

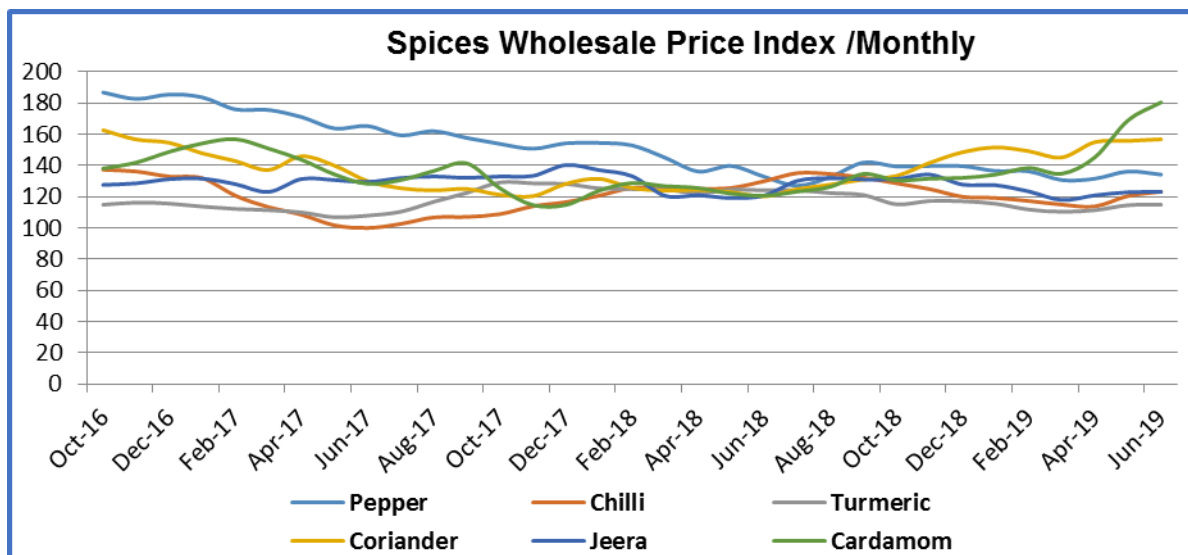
---

# Spices Monthly Research Report

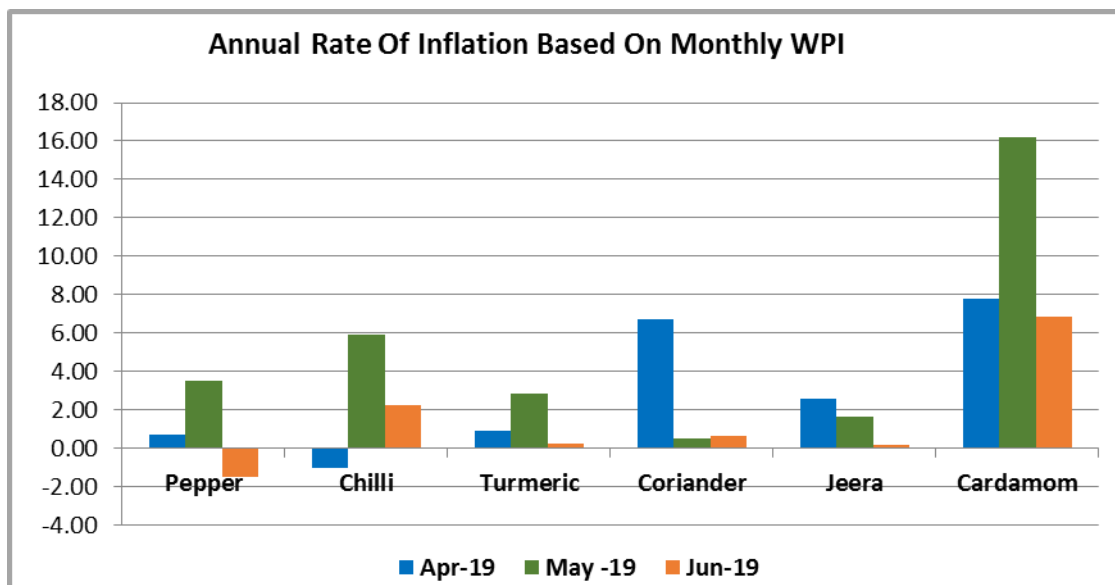
---

## Contents

- ❖ Spices Wholesale Price Index /Monthly
- ❖ Arrivals Scenario
- ❖ Spot Market Prices
- ❖ Spot price Outlook
- ❖ Black pepper, Cumin Seed FOB Prices
- ❖ Domestic Stock Position
- ❖ Current year Kharif Sowing Progress Chilli and Turmeric
- ❖ Agriwatch Red Chilli and Turmeric Production Estimate 2020-21
- ❖ Agriwatch Coriander and Jeera Final Production 2019-20
- ❖ Domestic Market Fundamentals
- ❖ Technical Analysis (Futures Market)



Pepper price index in Jun 134.3 compared to 136.3 in May, Red Chilli 123.3 in Jun up from 120.6 in May, Turmeric in Jun 115 compared to 114.7 in May, Coriander 156.9 in Jun from 155.9 in May, Jeera 123.2 in Jun compared to 123 in May and Cardamom in Jun 180.6 up from 169 in May.



## RED CHILLI

### Spot Market Recap

- By and large steady to firm sentiment witnessed in Chilli domestic market during the period.
- Due to lower cold storage stocks buyers reported active in the spot market.
- Continued export demand from Bangladesh, China, Malaysia and Sri Lanka also supported the prices.
- In Madhya Pradesh, chilli sowing almost completed. Sources revealed that, current year area reported increased by 45 – 50% from last year due to higher prices. From last three years sowing area reported lower from normal area due to virus infection.
- As per Andhra Pradesh Govt, Chilli sowing as on 31st July 2019 reported 10,870 hectares as compared to 23,133 hectares in the corresponding period last year.
- Overall, the average rainfall received in Andhra Pradesh from 1-6-2019 to 31-07-2019 is recorded as 178.4 mm as against the Normal as on date of 245.0 mm showing by deficit -27 per cent. During the period average rainfall received major chilli growing districts like Guntur -18%, Prakasam 2%, Kurnool -41%, Krishna -25%, Anantapuram -46%.
- In AP Chilli sowing activity reported lower due to lower rainfall, if rainfall happens in next 20 - 25 days chilli area likely to go up due to higher prices. Chilli replanting slowly started from August.
- As per Telangana Govt, Chilli sowing as on 31st July 2019 reported 3,374 hectares (from normal area) as compared to 10,069 hectares in the corresponding period last year.
- Overall, the average rainfall received in Telangana State from 1-6-2019 to 31-7-2019 is recorded as 302.3 mm as against the Normal of 373.4 mm showing deviation of -19%. During the period average rainfall received major chilli growing districts like Khammam -38%, Mehabubabad -36%, Gadwal (Jogulamba) -19%, Jayashanker -16%.
- Red chilli prices likely to go up further due to lower stocks available in cold storage.

### Monthly Red Chilli (Dry) Arrival Scenario

Market	Current Month	Last Month	Previous Year	% Change Over Previous month
	19-Jul	19-Jun	18-Jul	
<b>Guntur (Andhra Pradesh)</b>	14,70,000	795,000	775,000	<b>84.91</b>
<b>Warangal (Andhra Pradesh)</b>	1,30,000	91,000	7,300	<b>42.86</b>
<b>Total</b>	<b>16,00,000</b>	<b>886,000</b>	<b>782,300</b>	<b>80.59</b>

Units – Bags (1 bag = 45 kgs)

Red chilli supply reported up by 104.53% in the spot market from last year as Stockists were releasing the stocks at higher prices level.

