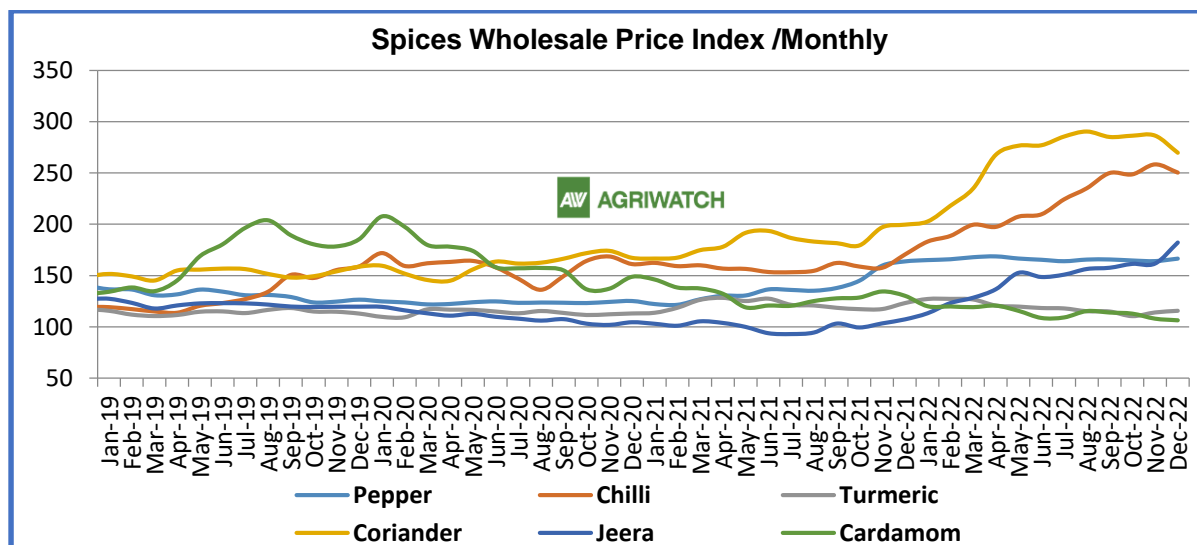

Black Pepper Weekly Research Report

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Months	Pepper	Chilli	Turmeric	Coriander	Jeera	Cardamom
Oct-22	164.7	248.5	110.4	286.3	161.5	113
Nov-22	164.1	258.2	114	286.4	161.8	108.1
Dec-22	166.5	250.2	115.6	269.7	182.3	106.5
Change Over Previous Month	2.4	-8.0	1.6	-16.7	20.5	-1.6

BLACK PEPPER

Spot Market Recap

- Mixed sentiment reported in the Black Pepper spot market during the past week.
- Current year lower production in India supported 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.*
- *In 2022, Vietnam exported 231,988 tons of pepper of all kinds, of which black pepper reached 201,995 tons, white pepper reached 29,993 tons. Pepper export compared to 2021, pepper exports decreased by 12%, equivalent to 31,704 tons.*
- In 2022, global pepper demand will decrease due to high inflation and China's "Zero COVID" policy. However, the pepper price in 2022 is higher than in 2021, leading to an increase in the value of imports from many markets. It is forecasted that in the short term, pepper imports of the German, British and French markets will remain low.
- Europe is facing an energy crisis, causing high inflation and economic decline. In the long term, the demand for pepper in Europe will increase again when the problems of energy and inflation are resolved, which will have a positive impact on Vietnam's pepper industry.
- Sources revealed that, Vietnam's pepper industry needs to build and develop production areas, complying with good agricultural practices and international standards. At the same time, it is necessary to strengthen control and minimize the use of pesticides in pepper production, in order to create pepper products that meet the requirements of the European market.
- It is forecasted that in 2023, Vietnam's pepper exports will continue to face difficulties in the context of world prices under pressure due to low consumption demand. Pepper demand will drop sharply in the first quarter of 2023 with a very difficult winter in the EU region, due to the energy crisis.
- China's pepper import demand has not been able to break through strongly, although China has relaxed its "Zero COVID" policy. It is expected that until the beginning of the second quarter of 2023, the purchasing power of the Chinese market can increase again.

