

## BRAZIL

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Arabica: Overall, the same behavior of short covering goes on as the level maintains firm asking prices. This situation is keeping differentials unattractive for new business, although some enquiries continue to come. On the other hand, new crop reports are forecasting around 66 million bags total. Cecafe also released January official numbers of shipment, with 2.842 million bags shipped.

Conilon: The flow of business during the past week was good and was mostly driven by short exporters who entered the market to cover their needs. Prices in BRL continue very firm and the movement in the futures or currency seems not to interfere much. Diffs, on the other hand, are slightly better due to the situation. Industries keep market buying for Feb/March deliveries to cover hand to mouth as the FOB market remains completely stuck.

## COLOMBIA

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Availability is finally dwindling but diffs did not make any correction upwards. We must bear in mind that we are in between crops, which is generally a period of the year with smaller coffee availability. It seems that exporters are well covered, and some mills might have some stocks for the short-term. The weather is getting drier and warmer, something that can be very beneficial for the 2023/24 main crop, but this could eventually cause some quality issues for this coming mitaca. In general, the coffee plantations are looking good and the drier weather can push the flowerings towards the end of the year. The scenario may result in an increase of pasillas and eventually a little less Excelso grades.

## INDONESIA

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Arabica: Harvest is still early with limited availability and local prices are much higher than buyers' expectation. The only coffee being traded is traded to cover shorts or for local consumption.

## INDIA

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The major Robusta growing region of South Coorg is witnessing a significant fall in the crop size. North Coorg, Chikamagalur and Hassan growing regions are also reporting lower crop, but with less significant loss. Waynad, the main Robusta region in Kerala, is experiencing a normal crop. Some of the farmers have informed us that, due to continuous rains till December 2021 and without proper sunshine, the new branches growth for 2022 flowering was significantly lower than normal and could be the reason for lower crop.

## VIETNAM

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It was favorable weather for coffee flowering and pollination in the Central Highlands. Flowering and cherry set is almost 40-50% completed, with a bit more in Lam Dong/Dak Nong and a bit less in Gia Lai/Daklak. Local FAQ price is reaching desirable levels, however farmers are not ready to release coffee yet. Very limited volumes are being traded, no matter where the futures market is heading. FOB market was quiet with low interest from both sides.

## YUNNAN

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Harvest has practically finished in Yunnan. Green trade is very active between producers, mills and roasters and is driving domestic prices to very high level. We understand only exports are limited to that were booked pre-season. Quality remains strong.

## KENYA

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No major changes this week. We are still at the peak of activity. Sale 16 took place with 25k bags sold and prices remained largely flat for commercial (FAQ) qualities. Demand for microlots remains strong as dealers take the opportunity to build their position for the rest of the year. Main crop harvest is now coming to an end in most regions and farmers are slowly releasing coffee at lower prices than last year. Next auction (sale 17) is expected next week with 32K bags on offer.

## TANZANIA

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Arabica: The fourth auction of the year had just over 1,000MT for sale. A feeling of déjà vu swept the auction hall in Mbozi as the auctioneer set unrealistically high prices, similar to how the season started. A strange decision given the time of the year and the fact that most shorts are covered. We are waiting to hear if they change their mind and decide to sell or they decide to hold and effectively block payments to farmers for a chance to gamble on the market.