

BRAZIL

Arabica: Macro factors have hit hard this last week in terms of business. Overall, a very quiet week with low volumes traded. Weather is in the spotlight with precipitation during the first half of September accumulating around 10mm in Arabica regions. More meaningful amounts of rain are expected to the end of this month.

Conilon: The flow in the market remains calm and steady. Very little business has been reported, only for nearby deliveries. Producers are keeping the prices firm without any apparent need to sell and are still hoping for higher prices in the BRL. The internal industries, on the other hand, lowered their price targets and very little business was reported.

COLOMBIA

Not many changes for Colombia this week with parchment flow pretty much the same as last week. Very quiet in terms of demand. Inverted switches are making all shippers cautious with offers, especially for December and March shipments. Weather wise, things are not looking that wet yet and if we keep on seeing those windows of drier weather, things can improve for the next Mitaca. The coffee trees will have the much needed “dry stress” that will improve the flowerings.

INDONESIA

Robusta: Harvest has been completed in Indonesia. Arrival volume in September has dropped to almost a half of August level. Buyers continue to extend their length at high prices.

Arabica: Sumatra harvest is expected to be late (normally starting in October). Earliest shipment is expected in late 2022 and Q1 next year. Prices still remain at high levels.

PNG

Harvest is coming to an end. The wet season is late to start (rains predicted to start in the coming weeks). The earthquake that struck Eastern-highlands early September left no significant damage to infrastructure in the area.

VIETNAM

The weather continues to be favorable for coffee with decent amount of rain at night, mixed with sunny conditions during day time. Encouraged by current high FAQ prices, farmers speed up harvesting and pick early ripening cherries in the central highlands.

Robusta: Business remains quiet with little activities and poor volume. FOB diffs firm up amid consistent decline of the London market. The majority of exporters ran out of stock to offer for nearby shipment.

YUNNAN

Yunnan's harvest is looking solid as a whole with no major issues from pests or weather. The coming 8 weeks prior to harvest will be critical as the fruit needs sunlight and warmth to complete maturation effectively. Some areas' yields are off cycle, but some areas that have seen rejuvenation after the 19/20 low prices are coming back into yield. Harvest will begin in most areas in early December with a few beginning late November.

BURUNDI

The second set of state-sanctioned payments was completed and all coffee farmers should now have been paid for their coffees. Last week the President replaced his Prime Minister and 4 other Ministers including the Minister of Agriculture. Further changes are expected next week, including the coffee board (ODECA) director. Fuel shortages are becoming less frequent now that the Government is taking care of imports through the Water and Power Authority.

ETHIOPIA

Much less activity this week as NY moved lower. Coffee availability of Grade 5's has been improving but not at the level we would like to see and local prices continue to increase day by day, meaning most of the coffees being offered by exporters are unattractive. Focus is turning to the upcoming crop and it's potential. The coming crop in the South (Yirgacheffe and Sidamo) is looking larger than the 21/22 crop, which has been disappointing both in terms of volume and in terms of quality. Other regions are also expected to yield larger volumes in 22/23: Limmu, Benchi Maji, and Wollega.

In terms of weather, the wet and cold season is still ongoing and therefore coffee moisture levels are still higher than expected. Ethiopian Coffee Day was celebrated this week with the motto of "our coffee for our unity and prosperity". ECTA reported that 300,000 tons of coffee worth \$1.4 billion US dollars were exported in the 2014 Ethiopian fiscal year (2014 ended just five days ago on the local calendar's New Year's day).

KENYA

Another good quantity of coffee was auctioned this past week with +19K bags sold. The availability of coffee and the size of the fly crop keeps exceeding expectations. However, average quality is deteriorating as we are approaching the end of the season, with less volume of large beans (AA&AB) on offers and more C grades and undergrades (T&TT). After several weeks of strong purchases, dealers seem to have less appetite to keep increasing stocks ahead of the start of new season.

RWANDA

The wet weather has persisted, and it seems the short rains have arrived slightly earlier than expected. Wet mill owners and local traders continue to offer FW and SW coffees but their price expectations are currently high and unrealistic.

TANZANIA

Arabica: Much like last week, coffee was submitted to the auction but withdrawn again as the reserve prices were much higher than anyone was prepared to pay. The NY trend over the last few days is certainly not helping.

Robusta: The volume being submitted to the dry cherry auction is decreasing week on week. Most of the mills are full and suppliers are holding a bit of stock up country. Movement of stock to Dar continues to improve.

