

# CASHEW MARKET BULLETIN



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CASHEW  
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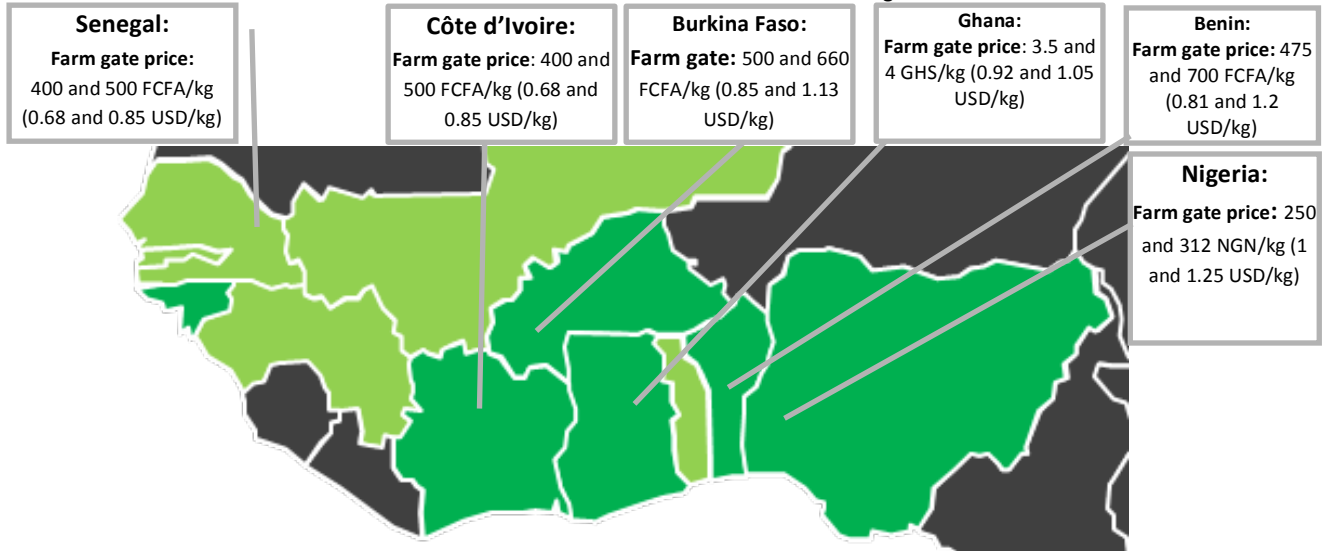
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African Cashew Alliance: Achille OUEDRAOGO  
information@afriancashewalliance.com

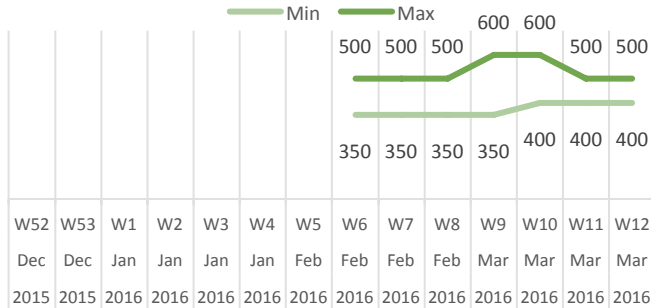
N'Kalô Service: Pierre RICAU  
international@nkalo.com

## The Cashew Market Flash

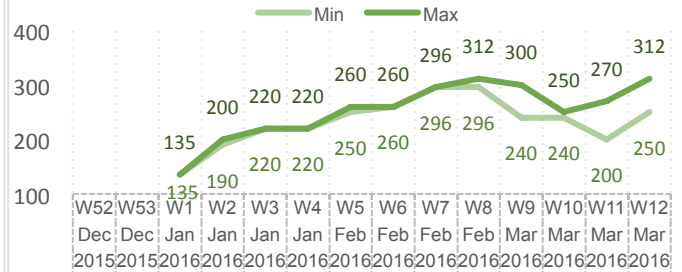
Current RCN Price from West African Cashew Producing Countries



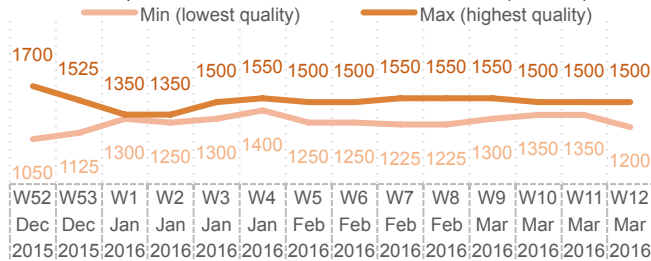
Farmgate price of RCN in Côte d'Ivoire (FCFA/kg)



