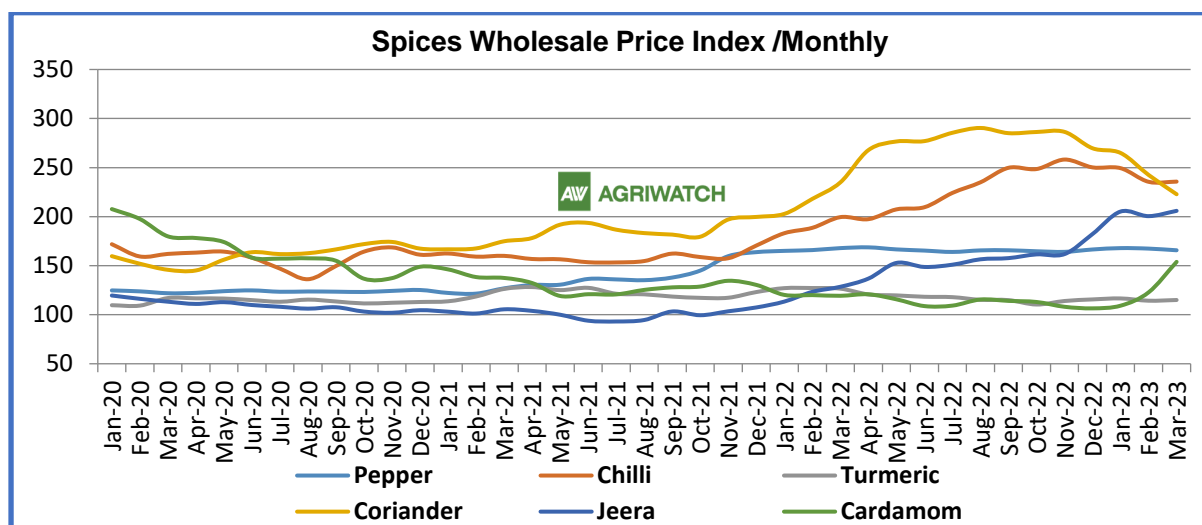

Black Pepper Weekly Research Report

AGRIWATCH

Spices Wholesale Price Index /Monthly

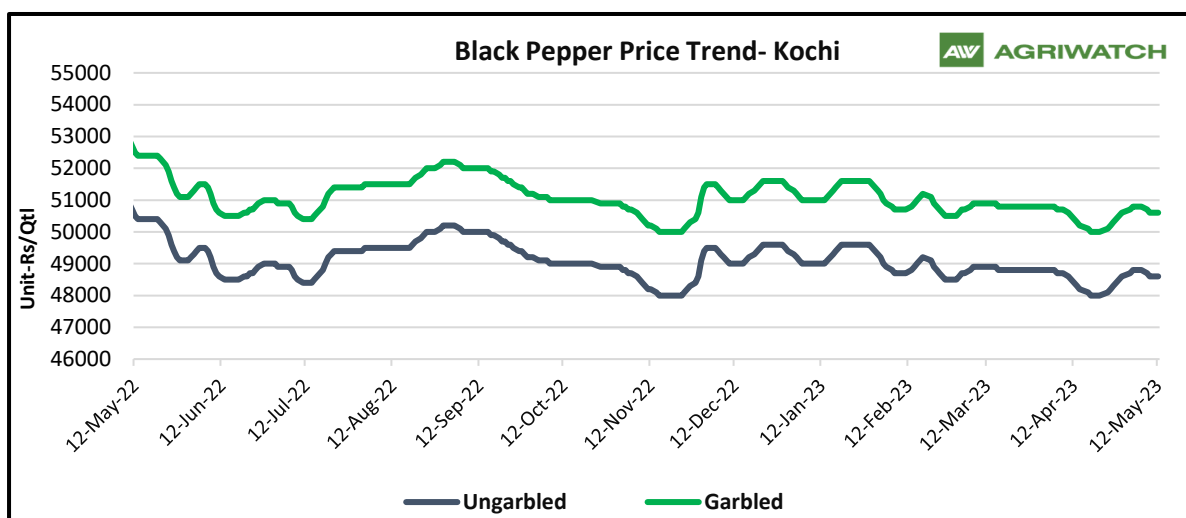


Months	Pepper	Chilli	Turmeric	Coriander	Jeera	Cardamom
Jan-23	167.9	249.4	116.6	264.9	205.2	109.2
Feb-23	167.4	235.5	114.3	242.5	200.5	122.8
Mar-23	165.7	235.7	115	222.8	205.9	153.9
Change Over Previous Month	-1.7	0.2	0.7	-19.7	5.4	31.1

