

BRAZIL

A meeting between Lula and Trump took place at the Association of Southeast Asian Nations (ASEAN) summit in Kuala Lumpur. US-Brazil trade talks have raised hopes that the existing 50% US tariffs on Brazilian imports could be lifted.

COLOMBIA

Climatic conditions continue to be wetter than normal with 20% increased precipitation in October and a similar pattern expected through January. Despite these conditions, productivity remains adequate and diseases like Roya or Broca are under control. Total coffee exports during the 2024/25 season increased by 12.3% to 11.4 million bags. The outlook remains positive into 2026 as exports for the 2025/26 coffee cycle are projected to reach 12.5 million bags amidst historically high prices.

NICARAGUA

The United States is considering tariffs of up to 100% on imports from Nicaragua, a move that would effectively end the availability of Nicaraguan coffee for US roasters. The Office of the U.S. Trade Representative (USTR) alleges the Nicaraguan government's labor rights, human rights policies and rule of law practices are "unreasonable" and place a burden on U.S. commerce. In its notice, the office outlined the possible application of new tariffs of up to 100%. Imports from Nicaragua are already subject to an 18% tax. The US is the largest importer of Nicaraguan coffee, purchasing almost half of the country's coffee exports, representing 1.2 million 60 kg bags annually.

PERU

The country's President, Jose Jeri, declared a 30-day state of emergency in the capital Lima and nearby provinces to battle rising crime. The order follows major protests for action to combat crime that led to the impeachment of former President Dina Boluarte – she was removed 2 weeks ago over her inability to get crime under control. The coffee harvest is now over, and any impact could be on delayed access to the ports of Callao and Paita.

ETHIOPIA

The government has made its first move in regulating cherry prices, but market pressures are already commanding levels 10% to 20% higher.

TANZANIA

Arabica: Coffee flow remains steady with 85% of the crop already at mills and approximately 10-15% still held by farmers on expectations of higher local parchment prices. This strong farmer retention, coupled with increased participation from local traders, has driven local prices up. Overall market sentiment is of

relative scarcity, with both local and international traders actively buying on what is broadly perceived to be a better quality crop than the previous season.

Robusta: The harvest has come to an end and auction volumes have dried up. Local traders are currently sitting on adequate stocks and slowly seeking sales opportunities driven by the rally in the LDN market.

INDONESIA

Robusta: Coffee flow has diminished over 30% from previous weeks, signaling the end of the season. Recent farm tours have revealed that excessive rainfall has hampered flowering. Initial estimates call for a 25% drop in the crop potential.

Arabica: Local prices are surging, both in response to the NY market and the limited availability for nearby shipments.

VIETNAM

The U.S. President said that coffee is among the products included in a new trade deal with Vietnam that could be exempted from 20% tariffs. The White House indicated the U.S. and Vietnam are working towards finalizing a trade agreement in the coming weeks that will maintain 20% tariffs on most Vietnamese goods, but lift duties on certain products. The list of such products will be decided at a later stage.