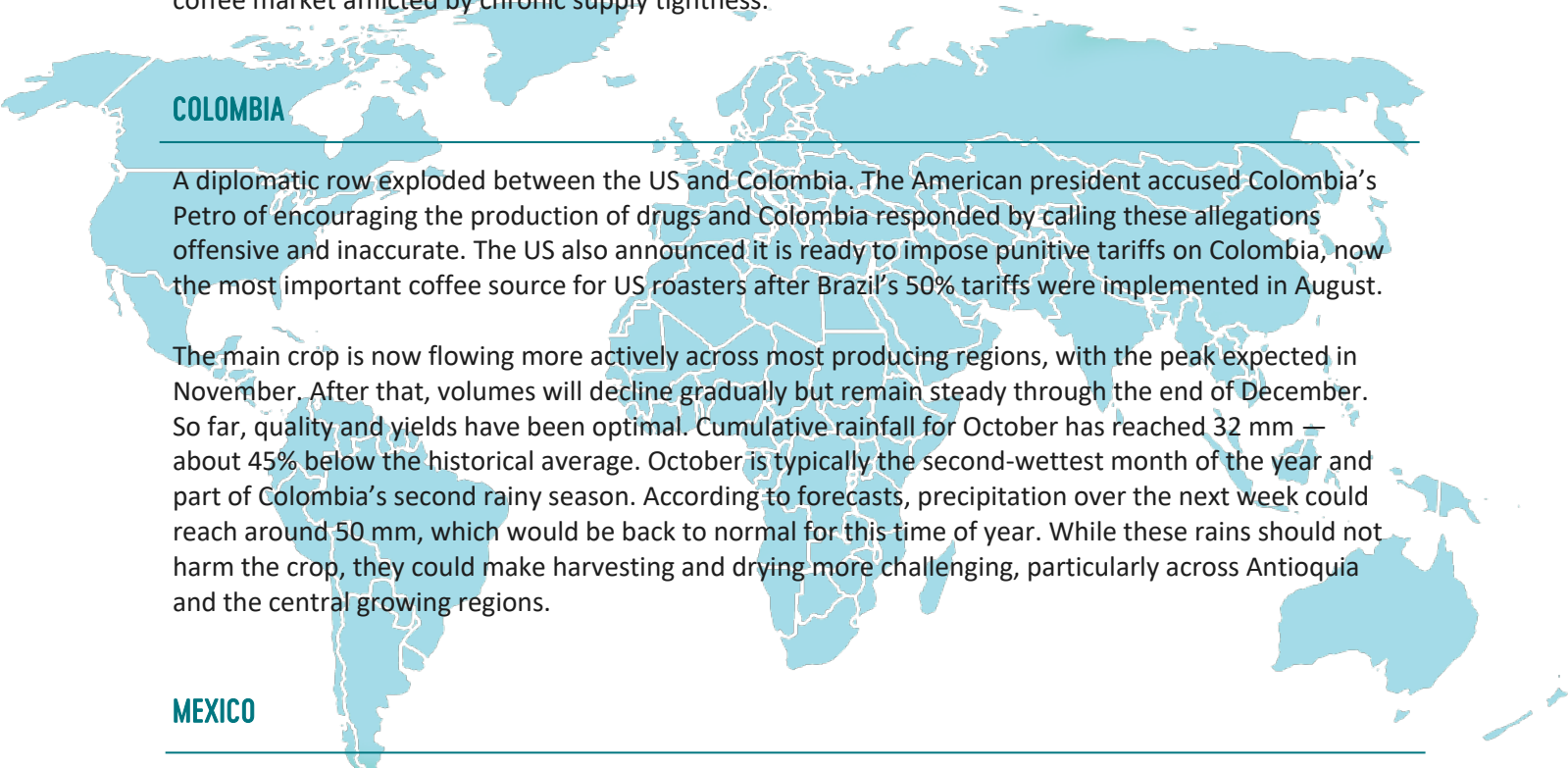


BRAZIL

The country's Foreign Minister Vieira and Secretary of State Rubio met in Washington in what was described as a constructive dialogue. Hopes have now risen that negotiations could lead to a suspension of the 50% US tariffs on imports from Brazil. In the crop outlook, the consensus is that Brazil's next crop will not be a record for Arabica, but it could come close. This would be a welcome development for a coffee market afflicted by chronic supply tightness.



COLOMBIA

A diplomatic row exploded between the US and Colombia. The American president accused Colombia's Petro of encouraging the production of drugs and Colombia responded by calling these allegations offensive and inaccurate. The US also announced it is ready to impose punitive tariffs on Colombia, now the most important coffee source for US roasters after Brazil's 50% tariffs were implemented in August.

The main crop is now flowing more actively across most producing regions, with the peak expected in November. After that, volumes will decline gradually but remain steady through the end of December. So far, quality and yields have been optimal. Cumulative rainfall for October has reached 32 mm — about 45% below the historical average. October is typically the second-wettest month of the year and part of Colombia's second rainy season. According to forecasts, precipitation over the next week could reach around 50 mm, which would be back to normal for this time of year. While these rains should not harm the crop, they could make harvesting and drying more challenging, particularly across Antioquia and the central growing regions.

MEXICO

Arabica production for 2025/26 is expected to be flat compared to 2024/25. Despite a moderate moisture deficit early in the year, the ensuing rains have been well distributed and enabled proper flower fixation. The harvest outlook follows a normal pattern with the peak in Dec/Jan, where more than 55% of the crop will be harvested. Pests and diseases are also showing reduced risk with Broca below 1%. Leaf rust does have a slightly higher alert due to higher moisture levels in recent months.

CENTRAL AMERICA

After last year's delayed start to the harvest, producers across the region are heading into the 2025/26 cycle with cautious optimism. Thanks to improved weather conditions during the first half of the year, early signs point to increased production and a more typical harvest timeline.

PERU

It has been a difficult few weeks for the country. About a month ago, protests ignited against President Dina Boluarte's pension reforms, government corruption and rising crime. Last week, Peru's Congress impeached Boluarte and removed her from office over her failure to address these issues. The transitional Peruvian government has now declared a state of emergency in Lima after the protests have not subsided.

ETHIOPIA

New crop harvesting has begun in small amounts. Most activity upcountry is focused on market actors getting ready for the new crop by building raised beds for coffee drying. The peak of harvest is expected to start around the middle of November.

KENYA

The crop calendar has officially turned to 25/26. Auctions are delivering about 10k bags per week from the end of the fly crop. Consistent coffee flow is expected to last until the end of the year. Local prices have been declining since the last market rally and container availability remains a challenge.

VIETNAM

Exporters are actively working on FOB offers, mostly for shipments between December and February. Trade activity has been somewhat muted due to volatility in the LDN market, but with adequate coffee flow, this is expected to normalize in the weeks ahead.