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

FUNDAMENTAL ANALYSIS

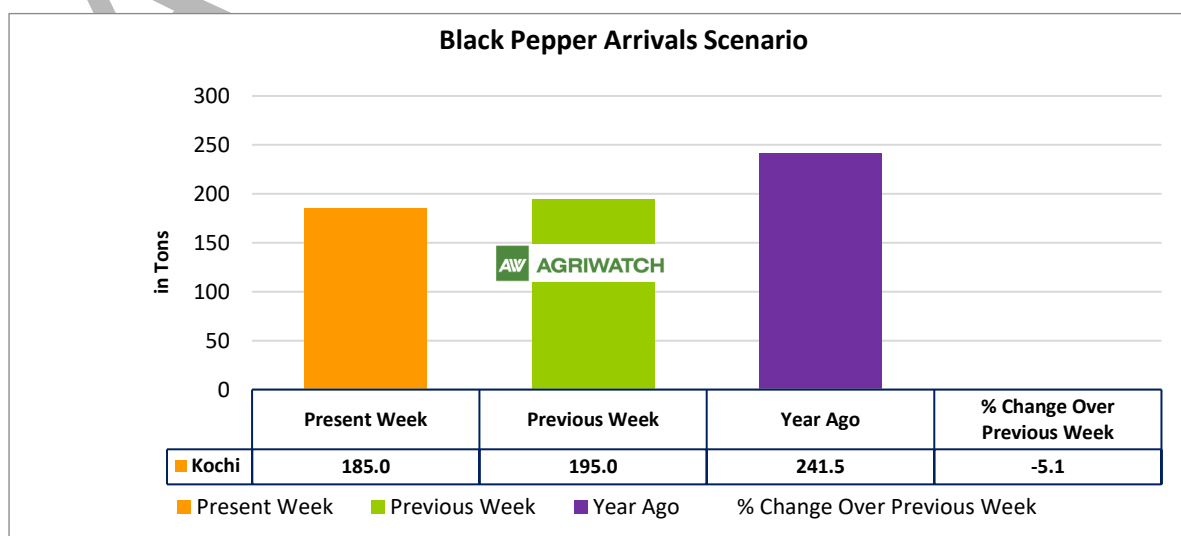
BLACK PEPPER



- Mixed sentiment was witnessed in the Black Pepper spot market during the week under review.
- Despite the good quality of Indian Black Pepper and its demand, the export demand has decreased as compared to the previous year 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 due to which prices of Indian Pepper are declining.
- 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 51,000 – 51,500 per quintal for next week.



- As we expected last week, there is a 5.1% decrease in arrivals due to decline in prices on weak demand.
- AgriWatch expects, weak supply pressure in the coming days due to correction in prices.

