

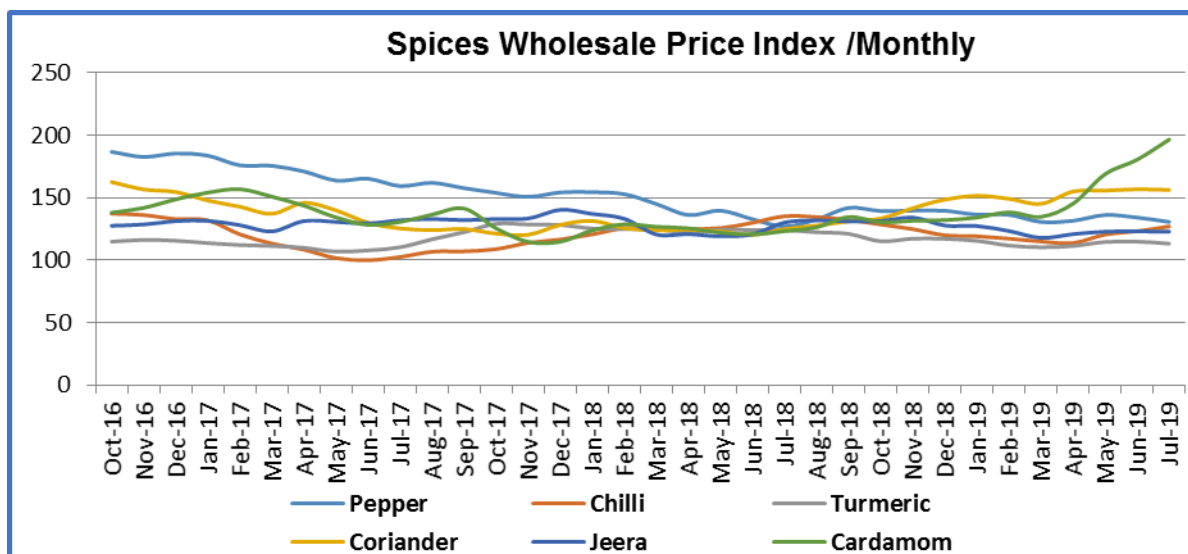
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# Spices Monthly Research Report

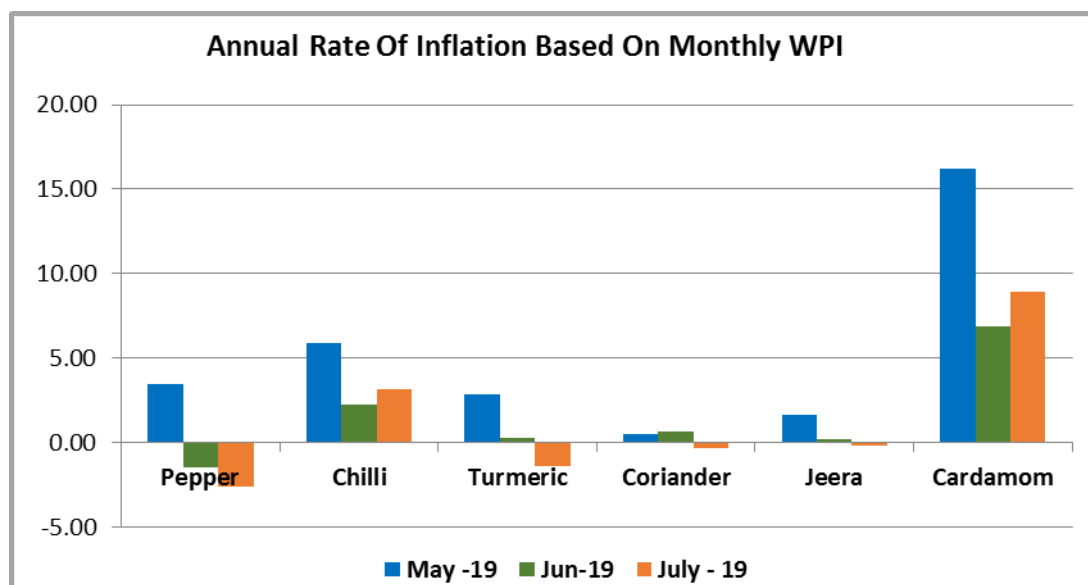
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## Contents

- ❖ 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 July 130.8 compared to 134.3 in Jun, Red Chilli 127.2 in July up from 123.3 in Jun, Turmeric in July 113.4 compared to 115 in Jun, Coriander 156.4 in July from 156.9 in Jun, Jeera 123 in July compared to 123.2 in Jun and Cardamom in July 196.7 up from 180.6 in Jun.



## RED CHILLI

### Spot Market Recap

- Firm sentiment witnessed in Chilli domestic market during the period.
- Lower cold storage stocks supported the chilli prices at Guntur market. Guntur cold storage stocks reported lower by 40 - 45% from normal level due to lower carry forward stocks during current marketing year 2019-20. Next season new chilli supply likely to enter at Guntur market from January.
- Chilli transplanting activity is going on in Andhra Pradesh and Telangana. Currently weather reported favourable in both states. Transplanting activity likely to continue till September first week.
- MP chilli farmers may prefer early picking as green chilli prices traded higher. In major chilli market in Madhya Pradesh, green chilli prices reported higher around Rs.30 - 40/- kgs, normally at this period it was Rs.10 - 15/-kgs. Farmers may prefer early picking (may not wait till red chilli) for chilli (green) as prices reported higher, and this likely to impact on Red chilli production.
- As per Andhra Pradesh Govt, Chilli sowing as on 04th September 2019 reported 68,254 hectares as compared to 88,329 hectares in the corresponding period last year.
- Overall, the average rainfall received in Andhra Pradesh from 1-6-2019 to 04-09-2019 is recorded as 350.2 mm as against the Normal as on date of 421.2 mm showing by Normal -17 per cent.
- As per Telangana Govt, Chilli sowing as on 04th September 2019 reported 16,879 hectares as compared to 34,516 hectares in the corresponding period last year.
- As per Karnataka Govt, Chilli sowing as on 26th Aug 2019 reported 52,986.87 hectares as compared to 63,564.50 hectares in the corresponding period last year, percentage coverage 73.70. Dharwad current year reported 27,000 hectares compared to last year 31,000 hectares, Haveri 13,039 hectares compared to last year 12,950 hectares till date sowing reported.
- 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-Aug	19-Jul	18-Aug	
<b>Guntur (Andhra Pradesh)</b>	1055000	14,70,000	1070000	<b>-28.23</b>
<b>Warangal (Andhra Pradesh)</b>	125000	1,30,000	71200	<b>-3.85</b>
<b>Total</b>	<b>11,80,000</b>	<b>16,00,000</b>	<b>11,41,200</b>	<b>-26.25</b>

Units – Bags (1 bag = 45 kgs)

Red chilli supply reported up by 3.40% in the spot market from last year as Stockists were releasing the stocks at higher prices level.

