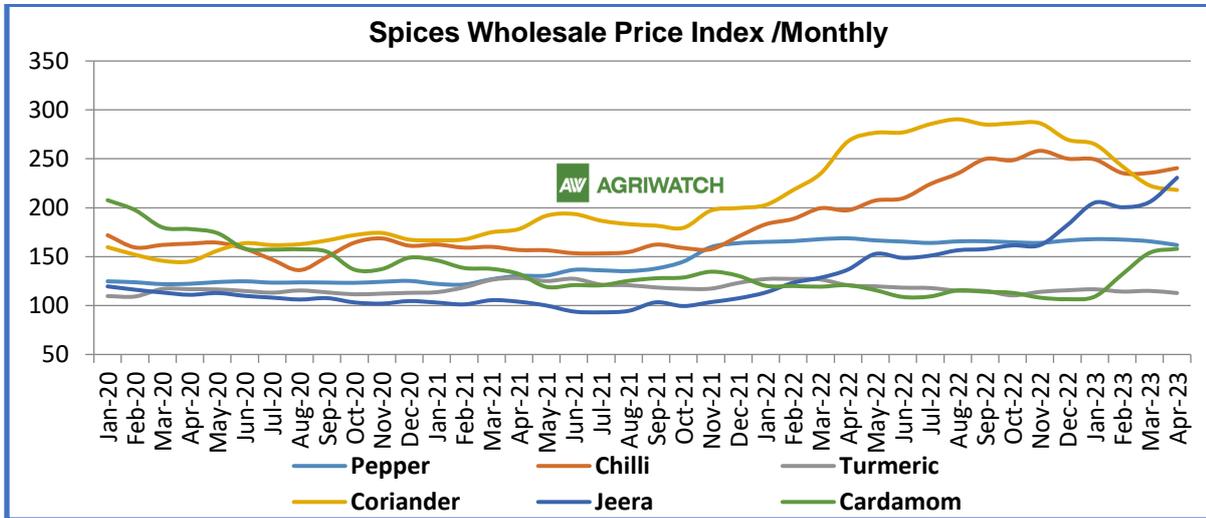

Red Chilli Weekly Research Report

AGRIWATCH

Spices Wholesale Price Index /Monthly



Months	Pepper	Chilli	Turmeric	Coriander	Jeera	Cardamom
Feb-23	167.4	235.5	114.3	242.5	200.5	131.9
Mar-23	165.7	235.7	115	222.8	205.9	153.9
Apr-23	161.8	240.5	112.8	218.1	230.7	158
Change Over Previous Month	-3.9	4.8	-2.2	-4.7	24.8	4.1

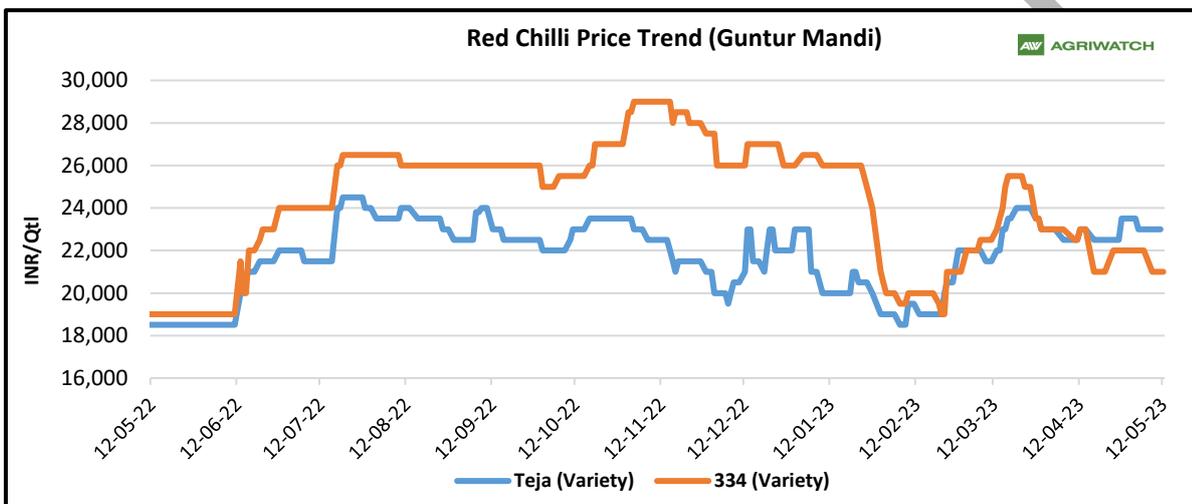
Source - MINISTRY OF COMMERCE & INDUSTRY. Base year – 2011-12

