

BRAZIL

The International Coffee Seminar in Santos took place and the main topics of discussion were Brazil's new crop projections, logistics challenges and concerns about the future regarding demand, and new regulations. Local prices for both Arabica and Conilon have continued to increase. The Arabica coffee flow continues to increase but Conilon trades are limited. Growers remain proud holders of recently harvested stocks and are not offering much to the market. This is making diffs tight. Concerns about the quality of the new crop keep appearing and are mostly about screen size. Exporters are still struggling with the challenging logistics situation at Brazil's ports, mainly with vessel delays and lack of container availability.

COLOMBIA

The mitaca crop is progressing slowly with coffee only starting to flow recently due to climatic conditions during the first half of the year. Exporters are rushing to buy parchment as they were unable to procure stocks during the initial weeks of the season. The general sentiment is that around 70-80% of the mitaca crop has already been sold. The lack of a harvest "peak" will likely result in a steady but low flow from now until the end of the year, de facto blending into the Main Crop.

BURUNDI

The dry season arrived early this year, compounding the impact a late start to the season had on harvest volumes. Local regulations are mandating all exporters to clear stocks within a month to boost foreign exchange amid a severe USD shortage. The local currency has devalued sharply by almost 35% since the beginning of the year.

KENYA

We are now entering the low season, and auctions are taking place on a bi-weekly basis.

RWANDA

The peak of cherry harvesting is winding down in all regions apart from some areas in the West. Harvest is approximately 85% complete with cherry flow slowing down.

TANZANIA

Market participants are slowly getting ready for new Robusta crop in Kagera. Outlook for production is positive.

UGANDA

Robusta: Arrivals in Kampala increased and coffee flow is healthy. The crop is still in excellent condition and screen 15+ beans are above historic averages.

INDIA

30% of the crop remains in the hands of farmers who are barely releasing coffee into the market in expectation of higher prices.

INDONESIA

Arabica: Local traders' inventories are dwindling in Sumatra as the harvest is now over. Fresh deliveries of Mandheling are now predominantly from Java and Sulawesi. Sulawesi's crop is relatively abundant, but quality is poor as heavy rains knocked cherry from trees.

Robusta: Coffee flow has increased to fulfill strong demand, which is keeping differentials elevated. Rains have been experienced with moderate-to-high intensity.

PNG

Coffee flow is gradually picking up, but is still well below previous years with the harvest progress at 30%.

VIETNAM

Farmers and local traders are riding the upward price wave and have stopped releasing coffee into the market. Export pace remains sharply behind historical averages for May.

YUNNAN

Coffee flow has slowed as market participants take a cautious approach awaiting the market direction. Rains have started and trees are slowly recovering as fruit development is watched closely.