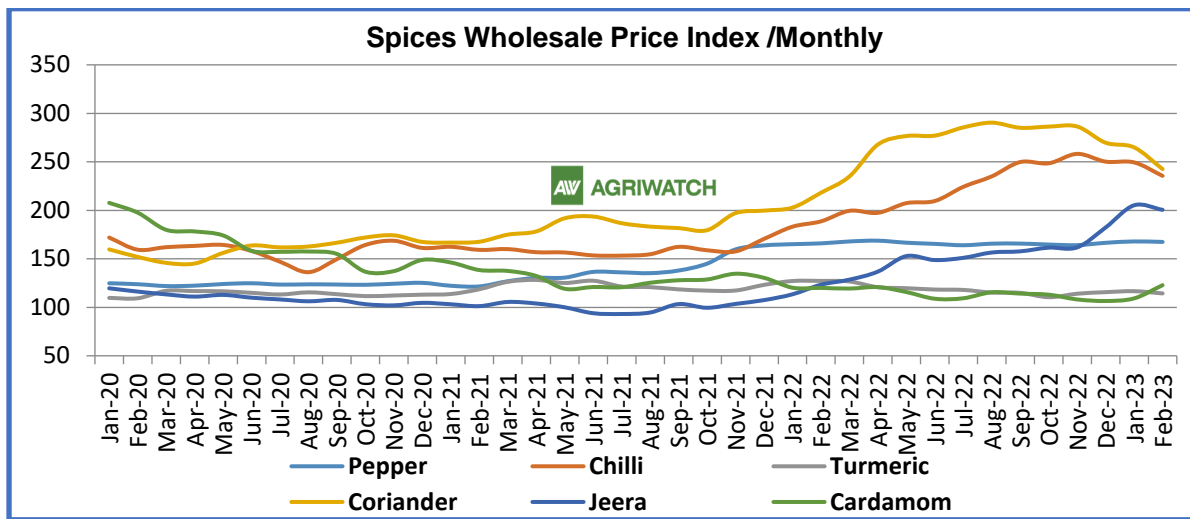


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# Red Chilli Weekly Research Report

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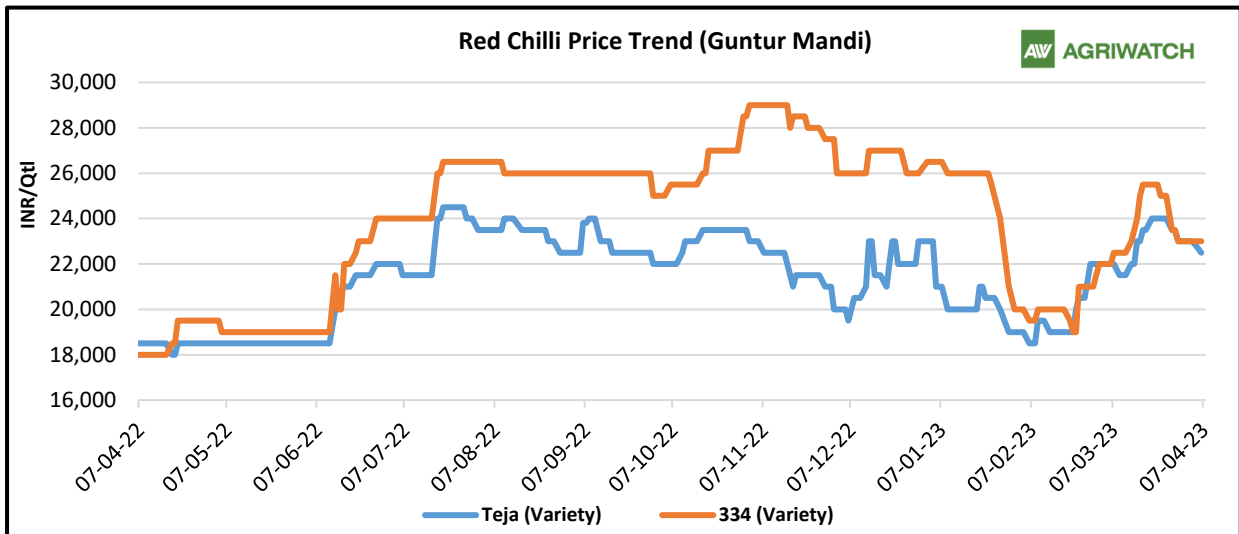
### Spices Wholesale Price Index /Monthly



