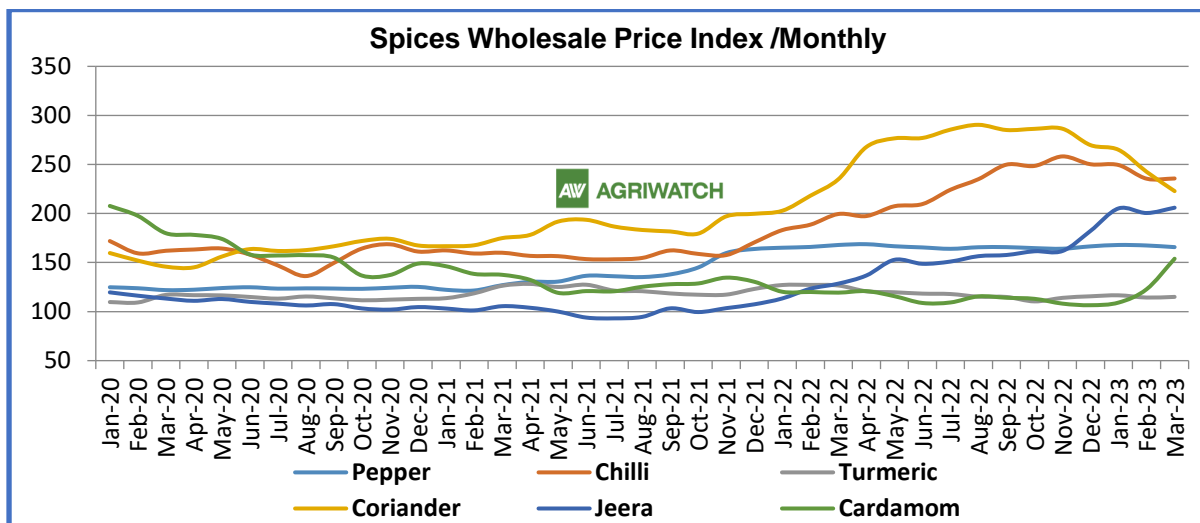




Red Chilli Monthly Research Report

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

RED CHILLI

Spot Market Recap

- Weak sentiment was witnessed in the Red Chilli spot market during April.
- Due to high price range despite of higher production, which caused several Masala millers, such as MDH, Catch, individual traders, and Oleoresin Companies, to purchase only as per their immediate requirements, in anticipation of a price correction before making bulk purchases. As a result of these factors, prices were reported down during the month.
- By the end of this month, cold storages in Karnataka are expected to reach their full capacity, and a significant number of bulk stocks will need to be stored outside the cold storage due to higher production.
- In AP, around 98 cold storages have total capacity of around 89,32,000 bags and as per trade sources, as of now they are filled with 42,89,334 bags stocks.

Monthly Red Chilli (Dry) Arrival Scenario

Red Chilli Arrival Scenario: (in Bags)					
State	Market	% Change Over Previous Month	Current Month	Last Month	Previous Year
			Apr.23	Mar.23	Apr.22
Andhra Pradesh	Guntur	-5.54	17,90,000	18,95,000	14,20,000
Telangana	Warangal	-13.75	6,90,000	8,00,000	3,75,000
Total			24,80,000	26,95,000	17,95,000

Units – Bags (1 bag = 45 kgs)

