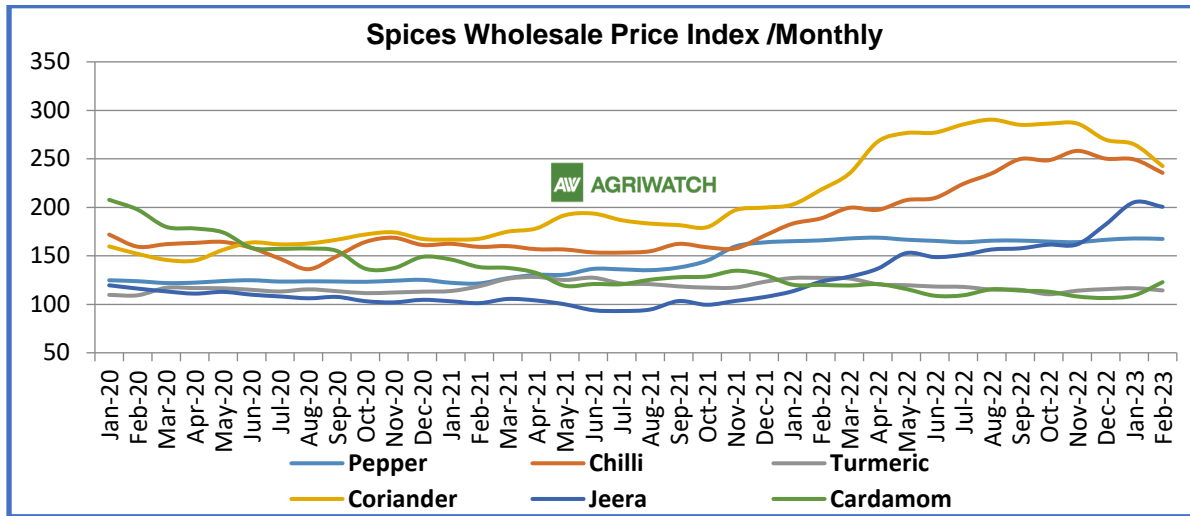

Black Pepper Weekly Research Report

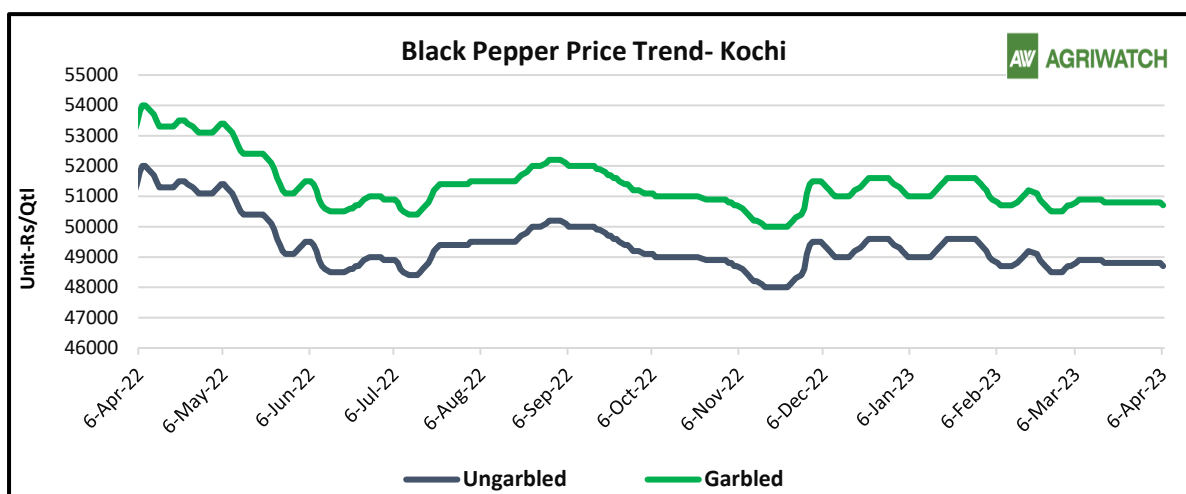
Spices Wholesale Price Index /Monthly



Months	Pepper	Chilli	Turmeric	Coriander	Jeera	Cardamom
Dec-22	166.5	250.2	115.6	269.7	182.3	106.5
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
Change Over Previous Month	-0.5	-13.9	-2.3	-22.4	-4.7	13.6

