BRAZIL

Arabica: Despite a national holiday, it was a hectic week with high volatility in NY. Growers took advantage of the rally and added new sales. CECAFE published strong shipment data for October and the current pace begins to relieve pressure on global supply flows.

Conilon: A moderate volume of business was reported due to the high volatility in the market and currency. Exporters also took advantage to book new sales, but as the currency revaluated, differentials got tighter and sellers backed out of the market. International demand remains high, keeping internal prices at elevated levels.

ETHIOPIA

The Oromia regional government has announced minimum cherry prices for the area. This is a major shift, as all stakeholders assumed that the government would not levy minimum cherry prices and would let the market determine them. The minimum cherry prices for the southwest regions of Oromia will now be from ETB 45-50/KG (FOB equivalent 2.48 USD/lb). For the first time in several months, we see a significant drop in the minimum prices for all coffee grades. Fitch Ratings' latest report on Ethiopia downgraded the country´s credit from CCC- to CC, declining to default level.

INDONESIA

Arabica: Limited harvest flow and short-term buying pressure are resulting in higher local prices. The rupiah closed the week on a strong note, which will only diminish already scarce FOB offers.

Robusta: Coffee flow continues to decrease, with shippers adjusting accordingly. Very limited new offers are available in the market and shippers do not have uncommitted stock to sell. Rains in coffee-growing areas in Southern Sumatra raised farmers' hopes for a better new crop set to begin in February.

VIETNAM

Wet weather continues to delay harvesting, although farmers are eager to harvest and realize gains from current high prices. Not surprisingly, a large amount of immature/green cherries have been harvested during this time. It´s still very early in the season, with a harvest progress of around 5%, mainly from Gia Lai and Kon Tum.