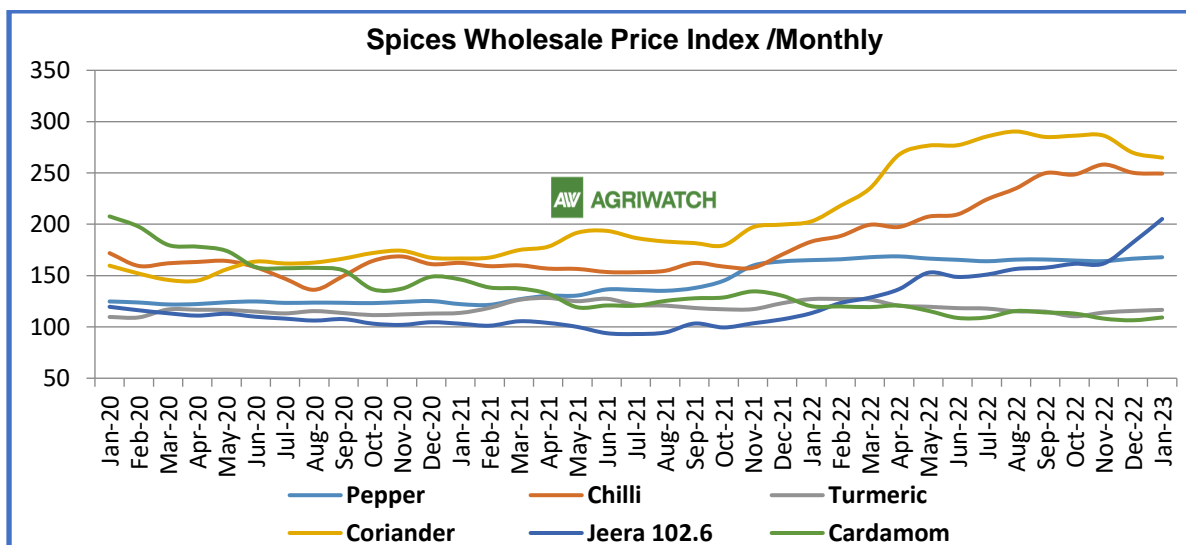

Red Chilli Weekly Research Report

Spices Wholesale Price Index /Monthly



Months	Pepper	Chilli	Turmeric	Coriander	Jeera	Cardamom
Nov-22	164.1	258.2	114	286.4	161.8	108.1
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
Change Over Previous Month	1.4	-0.8	1.0	-4.8	22.9	2.7

As we have seen Chilli and Coriander wholesale prices reported down during last month on expectations of higher production current year and we expect Coriander prices likely to correct further and Chilli prices may trade firm due to good export and domestic demand for premium quality. We expect Cardamom and Turmeric prices likely to trade in firm trend and Jeera may trade lower due to new crop arrivals pressure in the spot market.

RED CHILLI

Spot Market Recap

- Firm sentiment was witnessed in the Red Chilli spot market during the week under review.
- Coupled with good demand in the export and domestic market prices are trading at higher range with good quality supply in the cash markets.
- Currently Teja variety is being exported to China while 334, 341, DD and other varieties are attracting the domestic masala companies especially in Gujarat and Rajasthan along with Malaysia, Thailand, etc.
- Export demand likely to continue in the coming weeks as well due to high demand of premium quality in the major importing countries (China, Sri Lanka, Thailand, Indonesia, Malaysia, Vietnam).
- At Guntur market new chilli arrivals reported from Kurnool, Yemmiganur, Prakasham and Bhadrachalam regions. Also, LCA 334 variety Chilli productions in the current season reported lower compared to other varieties and continuously supported the prices in the spot market.
- Currently harvested crops are in the drying process and it is expected that arrivals will increase gradually from coming week onwards.
- Due to a one-month delay in sowing, there has been a delay in supply at the Byadgi mandi in Karnataka and we expect new crop supply will continue till April.
- As we mentioned earlier, Red Chilli export demand had declined during the year 2022 due to lower availability of premium quality due to crop damaged (in the season 2021-22) as a result, total exports (Jan 2022 to Dec 2022) was reported at 4.05 lakh mt down by 26.94% from the previous year at 5.54 lakh mt.
- Current year Agriwatch expects, India's total 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. Last year India's total Red Chilli export was 4.05 lakh MT due to less availability of premium quality.

Fundamental Analysis

Red Chilli Arrival Scenario: (in Bags)					
State	Market	% Change Over Previous Week	Today	Week Ago	Year Ago
			25th Feb to 3rd Mar 2023	18th Feb to 24th Feb 2022	25th Feb to 3rd Mar 2022
Andhra Pradesh	Guntur	0.98	5,15,000	5,10,000	3,20,000
Telangana	Warangal	51.52	2,50,000	1,65,000	135000
Total		13.33	7,65,000	6,75,000	4,55,000

During the current year (1st Jan, 2023 – 3rd Mar, 2023) new crop arrivals in the Guntur benchmark market were recorded at 178,425 MT which was 133,200 MT in the same period last year, up by 33.95% on higher production and good demand and it is likely to continue until April 2023.