WEATHER SCENARIO

- In June, below normal monthly rainfall is expected over most parts of the country except some areas of south peninsular India, northwest India, extreme north India and some isolated pockets of northeast India, where above normal rainfall is expected.
- In June, above-normal monthly maximum and minimum temperatures are likely over most parts of the country.
- This may delay kharif sowing and impact the yields.

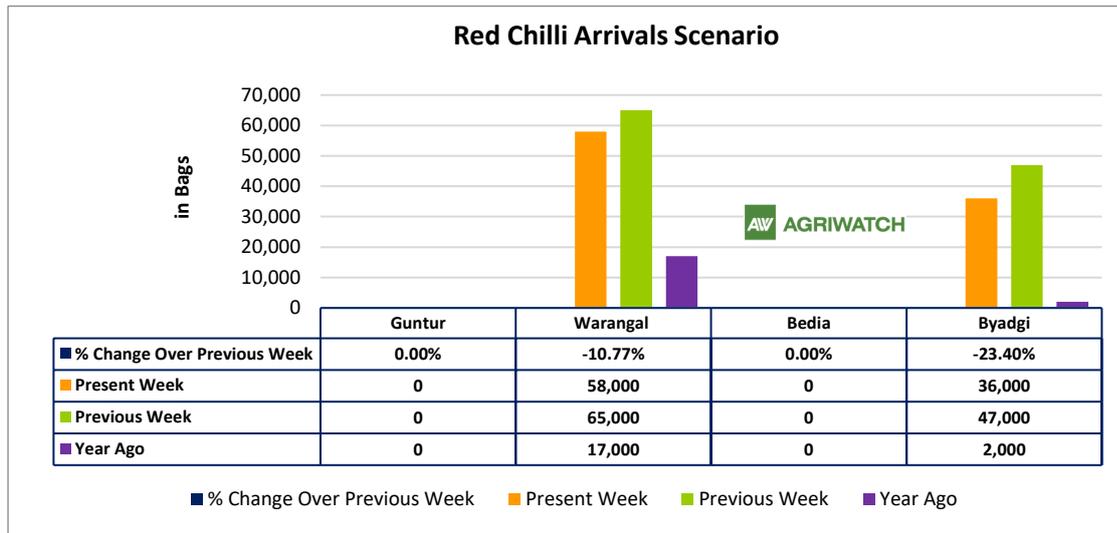
FUNDAMENTAL ANALYSIS

RED CHILLI



- Mixed sentiment was reported in the Red Chilli spot markets during the week under review.
- Red Chilli Khammam spot market is closed since 15th May 2023 for summer and will reopen on 5th June 2023. Red Chilli Guntur spot market also closed from 15th May 2023 and will reopen on 12th June 2023.
- Cold-storage arrivals in the Karnataka market is likely to increase gradually on upcoming demand from global markets for good quality chillies despite the fear of decline in prices on higher production. Hence, due to weak demand in the market, Red Chilli KDL Best (Local) is reported at INR 30,000-35,000 per quintal, lower by 5.41% and 5531 Best is reported at INR 13,000-16,000 per quintal, lower by 5.88% from previous week.
- AgriWatch predicts that arrivals in the AP and Telangana market will increase after mid-June due to improved demand from China, Bangladesh, Malaysia, and Indonesia. Additionally, the demand from masala companies will further contribute to the rising arrivals. However, prices in the Karnataka cash markets will remain stable and comfortable due to continuous demand from major importers, especially China, Bangladesh, and Sri Lanka. However, price stability will depend on current weather conditions and clarity regarding the upcoming sowing expectations, which might become clear by June 15, 2023.
- As per the trade sources, the AP cold storages are likely filled with approximately 65-75 lakh bags, whereas the Telangana cold storages are expected to store between 55-60 lakh bags, and Karnataka cold storages may store around 70-80 lakh bags due to higher production. In Karnataka's cold storages/ warehouse, approximately 50% to 55% of the total stocks consist of the 5531 variety while the remaining 45% to 50% comprises other varieties such as Super 10, Indo, 2043, Daddi, and KDL, among others.

