

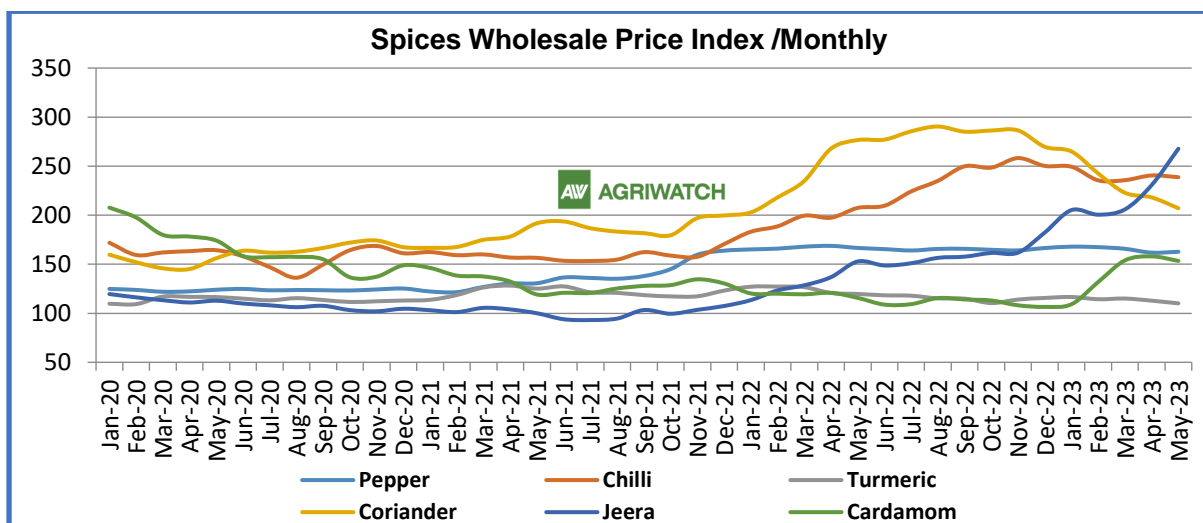


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# Black Pepper Monthly Research Report

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AGRIWATCH

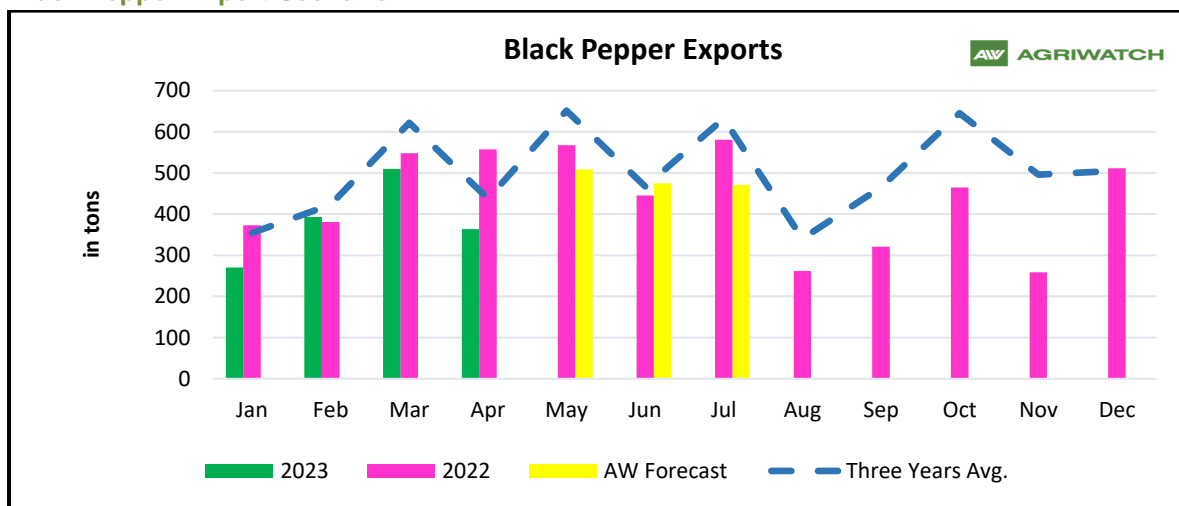
Spices Wholesale Price Index /Monthly

Months	Pepper	Chilli	Turmeric	Coriander	Jeera	Cardamom
Mar-23	165.7	235.7	115	222.8	205.9	153.9
Apr-23	161.8	240.5	112.8	218.1	230.7	158
May-23	162.7	238.7	110.1	207.1	267.7	153.4
Change Over Previous Month	0.9	-1.8	-2.7	-11.0	37.0	-4.6

