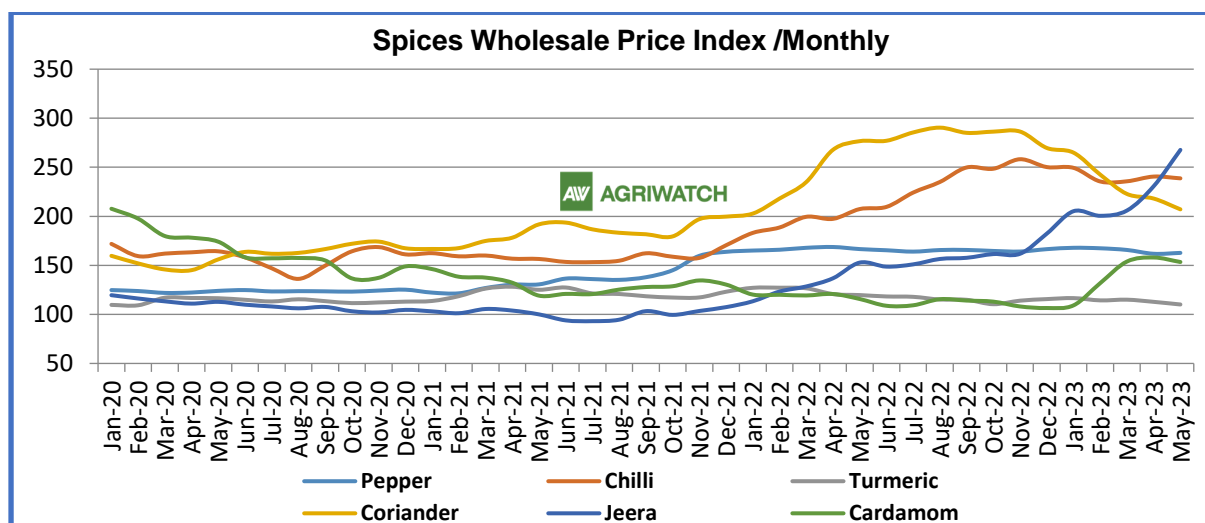

Red Chilli Weekly Research Report

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Spices Wholesale Price Index /Monthly

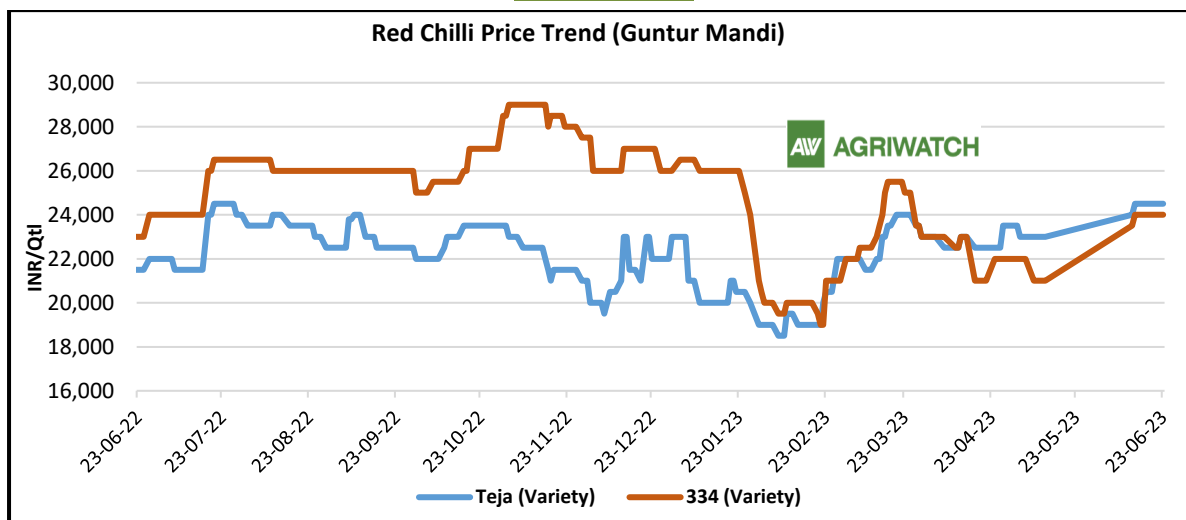


Months	Pepper	Chilli	Turmeric	Coriander	Jeera	Cardamom
Mar-23	165.7	235.7	115	222.8	205.9	153.9
Apr-23	161.8	240.5	112.8	218.1	230.7	158
May-23	162.7	238.7	110.1	207.1	267.7	153.4
Change Over Previous Month	0.9	-1.8	-2.7	-11.0	37.0	-4.6