### Red Chilli Arrivals Scenario

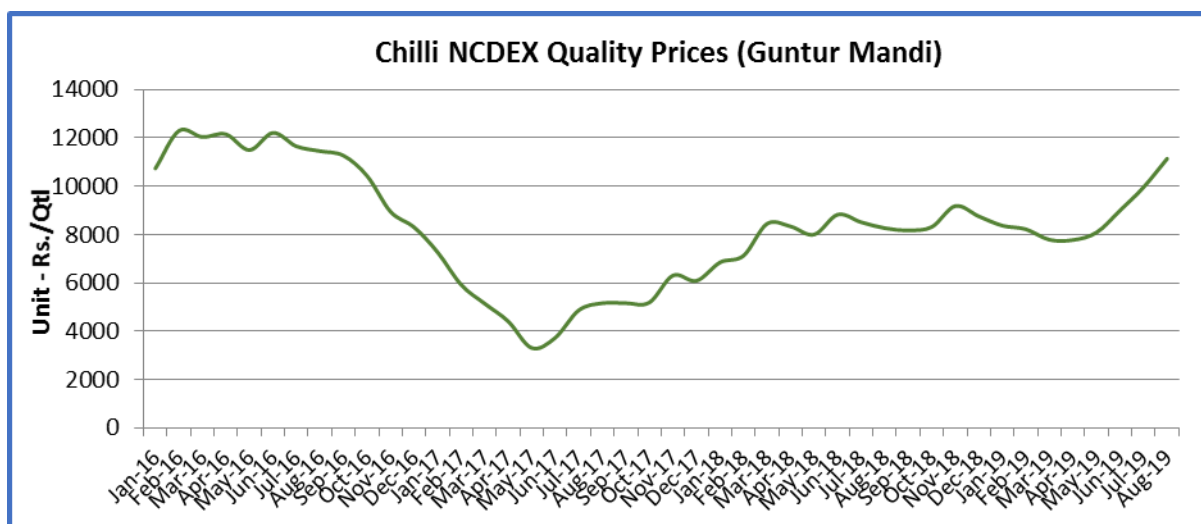
Current year total red chilli supply in Guntur market from 1st January 2019 to 30th August 2019, stands at around 391,500 MT as compared to 309,330 MT in the corresponding period last year, supply up by 26.56% as a result of higher production current year.

### Chilli Cold storage stocks

As per trade information, chilli cold storage stocks as on date in Guntur stood at 72,000 to 76,500 MT lower from normal (in normal 126,000 to 135,000 MT) stocks, also in Andhra Pradesh around 117,000 to 121,500 MT (in normal 171,000 to 180,000 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 12.70 lakh MT. Previous year's production was 12.22 lakh MT (2019-20 marketing season). Current year sowing season, cotton area up in Guntur and Prakasam district (AP) and Green chilli prices reported higher in MP and farmers likely to prefer early picking.



Current year (2019) chilli prices reported continuous up from June (after Guntur summer vacation) as cold storage stocks reported lower. During August prices reported Rs.11,142/-qtl last year same period it was Rs.8,267 /-qtl.

#### Red Chilli Price Outlook

Chilli (NCDEX quality) in Guntur was traded at Rs.12,000 – 12,500 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.15,000 – 16,000/-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.12,500 – 13,200/-qtl. We expect prices (cold storage) to move in a range between Rs.15,500 – 17,000/- in coming days.

**Spot Prices Monthly Change**

Red Chilli (Dry) Spot Market Prices: (Rs/Qtl)					
Grade	Centre	31-Aug-19	31-Jul-19	31-Aug-18	% Change Over Previous month
NCDEX Quality	<b>Guntur (A.P.) Benchmark market</b>	12500	10300	8200	21.36
LCA 334		13200	11000	8800	20.00
Teja		15500	13800	10200	12.32
No. 273		12500	10200	10800	22.55
No. 5		12800	10400	10200	23.08
Fatki		9000	6000	6000	50.00
Byadgi		13000	10500	10400	23.81
US 341		13000	10600	10400	22.64
Denvor Delux		12500	10300	10000	21.36
Indam 5		12800	10400	10500	23.08
Teja	<b>Warangal (Telangana)</b>	15100	13000	10300	16.15
Wonder Hot		12000	10800	10200	11.11
341		12500	11000	10600	13.64
Denvor Delux		12000	10500	10600	14.29
Paprika		NA	NA	NA	-
Fatki		9000	7600	6100	18.42
No. 12	<b>Bedia (M.P.)</b>	18000	15000	10200	20.00
Indu 2070		18500	15000	NA	23.33
MICO (Teja)		18000	15000	12800	20.00
Jhankar		17000	15000	NA	13.33
Ganesh		NA	NA	NA	-
Teja (Khamam)	<b>New Delhi</b>	16000	14500	11000	10.34
M.P. Maco Teja		NA	NA	NA	-
Pala 12		NA	NA	NA	-
LCA 334		14000	12500	10200	12.00
Fatki		8500	5500	4500	54.55
Packing		14000	12500	10200	12.00

## TURMERIC

**Spot Market Recap**

- Mixed sentiment witnessed in Turmeric spot market during the period.
- In Maharashtra and Karnataka, Turmeric standing crop reported damaged due to submerged of turmeric field. Earlier (before rainfall) in Sangli and Belgaum regions Turmeric sowing area (from normal) reported down by 10 – 15% due to deficient rainfall.
- As per **Telangana** Govt, Turmeric sowing as on 04th September 2019 reported 48,315 hectares as compared to 47,790 hectares in the corresponding period last year.
- Overall, the average rainfall received in Telangana State from 1-6-2019 to 4-9-2019 is recorded as 597.6 mm as against the Normal of 611.8 mm showing deviation of -2%. During the period average rainfall received major Turmeric growing districts like Nizamabad 8%, Jagtiyal -4%, Nirmal -18%, Warangal (Rural) 2%, Mehabubabad -9%.
- As per **Andhra Pradesh** Govt, Turmeric sowing as on 04th September 2019 reported 9,722 hectares (from normal area) as compared to 16,867 hectares in the corresponding period last year.
- Overall, the average rainfall received in Andhra Pradesh from 1-6-2019 to 04-09-2019 is recorded as 350.2 mm as against the Normal as on date of 421.2 mm showing by Normal -17 per cent. During the period average rainfall received major chilli growing districts like Guntur - 16%, Visakhapatnam -5%, YSR Kadapa -31%, Krishna -18%.
- Current year in **Tamil Nadu**, Turmeric sowing around 70 – 72% reported due to lower rainfall. Turmeric sowing almost completed. Rainfall during 01-06-2019 to 28-08-2019, in Tamil Nadu region up by 2%. Major district wise during this period in Erode -20%, Namakkal -45%, Salem -15%, Dharmapuri -9%.
- Turmeric buyers likely to active in spot market as Turmeric crop reported damaged (as we reported earlier) in Maharashtra and Karnataka, some parts of Andhra Pradesh also and lower

sowing area in Tamil Nadu due to deficient rainfall and in AP as shifted to Cotton and in some parts to Chilli due to current higher prices, will support Turmeric prices in coming days. We expect next season will be bright for Turmeric prices.

### Monthly Turmeric (Dry) Arrival Scenario

Market	Current Month	Last Month	Previous Year	% Change Over Previous month
	19-Aug	19-Jul	18-Aug	
Nizamabad (Telangana)	35,700	60,500	40,400	-40.99
Duggirala (AP)*	97,500	251,000	36,500	-61.16
Salem (TN)*	798	218	1231	266.06
Erode (TN)	71,600	72,000	53,000	-0.56
Sangli (Mah.)	4,000	22,800	NA	-82.46
Warangal(Telangana)	15,800	65,000	26,800	-75.69
<b>Total</b>	<b>225,398</b>	<b>471,518</b>	<b>157,931</b>	<b>-52.20</b>

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

Turmeric supply reported up by 42.72% 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

