

## Chilli Outlook – April 2020

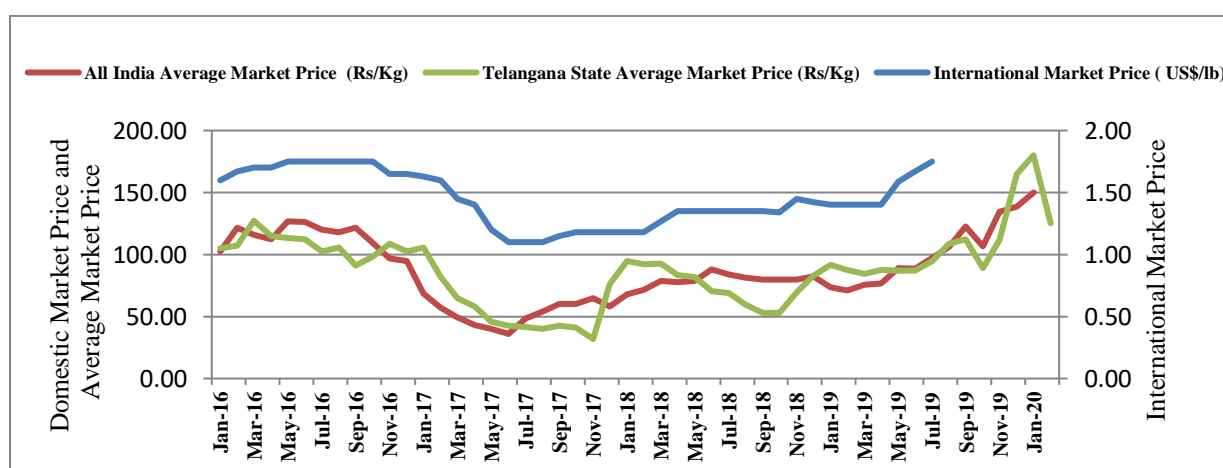
India is the world's largest producer, consumer and exporter of chillies. India is the world leader in chilli production followed by China, Thailand, Ethiopia and Indonesia. Indian chilli is considered to be world famous for two important commercial qualities of color and pungency levels. Indian chilli is mainly exported to Asian countries like China, Sri Lanka, Malaysia, Bangladesh, Singapore, Thailand, UAE, etc. In India, major chilli producing states are Andhra Pradesh, Telangana, Tamil Nadu, Karnataka and Madhya Pradesh.

In Telangana, as on 25<sup>th</sup> September 2019, an area of 45,028 hectares was reported under chilli as compared to 46,126 hectares in the corresponding period of last year. Among the districts, Khammam stood first with 14,268 ha followed by Mahabubabad (12,113 ha), Gadwal (9,328 ha), Suryapet (4,166 ha) and Warangal (Rural) (2387 ha).

Current year from 1<sup>st</sup> January to 20<sup>th</sup> March red chilli supply in Guntur market reported around 165,375 MT as compared to last year 164,475 MT, up by 0.55% as farmers expected higher prices in future.

### International, Domestic and Telangana State Average Market Prices (Rs/q) of chilli

The trend in all India average market price, Telangana state average market price and international chilli market prices from January 2016 onwards presented in graph 3 clearly indicates that the Telangana state average market price and all India average market prices are highly influenced by international market prices. The international chilli price which was 1.45 US\$/lb in November 2018 has fallen to 1.42 US\$/lb in December 2018 and sustained at 1.40 US\$/lb in January and February 2019. Telangana state average market price and all India average market prices have continuously increased to 180.00 Rs/Kg and 150.00 Rs/Kg respectively in January 2020. There was a sudden drop in chilli price to 125 Rs/Kg in February 2020 in Telangana state due to outbreak of corona virus in china.



