



## PRICE HISTORY

Price index for the 11<sup>th</sup> month of 2020 was reported with a positive outlook as the price index of black pepper recorded a 6.1% increase as opposed to the previous month at 39.08 points. When further compared with the same period in 2019, the price index of black pepper was reported with a higher increase by 18%. Following the trend of black pepper, the price index of white pepper was also reported with an increase albeit not as high as black pepper. Price index of white pepper for November 2020 was reported at 41.50 points (Table 1), a 3.6% increase as opposed to the previous month. When compared with the same period in 2019, the price index of white pepper was reported with a much higher increase by 18%.

**Table 1. IPC Price Index (Base price: Average 2011-2015)**

Month	Black Pepper	White Pepper
Oct-20	36.84	40.06
Nov-20	39.08	41.50
Nov-19	33.20	35.20

Continuing the increasing trend of the price index, the composite price for November 2020 was reported with an increase. The composite price of black pepper was reported at USD 2,907 per Mt, recording an increase of USD 166 per Mt as compared with October. The composite price of white pepper was reported at USD 4,295 per Mt, recording a USD 150 per Mt as compared to the previous month (Table 2)

**Table 2. Composite Price of Black and White Pepper (US\$/Mt)**

Month	Black Pepper			White Pepper		
	2018	2019	2020	2018	2019	2020
January	3,785	2,642	2,509	5,234	3,959	3,598
February	3,643	2,425	2,192	5,279	3,853	3,320
March	3,241	2,410	2,159	4,867	3,776	3,194
April	3,238	2,365	2,134	4,739	3,708	3,136
May	3,170	2,371	2,339	4,745	3,588	3,349
June	3,146	2,604	2,763	4,477	3,766	3,752
July	2,827	2,594	2,619	4,289	3,775	3,868
August	2,700	2,586	2,682	4,150	3,811	4,020
September	2,673	2,534	2,670	3,943	3,684	4,168
October	2,781	2,477	2,740	4,175	3,668	4,145
November	2,821	2,470	2,907	4,219	3,643	4,295
December	2,727	2,505		3,993	3,575	

Pepper prices in the 11<sup>th</sup> month of 2020 showed a mixed response with only Malaysia and Sri Lanka were reported with a decrease. The farm gate price of black pepper in India was reported with an increase of 1% as opposed to October, averaging at USD 4,411 per Mt (Table 3). In the local currency farm gate price of India



(Malabar black pepper) was reported at an average of INR 327 per Kg, increasing from INR 321 per Kg in the previous month.

The price of black pepper in Indonesia (Lampung black pepper) was reported with an increase of 7% to an average of USD 2,120 per Mt as opposed to October 2020 which was partly contributed to the appreciation by 4% of the Indonesia Rupiah against US Dollar. The price of Indonesia black pepper in local currency increased to an average of IDR 30,190 per Kg from IDR 29,368 per Kg in October.

The farm gate price of Malaysia's black pepper for the 11<sup>th</sup> month of 2020 was reported with 5% deficit when compared to the previous month averaging at USD 2,143 per Mt. In local currency, the price of Malaysia black pepper decreased to an average of MYR 8,820 per Kg from MYR 9,339 per Kg in the previous month.

Furthermore, farm gate price of black pepper in Viet Nam was reported with an increase of 9% as compared to the previous month, averaging at USD 2,322 per Mt. In local currency, the price of Viet Nam black pepper increased to an average of VND 55,405 per Kg or an increase of VND 4,541 per Kg when compared to the previous month.

The farm gate price of Sri Lankan black pepper was reported with 2% deficit as opposed to October 2020 and was reported at an average of USD 2,971 per Mt. Sri Lanka black pepper in local currency decreased to an average of LKR 549.47 per Kg from LKR 558.29 per Kg in October.

