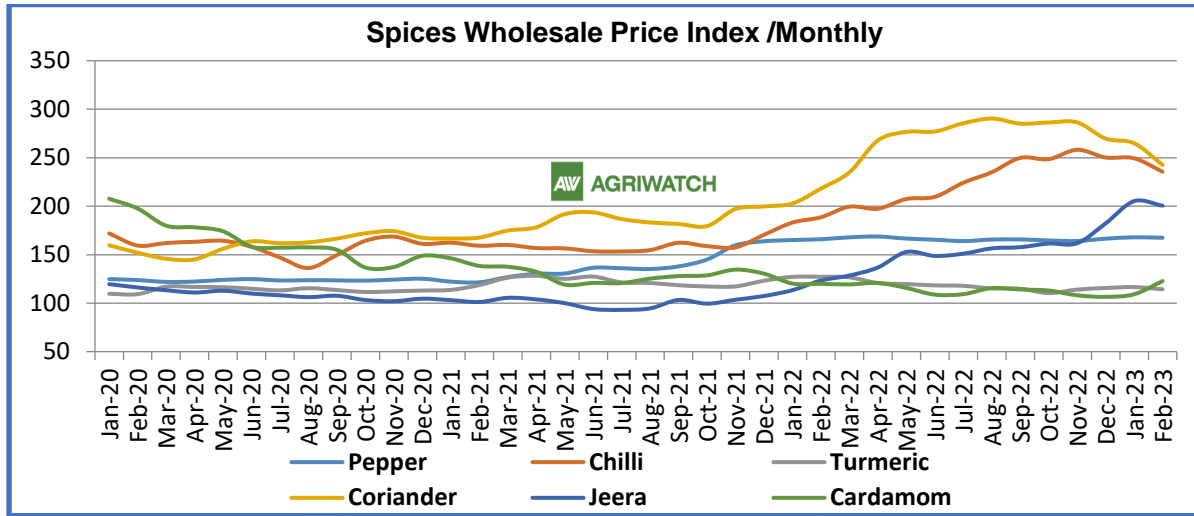


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# Red Chilli Monthly Research Report

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### 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

## RED CHILLI

### Spot Market Recap

- Firm sentiment was witnessed in the Red Chilli spot market during March.
- Prices have been trading at a higher range due to good demand in both the export and domestic markets, which can be attributed to higher availability of premium quality compared to the previous season. However, bad weather and heavy rainfall in the past month have led to a decline in arrivals in the Guntur benchmark market.
- It is expected that arrivals will increase in the current month due to high production, which may cause prices to correct.
- However, due to the high price range with good arrivals, there is lower demand from Chilli Oleoresin Companies such as Synthite and Plant Lipids, who are waiting for a decline in prices due to the higher production.
- In terms of cold-storage, there are currently around 50 lakh bags of cold storage stocks in AP, and it is expected that another 30 to 40 lakh bags can be stored before the summer vacation starts in the second week of May. With the current situation, the total stocks are expected to be around 80 to 90 lakh bags for the year.

### Monthly Red Chilli (Dry) Arrival Scenario

Red Chilli Arrival Scenario: (in Bags)					
State	Market	% Change Over Previous Month	Current Month Mar.23	Last Month Feb.23	Previous Year Mar.22
Andhra Pradesh	Guntur	-10.40	18,95,000	21,15,000	18,25,000
Telangana	Warangal	15.11	8,00,000	6,95,000	7,10,000
Total		-4.09	26,95,000	28,10,000	25,35,000

Units – Bags (1 bag = 45 kgs)

