NEDSPICE

CSA China Spice Association

Pepper report



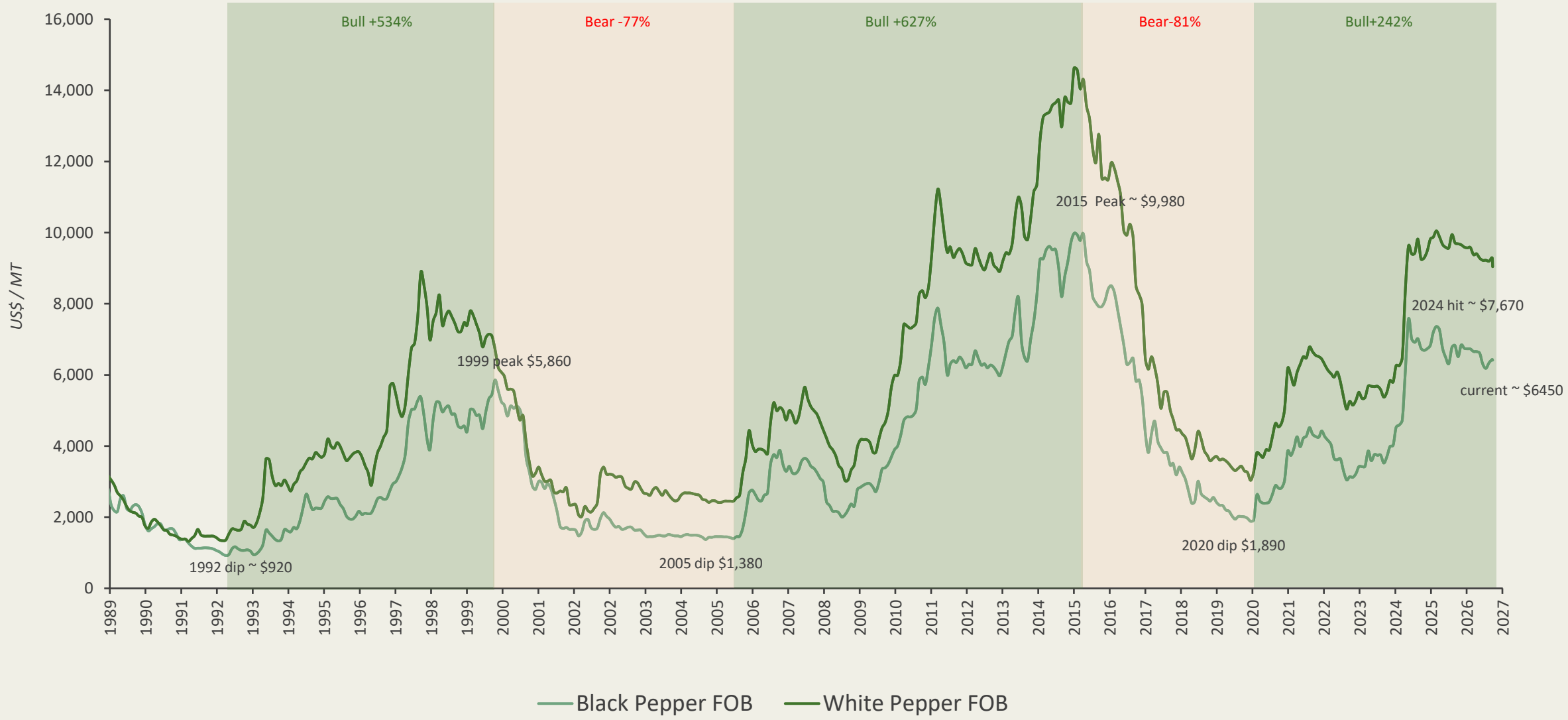
November 2026, Guilin , China

Ha Phuong Minh

Strictly private and confidential

CSA China Spice Association

The current cycle: What's Next?



1) *Nedspice research.* Market price as per 5-Oct-2026. Average of Vietnam, Indonesia and Brazil ASTA quality

Strictly private and confidential

CSA China Spice Association

Agenda

01 **Global pepper outlook**
Production and markets stabilized in 2025 and 2026

02 **Vietnam**
Production in Vietnam declined, increasing reliance on imports and stocks

03 **Brazil**
Acreage in Brazil shows a continuous increase

04 **India**
Stable production supported by steady yields and planting area

05 **Indonesia**
Production in Indonesia is low due to weather conditions

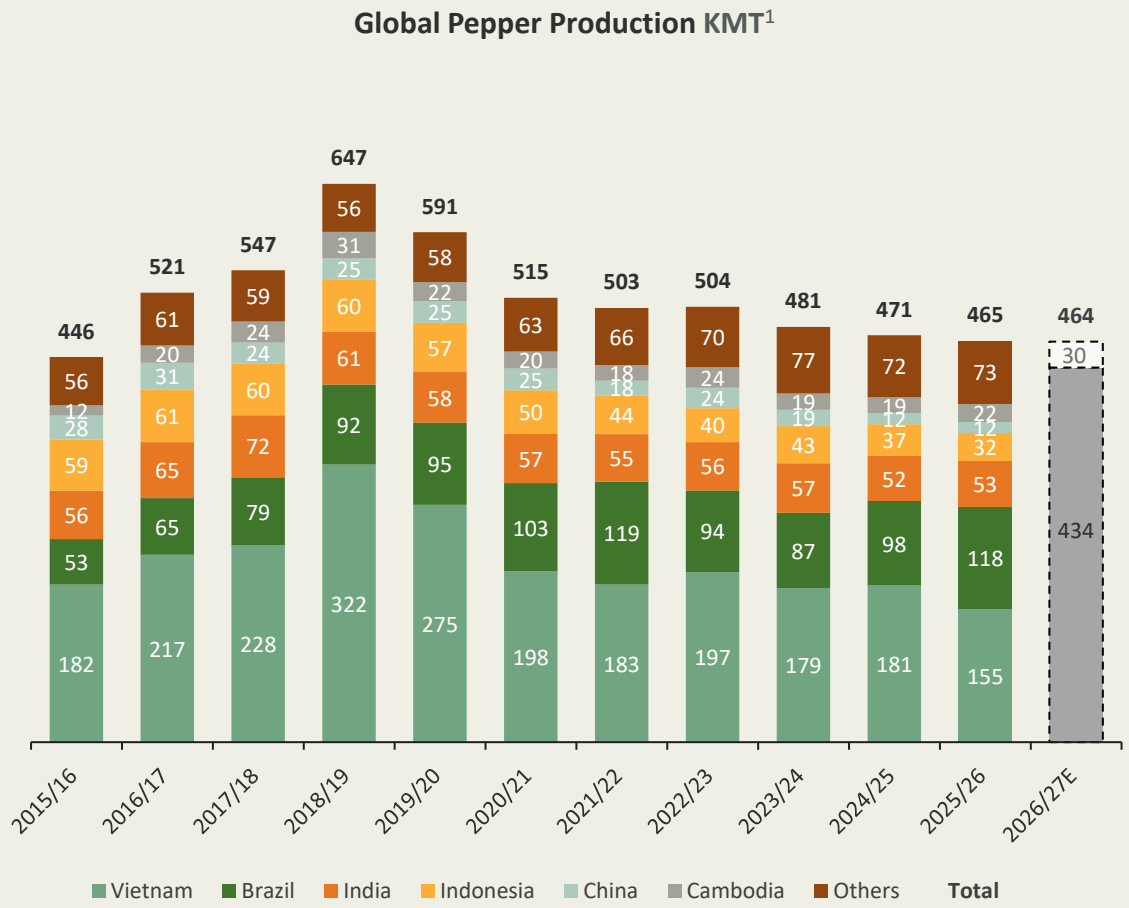
06 **China**
Limited supply recovery

07 **Despite slow 2025, demand growth remains**
Global stocks are under pressure

08 **Global stock ratio continues trending down**
Stocks versus demand might approach record low

