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# Black Pepper Monthly Research Report

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## BLACK PEPPER

### Spot Market Recap

- Mixed sentiment was witnessed in the pepper spot market during December.
- Continuous imports from other producing countries put pressure on Indian pepper prices at higher levels.
- In the first 11 months of 2022, the value of Vietnam's pepper exports to Asia, Africa and Oceania decreased, but exports to Europe and America increased compared to the same period in 2021. In which, the proportion of pepper exports to Asia decreased from 40.24% of the total value in the first 11 months of 2021 to 35.95% in the 11 months of 2022.
- In contrast, the share of pepper exports to the European region increased from 25.71% of total value in 11 months of 2021 to 26.76% in 11 months of 2022. During this time, the export value of pepper to most key markets increased, except Germany and China.
- The share of pepper exports to the US market increased from 24.10% in 11 months of 2021 to 28.57% in 11 months of 2022, while the share of pepper exports to China decreased from 10.08% in 11 months. May 2021 down 4.54% in 11 months of 2022.
- In the first 11 months of 2022, the export value of most pepper varieties increased over the same period in 2021, except for black pepper. The share of black pepper exports decreased from 71.38% of total value in 11 months of 2021 to 65.96% in 11 months of 2022. Meanwhile, the export share of ground black pepper increased from 12.46% in 11 months of 2021 to 15.59% in 11 months of 2022, according to the latest report from the Import and Export Department (Ministry of Industry and Trade).

### Monthly Black Pepper Arrival Scenario

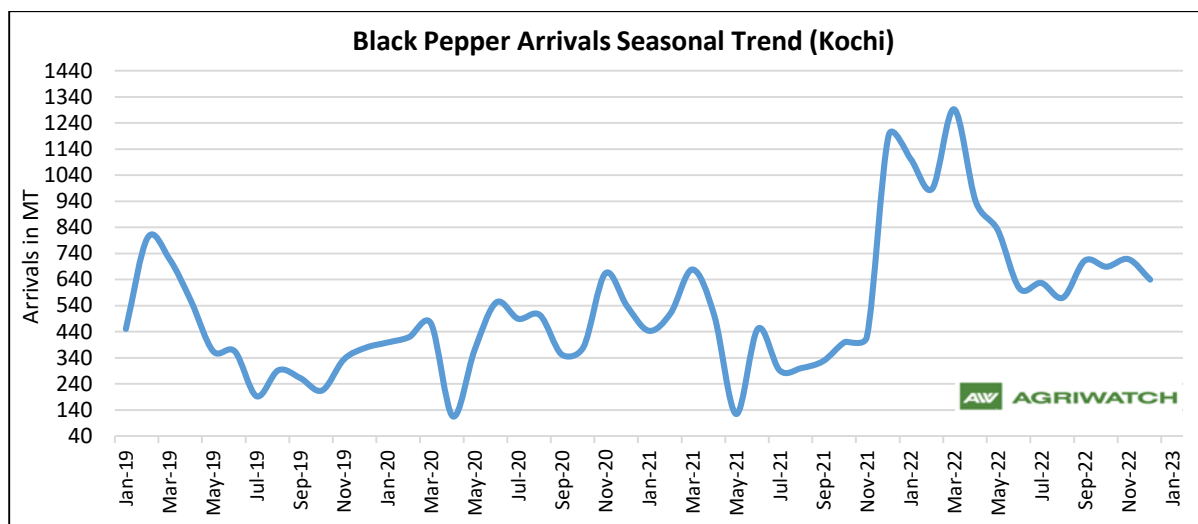
Black Pepper Arrival Scenario: (in Tons)					
State	Market	% Change Over Previous Month	Current Month	Last Month	Previous Year
			Dec.22	Nov.22	Dec.21
Kerala	Kochi	-10.93	640	718.5	1193
Total		-10.93	640	718.5	1193