| 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     |

## FUNDAMENTAL ANALYSIS

### RED CHILLI

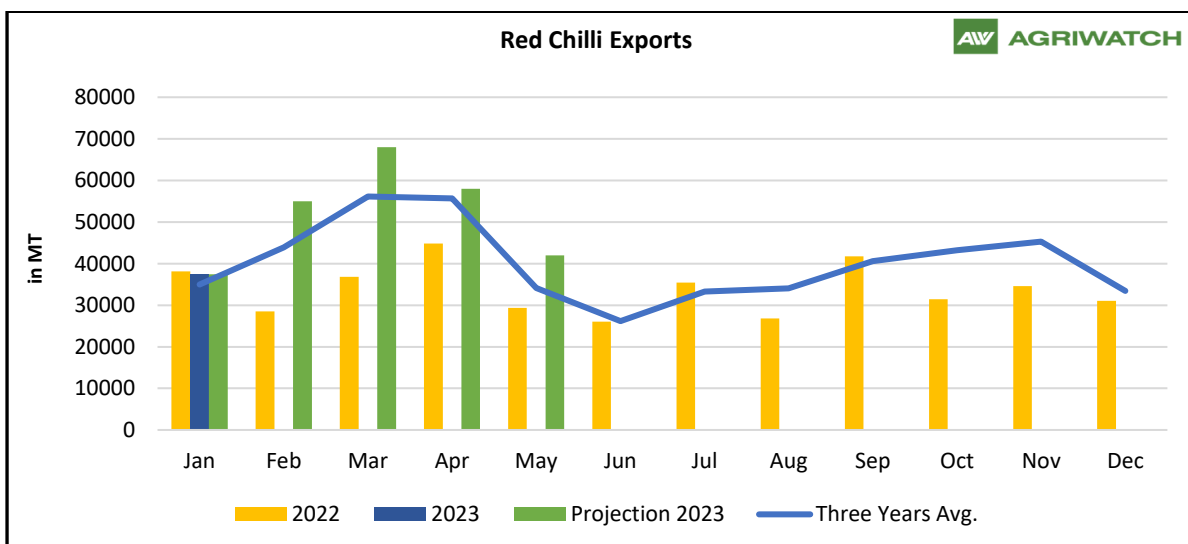


- Mostly steady to weak sentiment was witnessed in the Red Chilli spot market during the week under review.
- AgriWatch predicts, buyers will remain active due to the high demand in the market, which will prevent a significant drop in prices, despite the anticipation of strong supply pressure. Overall, we anticipate that demand will help to maintain prices at a comfortable level.
- Corrections in the cash markets may lead to expectations of active buying strength from Chilli Oleoresin Companies such as Synthite and Plant Lipids, who typically procure premium quality chilli from Karnataka, specifically from markets like Byadgi, Bellary, and Hubli.
- As of now in AP, total around 50 lakh bags (1 bag = 45 kgs) cold storage stocks have been reported and we expect another 30 to 40 lakh bags more can be stored before summer vacation (which likely to start from 2nd week of May). Current year as per current situation total stocks are expected to be around 80 to 90 lakh bags.

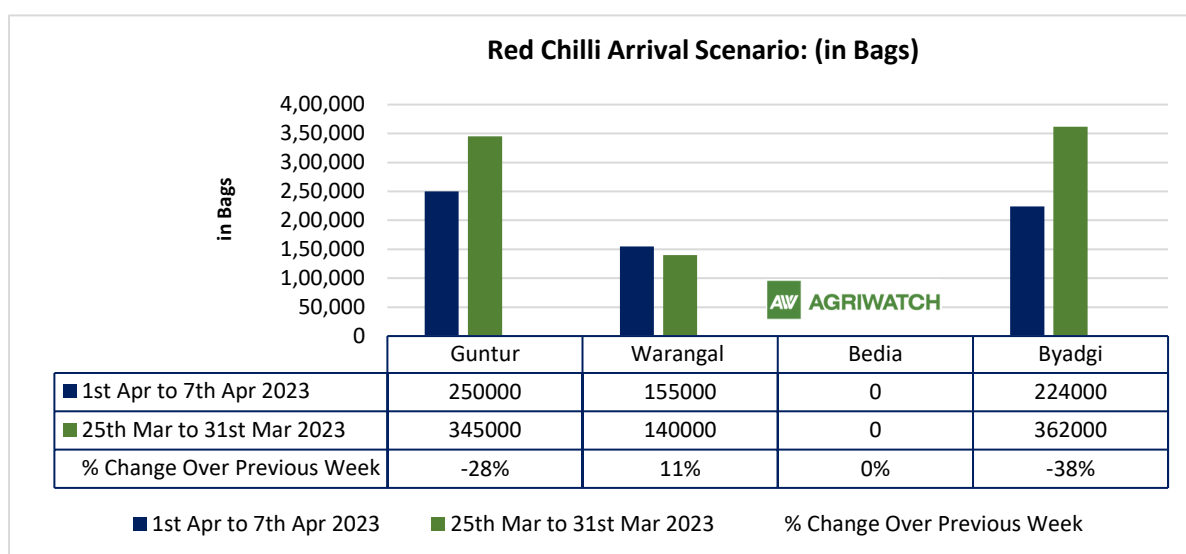
#### Outlook: -

For the next week, the price range for Red Chilli 334 quality (S4) in the Guntur market is expected to be between INR 21,000 to INR 24,000 per quintal (low to high). This is likely to remain steady due to the ongoing Ramadan period, despite the presence of strong supply pressure.

