
Black Pepper Weekly Research Report

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BLACK PEPPER

Spot Market Recap

- Steady to weak sentiment reported in the Black Pepper spot market during the past week.
- Continuous imports from other producing countries put pressure on Indian pepper prices at higher levels due to which planters and stockists were continuously releasing their stocks during the past week.
- AgriWatch expects buyers likely to be active from lower price levels as India's pepper production is estimated to be lower. As per current situations, AgriWatch expects India's pepper production for 2021-22 likely to go down by 8 to 10% compared to last year. Last year (2020-21) India's Pepper production was 62,000 MT.
- 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).

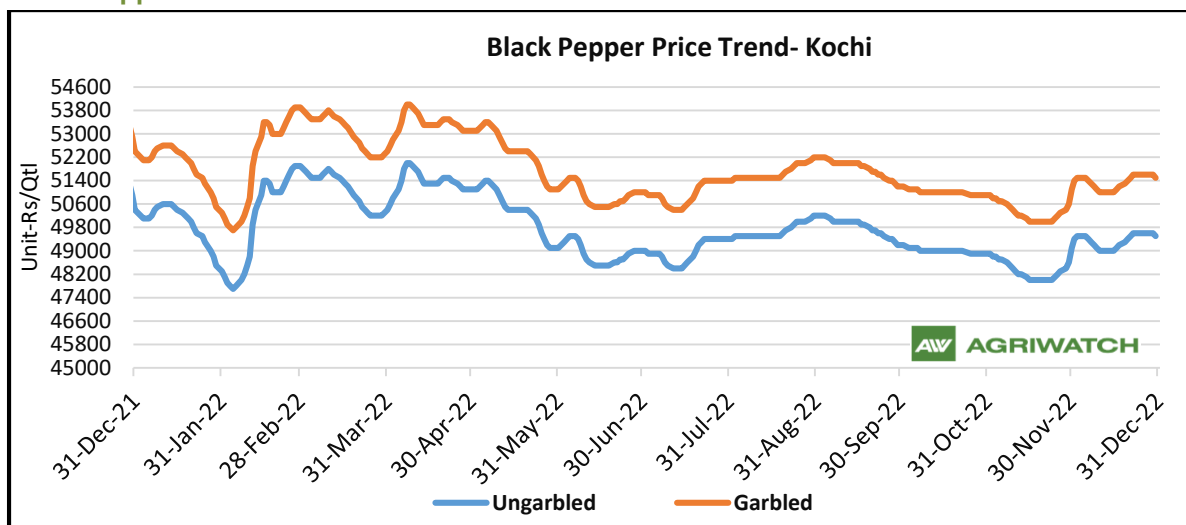
Fundamental Analysis

Black Pepper Arrival Scenario: (in Tons)					
State	Market	% Change Over Previous Week	Today	Week Ago	Year Ago
			24th Dec to 30th Dec 2022	17th Dec to 23rd Dec 2022	24th Dec to 30th Dec 2021
Kerala	Kochi	42.57	177.5	124.5	335
Total		42.57	177.5	124.5	335

Current year, from 1st January 2022 to 30th 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 this year amid higher prices.

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 Price Trend



As on 30th December 2022, Black Pepper Garbled prices were at INR 51,400 per quintal and Ungarbled prices were at INR 49,400 per quintal, down by INR 200 per quintal during the past week.

Black Pepper Spot Price Outlook (Kochi, Garbled)

AgriWatch expects Black Pepper (Garbled) likely to trade in a range between INR 51,000 – 52,000 per quintal for next week.

Black Pepper Export and Import Scenario

India continued to import Black Pepper from Vietnam and Brazil as a result of which imports reported at 450.50 MT, up by 4.04% in September 2022 from the previous month and overall imports during the current year also reported marginally up by 0.40% from the same period last year.

Due to decreased demand from USA, UK and other countries, its exports reported down during the current year by 10.29% from the same period last year (including Garbled and Ungarbled). However, in September 2022 exports is up by 22.68% from the previous month and recorded at 314.49 MT on some new demand from Malaysia and Sweden.

