

BRAZIL

Arabica: Coffee flows have improved with the NY rally and relative stability of the BRL. This has also contributed to more attractive FOB offers, but a gap remains between buyers' and sellers' expectations. Important to note is that the surge in FOB offers has been limited to nearby shipments as the majority of exporters are still cautious. Climatic conditions and flower fixations have been optimal. October shipment numbers are showing some accumulated September contracts that couldn't leave in time due to logistical restrictions.

Conilon: A healthy volume of trades was reported during the week internally and FOB basis. The rally in the London market and a relatively steady currency helped local prices to go up. Exporters have been very aggressive and remain the main buyers for immediate deliveries. Weather in Conilon regions is dry but the rain forecast calls for precipitation to begin in November, overall still favorable with no major concerns.

COLOMBIA

With NY's rally we have seen differentials reacting downwards as demand remains relatively soft. Exporters are now actively procuring parchment but at a cautious pace. Coffee flow is increasing as we get deeper into Main Crop. Expectations are for coffee to remain available through December and perhaps even January.

ETHIOPIA

Harvesting in the lowlands is progressing steadily but it appears demand for cherry is rather soft, mostly as a result of local traders (akrabis) still holding plenty of inventory. Not surprisingly, the local price for coffee has reacted downwards. September 2023 exports came in at 17k MT which is 2.7k MT less than this same month last year.

TANZANIA

Arabica auctions are ongoing and there is ample local availability, but demand is soft.

UGANDA

This is now peak arabica cherry season with harvesting reported at 60-70% complete. Differentials remain firm despite the NY rally and falling diffs across other mild Arabicas. There appears to be no consensus yet on the size of the crop. The flow of semi washed coffees to Kampala continues but there remains a gap between supplier price expectations and buyers' interest.

INDIA

Local prices firmed up a bit as demand from last-minute needs is showing up. New crop is on time and healthy.

VIETNAM

The northern Central Highlands continue to receive prolonged and heavy rains, further delaying harvesting activities. Forecast for the next 10 days is calling for gradually less rain. Global traders and local exporters continue to seek coffee for prompt delivery, making the business environment extremely volatile and FOB diffs firm. As a result of short-term scarcity exporters are reluctant to offer November shipments while focusing on December onwards.

YUNNAN

Very early harvest is starting but the pace is slower than expected as climatic conditions have been adverse. Similar to Vietnam, the forecast is expected to improve in the coming weeks. Many producers who were expecting to commence harvest this week have delayed engaging pickers until November. Sucafina's wet mill will start processing this week.

INDONESIA

Arabica local prices are rallying as exporters are covering short term commitments and middlemen speculation squeezes early availability. Fewer offers are available for nearby shipment with many exporters preferring to consider only January forward of G1 at firm prices. Rains continued to fall in South Sumatra and Java which bodes well for next year's crop.