Strictly private and confidential

Global production stabilized in 2025 and 2026



Production and markets stabilized in 2025 and 2026, while attention turns to the upcoming El Niño

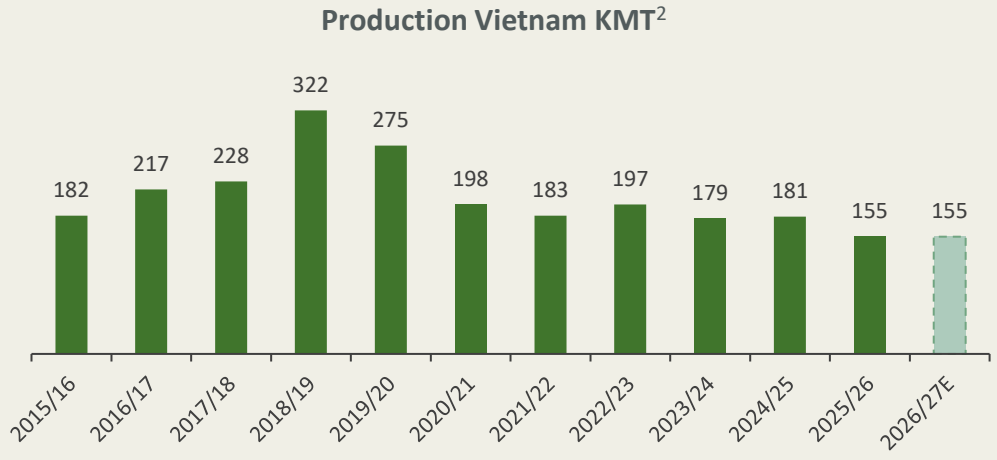
- Global pepper production is expected to range between 434 and 464 KMT in 2026/27, current growth looks normal while El Niño adds uncertainty to the supply outlook
- Competitive crops such as durian and coffee, as well as increasing intercropping have constrained Vietnam's supply recovery
- Brazilian acreage has doubled since 2015
- India's production has been stable, although they are a major producer, they are currently a net importer
- Indonesia has seen a decrease in acreage, comparable to Vietnam, and drought has negatively affected yields in 2026

1) *Nedspice research.* Global production
2)

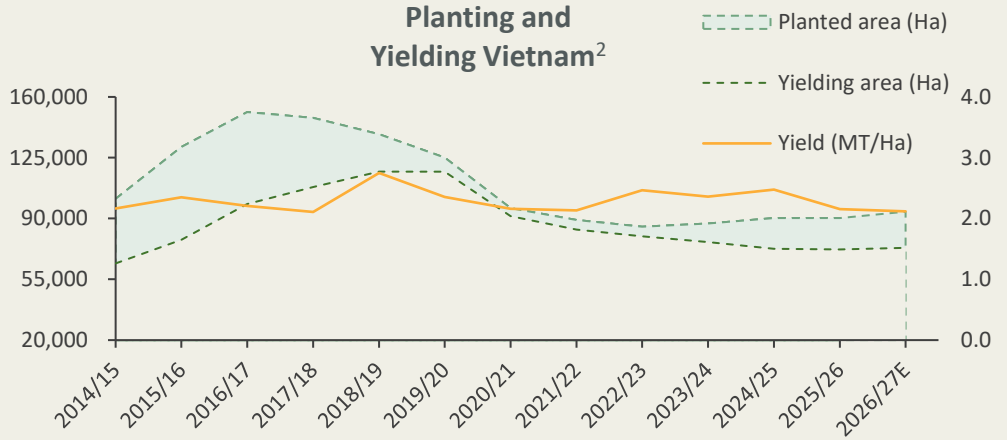
Strictly private and confidential

Production in Vietnam shows a declining acreage with a stable yield





- Vietnam pepper production has declined significantly from its 322 KMT peak in 2018/19 reaching around 155 KMT in 2026/27—more than 50% below the peak, resulting in lower carry-over stocks
- Yields remain stable compared to last year at around 2.1 MT/ha nationally
- Replanting and intercropping are steadily increasing, with farmers replanting pepper after disease-related vine losses and intercropping pepper with crops such as coffee
- El Niño poses a moderate risk to Vietnam's pepper-growing regions ahead of the next harvest in January 2027. Current established irrigation system helps mitigate the potential effects of El Niño.





Replanting pepper



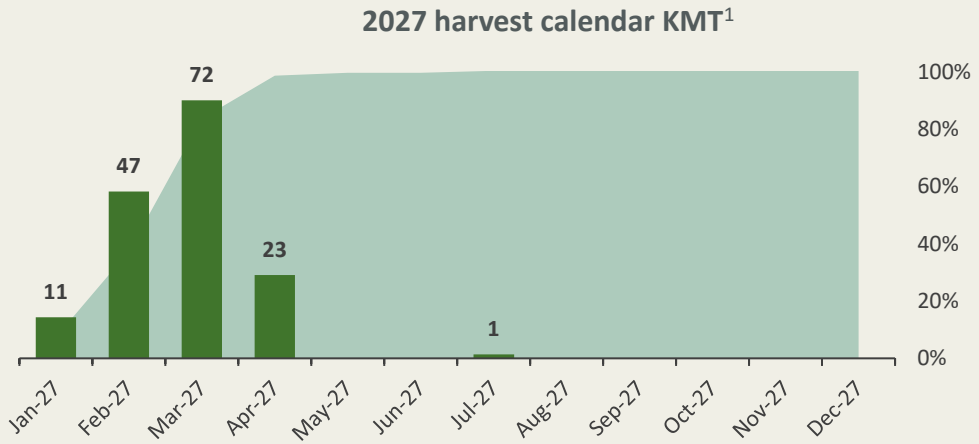
Newly planting pepper intercropping with coffee

1) *Nedspice research*. Vietnam pepper harvest
2) *Nedspice research*. Crop development

Strictly private and confidential

Vietnam expects a normal 2026/27 harvest starting in January and peaking in March





- The harvest is expected to start in early January in Dak Nong, the largest pepper-growing province, peak in February and March, and finish by the end of April.
- Labor shortages during the peak February–March harvest period continue to put upward pressure on harvesting costs.
- Prolonged dry weather associated with El Niño could threaten flowering and berry development for the 2027/28 crop, potentially reducing Vietnam's 2028 harvest.







