

BRAZIL

The weather is on everyone's mind, and market prices are highly sensitive to any news of rain showers or a lack thereof. Producers are well capitalized to sell gradually and postpone selling decisions if the market turbulence is too high. Most FOB offers are for prompt shipment and not forward delivery, while large screens remain rare. Many exporters suffer from cash flow issues, with their stocks being held up due to delays at port.

COLOMBIA

Warm and dry conditions are triggering forest fires across the country. The main crop outlook remains positive, but grower cooperatives have taken a more cautious approach to normal.

KENYA

There is a growing consensus from the Kenya Association of Traders to invest jointly in efforts to comply with EUDR. The government has spoken about collecting EUDR-related data for all of KE and has reassured European importers of the low risk of non-compliance for Kenyan coffee. The port of Mombasa is operating with a few challenges as food-grade container availability remains tight. Hapag Loyd is still not accepting bookings to Europe, and Maersk can only make bookings for October as most vessels are overbooked. MSC/WEC schedules remain unreliable with sudden and frequent changes.

TANZANIA

Arabica: Parchment still flows into mills; several are complete or beyond capacity. The auctions continue to receive low volumes (2-3k bags on average); hence, more coffee flows via direct export and parchment.

Robusta: Traders and middlemen seem to own most inventories, as 20% of the current crop remains unsold. Prices in the cherry auction have rallied, matching the London market. The TCB recently released a statement that they will be working on a project to map all farmers in the country to comply with EUDR regulations.

INDONESIA

Robusta: Coffee arrivals to Lampung have slowed as coffee flow decreased by 30% from the previous week. All regions are approaching the end of the harvest, and local traders and collectors are holding most stocks. The strong rally in London led to significant selling by growers and regional collectors. Most FOB prices have remained steady, leading to a drop in differentials.

Arabica: Decreased coffee flow punctuates the transition from the southern hemisphere to the northern hemisphere harvest seasons. Most coffee shipments are scheduled from November onwards, with a projected strong harvest in North Sumatra and Aceh.

PNG

The flow of coffee continues to diminish as we enter the latter part of the crop cycle. The Western Highlands region is essentially over, with a few pockets still harvesting in the Eastern Highlands. Prices remain firm but stable.