### Red Chilli Arrivals Scenario

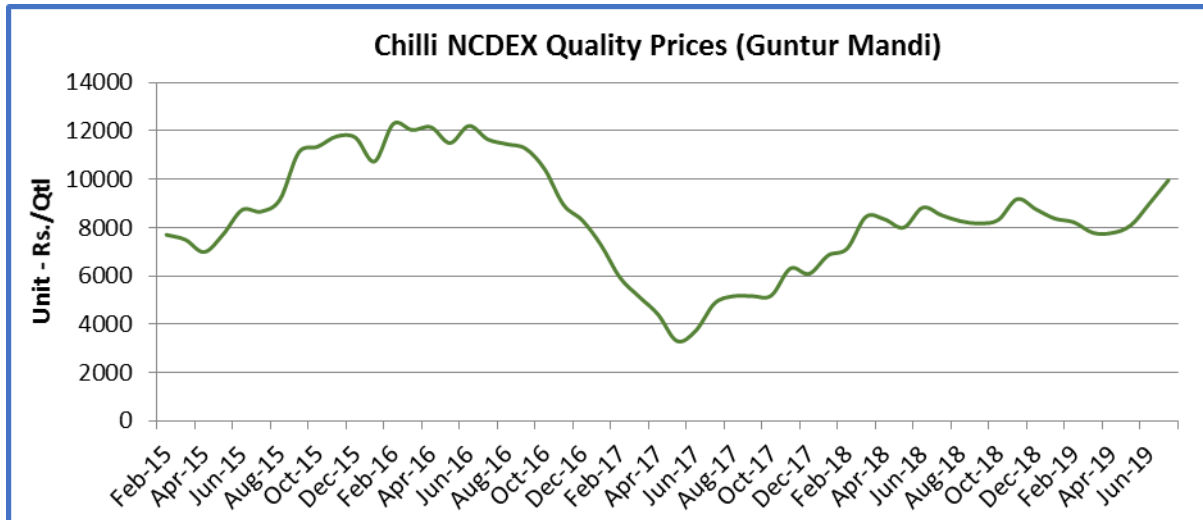
Current year total red chilli supply in Guntur market from 1st January 2019 to 31st July 2019, stands at around 348,075 MT as compared to 259,830 MT in the corresponding period last year, supply up by 34% an expectation of higher production current year.

### Chilli Cold storage stocks

As per trade information, chilli cold storage stocks as on date in Guntur stood at 90,000 to 99,000 MT lower from normal (in normal 157,500 to 180,000 MT) stocks, also in Andhra Pradesh around 180,000 to 189,000 MT (in normal 225,000 to 247,500 MT) according to various trade estimates. Current year cold storage stocks reported lower as carry forward stocks reported less.

### Agriwatch Red Chilli Production Estimate 2020-21

As per Agriwatch's first production estimate, Red Chilli production for 2020-21 is estimated at 12.93 lakh MT. Previous year's production was 12.22 lakh MT (2019-20 marketing season).



Current year (2019) chilli prices reported downward correction from January to April due to new crop supply. However, during July prices bounce back to Rs.9,961/-qtl due to lower carry forward stocks. Red Chilli prices last year July reported at Rs.8,511 /-qtl.

#### Red Chilli Price Outlook

Before summer vacation Chilli (NCDEX quality) in Guntur was traded at Rs.9,500 – 10,300 per quintal. We expect that prices may not fall much further from current levels, as lower cold storage stocks available in the market. **We expect prices (cold storage) to move in a range between Rs.9,500 – 12,000/-qtl in coming days.**

#### Red Chilli Spot Price Outlook (Guntur, 334 variety)



Candlestick chart formation indicates prices downward correction in the market. Red Chilli 334 variety prices are moving at Rs.10,500 – 11,000/-qtl. We expect prices (cold storage) to move in a range between Rs.12,000 – 14,000/- in coming days.

**Spot Prices Monthly Change**

Red Chilli (Dry) Spot Market Prices: (Rs/Qtl)					
Grade	Centre	31-Jul-19	29-Jun-19	31-Jul-18	% Change Over Previous month
NCDEX Quality	<b>Guntur (A.P.) Benchmark market</b>	10300	9000	8300	14.44
LCA 334		11000	9700	8600	13.40
Teja		13800	12100	10600	14.05
No. 273		10200	10200	10800	Unch
No. 5		10400	10400	10400	Unch
Fatki		6000	6000	6000	Unch
Byadgi		10500	10500	10500	Unch
US 341		10600	10600	10700	Unch
Denvor Delux		10300	10300	10000	Unch
Indam 5		10400	10500	10500	-0.95
Teja	<b>Warangal (Telangana)</b>	13000	11600	10300	12.07
Wonder Hot		10800	9900	10200	9.09
341		11000	10700	10600	2.80
Denvor Delux		10500	10200	10600	2.94
Paprika		NA	11600	NA	-
Fatki		7600	7200	6100	5.56
No. 12	<b>Bedia (M.P.)</b>	15000	12500	10200	20.00
Indu 2070		15000	12500	NA	20.00
MICO (Teja)		15000	12500	12800	20.00
Jhankar		15000	12500	NA	20.00
Ganesh		NA	NA	NA	-
Teja (Khamam)	<b>New Delhi</b>	14500	14200	11500	2.11
M.P. Maco Teja		NA	NA	NA	-
Pala 12		NA	NA	NA	-
LCA 334		12500	14500	10500	-13.79
Fatki		5500	5600	6000	-1.79
Packing		NA	14500	10500	-

## TURMERIC

**Spot Market Recap**

- Firm sentiment witnessed in Turmeric spot market during the period.
- Due to lower rainfall during July months Turmeric prices reported up.
- Till now in Maharashtra, Turmeric sowing completed around 70 – 75% due to lower rainfall. In Maharashtra Sangli, Nanded and Basmat regions, Turmeric seed quality which are stored (on the field itself) for sowing purpose reported damaged by 10 - 15% due to dry weather.
- In Maharashtra, rainfall during 01-06-2019 to 31-07-2019, in Marathwada region lower by 25%.
- As per Telangana Govt, Turmeric sowing as on 31st July 2019 reported 44,451 hectares (from normal area) as compared to 47,048 hectares in the corresponding period last year.
- Overall, the average rainfall received in Telangana State from 1-6-2019 to 31-7-2019 is recorded as 302.3 mm as against the Normal of 373.4 mm showing deviation of -19%. During the period average rainfall received major Turmeric growing districts like Nizamabad -12%, Jagtiyal -14%, Nirmal -24%, Warangal (Rural) -28%, Mehabubabad -36%.
- As per Andhra Pradesh Govt, Turmeric sowing as on 31st July 2019 reported 4,058 hectares (from normal area) as compared to 12,320 hectares in the corresponding period last year.
- Overall, the average rainfall received in Andhra Pradesh from 1-6-2019 to 31-07-2019 is recorded as 178.4 mm as against the Normal as on date of 245.0 mm showing by deficit -27 per cent. During the period average rainfall received major chilli growing districts like Guntur - 18%, Visakhapatnam -15%, YSR Kadapa -41%, Krishna -25%.
- In Andhra Pradesh, Telangana, Tamil Nadu, Turmeric sowing current year reported delay by 10 – 15 days due to delayed monsoon. Till now, turmeric sowing almost completed in AP and Telangana.