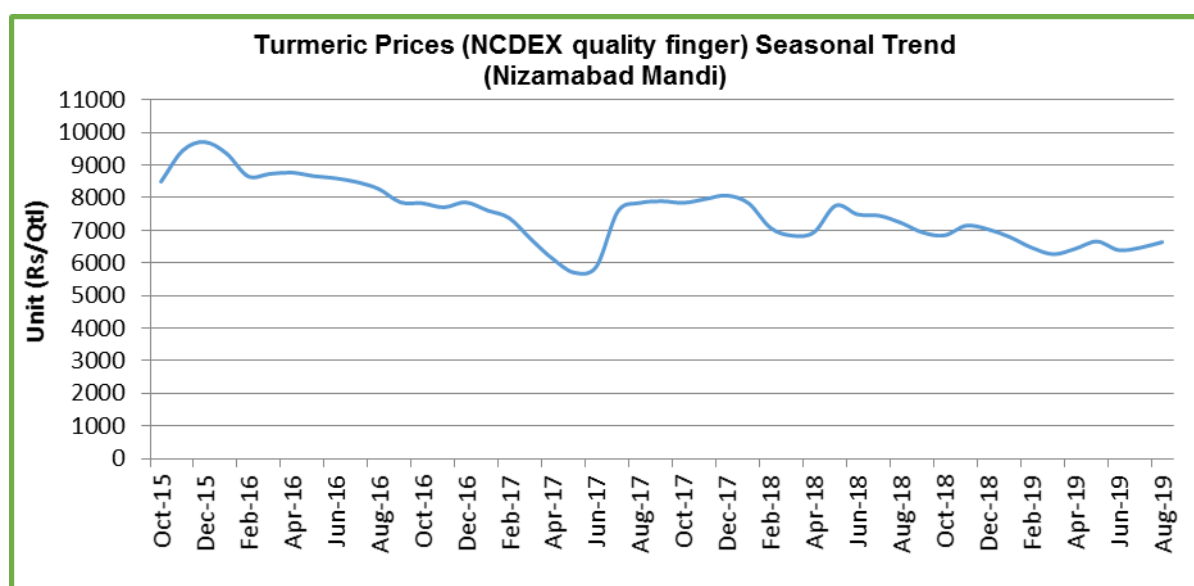
In Andhra Pradesh, Duggirala market turmeric supply continued in the market, currently on an average 5,000 – 6,000 quintal reported on daily basis.

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

In Nizamabad, current season new Turmeric arrivals reported around 95,249 MT till 29th August compared to last year same period 75,292 MT, 26.51% reported up from last year. Due to increase in production current marketing year supply reported up.

### Agriwatch Turmeric Production Estimate 2020-21

As per Agriwatch's first production estimate, Turmeric production for 2020-21 is estimated at 452,698 (after flood in MH and Karnataka) 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 Aug ended with at Rs.6,641/-qtl compared to previous month Rs.6,468/-qtl. Turmeric prices last year Aug reported at Rs.7,232/-qtl. Higher production current year compared to last year put some pressure on prices from higher levels, however buyers likely to active from current price levels as Turmeric production (Agriwatch estimate) in 2020-21 (marketing period) likely to come down by 14.96% from current year.



### 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 buyers likely to active for festive demand and expected lower production coming year. **We expect next month prices to move in a range between Rs.6,200 – 7,200/-qtl.**

### Spot Prices Monthly Change

Turmeric (Dry) Spot Market Prices (Loose): (Rs/Qtl)					
Grade	Centre	31-Aug-19	31-Jul-19	31-Aug-18	% Change Over Previous month
Nizam quality	Nizamabad (Telangana) <b>Benchmark market</b>	6500	6500	7000	Unch
Double polish finger		7500	7500	8000	Unch
Gattah (unpolished)		6300	6300	6800	Unch
Gattah (double polished)		7300	7300	8000	Unch
Bulb	Duggirala (A.P.)	5800	5900	6300	-1.69
Finger		5800	5900	6300	-1.69
Finger	Erode (T.N.)	6800	6900	7600	-1.45
Gattah		6400	6500	6700	-1.54
Sellem		7600	7700	8200	-1.30
Bulb	Salem(T.N.)	NA	NA	8054	-
Finger		7000	7150	9030	-2.10
Rajpuri/Selam Finger	Sangli (Mah.)	10100	10000	9500	1.00
Rajpuri Medium		8600	8500	8000	1.18
Desi Kadappa		6600	6500	7500	1.54
Finger	Warangal (Telangana)	6750	6700	7100	0.75
Round		6450	6300	7100	2.38

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



Candlestick chart pattern reveals range bound movement 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	5900	6000	6736	7450	7500
Monthly Trade Call		Call	Entry	T1	T2	SL
	Sep	Buy	Above 6600	7200	7400	6000

## CORIANDER SEED

### Spot Market Recap

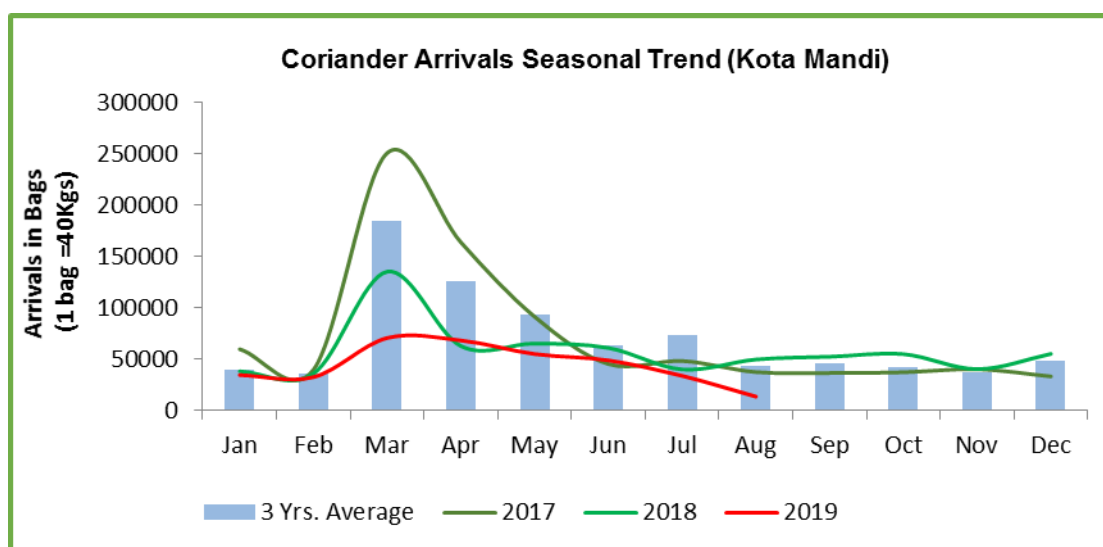
- Weak sentiment witnessed in Coriander major market during the month.
- Buyers reported unresponsive in the spot market for old stocks as quality reported lower. On the other hand, stockists were only releasing old stocks and holding current year stocks as production reported lower and expected higher prices in coming days.
- Current year till date masala millers buying reported only around 60 - 65% only, mostly they are using their old stocks. However, they are likely to active in the spot market in coming days.
- In Ramganj mandi, now a day's higher supply reported as old and some new stocks available in the market. Mostly stocks are available with traders expected prices move upward in coming days.
- Due to good rainfall in Coriander growing regions expected on time and increase in sowing area 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-Aug	19-Jul	18-Aug	
Guna (MP)	11,110	31,950	42,000	-65.23
Neemuch (MP)	10,600	18,800	11,500	-43.62
Kota (RJ)	13,800	34,000	50,000	-59.41
Ramganj (RJ)	76,600	70,800	122,500	8.19
Baran (RJ)	14,150	31,800	47,200	-55.50
Bhawani (RJ)	4,700	3,050	10,700	54.10
Gondal (GUJ)	12,400	18,000	34,730	-31.11
<b>Total</b>	<b>143,360</b>	<b>208,400</b>	<b>318,630</b>	<b>-31.21</b>

Units – Bags (1 bag = 40 kgs)

