
Red Chilli Weekly Research Report

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RED CHILLI

Spot Market Recap

- Mixed sentiment witnessed in the Red Chilli spot market during the week under review.
- Renewed export demand for some specific varieties from Sri Lanka, Malaysia and Bangladesh, Red Chilli prices for most of the varieties like Teja, NCDEX, 341 etc. remained supported while prices for other varieties were mostly flat at last week's level.
- Due to adverse weather condition (cloudy weather & drop in temperature), arrivals (including new crop) reported down in the Guntur and Warangal market during the past week.
- AgriWatch expects Red Chilli prices likely to correct in the spot market as overall the Chilli crop is in good conditions so far in all the key growing states and productions is also expected to be higher in 2023 seasons. Further the new crop arrivals are likely to start after 15th January 2023 from AP and Telangana. New supplies have already started from M.P. and Karnataka.
- 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.

Fundamental Analysis

Red Chilli Arrival Scenario: (in Bags)					
State	Market	% Change Over Previous Week	Today	Week Ago	Year Ago
			24th Dec to 30th Dec 2022	17th Dec to 23rd Dec 2022	24th Dec to 30th Dec 2021
Andhra Pradesh	Guntur	-34.09	1,45,000	2,20,000	4,10,000
Telangana	Warangal	-36.84	6,000	9,500	44000
Total		-34.20	1,51,000	2,29,500	4,54,000

Current year from 1st January 2022 to 30th December 2022, Red Chilli supply in the Guntur market remained around 593,010 MT as compared to 738,720 MT same period last year, down by 19.72% on lower production and high demand of premium quality during the last season.

Red Chilli New Crops Update

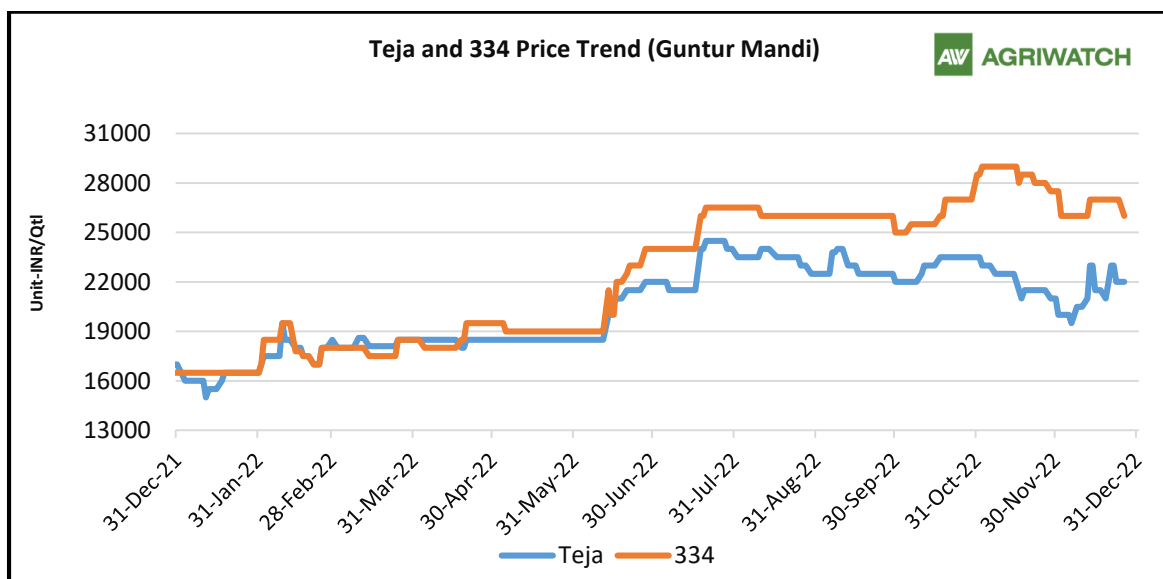
As per Andhra Pradesh agricultural department, Red Chilli sowing activity completed around 221,984 hectares as compared to last year same period 183,550 hectares, up by 20.94%.

AgriWatch Red Chilli Area Forecast - Kharif 2022

As per AgriWatch revised estimates, Red Chilli all India sowing area for 2022 is estimated at 9.21 lakh hectares as compared to last year 9.03 lakh hectares, up by 2.03%.

Earlier farmers had sowed very less areas due to fear of virus infection (last year mostly crop damaged) but now standing crop quality looks healthy so they are interested in sowing in the rest of the areas also. So, Red Chilli sowing area is likely to increase considerably under prevailing weather conditions and farmers' interest.

