

BRAZIL

The Brazilian Arabica market remains tight with low liquidity. On the producer side, we are still seeing a lot of retention due to the price gap between late harvest and new crop. Producers remain well capitalized and it is expected that they will start releasing coffee as the harvest moves on. The environment remains misaligned in price expectations, which has constrained the closing of several substantial businesses. Conilon market remains firm overall, sellers are restraining the offers to maintain high prices. Most producers are starting the harvesting this week and we are expecting volumes to pick up in the next few days.

COLOMBIA

Colombia's a month away from a pivotal presidential election and internal tensions are running high. However, the coffee is moving within the country to the ports without any major issues. The situation is being closely monitored and actions will be taken if needed. Differentials are still firm and coffee is being withheld in the main producing regions.

MEXICO & CENTRAL AMERICA

Central America and Mexico harvests have concluded. Exporters are currently focused on execution and on reducing inventories as efficiently as possible, with availability now virtually nonexistent.

PERU

The Peruvian harvest is beginning, with volumes expected to increase during the second half of May and peak between mid-June and July. There is a broad consensus that this year's crop will be below 4 million bags, with approximately 20% already sold. Suppliers are maintaining a conservative pricing approach, awaiting further crop development to start covering short positions.

ETHIOPIA

Local minimum price expected to be revised downwards, following KC's slight correction. We are expecting this revision to help exporters cover their shorts.

KENYA

Main crop is now over and the last auction is scheduled to take place on the 12th of May. Picking of the fly crop has started, and auctions will resume on the 7th of July.

TANZANIA

Local traders are still retaining coffee following the market correction. If KC doesn't bounce back, we could see tensions arising as local banks are starting to put pressure on traders to liquidate their positions to pay back their loans.

UGANDA

Arabica crop is now fully harvested. Overall, the volumes were lower than expected by 40%; late rains affected the cherry development as well as the volume in the region. However, the next crop (expected to start mid-August) is looking promising thanks to early flowering and a good amount of rain received in April.

INDONESIA

Excessive rainfall is shaping Indonesia's 2025/26 harvest cycle, driving a second consecutive year of lower production across the main growing regions. While volumes are down, conditions have created an unexpected positive side effect. Reduced pressure on processing is allowing for more attention to each batch, supporting improved cup quality and consistency. In Sumatra, the first half of the Arabica harvest (Oct/Dec 2025) was significantly smaller than the second half (Mar–May 2026), an unusual pattern given that production is typically lower later in the cycle. Floods and landslides in late November and December further disrupted access to Aceh, compounding the overall decline in volume. Looking ahead, early indicators offer some optimism. Strong flowering observed in Sumatra during February and March points to a more robust main harvest expected to begin in October 2026.

VIETNAM

Local competition is fierce and retention is high following the London market correction. We do also believe that substantial volumes were liquidated when the market was oscillating between 3,480 and 3,500 USD/mt. At the current market level, we are seeing limited willingness from local traders to sell.