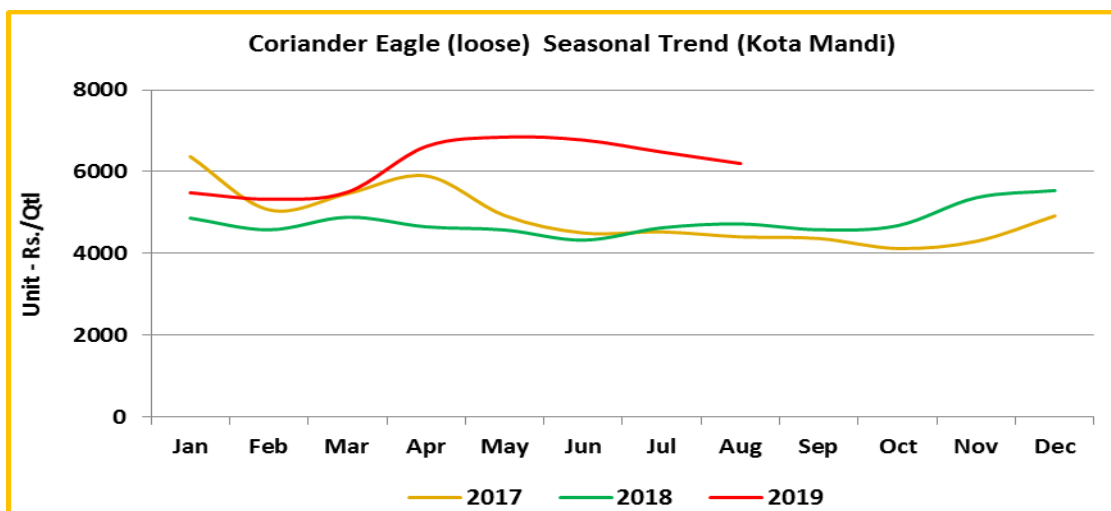
In **Kota benchmark market**, arrivals current year reported down by 55.01% from corresponding period last year as stockists were holding back their stocks an expectations of higher prices level as fresh demand likely to come during October and November.



Current year coriander supplies reported down during August 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 10,396 MT from 12th March to 31st July compared to same period last year 15,260 MT, down by 31.87%.

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%.





Overall coriander prices reported up due to lower production current year. During August monthly average price reported Rs.6,200/-qtl last year same period it was Rs.4,721/-qtl, up by around 31.33%. Coriander lower production current year likely to support Coriander prices in future.

#### Agriwatch Coriander Production Estimate 2019-20

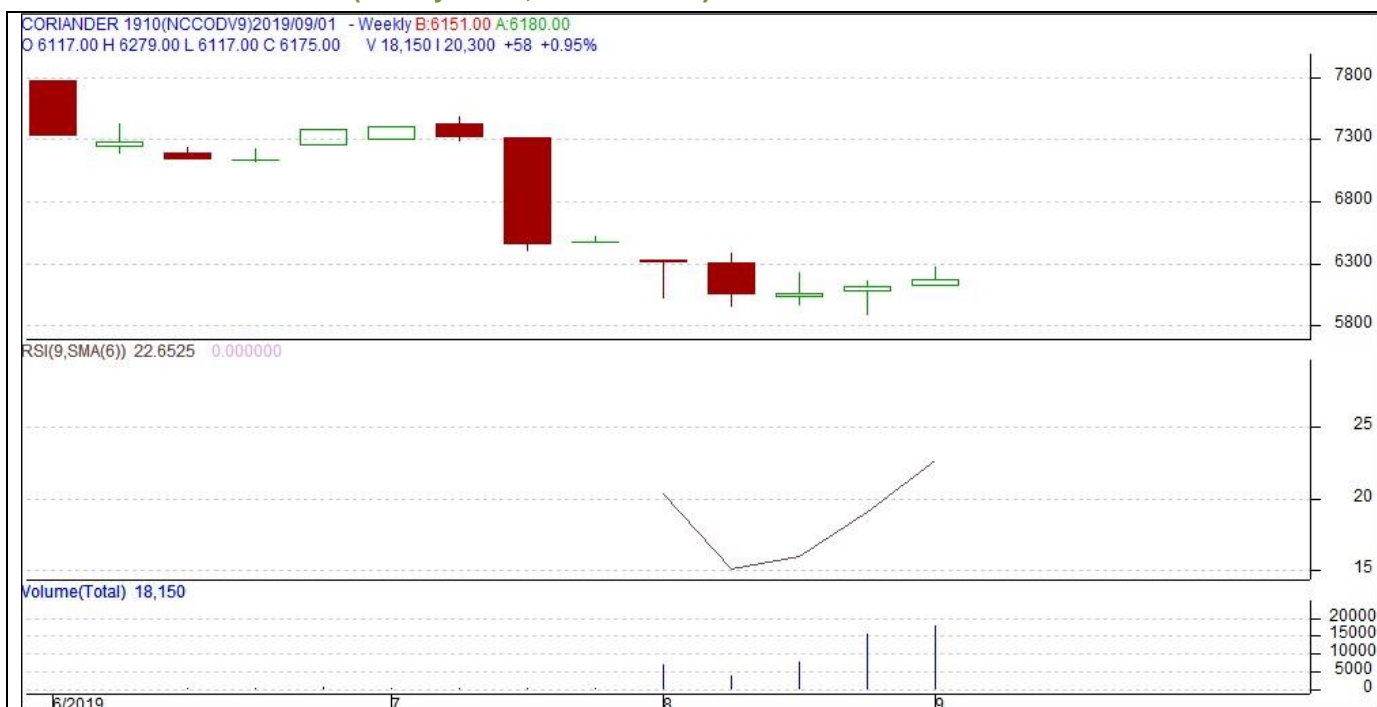
As per Agriwatch final production estimate, Coriander production for 2019-20 is estimated at 268,957 MT compared to previous year's 333,348 MT.

#### Agriwatch Coriander Price Outlook

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-Aug-19	31-Jul-19	31-Aug-18	% Change Over Previous month
Badami	Guna (M.P.)	5400	6200	4100	-12.90
Eagle		5700	6500	4400	-12.31
Scooter		6000	7000	4600	-14.29
Badami	Neemuch (M.P.)	5100	5800	4500	-12.07
Eagle		5400	6100	5200	-11.48
Scooter		5800	6500	NA	-10.77
Eagle	Kota (Raj.) Benchmark market	6200	6200	4600	Unch
Eagle(Split)		6200	6200	4600	Unch
Badami		5800	5900	4300	-1.69
Badami(Split)		5800	5900	4300	-1.69
Eagle(Split)	Ramganj (Raj.)	5900	6600	4500	-10.61
Eagle		5900	6600	4500	-10.61
Badami		5500	6300	4150	-12.70
Badami(Split)		5500	6300	4150	-12.70
Scooter	Baran (Raj.)	7000	7500	5000	-6.67
Eagle		6000	6100	4400	-1.64
Badami		5800	6000	4250	-3.33
Eagle	Bhawani (Raj.)	5600	6100	4400	-8.20
Badami		5300	5900	4200	-10.17
Scooter		5800	6300	4600	-7.94
Badami	Gondal (Guj.)	5500	6000	4000	-8.33
Eagle		6000	6500	4250	-7.69

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


Candlesticks chart pattern reveals range bound movement 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	Oct	5100	5200	6175	7000	7200
Monthly Trade Call		Call	Entry	T1	T2	SL
	Oct	Buy	Above 5900	6700	6800	5300

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

- Weak sentiment witnessed in Jeera major domestic market during the period.
- Due to good rainfall in major growing regions in Gujarat and Rajasthan expected on time sowing cap on prices.
- Buyers reported unresponsive in the spot market at higher prices level.
- The Unjha market yard merchants association has decided to suspend all trading activities at the Unjha Agricultural Produce Market Committee (APMC) as long as there is no clarity on the 2%TDS on annual cash withdrawal above ₹1 crore.
- Normal export demand reported in the spot market.
- We expect Jeera NCDEX quality prices to trade in a range between Rs.16,500 – 17,500/-qtl in coming days.