### Red Chilli Arrivals Scenario

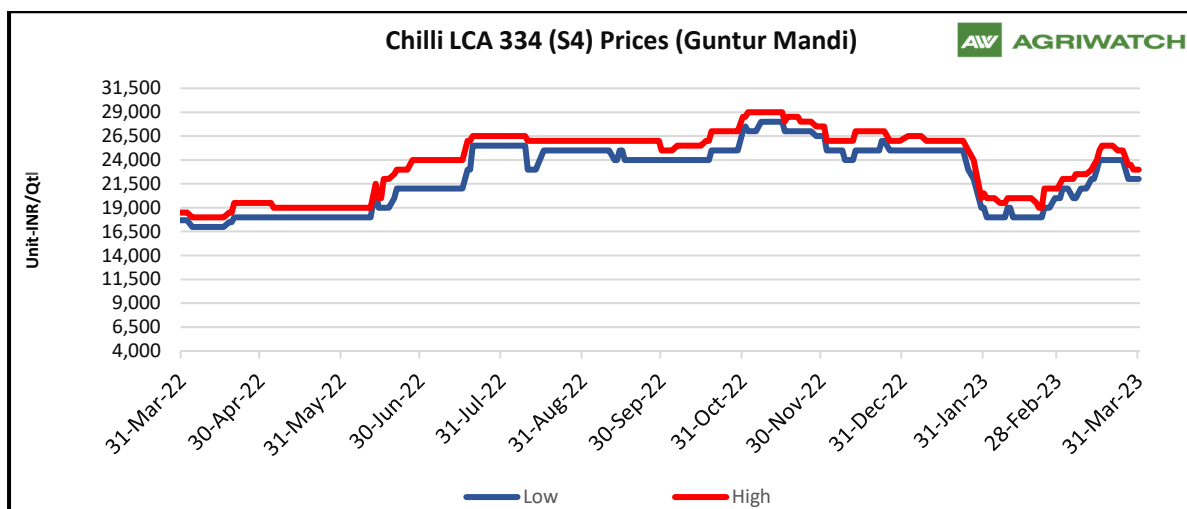
During the current year (1<sup>st</sup> Jan, 2023 – 31<sup>st</sup> Mar, 2023) new crop arrivals in the Guntur benchmark market were recorded at 251,325 MT which was 207,675 MT in the same period last year, up by 21.02% on higher production and good demand.

In Warangal, during the current year (1<sup>st</sup> Jan, 2023 – 31<sup>st</sup> Mar, 2023) new crop arrivals were recorded at 67,332 MT which was 55,960 MT in the same period last year, up by 20.32% on higher production and good demand.

In the Byadgi cash market, during the current year (1<sup>st</sup> Jan, 2023 – 31<sup>st</sup> Mar, 2023) new crop arrivals were recorded at 88,344 MT which was 128,327 MT in the same period last year, down by 31.16%. The reduction in arrivals during the current season can be attributed primarily to a delay of one month in sowing, which subsequently impacted the harvesting schedule.

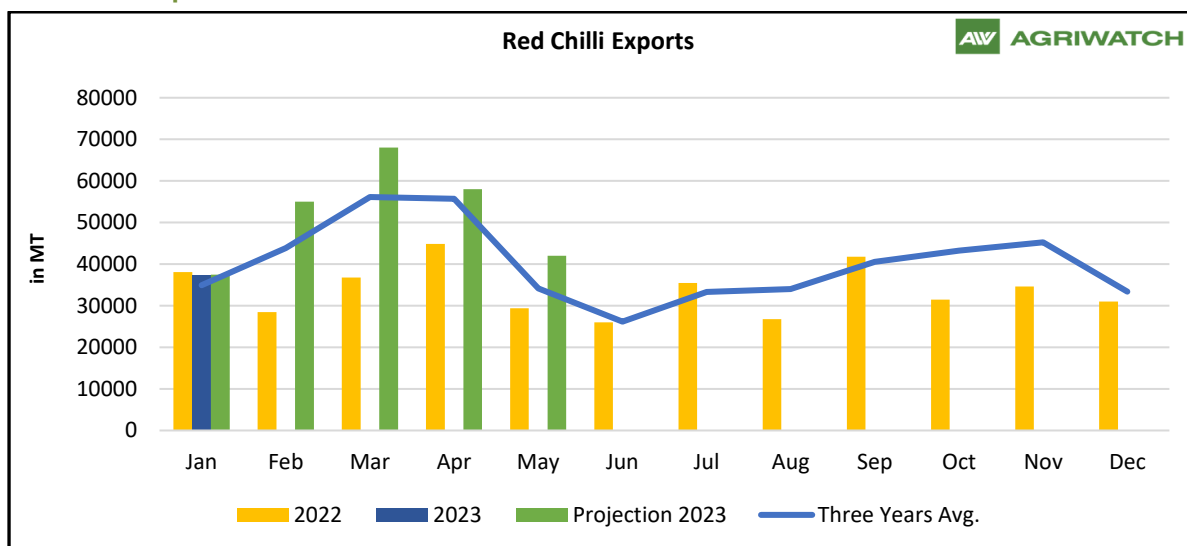
### AgriWatch Red Chilli Production Forecast 2023

