

CASHEW MARKET BULLETIN



AFRICAN
CASHEW
ALLIANCE

n'kalô
Service
d'information
et de conseil

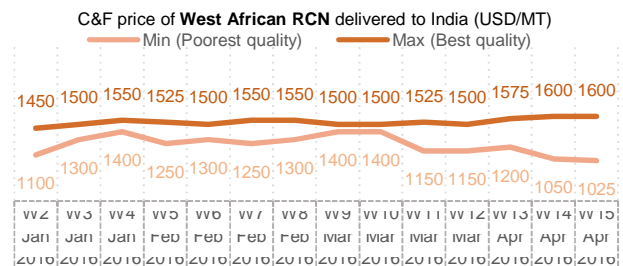
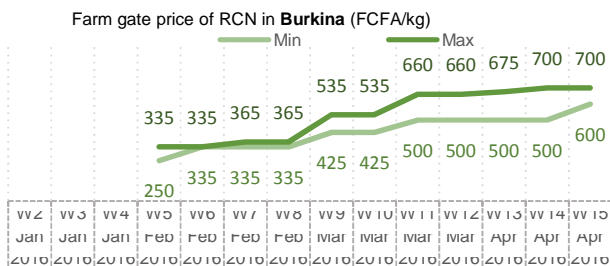
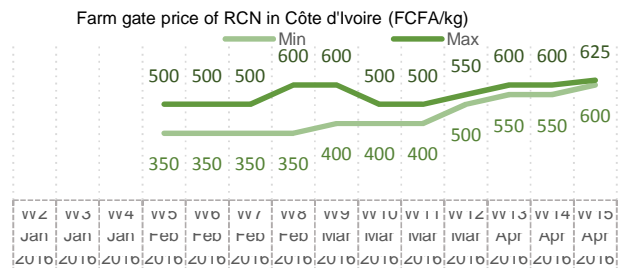
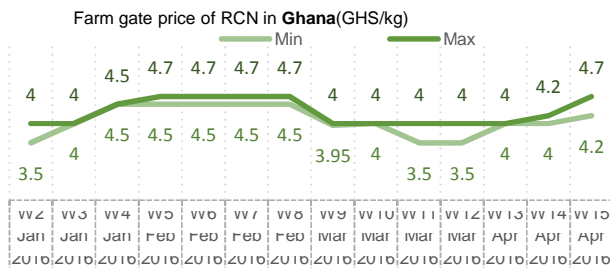
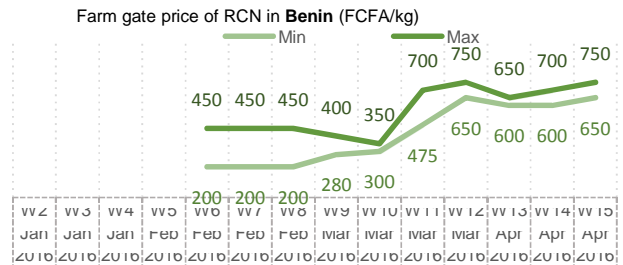
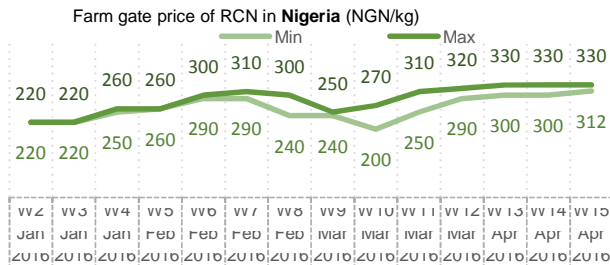
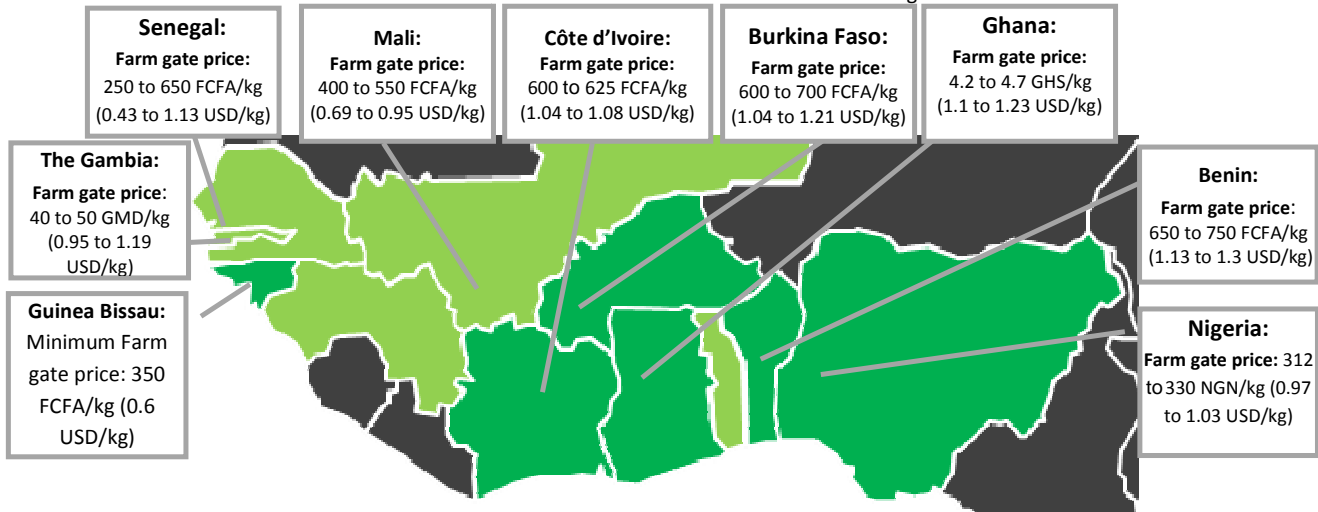
April 19th, 2016 – N°185