1) *Nedspice research*. Vietnam pepper harvest

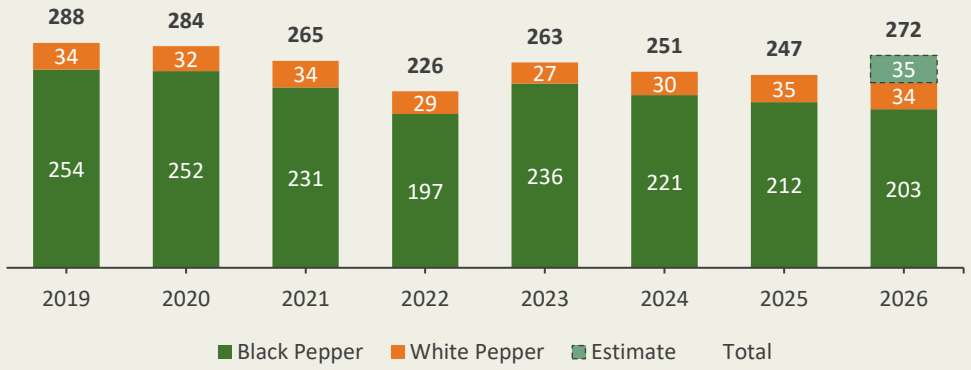
Strictly private and confidential

Vietnam maintains exports, supported by higher imports

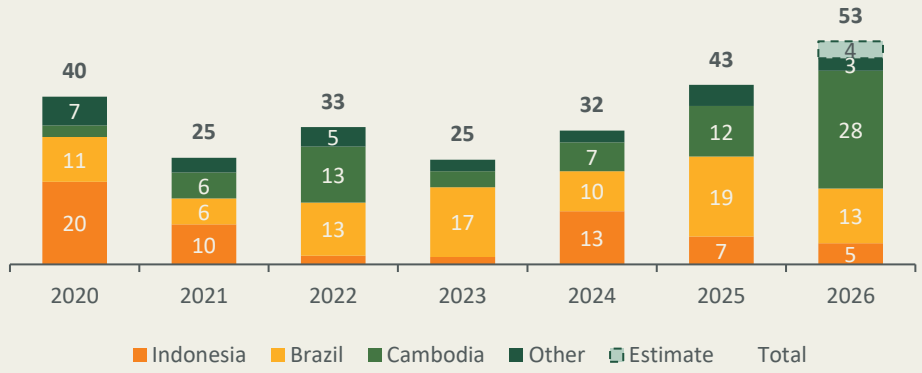
15% **increase in 2026 YTD exports[2]**

- Exports 2026 YtD reached 238 KMT, +15% higher than last year, with 203 KMT black pepper and 34 KMT of white pepper
- Imports grew by approximately 32% in 2026 YTD, reaching 50 KMT, supporting the increase in export volumes
- Carry-over stocks remain at low level, further tightening the available supply

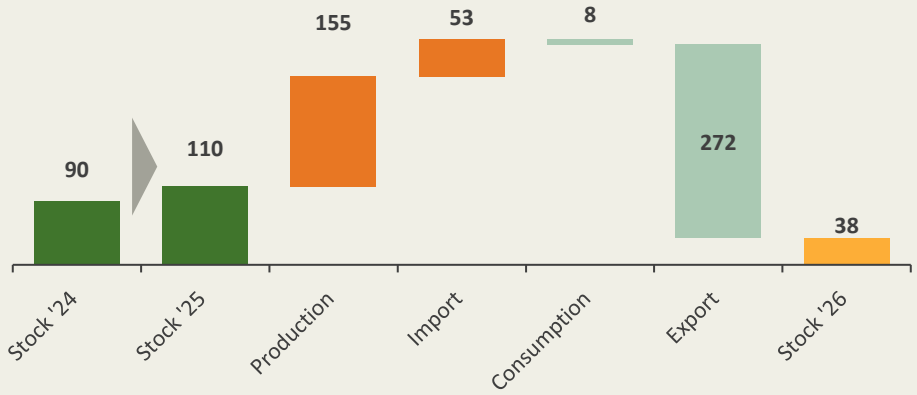
Vietnam's exports (KMT)[1,2]



Imports Vietnam (KMT)[1,2]



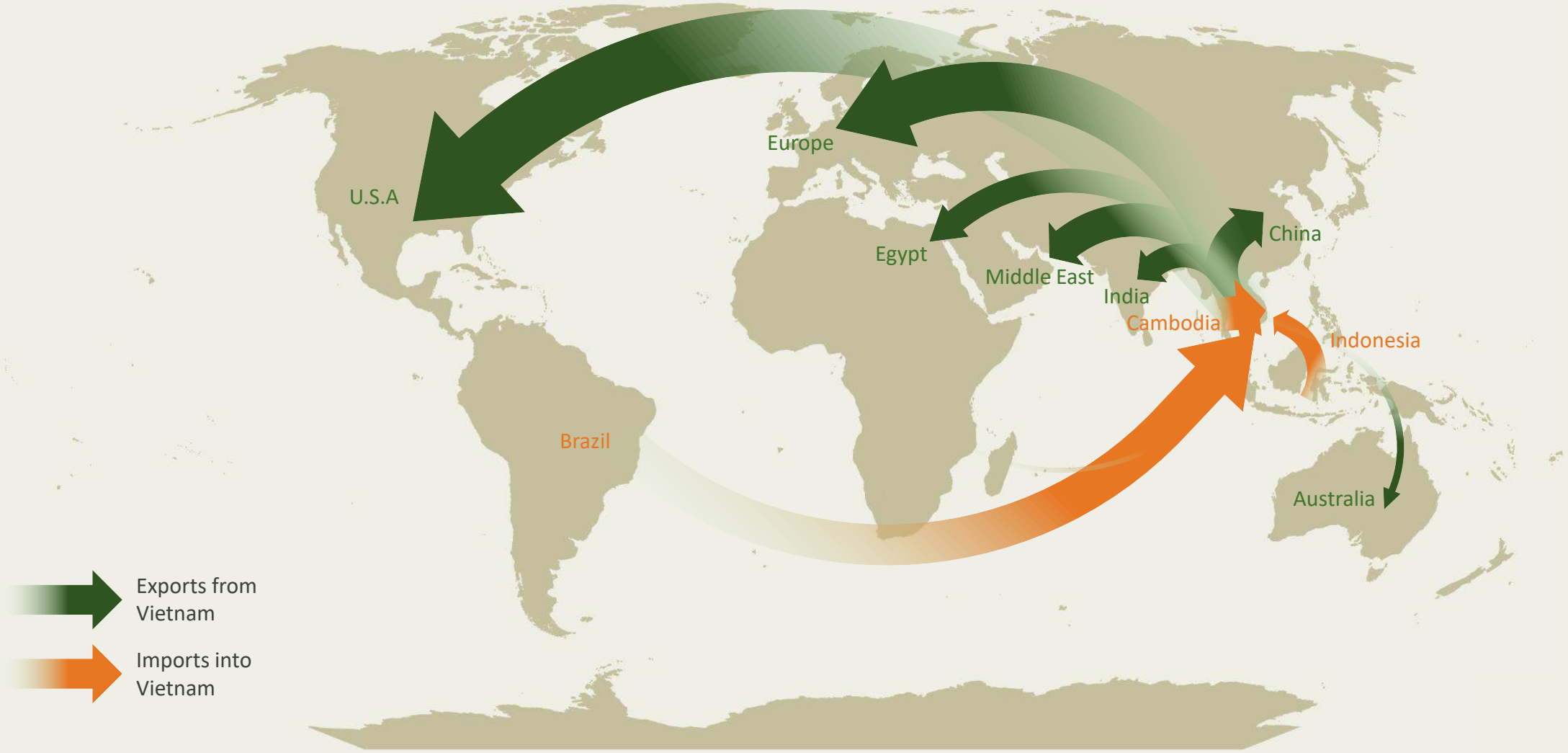
Vietnam stocks development (KMT)[3]