- Prices are anticipated to rise by INR 2,000-3,000 per quintal after the reopening of the markets due to export demand from China and other countries, Oleoresin companies, and Masala companies. However, in the long term, between August and September, prices are likely to decrease due to higher stock availability.
- AgriWatch expects, sowing for the upcoming season (2023-24) in Karnataka producing districts will commence by the end of June or in the first week of July. Due to the higher price range, there is a possibility that the area under Chilli cultivation may increase in the state.



- In the Warangal Red Chilli spot market, there is currently a higher supply of inferior quality chillies compared to premium quality Red Chilli crop. This is because farmers and stockists are awaiting a potential price rebound, which they anticipate after the start of cold-storage supply in the Guntur and Khammam markets.

Red Chilli Spot Prices Weekly Change, Loose Prices (Rs/Qtl)							
State	Centre	Grade	% Change Over Previous Week	Today	Week Ago	Month Ago	Year Ago
				02-Jun-23	26-May-23	02-May-23	02-Jun-22
Andhra Pradesh	Guntur Benchmark market	NCDEX Quality	--	Closed	Closed	18000	Closed
		LCA 334	--	Closed	Closed	22000	Closed
		Teja	--	Closed	Closed	23500	Closed
		No. 273	--	Closed	Closed	20000	Closed
		No. 5	--	Closed	Closed	22000	Closed
		Fatki	--	Closed	Closed	13500	Closed
		Byadgi	--	Closed	Closed	27000	Closed
		US 341	--	Closed	Closed	21500	Closed
		Denvor Delux	--	Closed	Closed	20000	Closed
		Indam 5	--	Closed	Closed	22000	Closed
Telangana	Warangal	Teja	-0.94	21000	21200	20600	17000
		Wonder Hot	Unch	35000	35000	31000	26000
		341	1.42	21500	21200	20400	24000
		Denvor Delux	2.38	21500	21000	20400	23800
		Paprika	--	NA	NA	NA	55000
		Fatki	Unch	14000	14000	14000	10000
	Khammam	Teja (Cold storage)	--	Closed	Closed	NA	Closed
		Teja (Non-Cold storage)	--	Closed	Closed	22000	Closed
Madhya Pradesh	Bedia	No. 12	Unch	28000	28000	23000	Closed
		Fatki	Unch	17000	17000	16000	12500
		Jhankar	12.50	18000	16000	16000	19000

Delhi	New Delhi	Teja(Khamam)	Unch	26000	26000	25500	Closed
		LCA 334	Unch	24500	24500	24500	Closed
		Fatki	Unch	13000	13000	13000	Closed
Karnataka	Byadgi	2043 Best	Unch	30000	30000	33000	27000
		5531 Best	-7.14	13000	14000	14000	15000
		Dabbi Dlx Local	--	NA	45000	51000	38000
		KDL Best(Local)	-10.26	35000	39000	42000	28500
		KDL Fatki	Unch	9000	9000	10000	3200

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