FUNDAMENTAL ANALYSIS

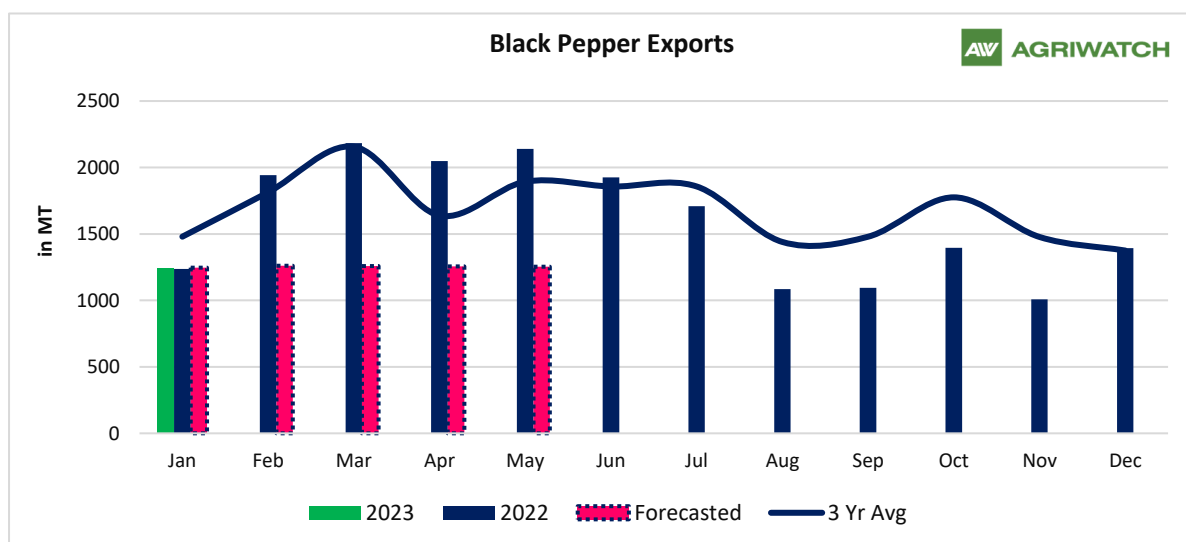
BLACK PEPPER



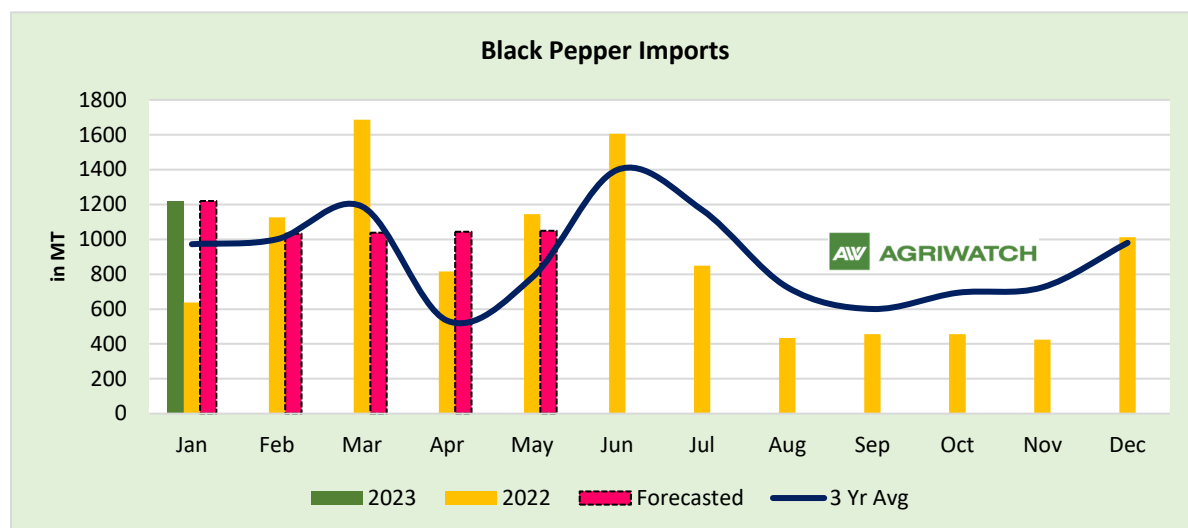
- Sideways movement was witnessed in the pepper spot market during the week under review.
- Increased pepper supply reported in the spot market put cap on prices. Stockists and Planters were releasing some quantity of stocks due to fear of further correction in prices.
- Despite the good quality of Indian 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.
- Due to higher domestic price compared to other producing countries like Vietnam and Brazil, who are offering it at a relatively lower price, thus attracting major importers.
- Agriwatch predicts, if the price range remains high, the export demand in the coming month will continue to be low.