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%.



In the Guntur Spot Market Red Chilli 334 (S4) variety price was INR 22,000 – 23,000 per quintal. Last year it was INR 17,700 – 18,500 per quintal.

## Red Chilli Export Scenario



- In January 2023, Red Chilli exports increased by 20.70% over the previous month as a result of strong demand and increased supply of premium quality, primarily from China, the United States, Bangladesh, and Indonesia. This trend is expected to continue in the months to come.
- Red Chilli exports in January were 37,429 Mt, up from 31,009 MT in December and 38,112 MT at the same period last year.
- February 2023 Red Chilli export likely to be around 0.55 lakh MT due to good demand for premium quality.
- During the current year AgriWatch expects, export demand may reach up to 5.70 to 5.90 lakh MT due to higher production of premium quality in AP, Telangana and Karnataka growing regions.

## Red Chilli Price Outlook

Chilli (334 quality) in Guntur market is likely to trade between INR 21,000 – 25,500 per quintal (Low – High), in the next month. Currently normal supply and demand is recorded in the market.



## 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-Mar-23	28-Feb-23	31-Mar-22
Andhra Pradesh	Guntur Benchmark market	NCDEX Quality	10.00	22000	20000	17000
		LCA 334	9.52	23000	21000	18000
		Teja	4.55	23000	22000	18500
		No. 273	9.52	23000	21000	20500
		No. 5	6.67	24000	22500	20000
		Fatki	14.29	16000	14000	10500
		Byadgi	11.11	30000	27000	21500
		US 341	6.82	23500	22000	23000
		Denvor Delux	6.82	23500	22000	23000
		Indam 5	9.09	24000	22000	17000
Telangana	Warangal	Teja	7.73	22300	20700	18700
		Wonder Hot	9.09	36000	33000	17400
		341	7.31	23500	21900	20300
		Denvor Delux	7.31	23500	21900	20000
		Paprika	34.55	74000	55000	28000
		Fatki	25.00	17500	14000	9000
	Khammam	Teja (Cold storage)	--	NA	NA	18200
		Teja (Non-Cold storage)	10.58	23000	20800	18400
Madhya Pradesh	Bedia	No. 12	33.33	28000	21000	Closed
		Fatki	34.62	17500	13000	12000
		Jhankar	26.32	24000	19000	16500
Delhi	New Delhi	Teja (Khamam)	12.50	27000	24000	20500
Karnataka	Byadgi	2043 Best	46.88	47000	32000	20000
		5531 Best	-8.11	17000	18500	17000
		Dabbi Dlx Local	27.45	65000	51000	34000
		KDL Best(Local)	27.91	55000	43000	25000
		5531 Best	15.79	11000	9500	2800

## RED CHILLI – Technical Outlook

## Guntur LCA 334 Spot prices -Monthly time frame

### Technical Chart:



### Technical Commentary:

- During the week under review, Red Chilli prices closed to 23,000 levels and, market made low of 23,000, high of 23,500.
- Market is currently trading below 9,18,50 DMA while it is above 100 DMA weak sentiment.
- RSI is moving at 45 indicating weak buying strength.
- MACD is diverging from the signal line, indicating weak momentum in prices.

S2	S1	PCP	R1	R2
20000	21000	23000	26000	26500
Call	Entry	T1	T2	SL
Buy	Above 22500	24500	25500	21000

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