#### Red Chilli Export Scenario



- According to our projections, during February and March 2023, there was a surge in the export of Red Chilli, with volumes reaching approximately 0.55 LMT and 0.68 million LMT respectively. The increase in demand of premium quality, mainly from China, the United States, Bangladesh, and Indonesia, coupled with strong demand, contributed to this trend.
- However, we anticipate 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.



- Arrivals in the Guntur benchmark market have decreased by 28% from the previous week due to ongoing holidays, while in the Warangal market, they have increased by 11% due to a high price range.
- Farmers and stockists are selling their stocks, which is causing a decline in prices in the Byadgi spot market. Although there has been a 38% decrease from the previous week, the prices are still relatively high.
- Agriwatch predicts that there will be an increase in arrivals until the end of April before the start of the summer vacation period.

| Red Chilli Spot Prices Weekly Change, Loose Prices (Rs/Qtl) |                         |               |                             |           |           |           |           |
|---|-------------------------|---------------|-----------------------------|-----------|-----------|-----------|-----------|
| State   | Centre                  | Grade         | % Change Over Previous Week | Today     | Week Ago  | Month Ago | Year Ago  |
|   |                         |               |                             | 07-Apr-23 | 31-Mar-23 | 07-Mar-23 | 07-Apr-22 |
| Andhra Pradesh  | Guntur Benchmark market | NCDEX Quality | -4.55                       | 21000     | 22000     | 20000     | 17000     |
|   |                         | LCA 334       | Unch                        | 23000     | 23000     | 22000     | 18000     |
|   |                         | Teja          | -2.17                       | 22500     | 23000     | 22000     | 18500     |
|   |                         | No. 273       | Unch                        | 23000     | 23000     | 21000     | 20000     |
|   |                         | No. 5         | Unch                        | 24000     | 24000     | 23000     | 21000     |
|   |                         | Fatki         | -6.25                       | 15000     | 16000     | 14000     | 12000     |
|   |                         | Byadgi        | 6.67                        | 32000     | 30000     | 28000     | 22000     |
|   |                         | US 341        | -2.13                       | 23000     | 23500     | 22500     | 22000     |
|   |                         | Denvor Delux  | Unch                        | 23500     | 23500     | 22500     | 20000     |
|   |                         | Indam 5       | Unch                        | 24000     | 24000     | 23000     | 18500     |
| Telangana   | Warangal                | Teja          | 5.38                        | 23500     | 22300     | 21200     | 18200     |
|   |                         | Wonder Hot    | -2.78                       | 35000     | 36000     | 35000     | 22000     |
|   |                         | 341           | -2.98                       | 22800     | 23500     | 21000     | 20000     |