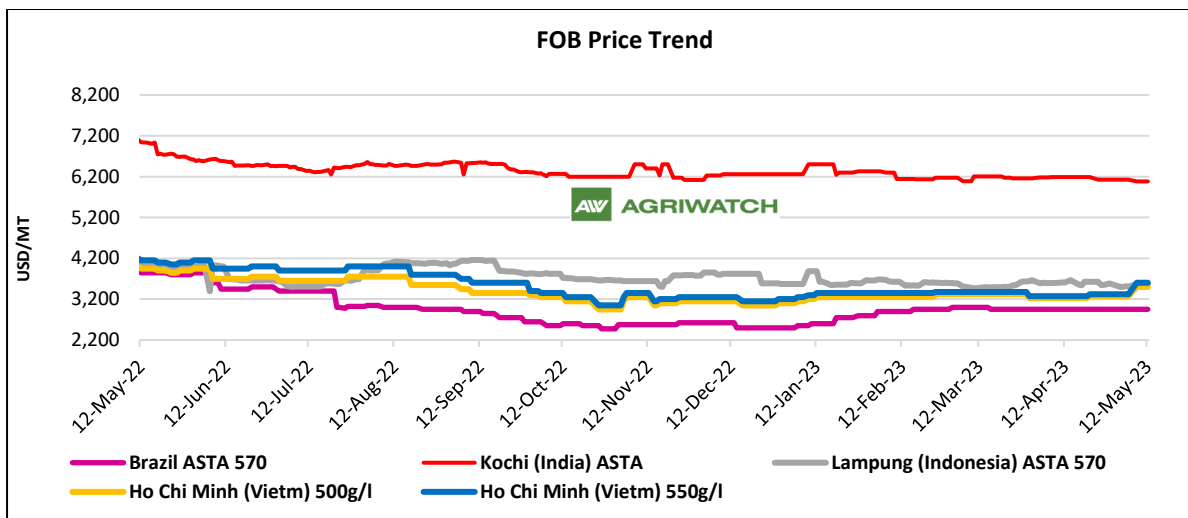
Black Pepper Spot Prices Weekly Change, Loose Prices (Rs/Qtl)							
State	Centre	Grade	% Change Over Previous Week	Today	Week Ago	Month Ago	Year Ago
				12-May-23	05-May-23	12-Apr-23	12-May-22
Kerala	Kochi Benchmark market	Ungarbled	-0.41	48600	48800	48400	50500
		Garbled	-0.39	50600	50800	50400	52500
Karnataka	Chikkamagaluru	Ungarbled	Unch	49500	49500	48800	51500
Delhi	New Delhi	Unpolished	--	NA	NA	NA	54500
		550 GL	1.89	54000	53000	53500	56500
		Number 11.5	1.82	56000	55000	55500	56000

International Scenario

Vietnam Black Pepper Update: -

- During Q1 of 2023, Vietnam's pepper exports to China surged over 12 times to 25,919 tons, compared to 2,138 tons in the same period last year, and exceeding the total exports of 20,498 tons to China. The increase is attributed to China reopening its borders after the Zero COVID policy impacted the market in 2022. However, the General Department of Customs Vietnam reported a decline in pepper exports to other major markets, such as the US and India, which fell by 21.6% and 20.7% respectively, likely due to the economic crisis leading to decreased market demand.
- The price of Vietnam pepper, as of May 12th, 2023, has declined to a range of 73,000 - 76,500 VND/kg. In various regions such as Dak Lak, Dak Nong, Gia Lai, Dong Nai, Ba Ria - Vung Tau, and Binh Phuoc, prices have decreased by 500-1,000 VND/kg. Earlier, the prices were supported by strong demand from China and Middle Eastern countries.
- Vietnam's pepper exports in April 2023 totaled 26,291 tons, consisting of 23,760 tons of black pepper and 2,531 tons of white pepper, according to a recent report by the Vietnam Pepper and Spices Association (VPSA). This marked a 26.8% decline in export volume from the previous month. In April, the average export price of black pepper was \$3,455/ton, and white pepper was \$4,869/ton.
- China remained Vietnam's main pepper import market, with 9,995 tons imported, but this was a sharp drop of 36.4% from the previous month. While pepper exports to the US declined by 20%, exports to countries such as India, UAE, Thailand, and the Philippines also decreased. However, Vietnam saw an increase in pepper exports to markets like Germany, Netherlands, UK, and Turkey.

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
05-05-23	2950	6129	3506	4900	3275	3325
08-05-23	2950	6083	3575	4900	3500	3600
09-05-23	2950	6083	3564	4900	3500	3600
10-05-23	2950	6083	3566	4900	3500	3600
11-05-23	2950	6083	3572	4900	3500	3600
12-05-23	2950	6083	3565	4900	3500	3600
Changes from Last Week	Unch	-46	-59	Unch	225	275



- Vietnam Pepper price as on 12th May 2023 in the global market turned to increase rapidly on good export demand.
- However, as we mentioned earlier, weak Indian Black Pepper demand in the global market affected its prices which reported down by 46 USD/MT during the week under review.

TECHNICAL ANALYSIS

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 50,600 levels and, market made low of 50,600, high of 50,800.
- RSI at 59, indicating improved buying.

Strategy: Buy		S2	S1	PCP	R1	R2
NCDEX	May	49800	50000	50600	51600	51800
Weekly Trade Call		Call	Entry	T1	T2	SL
NCDEX	May	Buy	Below 50600	51200	51500	50000

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