

BRAZIL

Climate conditions have started to improve as recent rains over the main coffee-producing areas have been recorded. A pattern change is also forecasted to bring much-needed precipitation in the days ahead.

COLOMBIA

The government declared a national disaster on Thursday due to wildfires raging nationwide. The fires result from hot and dry conditions linked to the El Niño weather phenomenon, which is expected to continue for the next few months before easing around March/April. In recent weeks, temperatures across much of the country have been 5 to 10 degrees Celsius above average.

KENYA

Sale 13 of the season took place last week. Prices remain low for commercial qualities, however strong demand for top lots is pushing prices higher. It appears that exporters are short high grades and are aggressively covering their needs. International demand has been picking up since the beginning of the year.

UGANDA

Robusta: The coffee flow into Kampala has been erratic, which is signalling the end of the harvest. Once again local prices hit an unprecedented level driven by London's extended gains and a continued push from exporters covering short term needs. There is now common talk about some exporters potentially defaulting as they struggle with rising prices.

INDIA

There has been little to no change in differentials despite the international market rising significantly. As Vietnam differentials remain elevated, Indian Robusta is becoming the best available option as there is also no coffee available from Uganda until May. Harvesting continues with tough labor shortages in many coffee growing areas.

INDONESIA

Robusta: Supply from upcountry is very scarce as local traders and collectors have empty warehouses. International firm offers are almost nonexistent as buyers pause amidst the price rally. Cherry development is very healthy, and farmers are optimistic that the new crop will increase significantly.

Arabica: Local prices rallied with NY and remain elevated, allowing local collectors to rotate their inventory. Sumatra's harvest will gain momentum in February, and we've already witnessed the first signs of early harvest in West Java.

VIETNAM

The central highlands are in middle of the dry season with low humidity but a bit cloudy. The forecast for next 10 days is calling for similar conditions with low chance of rains. Differentials have remained mostly unchanged despite the rally in the London market. Indonesian roasters keep actively buying Vietnamese coffee.

YUNNAN

Cherry has been flowing strongly as producers look to complete deliveries while prices are good and before the New Year Holidays (China will be closed for 1 week, March 10-17). Harvest is around 80% completed. Almost all sales have been to local roasters with very limited exports this season so far.

