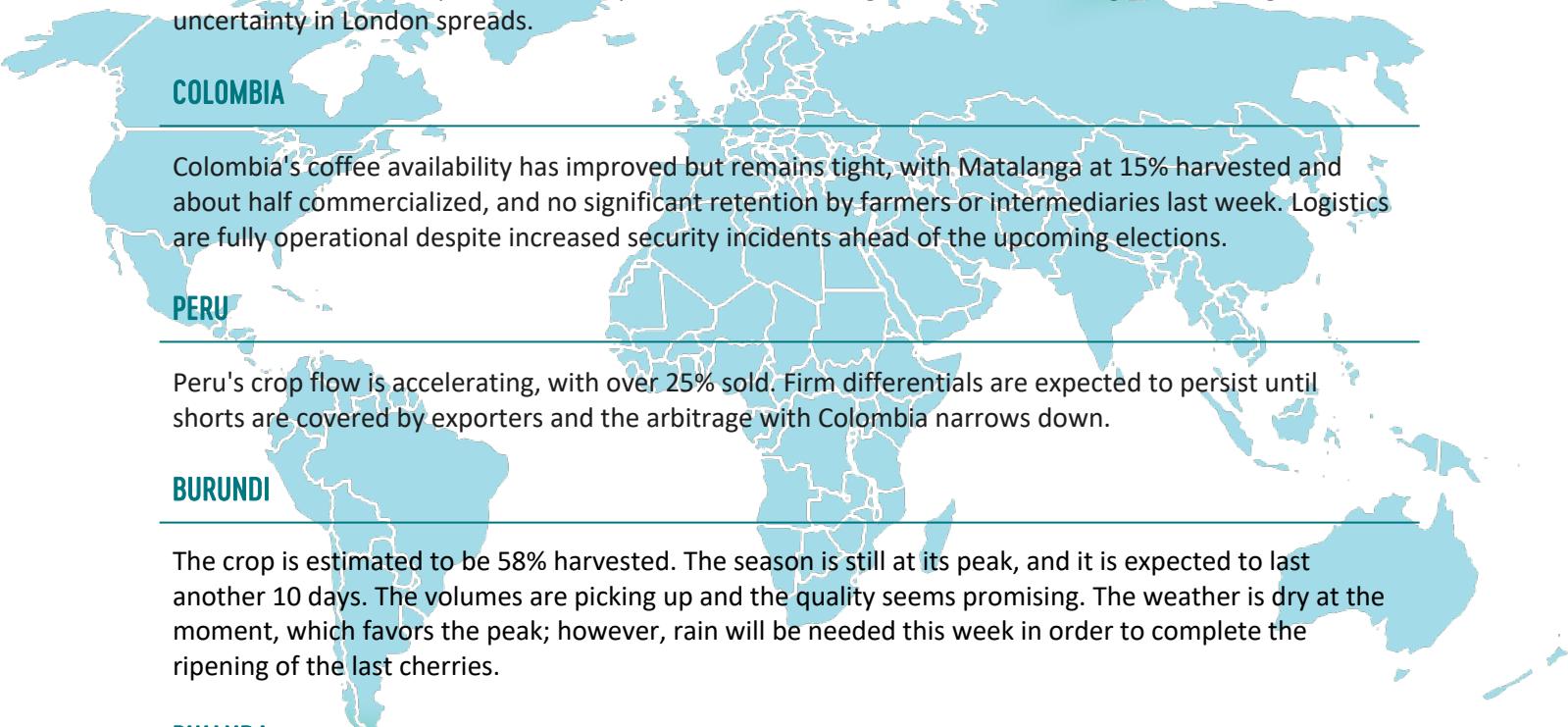


BRAZIL

A record Brazil crop remains to be commercialized this year, with expectations for increased activity in the second half of the year as global roasters operate hand to mouth.

Brazilian Arabica remains firm with limited offers and steady differentials. However, signs of producer willingness to sell are emerging as current crop differentials have decreased compared to last month. Arabica crop is expected to be only 4% harvested, with producers starting to sell at cheaper differentials, and expect current crop differentials to converge toward new crop levels in the coming weeks.

Robusta market saw lower differentials and steady local demand, with 20% of the crop harvested and international demand present, but exporters are remaining cautious about long-term strategies due to uncertainty in London spreads.



COLOMBIA

Colombia's coffee availability has improved but remains tight, with Matalanga at 15% harvested and about half commercialized, and no significant retention by farmers or intermediaries last week. Logistics are fully operational despite increased security incidents ahead of the upcoming elections.

PERU

Peru's crop flow is accelerating, with over 25% sold. Firm differentials are expected to persist until shorts are covered by exporters and the arbitrage with Colombia narrows down.

BURUNDI

The crop is estimated to be 58% harvested. The season is still at its peak, and it is expected to last another 10 days. The volumes are picking up and the quality seems promising. The weather is dry at the moment, which favors the peak; however, rain will be needed this week in order to complete the ripening of the last cherries.

RWANDA

The crop is expected to be harvested up to 85%, there are no changes in the field. Prices are remaining quite disconnected from the NY market. Most of the harvest is expected to be completed in June. As a general note, the crop is estimated to be 35% smaller than last year yoy.

ETHIOPIA

Most exporters are reporting quite activity this past week, replacement levels remaining firm and therefore limiting business activity. The country is facing container shortages at the moment and waiting time for most shippers can be as long as 2–3 weeks, resulting in potential shipment delays.

UGANDA

New crop flow has picked up, but volumes remain significantly behind last year and previous years. The crop is estimated to be 15% harvested and 10% commercialized.

Internal replacement remains firm following recent market movement and exporters covering shorts. Regular rains have delayed ripening and drying. It is still expected to be a broadly unchanged crop on year, but it's a clear delay. Arabica-wise, the season is now finished.

INDONESIA

Crop is estimated to be 28% harvested and 20% commercialized. Differentials were easing at the beginning of last week due to higher market, but firmed back as the market collapsed on last Thursday/Friday. Volume-wise, this translated into local traders holding the coffee, hoping for a market bailout. Competition remains stiff and the weather is not helping as the rain is slowing down the drying in Southern Sumatra.

VIETNAM

The weather in the main producing region of Vietnam has decently supported the crop development with light to moderate rainfall in those regions. The farmers are now preparing for the first round of fertilizer as they are entering the rainy season. Investment in fertilizer is estimated to remain the same as last year, even though the price of premium fertilizer has increased by 30%, which has not been passed down to the coffee price yet. By the end of last week, we estimated the percentage of coffee being held up in the country to be around 27%. But knowing farmers are entering this fertilizer session very soon, it is expected to see some volume hitting the market as farmers will be looking for cash.