 2023, the price of Lampung black pepper in Indonesia experienced a decrease of 0.13%, reaching USD 3,771 per ton. Muntok white pepper also witnessed a decrease of 0.14%, with prices at \$6,219 per ton. In Malaysia, Kuching ASTA black pepper maintained its stability at \$4,900 per ton, while ASTA white pepper remained priced at \$7,300 per ton. In the Brazilian market, the price of black pepper ASTA 570 stood at \$2,950 per ton. As for Vietnam, the export prices for black pepper of 500 and 550 g/l were recorded at \$3,500 and \$3,600 per ton, respectively. The export price of white pepper was at \$5,000 per ton.
- The projected pepper production in Indonesia for 2023 is expected to be approximately 55,000 tonnes, which is 10,000 tonnes lower than the 2022 crop of 65,000 tonnes. Indonesian pepper farmers are currently shifting their focus to coffee cultivation due to more favorable coffee prices, resulting in a decreased interest in pepper production. In terms of global pepper production, the estimates for 2022 indicate a total output of 537 thousand tonnes, representing a 2% decline compared to 2021. This decline can be attributed primarily to reduced production in Indonesia and Vietnam. Looking ahead, it is forecasted that global pepper production in 2023 will continue to decrease by approximately 1% compared to 2022, amounting to around 531 thousand tonnes.

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	13-Jun-23	12-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	13-Jun-23	12-Jun-23	Change
Kerala	Kochi	Arrivals	26.5	17	9.5
		Off-take	26.5	17	9.5

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			
07-06-23	3350	6112	3765	4900	3500	3600
08-06-23	3350	6112	3758	4900	3500	3600
09-06-23	3350	6112	3771	4900	3500	3600
12-06-23	3350	6154	3766	4900	3500	3600
13-06-23	3350	6154	3767	4900	3500	3600

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