

### RED CHILLI

#### Fundamentals:

#### Today's Update:

- Steady sentiment was reported in the Red Chilli Delhi market on Thursday.
- Currently farmers and stockists are releasing their inferior to medium quality crops which is reported at 13,000 bags, lower by 10,000 bags from the previous trading day. Buyers in the Karnataka market are waiting for the increase in good quality cold-storage arrivals. Cold-storage arrivals in the Karnataka market is likely to increase gradually on upcoming demand from global markets and in the fear of decline in prices on higher production. Hence, due to weak demand in the market, Red Chilli KDL Best (Local) is reported at INR 30,000-35,000 per quintal, lower by 5.41% and 5531 Best is reported at INR 13,000-16,000 per quintal, lower by 5.88% from previous day.
- AgriWatch predicts that arrivals in the AP and Telangana market will increase after mid-June due to improved demand from China, Bangladesh, Malaysia, and Indonesia. Additionally, the demand from masala companies will further contribute to the rising arrivals. However, prices in the Karnataka cash markets will remain stable and comfortable due to continuous demand from major importers, especially China, Bangladesh, and Sri Lanka. However, price stability will depend on current weather conditions and clarity regarding the upcoming sowing expectations, which might become clear by June 15, 2023.
- In the Warangal Red Chilli spot market, there is currently a higher supply of inferior quality chillies compared to premium quality Red Chilli crop. This is because farmers and stockists are awaiting a potential price rebound, which they anticipate after the start of cold-storage supply in the Guntur and Khammam markets. The cold-storage supply is expected to enhance demand and support prices in this month (June).
- As a result, the supply in the Warangal market for May 2023 stands at 3,18,000 bags, marking a significant decrease of 53.91% compared to April 2023. This is the second-lowest supply level observed during the first five months of the season.

#### Previous Update:

- With a higher availability of stocks, prices are expected to decrease in the long-term between August and September. However, prices are anticipated to rise by INR 1,500-2,000 per quintal after the reopening of the markets due to demand from China (including other export countries), Oleoresin companies, and Masala companies.
- As per AgriWatch estimates, Red Chilli all India production for 2023 is estimated at 15.56 lakh metric tonne (LMT). Last year's production was 14.07 lakh MT, up by 10.59%.

Red Chilli Spot Market Prices(Loose): (Rs/Qtl)							
State	Centre	Grade	01-Jun-23	01-Jun-23	31-May-23	31-May-23	Change
			Low	High	Low	High	
Andhra Pradesh	Guntur Benchmark market	NCDEX Quality	Closed	Closed	Closed	Closed	-
		LCA 334 (S4)	Closed	Closed	Closed	Closed	-
		Teja (S17)	Closed	Closed	Closed	Closed	-
		No. 273	Closed	Closed	Closed	Closed	-
		No. 5	Closed	Closed	Closed	Closed	-
		Fatki	Closed	Closed	Closed	Closed	-
		Byadgi	Closed	Closed	Closed	Closed	-
		US 341	Closed	Closed	Closed	Closed	-
		Denvor Delux	Closed	Closed	Closed	Closed	-
		Indam 5	Closed	Closed	Closed	Closed	-
Telangana	Warangal	Teja	19000	21200	Closed	Closed	-

		Wonder Hot	32000	35000	Closed	Closed	-
		341	19000	21000	Closed	Closed	-
		Denvor Delux	19000	21000	Closed	Closed	-
		Paprika	NA	NA	Closed	Closed	-
		Fatki	8000	14000	Closed	Closed	-
	Khammam	Teja (Cold storage)	Closed	Closed	Closed	Closed	-
		Teja (Non cold storage)	Closed	Closed	Closed	Closed	-
Madhya Pradesh	Bedia	No. 12	Closed	Closed	Closed	Closed	-
		Indu 2070	Closed	Closed	Closed	Closed	-
		Fatki	Closed	Closed	Closed	Closed	-
		Jhankar	Closed	Closed	Closed	Closed	-
		Ganesh	Closed	Closed	Closed	Closed	-
Delhi	New Delhi	Teja(Khamam)	25500	26000	25500	26000	Unch
		M.P. MacoTeja	NA	NA	NA	NA	-
		Pala 12	NA	NA	NA	NA	-
		LCA 334	24000	24500	24000	24500	Unch
		Fatki	12500	13000	12500	13000	Unch
		Packing	NA	NA	NA	NA	-
Karnataka	Byadgi	2043 Best	30000	35000	NA	NA	-
		5531 Best	13000	16000	NA	NA	-
		5531 M Best	NA	NA	NA	NA	-
		Dabbi Dlx Local	NA	NA	NA	NA	-
		Dabbi Medium Best (Local)	50000	55000	NA	NA	-
		Dabbi Best (Bellary)	NA	NA	NA	NA	-
		KDL Deluxe (Local)	NA	NA	NA	NA	-
		KDL Deluxe (Bellary)	NA	NA	NA	NA	-
		KDL Best(Local)	30000	35000	NA	NA	-
		KDL Best(Bellary)	NA	NA	NA	NA	-
		KDL Medium	NA	NA	NA	NA	-
		Denvor Deluxe	15000	17000	NA	NA	-
		2043	40000	45000	NA	NA	-
		5531	13000	16000	NA	NA	-
		C 5	NA	NA	NA	NA	-
		KDL Fatki	8000	9000	NA	NA	-
		Seed Fatki	NA	NA	NA	NA	-
		Arrivals & Off-take in bags (1 bag = 45 Kg), (1 bag = 38Kgs)*					
State	Centre	Parameter	01-Jun-23		31-May-23		Change
Andhra Pradesh	Guntur	Arrivals	Closed		Closed		-
		Off-take	Closed		Closed		-
Telangana	Warangal	Arrivals	18000		Closed		-
	Khammam	Arrivals (Cold storage) *	Closed		Closed		-
		Arrivals (Non cold storage) *	Closed		Closed		-
Karnataka	Byadgi	Arrivals	13000		NA		-

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