Source: <http://tsmarketing.in/>, Spice board of India

**Graph 3: International Market Price (US\$/lb), Domestic Market Price (Rs/Kg) and Average Market Price (Rs/q) of chilli in Telangana**

**Table 2: Arrivals and Prices of Chilli at Warangal and Khammam Markets in March 2020**

Warangal					Khammam				
Date	Arrivals (q)	Minimum Price (Rs/q)	Maximum Price (Rs/q)	Modal Price (Rs/q)	Date	Arrivals (q)	Minimum Price (Rs/q)	Maximum Price (Rs/q)	Modal Price (Rs/q)
2	3,660	12,500	14,300	13,400	2	5,448	9,000	14,700	13,500
3	3,746	12,000	14,600	13,300	3	8,022	9,500	15,000	14,000
4	3,457	13,000	15,200	14,000	4	10,800	9,500	15,350	14,200
5	4,369	13,000	15,000	14,000	5	12,120	9,500	15,275	14,000
6	4,833	12,000	13,900	13,000	6	13,968	9,000	14,200	13,200
11	2,650	12,500	13,700	13,100	7	3,624	9,000	13,450	12,500
12	3,580	12,100	13,800	13,100	10	3,000	9,100	13,200	12,000
13	3,221	11,500	13,600	12,500	11	3,720	9,000	13,825	12,100
16	5,701	11,000	13,800	12,400	12	7,224	9,500	13,600	12,500
17	5,728	11,000	13,600	12,300	13	9,408	9,500	14,100	13,800
18	4,729	11,000	13,500	12,200	16	10,680	9,000	13,700	12,600
19	4,112	11,000	13,200	12,000	17	10,560	9,200	13,600	12,500
20	3,000	11,000	13,200	12,000	18	9,420	9,200	13,600	12,500
					19	9,120	9,000	13,550	12,100

Source: <http://tsmarketing.in/>

In Telangana, 52,789 and 1,17,114 quintals of chilli arrivals were traded in Warangal and Khammam markets at Rs. 12,000 – 14,000 and Rs. 12,100 – 14,200 respectively in the month of March 2020.

Table 3: Red Chilli Spot Prices (Rs/q)

Centre	Variety	% Change Over Previous Week	1-Apr-20	26-Mar-20	2-Mar-20	2-Apr-19
<b>Guntur (A.P.) Benchmark market</b>	<b>NCDEX Quality</b>	-	Closed	Closed	12200	7800
	<b>LCA 334</b>	-	Closed	Closed	12600	8300
	<b>Teja</b>	-	Closed	Closed	14700	9300
	<b>No. 273</b>	-	Closed	Closed	14500	8300
	<b>No. 5</b>	-	Closed	Closed	14500	8200
	<b>Fatki</b>	-	Closed	Closed	8500	4500
	<b>Byadgi</b>	-	Closed	Closed	15000	9000
	<b>US 341</b>	-	Closed	Closed	15800	9200
<b>Warangal (Telangana)</b>	<b>DenvorDelux</b>	-	Closed	Closed	15500	8000
	<b>Teja</b>	-	Closed	Closed	14500	9300
	<b>Wonder Hot</b>	-	Closed	Closed	16500	9900
	<b>341</b>	-	Closed	Closed	16100	9000
	<b>DenvorDelux</b>	-	Closed	Closed	16500	8800
	<b>Paprika</b>	-	Closed	Closed	NA	11000
<b>Bedia (M.P.)</b>	<b>Fatki</b>	-	Closed	Closed	11600	4500
	<b>No. 12</b>	-	Closed	Closed	NA	12000
	<b>Indu 2070</b>	-	Closed	Closed	NA	12000
	<b>MICO (Teja)</b>	-	Closed	Closed	NA	13500
	<b>Jhankar</b>	-	Closed	Closed	15000	12000
<b>New Delhi</b>	<b>Ganesh</b>	-	Closed	Closed	NA	NA
	<b>Teja (Khamam)</b>	-	Closed	Closed	18000	11500
	<b>M.P. MacoTeja</b>	-	Closed	Closed	NA	NA
	<b>Pala 12</b>	-	Closed	Closed	NA	NA
	<b>LCA 334</b>	-	Closed	Closed	NA	10000
	<b>Fatki</b>	-	Closed	Closed	NA	5500
	<b>Packing</b>	-	Closed	Closed	NA	10000

Source: www.agriwatch.com

### Chilli Price Outlook

Normal Export demand is reported in the Guntur spot market from countries like Vietnam, Malaysia, Bangladesh, Sri Lanka etc. Red Chilli stocks in cold storage are increasing day by day, and as of now at Guntur region around 38 – 40 lakh bags are stored.

Farmers may get good price for Red Chilli (good quality) as cold storage stocks reported lower than the last year and buyers will be active during current marketing period.

Under these circumstances, Agricultural Market Intelligence Centre, PJTSAU expect that Chilli is likely to trade in price range between Rs. 12,000 – 14,000 per quintal in the month of April 2020.