

## **BRAZIL**

---

CoE Brasil 2022 international judge phase is over and 42 finalists selected; top 3 coffee regions for this year edition are: Cerrado Mineiro in Minas Gerais state with 13 farms, Chapada Diamantina in Bahia state with 11 farms and Mantiqueira de Minas in Minas Gerais state with 5 farms.

Arabica: Overall, the weather is helping farmers despite a scattering of hailstorms reported in some coffee area. There is currently no concern of damage from these storms. Election has added some volatility in the currency. FOB forward prices remain unattractive to undecided buyers.

Conilon: A very slow week in terms of business as the market downwards movement scared the sellers away and offers vanished. The price movement continued to go down as the domestic roasters kept lowering their targets and not many deals were reported. Diffs became slightly more expensive as London market drop was not offset by the downside on the BRL prices. The FOB market is extremely slow since the Conilons are still not competitive against other origins.

## **COLOMBIA**

---

Demand still very quiet for 2022 shipments, which is causing a direct effect on the internal market with softer diffs. The parchment flow will remain unchanged at least for another 6 weeks. The situation will eventually change once we start to see a reduction of the parchment availability on the internal market, aligned with exporters pushing purchases in order to fulfil the Q1 2023 commitments. Weather in Colombia remains very wet and these conditions are expected to continue until mid-December. Despite the good rains projected for the next 2 months, the 22/23 crop production is expected to be very close to the 21/22 crop numbers with a total number of 11.2 mm of 60k bags.

## **INDONESIA**

---

Sumatra Arabica harvest is in full swing and supply remains tight. Surprisingly, local prices eased almost in line with NY. The very firm diffs we had a few weeks ago more or less remain unchanged.

## **BURUNDI**

---

The European Union (EU) has lifted sanctions on the Prime Minister and two other Burundian officials. These sanctions had been in place since 2015 and were introduced after the EU accused the officials of engaging in activities undermining democracy. This latest development

further demonstrates the international community's increasing willingness to work with the Burundian Government.

## ETHIOPIA

---

Due to the sunny dry conditions and on-cycle year, we are optimistic about the quality and quantity of the 2022/23 crop. As we approach the upcoming harvest, the Djimmah Zone Agricultural office announced it is expecting the 2022/23 crop to reach 200,000MT. This would amount to a 30% increase from the prior year's production of 135,000MT. The increase in volumes is attributed to the usage of improved green coffee varieties & the replacement of old trees. Harvesting has now also started in the Limmu areas and, due to good weather conditions, we expect the harvest to progress well. Although it's still early to say, farmgate cherry prices seem to be easing as they adjust to a bearish terminal market. It is becoming increasingly clear that traders are banking on a devaluation of the Birr to generate a positive return on their trade.

After a turbulent start, African Union sponsored peace talks in South Africa between the Ethiopian government and TPLF rebels have finally started. In the last few days and weeks, the government army has recaptured a significant number of strategic cities with unconfirmed reports suggesting government forces are on the brink of capturing the capital of Tigray, Mekelle. It seems the Government will have a significant upper hand in the negotiations now.

## RWANDA

---

Price expectations among local traders were already high but, after the drastic drop in NY prices, trading in Kigali has ground to a complete halt. Our view is that many local traders and middlemen still outright own a significant quantity of both FW and SW coffees. Their position has now become more acute.

## TANZANIA

---

Arabica: There have been no auctions for 3 consecutive weeks now. The next auction has been announced on the 3rd of November with moderate volumes being submitted. Very little coffee has been traded while the auctions have been on hold. Middlemen have been accumulating stocks and are in for a rude shock, as the market is now 40c lower than at the beginning of the month (and their targets).

Robusta: No change from our last update and a very similar picture to Arabica. Folks are long outright with declining prices in London.

## UGANDA

---

Arabica: Harvests are ~75-80% through, with only harvests from highland areas remaining. We've seen the flow of cherries into our washing stations declining. On the Drugar and washed

parchment front, we saw increased willingness amongst middle-men to supply with New York cracking. There has been a minimal correction in the differential with the lower NY.

Robusta: Robusta harvests in central-west and central-east are picking up with slow but gradually increasing flows coming into Kampala. Many middle-men are refraining from taking large positions with declining London but we do see back-to-back business continuing, with a wide differential range. On the weather front, seasonal rains are low, with persistence of pockets of dryness in some areas. The situation, however, is not alarming yet.