1) *Eximpedia.* Export data Oct 2026
2) *VPSA.* Export data Oct 2026
3) *Nedspice research.* Stock development

Strictly private and confidential

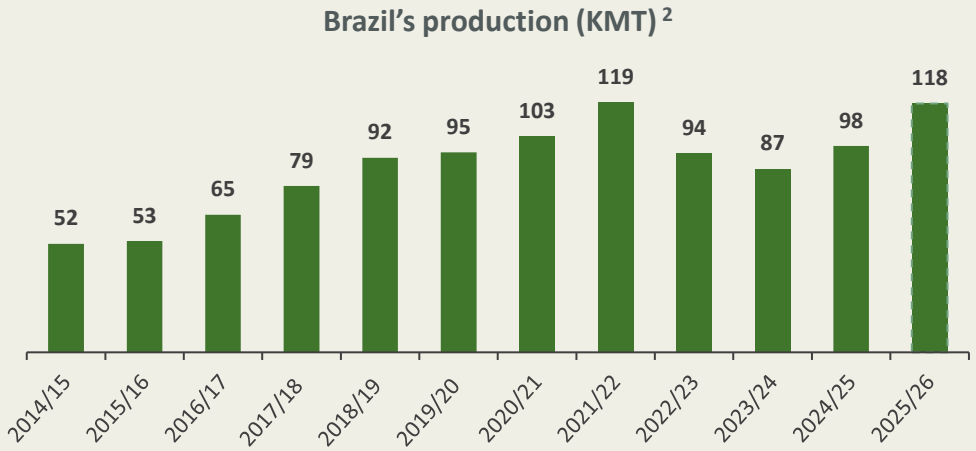
Vietnamese imports and exports

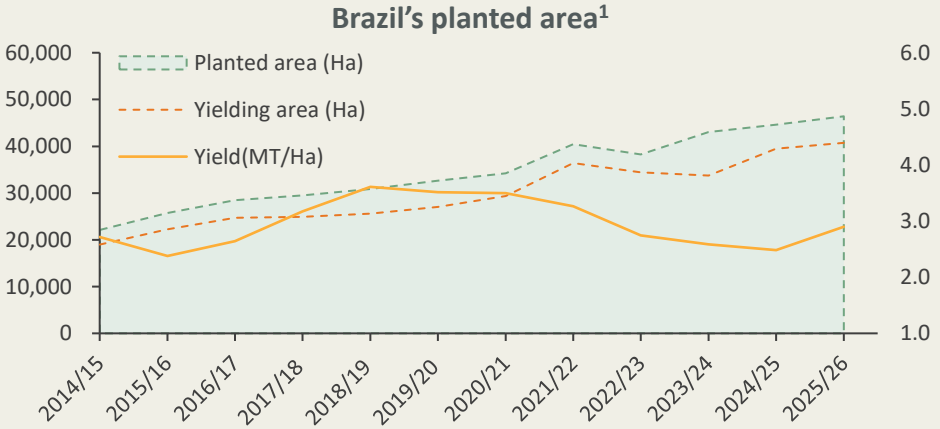


Strictly private and confidential

Brazil shows an increasing acreage and supply recovery

+20% **increase in production in 2026**





- Planting area continues to expand, particularly in Espírito Santo, the main driver of Brazil's production growth. Further production increases are possible in the coming years
- 2025/26 production is estimated at 118 KMT, supported by the expansion of planted area
- El Niño poses a greater risk to pepper production in Pará, while major pepper-growing region such as Espírito Santo and Bahia are expected to experience limited impacts
- Limited sun-drying pepper, as machine drying method is more labor and cost efficient but remains a challenge regarding quality



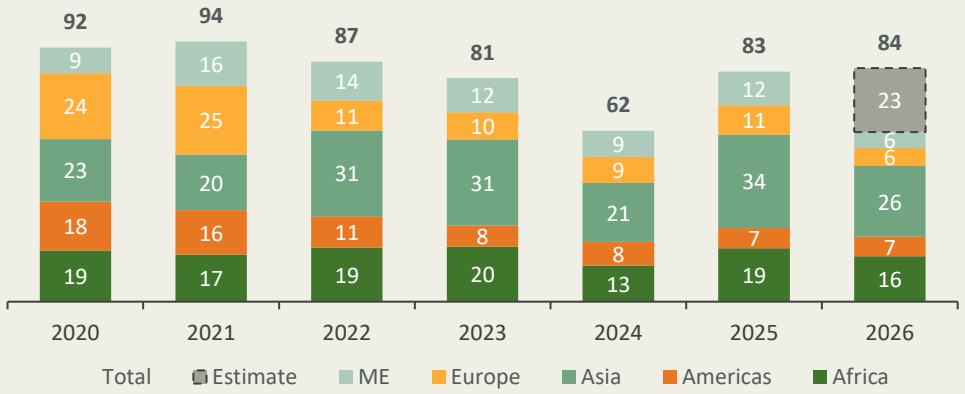
1) *Brazilian government trade data.* comexstat.mdic.gov.br
2) *Nedspice research.* Planted area

Strictly private and confidential

Stable export volumes expected in 2026

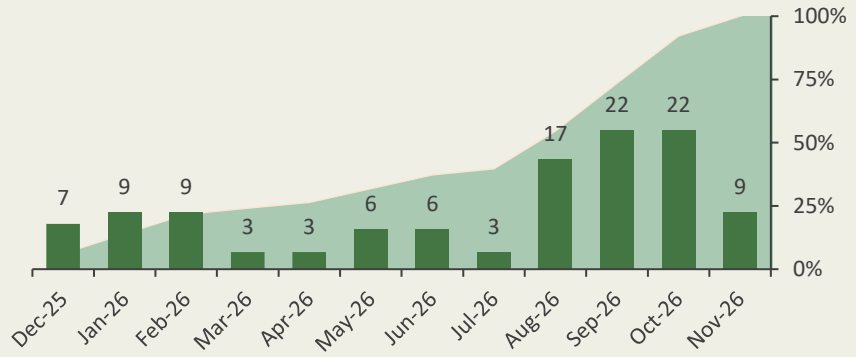


Brazil's export (KMT) [1,2]

