

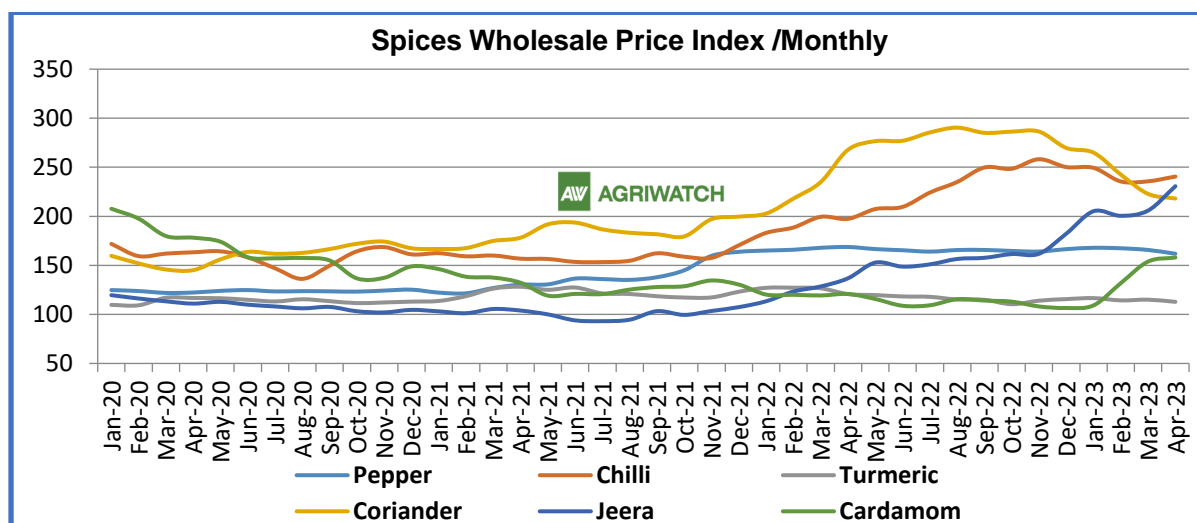
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# Black Pepper Weekly Research Report