- In Tamil Nadu, Turmeric growing regions lower rainfall reported, till now only 45 – 50% sowing completed. Turmeric sowing likely to continue till August but depend on water availability. Farmers were very worried for current situations, major dams were reported empty. Rainfall during 01-06-2019 to 31-07-2019, in Tamil Nadu region lower by 29%. Major district wise during July rainfall reported lower in Erode -28 to -35%, Namakkal -67 to -75%, Salem -24 to -32%, Dharmapuri -2 to -14%.
- We expect Turmeric prices to trade range bound in coming days.

## Monthly Turmeric (Dry) Arrival Scenario

Market	Current Month	Last Month	Previous Year	% Change Over Previous month
	19-Jul	19-Jun	18-Jul	
Nizamabad (Telangana)	60,500	68,500	27,500	-11.68
Duggirala (AP)*	251,000	208,000	180,000	20.67
Salem (TN)*	218	336	787	-35.12
Erode (TN)	72,000	79,600	50000	-9.55
Sangli (Mah.)	22,800	71,500	8,750	-68.11
Warangal(Telangana)	65,000	86,000	29,000	-24.42
<b>Total</b>	<b>471,518</b>	<b>513,936</b>	<b>296,037</b>	<b>-8.25</b>

Units – Bags (1 bag = 75 kgs), \* qtl.

Turmeric supply reported up by 59.28% in the spot market from last year as stockists were releasing their stocks as higher stocks available due to increasing production. During current marketing season (2019-20) all India Turmeric production reported up by 11.76% from previous year.

## Arrivals Scenario

In Andhra Pradesh, Duggirala market new turmeric crop continued in the market, currently on an average 7,000 – 8,000 quintal reported on daily basis.

In Erode mandi new Turmeric supply reported around on an average daily basis 3,750 – 4,000 quintals.

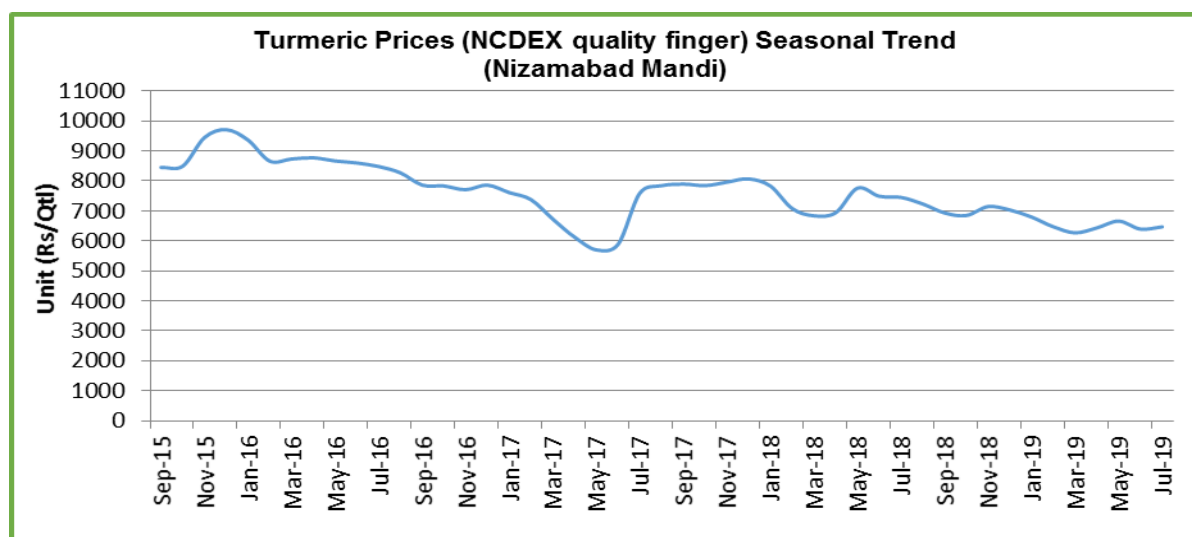
In Warangal market, new Turmeric continued to the market, on an average daily basis 1,495 to 1,625 quintal.

In Nizamabad, current season new Turmeric arrivals reported around 92,855 MT till 02nd Aug compared to last year same period 72,688 MT, 27.74% reported up from last year.

In Erode market, Turmeric supply current year reported around 27,291 MT till 31st July.

## Agriwatch Turmeric Production Estimate 2020-21

As per Agriwatch's first production estimate, Turmeric production for 2020-21 is estimated at 517,913 MT (basis dry crop) compared to previous year's 532,353 MT (2019-20 marketing season).



In the benchmark market, Turmeric monthly average prices during July ended with at Rs.6,468/-qtl compared to previous month Rs.6,394/-qtl. Turmeric prices last year July reported at Rs.7,450/-qtl.



Higher production current year compared to last year put some pressure on prices from higher levels, however buyers likely to active from lower levels (Rs.6,100 – 6,200/-qtl) in coming days.

### Turmeric Price Outlook

Currently, turmeric (finger, NCDEX quality) in Nizamabad is trading at Rs.6,500/ quintal. We expect that prices may not fall much further from current levels as lower Turmeric stocks reported in the spot market. Buyers likely to active in the spot market from lower price level. **We expect next month prices to move in a range between Rs.6,100 – 7,000/-qtl.**

### Spot Prices Monthly Change

Turmeric (Dry) Spot Market Prices (Loose): (Rs/Qtl)					
Grade	Centre	31-Jul-19	29-Jun-19	31-Jul-18	% Change Over Previous month
Nizam quality	Nizamabad (Telangana) <b>Benchmark market</b>	6500	6300	7500	3.17
Double polish finger		7500	7300	8500	2.74
Gattah (unpolished)		6300	6000	7300	5.00
Gattah (double polished)		7300	7000	8300	4.29
Bulb	Duggirala (A.P.)	5900	5600	6600	5.36
Finger		5900	5900	6600	Unch
Finger	Erode (T.N.)	6900	6600	8200	4.55
Gattah		6500	6100	7500	6.56
Sellem		7700	7600	8800	1.32
Bulb	Salem(T.N.)	NA	NA	7885	-
Finger		7150	7100	8995	0.70
Rajpuri/Selam Finger	Sangli (Mah.)	10000	8000	10200	25.00
Rajpuri Medium		8500	7000	8900	21.43
Desi Kadappa		6500	5700	7700	14.04
Finger	Warangal (Telangana)	6700	6200	7550	8.06
Round		6300	5800	7550	8.62

### Turmeric Price Outlook (weekly Chart, Sep Contract)



Candlestick chart pattern reveals bearish sentiment in the market. RSI moving down in neutral region in the market. Volumes are not supporting the prices.