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

FUNDAMENTAL ANALYSIS

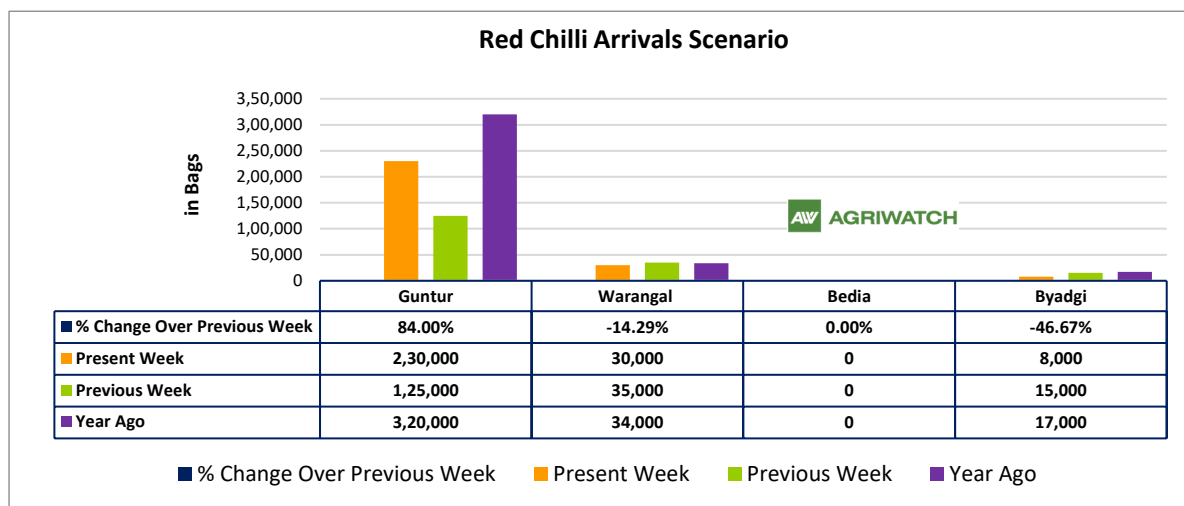
RED CHILLI



- Mixed sentiment was witnessed in the Red Chilli spot markets during the week under review.
- Both domestic and export market buyers are currently refraining from purchase in bulk quantities, and their activity is expected to pick up from July onwards, which will provide support to prices in the short-term.
- However, there is an expectation of downward movement in the markets in the medium term, primarily due to the higher availability of premium quality among stockists and farmers.
- Significant deficit in monsoon rainfall is reported in various regions, with Telangana experiencing -73%, Andhra Pradesh -42%, Maharashtra -87%, Karnataka -66% and Madhya Pradesh -70% from 1st June 2023 to 23rd June 2023. As a result, sowing has not yet commenced in these growing regions.
- AgriWatch predicts that the late sowing will have an impact on the arrivals, potentially leading to weaker supply. Meanwhile, the demand from buyers and masala millers is anticipated to drive markets higher.

AgriWatch Red Chilli Sowing Intention 2023-24

According to AgriWatch estimates, the kharif sowing acreage of Red Chilli is expected to increase during the current season. This growth is primarily driven by farmers witnessing a realization that is nearly 250% higher than the cost of cultivation. In Telangana and Andhra Pradesh, the sowing area is projected to increase by 15%-20%. Similarly, in Karnataka, where prices are comparatively higher, the acreage is expected to grow by 25%-30% compared to the previous season. However, sowing is only likely start by the end of June. While in MP it is expected to decline by 10% -15% from the previous season as farmers may opt for cotton crop instead, which offers higher returns.



- Farmers and stockists are currently concerned about the delay in sowing progress caused by late monsoon conditions due to which they are releasing inferior quality more as compared to the premium quality stocks.
- Significant increase in demand from the global and domestic markets in the upcoming weeks likely to push the supply pressure.

AgriWatch Red Chilli Production Estimates 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%.

