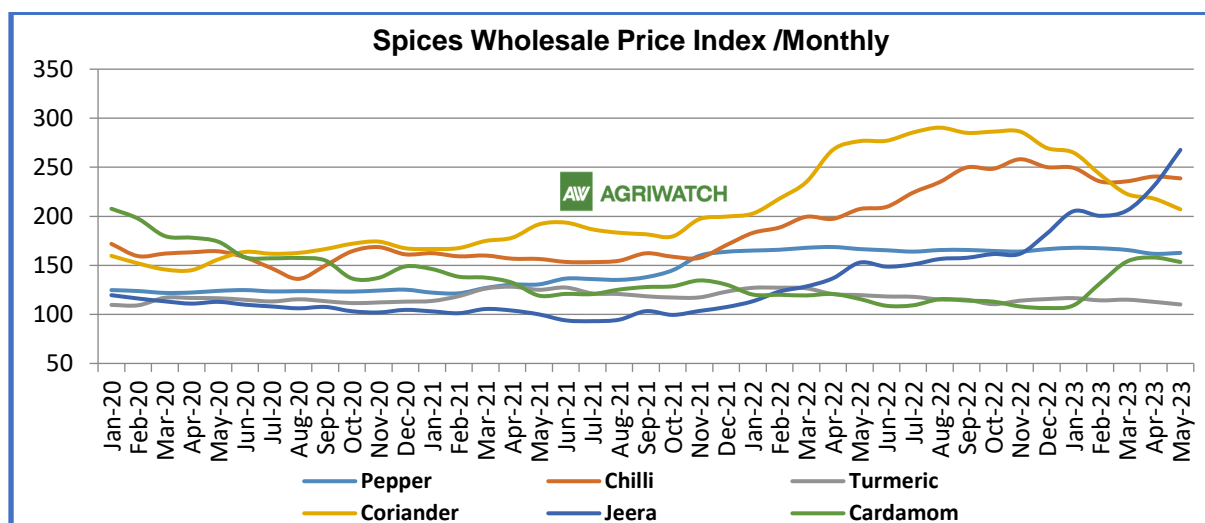

Red Chilli Weekly Research Report

AGRIWATCH

Spices Wholesale Price Index /Monthly

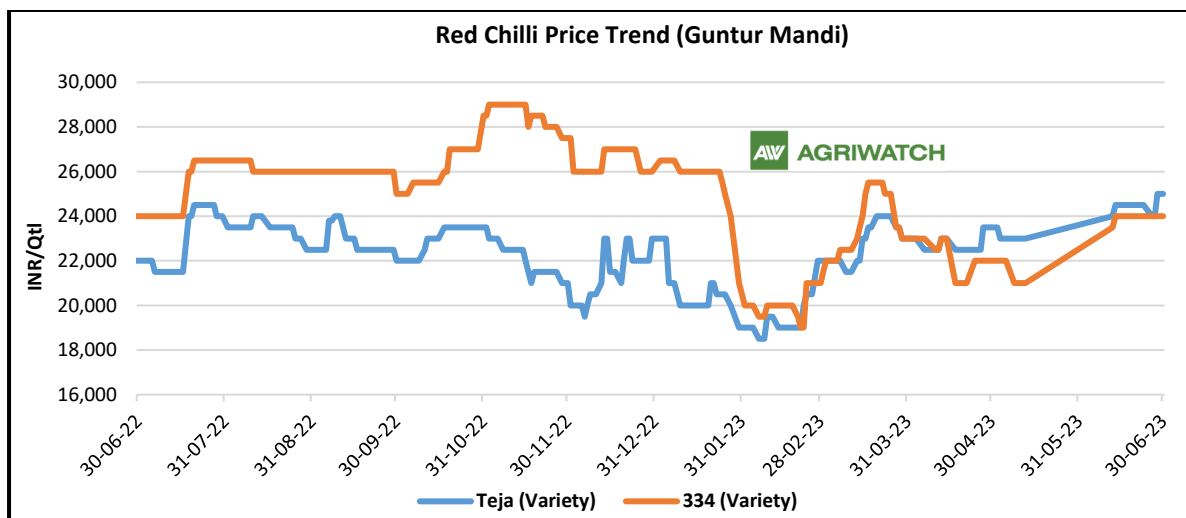


Months	Pepper	Chilli	Turmeric	Coriander	Jeera	Cardamom
Mar-23	165.7	235.7	115	222.8	205.9	153.9
Apr-23	161.8	240.5	112.8	218.1	230.7	158
May-23	162.7	238.7	110.1	207.1	267.7	153.4
Change Over Previous Month	0.9	-1.8	-2.7	-11.0	37.0	-4.6