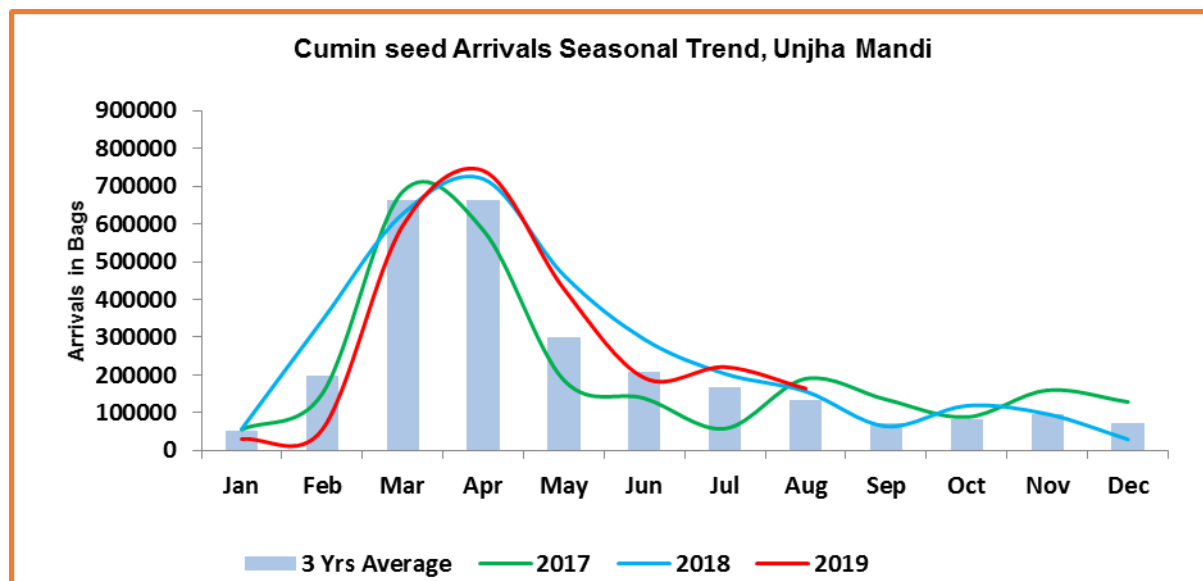
**Monthly Jeera Arrival Scenario:**

Market	Current Month	Last Month	Previous Year	% Change Over Previous month
	19-Aug	19-Jul	18-Aug	
Unjha (Gujarat)	164,200	221,000	156,500	-25.70
Rajkot (Gujarat)	8,515	6,556	9,771	29.88
Patan (Gujarat)	228	1,169	716	-80.50
Dhrol (Gujarat)	128	207	435	-38.16
Gondal (Gujarat)	12,650	13,600	18,800	-6.99
Jodhpur (Rajasthan)	6,675	14,600	10,600	-54.28
Merta City (Nagaur)(Raj.)	10,100	11,000	18,600	-8.18
Nagaur (Raj.)	7,220	10,930	9,700	-33.94
Anandpur Kalu (Raj.)	25	238	90	-89.50
Total	209,741	279,300	225,212	-24.90

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 6.87% during the current period compared to corresponding period of last year, as stockists expecting higher prices.

### Jeera Arrivals Scenario

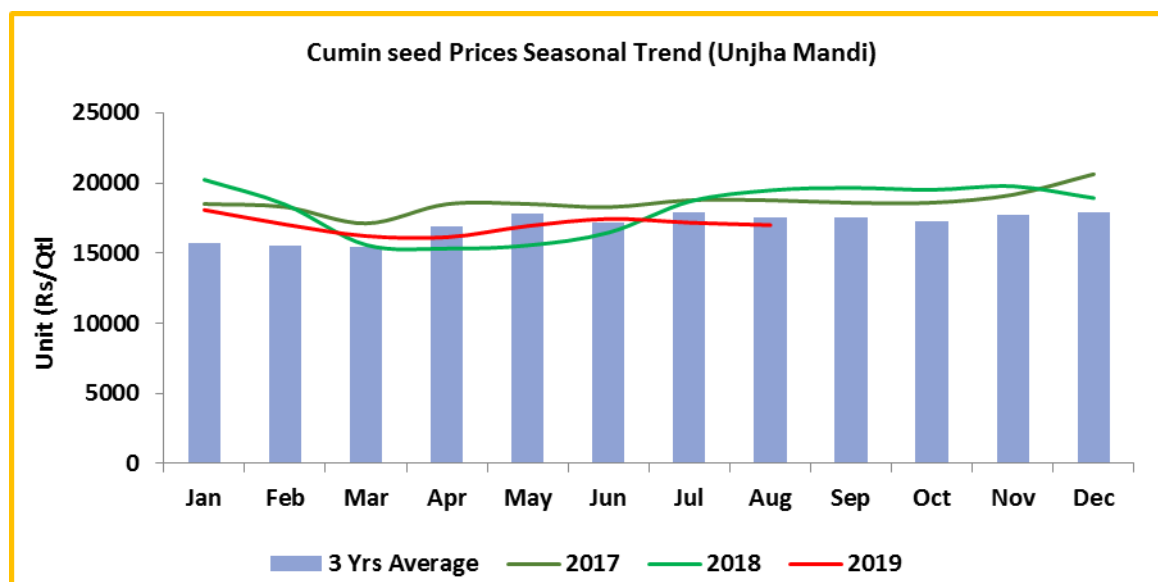


The above chart shows, Jeera supply in Unjha benchmark market. During August 2019 supply reported down by 25.70% compared to previous month.

Current year total Jeera supply from 1<sup>st</sup> January to 31<sup>st</sup> August 2019, reported 133,524 mt as compared to same period last 157,700 mt, down by 15.33%.

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 August 2019, Jeera monthly average prices reported at Rs.16,996/-qtl slightly correct from previous month, Rs.17,170/-qtl (down by 1.01%) 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 trade range bound in coming days.

