

BRAZIL

Arabica: Not much has changed since the previous week. Low volume of business reported and weak demand have slowed the pace down and differentials remained stable. The forecasts for new crop are rising again and the range of assumptions is closing with some consensus in the numbers. Rain has returned to the coffee regions but no alert flags so far.

Conilon: Offers are increasing and prices are coming down as we get closer to the harvesting period. The volume of business was not great, despite better prices as buyers are taking advantage of this movement and buying just the strictly necessary, which eventually added some pressure on the prices as well. New crop coffees are already being offered at a good discount compared to the current crop. Industries were slow in terms of business, but they continue to dictate the market rhythm as no FOB business is being reported at all.

COLOMBIA

We have seen some demands in the last days for Colombia, but they are not yet fully reactivated. Price points from shippers have a large gap when comparing to forward. Availability is very low during this week and, combined with NY levels, it's not incentivizing any new trades in internal markets. As it's normally said in Colombia, the coffee from the Mitaca will not be seen before Holy Week, which this year begins on Sunday 8 April.

Weather-wise we have seen more rain in the main coffee regions and the rest of the country as well. However, the accumulated rain for March is still not a concern in terms of the amount of water the coffee plantations can absorb. The expectation for the main crop remains positive, and we have seen some good flowerings lately, especially in Antioquia. The combination of these sporadic rains with longer periods of dry days is very beneficial for the coffee plants. La Niña is still weakening as we move towards a possible transition to El Niño for August onwards.

INDIA

Harvest is around 80% completed. FOB diffs are softening as shorts seem to be mostly covered and reality sets in.

INDONESIA

Robusta: More new crop coffee was delivered to Bandar Lampung last week (up to around 4000mts). Moisture of the asalan coffee is still very high due to lack of sunshine for drying. Farmers are happy with the current price and keep selling what they have. There was sad news last week when some coffee areas were hit by flash floods and landslides. Heavy rains last Thursday caused rivers to overflow leading to flash floods in Lahat, South Sumatra. These floods

impacted coffee plantations and rice fields in several sub-districts in the area. Heavy rains also occurred in West Lampung resulting in landslides in a village in Pagar Dewa district, destroying several coffee farms. No further information is available regarding how big the impact to the coffee farms is, but we expect it's not significant.

VIETNAM

The weather pattern in the central highlands has been mainly dry, clear & sunny condition during the daytime, and cold at night. The National Center for Hydro-meteorological Forecasting has issued their forecast. They expect earlier arrival of the 2023 rainy season with a potential of 10-25% higher cumulative rainfall during March, April and May in the central highlands. Local exporters continue to focus on executing the outstanding contracts. The local market was quiet with a low amount of coffee released by farmers. Our data shows 192'000 MT of coffee was exported in Feb.

YUNNAN

Harvest has concluded in Yunnan. Demand remains high and supply is very tight, supporting high prices.

ETHIOPIA

Coffee is being offered by shippers, however, not at an attractive price level. The disparity between local minimum prices and buyer expectations is still substantial. The CTA lowered minimum registration prices this week, however, the decline of NY offset it. Adding to the complexity, the Oromia Revenues Authority has recently introduced a bill to apply 15% VAT on coffee being traded by local Akribis and exporters, further increasing the prices. Exporters are now very hesitant to offer coffee from this region, especially Djimmah. It has been difficult to buy Low Commercial Djimmah 5's the last couple of weeks. In other news, it seems the Government is concerned with low export registrations over the last few months with plenty of rumors on how they will solve the issue.

KENYA

Sale 20 took place last week with 34k bags sold and the 4th consecutive week with 30k+ bags offered. We saw the main grades trading about 5 usc/lb lower than last week. The good availability of coffee keeps weighing on local prices as exporters have less appetite to keep adding on their existing long position due to the high carry cost and inverse structure. The next auction will take place tomorrow with 32k bags on offer and sale 22 is scheduled for following week with 36k bags. The microlot season is coming to an end as cooperatives are done marketing most of their heavy parchments. However, we still see good volumes of lighter beans arriving at the dry mill, indicating a good availability of FAQs and grinders in the coming weeks.

RWANDA

The cherry season is picking up pace and the weekly flow into washing stations is on par with previous seasons. While some areas in the West are already peaking, there are signs that the harvest in the East may be prolonged due to late rains. We are currently seeing trees flowering and producing ripe cherry simultaneously. Despite the drop in NY, local competition between wet mills is starting to put upward pressure on cherry prices.

TANZANIA

Arabica: There was 21k bag auction on the 9th of March, but without much sold coffee. The season is just about finished. As it is the end of the season, there is good availability of lower grades, including triage and grinders.

UGANDA

Arabica: Drugar purchases are in full swing now and we estimate the flow to further improve in the coming weeks as the season enters its peak. The local diff continues to firm with the erratic NY and general natural Arabica tightness. Oddly, some of the usual buyers are refraining from purchasing this season. With a delayed and shortened harvest, the wet mill network in the region will not be able to absorb all the cherries and we anticipate a decent chunk going to Drugar. On semi-washed, we see active interest on Bugisus from multiple roasters across geographies. However, the flow is still minimal. The cherry flow has picked up in past 10 days at our wet mills. Weather wise, no major red flag with the cherry on trees looking healthy and maturity cycles continuing without abortions.