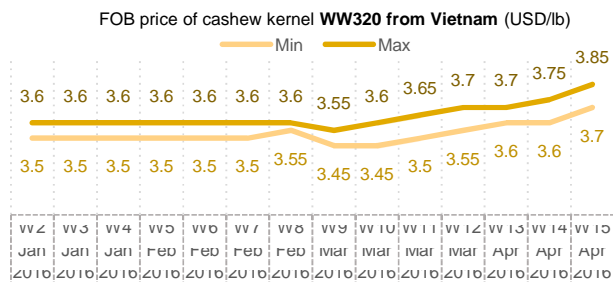
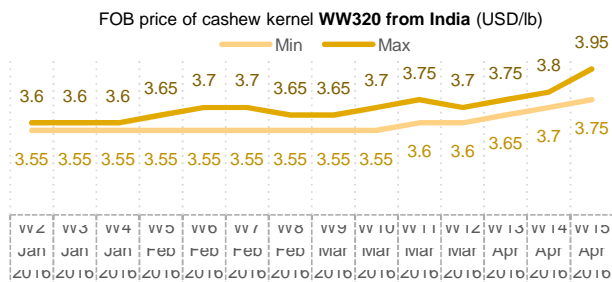
African Cashew Alliance: Achille OUEDRAOGO
information@afriancashewalliance.com

N'Kalô Service: Pierre RICAU
international@nkalo.com

The Cashew Market Flash

Current RCN Price from West African Cashew Producing Countries





The Cashew Market in West Africa

Nigeria

This week, the Naira exchange rate in the informal market is: 1 USD for 320 NGN against 1 USD for 199 NGN on the official market.

The cashew season remains active this week compared to the previous week. The quantities harvested are decreasing pending the maturity of the fruits from the third flowering.

The Supply is diminishing while demand remains strong hence a slight increase in RCN prices in Kogi State. The farm gate price mainly practiced is 312 NGN/kg (0.97 USD/kg). Deliveries from Kogi State to Lagos Port are being made around 360 NGN/kg (1,120 USD/MT).

In the states of Kwara and Oyo, RCN prices remained stable with farm gate sales between 320 and 330 NGN/kg (between 1 and 1.03 USD/kg). The RCN warehouse price in these States is around 350 NGN/kg (1.09 USD/kg) with delivery to Lagos Port being 365 NGN/kg (1,141 USD/MT).

Furthermore we are observing a decline in RCN quality due to regular rains in all the producing areas. The Outturn of the majority of RCN stocks arriving at the port of Lagos is between 46 and 47 lbs per bag.

Source: Market Analyst Azeez Ayodele and Mr. Alfred Makhuoga Friday

Benin

Currently there is an increase in RCN prices and some buyers are hesitant in purchasing RCN because they cannot afford the current prices. Some producers are stocking their RCN waiting for further increase in prices.

In the region of Collines (Dassa, Savè and Savalou) where available stocks are low, the farm gate price is between 700 and 750 FCFA/kg (between 1.21 and 1.3 USD/kg) with an average Outturn of 47-48lbs.

However, in the localities of Borgou Alibori, Atacora and Donga the RCN price from producers ranges between 650 and 700 FCFA/kg (between 1.13 and 1.21 USD/kg). In these localities the RCN Outturn is 47-49lbs with a good availability of the produce.