## 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).

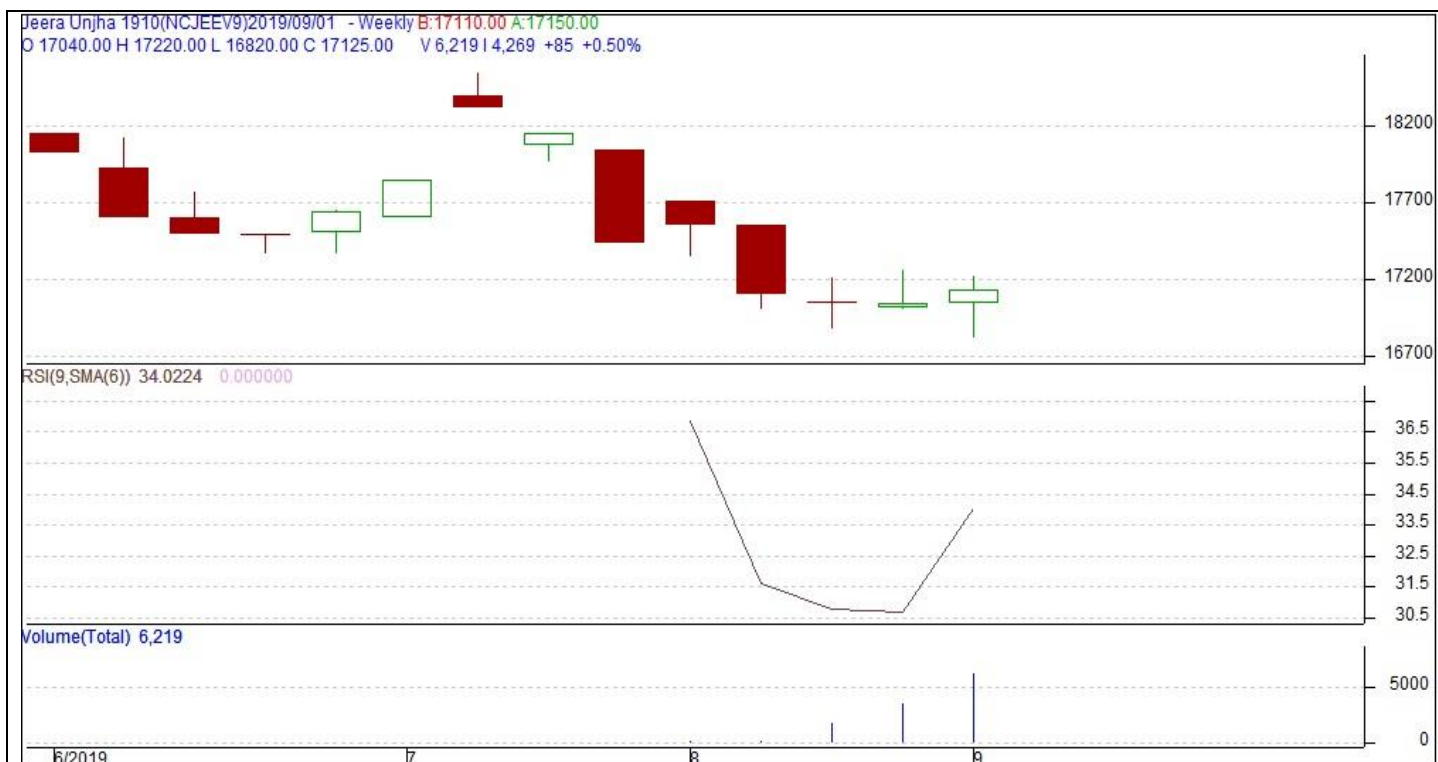
## Spot Prices Monthly Change

Jeera(Cumin Seed) Spot Market Prices(Loose): (Rs/Qtl)					
Grade	Centre	31-Aug-19	31-Jul-19	31-Aug-18	% Change Over Previous month
Local	<b>Unjha (Guj.) Benchmark market</b>	15200	15300	18100	<b>-0.65</b>
NCDEX Quality		17000	17200	19800	<b>-1.16</b>
Poojari type /Machine Cut		17900	18000	20600	<b>-0.56</b>
Local	Rajkot (Guj.)	15300	15900	17850	<b>-3.77</b>
Local	Patan (Guj.)	15060	15305	18000	<b>-1.60</b>
Local	Dhrol (Guj.)	15125	15350	16000	<b>-1.47</b>
Local	Gondal (Guj.)	15250	16000	18000	<b>-4.69</b>
Local	Jodhpur (Raj.)	15500	16000	18000	<b>-3.13</b>
Local	Merta City (Nagaur) (Raj.)	16400	17500	18700	<b>-6.29</b>
Local	Nagaur (Raj.)	15300	16200	18000	<b>-5.56</b>
Local	Anandpur Kalu (Raj.)	16000	16500	18500	<b>-3.03</b>
Ganesh	New Delhi	17500	17700	19500	<b>-1.13</b>
Poojari type / Machine Cut		18700	19100	21000	<b>-2.09</b>

## Cumin Seed FOB Prices (Rs/Qtl)

Market	Variety	Current Month (31-Aug-19)	Last Month (31-Jul-19)	% Change Over Previous month
Mundra Port (Guj.)	1% Singapore	16800	17300	<b>-2.89</b>
	2% Singapore	16550	17050	<b>-2.93</b>
	1 % European	17300	17800	<b>-2.81</b>
	2% European	17050	17550	<b>-2.85</b>

## Jeera (Cumin Seed) Technical Analysis (weekly Chart, Oct 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	Oct	16400	16500	17125	17800	18000
Monthly Trade Call		Call	Entry	T1	T2	SL
	Oct	Buy	Above 17000	17500	17660	16500

## BLACK PEPPER

### Spot Market Recap

- Steady to weak sentiment witnessed in Pepper market during the week.
- Continuous supply in the spot market put cap on prices.
- International pepper prices are declining due to higher yields in many countries than India.
- As per International Pepper Community (IPC), total global pepper production in 2019 is forecast at 4.9 million tons, down from 5.2 million tons in 2018.
- We expect pepper prices may take support from lower price level as current year crop is at crucial stage.
- 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. The volume of imported pepper is estimated at 24,950 tons in the 2018 - 2019 season, compared with 29,650 tons in 2017 - 2018.

### Monthly Black Pepper Arrival Scenario

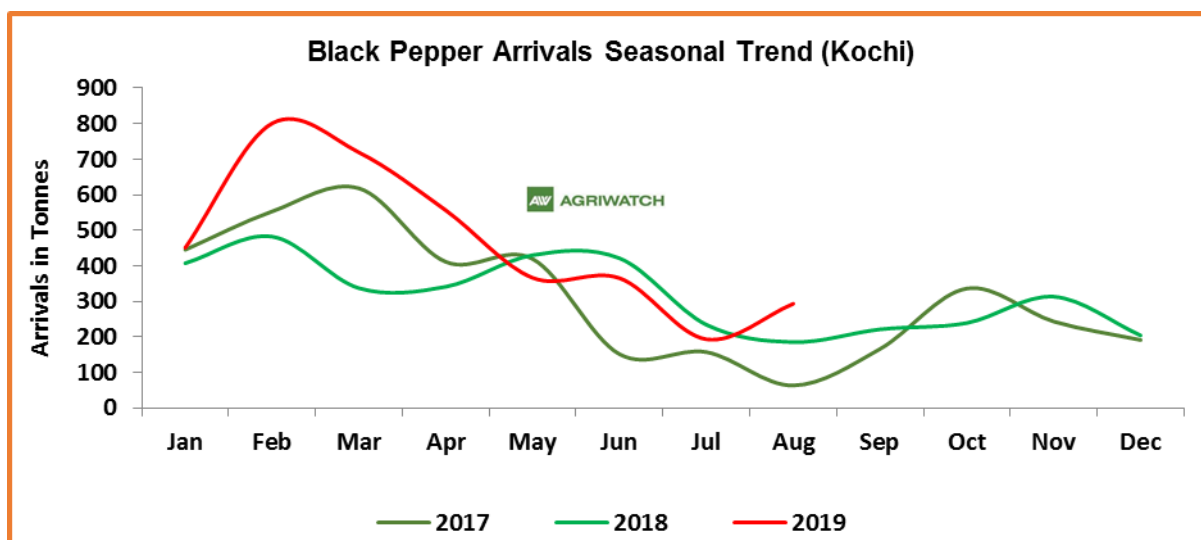
Market	Current Month	Last Month	Previous Year	% Change Over Previous month
	19-Aug	19-Jul	18-Aug	
Kochi (Kerala)	293	193	185	51.81
<b>Total</b>	<b>293</b>	<b>193</b>	<b>185</b>	<b>51.81</b>

Unit – Ton

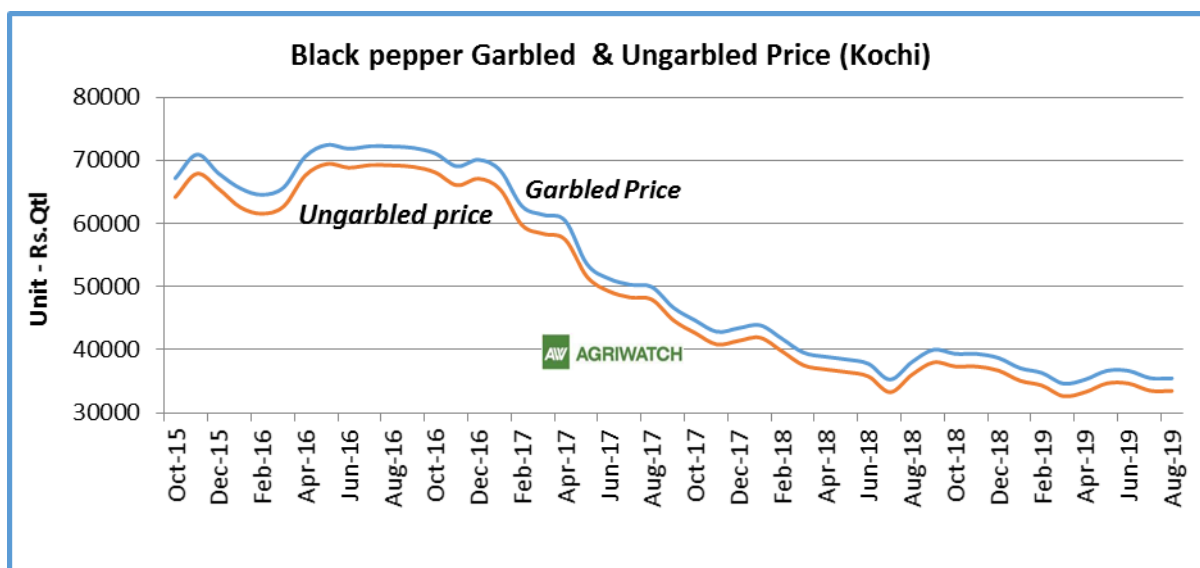
Black pepper supply reported up by 58.38% during August compared to the corresponding period of last year.

