

BRAZIL

Arabica: Producers remain well capitalized, allowing them to postpone selling decisions if prices do not meet their expectations. The premium for 17/18 screen sizes continues to widen. As the harvest advances, yields are expected to improve, resulting in a normalization of this premium.

Robusta: Coffee flow remains slow due to a widening price expectation gap between buyers and sellers. Producers focus on harvest activities, fulfilling existing contracts, and not adding new sales. Concerns are also growing about the increase in the percentage of smaller screen sizes. Exporters continue to face logistical challenges in Brazil's saturated ports, compounded by processing bottlenecks in growing regions.

KENYA

We are now entering the tail end of the 2023-2024 crop commercialization. The Nairobi Coffee Exchange announced three more auctions before the annual recess period, which will occur in July. The quality left is largely grinders and FAQs. The outlook for the upcoming fly crop is positive due to good seasonal rains.

RWANDA

Cherry harvesting is winding down, with approximately 90% of the crop picked. Local cherry prices remain elevated, driven mainly by speculative intermediaries. Parchment flowing into dry mills has begun, and quality looks promising.

TANZANIA

Robusta: The 2024-2025 season has officially started. The first auctions of Robusta dried cherries took place, with limited volumes offered. Local traders are still reluctant to offer large volumes for July delivery.

Arabica: The season is expected to start in July.

INDONESIA

Arabica: Collection and processing are in full swing across Java and Sulawesi, with the season starting in Flores over the next several days. The weather in Java has been mostly adequate, but Sulawesi and Flores continue to receive frequent rains. Sumatra is now in the offseason, with limited stocks available at premium prices.

Robusta: Java harvest is still in the early stages, and flow is limited. Diffs eased because of the London rally, and demand remains tentative due to elevated price levels.

PNG

Estimates for the crop indicate a sharper drop than originally anticipated, dropping up to 20% compared to last year. The commercial pace is adequate, with 40 - 45% of the harvest already sold, but it has slowed recently due to market volatility.

VIETNAM

Growers and local traders only release their coffee stocks after the London market moves down sharply; otherwise, they tend to hold back when NY /London is stable or moving up. Only a few exporters are actively buying to cover their short-term needs.

