

BRAZIL

Arabica: The weather is still on the radar, but nothing to worry about despite many concerns with the winter season approaching. This was a short week with a national holiday, but a decent volume of coffee has changed hands and better prices were paid to the producer. The availability is still good and diffs for current and new crop seem to be closer and closer.

Conilon: The inquiries about Conilons keep coming day after day from all over the world. The producers keep scaling sales prices up with the current environment. Differentials remained firm and practically unchanged as the prices in BRL followed the valorization at the terminals.

INDIA

Our team visited interior villages of South Coorg. Crop condition looks good. Farmers are done with fertilization and are now proceeding towards weeding or spraying weedicide and removing suckers. Monsoon season has begun and accordingly there will be no more field visits until the rains end in September. Very few trades concluded at these high levels. However, few buyers were there to cover the nearby shipment and their shorts.

INDONESIA

Arabica: Local pricing firmed slightly. Aceh main harvest has concluded with only the fly crop available until October. Java, Sulawesi, Bali, and Flores will fill the gap but with limited availability. We expect prices to remain firm for nearby shipment.

PNG

A continuation of previous weeks with parchment flow increasing as the weather dries out.

VIETNAM

Weather conditions remain favorable for growth and fertilization efforts with a decent amount of rain and mild temperatures. Farmers are working on the first main round of fertilization (approximately 60-70% completed). Local exporters continue to struggle to source coffee in order to execute their commitment and delayed shipments become more serious. Our data shows 137K MT of coffee exported in May (including processed coffee and 4K MT of arabica).

YUNNAN

Hot, dry weather has been broken over the past week with more gentle rain and cooler temperatures. Soon after the 3rd flowering, these conditions are important to avoid fruit abortions and to recommence the maturation of 1st & 2nd round fruits that were slow as trees struggled with the temperatures. Assuming reasonable fruit set from final flowering, volumes are expected to be up above the lows of last year and ripe cherry quality should be good. The challenge will be a potentially long season starting late September (normally late November) and running into late March. This could lead to producers harvesting very mixed ripeness. This makes green separation at the mills particularly important to avoid high immature counts and cut, damaged beans.

ETHIOPIA

The coffee flow has improved over the past two weeks, but quality has been a major issue. Many buyers are struggling to approve coffees and commercial lots are being continuously reprocessed to meet expectations.

RWANDA

The last pockets of cherry are being harvested as the season approaches 95% completion. Local availability of both SW and FW coffees is tight and the limited offers that are being made remain expensive.

TANZANIA

Arabica: The stakeholders meeting is coming up in a couple of weeks and we wait to see if there are any changes to the regulations. Coffee from irrigated areas is starting to flow and we expect the flow to pick up in a few weeks.

Robusta: The dry cherry auctions have started, but the volumes are still low. The weather is starting to dry up and we should see more coffee flowing in the next 2 weeks. Activity is starting to pick up, but the crop is looking 20% down versus last year.

UGANDA

Robusta: Purchases have been stable over the past week with no week-on-week increase as public holidays reduced trading activity. The LDN rally over past few sessions again pushed the diff upward. There seems no abatement in the expectations of farmer and middlemen on flat price basis. The quality of coffee continues to improve as well. Weather wise, no major roadblocks for now as we see the harvest is in full flow.