**Table 3. Farm Gate Prices of Black Pepper (US\$ per Mt)**

Week Ending on	Malabar UG	Lampung Gate	Sarawak Grade 1	Viet Nam 500 g/l	Sri Lanka
2 <sup>nd</sup> October 20	4,419	1,945	2,409	2,095	3,157
9 <sup>th</sup> October 20	4,381	1,963	2,349	2,096	3,094
16 <sup>th</sup> October 20	4,379	1,964	2,258	2,097	3,050
23 <sup>rd</sup> October 20	4,383	2,039	2,180	2,131	2,996
30 <sup>th</sup> October 20	4,363	2,042	2,119	2,223	2,919
<b>Average</b>	<b>4,385</b>	<b>1,991</b>	<b>2,263</b>	<b>2,128</b>	<b>3,043</b>
6 <sup>th</sup> November 20	4,335	2,065	2,123	2,215	2,899
13 <sup>th</sup> November 20	4,403	2,140	2,139	2,337	2,982
20 <sup>th</sup> November 20	4,437	2,139	2,151	2,364	2,990
27 <sup>th</sup> November 20	4,467	2,136	2,159	2,373	3,011
<b>Average</b>	<b>4,411</b>	<b>2,120</b>	<b>2,143</b>	<b>2,322</b>	<b>2,971</b>

FOB price of black pepper for November 2020 showed a rather positive outlook with only Malaysia origin was reported with a decrease. The FOB price of Malabar black pepper from India was reported stable with a marginal increase, averaging at USD 4,680 per Mt (Table 4). Furthermore, the FOB price of Indonesian black pepper was reported with an increase of 6% as opposed to October, averaging at USD 2,587 per Mt. FOB price of Malaysian black pepper was reported with 2% deficit as opposed to the previous month and was traded at an average of USD 3,675 per Mt. FOB price of Viet Nam black pepper 500 g/l and 550 g/l were reported with an increase of 6% and 5% respectively as compared to the previous month averaging at USD 2,760 per Mt and USD 2,841 per Mt respectively.



**Table 4. FOB Prices of Black Pepper (US\$ per Mt)**

Week Ending on	Malabar MG1	Lampung ASTA	Sarawak Grade 1	Viet Nam 500 g/l	Viet Nam 550 g/l
2 <sup>nd</sup> October 20	4,691	2,379	3,800	2,605	2,686
9 <sup>th</sup> October 20	4,654	2,401	3,800	2,605	2,686
16 <sup>th</sup> October 20	4,652	2,402	3,800	2,605	2,686
23 <sup>rd</sup> October 20	4,655	2,488	3,725	2,605	2,686
30 <sup>th</sup> October 20	4,634	2,492	3,675	2,655	2,736
<b>Average</b>	<b>4,657</b>	<b>2,432</b>	<b>3,760</b>	<b>2,615</b>	<b>2,696</b>
6 <sup>th</sup> November 20	4,603	2,520	3,675	2,655	2,736
13 <sup>th</sup> November 20	4,673	2,610	3,675	2,775	2,856
20 <sup>th</sup> November 20	4,706	2,608	3,675	2,805	2,886
27 <sup>th</sup> November 20	4,738	2,608	3,675	2,805	2,886
<b>Average</b>	<b>4,680</b>	<b>2,587</b>	<b>3,675</b>	<b>2,760</b>	<b>2,841</b>

Farm gate prices of white pepper in November 2020 also showed a rather positive outlook with only Malaysia origin was reported with a decrease (Table 5). Indonesia Muntok white pepper was reported with an increase of 4% as compared to the previous month to an average of USD 3,827 per Mt. In local currency, the price of Muntok white pepper was reported at an average of IDR 54,571 per Kg. Farm gate price of Malaysia white pepper was reported with 2% deficit as opposed to October, averaging at USD 3,603 per Mt. Furthermore, Viet Nam white pepper was reported with significant increase of 11% when compared to the previous month, averaging at USD 3,211 per Mt. In local currency, the price of Viet Nam white pepper was reported at an average of VND 76,500 per Kg, recording an increase of VND 7,182 per Kg when compared to the previous month. China white pepper was reported with an increase of 7% as compared to October and was traded at an average of USD 4,750 per Mt in domestic market.