Outlook: -

AgriWatch expects Black Pepper (Garbled) likely to move in a steady note between INR 50,400 – 51,300 per quintal for next week.



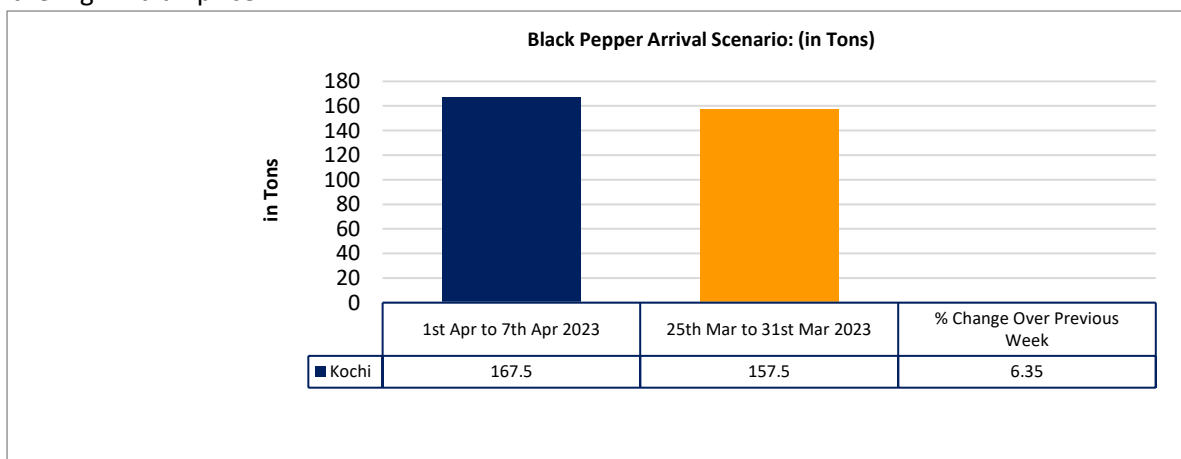
Although Black Pepper export demand has declined compared to the previous year, its demand is expected to remain normal during the current month (April) and next month, estimated to be between 1250-1300 metric tons. This is particularly for Arab countries such as the UAE and Oman, as well as Japan, Canada, and the USA, where the demand of 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 DGCI data, the import of Ungarbled Black Pepper was 484.21 MT during Jan-Dec 2022, which increased to 774.12 MT in Jan 2023, mainly from the UAE. Garbled Black Pepper demand from Brazil remained steady at 446.55 MT during the month.

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.



- There has been an 6.35% increase in the arrivals of Black Pepper in the Kochi benchmark market compared to the previous week, attributed to the proactive approach of planters and stockists who are releasing their stocks in response to favorable market conditions and the prospect of profitable sales.
- Agriwatch expects, the supply pressure to increase on good production.

