

BRAZIL

Coffee growers continue navigating the price volatility by adding sales as the market rises. The favorable currency exchange has also enabled coffee flow. Demand for nearby shipments is firm, especially for Conilon due to low industry coverage and shipping delays. The weather continues to be dry and cool, but with no imminent risk of frost.

ETHIOPIA

Container shortages are gravely delaying shipments as MSC has stopped all Djibouti service with immediate effect after Houthis attacked another MSC vessel. The Houthis have been intensifying their attacks on ships in the Red Sea and Gulf of Aden after assaulting several vessels in June.

RWANDA

Cherry harvesting is nearing completion across the country and most washing stations will close in the coming weeks. The 2024 crop has been 20% below expectations. Parchment deliveries are increasing and initial quality is promising.

UGANDA

Robusta: Activity in Kampala has slowed due to reduced field operations, owing to a few rainy days and the celebration of Eid. As the end of the season approaches, with 60% of the crop harvested, differentials have begun to strengthen. As local prices stabilize, farmers are holding dried cherries in anticipation of further price advances. Market participants have had to incorporate a premium into their prices to contend with the limited flow.

Arabica: Growing regions, both in the East and West, are currently inactive due to the off-season period. The recent harvest, which occurred between February and May, significantly underperformed relative to production potential. This shortfall can be attributed to several challenges, including aging trees and adverse weather conditions that negatively impacted cherry development. This scenario resulted in a decline of 28.5% in coffee exports during the first five months of 2024. Local agronomy teams will conduct a comprehensive field tour in early July to assess the projected Arabica production for the upcoming September to November season.

INDONESIA

Robusta: Coffee flow remains lackluster as traders are taking minimal risks, only buying very small quantities to mitigate volatility.

PNG

Around 65% of the harvest has been completed and internal prices remain firm. International demand is strong but most interest is for short term shipments no further than 3 months out.

YUNNAN

Minimal coffee flow as market participants grapple with price volatility. Demand for secondary grades remains strong but there is limited availability and interest is building for imported coffees during the 2nd half of the year. Regular rains have now set in but the impact of the drought has been significant and early estimates indicate a 20% crop loss.

