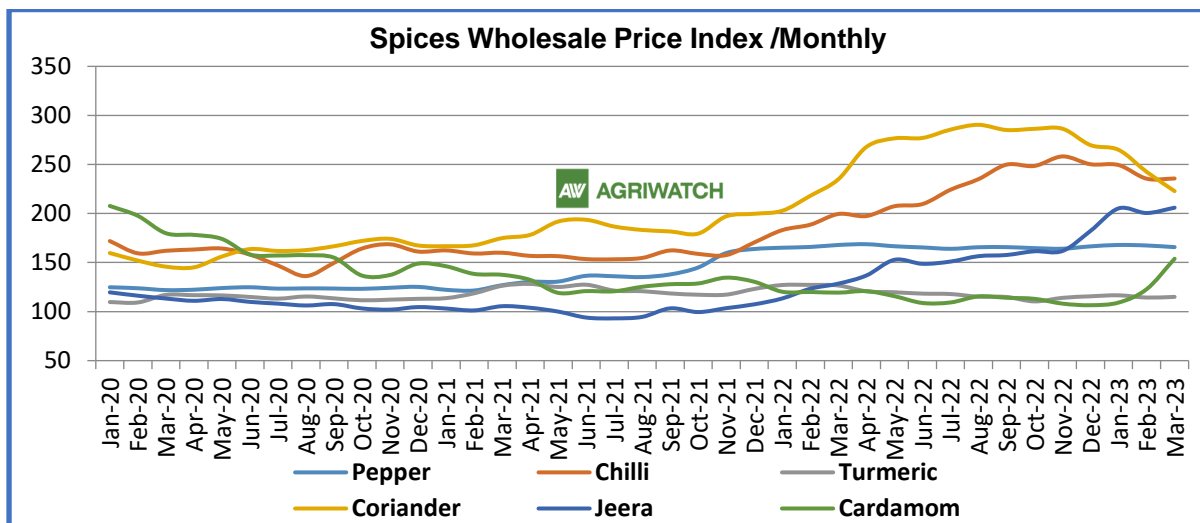




Black Pepper Monthly Research Report

AGRIWATCH

Spices Wholesale Price Index /Monthly

Months	Pepper	Chilli	Turmeric	Coriander	Jeera	Cardamom
Jan-23	167.9	249.4	116.6	264.9	205.2	109.2
Feb-23	167.4	235.5	114.3	242.5	200.5	122.8
Mar-23	165.7	235.7	115	222.8	205.9	153.9
Change Over Previous Month	-1.7	0.2	0.7	-19.7	5.4	31.1

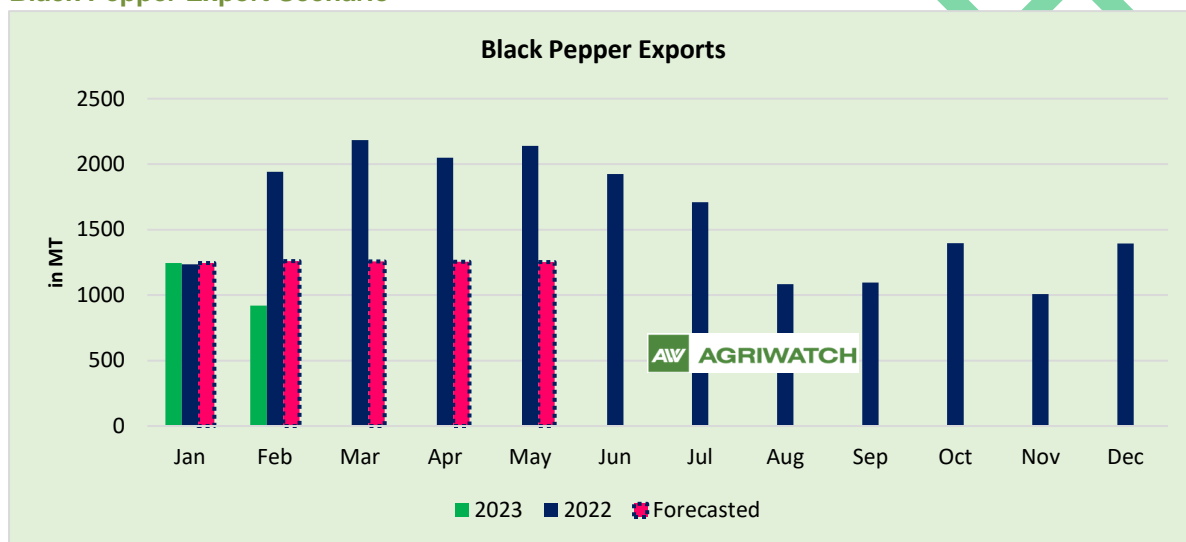
Source - MINISTRY OF COMMERCE & INDUSTRY. Base year – 2011-12