Source: Mr. Antoine DJOSSOU

Ghana

In Ghana, there has been significant rise in RCN prices over the past week. The available quantities are decreasing while the demand remains high.

However, large stocks of RCN are still available in the communities of Dorma and Wenchi. The RCN farm gate price in the localities of Dorma is currently at 4.7 GHS/kg (1.23 USD/kg).

In the localities of Jema and Amuna, RCN prices from producers are between 4.2 and 4.5 GHS/kg (between 1.1 and 1.18 USD/kg).

Finally, in the districts of Techiman and Wenchi, the RCN farm gate prices are approximately 4.5 GHS/kg (1.18 USD/kg).

Source: Market Analyst Cyril Alormene from MOFA

Burkina Faso

In Burkina Faso, the cashew season remains steady this week however RCN prices are increasing compared to the previous week. In the region of Hauts Bassins, RCN farm gate price remained stable between 675 and 700 FCFA/kg (between 1.17 and 1.21 USD/kg).

In the regions of Cascades, the Southwest and the Midwest, the farm gate prices are between 600 and 650 FCFA/kg (between 1.04 and 1.13 USD/kg).

In the city of Bobo-Dioulasso, the warehouse prices remained the same as the previous week's, ranging between 700 and 715 FCFA/kg (between 1.21 and 1.24 USD/kg).

Source: Manéré OUEDRAOGO, analyste de marché N'Kalô

Cote d'Ivoire

In Côte d'Ivoire, the cashew market is still active. There are still quite a number of Buyers in the production areas whose demands are below the available stocks of RCN.

The quantities of RCN harvested are low. Buyers are competing to make large stocks of RCN. In any case, some actors believe that the campaign could last longer with regards to ongoing flowering of cashew trees. However, this possibility depends on the weather in May and June.

With the volatility of prices, some producers are stocking their RCN and selling only small quantities with the hope of obtaining best sale prices later.

Both local and foreign buyers are facing difficulties to honor their commitments for the season.

Following stormy rains in production areas, the actual hot weather still continues and that could possibly damage the second harvest.

The farm gate prices increased slightly this week ranging between 600 and 625 FCFA/kg (between 1.04 and 1.08 USD/kg). The warehouse prices vary between 615 and 650 FCFA/kg (between 1.07 and 1.13 USD/kg) according to zones and buyers. The RCN wholesale prices at the port are between 650 and 675 FCFA/kg (between 1,130 and 1,174 USD/MT) for pre-financed purchases while purchases self-financed are approximately 700 FCFA/kg (1,210 USD/MT).

Source: N'Kalô Market Analyst; Sékongo Soungari

Mali

In Mali, the cashew market is calm and stable this week. The activities on the market are currently stronger than last week

However, growers are holding back their stocks and that create scarcity on the market compare to the volume of RCN produced.

RCN farm gate prices continue to increase this week ranging between 400 and 550 FCFA/kg (between 0.69 and 0.95 USD/kg) with more transactions occurring in the higher price range. Producers expect to gain more than the actual local market price while some buyers complain about the crop quality.

The RCN wholesale prices are ranged between 600 and 625 FCFA/kg (between 1.04 and 1.08 USD/kg) and in exception of Koutiala and Sikasso where the prices are 630 (1.09 USD/kg) and 640 FCFA/kg (1.11 USD/kg) respectively.

Stocks of RCN are increasing in the production areas, however foreign buyers are less involved than local buyers who's buying is constrained by the lack of available funds.

Nevertheless, processors and exporters have been able to secure their first batch of stocks but are not willing to buy at the current prices.

Source: N'Kalô Market Analyst; Ousmane N'DIAYE

Senegal

In Senegal there is a slight rise in RCN prices this week especially in the locality of SOKONE. The season just started in SOKONE with a huge number of buyers on the market.

With the end of the first wave of production, RCN supply remains insufficient to meet the constant increasing demand.

The increase in prices noticed in the past two weeks has caused some producers to take the risk of stocking some portion of their production with the hope to sell at a better price.

This week, there is an increase of 75 and 100 FCFA/kg (0.13 and 0.17 USD/kg) in farm gate prices. The RCN farm gate prices were then between 625 and 650 FCFA/kg (between 1.08 and 1.13 USD/kg). However, on the weekly markets, wholesale prices are now between 675 and 750 FCFA/kg (between 1.17 and 1.3 USD/kg). RCN quality is good in SOKONE thanks to the best agricultural practices followed by cashew producers. Therefore, many buyers are competing for RCN in this locality.