**Table 5. Farm Gate Prices of White Pepper (US\$ per Mt)**

Week Ending on	Indonesia	Malaysia	Viet Nam 630 g/l	China (Hainan)
2 <sup>nd</sup> October 20	3,722	3,788	2,829	n.a
9 <sup>th</sup> October 20	3,758	3,753	2,830	n.a
16 <sup>th</sup> October 20	3,690	3,699	2,831	4,192
23 <sup>rd</sup> October 20	3,636	3,626	2,958	4,513
30 <sup>th</sup> October 20	3,641	3,562	3,041	4,638
<b>Average</b>	<b>3,689</b>	<b>3,686</b>	<b>2,898</b>	<b>4,448</b>
6 <sup>th</sup> November 20	3,717	3,569	3,041	4,650
13 <sup>th</sup> November 20	3,838	3,596	3,210	4,650
20 <sup>th</sup> November 20	3,835	3,616	3,254	4,850
27 <sup>th</sup> November 20	3,919	3,630	3,339	4,850
<b>Average</b>	<b>3,827</b>	<b>3,603</b>	<b>3,211</b>	<b>4,750</b>



FOB price of white pepper showed a rather positive outlook with only Malaysia origin recording a decrease. FOB price of Indonesia white pepper for November 2020 was reported with an increase of 2% when compared to the previous month, averaging at USD 4,497 per Mt. FOB price of Malaysia white pepper was reported with 1% deficit as compared to the previous month to an average of USD 4,900 per Mt. Furthermore, FOB price of Viet Nam white pepper was reported with an increase of 4% when compared to the previous month at an average of USD 4,330 per Mt. China white pepper was reported with a significant increase of 7% when compared to October and was traded at an average of USD 4,950 per Mt internationally (Table 6).

**Table 6. FOB Prices of White Pepper (US\$ per Mt)**

Week Ending on	Indonesia	Malaysia	Viet Nam 630 g/l	China (Hainan)
2 <sup>nd</sup> October 20	4,369	5,000	4,125	n.a
9 <sup>th</sup> October 20	4,411	5,000	4,125	n.a
16 <sup>th</sup> October 20	4,336	5,000	4,125	4,392
23 <sup>rd</sup> October 20	4,726	4,940	4,125	4,713
30 <sup>th</sup> October 20	4,282	4,900	4,225	4,838
<b>Average</b>	<b>4,425</b>	<b>4,968</b>	<b>4,145</b>	<b>4,648</b>
6 <sup>th</sup> November 20	4,369	4,900	4,225	4,850
13 <sup>th</sup> November 20	4,511	4,900	4,345	4,850
20 <sup>th</sup> November 20	4,507	4,900	4,375	5,050
27 <sup>th</sup> November 20	4,601	4,900	4,375	5,050
<b>Average</b>	<b>4,497</b>	<b>4,900</b>	<b>4,330</b>	<b>4,950</b>

Entering the 11<sup>th</sup> month of global pandemic, FOB price of pepper in comparison between November 2019 and November 2020 fluctuated with an increasing trend. India black pepper in November 2020 was reported with 2% deficit as compared to the same period in 2019 at an average of USD 4,683 per Mt. Furthermore, Indonesia black and white pepper were reported with an increase of 27% and 20% respectively as compared to November 2019, averaging at USD 2,587 per Mt for black pepper and USD 4,504 per Mt for white pepper. Malaysia black pepper was reported stable averaging at USD 3,675 per Mt. Whilst, Malaysia white pepper was reported with 7% deficit as compared to the same period in 2019 to an average of USD 4,900 per Mt. Furthermore, Viet Nam black pepper 500 g/l, 550 g/l and Viet Nam white pepper were reported with an increase of 21%, 21% and 26% respectively as opposed to the same period in 2019 to an average of USD 2,762 per Mt, USD 2,843 per Mt and USD 4,332 per Mt respectively. China white pepper was reported with an increase of 4% when compared to November 2019 and was traded at an average of USD 4,961 per Mt (Table 7).



