WEEK 46 | ORIGIN REPORT

BRAZIL

Arabica: Despite the short week due to a national holiday, producer behavior has not changed and growers keep holding offers for better prices. Following the NY rally, local prices increased. However, as NY receded, local prices remained firm and diffs turned higher. This led to diminishing coffee flows as the week ended. Despite high temperatures and rains below normal, we have not witnessed any adverse effects to crop development. A cold front expected in the days ahead will help alleviate high temperatures and moisture deficit.

Conilon: An active week with a very volatile market. Exporters and local roasters compete as the main buyers. Overall local prices rose and differentials eased slightly, but growers and local traders remain hesitant, selling little by little and thus pressuring prices upwards. Weather has been very warm but moisture level remains. International demand is strong with big volume trades being reported for 2024.

KENYA

The 4th Auction of the season took place last week with 7,600 bags sold. Quality was mostly average and grinders. Coffee flow remains very limited due to a change in milling's licenses. The harvest of the main crop is now accelerating in central Kenya. Outlook is positive for quantity and quality.

TANZANIA

The supply and flow of arabica is still good and auctions are ongoing. We are approaching the holiday season, which tends to accelerate coffee flow as growers and local traders seek liquidity. Rain and power cuts across the country are slowing things down, though coffee is still moving. Berthing delays in Dar es Salaam have extended to 16 days and we are seeing container shortages with 2 major shipping lines. DP World is due to take over port operations in 2 months' time with expectations of further delays in the short term.

INDIA

Mainly as a response to NY and London rallies, differentials are coming down and business is closing for January shipments onwards. The outlook for both Robusta and Arabica crops is healthy and promising.

INDONESIA

Robusta: FOB prices have been very high with little demand. Indonesian roasters remain quiet and have yet to look for Vietnamese replacements. Flowerings have started in some growing areas, but next crop is potentially delayed due to climatic conditions.

Arabica: Local prices continue to surge as exporters struggle to cover short-term commitments.
The situation is unlikely to change before year´s end.

VIETNAM

Climate has been cloudy with sporadic rains and has been influenced by a recent cold front. These conditions result in harvesting and drying delays. We estimate 16-18% of the Robusta crop has been harvested. Coffee flow is gradually picking up with more and more growers and local traders interested in selling. Demand for prompt delivery has been met thanks to these improves flows. Differentials are gradually come down, supported by the upward movement of the international market and greater coffee availability.

YUNNAN

Cherry prices continue to climb but eased slightly at the end of week in response to the NY market. Few buyers are active at these levels, but some wet mills are actively buying for fear that they won't be able to fulfill their commitments. Climate has been cooler and rainy, which has reduced coffee flow. Harvest is approximately 8-9% completed.