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

FUNDAMENTAL ANALYSIS

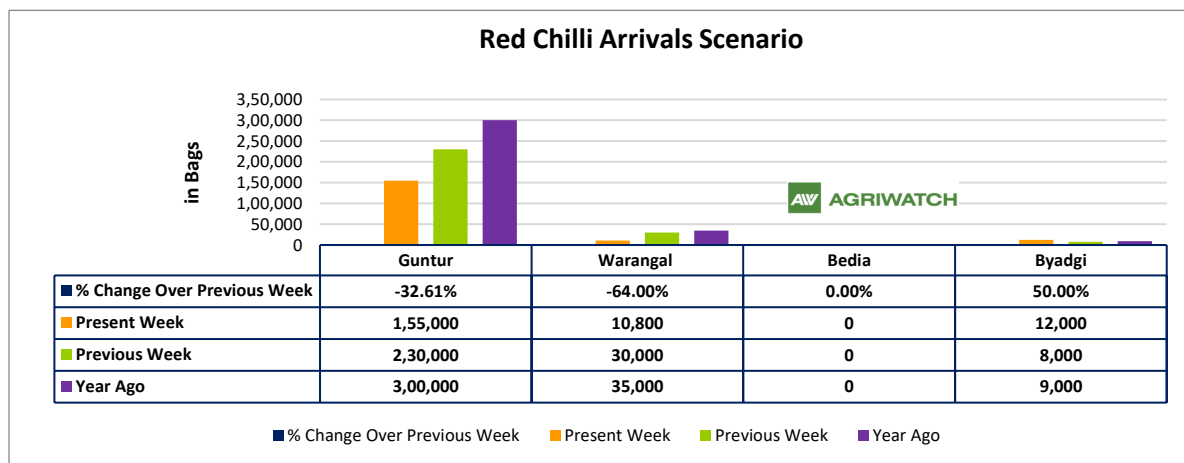
RED CHILLI



- Mostly steady sentiment was witnessed in the Red Chilli spot market 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 and long-term, primarily due to the higher availability of premium quality among stockists and farmers.
- Currently, farmers are offloading their inferior quality stocks in the spot markets (on an average 10,000 to 15,000 bags, 1 bag = 45 kgs) which are not kept in the cold storage and for best quality cold-storage varieties, they are waiting for improvement in market demand.
- Farmers are expecting delay in start of Red Chilli sowing, with a lag of 20-25 days observed in most growing regions. However, the arrival of the monsoon in most parts of the country, has raised hopes for the sowing process to commence in the upcoming week.

AgriWatch Red Chilli Sowing Intention 2023 (Kharif Season)

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 marketing year is estimated at 15.56 lakh metric tonnes (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
				30-Jun-23	23-Jun-23	30-May-23	30-Jun-22
Andhra Pradesh	Guntur Benchmark market	NCDEX Quality	Unch	22000	22000	Closed	21000
		LCA 334	Unch	24000	24000	Closed	24000
		Teja	2.04	25000	24500	Closed	22000
		No. 273	Unch	22000	22000	Closed	23500
		No. 5	Unch	25000	25000	Closed	24500
		Fatki	Unch	15000	15000	Closed	12000
		Byadgi	-1.82	27000	27500	Closed	26000
		US 341	Unch	24000	24000	Closed	27000
		Denvor Delux	Unch	23000	23000	Closed	26500
		Indam 5	Unch	25000	25000	Closed	24500
Telangana	Warangal	Teja	2.06	24800	24300	21200	22000
		Wonder Hot	Unch	33000	33000	35000	27500
		341	Unch	23000	23000	21000	26500
		Denvor Delux	Unch	14000	14000	21000	26000
		Paprika	--	NA	NA	NA	NA
		Fatki	Unch	14000	14000	14000	13000
	Khammam	Teja (Cold storage)	-0.81	24500	24700	Closed	22000
		Teja (Non-Cold storage)	--	NA	NA	Closed	Closed
Madhya Pradesh	Bedia	No. 12	--	27500	Closed	28000	22000
		Fatki	--	16000	Closed	17000	12500

		Jhankar	--	20000	Closed	18000	16500
Delhi	New Delhi	Teja(Khamam)	Unch	26500	26500	26000	24000
		LCA 334	Unch	26000	26000	24500	19000
		Fatki	Unch	13500	13500	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	50000	39000	32000
		KDL Fatki	Unch	9000	9000	9000	3700
		Dabbi Medium Best (Local)	Unch	49000	49000	58000	NA
		KDL Medium	-3.85	12500	13000	NA	NA
		2043	--	44000	NA	51000	33000

TECHNICAL ANALYSIS



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