**Table 7. Average FOB Price of Pepper in Producing Countries November 2019 & November 2020 (US\$ per Mt)**

Country	November 2019	November 2020
<b>Black Pepper</b>		
India	4,761	4,683
Indonesia	2,034	2,587
Malaysia	3,685	3,675
Viet Nam 500 g/l	2,286	2,762
Viet Nam 550 g/l	2,351	2,843
<b>White Pepper</b>		
Indonesia	3,766	4,504
Malaysia	5,275	4,900
Viet Nam	3,436	4,332
China	4,748	4,961

## HIGHLIGHT ON THAILAND

### Production and Productivity

Thailand, officially the Kingdom of Thailand and formerly known as Siam, is a country at the center of the Southeast Asian Indochinese peninsula. Agriculture in Thailand is highly competitive, diversified and specialized with a lucrative international trade. Rice is the major crop grown and Thailand is the world's biggest rice exporter. Thailand is also one of pepper producing country known to have cultivated its pepper partially in the eastern Thailand such as Chanthaburi Province, Trat Province and Rayong Province.

During 2010 to 2015 the area under pepper cultivation in Thailand had shown a decreasing trend. A decrease of 70% in term of area under pepper cultivation was reported when comparing 2010 to 2015. In 2016, the area under pepper cultivation in Thailand was reported with an increase of 15% when compared to 2015. As from 2016, the area of pepper cultivation in Thailand had fluctuated to 2019 with an increasing trend. In 2019, Thailand planted pepper on 614 Ha of area, recording a 58% decrease over the course of 10 years (Table 8). In addition, the area under pepper cultivation for 2020 was estimated to be stable and unchanged.

Pepper production of Thailand had fluctuated with a decreasing trend since 2010. Pepper production of Thailand was reported to have recorded a decrease of 52% in the past 10 years as it was reported to have produced a total of 2,219 Mt of black pepper which is the only product of pepper coming out from Thailand. The highest production of Thailand pepper in the past 10 years was reported in 2010 with 4,641 Mt whilst the lowest occurred in 2014 with 1,174 Mt. The production of Thailand pepper for 2020 was estimated with a slight increase of 2% when compared to 2019 totaling at 2,253 Mt.



**Table 8. Area under Pepper Cultivation and Pepper Production in Thailand**

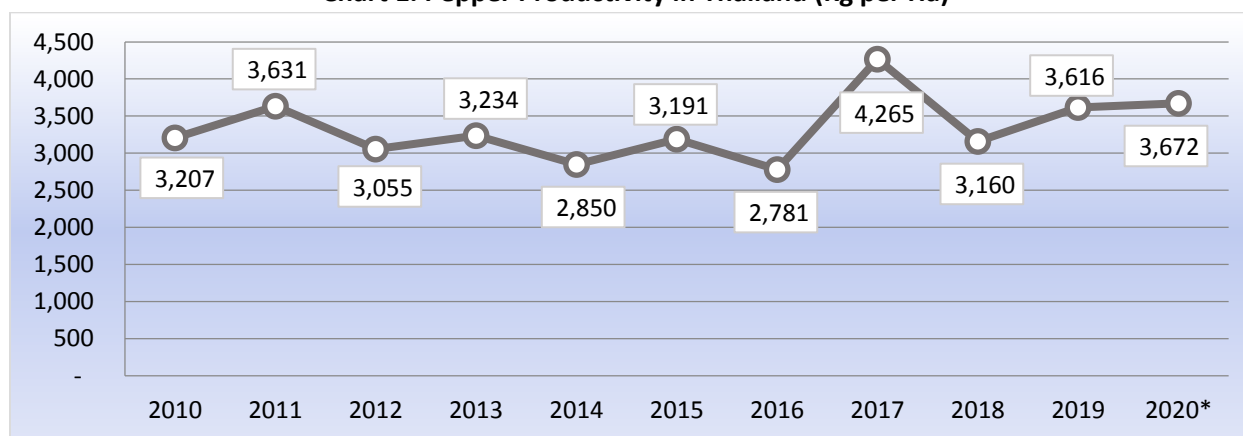
Year	Area Under Pepper Cultivation (Ha)	Production (Mt)
2010	1,447	4,641
2011	1,210	4,395
2012	734	2,241
2013	412	1,332
2014	412	1,174
2015	440	1,405
2016	507	1,409
2017	595	2,536
2018	634	2,005
2019	614	2,219
2020*	614	2,253