Unit – Ton

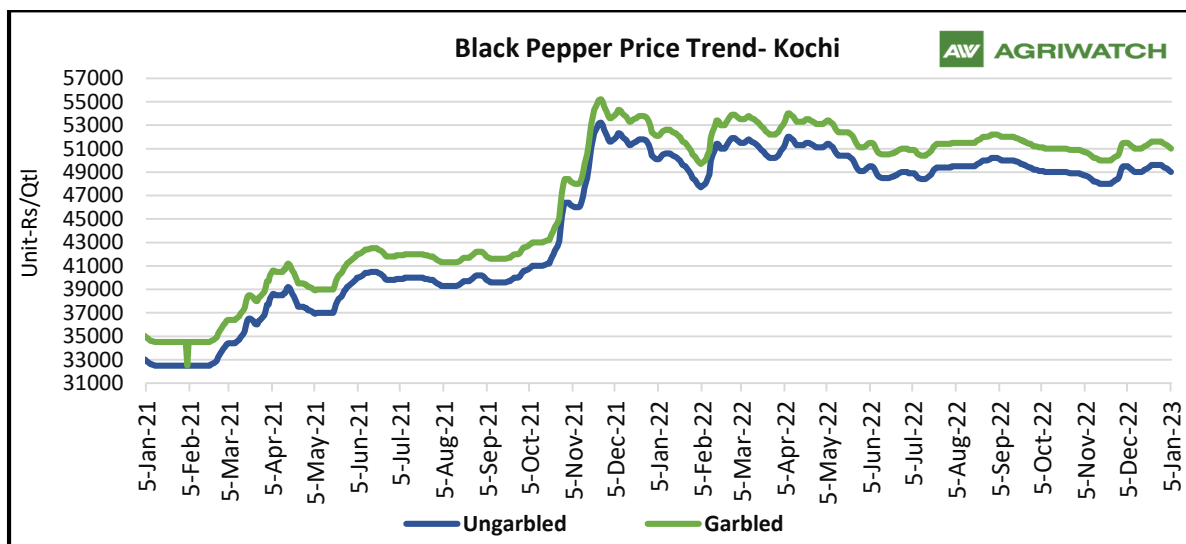
Current year, from 1st January 2022 to 31st December 2022, Black pepper supply reported 9,695 tonnes compared to last year's 5,567 tonnes, up by 74.15% as stockists and planters were releasing their stocks during the start of the year amid higher prices.

Currently, at Kochi spot market Black Pepper Garbled prices reported down by 1.91% and Ungarbled Pepper down by 1.98% as compared same period last year.

Last year, from 1st January 2021 to 31st December 2021, Black pepper supply reported 5649.5 tonnes compared to last year's 5,261 tonnes, down by 13.96%.

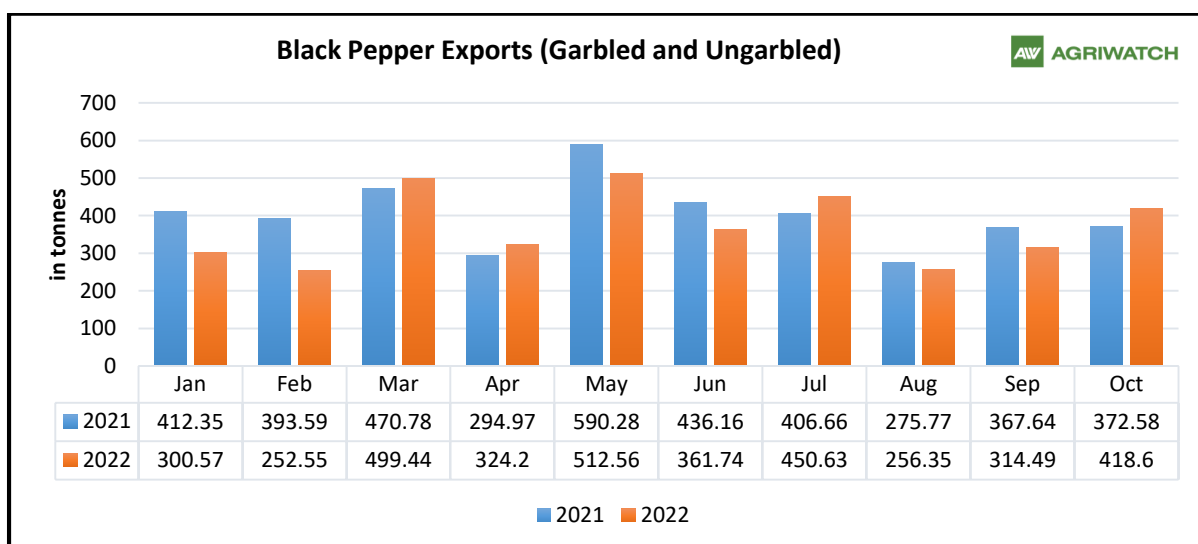


Black Pepper supply reported down in Kochi spot market in December compared to the previous month as stockists and planters were not interested to releasing their produce as spot prices reported down compared to previous year same period.



