

BRAZIL

The weather continues to be the focus, with expectations of some precipitation in sight. The market is very sensitive to any news of rain, or lack thereof, which keeps volatility high. Producers are disciplined sellers, scaling up with prices and not in a rush to sell. Most offers are for prompt delivery and very little forward. Exporters suffer from cash flow issues, with coffee stocks piled up at the port due to logistical bottlenecks.

KENYA

EUDR compliance work continues at pace, with most progress being made on traceable supply chains, such as RFA-certified. The last auction's volumes and prices increased, though quality remains mixed.

RWANDA

Rain is falling across the country, triggering the first and second flowering. The crop outlook for next season is very promising.

TANZANIA

Arabica: Mills are all full beyond capacity, confirming a sizable crop. The volume in the auction has also begun to increase, with an average of 8K bags, but even more coffee is flowing via direct export and local parchment trades.

Robusta: Traders and intermediaries own most inventory, as 25% of the crop remains unsold. Prices in the cherry auction have rallied, matching the rise in the London market. EUDR preparations are becoming a priority.

INDONESIA

Arabica: Very little availability as the country stands between the Java/Flores/Sulawesi and Sumatra harvests. Coffee flow is expected to improve in Sumatra once the harvest begins, but rains have slowed bean development.

Robusta: Coffee flow remains stable compared to last week. Some farmers and collectors were disappointed as local prices didn't increase on par with the London rally. As a result, differentials temporarily dropped. The elevated levels of the London market are limiting demand for buyers across Asia and the Middle East. In contrast, European buyers cannot source from Indonesia due to EUDR regulations.

VIETNAM

New crop harvesting will begin next month in some areas like Kontum and Dakrlap (Dak Nong), and for other regions, it should be in the next couple of months. Differentials are dropping, but buyers have shown little interest in new crop forward deliveries due to the elevated market.