
BRAZIL

Producers are focused on the harvest, which is mainly for Conillons. Local prices for both Arabica and Conilon coffee continue to increase following the recovery of the Futures markets. Concerns about the quality of the new crop keep appearing, mostly with smaller screen sizes at the beginning of the harvest. There is a sizable backlog on the farms and coffee isn't flowing to market as expected. This makes local market participants nervous and tends to exaggerate price swings. Exporters are still struggling with the challenging logistics situation at Brazil's ports, with vessel delays and lack of container availability. According to CECAFE, exports continue at historically high volumes with considerable delays.

MEXICO AND CENTRAL AMERICA

Almost no availability is left at this point. The region is well sold.

PERU

Harvesting is around 15% complete and sales pace stands at 10-12% with plenty of availability. This may change however as crop projections indicate a 9% production drop, mostly due to high incidence of Roya.

RWANDA

The peak of cherry harvesting is winding down with the total amount of crop harvested at approximately 70%. There is still upward pressure on cherry prices, which is driven by speculative intermediaries. This has left local prices elevated. Parchment began to flow into dry mills last week, and quality looks very promising.

INDIA

Strong demand is being witnessed for low grade Robusta. This is most likely for soluble plants.

INDONESIA

Robusta: Coffee flow is starting to pick up pace. Even though the flow is better, local prices have remained high. Scarce FOB offers available for July shipment.

Arabica: Sumatra's harvest is all but finished with local traders holding limited stocks and high price expectations. West Java's flow is also peaking soon with processing facilities humming with activity. Climate conditions have been favorable. Coffee flows are starting in Sulawesi and Flores.

PNG

Harvest progress is uneven with unexpected rains slowing cherry ripening. Wet weather across coffee regions is inhibiting harvesting and drying at mills. Most observers are split about the total crop size, with estimates varying significantly. Delayed flow of parchment into dry mills further compounds the uncertainty.

VIETNAM

The local market has been quiet with thin volumes changing hands. All eyes remain on the climate and after a farm tour in Northern Vietman, Sucafina's weather analysts have come away with 3 main takeaways for the Robusta crop outlook: 1) The monsoon season is underway, and a continuation of drought conditions is not expected. 2) Some irreversible tree damage was witnessed, but not enough to diminish next crop significantly. 3) Favorable weather going forward will help solidify yields in most coffee-growing areas.