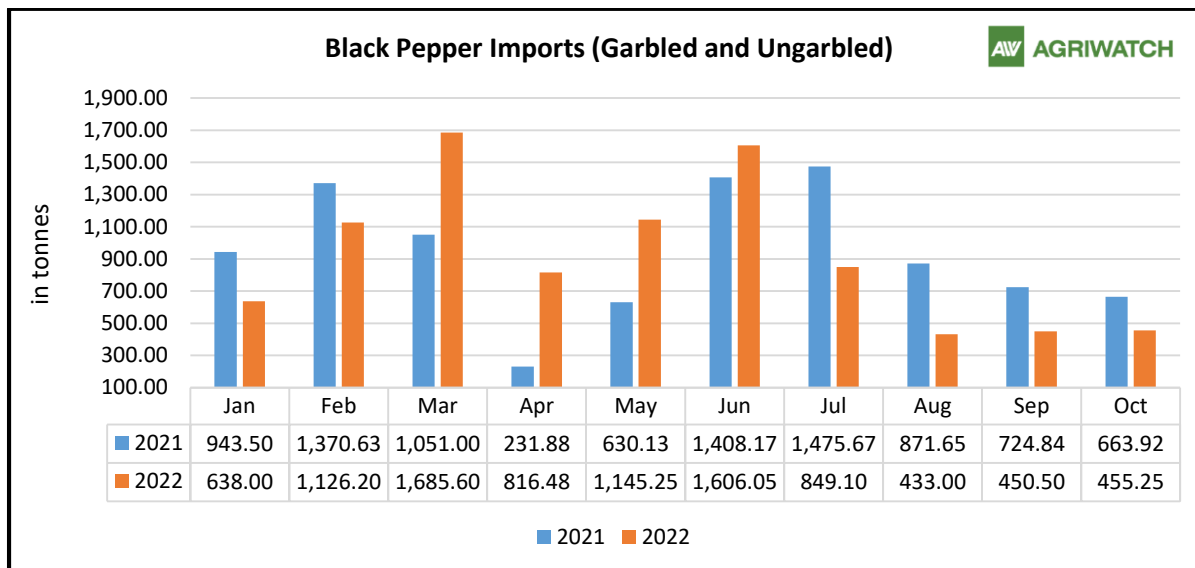
As on 05th January 2023, Black Pepper Garbled prices were at INR 51,000 per quintal marginally down by INR 500 per quintal from the same period last month in the market. Last year same period it was INR 52,100 per quintal.

### Black Pepper Export and Import Scenario



Due to lower prices in India as compared to other producing countries UAE, Sweden and France have imported from India in October 2022 resulting in increased exports from India as compared to the previous month up by 33.10%.

However overall exports in the year 2022 (Jan 22-Oct 22) reported down by 8.20% from the same period last year on decreased demand from USA, UK and other major exporting countries.



Due to higher prices in Vietnam compared to last year, India's pepper import reported lower current year. Lower domestic prices also added the sentiment.