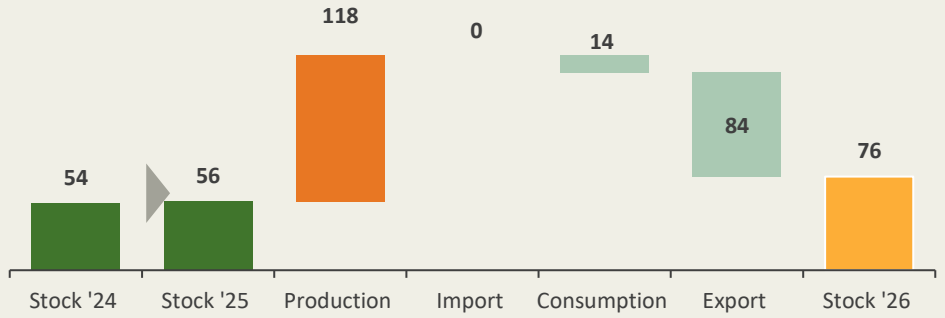


- Brazil's pepper exports rebounded to 83 KMT in 2025 after dropping to 62 KMT in 2024
- Exports is expected to pick up in the end of 2026 following the completion of the harvest. Full-year exports are estimated at 84 KMT, broadly stable compared with 2025.
- Year-end stock levels are expected to be higher compared to last year as exports remain stable while production continues to support supply availability

2026 Harvesting calendar (KMT) [3]



Brazil's stocks development (KMT) [3,4]

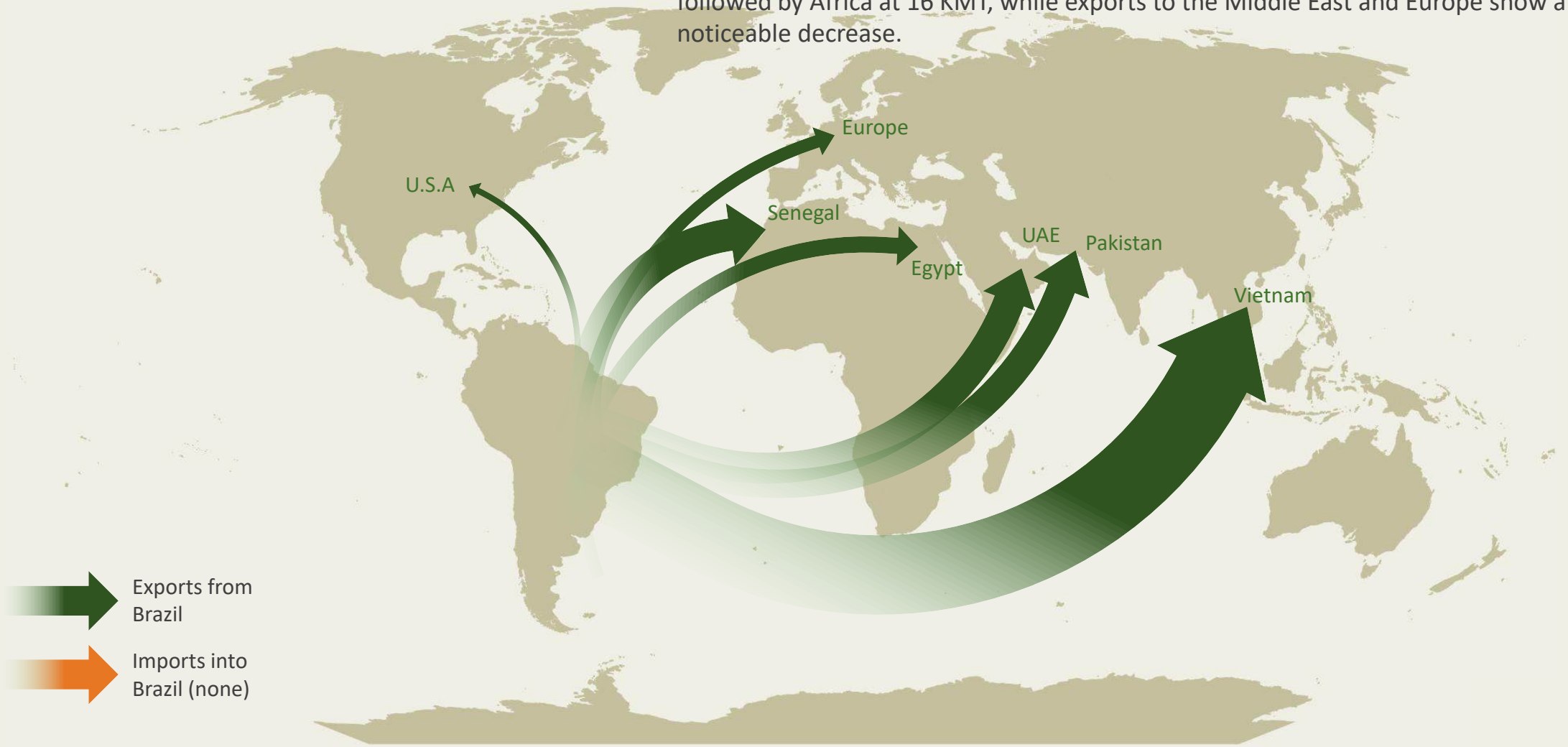


1) *Brazilian government trade data.* comexstat.mdic.gov.br Oct 2026
2) VPSA. Brazilian exports Oct 2026
3) *Nedspice research.* Stock development
4) *Nedspice research.* Export estimates based on VPSA and ITC data

Strictly private and confidential

Brazilian exports

Asia remains the largest export destination, with 26 KMT from Jan – August 2026, followed by Africa at 16 KMT, while exports to the Middle East and Europe show a noticeable decrease.



