

BRAZIL

It was an eventful week in the futures market. Speculation about a cold front with potential frost had priced in but failed, bringing some relief to the market. On the other hand, the market's fragility raises concerns about future supply as the next harvest develops. Constant and significant climate variations have contributed to extreme price volatility. As a result, local market participants react conservatively and cautiously. Ports remain a negative factor, with chronic delays in coffee export flows, mainly for the port of Vitória.

COLOMBIA

Very limited coffee flow as volumes gradually decrease with the end of the Mitaca crop. Current volatility in New York is not helping either, which causes distortions to local prices. Demand is in line with the reduced availability, but some traders continue to buy parchment, leading to firming differentials aggressively. The general sentiment remains optimistic on the outlook for the Main crop, with expectations for better quality and higher volumes. However, the latest analysis indicates the crop is expected to be more concentrated in October and November, resulting in reduced availability in December compared to previous years. Climatic conditions are beneficial for the final stages of ripening for the upcoming main crop and favorable for the flowering of the next Mitaca crop, which is expected to develop in the coming weeks.

BURUNDI

After several months of delays, trading and export contracts are now approved. The new Coffee Commission took its due time to gain a thorough understanding of the market dynamics and their impact on prices. The country is still not officially receiving fuel. Residents must travel to Uvira in the Democratic Republic of Congo (DRC) to obtain fuel, which costs double the normal price, leading to high inflation.

ETHIOPIA

The country's coffee exports for the fiscal year 2023/24 reached 298,500 tons, representing a 20% boost in volume and a 7.5% rise in value compared to last year.

RWANDA

The coffee harvest is complete and washing stations have closed for the season. Attention is now shifting to the flowering period. With rain falling across the country, flowering is expected to begin in the coming days. The timing of the rains is promising for crop development.

INDONESIA

Arabica: Climatic conditions have been ideal for drying as traders focus on closing out the season. In the days ahead, most farmers will make one last pass through their farms to harvest any remaining cherries.

After the second half of August, coffee flow is expected to diminish. Demand has been strong, both in Java and Sumatra.

Robusta: Local prices have stabilized and even increased since a sharp drop in the previous weeks. This is primarily due to farmers and local traders holding their stocks, resulting in a 40% drop in coffee flow to Lampung.

PNG

Coffee flow had been steady until extreme volatility took hold in the NY market, causing participants to pause and assess. Exporters seem well covered for short term needs and are focused on fulfilling shipments.