BLACK PEPPER

Spot Market Recap

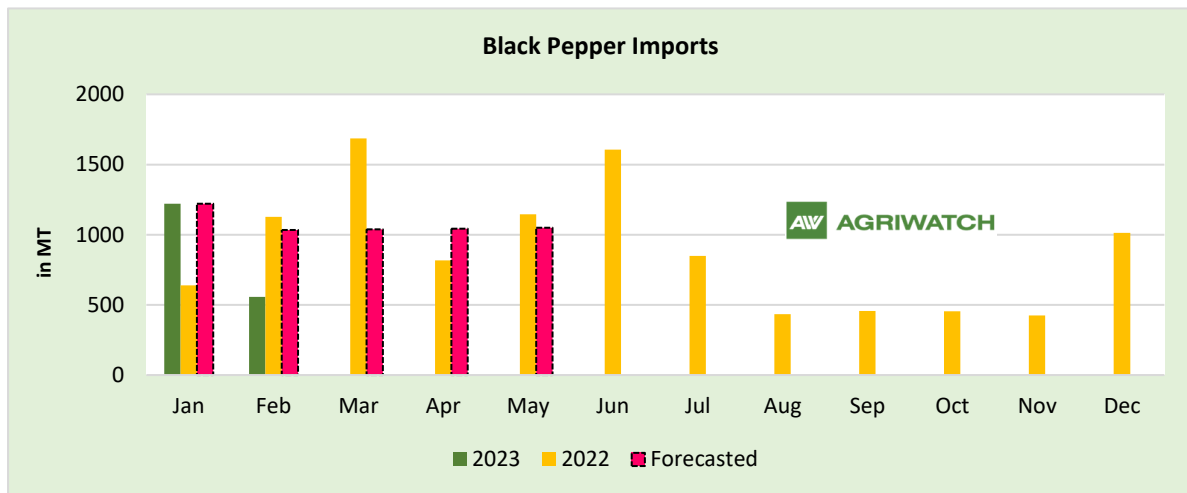
- By and large weak sentiment was witnessed in the pepper spot market during April.
- Due to higher availability of imported pepper in the domestic market put cap on prices.
- Despite the good quality of Indian Black Pepper and its demand, the export demand has decreased due to its higher price compared to other producing countries, particularly Vietnam and Brazil. Major importing countries have been fulfilling their requirements from these countries instead.
- However, we expect current year lower production in India likely to support the domestic prices. As per trade sources production down by around 10% compared to 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 Export Scenario



As we expected earlier, demand for Indian black pepper due to its high price as compared to other producing countries has declined. Hence, as per govt. data, during Feb-2023 around 920.17 MT were reported down by 26.14% from the previous month which was reported at 1,245.81 MT and 1,111.17 MT during the same period last year.

Although Black Pepper export demand has declined compared to the previous year, its demand is expected to remain normal during the current month (April) and next month, estimated to be between 1250-1300 metric tons. This is particularly for Arab countries such as the UAE and Oman, as well as Japan, Canada, and the USA, where high quality of Indian Black Pepper is preferred.



