

BRAZIL

Local prices continue to rise daily, following the movement of the NY Market. Local transactions are minimal, with very few sellers. News of large export companies facing financial difficulties has exacerbated market fears. Logistics continue to be challenging with ongoing rollovers and tight container availability.

MEXICO AND CENTRAL AMERICA

As it has been well documented, the crop is late due to unseasonal rains. November shipments are unlikely to take place, stressing exporters' nearby commitments. This has been further compounded by Peru's defaults (see below), increasing demand for short-term shipments.

PERU

Multiple defaults have been confirmed because of early aggressive sales followed by a poor crop. Output has come in around 8% lower than expected and local market participants agree supplies have been extremely tight, resulting in a difficult year.

KENYA

The Harvest is at its peak and milling activity is picking up steadily. The shipping situation has begun to normalize with diminishing instances of rollovers and unreliable schedules.

RWANDA

Healthy rains are being experienced across the country as cherries enter the growth phase. An early and prolonged season is expected, starting January in the Western Region.

TANZANIA

Arabica: The harvest has finished, and market actors are working to have all their coffee milled. Very small volumes are being offered for direct business and auction.

Robusta: The season is over as only around 5-10% of the crop remains unsold. A few local traders are still holding coffee and banking on a continued market rally.

UGANDA

Arabica: The harvest is 85% complete, but it has been a disappointing season characterized by a significant drop in yields.

Robusta: The season has started strong, and differentials have weakened with the recent rally. Most exporters are not aggressively purchasing, waiting for stronger demand.

Nonetheless, the local sentiment remains slightly bullish given the nature of the winter crop (limited volume and smaller screen sizes).

INDONESIA

Arabica: The harvest in Aceh is flowing steadily. Prices firmed slightly after the NY rally but at least not one-to-one, resulting in the lowest Mandheling diffs since 2021. Climatic conditions are wet, creating difficulties for drying and slowing down coffee flow.

Robusta: Farmers have released a lot more coffee following the London rally. A few traders continue to buy aggressively, capturing nearly 50% of the total inflow. Across Southern Sumatra, the cherry set for next year's harvest looks promising. Farmers are confident they will have another good crop next year.

VIETNAM

The rally in the LDN market has lifted local prices, just as the harvest begins. Differentials have barely adjusted as supply from farmers remains limited. Farmers being conservative sellers, even at these high prices, is mostly a result of the late start to the harvest. Growers have also adjusted price targets higher as they take precedent from the last crop when a strong rally happened, even during the peak of supply season.

