

# CASHEW MARKET BULLETIN



AFRICAN  
CASHEW  
ALLIANCE

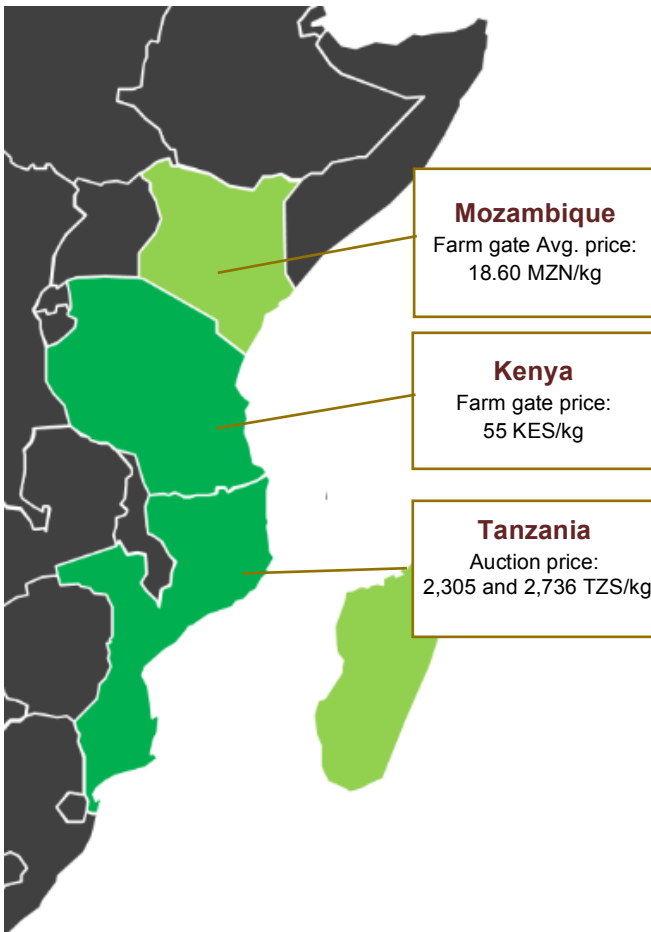
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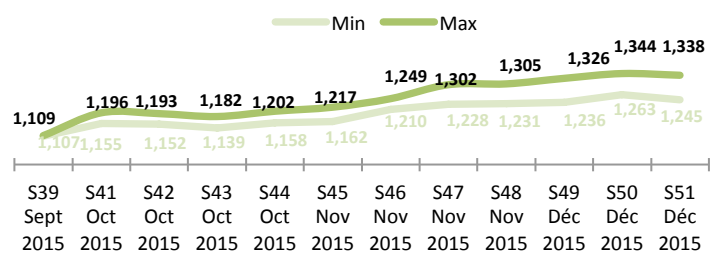
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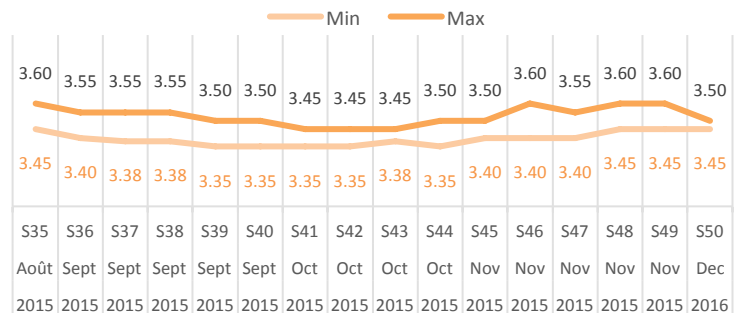
## The Cashew Market Flash



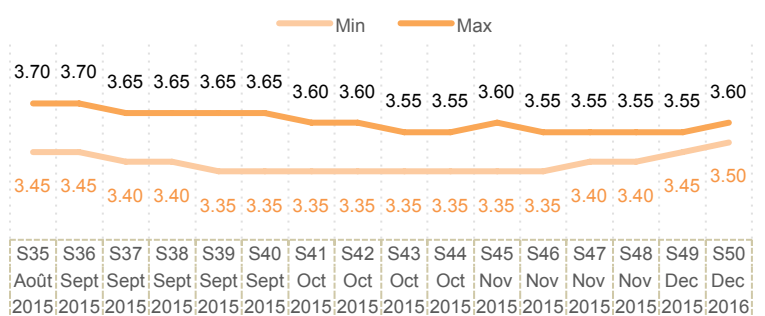
RCN delivered in Warehouse, Tanzania (USD/t)



WW320 Cashew Kernel FOB, Vietnam (USD/lb)



WW320 Cashew Kernel FOB, India (USD/lb)



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## The Cashew Market in East Africa

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### Kenya

The demand for cashew in Kenya remains high while the actual production cannot satisfy demand from processing companies. Processors are buying RCN from producers at KES 55/kg (0.53 USD/kg).