Fundamental Analysis

Black Pepper Arrival Scenario: (in Tons)					
State	Market	% Change Over Previous Week	Today	Week Ago	Year Ago
			14th Jan to 20th Jan 2023	7th Jan to 13th Jan 2022	14th Jan to 20th Jan 2022
Kerala	Kochi	25.78	180.5	143.5	263
Total		25.78	180.5	143.5	263

During the current year (1st Jan-2023 to 20th Jan-2023), around 478 MT were reported which is down by 32.20% from the same period last year due to comparatively lower prices in the current season, planters and stockists are releasing their stocks on getting better prices only.

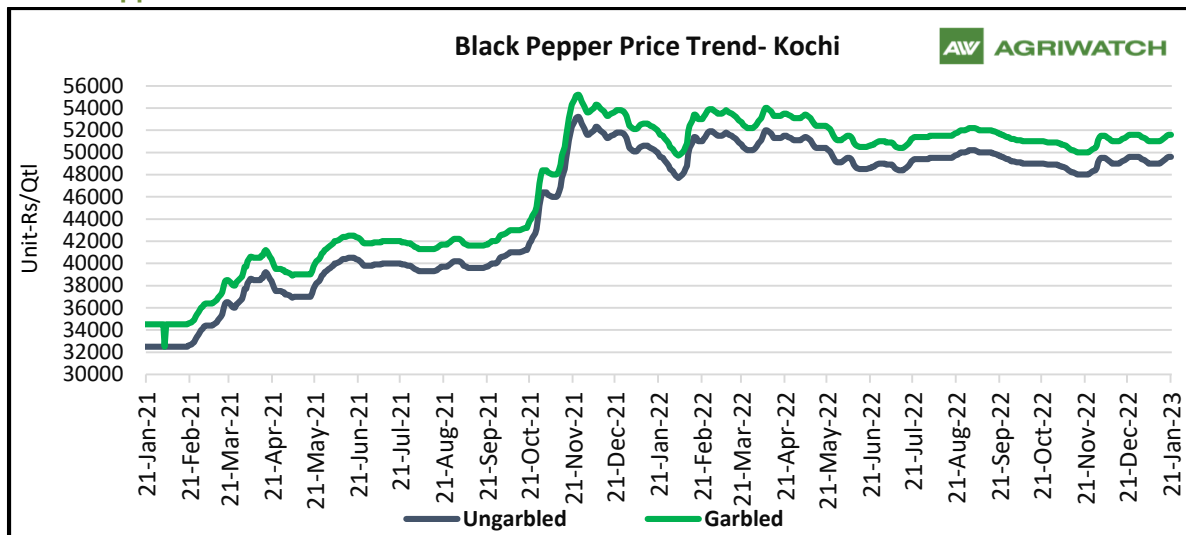
Last year, from 1st January 2022 to 31st December 2022, Black pepper supply reported 9,695 tonnes compared to last year's 5,567 tonnes, up by 74.15% as stockists and planters were releasing their stocks during the start of the year amid higher prices.

Black Pepper Export and Import Scenario

During the month (November 2022), **Black Pepper exports** (Garbled and Ungarbled) reported at 255.06 MT, down by 39.07% from the previous month. Overall exports (Jan 2022 to Nov 2022) were reported at 3,946 MT down by 11.55% from the same period last year as Brazil's higher production and comparatively lower prices from India has continued to affect its exports during the year.

Its **imports** during the month were recorded at 424.25 MT, down by 6.81% from the previous month and the overall imports (Jan 2022 to Nov 2022) were reported at 9,630 MT marginally down by 2.89% from the same period last year. The major reason for the decrease in the export and import of Black Pepper is mainly due to a decrease in demand and China's zero Covid policy has also affected the same.

Black Pepper Price Trend



As on 20th January 2023, Black Pepper Garbled prices were trading at INR 51,600 per quintal up by INR 600 per quintal from the previous week on winter season demand in the domestic market. Last year same period it was INR 52,000 per quintal.

Black Pepper Spot Price Outlook (Kochi, Garbled)

AgriWatch expects Black Pepper (Garbled) likely to trade in a range between INR 50,900 – 52,200 per quintal for next week.

