

UNITED STATES

The long-term impact of tariffs on the competitiveness of US roasters is hugely detrimental. Moreover, 50% tariffs on Brazil will likely result in a major reformulation of blends, likely reducing consistency and flavor as commercial roasters will tend to increase Robusta usage.

BRAZIL

The country's harvesting pace is approaching 80% completion amidst ideal climatic conditions. Local market actors remain cautiously optimistic that a trade deal will be reached with the US to avoid 50% tariffs. The prospect of such tariffs on the world's largest coffee producer would be catastrophic and highly disruptive to global trade flows.

COLOMBIA

Coffee flow is showing steady availability as the Mitaca moves past the 50% mark. Activity remains strong in key regions like Huila, Nariño, and southern Tolima. However, there is a general sense of tightening supply, possibly linked to the recent drop in the NY market. Local prices have been under pressure and this has discouraged growers from selling. If trade tensions persist between the US and Brazil, Colombia may find itself well positioned to absorb redirected demand and capitalize on its reputation for quality and consistency.

ETHIOPIA

Local prices remain high, and coffee is still flowing to Addis, but at a lesser pace. Container availability is getting worse, with wait time for 20ft containers over 20 days. Some traders have begun opting for 40ft containers. Most buyers are less active since prices are still high due to minimum thresholds that have not adjusted lower in the past few weeks.

TANZANIA

Arabica: The new crop season has begun with parchment flowing into mills. Estimates indicate 20% of the crop is already harvested. Parchment flow into mills is expected to increase over the next 2-3 weeks. TCB released lower minimum prices, adjusting with the NY market.

UGANDA

Robusta: The coffee harvest for this season is almost complete, with 85-90% harvested and coffee flow is diminishing. Rumors abound that farmer retention is high, with about 20-25% of the crop still held by growers. More rain is being experienced, which is positive for flowering and fixation.

INDONESIA

The US announced it will impose a 19% tariff on Indonesian imports, including coffee. Classic origins like Java and Sumatra will now be far more expensive for US roasters to procure, further disrupting their operations and product lines. Legendary wet-hulled Indonesian coffee is one of the industry cornerstones due to its unique flavor profile and depth.

