

BRAZIL

The high volatility in the markets keeps dictating the pace of coffee flow. Local prices remain firm, and, in some instances, Conilon prices have surpassed Arabicas for the second time in history. Trading companies continue to be the most active players, navigating market movements and currency fluctuations to achieve targeted differentials. Sellers, on the other hand, remain disciplined, selling little by little and averaging up, and keeping coffee flow limited. Weather concerns about the dry spell in the coffee belt combined with high temperatures continue to be an issue. Ports also remain a critical factor with ongoing delays, container shortages, and constant vessel rollovers.

COLOMBIA

A relatively quiet time in between crops where coffee flow is still not moving significant volumes. Although there is a slight increase in parchment availability, the flow of the main crop is not expected to pick up for another 2 to 3 weeks. Given the flowering and crop development, concentrated flow is expected in October and November, with a significant reduction by December. Compared to previous years, the forecast shows lower availability in 2025, particularly for Q1. Weather conditions are favorable for the upcoming Mitaca, with reduced rainfall in July and August and similar patterns expected in September. While the general outlook for the Mitaca is optimistic, it is important to note that availability will likely be challenging in the early months of the coming year.

ETHIOPIA

Movement of coffee within the country is facing delays as the Oromo Liberation Front (OLF) announced they will not allow the movement of vehicles across the Oromia region for the next couple of weeks. Local prices are stabilizing, but due to the high NY market, FOB offers won't decrease. Exporters are urging the federal government to establish a new foreign trade ministry and form a national export promotion council. They seek to resolve institutional bottlenecks and market vacuums, which they argue have been hampering trade for several decades.

KENYA

The country is experiencing container scarcity with MSC and Maersk, and CMA CGM is experiencing blank sailings. Quality at the auction is below average, as we are just getting started. Trouble is being reported at coffee cooperatives over lack of clarity on farmer payments and poor management.

RWANDA

The harvest season is over and washing stations have closed for the year. Rains have begun across the country, triggering healthy flowering. The weather pattern is favorable for next year's crop development.

TANZANIA

Robusta: Local traders are offering strong volumes and deliveries to Dar es Salaam are increasing. Prices in the cherry auctions have increased slightly due to the recent London rally.

Arabica: Parchment flowing into mills is ongoing and exporters have been offering sizeable volumes with mills being full or at capacity. Crop quality remains good.

UGANDA

Robusta: A farm tour last week confirmed initial observations that the March'25 crop outlook will have lower yields. In August, around 60-70% of the trees were in fair to poor condition, with a reduced screen size anticipated as well. Over the past two weeks, differentials in Uganda have slightly eroded, driven by exporters sitting on unsold stocks. Most demand has now shifted to shipments for 2025.

Arabica: Although the harvest season has begun, most farmers are cultivating other crops to take advantage of the first rains for sowing. DRUGAR and SW have yet to see significant trading activity, but a healthy flow is expected by late September/early October. Overall, the demand for Ugandan Arabica has been undermined by high local differentials, but the start of coffee flow is expected to ease diffs.

INDONESIA

Arabica: Activity is slowing as we are in the transition period between Southern and Northern Hemisphere harvests.

Robusta: Asalan arrivals into Lampung are up substantially, accompanied by aggressive buyers. The harvest in Java is nearing its end, although there are pockets where farmers retain sizable stocks. Most of the coffee is currently being held by collectors with high price expectations and are willing and able to hold the coffee if their expectations are not met.

YUNNAN

Local roasters have no realistic replacement for Yunnan as global supplies remain tight. Rallying NY and supply tightness mean pipelines are getting very thin and will be largely consumed by early Q125. The new crop is projected to lower, with early 15-20% reduction estimations.