

BRAZIL

Arabica: Overall relatively quiet. The pressure to cover nearby commitments has calmed down, and even the low liquidity on the internal market appears to be sufficient for the current pipeline. Any new demand that arises must be fulfilled for "next week" shipment due to the urgency of coffee at the destination. Despite the appreciation of BRL, differentials are slowly improving. The harvest is expected to begin in earnest next month and weather is favorable so far. According to CECAFE, shipments from Brazil are low, considering that half of the month has already passed.

Conilon: The market continues to experience moderate business activity with steady prices. Despite fluctuations in London and internal currency, price expectations have remained consistent week over week, as have differentials. Harvesting has begun at a slow pace, and the new crop coffee has yet to enter the market, causing sellers to hesitate to offer and buyers to cover their nearby positions on a hand-to-mouth basis. This includes internal industries, which are anticipating lower prices when the volume of new crop coffee arrives. The FOB market remains a focus, with many asking prices for Conilons, but no actual business has materialized so far.

INDONESIA

Robusta: Asalan arrival to Bandar Lampung reached 15kmt last week, which was the highest of this year. Drier weather, higher prices and farmers' needs for the Eid al-Fitr holiday was speeding up the sales pace. The base price has hit the historical high record. Local industries were the main buyers. FOB business remained slow and quiet. Local shippers are only willing to offer nearby. All shippers will close their operations on Wednesday this week (19th April) and resume on 26th April.

PNG

Coffee flow is still slightly slower than expected caused by wetter than usual weather, which is making it slower for small holders to dry parchment and more difficult to travel to selling point. Despite this, the overall harvest is picking up towards full speed.

VIETNAM

The rally of the London pushed FAQ price to exceed record levels. We estimated that the total amount released by farmers during the week was around 30-40K MT. FOB diffs eased a bit, but not as much as the London rebounding pace. Some local exporters were showing concern about having low volume of sales in their book. However, most of them do not want to lower

the price to chase market/buyers amid tight supplies and a volatile market. The local market was active late of last week with huge volume being moved.

YUNNAN

We are now in the driest part of the year. Trees are looking in good health. We are seeing the result of a lack of rain over the past 6 to 8 weeks in different areas and witnessing soil beginning to dry. Cherry set looks positive. The next period will help determine the yield and quality anticipated for the crop 23/24. Regardless of quality, ripening seems to be progressing towards another early harvest. The rally in NY market has seen a matched pricing increase for any coffee in domestic position as replacement increases in price.

ETHIOPIA

It has been yet another slow week for trading, despite the NY rally and Ethiopian Tea & Coffee Authority's (ECTA) dropping the minimum registration prices by a few cents. Most shippers in Addis we have been talking to are reporting low stocks for Natural Commercials (Lekempti 5, Djimmah 5) and are reporting liquidity issues with their banks and price hikes from "Akrabis" (middlemen) yet again. We hear Akrabis' asking price for G5 coffees increased from 3700 Birr/17 Kg's (FOB breakeven equivalent 1.98 USD/lb) to 4000 Birr/17 KG's (FOB breakeven equivalent 2.14 USD/lb). Whether this price hike is the result of the C increase or because of devaluation concerns remains to be seen. Currently, a delegation of IMF personnel is in Addis negotiating the country's debt restructuring so that could have affected currency speculation. ECTA's new directive is to get a tighter grip on the movement of green coffee by having all origins pass through new quality and inspection centers. The first centers will be operating in Hawassa and Djimma and are expected to become operational in the coming months. The authority plans to collect coffees from Yirgacheffe, Guji and Sidama through the Hawassa center, while coffees from Metu, Ilubabur, Buno Bedele, Keffa, Sheka and Bench Maji will pass through the Djimma center. Similar services have been provided by the Ethiopian Commodity Exchange (ECX) in some producing areas and along their respective routes. ECTA's new centers will be providing the same services rendered earlier by ECX.

KENYA

We are finally arriving at the end of the main crop in Kenya. Despite relatively good volume offered last week (24k bags) and this week (25K bags), the Nairobi Coffee Exchanged announced a recess period starting from 9th May until 18th July during which no auction will take place. There is no more coffee left upcountry and the milling season is now coming to an end as factories are now shutting down for their annual maintenance.

RWANDA

The cherry harvest is 40-50% complete and is looking slightly smaller than expected. Last week was a slightly slower week than usual due to the start of the genocide commemoration period and the Easter public holidays. Cherry prices at wet mills are increasing slightly despite NAEB's (the regulator) best efforts to prevent speculation. Last week external verification bodies started the process of re-certifying Sucafina Rwanda's RA, CP and Organic supply chains.

TANZANIA

Arabica: 2022/23 crop pretty is much finished with only a few thousand bags left unsold. New crop chatter is starting with the season officially scheduled to start in June. The first new crop auctions will likely take place in Aug.

Robusta: The season officially opens on 1 May. However, rains will delay dry cherry deliveries to the auction. Dry cherry arrivals are likely to start in June with deliveries to Dar in 2H July/1H Aug.