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

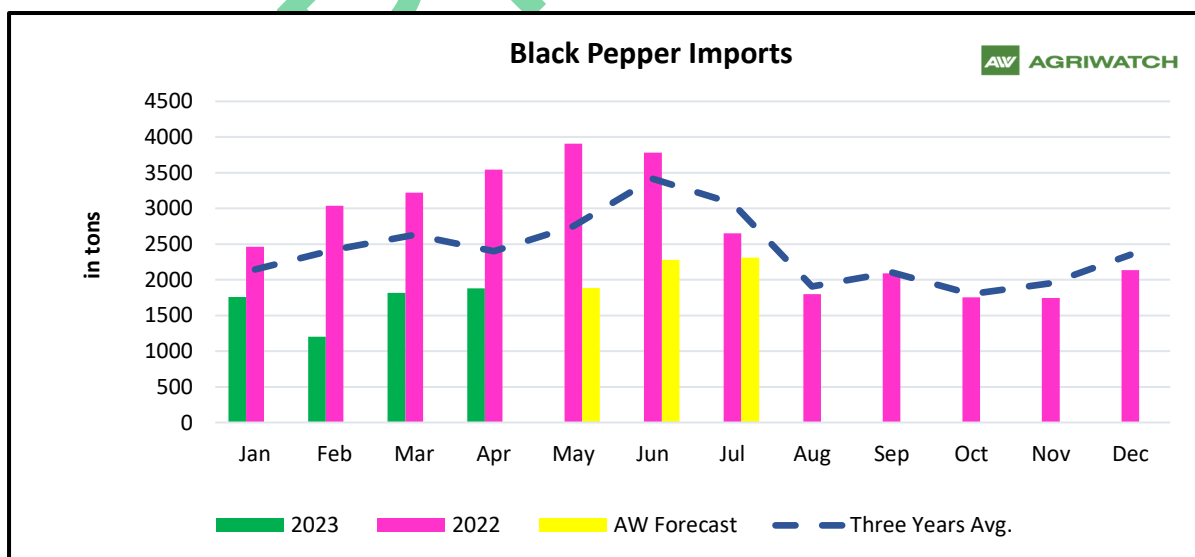
**BLACK PEPPER****Spot Market Recap**

- Steady to weak sentiment was witnessed in the pepper spot market during June.
- Buyers were buying as per their requirement only due to higher market price as a result, prices went down during the month with normal supply in the market on an average basis.
- Demand for good quality black pepper in the export market would likely keep the prices in a stable range in the upcoming month.
- However, it is expected that planters and stockists will refrain from releasing their stocks in large quantities to maintain prices at comfortable levels.

**Black Pepper Export Scenario**

As per latest Govt. data, during April-2023 around 363.83 MT were reported down by 28.69% from the previous month which was reported at 510.25 MT mainly due to its higher price as compared to the other producing countries despite of good quality.

Black Pepper export demand has declined compared to the previous year, its demand is expected to remain normal during the upcoming month (July) 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. As per govt. data, the import of Black Pepper was 1,881.57 MT during April 2023, which increased from 1,818 MT in Mar 2023, mainly from the Brazil and Vietnam only.

