

BRAZIL

Arabica: The NY bearish week resulted in an empty week in terms of business and numbers. However, it stimulated lower asking prices in BRL. Yet, differentials remained the same. The weak demand and the proud holding coffee producers contributed to the situation. Shipments from Brazil stayed on the low side of statistics again. The weather was ok.

Conilon: The market during this week continued very slowly in terms of business and with very firm price ideas in BRL. With a big fluctuation in the London market and persisting unclear prices movements, producers are firm and holding on the sales once again. Buyers are struggling to push prices down as the currency valuation is not helping the diffs. Prompt businesses reported were at sellers' asked prices, which ended up on slightly expensive differentials this week. The FOB market continues to be very interested in Conilons as it is again attractive compared to other origins. There are a lot of quotations and no real businesses materializing. The harvest is slowly advancing, mainly in the Rondônia region.

COLOMBIA

We have had very low volumes of parchment for the internal market. Some coffee can still be found, but no substantial volumes will be seen for at least another 3 weeks. Some demand was seen during these days, but still nothing significant yet. Most interest is coming from US and Asia markets but EU is still moving little slowly. Weather remains very wet, with rain levels 69% higher than the historic levels for March.

INDONESIA

Supply of both Robusta and Arabica is tight while the arbitration between Robusta with Vietnam seems to have found some stability at a slight premium. Domestic roasters are buying the limited coffee available. Local prices have hit historical highs in Rupiah, which continues to strengthen and not improve FOB differentials. The weather has been good for ripening and drying. Sucafina now has IMPACT-verified Arabica supply in Sumatra.

PNG

The flow of new crop continues to come in for all the growing regions now. Sucafina now has RA supply of premium coffee in Eastern and Western Highlands.

VIETNAM

Necessary rains continued to come to the central highland in decent quantity, mostly in Daknong and Lam Dong. The weather in the remaining regions was mainly dry, muggy and hot,

with average daily temperature reaching 35 to 37 degrees. Farmers in the regions without rain kept irrigating their plantations for the 3rd round. The “golden” rains also came in the northern Arabica regions, which supported the last round of flowering. A great rally in the London market on last Friday pushed FAQ price at farm gate to new highs, triggering a decent amount of sales from farmers and middlemen. FDIs and local exporters are sourcing sizable volume to cover their short/commitments. FOB market saw more interest selling from the local exporters who had been inactive for months. The local market was also very active with huge volume moved since last Saturday.

YUNNAN

Demand for Yunnan remains solid. However, the agreement on pricing between seller and buyer is tense and the volume of trade is lighter. No volume of new coffee has entered the market and there is no urgency from sellers who hold remaining length. Flowering set has been good. While it's too early to apply accurate predictions of the next crop, all appears to be on track for a larger season than the current year.

BURUNDI

The harvest season has started. We are expecting the 2023 crop to be much smaller at about 10-12kmt. Local buyers are currently waiting for the government to announce and fix the official cherry price. To the dismay of exporters, the new management at ODECA (the national coffee regulator) has been rejecting the latest sales prices. On the macroeconomic front, fuel shortages are still ongoing and inflation remains high. On the open market, FX rate skyrocketed at around 4100 BIF/\$. The official rate continues slowly devaluing, now at 2080 BIF/\$. In terms of projects, Sucafina is supporting ODECA with the certification of its washing stations and farmers.

KENYA

Last week we had 32k bags sold at the auction. Prices for commercial qualities continue to trade lower as the average quality keeps decreasing and exporters are holding long positions. Next auction (sale 24) is scheduled for tomorrow with another 30k bags. We anticipate volumes to start decreasing from sale 26 onwards.

RWANDA

Cherry harvest flows remain substantial but there are signs that the season may have peaked early in various districts. If flows in these districts continue to slow down, the 2023 crop may be smaller than expected. Despite the dip in NY last week, local prices have remained largely stable.