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# Red Chilli Monthly Research Report

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## RED CHILLI

### Spot Market Recap

- Mostly weak sentiment was witnessed in the Red Chilli spot market during January.
- Amid sluggish demand in the export and domestic market coupled with increased supply pressure, prices reported down during the past month.
- Mostly buyers and major Chilli importing countries are reported sideways in the market waiting for further correction in prices in coming months on good production.
- AgriWatch expects, farmers and stockists may release their stocks in bulk quantities due to higher production and good demand of premium quality in the market.

### Monthly Red Chilli (Dry) Arrival Scenario

Red Chilli Arrival Scenario: (in Bags)					
State	Market	% Change Over Previous Month	Current Month	Last Month	Previous Year
			Jan.23	Dec.22	Jan.22
Andhra Pradesh	Guntur	88.62	15,75,000	8,35,000	11,40,000
Telangana	Warangal	313.85	1,88,300	45,500	2,08,000
Total		100.26	17,63,300	8,80,500	13,48,000

Units – Bags (1 bag = 45 kgs)

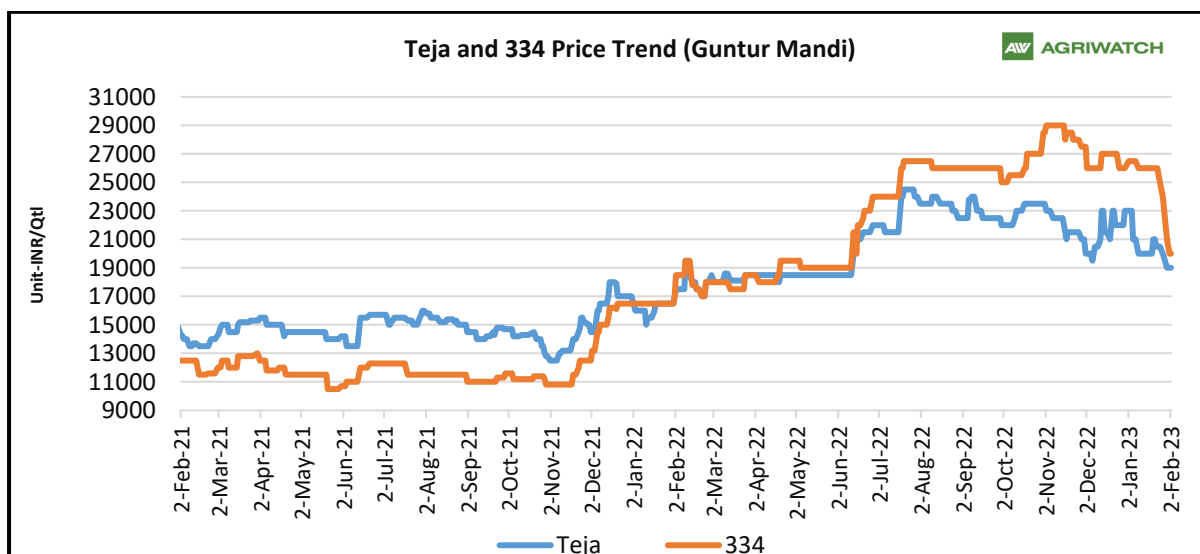
### Red Chilli Arrivals Scenario

During the year (1st Jan, 2023-31st Jan, 2023) overall supply in the Guntur market reported at 70,875 MT which was 51,300 MT during the same period last year, up by 38.16% due to higher production and good demand in the market.

Current year from 1st January 2022 to 31st December 2022, Red Chilli supply in the Guntur market remained around 593,010 MT as compared to 740,970 MT same period last year, down by 19.97%.