Logging of cashew trees continues to affect production, which poses a challenge to the cashew sector in Kenya. Most of the trees are being cut down for salt production firms. Government is currently monitoring cashew trees cutting through permits from the Ministry of Agriculture.

### Mozambique

Mozambique continues to forecast a good crop for the season. New crops are being offered on the market, while the demand remains stable. This week, RCN farm gate price remained around 18.60 MZN/kg representing (0.36 USD/kg).

### Tanzania

This week in Tanzania cashew price dropped. At the end of November, RCN outturn of 54-56lbs decreased to 52-53lbs in the mid December. The quantity of RCN traded through the auctions is around 10,500 MT.

RCN auction prices have been between 2,305 and 2,736 TZS/kg (1.07-1.27 US/kg) against 2,725 to 2,900 TZS/kg (1.16-1.34 USD/kg) a week before. The decline in auction prices could be explained by the drop in both the RCN quality, but also the little participation of buyers to the auctions. The next auctions will be on 18/12/2015.

## The Cashew Market in West Africa

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### Cote d'Ivoire

Flowering is intensifying in Cote d'Ivoire and early trees are giving fruits. Producers are focused currently on the maintenance of their plantations.

Local processors are organizing to receive investment loans from some international institutions. At the CCA (conseil du coton et de l'anacarde) activities are still ongoing in order to well handle the coming campaign.

### Nigeria

Farmers and traders are both preparing for the 2016 cashew season. Farmers are taking care of their cashew plantations while traders are trying to secure contracts in advance. In Ogbomoshos and Kogi States cashew trees are in a good flowering process. No more activities in the market as RCN volume are scarce and buyers are still rare.

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## The International Cashew Market

The cashew season in India is a bit active, but the supply to the international market has slowed down. RCN prices have increased this week in India compared to the previous week. From 123.5 INR/kg (1.84 USD/kg), the price has increased up to 125 INR/kg (1.86 USD/kg) this week.

Tanzanian RCN prices were quoted between 1,725 and 1,750 USD/MT CFR to Vietnam/India for 52-53lbs, while Indonesia RCN has been quoted around 1,650 and 1,675 USD CFR to Vietnam for 50-51lbs. Quality is dropping for current arrivals in both origins, while prices remain at the same levels. However, a drop in prices is expected by the end of December.

According to the Vietnam General Department of Customs, the country has exported 287,201 tons of cashew nuts in 2015, representing \$ 2.9 billion USD. 2015 was also the 10th consecutive year that Vietnam has held the world's title for number 1 exporter of cashew nuts.

### International quotations in India/Vietnam

Cashew kernels FOB			
Description	Grade	Price USD/lb	Recent changes
Whole White	WW240	3.65 - 3.85	Stable
Whole White	WW320	3.10 – 3.60	Slight decrease
Splits	FS/WS	3.20 - 3.25	Slight increase
Broken	LWP/LP	3.02 – 3.05	Slight increase

Raw Cashew Nut CFR			
Origin	Outturn	Price USD/MT	Recent changes
West Africa (almost no more stocks)	-	-	N/A
Indonesia	50-51	1650-1675	Slight decrease
Tanzania	52-53	1725-1750	Stable

Exchange rate: 1 USD=		This week	Last Week
<b>WEST AFRICA</b>	Franc CFA XOF	594.84	603.46
	Nigerian Naira NGN	198.82	199.25
	Ghanaian Cedi GHS	3.83	3.77
	Gambian Dalasi GMD	39.48	39.48
	Franc Guineén GNF	7723	7723

Exchange rate: 1 USD=		This week	Last week
<b>EAST AFRICA</b>	Tanzanian Shilling TZS	2155	2157
	Kenyan Shilling KES	102.30	102.07
	Mozambican Metical MZN	51.27	51.31
<b>ASIA</b>	Indian Rupee INR	66.76	66.76
	Vietnam Dong VND	22470	22470

## The Analysts' Opinion

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Buyers are doing their inventory and most have closed their orders. Provision for crop of the southern region is going to its end. The cashew market will have a sharper picture in February to March of next year. Kernel price trend will depend on the northern new crop cost. Vietnam, one of the main suppliers of kernel will increase its offer as cashew nuts demand on the international market is still going.

In East Africa, the RCN season is less animated than it was in the end of November. We are now observing a decline in prices, as well as a decline in RCN quality.

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