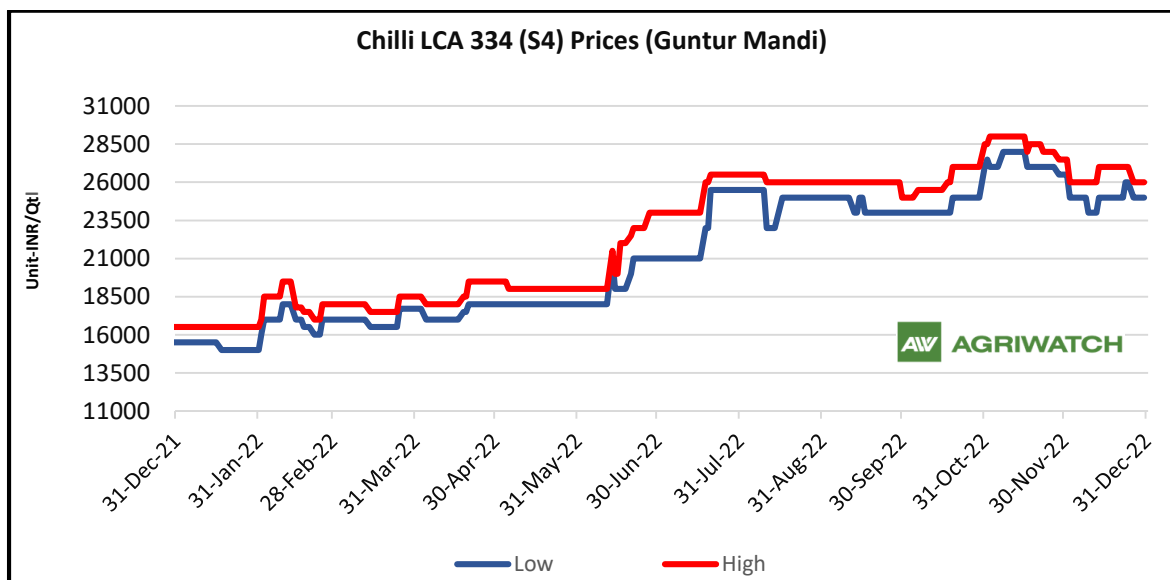
Red Chilli Price Trend



On good demand of Teja variety in the export market it is reported up by INR 1,000 (Low-High) per quintal from the previous week and currently trading at INR 19,000-23,000 per quintal.

As on 30th December, in Guntur Spot Market Red Chilli 334 (S4) variety price was INR 25,000 – 26,000 per quintal corrected by INR 1,000 (Low-High) per quintal from last week on continuous supply of new crops.

Red Chilli Price Outlook



Chilli (334 quality) in Guntur market is likely to trade between INR 23,000 – 25,800 per quintal (Low – High), in the coming days. Currently normal supply and demand is recorded in the market. AgriWatch expects, prices likely to decline in coming weeks on the start of new crops at faster rate.

Red Chilli Spot Prices Weekly Change, Loose Prices (Rs/Qtl)

State	Centre	Grade	% Change Over Previous Week	Today	Week Ago	Month Ago	Year Ago
				30-Dec-22	23-Dec-22	30-Nov-22	30-Dec-21
Andhra Pradesh	Guntur Benchmark market	NCDEX Quality	Unch	25000	25000	26000	15500
		LCA 334	-3.70	26000	27000	27500	16500
		Teja	4.55	23000	22000	21000	17000
		No. 273	Unch	23000	23000	27500	16000
		No. 5	Unch	26000	26000	27500	16500
		Fatki	9.09	12000	11000	12000	10100
		Byadgi	Unch	30000	30000	30500	20000
		US 341	-1.89	26000	26500	28000	16500
		Denvor Delux	-7.84	23500	25500	28000	16500
		Indam 5	Unch	26000	26000	27500	16500
Telangana	Warangal	Teja	-6.19	19700	21000	19500	18000
		Wonder Hot	7.58	35500	33000	30500	16200
		341	-12.73	24000	27500	26000	16100
		Denvor Delux	-12.73	24000	27500	25000	16100
		Fatki	1.27	16000	15800	12000	8600
	Khammam	Teja (Cold storage)	--	NA	19800	21000	16500
		Teja (Non-Cold storage)	1.51	20200	19900	NA	NA
Madhya Pradesh	Bedia	No. 12	2.63	19500	19000	20500	NA
		Fatki	9.09	12000	11000	11500	8500
		Jhankar	3.13	16500	16000	18500	12500
Delhi	New Delhi	Teja(Khammam)	2.27	22500	22000	24500	17500
		LCA 334	0.80	25200	25000	26000	NA
		Fatki	-13.85	11200	13000	15000	NA
Karnataka	Byadgi	2043 Best	-10.00	27000	30000	37000	17000
		5531 Best	-4.55	21000	20000	23000	12000

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