Strategy: Buy		S2	S1	PCP	R1	R2
NCDEX	Sep	6000	6100	6672	7250	7300
Monthly Trade Call		Call	Entry	T1	T2	SL
	Sep	Buy	Above 6300	6900	7200	6000

## CORIANDER SEED

### Spot Market Recap

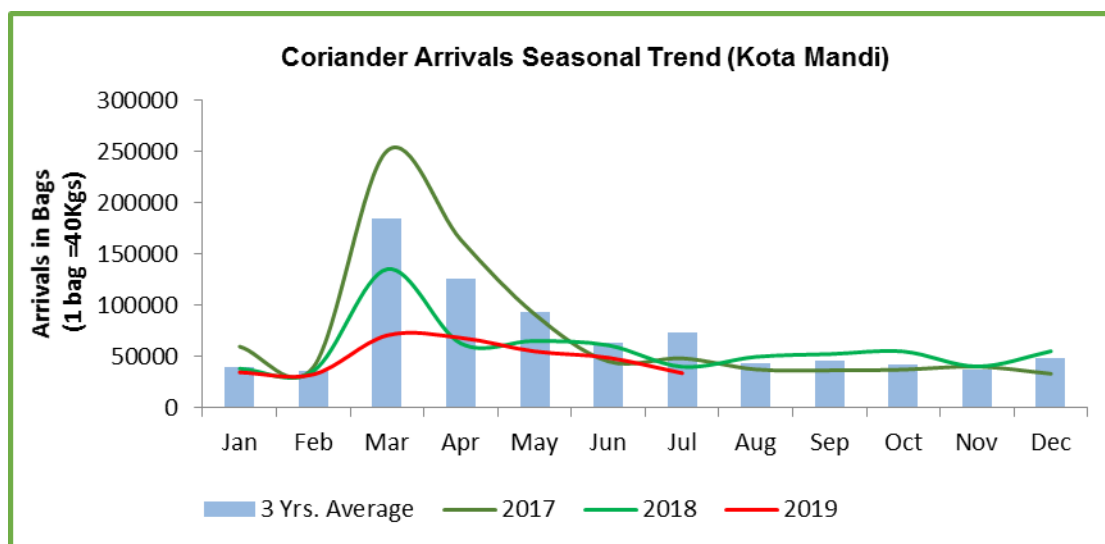
- Steady to weak sentiment witnessed in Coriander major market during the month. As already traded at higher levels some price correction reported during the period.
- Buyers reported unresponsive in Madhya Pradesh and Rajasthan due to monsoon season. Due to heavy rainfall in growing regions mandi arrivals reported lower.
- Coriander supply reported lower from current month as they were expecting further higher prices in coming days.
- Agriwatch estimates lower ending stocks for 2019-20 likely to support Coriander prices in coming days.
- Coriander prices are expected to range bound in coming days.

### Monthly Coriander Arrival Scenario

Market	Current Month	Last Month	Previous Year	% Change Over Previous month
	19-Jul	19-Jun	18-Jul	
Guna (MP)	31,950	79,000	20,500	-59.56
Neemuch (MP)	18,800	17,800	10,900	5.62
Kota (RJ)	34,000	49,100	40,300	-30.75
Ramganj (RJ)	70,800	63,000	94,000	12.38
Baran (RJ)	31,800	54,400	29,650	-41.54
Bhawani (RJ)	3,050	9,450	3,000	-67.72
Gondal (GUJ)	18,000	27,300	23,297	-34.07
<b>Total</b>	<b>208,400</b>	<b>300,050</b>	<b>221,647</b>	<b>-30.54</b>

Units – Bags (1 bag = 40 kgs)

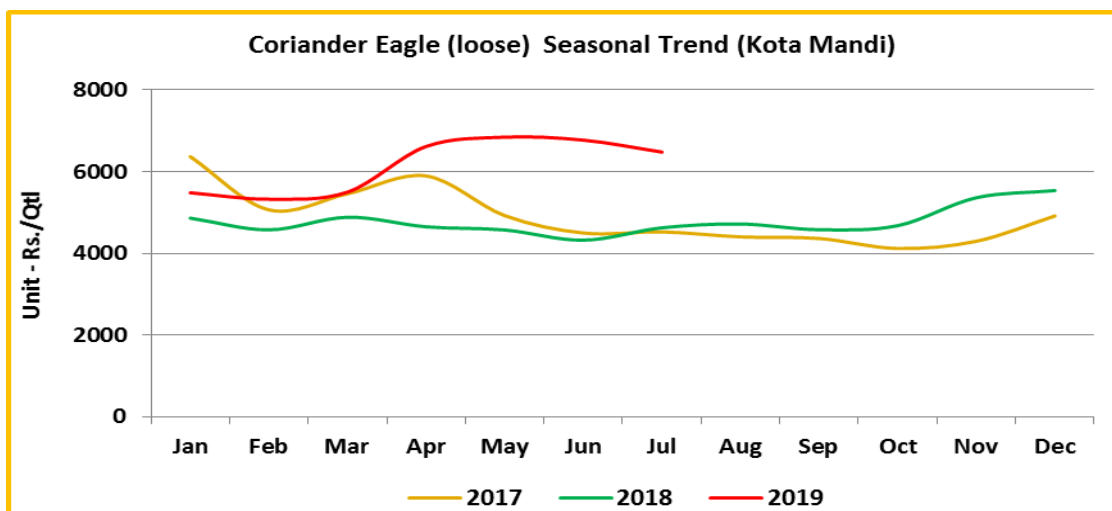
In **Kota benchmark market**, arrivals current year reported down by 5.98% from corresponding period last year as stockists were holding back their stocks an expectations of higher prices level and rainy weather also hamper the continuous arrivals.



Current year coriander supplies reported down during July at Kota mandi as stockists were holding back their stocks an expectations of higher prices in coming days. In 2019, Coriander new crop supply reported 9,844 MT from 12th March to 31st July compared to same period last year 13,260 MT, down by 25.76%.

In **Kota** spot market, last season from 15<sup>th</sup> February to 31<sup>st</sup> December 2018, supply reported around 25,520 MT compared to 33,140 MT in the corresponding period last year, down by 23%.





Due to lower production current year prices continuously up from January onwards and in July move up to Rs.6,481/-qtl last year same period it was Rs.4,627/-qtl, up by around 40.07%. Coriander lower production current year likely to support Coriander prices in future.

#### Agriwatch Coriander Production Estimate 2019-20

As per Agriwatch final production estimate, Coriander production for 2019-20 is estimated at 268,957 MT compared to previous year's 333,348 MT.

#### Agriwatch Coriander Price Outlook

Coriander import reported higher in 2018-19 as current year (2019-20) production expected lower due to lower sowing area. Stockists already buying good amount of stocks earlier an expectation of higher prices. We expect, this higher imported (above from normal) coriander stocks may cap coriander prices from higher levels as expected earlier. Overall sentiment is bullish.

We expect Dhaniya prices to go up in coming months. Coriander Badami prices are expected to gradually improve to a range of Rs.6,200 – Rs.6,500/- and Eagle variety is expected to increase to Rs.7,000 – Rs.7,200/-qtl.