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AGRIWATCH

### Spices Wholesale Price Index /Monthly

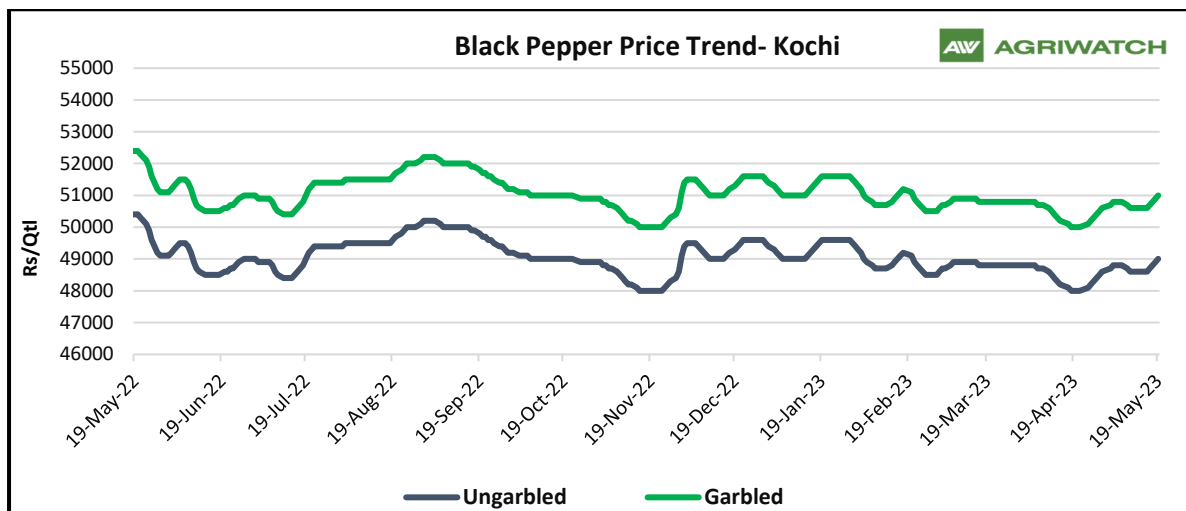


Months	Pepper	Chilli	Turmeric	Coriander	Jeera	Cardamom
Feb-23	167.4	235.5	114.3	242.5	200.5	131.9
Mar-23	165.7	235.7	115	222.8	205.9	153.9
Apr-23	161.8	240.5	112.8	218.1	230.7	158
Change Over Previous Month	-3.9	4.8	-2.2	-4.7	24.8	4.1

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

## FUNDAMENTAL ANALYSIS

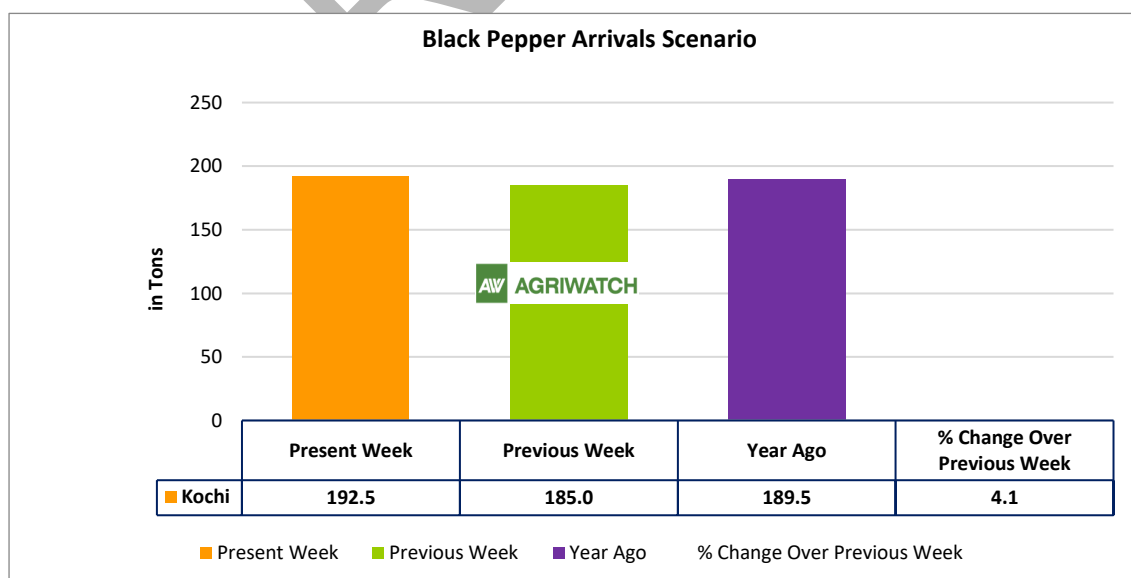
### BLACK PEPPER



- Steady to firm sentiment was witnessed in the Black Pepper spot market during the week under review.
- Wedding season demand has supported the Black Pepper prices in the domestic market and it is expected to trade in a steady to rangebound manner with slightly upward movement of INR 200-500 per quintal during the next week.
- However, its decreased demand in the global market (Major importing countries have been fulfilling their requirements from Vietnam, Brazil and Indonesia) will affect the prices and it is likely to go down from mid-June.

#### Outlook: -

AgriWatch expects Black Pepper (Garbled) likely to move in a steady note between INR 51,000 – 51,700 per quintal for next week.