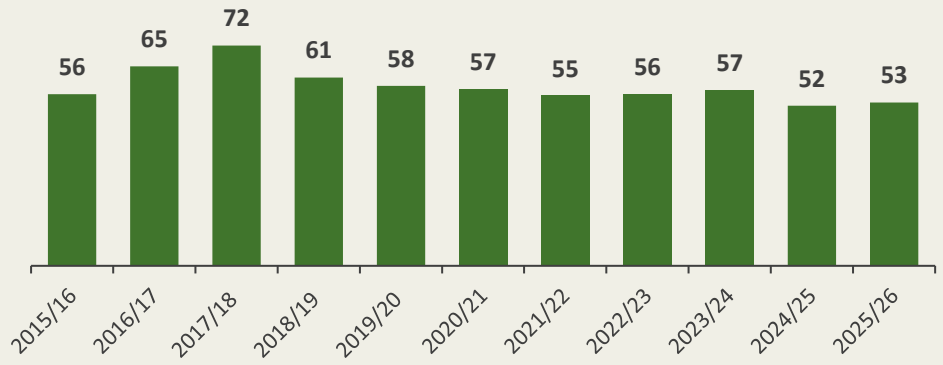
Strictly private and confidential

Stable production in India

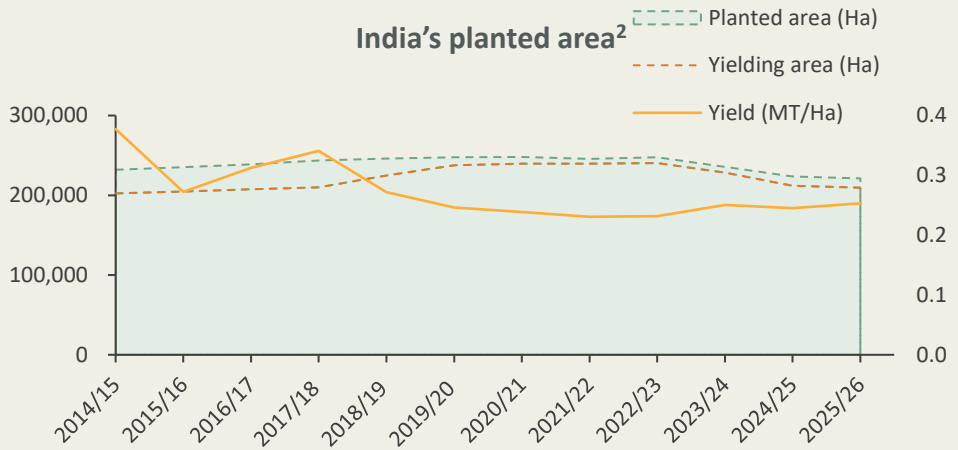
Supported by steady yields and planting area

- Production estimated to remain stable this year at 53 KMT
- El Niño is already bringing dry conditions to southern India, but pepper crops remain relatively resilient thanks to irrigation systems and shade provided by support trees.
- Planted and yielding area were constant over the past years
- Although India is a major pepper producer, production is largely used for domestic consumption, supported by imports from Sri Lanka, Vietnam, Brazil and Indonesia

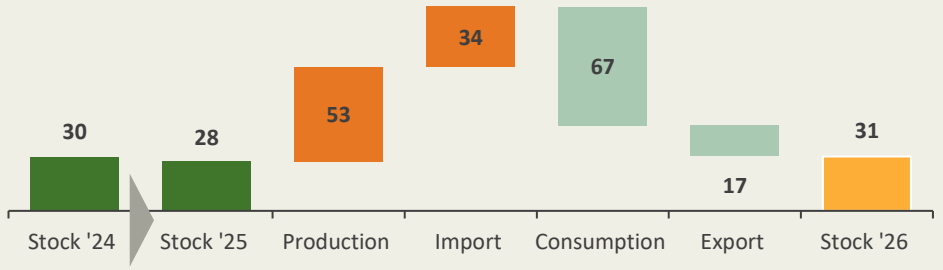
India production (KMT) [1,2]



India's planted area[2]



India's stocks development (KMT) [2,3]



1) *Nedspice research.* India pepper harvest
2) *Nedspice research.* Crop development
3) *Nedspice research.* Stock development

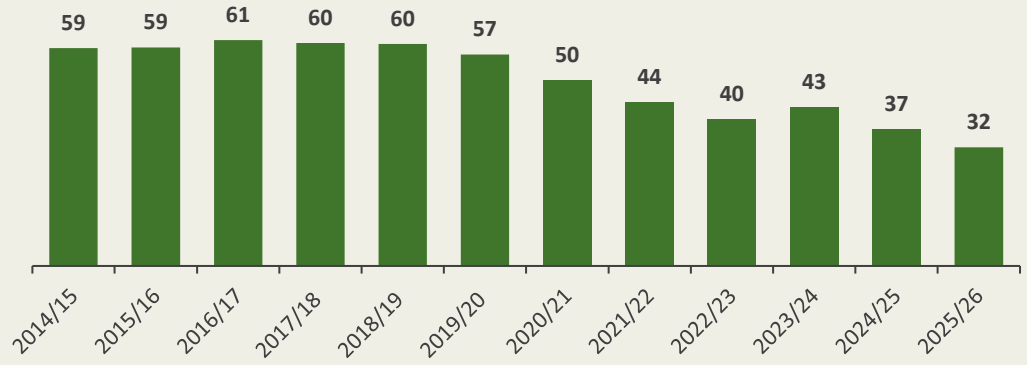
Strictly private and confidential

Production in Indonesia is declining in 2026



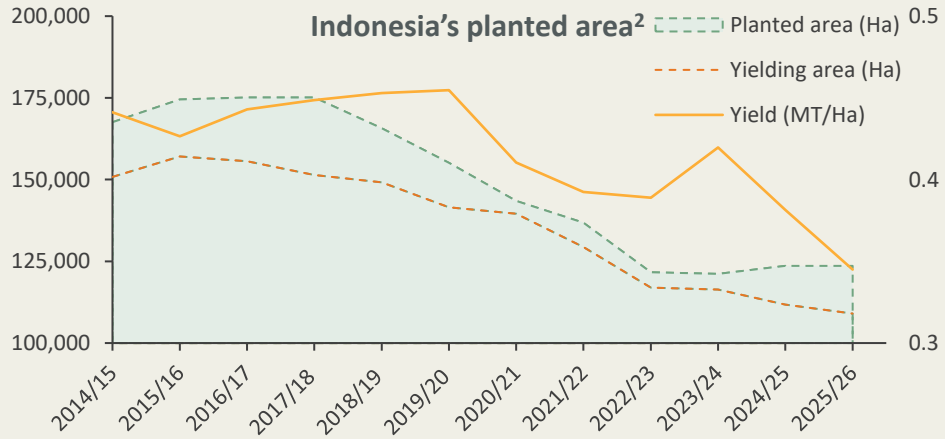
Acreage decreased and lower yield

Production Indonesia (KMT) [2]

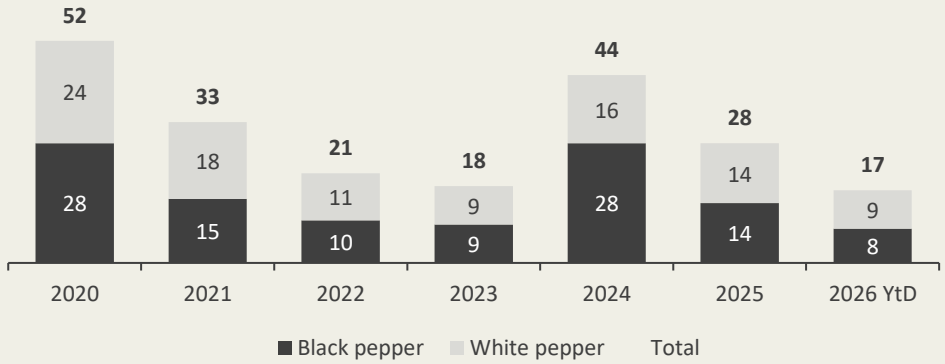


- Production estimated to drop to 32 KMT in 2026 due to unfavorable weather
- Competitive crops such as coffee, cocoa, and palm oil have constrained pepper supply
- Exports in 2026 remain at low levels following high exports in 2024 and early 2025 as accumulated stocks from previous years were released
- White pepper remains the larger share of exports

Indonesia's planted area[2]



Indonesia's exports (KMT) [2,3]