Current year, pepper supply reported from January to 31st July around 3,744 mt as compared to last year same period 2,837 mt, up by 31.97%.

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 up by around 52% in Kochi spot market in August compared to previous month as stockists and planters were releasing their stocks in the spot market.



During August 2019 Rs.35,470/-qtl (Garbled) and Rs.33,470/-qtl (Ungarbled) reported down 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 today in the Central Highlands went across in many provinces, ranging from 42,000 to 43,500 VND / kg. In particular, the highest pepper price recorded in Ba Ria - Vung Tau province and the lowest in Dong Nai province.

The export volume of pepper in August 2019 is estimated at 20 thousand tons, with a value of US \$ 50 million, bringing the export volume of pepper in the first 8 months of 2019 is estimated at 220 thousand tons, equivalent to US \$ 561 million, an increase of 27.4 % in volume but down by 3.8% in value over the same period in 2018.

The largest pepper export markets of Vietnam in the first 7 months of 2019 were the United States, India, Germany, Pakistan and the Netherlands with a 36.8% market share. The average export price of pepper in the first 7 months of 2019 reached 2,556 USD / ton, down 24.5% over the same period in 2018.

According to the latest IPC report, in 2019, Indonesian pepper exports are expected to decrease by 22% compared to 2018 and estimate to reach 37,000 tons, including 12,000 tons of black pepper and 25,000 tons of white pepper. Export of pepper likely to lower due to reduce of pepper production in Indonesia.

According to statistics from the General Department of Customs Vietnam, in July, pepper exports reached 23.5 thousand tons, worth US \$ 59.97 million, up 10.4% in volume, but down 9.5% in value compared to July 2018.

According to Vietnam export department, in the future, global pepper prices will continue to be low due to the increase in Brazil's pepper production, while Indonesia's pepper output remains the same compared to 2018. According to the Ministry of Agriculture and Rural Development Vietnam, Brazilian pepper farmers are preparing to enter the main harvest period. The expansion of new planting areas from 2015 - 2016 coupled with good farming conditions, mechanization rate in pepper production promises a bumper crop for *Brazilian growing areas output is expected to reach 90,000 tons in 2019.*

According to statistics of the International Pepper Community (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 global exports. The export volume increased significantly due to stable quality of Brazil pepper and competitive prices compared to other producing countries. Export price of Brazilian pepper in the first half of June reached US \$ 2,400 / ton, up 6.7% compared to May.



**Spot Prices Monthly Change**

Black Pepper Spot Market Prices: (Rs/Qtl)					
Grade	Centre	31-Aug-19	31-Jul-19	31-Aug-18	% Change Over Previous month
Ungarbled	Kochi (Ker.) <b>Benchmark market</b>	33100	33700	39100	-1.78
Garbled		35100	35700	41100	-1.68
Ungarbled	Chikmagalur (Kar.)	31500	32500	39000	-3.08
Unpolished	New Delhi	37500	37500	41500	Unch
Number 11.5		40000	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
24/07/19	2500	5158	2369	3685	2265	2330
02/08/19	2500	5144	2337	3685	2265	2330
14/08/19	2500	-	2332	3685	2270	2335
23/08/19	2500	4963	2329	3685	2270	2335
03/09/19	2500	4848	2374	3685	2270	2335

**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.35,100/-qtl. Initial support level is Rs.35,000/-qtl for short term. **We expect prices to move in a range between Rs.34,500 – 36,000/-qtl. for next month.**

## CARDAMOM

### Spot Market Recap

- Mixed sentiment witnessed in Small Cardamom market during the week.
- Continuous supply and higher imported material available in the spot market put cap on Cardamom prices
- Cardamom Kerala prices reported correction as new crop supply continued in the spot market. Cardamom prices likely to go down in coming days (nearly to Rs.2,200 - 2,300 /-kgs) as imported material (Rs.1600 - 1700/-Kg) available in the spot market via Mundra Sea, Nhava Sheva Sea from Gautemala with lower prices than Indian prices and continued new crop supply.
- Current season starts from 1st August and on an average daily basis 30 to 36 tonnes new crop enter to 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.

### Monthly Cardamom Arrival Scenario:

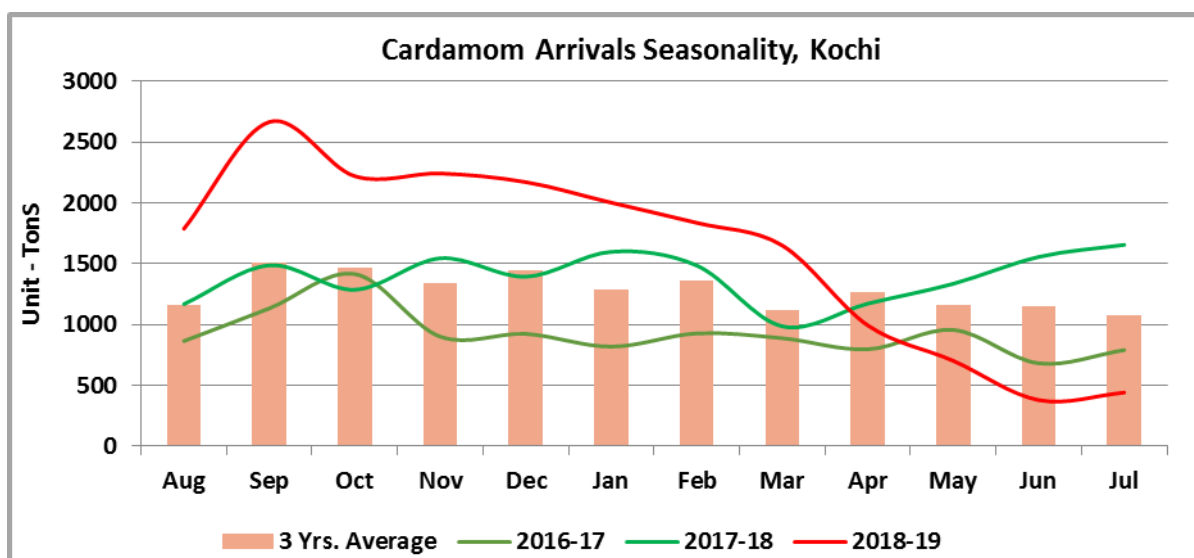
Market	Current Month	Last Month	Previous Year	% Change Over Previous month
	19-Aug	19-Jul	18-Aug	
<b>Kerala (Kochi)</b> <b>Benchmark market</b>	594,304	439,422	1,736,236	<b>35.25</b>
<b>Total</b>	<b>594,304</b>	<b>439,422</b>	<b>1,736,236</b>	<b>35.25</b>