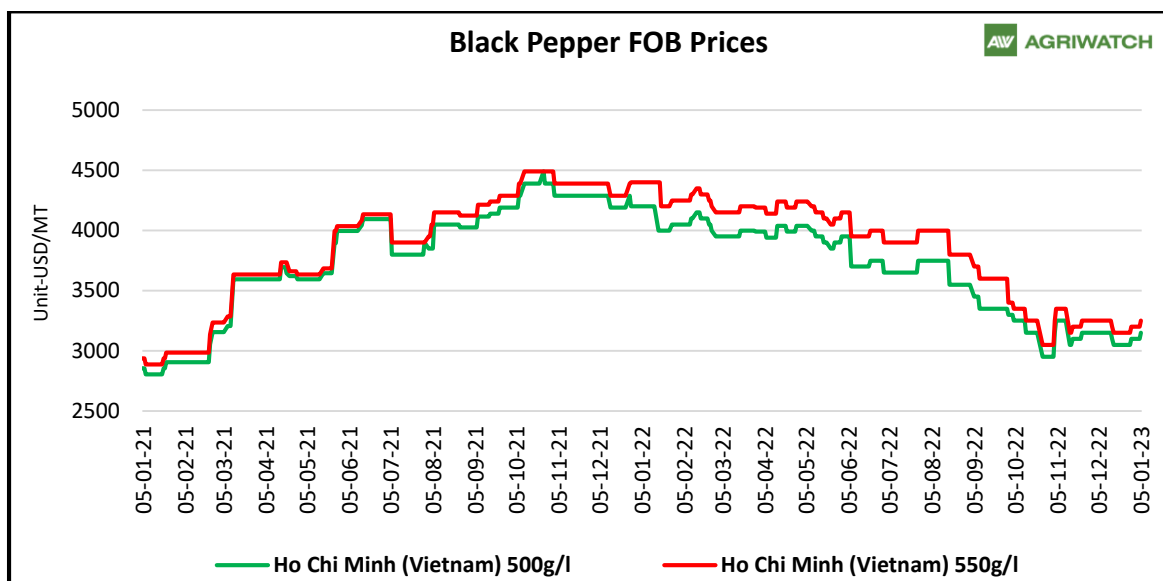
#### Black Spot Price Outlook (Kochi, Garbled)

AgriWatch expect Black pepper Garbled prices to move in a range between INR 50,500 – 52,500 per quintal for next month. AgriWatch expects buyers likely to be active from lower price levels in coming days as India's pepper demand will remain higher in international market due to good quality.

#### International Scenario

Vietnam Pepper prices as on last trade continued to move sideways in the domestic market. Currently, the provinces are purchasing pepper in the range of 57,500 - 60,000 VND/kg. In which, Gia Lai and Dong Nai provinces recorded prices of 57,500 VND/kg and 58,000 VND/kg, respectively. Next are the two provinces of Dak Lak and Dak Nong with the same price of 58,500 VND/kg. Similarly, pepper prices today in Binh Phuoc and Ba Ria - Vung Tau were flat at 59,000 VND/kg and 60,000 VND/kg, respectively.

According to statistics from the American Center for International Trade, 10 months of 2022, this country's pepper imports reached 76.11 thousand tons, down 5.4% in volume, but increased by 27.9% in value over the same period in 2021. The average import price of US pepper in the 10 months of 2022 reached \$4,990/ton, up 35.2% over the same period in 2021. In which, the average import price of US pepper increased sharply from most of the main sources, excluding China, down 2.4%, to US\$4,142/ton. In the first 10 months of 2022, US pepper imports fell sharply from the markets of Brazil and India, but increased from the markets of Vietnam, Indonesia and China.



As of 5th January 2023, Ho Chi Minh (Vietnam) 500g/l moving at 3,150 USD/MT, Ho Chi Minh (Vietnam) 550g/l moving at 3,250 USD/MT steady from last month same period.

### Spot Prices Monthly Change

Black Pepper Spot Market Prices: (Rs/Qtl)						
State	Centre	Grade	% Change Over Previous Month	Today	Week Ago	Month Ago
				31-Dec-22	30-Nov-22	31-Dec-21
Kerala	Kochi <b>Benchmark market</b>	Ungarbled	Unch	49400	49100	50400
		Garbled	Unch	51400	51100	52400
Karnataka	Chikkamagaluru	Ungarbled	-0.99	50000	50000	50500
Delhi	New Delhi	Unpolished	1.85	55000	54000	50000
		550 GL	1.87	54500	53500	52000
		Number 11.5	0.86	58500	58000	52000

Black Pepper FOB Prices (USD/MT)						
Date (W-o-W)	Brazil ASTA 570	Kochi (India) ASTA	Lampung (Indonesia) ASTA 570	Kuching (Sarawak, Malaysia) ASTA	Ho Chi Minh (Vietnam) 500g/l	Ho Chi Minh 550g/l
25/11/22	2625	6120	3789	5100	3150	3250
03/12/22	2625	6120	3852	5100	3150	3250
10/12/22	2625	6257	3819	4900	3150	3250
17/12/22	2500	-	-	4900	3050	3150
24/12/22	2500	-	-	4900	3050	3150
31/12/22	2500	-	-	4900	3100	3200
07/01/23	2550	-	-	4900	3150	3250

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