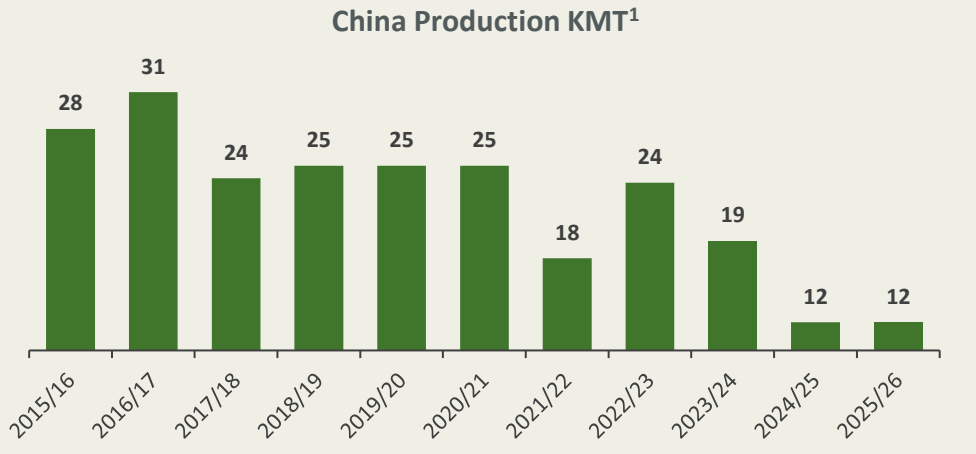
1) *Nedspice research.* Indonesia pepper harvest
2) *Nedspice research.* Crop development
3) *Eximpedia.* Export data Sep 2026

Strictly private and confidential

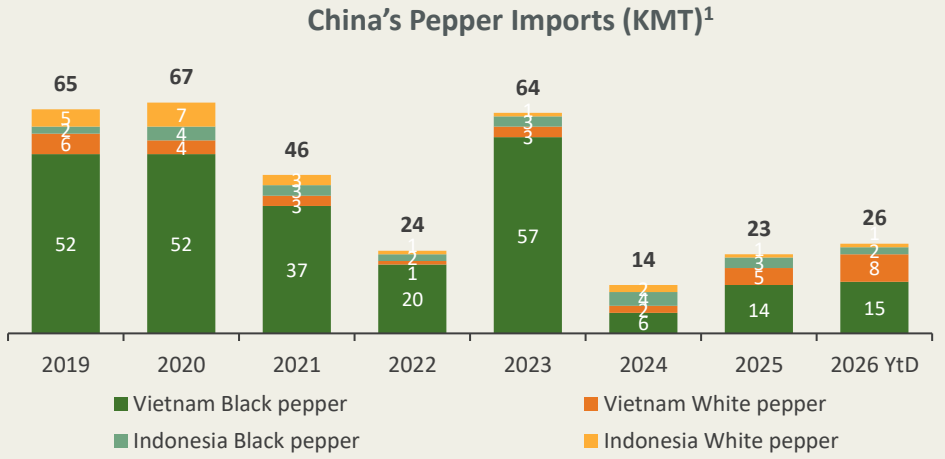
China production shows limited recovery

Production maintains at low level[1]

- China's pepper production has remained stagnant since last year, with limited recovery as farmers continue to switch to other crops such as betel nut
- Production and imports have been relatively low compared to a domestic consumption of 67 KMT
- China's pepper imports increased slightly following two consecutive years of subdued buying



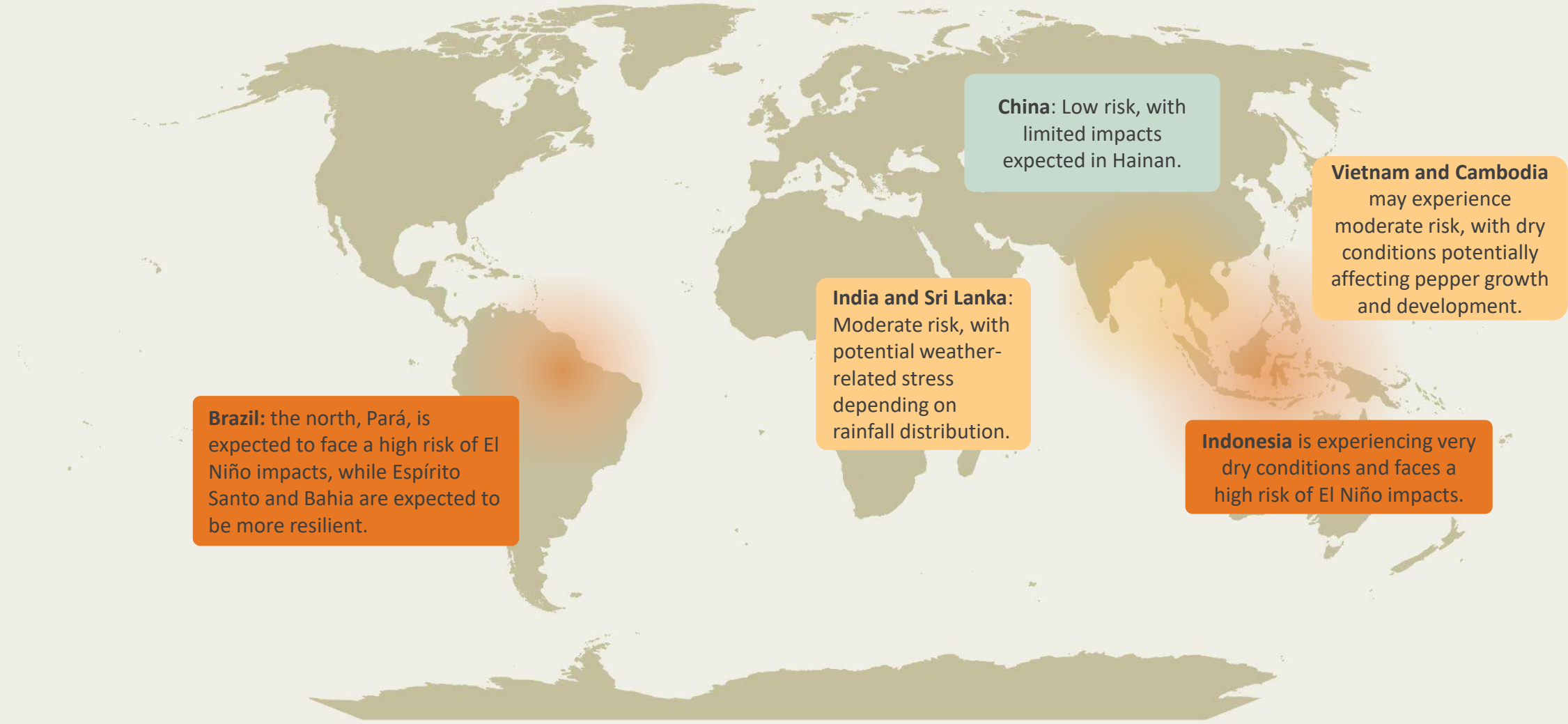




1) *Nedspice research.* China pepper harvest
2) *Nedspice research.* Combined sources of exporting countries; VN & IND Eximpedia, BR Govt. data
3) *VPSA. Vietnamese exports Oct 2026*

Strictly private and confidential

El Niño 2026–2027 outlook



China: Low risk, with limited impacts expected in Hainan.