#### Spot Prices Monthly Change

Coriander Spot Market Prices (Loose): (Rs/Qtl)					
Grade (New)	Centre	31-Jul-19	29-Jun-19	31-Jul-18	% Change Over Previous month
Badami	Guna (M.P.)	6200	6200	4400	Unch
Eagle		6500	6500	4700	Unch
Scooter		7000	7000	5100	Unch
Badami	Neemuch (M.P.)	5800	6200	4000	-6.45
Eagle		6100	6600	4400	-7.58
Scooter		6500	6900	NA	-5.80
Eagle	Kota (Raj.) Benchmark market	6200	6600	4700	-6.06
Eagle(Split)		6200	6600	4700	-6.06
Badami		5900	6300	4400	-6.35
Badami(Split)		5900	6300	4400	-6.35
Eagle(Split)	Ramganj (Raj.)	6600	6950	4750	-5.04
Eagle		6600	6950	4750	-5.04
Badami		6300	6650	4450	-5.26
Badami(Split)		6300	6650	4450	-5.26
Scooter	Baran (Raj.)	7500	7850	5250	-4.46
Eagle		6100	6500	4500	-6.15
Badami		6000	6300	4300	-4.76
Eagle	Bhawani (Raj.)	6100	6300	4700	-3.17
Badami		5900	6100	4400	-3.28
Scooter		6300	6500	5000	-3.08
Double Paroot		NA	NA	NA	-
Badami	Gondal (Guj.)	6000	6500	4250	-7.69
Eagle		6500	7000	4375	-7.14

**Coriander Price Outlook (weekly Chart, Sep Contract)**


Candlesticks chart pattern reveals bearish sentiment in the market. **RSI moving down in oversold zone indicates prices may correct in the market.** Volumes are supporting the prices. **5700 level is strong initial support level for short term.**

Strategy: Buy		S2	S1	PCP	R1	R2
NCDEX	Sep	5000	5200	5960	6900	7000
Monthly Trade Call		Call	Entry	T1	T2	SL
	Sep	Buy	Above 5500	6500	6800	5300

**JEERA (CUMIN SEED)**
**Spot Market Recap**

- Mixed sentiment witnessed in Jeera major domestic market during the period.
- Buyers reported active in the spot market due to lower supply.
- Normal export demand reported from lower prices level.
- Current year, Indian Jeera prices mostly depend on export demand. and likely to shift to India.
- Good demand from China lent some support to the market.
- We expect Jeera NCDEX quality prices to trade in a range between Rs.16,500 – 17,500/-qtl in coming days.

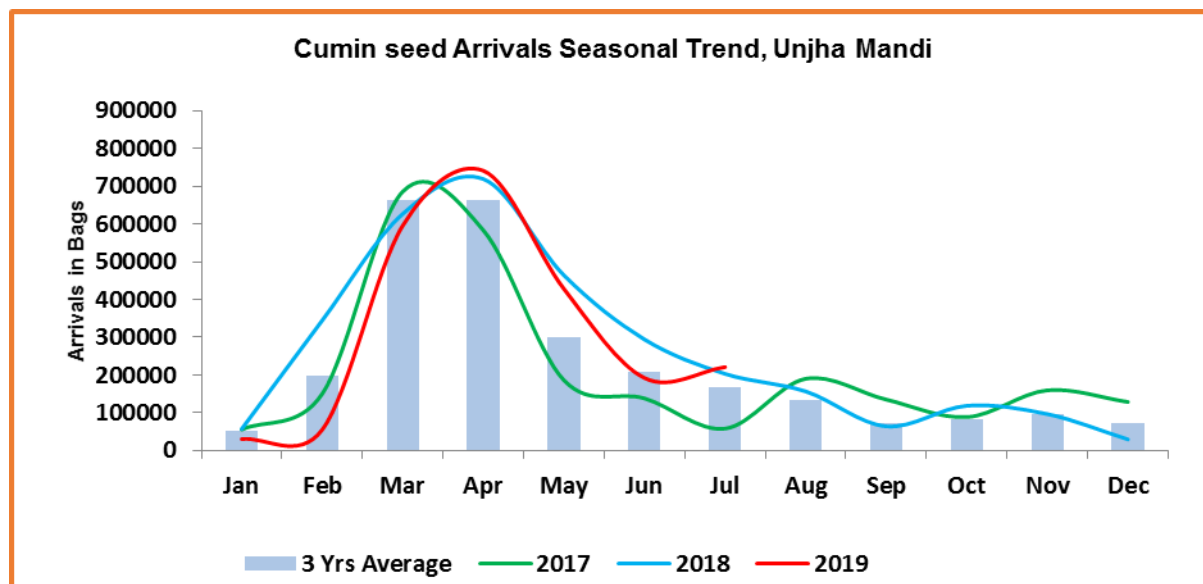
**Monthly Jeera Arrival Scenario:**

Market	Current Month	Last Month	Previous Year	% Change Over Previous month
	19-Jul	19-Jun	18-Jul	
Unjha (Gujarat)	221,000	192,000	203,000	15.10
Rajkot (Gujarat)	6,556	6,670	6,397	-1.71
Patan (Gujarat)	1169	1,394	1,194	-16.14
Dhrol (Gujarat)	207	230	484	-10.00
Gondal (Gujarat)	13,600	14,450	5,597	-5.88
Jodhpur (Rajasthan)	14,600	31,900	15,600	-54.23
Merta City (Nagaur)(Raj.)	11,000	17,850	53,800	-38.38
Nagaur (Raj.)	10,930	22,950	20,200	-52.37
Anandpur Kalu (Raj.)	238	290	400	-17.93
Total	279,300	287,734	306,672	-2.93

Units – Bags (1 bag = 55 kgs)

Jeera supply reported down from last month as stockists were holding back their stocks an expectations of higher prices in coming days. Also, Jeera arrivals were down by 8.93% during the current period compared to corresponding period of last year, as stockists expecting higher prices.

#### Jeera Arrivals Scenario

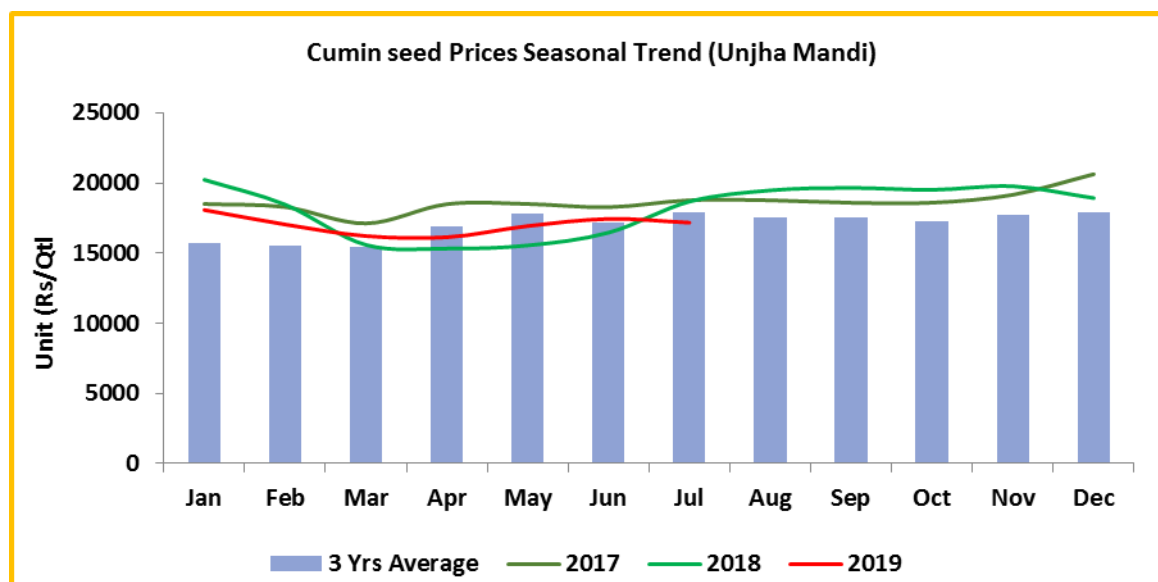


The above chart shows, Jeera supply in Unjha benchmark market. During July 2019 supply reported up by 15.10% compared to previous month.

