

BRAZIL

Trump has threatened BRICS member countries with 100% tariffs if they follow a path to alternative global trade platforms where the US Dollar is not the reserve currency. He called the BRICS countries “hostile” if they back any currency other than the USD. The BRICS grouping includes Brazil, Russia, India, China, and South Africa. 100% tariffs on Brazil’s imports to the US would be catastrophic for the coffee industry.

COLOMBIA

Despite higher NY market levels, parchment coffee is still flowing internally. Most coffee regions project coffee availability through February, then a natural gap will set in until the southern crop in May. Climatic conditions have remained predominantly dry since mid-January, with 20 days of strong solar radiation accumulated across all coffee-growing regions. The development of the trees is progressing normally and the first signs of flowering are expected mid-February. The November-February harvest is nearing 90% completion, representing 47% of Colombia’s annual output.

MEXICO AND CENTRAL AMERICA

Shipping pace picked up in January across the region, but not enough to catch up from the backlog that began in November and grew in December as a result of the delayed crop. Coffee flow is adequate at the moment, but local traders warn availability could end sooner than normal around May/June.

PERU

The country’s ports are experiencing severe congestion with increased demand for cargo vessels causing significant delays. Ships are queuing for extended periods, unable to unload, leading to a logistical crisis affecting Peruvian exporters and importers. Container arrivals and departures face delays of more than 15 days, increasing costs and straining capacity. Thankfully for coffee shippers, we are currently in the slow season, but companies will need to prepare accordingly ahead of May and June when new crop shipments are projected to start.

INDIA

The Arabica harvest is 100% complete with Robusta at 55%. Coffee flow is abnormally slow with arrivals to mills below historical averages. The general sentiment is that growers are holding coffee in anticipation of higher prices.