AgriWatch Red Chilli Production Forecast 2023

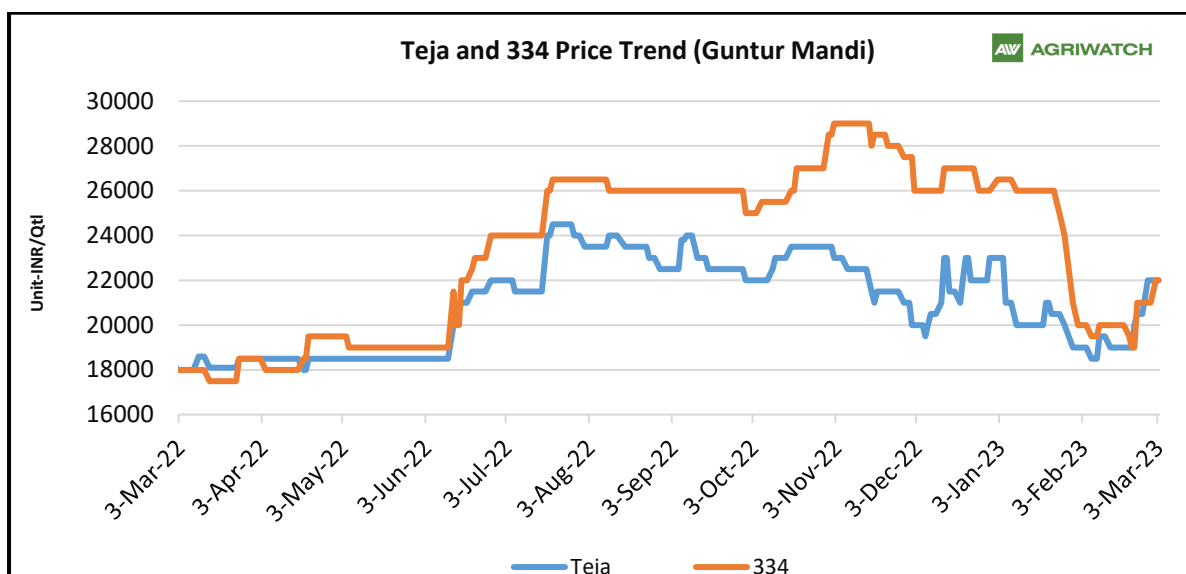
AgriWatch estimates all India Red Chilli production for 2023 at 15.56 lakh MT (LMT) Vs last year's 14.07 lakh MT, up by 10.59%.

Red Chilli Export Scenario and Expectations for January and February

During Dec 2022, buyers and exporters were waiting for the start of new crop arrivals and hence exports in the month was reported at 0.32 lakh MT down by 10.44% from the previous month. We

expect during January and February 2023 Red Chilli export would have been around 0.38 and 0.55 lakh MT due to good demand for premium quality.

Red Chilli Price Outlook



Chilli (334 quality) in Guntur market is likely to trade between INR 20,500 – 23,000 per quintal (Low – High), in the coming days. Currently normal supply and demand is recorded in the market. AgriWatch expects that prices will likely 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
				03-Mar-23	24-Feb-23	03-Feb-23	03-Mar-22
Andhra Pradesh	Guntur Benchmark market	NCDEX Quality	7.89	20500	19000	23000	17000
		LCA 334	4.76	22000	21000	25500	18000
		Teja	7.32	22000	20500	20500	18000
		No. 273	7.50	21500	20000	21000	20500
		No. 5	4.55	23000	22000	26000	20000
		Fatki	15.38	15000	13000	12000	10500
		Byadgi	3.70	28000	27000	28000	21500
		US 341	4.65	22500	21500	21000	23000
		Denvor Delux	4.65	22500	21500	20500	23000
		Indam 5	4.55	23000	22000	26000	17000
Telangana	Warangal	Teja	8.50	21700	20000	18900	18700
		Wonder Hot	4.48	35000	33500	34500	17400
		341	8.46	21800	20100	24200	20300
		Denvor Delux	8.46	21800	20100	24000	20000
		Paprika	13.33	68000	60000	75000	32000
		Fatki	20.00	15000	12500	15000	9000
	Khammam	Teja (Cold storage)	--	NA	NA	NA	18200
		Teja (Non-Cold storage)	5.00	21000	20000	18000	NA
Madhya Pradesh	Bedia	No. 12	-8.70	21000	23000	18000	NA
		Fatki	-18.75	13000	16000	13000	12000
		Jhankar	-9.52	19000	21000	15500	14000
Delhi	New Delhi	Teja(Khammam)	14.29	24000	21000	21500	21000
		LCA 334	2.13	24000	23500	23500	NA
		Fatki	9.02	14500	13300	13500	NA
Karnataka	Byadgi	2043 Best	9.38	35000	32000	31000	18000
		5531 Best	17.65	20000	17000	15000	12000

RED CHILLI – Technical Outlook
Guntur LCA 334 Spot prices -Weekly time frame
Technical Chart:

Technical Commentary:

- During the week under review, Red Chilli prices closed to 22,000 levels and, market made low of 21,000, high of 22,000.
- Market is currently trading below 9,18,50 DMA while it is above 100 DMA weak sentiment.
- RSI has rebounded from oversold zone and is rising in the neutral zone.
- MACD is diverging from the signal line, indicating weak momentum in prices.

S2	S1	PCP	R1	R2
19000	19500	22000	24000	25000
Call	Entry	T1	T2	SL
Buy	Above 22000	23000	24000	21000

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