Current year total Jeera supply from 1<sup>st</sup> January to 31<sup>st</sup> July 2019, reported 124,493 mt as compared to same period last 149,092 mt, down by 16.50%.

Last year total Jeera supply at Unjha benchmark market from January 2018 to 31<sup>st</sup> December 2018, around 174,559 mt as compared to 140,975 mt in the corresponding period last year, up by 24%.

#### Jeera Price Scenario



In July 2019, Jeera monthly average prices reported at Rs.17,170/-qtl slightly correct from previous month, Rs.17,439/-qtl (down by 1.54%) as buyers reported unresponsive in the spot market. Last year in spite of higher production Jeera prices moving at higher levels due to good export demand.

We expect Jeera NCDEX quality prices (monthly average) likely to take support in the spot market from lower price level.

**Agriwatch Jeera Production Estimate 2019-20**

As per Agriwatch final production estimate Jeera production for 2019-20 is estimated at 385,334 MT (around 70 lakh bags{1 bag = 55 kgs}) compared to previous year's 363,000 MT (66 lakh bags).

**Spot Prices Monthly Change**

Jeera(Cumin Seed) Spot Market Prices(Loose): (Rs/Qtl)					
Grade	Centre	31-Jul-19	29-Jun-19	31-Jul-18	% Change Over Previous month
Local	<b>Unjha (Guj.) Benchmark market</b>	15300	15300	17500	Unch
NCDEX Quality		17200	17000	19000	1.18
Poojari type /Machine Cut		18000	18000	20000	Unch
Local	Rajkot (Guj.)	15900	16030	18250	-0.81
Local	Patan (Guj.)	15305	15455	18130	-0.97
Local	Dhrol (Guj.)	15350	15250	17500	0.66
Local	Gondal (Guj.)	16000	16000	18250	Unch
Local	Jodhpur (Raj.)	16000	16000	18500	Unch
Local	Merta City (Nagaur) (Raj.)	17500	16500	19500	6.06
Local	Nagaur (Raj.)	16200	16400	18700	-1.22
Local	Anandpur Kalu (Raj.)	16500	16500	18000	Unch
Ganesh	New Delhi	17700	17800	20000	-0.56
Poojari type / Machine Cut		19100	18800	21500	1.60

**Cumin Seed FOB Prices (Rs/Qtl)**

Market	Variety	Current Month (31-Jul-19)	Last Month (29-Jun-19)	% Change Over Previous month
Unjha (Mundra Port) (Guj.)	1% Singapore	17300	17000	1.76
	2% Singapore	17050	16750	1.79
	1 % European	17800	17500	1.71
	2% European	17550	17250	1.74

**Jeera (Cumin Seed) Technical Analysis (weekly Chart, Sep Contract)**


Candlesticks chart pattern indicates prices trying to support in the market. RSI moving up in neutral zone in the market. Volumes are supporting the prices.

Strategy: Buy		S2	S1	PCP	R1	R2
NCDEX	Sep	16500	16600	17475	17800	18000
Monthly Trade Call		Call	Entry	T1	T2	SL
	Sep	Buy	Above 17000	17500	17660	16700

## BLACK PEPPER

### Spot Market Recap

- Mixed sentiment witnessed in Pepper market during the week.
- Continuous supply from pepper growing regions put cap on prices in the spot market.
- As per Agriwatch estimate, current year pepper production in India likely to be around 45,000 tons due to crop damaged. Last year production was at around 65,000 tons. The volume of imported pepper is estimated at 24,950 tons in the 2018 - 2019 season, compared with 29,650 tons in 2017 - 2018.
- According to data from the International Pepper Association, in 2019 world pepper production will continue to increase, expected to reach 602,000 tons, an increase of 8.27%, of which Brazil increases 28%, Cambodia 17%, Sri. Lanka increased by 44%, reaching 26,700 tons. Vietnam alone forecasts output of 240,000 tons, an increase of about 9% due to the new planting area from 2014-2016 began to harvest.
- Current year pepper production in India likely to go down to 45,000 tons due to crop damaged. Last year production was at around 65,000 tons.

### Monthly Black Pepper Arrival Scenario

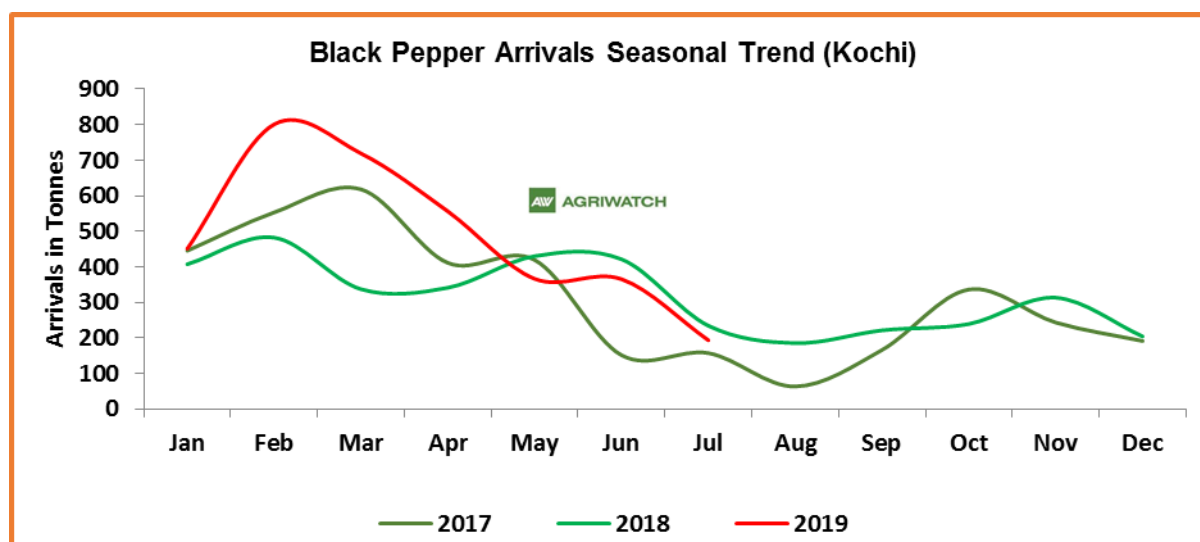
Market	Current Month	Last Month	Previous Year	% Change Over Previous month
	19-Jul	19-Jun	18-Jul	
Kochi (Kerala)	193	365	234	-47.12
<b>Total</b>	<b>193</b>	<b>365</b>	<b>234</b>	<b>-47.12</b>