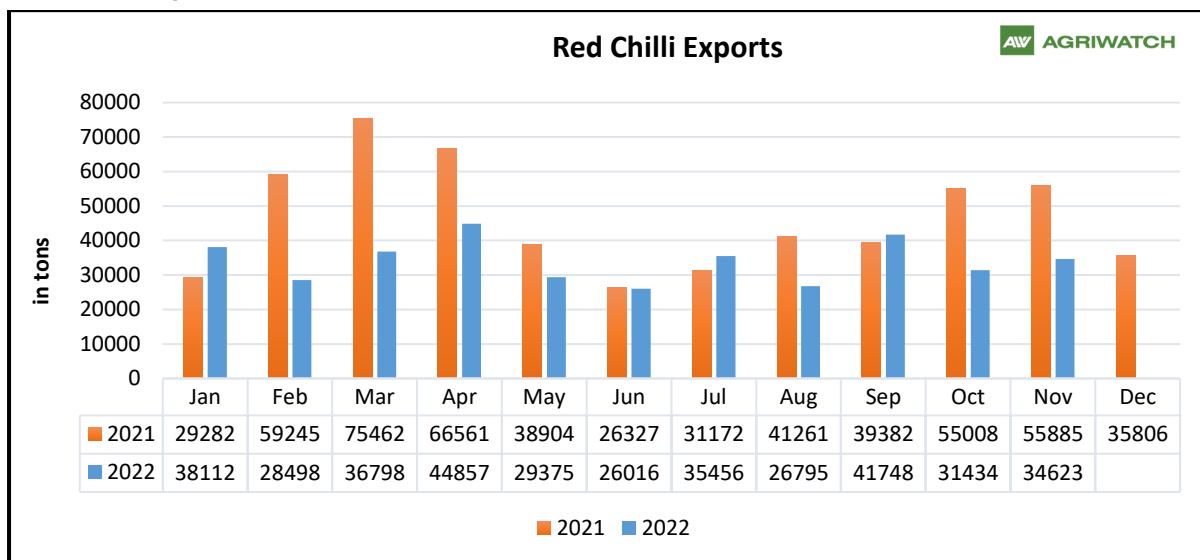
### AgriWatch Red Chilli Production Forecast 2023

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%.



As on 2nd Feb 2023, in Guntur Spot Market Red Chilli 334 (S4) variety price was INR 18,000 – 20,000 per quintal, down by INR 7,000-6,500(Low-High) per quintal due to bulk supply. Last year it was INR 17,000 – 18,500 per quintal.

## Red Chilli Export Scenario



- In the Red Chilli (including Dry, Powder, and Crushed) exports in the Nov, 2022 were reported up by 10.15% from the previous month on good demand from major exporting countries during the past month.
- Overall exports (from Jan, 2022 to Nov, 2022) reported at 373,712 MT down by 32.58% from the same period last year due to lower availability and high prices of premium quality during the season 2021-22.

## Red Chilli Price Outlook

Chilli (334 quality) in Guntur market likely to trade at INR 17,000 – 18,000 per quintal, in the coming days.

Farmers and Stockists were releasing their new crop at current higher prices compared to last year and put a cap on prices in the cash markets. AgriWatch expects, Red Chilli prices likely to correct further in the spot market as overall the Chilli crop is in good conditions so far in all the key growing states and production is also expected to be higher in 2023 seasons. Current year Red Chilli production is likely to increase by 10.59% as compared to last year. However, we expect good export demand for premium quality likely to support Red Chilli prices from lower levels.

## Spot Prices Monthly Change

### Red Chilli (Dry) Spot Market Prices: (Rs/Qtl)

State	Centre	Grade	% Change Over Previous Month	Today	Month Ago	Year Ago
				31-Jan-23	31-Dec-22	31-Jan-22
Andhra Pradesh	Guntur Benchmark market	NCDEX Quality	-24.00	19000	25000	15000
		LCA 334	-21.15	20500	26000	16500
		Teja	-17.39	19000	23000	16500
		No. 273	-17.39	19000	23000	16000
		No. 5	-15.38	22000	26000	18000
		Fatki	Unch	12000	12000	9000
		Byadgi	-23.33	23000	30000	19000
		US 341	-21.15	20500	26000	19000
		Denvor Delux	-12.77	20500	23500	19000
		Indam 5	-7.69	24000	26000	16500
Telangana	Warangal	Teja	-8.63	18000	19700	17800
		Wonder Hot	-1.41	35000	35500	17400
		341	-16.67	20000	24000	18500
		Denvor Delux	-16.67	20000	24000	17800
		Fatki	-12.50	14000	16000	9000
	Khammam	Teja (Cold storage)	--	NA	NA	16500

		Teja (Non-Cold storage)	-10.89	18000	20200	Closed
Madhya Pradesh	Bedia	No. 12	-7.69	18000	19500	Closed
		Fatki	Unch	12000	12000	10500
		Jhankar	-15.15	14000	16500	14500
		Teja (Khamam)	-4.44	21500	22500	20000
Delhi	New Delhi	2043 Best	11.11	30000	27000	18000
Karnataka	Byadgi	5531 Best	-28.57	15000	21000	13000

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