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.

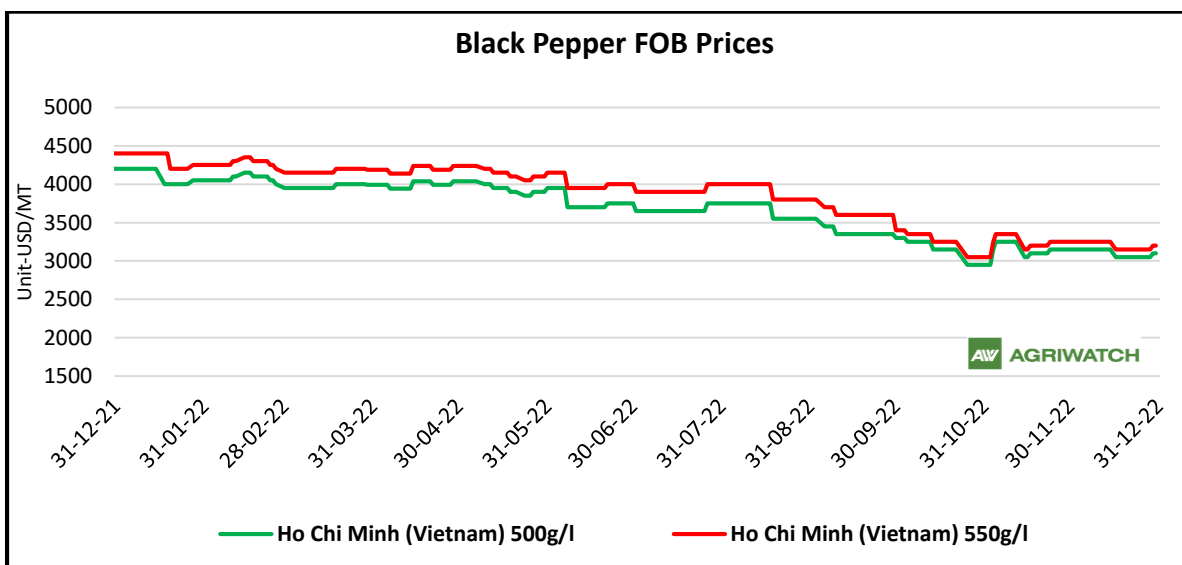
Black Pepper Spot Prices Weekly Change, Loose Prices (Rs/Qtl)

State	Centre	Grade	% Change Over Previous Week	Today	Week Ago	Month Ago	Year Ago
				30-Dec-22	23-Dec-22	30-Nov-22	30-Dec-21
Kerala	Kochi Benchmark market	Ungarbled	-0.20	49500	49600	49100	50900
		Garbled	-0.19	51500	51600	51100	52900
Karnataka	Chikkamagaluru	Ungarbled	-0.99	50000	50500	50000	51000
Delhi	New Delhi	Unpolished	Unch	55000	55000	54000	50000
		550 GL	Unch	54500	54500	53500	52000
		Number 11.5	Unch	58500	58500	58000	52000

Black Pepper FOB Prices (USD/MT)

Date	Brazil ASTA 570	ex Kochi (India) ASTA	Lampung (Indonesia) ASTA 570	Kuching (Sarawak, Malaysia) ASTA	Ho Chi Minh (Vietnam) 500g/l	Ho Chi Minh 550g/l
23-12-22	2500	NA	NA	4900	3050	3150
26-12-22	2500	NA	NA	4900	3050	3150
27-12-22	2500	NA	NA	4900	3050	3150
28-12-22	2500	NA	NA	4900	3050	3150
29-12-22	2500	NA	NA	4900	3100	3200
30-12-22	2500	NA	NA	4900	3100	3200

Black Pepper FOB Prices



As on 30th December 2022, Ho Chi Minh (Vietnam) 500g/l moving at 3,100 USD/MT, Ho Chi Minh (Vietnam) 550g/l moving at 3,200 USD/MT up by 50 USD/MT from last week same period.

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