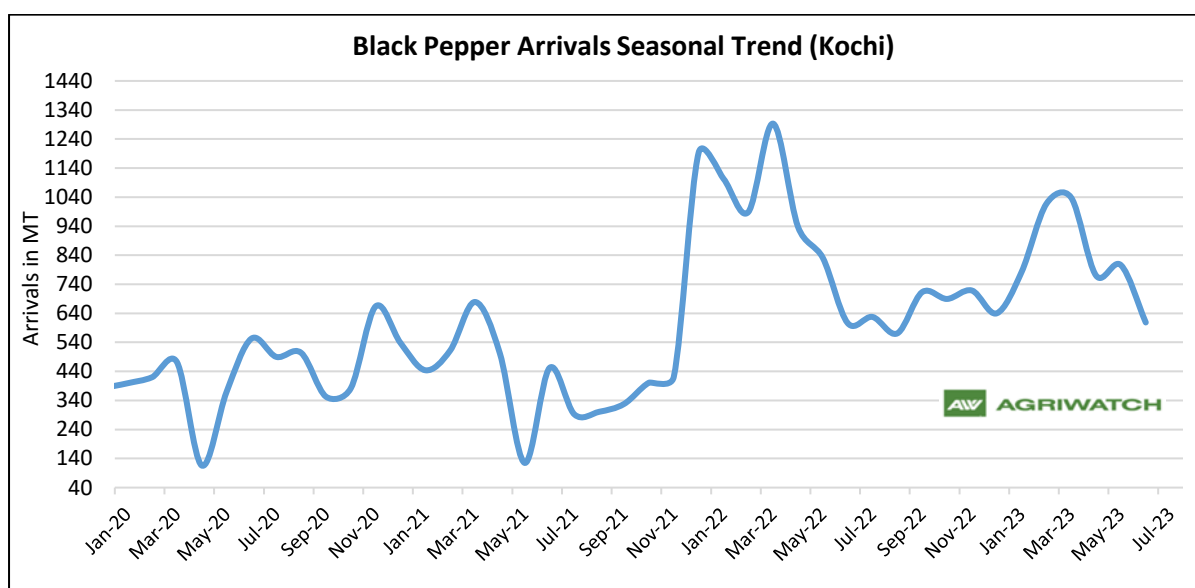
AgriWatch predicts that imports from Brazil and the Vietnam will continue in July 2023 as well. Vietnam is also expected to be a significant source for imports during this period due to the high Indian price.

### Monthly Black Pepper Arrival Scenario

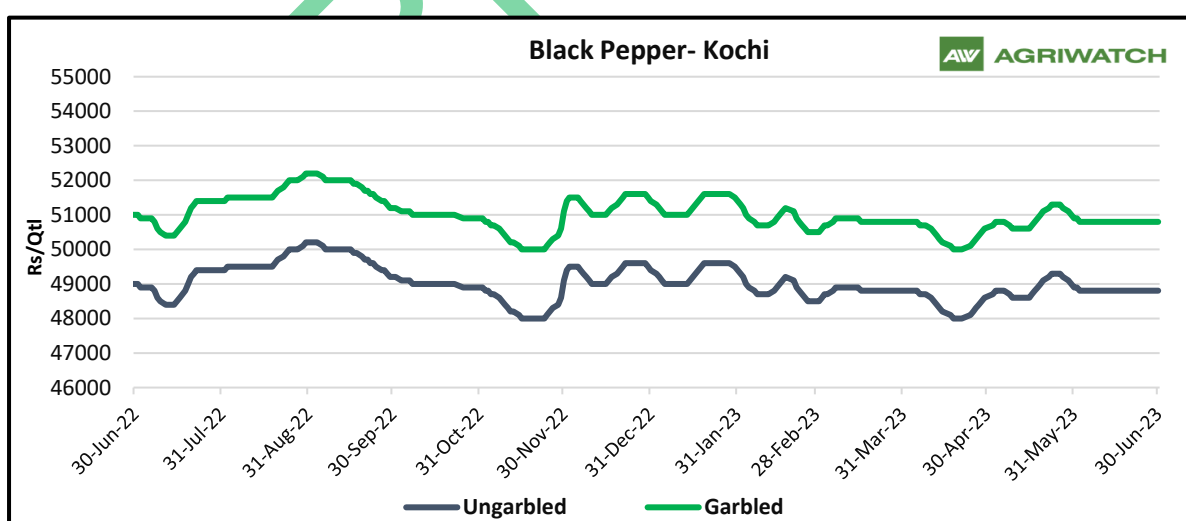
Black Pepper Arrival Scenario: (in Tons)					
State	Market	% Change Over Previous Month	Current Month	Last Month	Previous Year
			June.23	May.23	June.22
Kerala	Kochi	-24.50	608.5	806	606.5
Total		-24.50	608.5	806	606.5

Unit – Ton

During the first six months of the current year (Jan-2023 to Jun-2023), arrivals in the Kochi benchmark market remained around 5,022 MT and last year same period it was 5,760 MT which is down by 12.82%.



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 – 52,500 per quintal for next month.