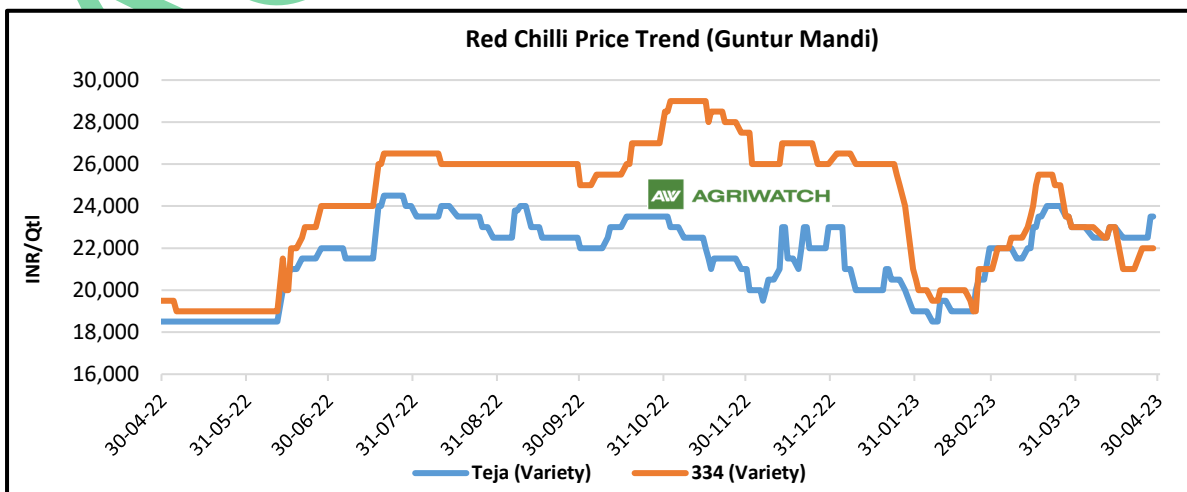
Red Chilli Arrivals Scenario

During the current year (1st Jan, 2023 – 30th Apr, 2023) on higher production and good demand new crop arrivals in the **Guntur** benchmark market were recorded at 331,875 MT which was 271,575 MT in the same period last year, up by 22.20%. Similarly in the Warangal market it is recorded at 94,932 MT which was 70,960 MT in the same period last year, up by 33.78%.

In the **Byadgi** cash market, during the current year till date, new crop arrivals were recorded at 34,55,100 Bags which was 37,63,800 MT in the same period last year, down by 8.20%. 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.

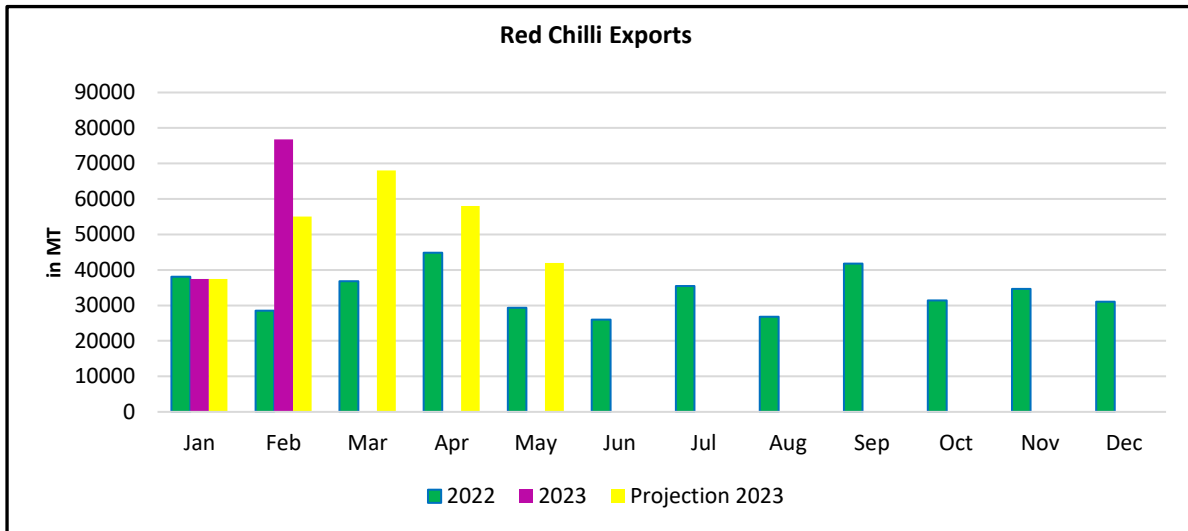
AgriWatch Red Chilli Production Forecast 2023

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 19,000 – 22,000 per quintal. Last year it was INR 18,000 – 19,500 per quintal.

Red Chilli Export Scenario



- In February 2023 (Acc. to Gov. data), Red Chilli exports increased by 105.08% over the previous month as a result of increased supply of premium quality and a very strong demand, primarily from China, the United States, Bangladesh, Malaysia and Indonesia. March 2023 (according to our expectations), were estimated to be around 70,000 MT with continuous demand.
- Red Chilli exports in February 2023 were 76,760 MT, up from 37,429 MT in January 2023 and 28,498 MT at the same period last year.
- AgriWatch anticipates a decline in export demand for April and May 2023, with volumes expected to reach approximately 0.58 million LMT and 0.42 LMT respectively. This is because buyers and importers are currently waiting for prices to correct, particularly for the 334 and Teja varieties.
- However, countries like China, Malaysia, and Bangladesh are still active in the market. Due to which Teja variety is still trading at higher levels.
- 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 17,000 – 21,000 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)