International Scenario

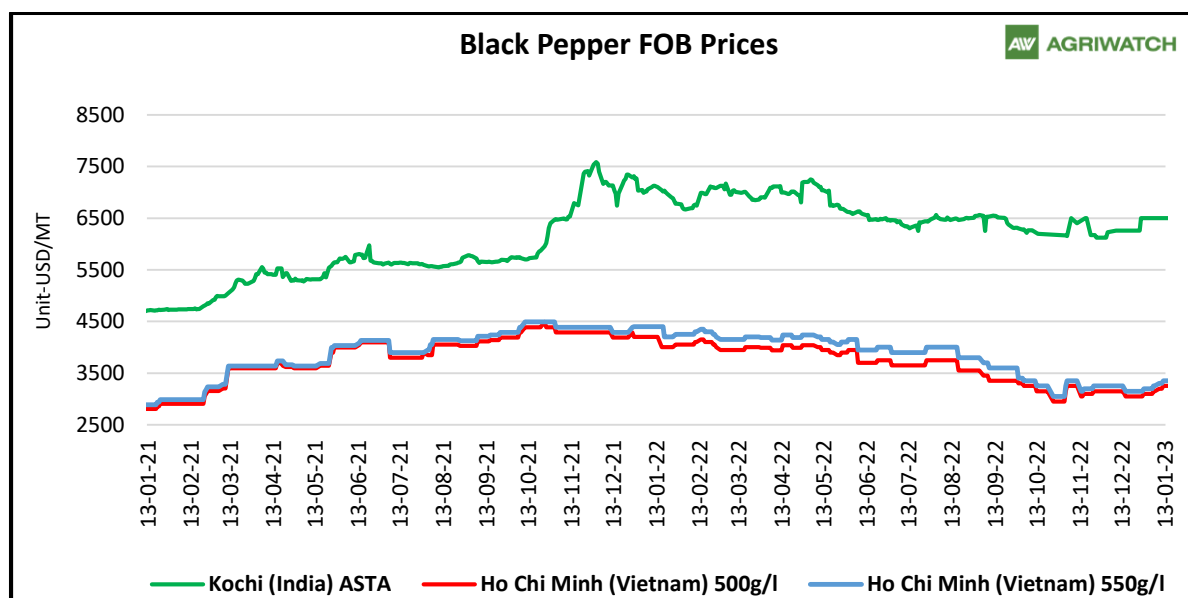
Vietnam Pepper price as on last trade fluctuates between 56,000 - 59,000 VND/kg. Last week, the pepper market tended to go down. Compared to the beginning of the week, the key provinces recorded a decrease of 1,000 VND/kg. The lowest price is currently 56,000 VND/kg recorded in Gia Lai province. Next are the three provinces of Dak Lak, Dak Nong and Dong Nai with the same level of 57,000 VND/kg. Pepper prices in Binh Phuoc and Ba Ria - Vung Tau at the weekend were at 58,000 VND/kg and 59,000 VND/kg, respectively.

World pepper price increased in many places, in which Brazilian pepper increased sharply. In Indonesia, Lampung black pepper price increased slightly by 0.08%, to \$3,549/ton. And the price of Muntok white pepper of this country is increasing 0.11%, to 6,111 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 increased sharply by 5.45%, to 2,750 USD/ton. In Vietnam, the export price of black pepper 500g/l and 550g/l remained at \$3,250-3,350/ton. And the price of white pepper is 4,750 USD/ton.

Black Pepper Spot Prices Weekly Change, Loose Prices (Rs/Qtl)							
State	Centre	Grade	% Change Over Previous Week	Today	Week Ago	Month Ago	Year Ago
				20-Jan-23	13-Jan-23	20-Dec-22	20-Jan-22
Kerala	Kochi Benchmark market	Ungarbled	1.22	49600	49000	49400	50000
		Garbled	1.18	51600	51000	51400	52000

Karnataka	Chikkamagaluru	Ungarbled	-1.96	50000	51000	51000	49000
Delhi	New Delhi	Unpolished	Unch	55000	55000	55000	52500
		550 GL	Unch	54500	54500	54500	55000
		Number 11.5	Unch	58500	58500	58500	55000

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
12-01-23	2600	6500	3889	4900	3200	3300
13-01-23	2600	6500	3626	4900	3200	3300
16-01-23	2600	6500	3577	4900	3200	3300
17-01-23	2600	6500	3546	4900	3250	3350
18-01-23	2600	6500	3549	4900	3250	3350
19-01-23	2750	6246	3555	4900	3250	3350
20-01-23	2750	6295	3553	4900	3250	3350



As of 20th January 2023, Ho Chi Minh (Vietnam) 500g/l moving at 3,250 USD/MT, Ho Chi Minh (Vietnam) 550g/l moving at 3,350 USD/MT steady from last week same period. However, Kochi (India) prices were moving at 6,246 USD/MT down by 254 USD/MT due to weak demand of Indian pepper in the international market (as prices are trading at higher levels as compared to other producing countries).

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