### International Black Pepper Updates

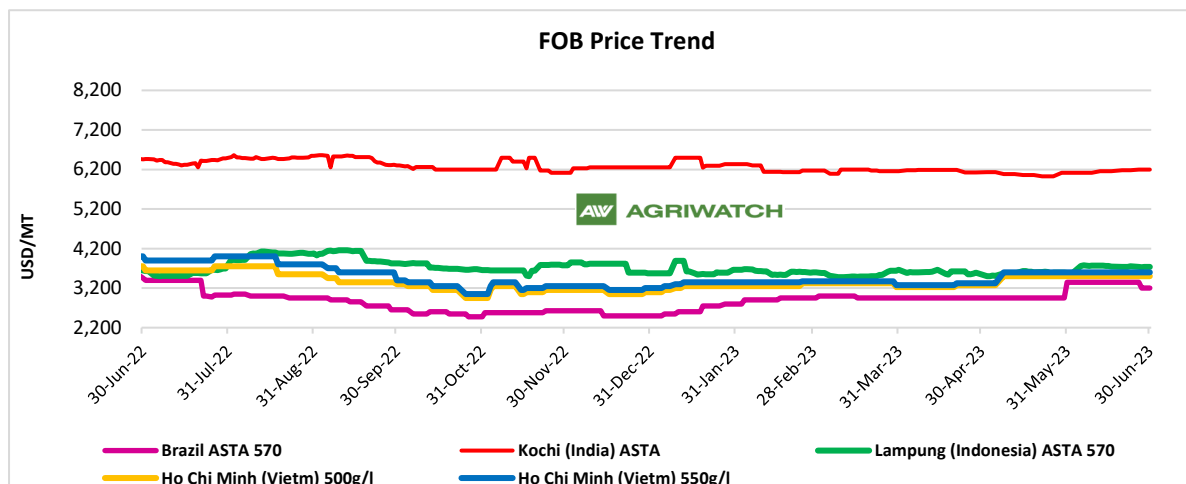
- The global pepper market continues to encounter challenges due to a slowdown in consumption demand in major economies such as the EU, United States, United Kingdom, and Japan.
- Global Pepper Production:** - According to the IPC's report, the estimated global pepper

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.
- **Global Pepper Output Expected to Decrease in 2023:** - 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 favourable 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.
- **Vietnam Pepper Harvest Concludes with Strong Output Growth:** - 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.
- 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.
- **Vietnam Pepper Harvest Concludes with Strong Output Growth:** - 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.
- **China's Pepper Imports Decline by 22.8% in the First Four Months of 2023:** - According to statistics from China Customs, China imported a total of 2,317 tonnes of pepper from January to April 2023, which was down 22.8% compared to the same period last year.

**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
29/05/23	2950	6112	3588	4900	3500	3600
05/06/23	3350	6112	3762	4900	3500	3600
12/06/23	3350	6154	3766	4900	3500	3600
19/06/23	3350	6183	3739	4900	3500	3600
26/06/23	3350	6198	3735	4900	3500	3600



During the past month Ho Chi Minh (Vietnam) 500g/l opening price were reported 3,500 USD/MT and Ho Chi Minh (Vietnam) 550g/l opening price reported at 3,600 USD/MT which remained stable throughout the month due to its good demand in the global market.

However, Kochi (India) prices were moving at 6,112 USD/MT during the start of June while it get closed at 6,198 USD/MT due to increased demand from major exporting countries because of good quality which pushes the prices during the month.

#### Spot Prices Monthly Change

Black Pepper Spot Market Prices: (Rs/Qtl)						
State	Centre	Grade	% Change Over Previous Month	Today 30-June-23	Week Ago 31-May-23	Month Ago 30-June-22
Kerala	Kochi Benchmark market	Ungarbled	-0.20	48800	48900	49000
		Garbled	-0.20	50800	50900	51000
Karnataka	Chikkamagaluru	Ungarbled	-1.98	49500	50500	49500
Delhi	New Delhi	Unpolished	--	NA	NA	53500
		550 GL	Unch	54000	54000	54500
		Number 11.5	Unch	56000	56000	54500

## Black Pepper – Technical Outlook

## Kochi Garbled Spot Prices - Weekly time frame

### Technical Chart:



### Technical Commentary:

- During the month under review, Black Pepper prices opened at 50,800 levels and closed at 51,200 levels.
- RSI oscillator is above 60 since last few months indicating consistent buying strength.
- MACD is at signal line indicating steady momentum in the market.

S2	S1	PCP	R1	R2
50000	50300	51200	52600	52800
Call	Entry	T1	T2	SL
Buy	Above 51200	52000	52500	50300

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