Source: Office of Agricultural Economics of Thailand (OAE)

\*Note: Figures are estimate, subject to revision

Pepper productivity in Thailand in the past 10 years fluctuated with a positive trend (Chart 1). From 2010 until 2019 pepper productivity in Thailand was reported with an increase by 13% totaling at 3,616 Kg per Ha in 2019. The highest pepper productivity in Thailand in the past 10 years was reported in 2017 with 4,265 Kg per Ha. In 2020, pepper productivity in Thailand was estimated to increase by 2% as compared with the previous year to a total of 3,672 Kg per Ha.

**Chart 1. Pepper Productivity in Thailand (Kg per Ha)**



\*Note: Figures are estimate, subject to revision



### Pepper Export from Thailand

Since 2009 until 2019 there had been a 78% (Table 9) decrease in term of quantities of pepper exports from Thailand. The highest quantity of pepper export from Thailand was reported during 2010 which amounted to 3,180 Mt whilst the lowest occurred in 2013 with only 210 Mt. In 2019, Thailand was reported to have exported a total of 540 Mt of pepper, recording an increase of 29% as compared to 2018. As of September 2020, Thailand exported a total of 603 Mt which comprised of 405 Mt of whole pepper and 198 Mt of ground pepper.

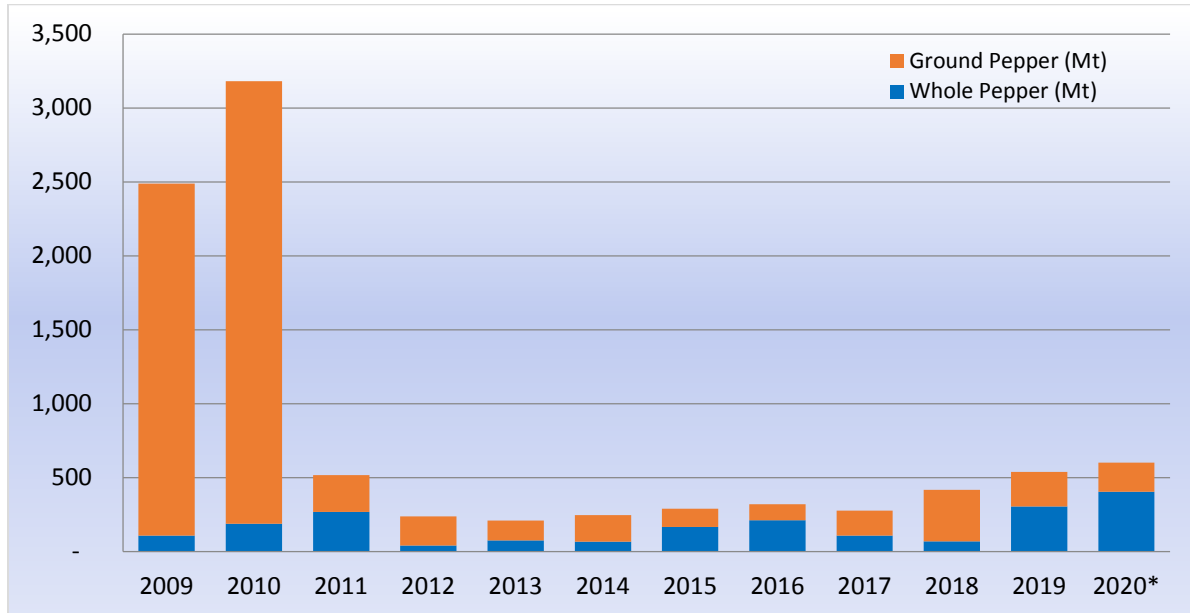
**Table 9. Export of Pepper from Thailand 2009 – September 2020**