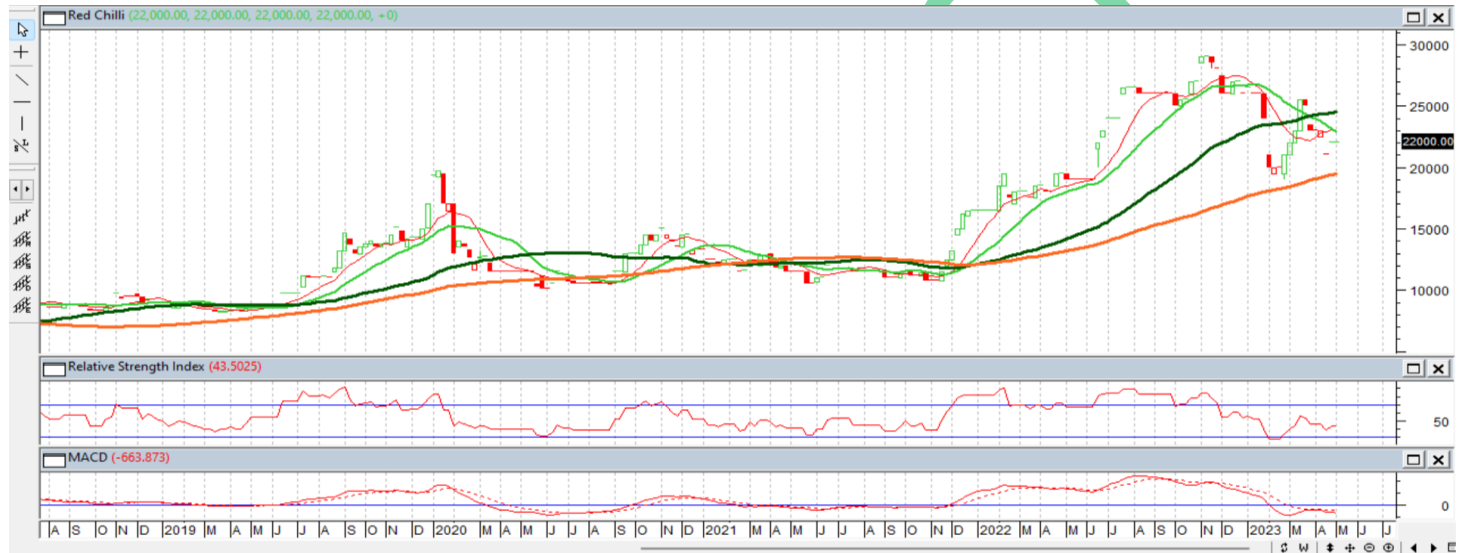
State	Centre	Grade	% Change Over Previous Month	Today	Month Ago	Year Ago
				30-Apr-23	31-Mar-23	30-Apr-22
Andhra Pradesh	Guntur Benchmark market	NCDEX Quality	-18.18	18000	22000	17500
		LCA 334	-4.35	22000	23000	19500
		Teja	2.17	23500	23000	18500
		No. 273	-13.04	20000	23000	20000
		No. 5	-8.33	22000	24000	21000
		Fatki	-15.63	13500	16000	12000
		Byadgi	-10.00	27000	30000	21000
		US 341	-8.51	21500	23500	22000
		Denvor Delux	-14.89	20000	23500	21000
		Indam 5	-8.33	22000	24000	21000
Telangana	Warangal	Teja	-3.59	21500	22300	17500
		Wonder Hot	-9.44	32600	36000	26000
		341	-14.89	20000	23500	24000
		Denvor Delux	-14.89	20000	23500	23800

	Khammam	Paprika	-12.16	65000	74000	55000
		Fatki	-25.71	13000	17500	11000
		Teja (Cold storage)	--	NA	NA	18200
		Teja (Non-Cold storage)	Unch	23000	23000	18250
		No. 12	-10.71	25000	28000	Closed
Madhya Pradesh	Bedia	Fatki	-14.29	15000	17500	11000
		Jhankar	-20.83	19000	24000	Closed
		Teja (Khamam)	-7.41	25000	27000	22000
Delhi	New Delhi	2043 Best	-29.79	33000	47000	28500
Karnataka	Byadgi	5531 Best	-17.65	14000	17000	18000
		Dabbi Dlx Local	-15.63	54000	65000	35000
		KDL Best(Local)	-19.27	44400	55000	28000
		5531 Best	Unch	11000	11000	3500

RED CHILLI – Technical Outlook

Guntur LCA 334 Spot prices -Monthly time frame

Technical Chart:



Technical Commentary:

- During the month under review, Red Chilli prices closed to 22,000 levels and, market made low of 22,000, high of 22,000.
- Market is currently trading below 9 and 18 DMA indicating weak sentiment.
- RSI is moving at 55 indicating weak buying strength.
- MACD is diverging from the signal line, indicating weak momentum in prices.

S2	S1	PCP	R1	R2
18000	19000	22000	24000	25000
Call	Entry	T1	T2	SL
Sell	Below 22000	21000	20000	23000

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