Unit – Ton

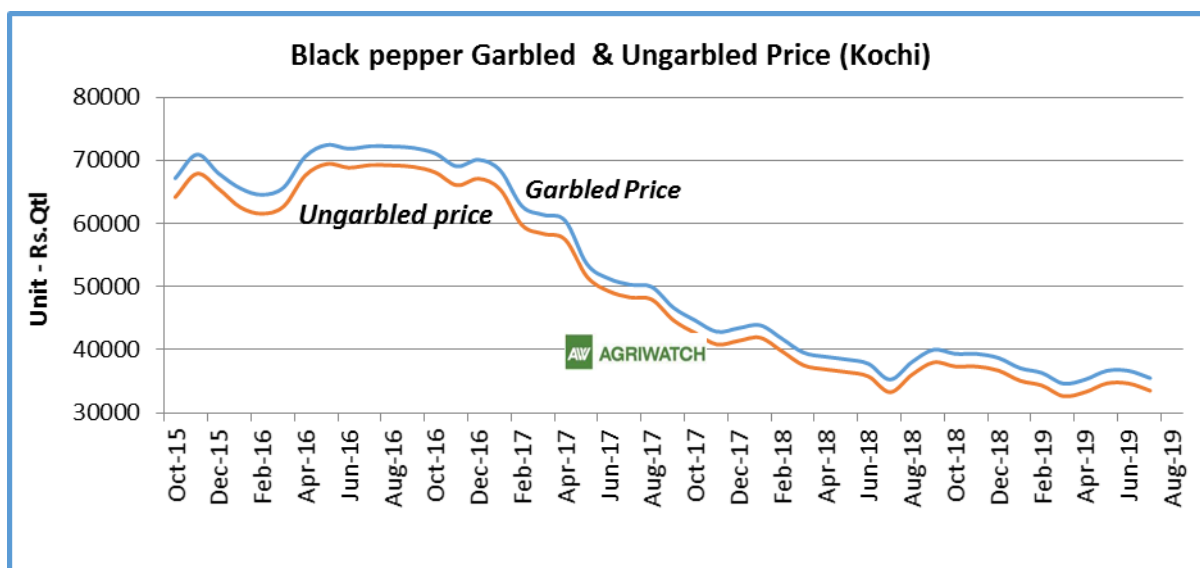
Black pepper supply reported down by 17.52% during July compared to the corresponding period of last year.

Current year, pepper supply reported from January to 31st July around 3,451 mt as compared to last year same period 2,652 mt, up by 30.13%.

Last year Black pepper supply in Kochi market from January 2018 to December reported 3,814 tons compared to 3,753 tons in the corresponding period previous year, up by 1.6%.



Pepper supply reported down by around 47.12% in Kochi spot market in July compared to previous month as stockists and planters were holding back their stocks an expectations of higher prices in coming days.



During July 2019 Rs.35,513/-qtl (Garbled) and Rs.33,513/-qtl (Ungarbled) due to higher availability of imported pepper at lower prices. Current marketing year starts from December 2018, prices were Rs.38,695/-qtl (Garbled) and Rs.36,695/-qtl (Ungarbled).

We expect buyers likely to active from current lower price level due to lower current year production as a result of crop damaged in Kerala and Karnataka.

### International Scenario

Vietnam Pepper prices in the Central Highlands today in the Central Highlands is flat at VND 43,000 - 45,000 / kg. In particular, the highest pepper price recorded in Ba Ria - Vung Tau province and the lowest in Dong Nai province.

Vietnam export volume of July is estimated at 24 thousand tons, with a value of 62 million USD, bringing pepper export volume in the first 7 months of 2019 to reach 201 thousand tons, equivalent to 514 million USD, up by 32.5% volume but decreased 0.8% in value over the same period in 2018. Average export price in the first 6 months of 2019 reached USD 2,557 / ton, down 25.5% compared to the same period in 2018.

According to the International Pepper Association (IPC), Brazil's pepper exports in the first quarter of 2019 reached 27,000 tons, an increase of 42.1% over the same period in 2018, accounting for 24% of total exports.

According to statistics from the General Department of Customs Vietnam, pepper exports in the first 15 days of July 2019 reached 11.09 thousand tons, worth US \$ 28.2 million, up 6.6% in volume, but down 11, 6% of the value compared to the same period in 2018.

Sources revealed that, from January to July 15, 2019, pepper exports reached 187.7 thousand tons, worth USD 479.8 million, up 32% in volume, but down 0.9% in value compared to the same period of 2018. The average export price of pepper in the first 15 days of July 2019 reached 2,544 USD / ton, an increase of 3.8% compared to the average export price of June 2019.

In June 2019, pepper export reached 31 thousand tons, worth 76 million USD, decreased by 18.4% in volume and 18.6% in value compared to May 2019, but increased by 40.8% in volume and 7.8% increase in value compared to June 2018.

In the first 6 months of 2019, pepper export reached 176.8 thousand tons, worth USD 452.12 million, up 34.1% in volume, but decreased by 0.1% in value compared to the first 6 months 2018.

In June 2019, the average export price of Vietnamese pepper to some markets increased compared to May 2019 such as Belgium, Australia, Thailand, Germany, Korea, while the average export price of pepper to reduced markets, including the Netherlands, Canada, and Spain. Compared to June 2018, the average export price of pepper to Belgium increased, and the average export price of pepper to other markets decreased.

The International Pepper Community (IPC) said total global pepper production in 2019 is forecast at 4.9 million tons, down from 5.2 million tons in 2018.



### Spot Prices Monthly Change

Black Pepper Spot Market Prices: (Rs/Qtl)					
Grade	Centre	31-Jul-19	29-Jun-19	31-Jul-18	% Change Over Previous month
Ungarbled	Kochi (Ker.) <b>Benchmark market</b>	33700	34000	33600	-0.88
Garbled		35700	36000	35600	-0.83
Ungarbled	Chikmagalur (Kar.)	32500	32500	31000	Unch
Unpolished	New Delhi	37500	36500	38000	2.74
Number 11.5		NA	NA	NA	-

Black Pepper FOB Prices (USD/MT)						
Date (W-o-W)	Brazil ASTA 570	Kochi (India) ASTA	Lampung (Indonesia) ASTA 570	Kuching (Sarawak, Malaysia) ASTA	Ho Chi Minh (Vietnam) 500g/l	Ho Chi Minh 550g/l
25/06/19	2500	5250	2509	3685	2355	2420
04/07/19	2500	5170	2515	3685	2315	2380
15/07/19	2500	5147	2457	3685	2295	2360
24/07/19	2500	5158	2369	3685	2265	2330
02/08/19	2500	5144	2337	3685	2265	2330

### Black Spot Price Outlook (Kochi, Garbled)



Candlestick chart formation indicates prices downward correction from higher levels in the market. Currently black pepper (Garbled) prices are moving at Rs.35,700/-qtl. Initial support level is Rs.35,000/-qtl for short term. **We expect prices to move in a range between Rs.35,000 – 36,500/-qtl. for next month.**

### CARDAMOM

#### Spot Market Recap

- Continued firm sentiment witnessed in Small Cardamom market during the week.
- Cardamom next season delayed by one month due to dry spell in growth stage supported the prices. Next season will start from September.
- Currently lower quality supply reported from Kerala producing regions as current year picking activity finished. If somebody wanted to buy good quality Cardamom they have to wait for till September as new next season Cardamom likely to enter the market.
- Agriwatch estimate, for 2018 -19 productions likely to be around 24,000 – 26,000 MT, because of massive loss in heavy rainfall, in 2017-18 it was around 30,000 – 32,000 MT.
- Current year (2018-19 marketing year) Cardamom picking activity finished and Stockists expecting further higher prices in coming days.