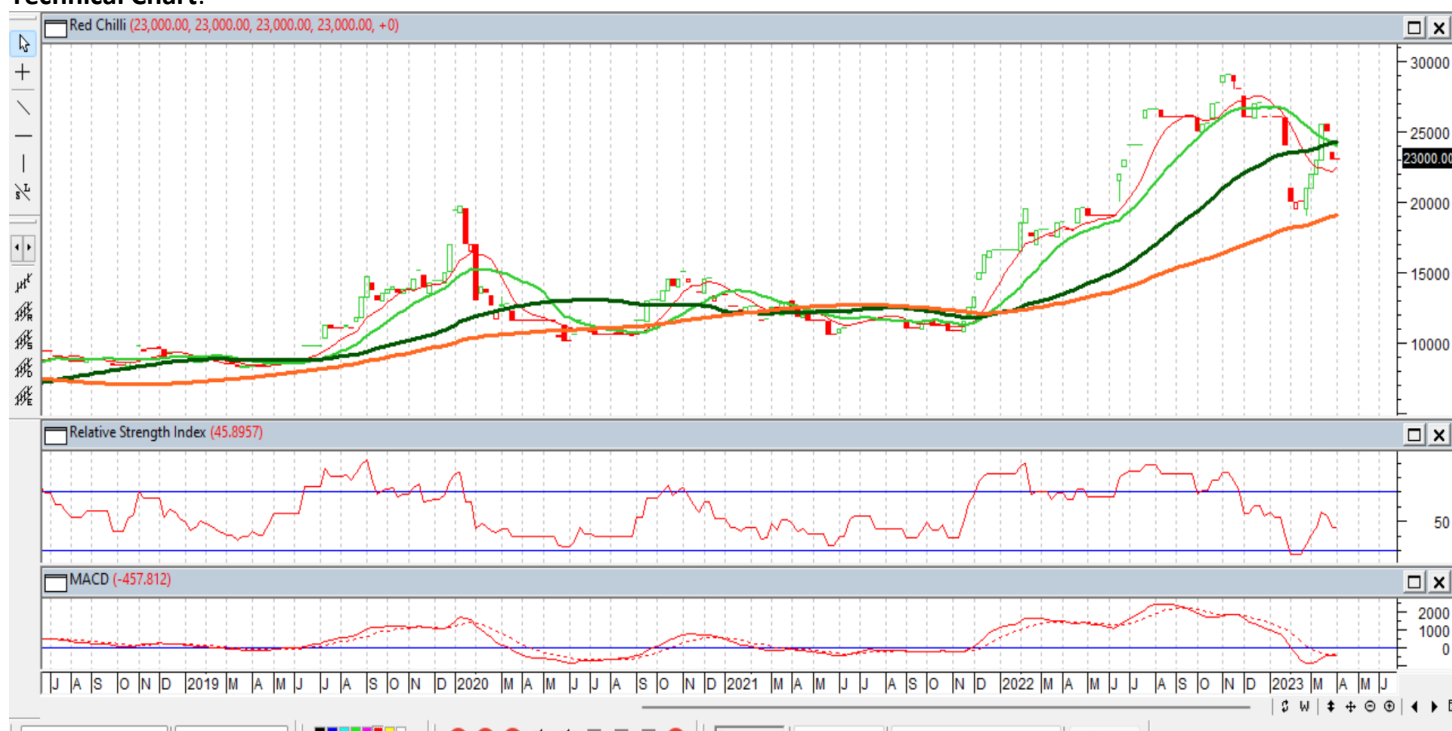
|                |           |                         |        |       |       |        |        |
|----------------|-----------|-------------------------|--------|-------|-------|--------|--------|
|                |           | Denvor Delux            | -2.98  | 22800 | 23500 | 22000  | 21100  |
|                |           | Paprika                 | 1.35   | 75000 | 74000 | 64000  | 53500  |
|                |           | Fatki                   | -2.86  | 17000 | 17500 | 14000  | 10000  |
|                | Khammam   | Teja (Cold storage)     | --     | NA    | NA    | NA     | NA     |
|                |           | Teja (Non-Cold storage) | 3.48   | 23800 | 23000 | 20600  | 19000  |
| Madhya Pradesh | Bedia     | No. 12                  | -3.57  | 27000 | 28000 | Closed | NA     |
|                |           | Fatki                   | -2.86  | 17000 | 17500 | Closed | 12000  |
|                |           | Jhankar                 | -4.17  | 23000 | 24000 | Closed | 16500  |
| Delhi          | New Delhi | Teja(Khammam)           | -1.85  | 26500 | 27000 | 24500  | 15000  |
|                |           | LCA 334                 | Unch   | 26000 | 26000 | 24500  | NA     |
|                |           | Fatki                   | Unch   | 14500 | 14500 | 14000  | NA     |
| Karnataka      | Byadgi    | 2043 Best               | -17.02 | 39000 | 47000 | 37000  | 25000  |
|                |           | 5531 Best               | -2.94  | 16500 | 17000 | 21000  | 18000  |
|                |           | Dabbi Dlx Local         | -6.25  | 60000 | 65000 | 55000  | 34700  |
|                |           | KDL Best(Local)         | -16.36 | 46000 | 55000 | 47000  | 27000  |
|                |           | KDL Fatki               | Unch   | 11000 | 11000 | 9500   | Closed |

### TECHNICAL ANALYSIS

#### 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 23,000 levels and, market made low of 23,000, high of 23,000.
- Market is currently trading below 9,18,50 DMA while it is above 100 DMA indicating weak momentum.
- RSI at 45, indicating weak buying strength. MACD is indicating steady to weak momentum.
- 26,000 is the near-term resistance while 21,000 is the near-term support.

| Strategy: Sell    |     | S2    | S1          | PCP   | R1    | R2    |
|-------------------|-----|-------|-------------|-------|-------|-------|
| NCDEX             | Apr | 20000 | 20500       | 23000 | 24500 | 25000 |
| Weekly Trade Call |     | Call  | Entry       | T1    | T2    | SL    |
| NCDEX             | Apr | Sell  | Above 23000 | 22000 | 21000 | 24000 |

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