

BRAZIL

Arabica: General activity remains eerily quiet with few trades reported. The price gap between grower expectations and FOB differentials continues to be an hurdle for new businesses. Producers are holding coffee back which reflects on the low volume of business and the gap in differentials. There is rain in the forecast which can lead to the first flowering in the Arabica growing areas.

Conilon: Local prices remained very firm despite volatility in the LDN market and BRL currency. Growers and local merchants are holding coffee in expectation of better prices. Weather in the Conilon areas continues to be favorable and another good flowering event is expected in the next few days. Cecafe reported a strong number of exports this month reflecting the lower diffs traded at the end of July and the beginning of August

ETHIOPIA

Floor prices have come down slightly for Lekempti G5 and Djimma G5 grades. However, it seems unlikely that floor prices will go down for other grades anytime soon. Reports from the Amhara region indicate that there has been little change in peace and stability in some areas. However, from the government's perspective, it is said that the region has come under the control of the command post and that security has returned to its previous state.

KENYA

Relatively quiet times as millers are still waiting to receive their licenses from county governments. The fly crop harvest is almost complete, and farmers are keeping parchment at home until milling re-starts. There was no auction the past week.

RWANDA

Local prices have begun steadily adjusting to the sliding NY. The weather has been exceptionally dry (0 – 5mm instead of the expected 40mm) and warm for this time of year. The start of the short rain season is overdue as farmers are shifting their focus from pruning to fertilizer applications.

INDIA

No monsoon rains since the beginning of August. So far, no loss has been reported to the crop. However, if monsoon does not resume soon it will certainly affect the prospects of new crop.

INDONESIA

Robusta: Coffee flow remained stable and local prices moved higher as a few large traders bought greater volumes. Some Indian buyers were seeking undergrades, however, not much is left. There were no rains in Southern Sumatra but no negative effects so far.

VIETNAM

A large part of the Central Highlands continued to receive less rain than normal and higher daytime temperatures were recorded. Forecast for the next 10 days is calling for similar conditions until the middle of next week when rains come back. Our upcountry survey team has observed some early harvesting. This signals that farmers are very eager to harvest and sell their beans to take advantage of the current low stock/high price situation. There have been no nearby shipments as stocks throughout the country are almost zero. In the meantime, local exporters started to raise their offer price despite the London market downtrend. Traders and roasters were buying bits and pieces off the new crop for Nov/Dec shipments as local exporters and trading houses focus mainly on new crop. Soluble factories based in Vietnam were aggressively buying G2 for future delivery in Mar-Jun or even Mar-Dec 2024.