Black Pepper Spot Prices Weekly Change, Loose Prices (Rs/Qtl)							
State	Centre	Grade	% Change Over Previous Week	Today 07-Apr-23	Week Ago 31-Mar-23	Month Ago 07-Mar-23	Year Ago 07-Apr-22
Kerala	Kochi Benchmark market	Ungarbled	-0.20	48700	48800	48900	52000
		Garbled	-0.20	50700	50800	50900	54000
Karnataka	Chikkamagaluru	Ungarbled	--	49500	48000	49500	53500
Delhi	New Delhi	Unpolished	--	Closed	55000	55000	57000
		550 GL	-1.82	54000	55000	54500	59000
		Number 11.5	-3.45	56000	58000	58500	59000

International Scenario

Vietnam pepper prices as on 9th April fluctuated in the range of 63,000 - 65,500 VND/kg. In Gia Lai, pepper traded at 63,000 VND/kg, in Dong Nai at 63,500 VND/kg. In Dak Lak and Dak Nong pepper traded at 64,000 VND/kg. In Binh Phuoc and Ba Ria - Vung Tau traded at 65,000 VND/kg and 65,500 VND/kg.

According to data from the General Administration of Customs of China, the country imported 8,788 tons of pepper last year, down 35.6% compared to 2021 of which from Indonesia 4,578 tons, down 35.3% compared to 2021 and from Vietnam with 2,846 tons, down 36.3% compared to 2021.

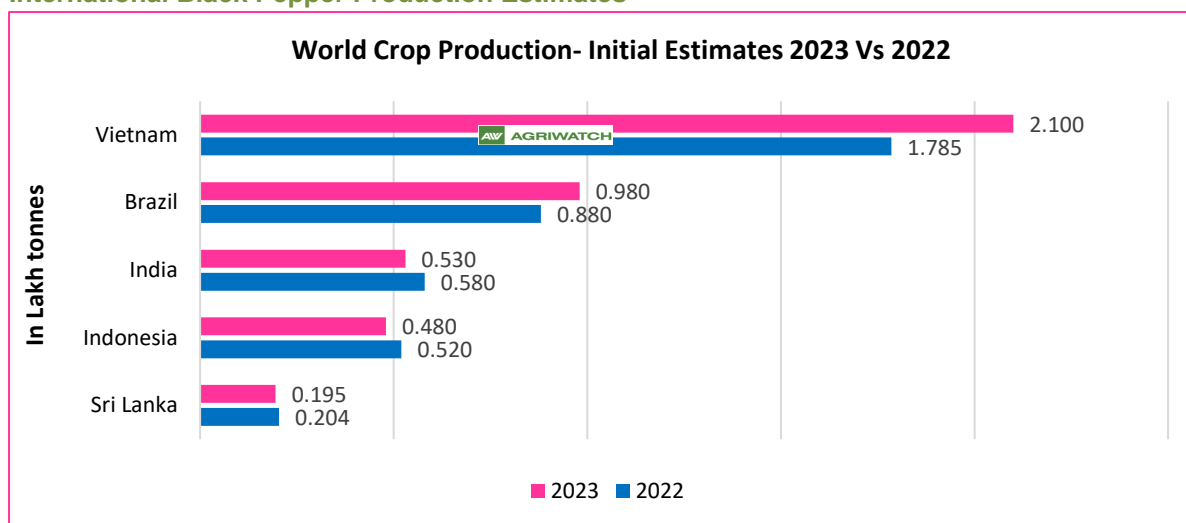
. China exported 3,680 tons of pepper to the world market in 2022, an increase of 10.6% compared to 2021. The main export markets were South Korea 15.6%, USA 13.5%, and Romania 11.7%.

The General Department of Customs Vietnam has reported that in March 2023, the country's pepper exports reached approximately 28,000 tons, indicating a significant increase of 123.1% in volume compared to the previous month, and a 31% increase compared to the same period in 2022. During the first two months of 2023, Vietnam's pepper exports amounted to 41,000 tons, indicating a 35% increase in volume compared to the same period in the previous year.

