

**BRAZIL**

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Arabica: Short week with holidays in Brazil and moderate to low volume of business reported. The rains are still far from the forecasts and might have contributed to NY's volatility this week. The selling pressure to avoid the switch ZH might help demand side. Prices FOB nearby are discounted but forward offers are still tight.

Conilon: The week was quiet despite London rally. Sellers have raised their prices in BRL and kept diffs firm during the week. The business reported on the spot market are mainly for multis and exporters covering short positions, while internal industries keep buying for Nov/Dec deliveries.

**COLOMBIA**

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Colombian diffs from many exporters softened a couple cents this week depending on the shipment timing. Parchment flow is picking up by a little and the main crop should be in full swing by October. We continue to anticipate a crop that will spread from September to December, with no marked peaks; and with a marked reduction for January. Low grades market is internally very aggressive with good qualities and low volumes. Not much "pasilla" will be around.

**INDONESIA**

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Robusta: The harvest is nearly finished across Indonesia with only 5-8% to be picked. Fly crop will be ready to be picked in December but will not be in significant quantity. Arrival to Lampung slowed down last week and dropped almost 30% from previous week. Rains continued throughout the week, raising fears of reduced production for next season.

**PNG**

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On Sunday (September 11th), there was a 7.7 Richter scale earthquake with the epicenter in the Eastern highlands. The full extent of damage was not immediately clear as the location of the earthquake was remote. The main concern is the roads and we will need to wait for official reports over the coming days. Main harvest is approximately 90% completed and coming to an end. There is news of some good flowering for the potential fly crop and good signs for the next season.

## VIETNAM

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There was heavy rainfall in several regions the last two weeks especially in the Da Lat city where rain from the Lam Dong highlands caused heavy flooding in the city. The rainfall was particularly good for coffee as farmers now do not have to irrigate during the last round of fertilizing. Farmers in Gia Lai started picking the very early ripening cherry. Some village collectors in the region have collected a few tons of cherries already. We expect greater speed of harvesting when it's sunnier.

There is very limited stock of Robusta remaining on the local market. The new crop is approaching, and farmers have no reason to hold coffee while market price is on the high level. FOB diffs for nearby shipments are cheaper, but there is a very small quantity to offer. Shippers have more interest in selling new crop for December-onward shipments. On the other hand, farmers are happy with current high price and are thus trying to harvest everything. This will help to speed up coffee flow to market, provided that the weather is dry.

## ETHIOPIA

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Trading this week was more subdued as the terminal market in NY stalled. Arrivals from upcountry are improving both in quality and quantity. We are noticing better quality arrivals, especially for Djimmah Grade 5's. But offers for G5's still remain firm at upwards of 2.00 USD/lb. Small quantities of cherry have started to be picked in the lowlands of Benchi Maji and Bebeke. In the Teppi region, we expect the harvest to start in 2 weeks' time. Initial reports are that the crop in these 3 areas is expected to be larger than the 2021 crop. Other regions, such as Limmu, are also showing encouraging signs regarding the size of the crop. However, the harvest there is not expected to start until mid-October.

In other news, Ethiopia has opened the banking sector to foreign investors. The full implication remains to be seen but the impact could be significant as most shippers entered the coffee sector to secure forex. Liberalizing the banking sector will make forex more readily available.

## KENYA

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The Supreme Court confirmed William Ruto as winner of the presidential election. Sale 36 took place this week with 13.6k bags presented at the auction. The harvest of the fly crop is almost complete and about 50% of the volume has already been commercialized. There are growing concerns about the size of 2022-23 main crop (harvest Oct onward), which was negatively impacted by dry weather in Q1 22. We will be conducting a farm tour next week to have a better understanding of the situation. Next auction (Sale 37) is scheduled for next Wednesday with +19k bags on offer.

## RWANDA

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The past two weeks, the Northern and Western regions of the country have received rainfall levels that have been slightly above the long-term mean. Meanwhile, the rest of the country is experiencing rainfall in line with expectations. These recent rains have supported flowering across the country and even induced a small fly crop in specific areas in the Western district of Nyamasheke. In Kigali, offers for commercial FW and SW from the main crop continue to trickle in.

## TANZANIA

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Arabica: The arabica auction came and went. The good news is that the quality of the main grades was good. The bad news is that the reserve prices set by the sellers were way higher than any buyer was prepared to pay. 85% of the coffee was passed on and of the 15% sold low grades represented 10% and main grades were 5%. All in all, the auction was disappointing for buyers who walked away without coffee and for sellers who walked away without money.

Robusta: The flow of dry cherry through the auction is slowing down as we are inching towards the end of the harvest. A lot of coffee is now in the hands of local traders, who are speculating on prices. We are seeing some slight shortages with container availability, so optionality on shipping lines is a good idea to avoid delays.