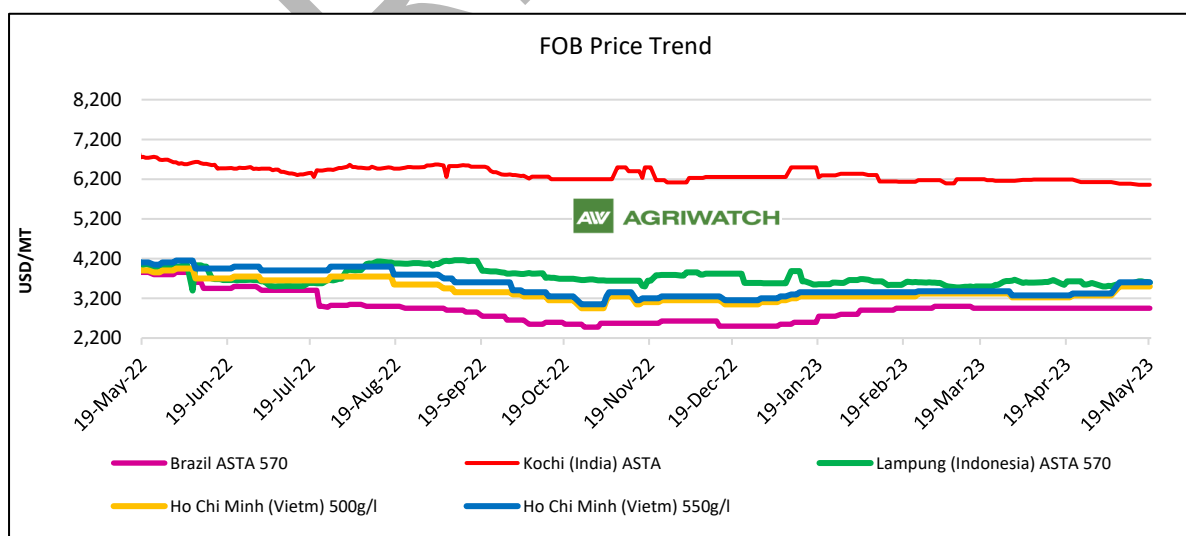
- There is a 4.1% increase in arrivals due to good demand in the market.
- However, AgriWatch expects normal supply pressure in the coming days due to ongoing demand.

Black Pepper Spot Prices Weekly Change, Loose Prices (Rs/Qtl)							
State	Centre	Grade	% Change Over Previous Week	Today 19-May-23	Week Ago 12-May-23	Month Ago 19-Apr-23	Year Ago 19-May-22
Kerala	Kochi Benchmark market	Ungarbled	0.82	49000	48600	48000	50400
		Garbled	0.79	51000	50600	50000	52400
Karnataka	Chikkamagaluru	Ungarbled	Unch	49500	49500	48200	51500
Delhi	New Delhi	550 GL	Unch	54000	54000	53000	56500
		Number 11.5	Unch	56000	56000	55000	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.
- Vietnam's pepper exports in April 2023 totalled 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
12-05-23	2950	6083	3565	4900	3500	3600
15-05-23	2950	6058	3627	4900	3500	3600

16-05-23	2950	6058	3628	4900	3500	3600
17-05-23	2950	6058	3612	4900	3500	3600
18-05-23	2950	6058	3612	4900	3500	3600
19-05-23	2950	6058	3597	4900	3500	3600
Changes from Last Week	Unch	-25	32	Unch	Unch	Unch

## TECHNICAL ANALYSIS

### BLACK PEPPER – Technical Outlook Kochi Garbled Spot prices -Weekly time frame



#### Technical Commentary:

- During the week under review, Black Pepper prices closed to 51,000 levels and, market made low of 50,600, high of 51,000.
- RSI at 62, indicating improved buying strength.
- While MACD is showing sideways momentum in the market.

Strategy: Buy		S2	S1	PCP	R1	R2
NCDEX	May	49800	50000	51000	51900	52000
Weekly Trade Call		Call	Entry	T1	T2	SL
NCDEX	May	Buy	Below 51000	51500	51700	50000

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