Import demand for Black Pepper in India is increasing as domestic prices are higher compared to other producing countries.

However, as per DGCI data, the import of Black Pepper (Garbled and Ungarbled) was 558 MT during Feb 2023, which decreased from 1,221 MT in Jan 2023, in which 90% was from the UAE and remaining were from the Brazil.

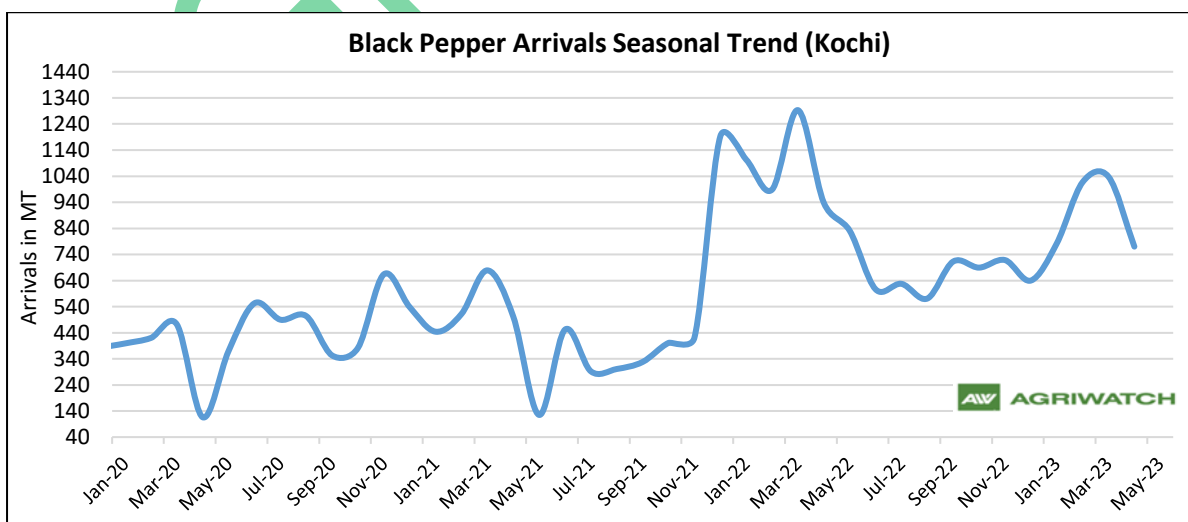
AgriWatch predicts that imports from Brazil and the UAE will continue in Apr-May 2023, crossing the 1,000 MT. Vietnam is also expected to be a significant source for imports during this period due to the high Indian price.

Monthly Black Pepper Arrival Scenario

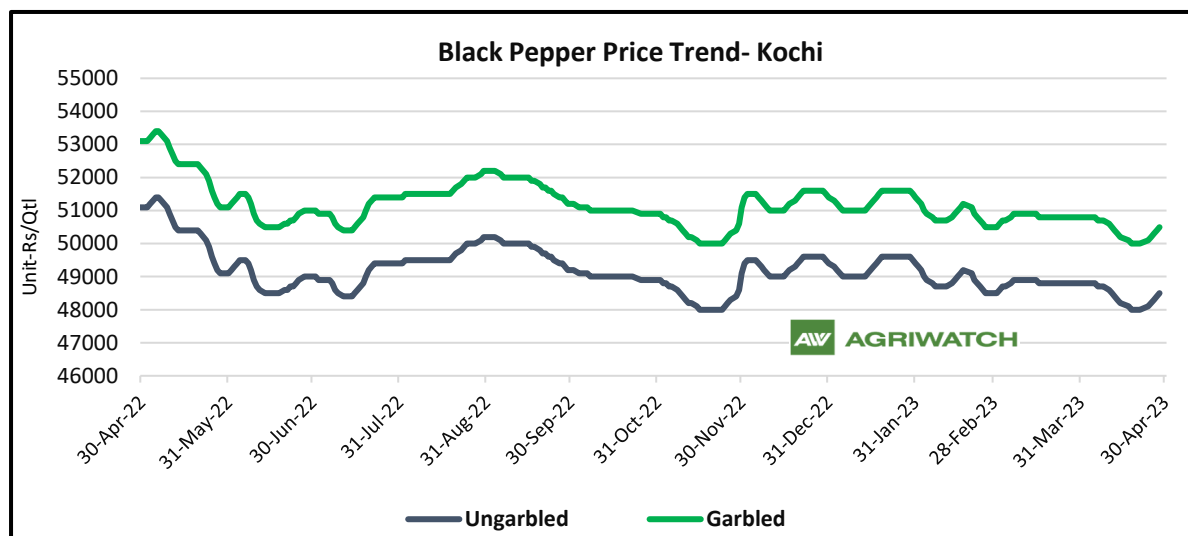
Black Pepper Arrival Scenario: (in Tons)					
State	Market	% Change Over Previous Month	Current Month	Last Month	Previous Year
			Apr.23	Mar.23	Apr.22
Kerala	Kochi	-25.82	770	1038	938
Total		-25.82	770	1038	938

