

BRAZIL

The Brazilian harvest is gaining momentum as more producers begin their collection and processing work. Expectations for both Arabica and Conilon indicate increased supply which should act as a stabilizing force to current prices. Exports continue at historically high volumes according to CECAFE. Climatic conditions have been adequate for harvesting activities.

ETHIOPIA

As the season advances, overall quality has been good due to ample rain last year. Availability of top lots, however, remains limited since most shippers are not holding sizable stocks in Addis. This is mostly due to lack of financing and a new regulation that requires shippers to pay 100% upfront to farmers and akrabis (middlemen) before moving coffee to the capital. Container shortages continue to impact shipments despite Maersk starting to offer bookings as they reassess the situation in the Red Sea. However, Maersk is requiring shippers to use one freight forwarder to move coffee to Djibouti which costs up to 3 times more compared to other forwarders.

KENYA

Sale 26 took place with 26,000 bags on offer. Local prices remain elevated due to high NY prices as average quality begins to drop, which is signalling the end of the season.

RWANDA

All washing stations are now open across the country. The cherry harvest is peaking soon with a few areas in the Central and Eastern regions still a couple of weeks behind. The crop outlook remains positive. Cherry prices continue to increase with both speculative intermediaries and the NY market driving prices. Parchment drying is taking longer due to continued rains.

TANZANIA

A small auction of 1,480 bags is scheduled in Moshi for 9 May 2024. The country is still in the off season and market participants are expecting news about the new season's regulations in the coming weeks.

UGANDA

Robusta: The summer harvest began in the central region with steady volumes arriving daily in Kampala. Quality, however, has been adversely affected by recent rains and there is an abundance of extremely wet coffee in the market. The coffee regulatory body has intensified its controls and has closed off several hulling stations and storage units upcountry to prevent quality deterioration. The main culprits are farmers harvesting immature cherries and coffees getting hulled with high moisture contents near 20%. In southwestern districts, the rains experienced the past days favored cherry development and the season should kickoff earlier than normal, which will boost the coffee flow available at the beginning of the season. The previous week differentials firmed up but have recently eased thanks to the LDN rally.

Arabica: The harvest in the low and midlands has concluded, and the harvest is now concentrated in the highlands. This marks that we're nearing the end of the season. No sizeable volume is landing in Kampala and prices remain above buyers' expectations. With the start of the Robusta season, we'll likely see more volume of DRUGAR (Dried Arabicas) as most suppliers shift their attention to Robusta.

INDIA

Differentials have eased a little as the market went up and growers are showing increased willingness to sell.

INDONESIA

The flow of Robusta into Lampung failed to meet expectations. This has resulted in very few shippers ready to present fresh offers as local prices reached another record.

VIETNAM

Farmers are growing concerned about crop damage due to drought, but any adverse impact has not been fully quantified yet. Local prices at farmgate are exceeding recent records and well capitalized farmers are holding for even higher levels. Buyers are hesitant to close deals at these levels and only traders needing to cover short term needs are active in the market.