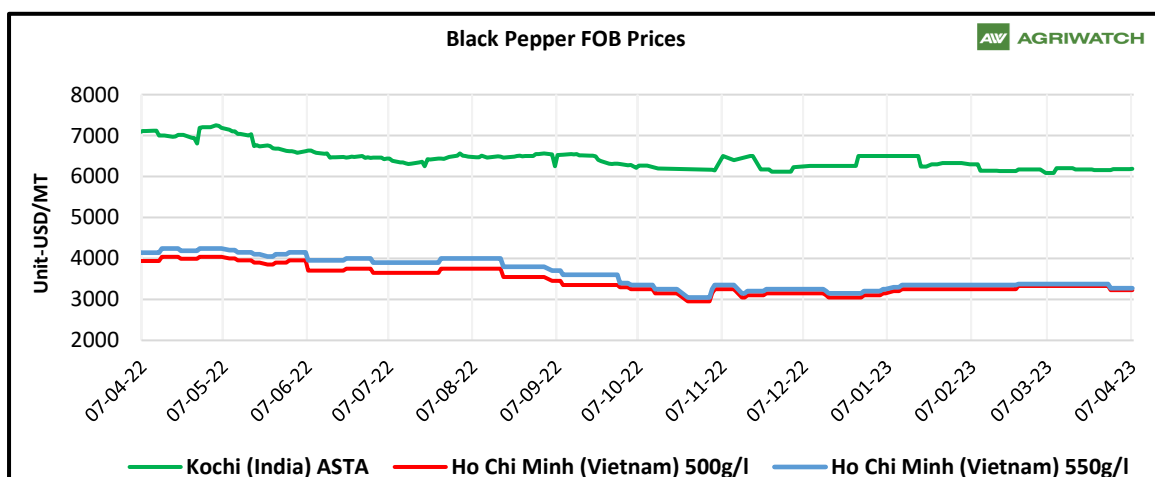
In March 2023, the average export price of Vietnam's pepper was estimated at 3,059 USD/ton, marking a decline of 11.1% compared to the previous month and a drop of 32.8% compared to March 2022. For the first two months of 2023, the average export price of Vietnam's pepper is estimated to be 3,177 USD/ton, indicating a 31.4% decrease in price compared to the same period in 2022. These findings highlight the current trends in Vietnam's pepper market.

Indonesia Black Pepper Update: - 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.

International Black Pepper Production Estimates



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



As of 7th Apr 2023, Ho Chi Minh (Vietnam) 500g/l moving stable at 3,225 USD/MT and Ho Chi Minh (Vietnam) 550g/l moving at 3,375 USD/MT during the week under review with good demand in the market. While Kochi (India) prices gains 9 USD/MT at 6,182 USD/MT during the past week on improved demand in the international markets due to good quality demand.

Black Pepper FOB Prices (USD/MT)						
Date	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
31-03-23	2950	6182	3664	4900	3225	3275
03-04-23	2950	6182	3584	4900	3225	3275
04-04-23	2950	6182	3603	4900	3225	3275
05-04-23	2950	6182	3598	4900	3225	3275
06-04-23	2950	6182	3596	4900	3225	3275
07-04-23	2950	6191	3595	4900	3225	3275

According to the International Pepper Association's update on April 7th, there were mostly steady market in world pepper prices compared to the previous week. While, Lampung black pepper from Indonesia marginally fell by 1.88% to 3,595 USD/ton, while Brazilian black pepper ASTA 570 traded stable at 2,950 USD/ton. Also, Kuching black pepper from Malaysia remained unchanged at \$4,900/ton.

BLACK PEPPER – Technical Outlook

Kochi Garbled Spot prices -Weekly time frame

Technical Chart:



Technical Commentary:

- During the week under review, Black Pepper prices closed to 50,700 levels and, market made low of 50,700, high of 50,800.
- Market is currently trading below 9,18,50 DMA while it is above 100 DMA indicating weak momentum.
- RSI at 45, indicating weak buying strength. MACD is moving on signal line indicating steady note.
- 52,000 is the near-term resistance while 50,000 is the near-term support.

Strategy: Buy		S2	S1	PCP	R1	R2
NCDEX	Apr	50200	50500	50700	51600	51700
Weekly Trade Call		Call	Entry	T1	T2	SL
NCDEX	Apr	Buy	Above 50700	51200	51400	51500

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