Unit - Kgs

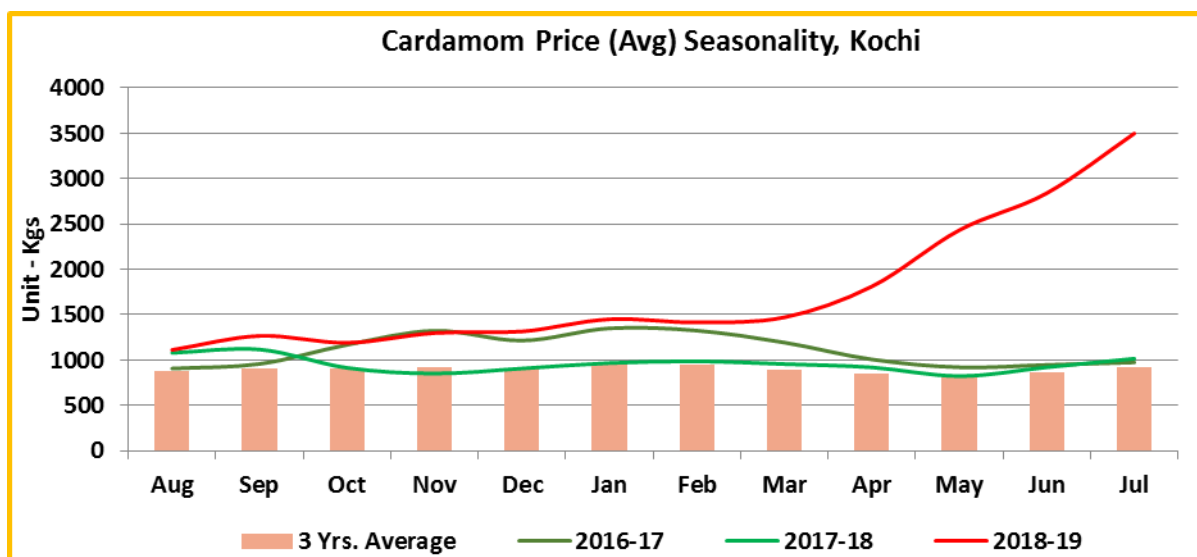
Cardamom arrivals reported down by 65.77% during the period from corresponding period of last year due to lower production and planters were holding back their stocks an expectations of further higher prices level.

The current season, officially began on August 1. From 1st August 2019 to 02nd September 2019 arrivals reported 631 tons and sales 589 tons.

Last season total arrivals reported from 1st August 2018 to 31st July 2019 arrivals reported 19,075 tons and sales 18,639 tons.



In 2018-19 marketing year, arrivals reported down from April due to crop damaged in Kerala growing regions and stockists were holding back their stocks. During 2018-19 marketing year total Cardamom supply reported 19,075 MT as compared to last year 16,654 MT, up by 14.54%.



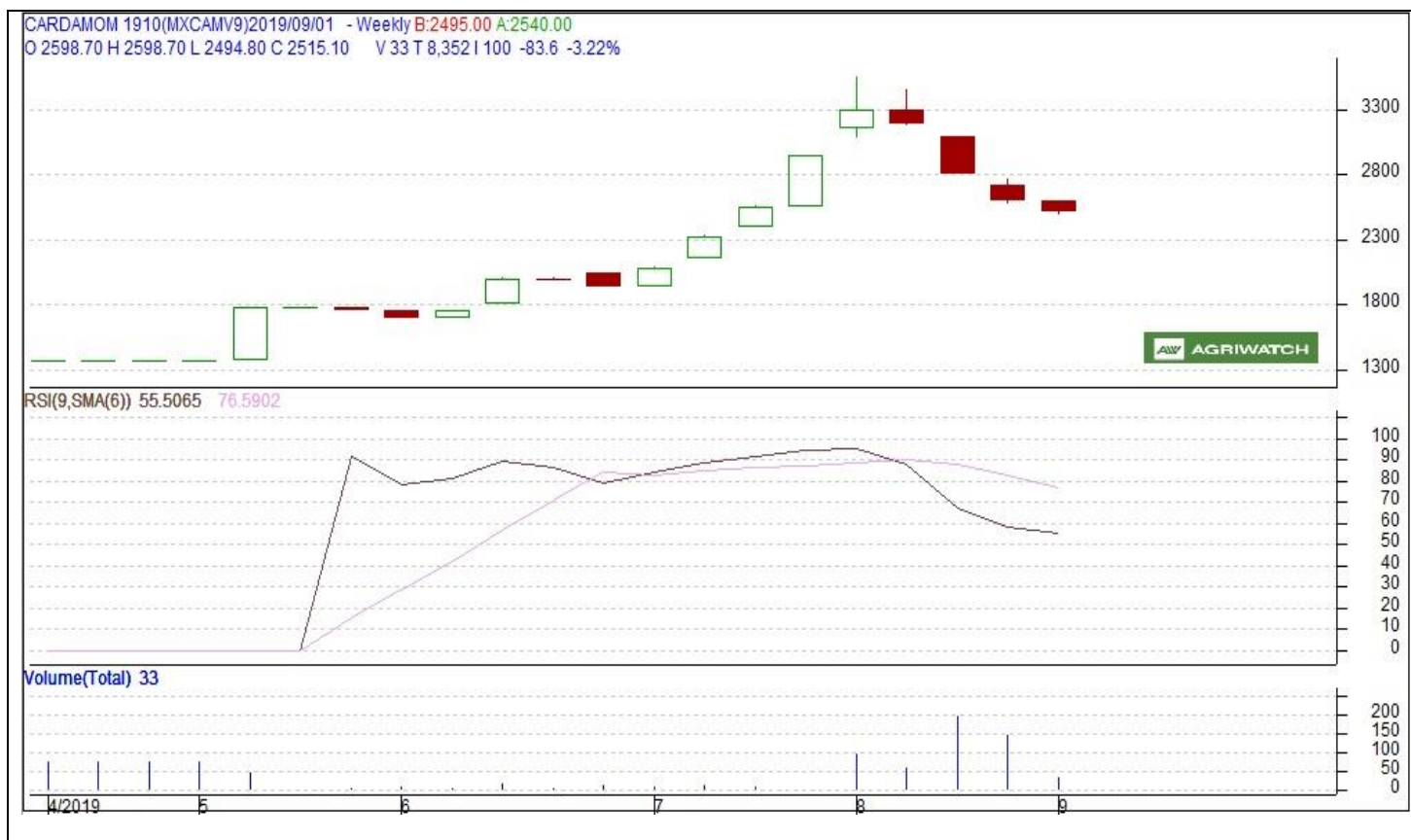
Current marketing year starts from 1<sup>st</sup> August and August monthly average prices reported Rs.3416/-kgs. In 2018-19 marketing year, Cardamom average prices reported all time high (July monthly average) at Rs.3,498/-Kgs as compared to last year same period Rs.1,016/-Kgs. which is up by around 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.2,200–3,500/-kgs.**

### Prices Monthly Change

Cardamom Spot Market Prices: (Rs/Kg)					
Auction Price		31-Aug-19	31-Jul-19	31-Aug-18	% Change Over Previous month
Vandanmedu, Thekkady, Kochi, Kumily, Nedumkandam, Santhanpara & Bodinayakanur	Max price	3338	4502	1494	-25.86
	Avg. Price	2752	3922	1202	-29.83
New Delhi	Medium	3500	3400	1100	2.94
	6.5 (Bold)	3600	3500	1175	2.86
	7 (Bold)	4000	3900	1300	2.56
	7.5 (Bold)	4100	4000	1450	2.50
	8 (Bold)	4400	4200	1650	4.76
Large Cardamom Spot Market Prices: (Rs/Kg)					
Center	Type	31-Aug-19	31-Jul-19	31-Aug-18	Change
Singtam, Sikkim	Badadana	513	525	525	-2.29
Singtam	Chotadana	445	438	450	1.60
Gangtok, Sikkim	Badadana	475	475	550	Unch
Gangtok	Chotadana	425	425	463	Unch
Siliguri, West Bengal	Badadana	595	595	500	Unch
Siliguri	Chotadana	486	500	470	-2.80

### Cardamom Technical Analysis (weekly Chart, Oct Contract)



Candlestick chart pattern reveals prices correction in the market. RSI moving down in neutral zone in the market. Volumes are supporting the prices.

Strategy: Buy		S2	S1	PCP	R1	R2
NCDEX	Oct	2200	2300	2515.1	3200	3300
Monthly Trade Call		Call	Entry	T1	T2	SL
	Oct	Buy	Above 2740	3050	3150	2300

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