Year	Whole Pepper (Mt)	Ground Pepper (Mt)	Total (Mt)
2009	108	2,381	2,489
2010	189	2,991	3,180
2011	269	249	518
2012	42	196	238
2013	77	133	210
2014	69	179	248
2015	168	123	291
2016	212	110	322
2017	108	170	278
2018	71	347	418
2019	306	234	540
2020*	405	198	603

Source: International Trade Center (ITC) \*Note: 2020 up to September



**Chart 2. Export of Pepper from Thailand during 2009 – September 2020**



Source: International Trade Center (ITC) \*Note: 2020 up to September

The quantity of pepper exports from Thailand had reportedly fluctuated from January 2019 up to September 2020. The total export by Thailand in 2019 was reported at 540 Mt with total value as high as USD 4.8 Million. The average pepper export from Thailand in 2019 was reported to be 45 Mt per month with the highest reported in July which reached 74 Mt whilst the lowest was reported in February with only 15 Mt (Table 10). Furthermore, the total pepper export from Thailand as of September 2020 was reported to be 603 Mt with total value of USD 3.6 Million, recording an increase of 46% in terms of quantity of pepper exported by Thailand when compared to the same period in 2019.

**Table 10. Export Quantity and Value of Pepper from Thailand from 2019 – September 2020**

Month	Volume in Mt	Value in US\$ '000
January 2019	38	410
February 2019	15	110
March 2019	52	497
April 2019	49	402
May 2019	40	490
June 2019	69	579
July 2019	74	417
August 2019	42	371
September 2019	35	335





# INTERNATIONAL PEPPER COMMUNITY MARKET REVIEW

**NOVEMBER 2020**



October 2019	58	547
November 2019	33	345
December 2019	36	320
January 2020	51	370
February 2020	42	276
March 2020	216	717
April 2020	48	344
May 2020	72	630
June 2020	39	340
July 2020	45	254
August 2020	25	160
September 2020	64	529

*Source: International Trade Center (ITC)*

Pepper from Thailand is exported to various countries around the world (Table 11). As of September 2020, the top 10 country of destinations for Thailand pepper were reported to be Myanmar with 180 Mt (Contributed to 30% of the total pepper export by Thailand as of September 2020), South Africa with 163 Mt (27%), United States of America with 94 Mt (16%), South Korea with 24 Mt (4%), Australia with 22 Mt (3.7%), New Zealand with 16 Mt (3%), Cambodia with 14 Mt (2%), China with 14 Mt (2%), Laos with 12 Mt (1.9%) and Taiwan with 10 Mt (1.7%).

**Table 11. The Top 10 Countries Destination Export Pepper from Thailand as of September 2020**

Country	Qty (Mt)
Myanmar	180
South Africa	163
United States of America	94
South Korea	24
Australia	22
New Zealand	16
Cambodia	14
China	14
Laos	12
Taiwan	10
Others	54
<b>Total</b>	<b>603</b>

*Source: International Trade Center (ITC)*



### Pepper Import by Thailand

Although Thailand is one of pepper producing country. However, Thailand's pepper production is unable to meet the domestic consumption which resulting to the import of pepper by Thailand from various pepper producing countries.

