

BRAZIL

Sellers remain few and far between keeping differentials steady despite the NY movements. Conilon is the same with little business and steady difs. The rains continue to be normal to slightly wetter than normal.

The country fell into technical recession this week when it was announced that GDP shrank in Q2 and Q3; however annual growth will be positive. The BRL closed at 5.679 vs 5.594 last week. November exports were at 2.716m bags which is almost a 4% drop compared to October driven mainly by lower soluble exports.

COLOMBIA

Internal parchment prices actually increased a bit (differentially) over the last few weeks and physical availability continues to decline. Rains continue to be plentiful, November currently about 20% above normal. The harvest is around 95% completed.

PNG

Parchment flow is minimal and rains not yet consistent with rainy season or la nina.

VIETNAM

The rains mostly stopped mid-week and the forecast is for mostly cloudy but dry weather which will allow coffee drying and harvesting. Less than 40% of the Robusta crop has been harvested. The Arabica crop has disappointed some in terms of volume. Market is quiet.

INDONESIA

The Arabica prices have firmed up along with the NY this week and availability is still very tight. Harvest is past the halfway point. A bit of Robusta fly crop has started harvest. Volcano Semeru erupted in East Java and caused injuries and loss of life. We do not believe major damage was done to the coffee in the area but will asses once the dust settles.

BURUNDI

The fuel shortages continue an inflation expected to be around 5.5% this year. The government still has about 40 lots of coffee to sell in their auctions of current crop.

ETHIOPIA

The political and military situation continues with mixed reports coming from both sides and media. However, the crop continues and we also continue to see very high cherry prices being reported.

KENYA

Cherry delivery continues to flow at the dry mill, the volumes and quality look promising. Some very early outturns of the main crop are showing great promise in the cup and very bold beans. Tuesday's auction saw around 19,200 bags of coffee on offer, we believe the trend will continue until the end of February unless ongoing rains delay the parchment drying. We have two more auctions left before breaking for the holidays.

TANZANIA

The harvest across all altitudes in the Southern regions of Mbinga and Mbozi have finished with what is likely a record crop in Mbinga. Producer groups in Mbinga retain some parchment and mill deliveries continue to trickle in but we are near the end. Auction prices and nearby demand remain stable.