In the production areas of the South (Ziguinchor, Sédhiou, Kolda), nuts gathering and drying is still ongoing. However, it is more advanced in the Kolda and Sédhiou than in Ziguinchor. The supply of RCN in the southern markets is low because producers have stored much of their RCN with an expectation of an increase in price in the coming weeks. The RCN farm gate price ranges between 250 and 400 FCFA/kg (between 0.43 and 0.69 USD/kg) in this zone, which represents an increase of 100 FCFA/kg (about 0.17 USD/kg) compared to last week.

Source: N'Kalô Market Analyst; Cheikh Ousmane Loum

Gambia

The Gambia Cashew Alliance (CAG) officially launched the 2016 cashew campaign on April 15th, 2016. The season has greatly intensified since the launch. Competition is already intense with several new active exporters. Therefore prices have sharply risen.

In the Northern production area (North Bank), the RCN farm gate price is between 47 and 50 GMD/kg (between 1.11 and 1.19 USD/kg). Some producers with regards to the ending first harvest noted that it was lower compared to the previous years. The RCN quality is excellent this year.

In the South-West (West Coast) production area, arrivals are increasing and the first shipments are beginning to emerge. In this region prices have risen and are currently between 40 and 45 GMD/kg (between 0.95 and 1.07 USD/kg) with even some purchases at 50 GMD/kg (1.19 USD/kg). In the area of Fonis, RCN gathering is also intensifying in the various plantations. The box of tomato is sold between 60 and 65 GMD.

In the South Centre (Lower River), RCN arrivals are also increasing however wholesalers and exporters are not yet present and mainly local middlemen/agents control the market. Prices are currently between 40 and 45 GMD/kg (between 0.95 and 1.07 USD/kg).

Source: Cashew Alliance of Gambia, Alpha Jallow

The Cashew Market in East Africa

Kenya

In Kenya, some trees continue fruiting despite the rainy season. Farmers are preparing their farms plant new crops. Demand for cashew is still high with processors competing for the small quantities of cashew available. Small quantities of RCN are sold between 55 and 60 KES/kg at the producers level (between 0.54 and 0.59 USD/kg). Deliveries to processors warehouses are being made between 60 and 65 KES/kg (between 0.59 and 0.64 USD/kg).

Source: Ustadi Foundation, Noel Kasololo

The International Cashew Market

Last week, the price of cashew kernel has experienced a significant increase in the international market. This has encouraged some processors to place new orders for RCN from West Africa.

This week, on Vietnamese and Indian cashew market, we noticed an increase in the price of whole kernel W240 and W320; while the broken kernel remained stable.

The first loads of RCN from West Africa have begun to arrive in the Indian and Vietnamese Ports however arrivals in March were 50% down. RCN shipments are delayed due to the late crop in Africa this year.

International quotations in India/Vietnam

<i>Cashew Kernel FOB Asia</i>			
Description	Grade	Prix USD/lb	Recent Changes
Whole white 240 Kernels/lb	WW240	3.9 - 4.1	Increase
Whole white 320 Kernels/lb	WW320	3.7 - 3.9	Increase
Splits	FS/WS	3.25 - 3.4	Stable
Broken	LWP/LP	3.05 - 3.3	Stable

<i>Raw Cashew Nut (RCN) CFR Asia</i>			
Origin (Availability)	Outturn	Price USD/MT	Recent Changes
Nigeria (April)	47-48	1,300 -1,350	Increase
Benin (April)	49-50	1,400 -1,500	Increase
Ghana (N/O)	48-49	1,450 -1,550	Increase
Côte d'Ivoire (April)	48-49	1,450 -1,550	Increase
Senegal/Gambia (May)	50-52	1,600 -1,700	Increase

Currency

Exchange Rate: 1 USD=			This Week	Last Week	Exchange Rate: 1 USD=			This Week	Last Week
West Africa	Franc CFA	XOF	575	580	East Africa	Tanzanian Shilling	TZS	2180	2180
	Nigerian Naira	NGN	199	200		Kenyan Shilling	KES	101	101
	Ghanaian Cedi	GHS	3.8	3.8		Mozambican Metical	MZN	52	51
	Gambian Dalasi	GMD	42	43	Asia	Indian Rupee	INR	66	66
	Franc Guineén	GNF	7577	7600		Vietnam Dong	VND	22300	22400

This is a publication of [N'Kalô Information and Advisory Service](#) and the [African Cashew Alliance](#). It is realized with the support of:

