

UNITED STATES

President Donald Trump announced that countries that do business with Iran will face a new 25% tariff. Initial analysis indicates that the measure is primarily targeted at goods from China, a major trading partner of both Iran and the United States. But the administration has not shared additional information on the tariff or how CPB plans to implement it. The announcement raised several questions, including how these additional tariffs could work, which countries would be targeted and if any exemptions would be offered. Iran is a significant importer of coffee from several countries; its main suppliers include India, Vietnam, Indonesia, and Kenya. A few days later, President Trump said that he would impose a new 10% tariff on Denmark and seven other European countries until “a Deal is reached for the Complete and Total purchase of Greenland.” The other countries affected would be Norway, Sweden, France, Germany, the United Kingdom, the Netherlands, and Finland. Trump said the duties would increase to 25% if a deal is not reached by June 1st.

GUATEMALA

Guatemala's president declared a state of siege on Sunday after security forces freed dozens of prison guards held hostage by inmates, ending a weekend of gang violence that left at least seven police officers dead and another 10 injured. Rioting inmates had taken 46 hostages at three men's prisons early on Saturday. Gang-led violence targeted police in several areas around Guatemala City after security forces regained control of the prison. President Bernardo Arevalo declared a 30-day state of siege that he said would allow the full force of the state, including the police and the army, to combat gang violence. Under Guatemalan law, a state of siege can temporarily limit or suspend civil liberties and expand security forces' powers in response to threats to public order. Earlier on Sunday, National Civil Police director David Boteo had advised Guatemalans to stay at home, and the U.S. Embassy in Guatemala issued a security warning for U.S. citizens. Guatemala's education minister canceled school classes across the country, which Arevalo said was a preventive measure.

BRAZIL

Local prices have been gradually easing over the past few weeks, prompting growers and local traders to back off from the marketplace. A widening gap is developing between buyers and sellers and producers are in no rush to sell. The situation is further compounded by the strengthening of the Real, which erodes exporters' competitiveness. Rains across the country have resumed and the forecast shows ample precipitation for the rest of January. Projecting into February, there is a chance of dry spells and potentially elevated temperatures. This pattern, however, is consistent with historical records and does not represent a major warning.

MEXICO & CENTRAL AMERICA

The coffee season is progressing well, with normal field operations and no major alerts or warnings. Harvesting is 40% complete, with picking activities expected to conclude in April. A few challenges have been noted with slight ripening delays stemming from cold fronts and irregular rainfall. Access to labor

and rising production costs remain the top concerns for growers. However, none of these factors has adversely affected the expected output and quality in the region.

BURUNDI

Flowering has been excellent with ideal climatic conditions. Output is expected to almost double compared to last year. Harvesting activities are expected to begin in March.

RWANDA

The coffee harvest season is projected to start in early February as cherry purchasing points and washing stations get ready to open in the weeks ahead. The crop is expected to be 15%-20% lower than last year.

UGANDA

After a week of relatively tense calm, Uganda's 81-year-old incumbent President Yoweri Museveni has taken a commanding lead in the country's presidential election. The internet shutdown imposed earlier last week means that reports of protests and political opposition are difficult to validate beyond official channels. On Friday, the US Embassy issued an alert to its citizens because of reports that the security forces were "using tear gas and firing into the air to disperse gatherings". According to the BBC, Electoral Chief Simon Byabakama said that the vote counting had not been affected by the internet blackout as the commission was using a "private system" to transmit results from districts to the national tally center. The election followed an often tense campaign, with President Museveni seeking a seventh term in office. He first took power in 1986.