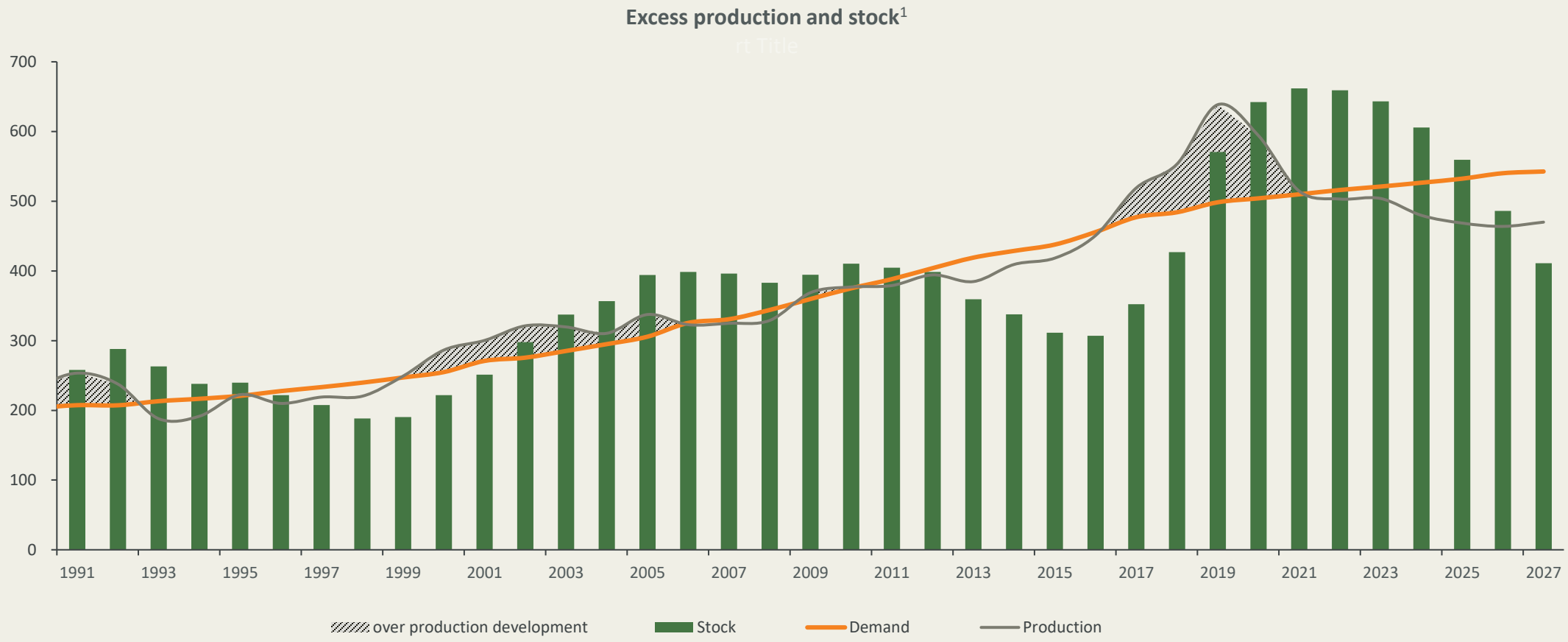
Vietnam and Cambodia may experience moderate risk, with dry conditions potentially affecting pepper growth and development.

India and Sri Lanka: Moderate risk, with potential weather-related stress depending on rainfall distribution.

Brazil: the north, Pará, is expected to face a high risk of El Niño impacts, while Espírito Santo and Bahia are expected to be more resilient.

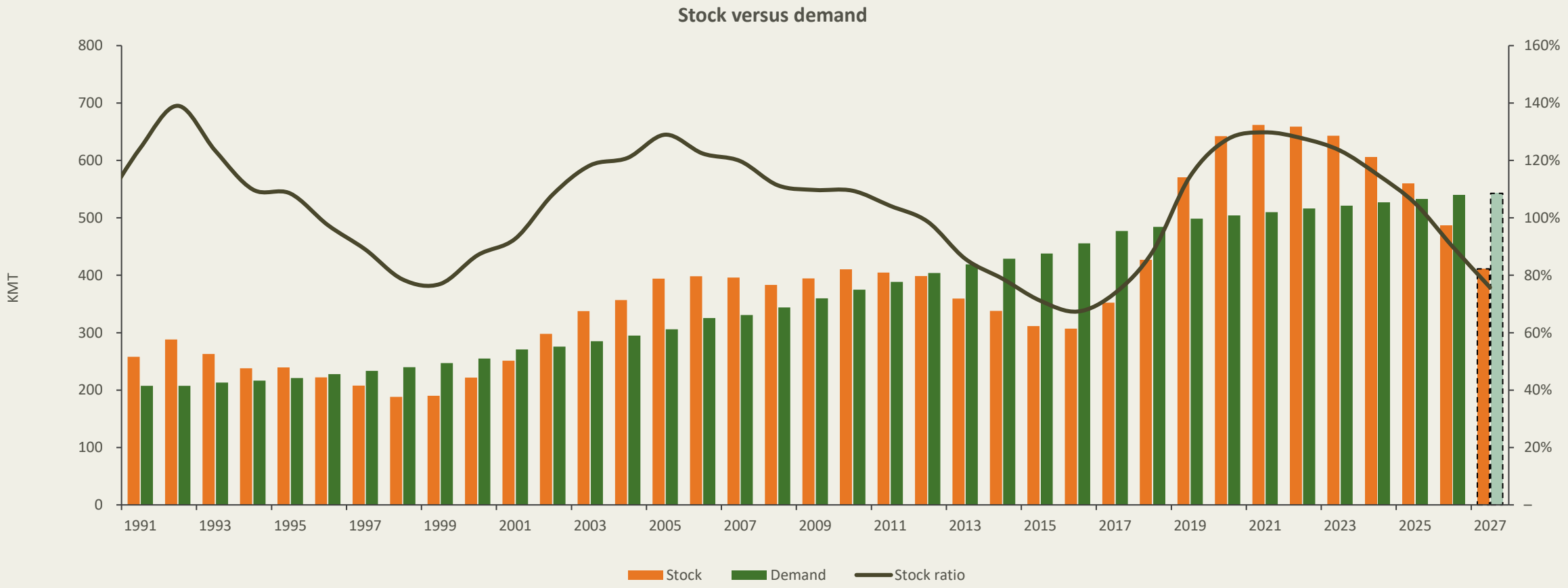
Indonesia is experiencing very dry conditions and faces a high risk of El Niño impacts.

Despite slow 2025, demand growth remains; global stocks are under pressure



1) *Nedspice research.* Stock development

Global stock ratio continues trending down



1) *Nedspice research.* Stock development

Concluding

- Production remained stable in 2025 and 2026, while the potential impact of El Niño on upcoming crops remains a key concern
- Limited signs of supply recovery in Vietnam; Vietnam's decline outweighs Brazil's expansion
- Demand continued to grow steadily in 2026, driven by increased buying from the U.S. and a recovery in Chinese imports after two years of subdued purchasing, while UAE imports remained broadly unchanged





Strictly private and confidential