#### Monthly Cardamom Arrival Scenario:

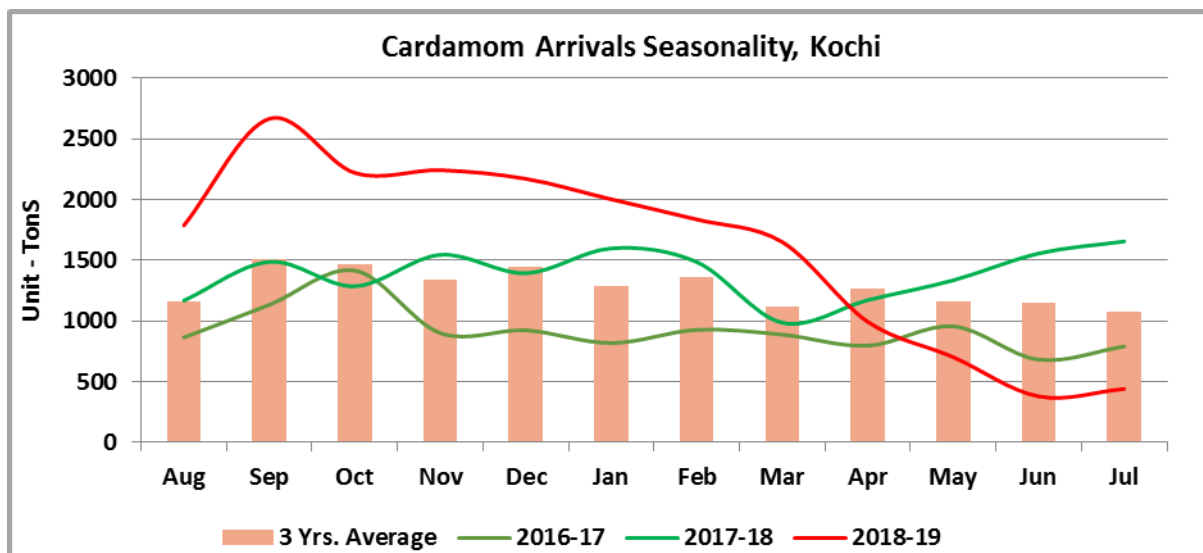
Market	Current Month	Last Month	Previous Year	% Change Over Previous month
	19-Jul	19-Jun	18-Jul	
<b>Kerala (Kochi)</b> <b>Benchmark market</b>	439,422	377,335	16,54,015	<b>16.45</b>
<b>Total</b>	<b>439,422</b>	<b>377,335</b>	<b>16,54,015</b>	<b>16.45</b>

Unit - Kgs

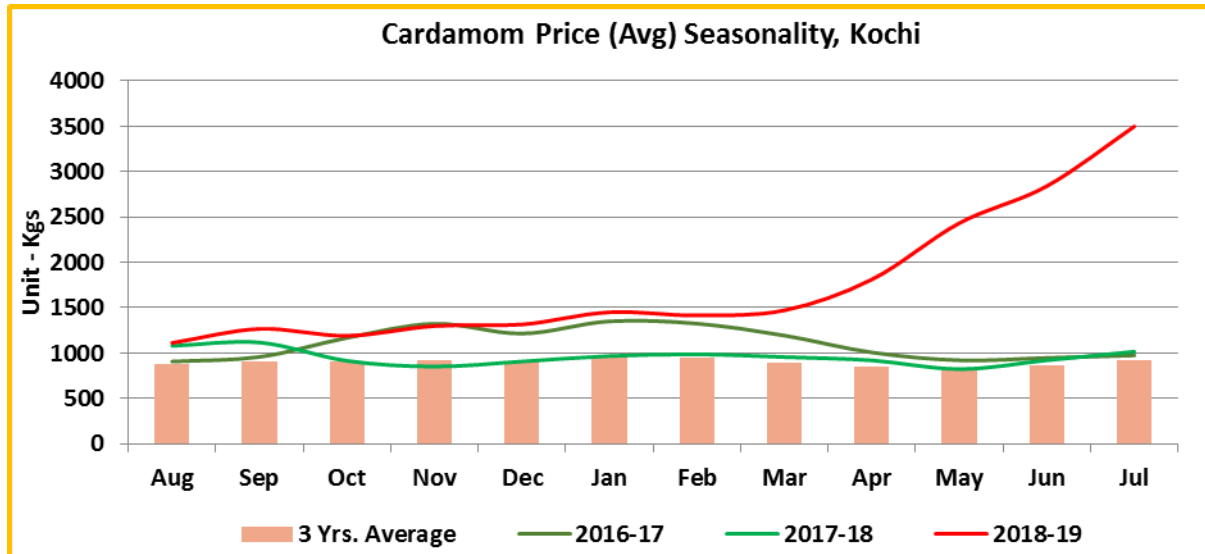
Cardamom arrivals reported down by 73.43% during the period from corresponding period of last year due to lower production and planters were holding back their stocks an expectations of further higher prices level. Cardamom prices already traded at all-time high position.

The current season, officially began on August 1. From 1st August to 31st July arrivals reported 19,075 tons and sales 18,567 tons.

Last season total arrivals reported up to 30<sup>th</sup> July 2018 were at 16,760 tons and the sales were at 16,321 tons.



Current year (2018-19 marketing year) increasing arrivals reported owing to arrival of new crop supply at the market and planters were releasing their old stocks as Cardamom price reported higher from last year due to crop damaged. During 2018-19 marketing year total Cardamom supply reported 19,075 MT as compared to last year 16,654 MT, up by 14.54%.



Current year 2018-19, Cardamom average prices reported all time high (July monthly average) at Rs.3,498/-Kgs as compared to last year same period Rs.1,016/-Kgs. which is up by around 244.29% due to crop damage in Kerala due to heavy rainfall (first quarter of the year) reported lower production.

**All India Cardamom average prices for next week likely to move in a range between Rs.3,500-5,000/-kgs.**

### Prices Monthly Change

Cardamom Spot Market Prices: (Rs/Kg)					
Auction Price		31-Jul-19	29-Jun-19	31-Jul-18	% Change Over Previous month
Vandanmedu, Thekkady, Kochi, Kumily, Nedumkandam, Santhanpara & Bodinayakanur	Max price	4502	3414	1305	31.87
	Avg. Price	3922	3110	1000	26.11
New Delhi	Medium	3400	2900	925	17.24
	6.5 (Bold)	3500	2950	975	18.64
	7 (Bold)	3900	3300	1150	18.18
	7.5 (Bold)	4000	3400	1275	17.65
	8 (Bold)	4200	3550	1550	18.31
Large Cardamom Spot Market Prices: (Rs/Kg)					
Center	Type	31-Jul-19	29-Jun-19	31-Jul-18	Change
Singtam, Sikkim	Badadana	525	488	550	7.58
Singtam	Chotadana	438	413	440	6.05
Gangtok, Sikkim	Badadana	475	475	535	Unch
Gangtok	Chotadana	425	425	413	Unch
Siliguri, West Bengal	Badadana	595	600	700	-0.83
Siliguri	Chotadana	500	473	440	5.71

**Cardamom Technical Analysis (weekly Chart, Sep Contract)**


Candlestick chart pattern reveals bullish sentiment in the market. **RSI moving up in overbought zone indicates prices may correct in the market.** Volumes are supporting the prices.

Strategy: Buy		S2	S1	PCP	R1	R2
NCDEX	Sep	3200	3300	3752	4350	4500
Monthly Trade Call		Call	Entry	T1	T2	SL
	Sep	Buy	Below 3750	4200	4300	3300

**Disclaimer**

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/disclaimer.php> © 2019 Indian Agribusiness Systems Ltd.