Unit – Ton

During the current year (Jan-2023 to Apr-2023), arrivals in the Kochi benchmark market remained around 3,607 MT and last year same period it was 4,323 MT which is down by 16.57%.



Black Pepper supply during April reported up by almost 26% from the previous month as planters and stockists were not interested to release their stocks as spot prices are lower than last year same period.



AgriWatch expects Black Pepper (Garbled) likely to trade in a range between INR 50,500 – 52,000 per quintal for next month.

International Scenario

Domestically, the price of domestic pepper increased by 1,000 VND/kg, to 68,500 - 71,000 VND/kg. Specifically, Dak Lak and Dak Nong pepper prices today increased sharply to 69,500 VND/kg; in Gia Lai traded up to 68,500 VND/kg; in Dong Nai at 68,500 VND/kg; in Ba Ria - Vung Tau also increased sharply, touching 71,000 VND/kg; and Binh Phuoc pepper traded up to 70,500 VND/kg. According to the trade sources, with prolonged hot weather, if pepper plants are not supplied with water in time, will affect the flowering and fruiting cycle.

Vietnam Pepper price as on 5th May 2023 in the world market turned to increase slightly in Indonesia but remained flat in other countries. Accordingly, the price of Lampung black pepper in Indonesia increased slightly by 0.51% to \$3,516/ton. And the price of Muntok white pepper of this country also increased by 0.51%, at 6,093 USD/ton.

Malaysia's Kuching ASTA black pepper price remained stable at \$4,900/ton; while the country's ASTA white pepper is still priced at \$7,300/ton.

For the Brazilian market, the price of black pepper ASTA 570 is at \$2,950/ton. In Vietnam, the export price of black pepper grade 500 and 550 g/l was at 3,275 and 3,325 USD/ton, respectively. The export price of white pepper is \$4,830/ton.

