

**BRAZIL**

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Conilon: A very active market during the week as growers came to the market to lock in prices as the London terminal dropped. Exporters and roasters also took advantage of the healthy coffee flow to cover most of their nearby needs. FOB demand continues strong for Conilons as it is the most competitive alternative to Vietnam.

Arabica: Yet again weak demand continues to add pressure on the producers' decision to sell. Local prices have been dropping following the NY "C" and volume of business is increasing. The pace of harvesting has been very good, and more coffee is flowing to the market. No major alerts on the weather front for the next few days.

**COLOMBIA**

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The local market continues to move very slowly, and exporters are showing little interest in adding to their parchment stocks. This year's Mitaca was not as concentrated, and we will continue to see coffee flowing locally for at least another month or two. The outlook is for the mitaca to overlap with the main crop around September. This means that Colombia will have coffee from now all the way to December or January. Differentials remains soft despite the recent movement in NY and FX. This can only be attributed to the lack of demand during the first half of the year. El Niño is getting more and more pronounced, and the weather is changing rapidly with June rains at only 40% of their historical average.

**INDIA**

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Differentials firmed in response to the lower terminals and short covering by exporters.

**INDONESIA**

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Robusta: Fewer arrivals this week as it rained for several days upcountry. Local prices are going even higher and the combination of speculation and covering short term needs means trades are happening despite the elevated levels. Flowering in the lowlands has been reported with some even turning to green cherry and giving a promising crop outlook.

**PNG**

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No major changes this week as we're still in "peak harvest" and local prices are starting to stabilize.

**VIETNAM**

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Due to a warm spell, a large area of Central Highlands received a smaller amount of rainfall with hot and dry weather. However, the forecast calls for rain in coffee growing regions during the next 10 days. Prices at farmgate level have reached an all-time high as supplies remain extremely tight. Several exporters are giving up and are unable to execute their commitments. Shipment delays are now

common. Buyers are gradually disappearing as result of sky-high price/differentials. New crop business is in the same situation with local exporters offering very high diffs.

## BURUNDI

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The harvest season is coming to an end with a smaller crop than expected by 20%. In a controversial decision, all the old currency notes have been replaced with new ones by the central bank of Burundi. The population had 10 days to exchange their notes, but with several restrictions regarding the maximum amount that could be changed. The poorest segment of the population suffered the most as a result of this decision. Fuel and FX shortages are still ongoing in the country.

## ETHIOPIA

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The Ethiopian Institute of Agricultural Research (EIAR) announced its collaboration with CTA and World Coffee Research to bring improved coffee varieties and increased accessibility to coffee farmers at a seminar held earlier this week. Heavy to moderate rainfall (50-200mm) is expected in western Ethiopia and dry conditions will prevail over northeastern and southeastern parts of the country

## RWANDA

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Harvest is 95% complete across Rwanda. Cherry volumes YOY are 40% smaller vs '22 and this will be one of the smaller crops in the past 10 years. With low volume, cherry prices have risen sharply. The semiwashed flow continues to be disappointing in another indication of a small crop. Exporters and coffee washing station operators are eagerly awaiting more details surrounding a government announcement to repeal 'zoning' policies. 'Zoning' was introduced in 2016 and prohibited farmers or middlemen from selling coffee cherries to wet mills outside their designated geographic zone. There are concerns on the impact of such repeal on farm investments, traceability and long-term yields while potentially empowering middlemen.

## TANZANIA

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Robusta: Rains have eased and volumes at the dry robusta cherry auction are ramping up. We anticipate another 2-3 weeks until we start to see increasing volumes. Pricing at the auction is reaching all time highs, which is as expected given where London market is. The flow of hulled coffee to Dar should start in about a months.

Arabica: Mbeya/Mbozi area is slowly starting its harvest season and parchment volumes are expected to pick up in 2-3 weeks. Mbinga is about a month behind. TCB just announced an out of schedule auction, where some past crop main grades are still trying to find a home, plus a small amount of hard arabica from new crop.