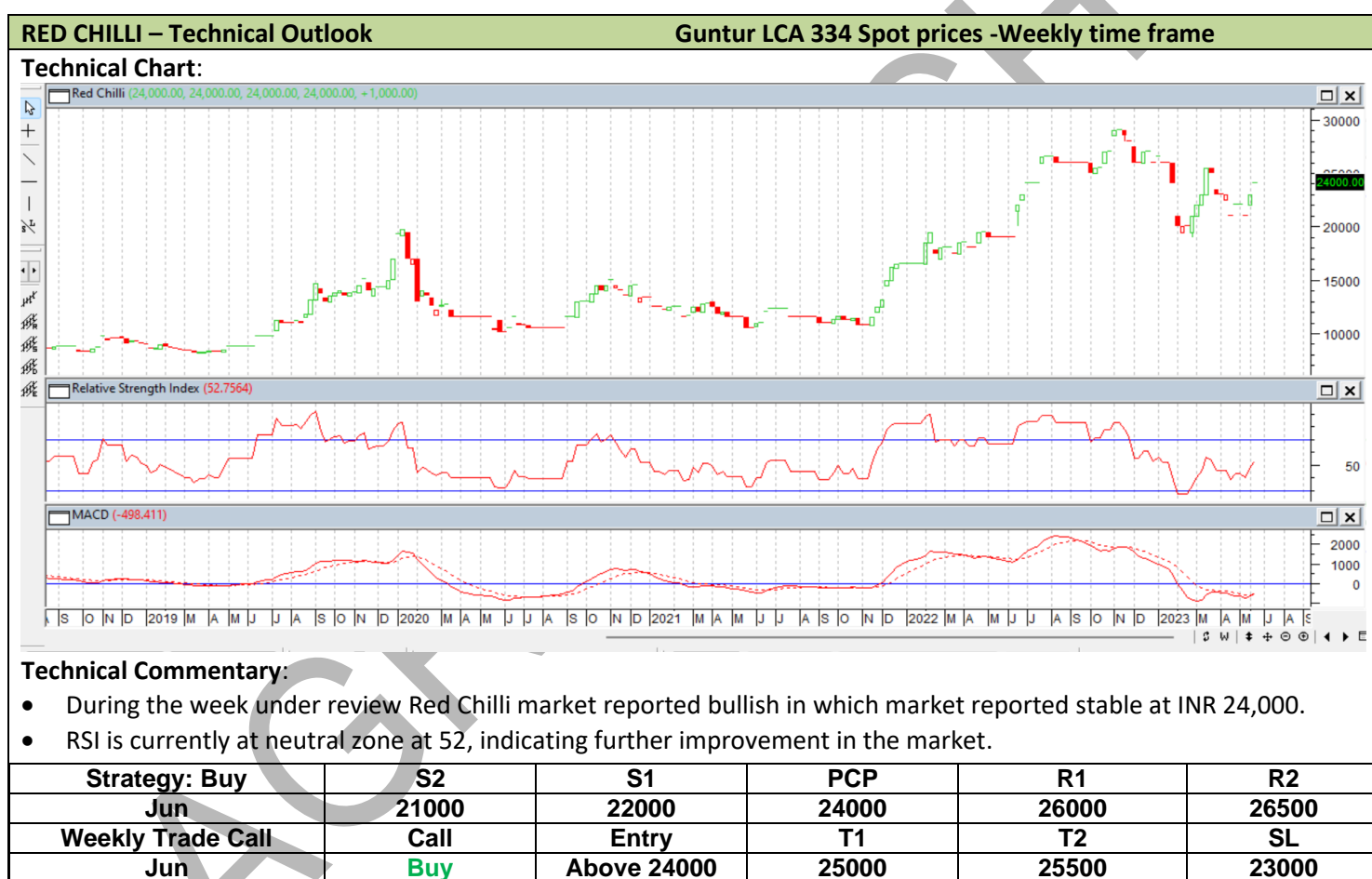
Red Chilli Price Outlook

Chilli (334 quality) in Guntur market is likely to trade between INR 22,500 – 25,000 per quintal (Low – High), in the next month. Currently normal supply and demand is recorded in the market.

Red Chilli Spot Prices Weekly Change, Loose Prices (Rs/Qtl)							
State	Centre	Grade	% Change Over Previous Week	Today	Week Ago	Month Ago	Year Ago
				23-Jun-23	16-Jun-23	23-May-23	23-Jun-22
Andhra Pradesh	Guntur Benchmark market	NCDEX Quality	Unch	22000	22000	Closed	21000
		LCA 334	Unch	24000	24000	Closed	23000
		Teja	Unch	24500	24500	Closed	21500
		No. 273	Unch	22000	22000	Closed	23500
		No. 5	Unch	25000	25000	Closed	24500
		Fatki	Unch	15000	15000	Closed	13000
		Byadgi	Unch	27500	27500	Closed	24500
		US 341	Unch	24000	24000	Closed	27000
		Denvor Delux	Unch	23000	23000	Closed	25000
Telangana	Warangal	Indam 5	Unch	25000	25000	Closed	24500
		Teja	15.71	24300	21000	21200	18300
		Wonder Hot	-5.71	33000	35000	35000	26000
		341	6.98	23000	21500	21200	26000
		Denvor Delux	-34.88	14000	21500	21000	24500
		Paprika	--	NA	NA	NA	39000
	Khammam	Fatki	Unch	14000	14000	14000	13600
		Teja (Cold storage)	1.65	24700	24300	Closed	21000
		Teja (Non-Cold storage)	--	NA	20000	Closed	18000

Madhya Pradesh	Bedia	No. 12	--	Closed	Closed	28000	22000
		Fatki	--	Closed	Closed	17000	12500
		Jhankar	--	Closed	Closed	16000	16500
Delhi	New Delhi	Teja(Khamam)	6.00	26500	25000	26000	24000
		LCA 334	8.33	26000	24000	24500	19000
		Fatki	8.00	13500	12500	13000	7500
Karnataka	Byadgi	2043 Best	Unch	25000	25000	32000	27000
		5531 Best	Unch	13000	13000	14000	20000
		Dabbi Dlx Local	--	59000	59000	45000	41000
		KDL Best(Local)	42.86	50000	35000	39000	32000
		KDL Fatki	Unch	9000	9000	9000	3700

TECHNICAL ANALYSIS



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