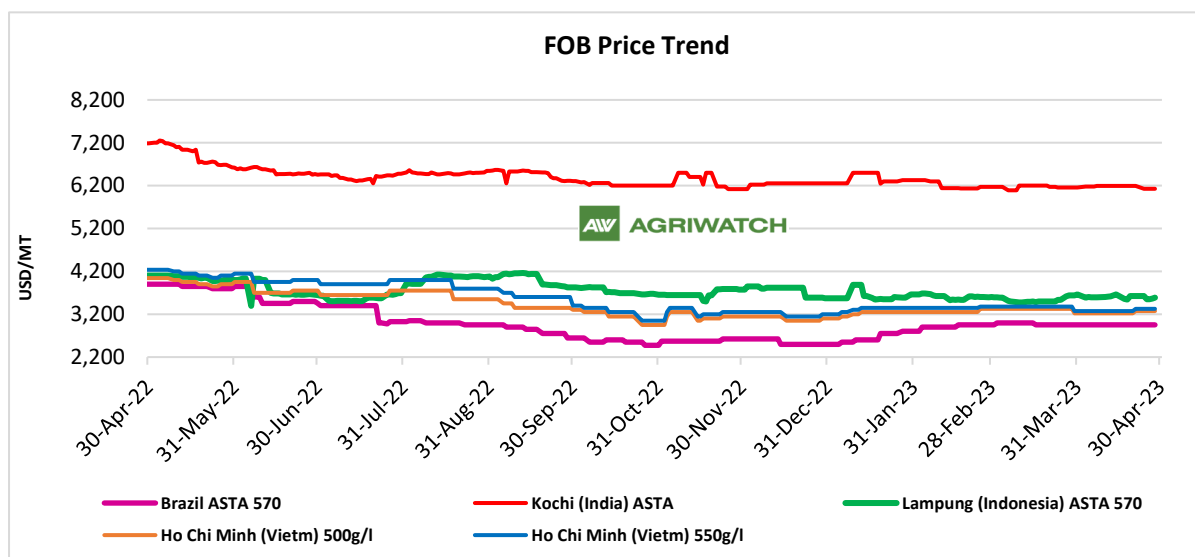
The pepper harvest in Indonesia is starting and it is estimated that the output will not be as expected due to the extreme weather and reduced planting area. Lower pepper area and output are major problems in most other major pepper producing countries in the world such as Vietnam, Brazil, etc.

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.

Black Pepper harvest season in Indonesia is witnessed between July and October each year. Adverse weather conditions have impacted the yield and quality of pepper in Indonesia. Indonesia's crop production in 2023 is anticipated to be around 48,000 tonnes, which is lower than the previous year's production of 52,000 tonnes. This may keep pepper prices internationally elevated.

World pepper production in 2023 is forecast around 539,850 Mt up from 521,000 Mt in 2022.



During the past month Ho Chi Minh (Vietnam) 500g/l opening price were reported 3,225 USD/MT while its closing price during the month is reported at 3,275 USD/MT. Ho Chi Minh (Vietnam) 550g/l opening price reported at 3,275 USD/MT and it reported closed at 3,325 USD/MT. However, Kochi (India) prices were moving at 6,182 USD/MT during the start of April while it get closed at 6,127 USD/MT due to lower demand from major exporting countries because of higher price as compared to other producing countries.

Spot Prices Monthly Change

Black Pepper Spot Market Prices: (Rs/Qtl)						
State	Centre	Grade	% Change Over Previous Month	Today 30-Apr-23	Week Ago 31-Mar-23	Month Ago 30-Apr-22
Kerala	Kochi Benchmark market	Ungarbled	-0.41	48600	48800	51100
		Garbled	-0.39	50600	50800	53100
Karnataka	Chikkamagaluru	Ungarbled	1.04	48500	48000	Closed
Delhi	New Delhi	Unpolished	--	NA	55000	54000
		550 GL	-3.64	53000	55000	56000
		Number 11.5	-5.17	55000	58000	56000

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
03/04/23	2950	6182	3584	4900	3225	3275
10/03/23	2950	6191	3605	4900	3225	3275
17/03/23	2950	6192	3560	4900	3225	3275
24/03/23	2950	6127	3550	4900	3275	3325
02/05/23	2950	6129	3499	4900	3275	3325



Black Pepper – Technical Outlook

Kochi Garbled Spot Prices - Monthly time frame

Technical Chart:



Technical Commentary:

- During the month under review, Black Pepper prices closed to 50,800 levels and high of 50,800.
- RSI at 49 indicating bullish sentiment.
- MACD is crossing the signal line indicating improved buying strength.

S2	S1	PCP	R1	R2
49800	50000	50800	52200	52500
Call	Entry	T1	T2	SL
Buy	Above 50800	51500	52000	50000

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