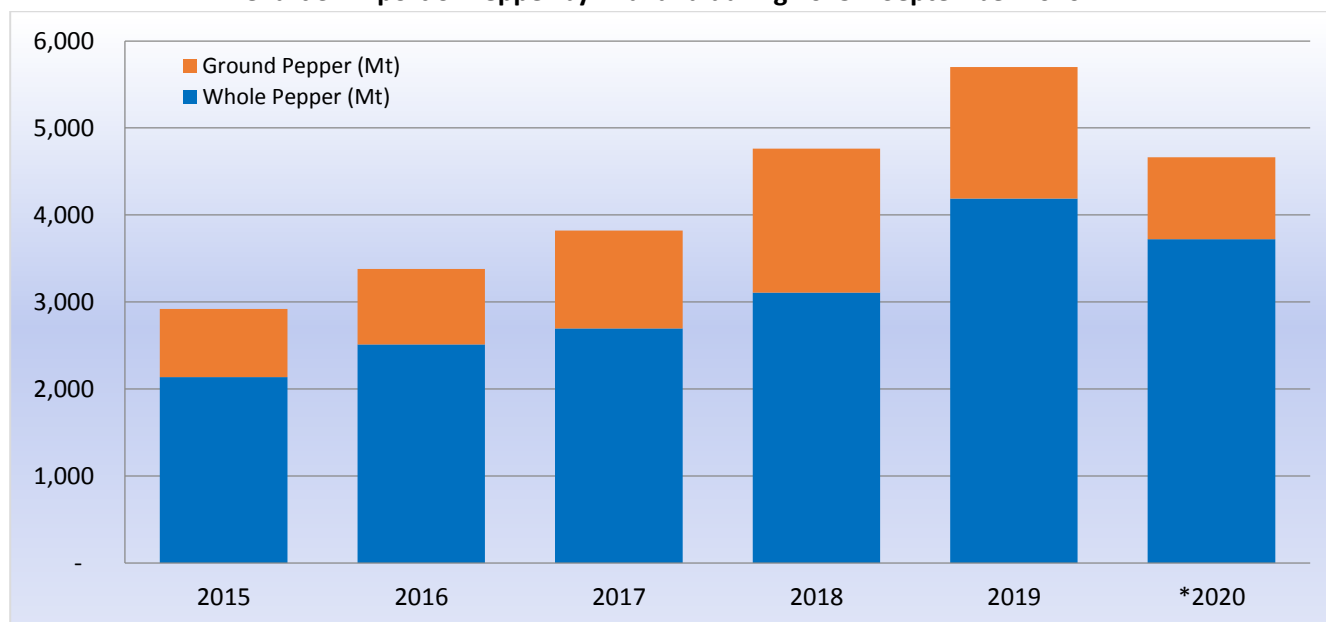
Since 2015 until 2019 there had been a 95% (Table 12) increase in term of quantities of pepper import by Thailand. The highest quantity of pepper import by Thailand was reported during 2019 which amounted to 5,700 Mt whilst the lowest occurred in 2015 with 2,920 Mt. As of September 2020, Thailand imported a total of 4,664 Mt which comprised of 3,723 Mt of whole pepper and 942 Mt of ground pepper.

**Table 12. Import Quantity and Value of Pepper by Thailand during 2015 – September 2020**

Year	Whole Pepper (Mt)	Ground Pepper (Mt)	Total (Mt)
2015	2,136	784	2,920
2016	2,513	868	3,381
2017	2,696	1,126	3,822
2018	3,109	1,655	4,764
2019	4,191	1,509	5,700
2020*	3,723	942	4,664

Source: International Trade Center (ITC) \*Note: 2020 up to September

**Chart 3. Import of Pepper by Thailand during 2015 – September 2020**



Source: International Trade Center (ITC) \*Note: 2020 up to September



The top five countries of origins of Thailand's pepper as of September 2020 were reported to be Viet Nam with 3,581 Mt (Contributed to 77% of the total pepper import by Thailand as of September 2020), Indonesia with 624 Mt (13%), India with 176 Mt (4%), Malaysia with 126 Mt (3%) and Myanmar with 55 Mt (1%) (Table 13).

