

COLOMBIA

Coffee flow is decreasing markedly as the main crop comes to an end. Demand remains hesitant, allowing for local prices to stabilize. El Niño is losing strength and more rains have been experienced across the country. As a result, flowerings for the next crop are promising. However, questions remain about the crop potential, especially regarding yields from cherry to green coffee. The dry and harsh weather conditions brought by El Niño during December and January may result in a higher incidence of undeveloped or imperfect beans.

NICARAGUA

The coffee harvest is 80% complete and should be finished in March. The sales pace has been brisk as 75% of the crop is estimated to be sold. The country is also dealing with a smaller crop by almost 8% vs the last cycle. Stagnant agricultural practices, lower fertilization and lack of access to labor are cited as the main reasons behind the lower output.

ETHIOPIA

Local prices have decreased for both Natural and Fully washed coffees. The Red Sea issue is still affecting CMA and Maersk shipments, but MSC is proceeding without further delay. Shipper warehouses are now filling up with mostly washed coffees at this stage.

KENYA

Sale 17 took place with 25k bags on offer. Prices remain low for commercial grades and average quality keeps improving every week. The harvest is now finished, but parchment is still held at the farm level due to congestion at the dry mills.

RWANDA

Cherry season has begun in the northwest, although significant volume is not expected until mid-March. Sporadic rains are delaying ripening in some areas. Cherry prices are firm early in the season with washing stations competing for the small volumes of ripe cherry available.

UGANDA

The UCDA released the export performance for January 2024 with numbers confirming the poor harvest for both Robusta and Arabica in the second half of 2023. Robusta exports stand 2.18% lower year over year at 403,508 bags and Arabica volume decreased by 4.27% year-over-year to 78,078 bags.

Robusta: The local environment is still characterized by a shortage of coffee to satisfy short-term demand. Daily flow is now minimal as almost the entire crop has been sold. There are also key warnings on quality as the historically high prices have encouraged farmers to harvest immature beans ripening for the next season and middlemen to adulterate coffee with foreign matter, adding to the struggle for exporters to source good quality coffee for exports.

Arabica: The harvest pace is accelerating in Western Uganda, with high prices paid by local traders speculating on a similar Robusta price pattern. Local coffee flow remains limited, but the situation should ease over time as the coffee makes its way from the fields to Kampala

INDIA

Harvesting pace picked up as access to labor begins to normalize. Coffee flow, however, remains sluggish as farmers are hesitant to sell larger quantities even though prices are at all time highs. Differentials are firming to offset the drop in LDN as strong demand has been seen from Europe.

INDONESIA

Arabica: Steady demand from international buyers, mostly for destinations in Asia and Europe. Others are evaluating quality evolution, hoping for prices to ease. Growers and local traders are cautious with most holding firm in their price expectations. Local observers are noting supply shortages and a less than ideal outlook for the crop in Sumatra. Several exporters in Medan are already holding out hope that a big harvest in Java will help ease the supply pressure. A tour of both arabica and robusta areas in East Java reveals expectations of a crop bounce back of around 20%. But it's important to note this follows a steeper decline from the prior year crop. Arabica's main crop will start in April and Robusta in June.

ROBUSTA: Recent assessments reveal a lack availability across the board, with limited inventories from farmers to shippers. In summary, supply is still very tight.

VIETNAM

The central highlands are currently in the dry season with mainly sunny, dry and hot days. Farmers are irrigating their plantations for the 2st /3rd round. Coffee supplies are extremely tight since farmers are still bullish and have no pressure to sell. Local dealers are only releasing their inventories when offers are too good to reject. FOB differentials moved higher to offset the LDN drop.