

ETHIOPIA

Due to the recent NY market rally, the majority of the stocks in Addis have been sold. This is forcing shippers to purchase more coffee from akrabis (local middlemen) at higher prices than before. The price for coffee upcountry has increased substantially and is bringing new offers to really high levels. Several exporters have stopped new offerings until they see a stabilization of local coffee flows.

RWANDA

Cherry harvest is picking up pace in Western districts, while the flow is only just beginning in the East. By now, 95% of washing stations have opened. Competition remains fierce with prices increasing rapidly. We expect prices to continue increasing with the NY rally adding fuel to the fire.

UGANDA

Robusta: The last few days have been very rainy in Uganda, affecting drying and the movement of the first flow going out from the field to Kampala. Standard quality Robustas are showing with high moisture content which further strengthened the differential despite last week's London rally. The high prices have not discouraged exporters from procuring at elevated levels due to the significant size of their unfulfilled short term commitments. The last flowering phase in the field for the October to December season took place, the key observation is that the season could be characterised by low production due to a lack of space on the trees for flowers to bloom and set a fruit.

Arabica: The harvest is 70% complete in Western Uganda, but flow into Kampala is still low with local traders building up stocks of dried cherry to keep upward pressure on prices. We are observing the incorporation of dried Uganda Arabica (DRUGAR) into Robusta due to the price gap of 1000 shillings between the two.

INDIA

No rain and a heatwave is being felt in the growing areas. Farmers are still not ready to sell at these prices, holding dearly to their coffee stocks.

VIETNAM

The local price at farmgate is approaching 110K VND/kilo and supplies are getting tighter. Drought and the potential of water shortages is threatening the coming crop, encouraging farmers to hold coffee while they hope for even higher prices. More and more traders are switching from Vietnam Robusta to Indonesia Robusta for nearby shipments.

YUNNAN

The NY rally has seen prices rise and growers are motivated to sell, but constrained demand is resulting in lower coffee flow. Prices have not kept pace with NY as domestic demand pulled back with local roasters having unrealistic target buying prices.