**Table 13. The Top 5 Countries Origins Import Pepper by Thailand as of September 2020**

Country	Qty (Mt)
Viet Nam	3,581
Indonesia	624
India	176
Malaysia	126
Myanmar	55
Others	102
<b>Total</b>	<b>4,664</b>

*Source: International Trade Center (ITC)*

### **Pepper Price**

The farm gate price of pepper in Thailand was reported to fluctuate with a decreasing trend during January 2018 up to November 2020 which could be attributed to the world supply of pepper which significantly exceeded global demand as well as the development of the global pandemic of Corona Virus.

In 2018, the average farm gate price of Thailand black pepper was reported at USD 4,149 per Mt, the highest farm gate price of Thailand black pepper was reported in January with an average of USD 4,891 per Mt whilst the lowest occurred in December with USD 3,055 per Mt.

In 2019, the average farm gate price of Thailand black pepper was reported at USD 3,070 per Mt. Thus, recording a decrease by 26% when compared to 2018. The highest farm gate price of Thailand black pepper in 2019 was reported in June with an average of USD 3,776 per Mt, recording a deficit by 6% as compared to the same period in 2018. Whilst, the lowest occurred in December with USD 2,703 per Mt, recording a deficit by 12% as compared to the same period in 2018.

As of November 2020, the average farm gate price of Thailand black pepper was reported at USD 3,035 per Mt. Thus, recording a decrease of 2% as compared to the same period in 2019. As of November 2020, the highest farm gate price of Thailand black pepper was reported in November with USD 3,692 per Mt, recording an increase of 23% as compared to the same period in 2019. The lowest farm gate price of Thailand black pepper was reported during March 2020 which dropped as low as USD 2,732 per Mt, recording a deficit by 4% as compared to the same period in 2019 (Table 14).



**Table 14. Monthly Average Farm Gate Prices of black Pepper in Thailand**

Month	Black Pepper				
	2018	2019	2020	Change 2018-2019	Change 2019-2020
January	4,891	3,141	2,766	-36%	-12%
February	4,804	3,114	3,024	-35%	-3%
March	4,666	2,837	2,732	-39%	-4%
April	4,152	2,826	2,757	-32%	-2%
May	4,069	2,955	2,805	-27%	-5%
June	4,035	3,776	2,887	-6%	-24%
July	4,359	3,570	2,866	-18%	-20%
August	4,175	3,121	2,882	-25%	-8%
September	4,368	2,864	3,430	-34%	20%
October	3,723	2,923	3,550	-21%	21%
November	3,488	3,009	3,692	-14%	23%
December	3,055	2,703		-12%	
Average	4,149	3,070	3,035	-26%	-28%

Source: Office of Agricultural Economics of Thailand (OAE)

Source:

- Brazil, Unofficial source (Coreimex, CSG Trade)
- India: Spices Board Govt. of India, AISEF, NCDEX, Indian Chamber of Commerce & Industry
- Indonesia: Unofficial source
- Sri Lanka: Sri Lankan Pepper Board
- Sri Lanka: Department of Export Agriculture
- Viet Nam : Viet Nam Pepper Association, HCMC
- China: Hainan Pepper Association, China Spice Association
- International Trade Centre (ITC) – Geneva
- Office of Agricultural Economics of Thailand (OAE)

Note: Some of the data in this publication are from the IPC database. The data are obtained from official reports and correspondence between the IPC and have been processed based on statistical norms that can be accounted for.