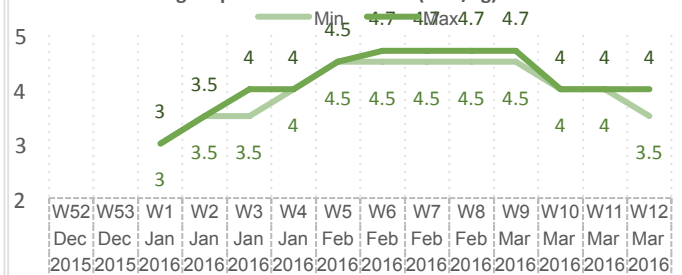
Farm gate price of RCN in Nigeria (NGN/kg)



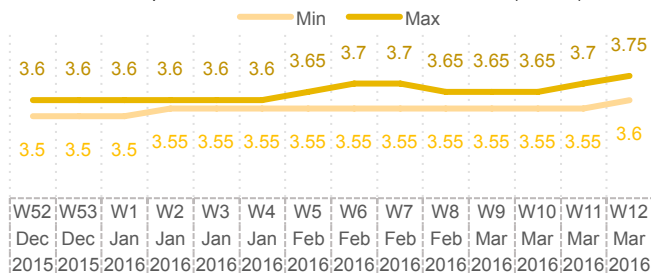
CFR prices of West African RCN delivered to India (USD/MT)



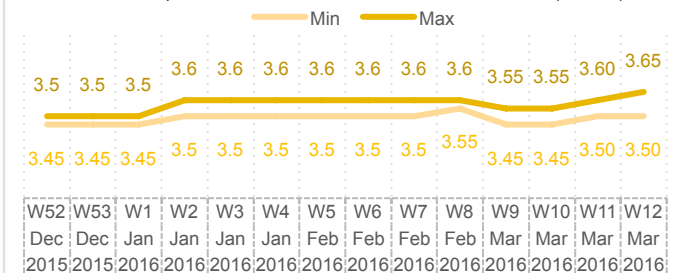
Farm gate price of RCN in Ghana (GHS/kg)



FOB prices of cashew kernel WW320 from India (USD/lb)



FOB prices of cashew kernel WW320 from Vietnam (USD/lb)



# The Cashew Market in West Africa

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## Nigeria

This week, the Naira exchange rate on the informal market is: 1 USD = 250 NGN against 1 USD = 199 NGN on the official market.

Cashew trees are producing in abundance and many buyers are on the ground. Farmers are busy in picking the nuts on their farmland. The farm gate price in Kogi state is 250 NGN/kg (1.00 USD/kg) while the warehouse price is 260 NGN/kg (1.04 USD/kg). In Kwara and Oyo states the RCN farm gate price is around 312 NGN/kg (1.25 USD/kg) while the warehouse price is about 320 and 325 NGN/kg (1.28 and 1.30 USD/kg). Deliveries from Kogi state to Lagos are made around 310 and 350 NGN/kg (1.24 and 1.40 USD/kg).

Furthermore, we are now observing some rain fall which already depreciating the quality of the nuts. The actual RCN outturn is 47- 49lbs.

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

## Benin

Benin's presidential elections have just ended peacefully. The activities on the cashew market remain idle and currently no raw cashews stock is shipped at the Port of Cotonou. We also noticed a delay in flowering resulting in insufficient supply. According FENAPAB, several groups of actors met to set a minimum farm gate price of 400 FCFA/kg.

Demand is very strong while supply remains low with an average outturn of 45-48lbs.

Thus, this week in the region of Atakora Donga the farm gate price is ranged between 250 and 700 FCFA/kg; in Zou Collines region the farm gate price varies from 350 to 700 FCFA/kg; in the region of Borgou Aliboru the RCN price from producers is between 300 and 700 FCFA/kg and finally in Ouémé Plateau the farm gate price varies between 375 and 400 FCFA/kg.

In the localities of Djougou, Djidja, Za-Kpota, Glazoué, Ouèssè, Savalou Bante, Tchaourou, Parakou, N'Dali, Pèrèrè, Nikki and Sinendé the RCN farm gate price is between 475 and 700 FCFA/kg while in Zagnanado, Copargo, Ouaké, Penhunco, Kérou, Ketu and Adja-Ouèrè the RCN price from producers is between 480 and 550 FCFA/kg.

*Source: Mr. Antoine DJOSSOU and FENAPAB secretariat*

## Ghana

The Cashew market in Ghana has not seen any major change despite the uproar and protests that the Directive to ban Cashew export had caused.

The Ministry of Trade and Industry has rescinded on its Directive, which sought to ban Cashew export of Ghana origin raw nuts until 31st May. In a press statement released late Friday, the minister said the ministry "wishes to temporarily withdraw the Administrative Directive for the Exportation of Raw Cashew Nut" to enable it widen "its consultations with stakeholders in order to ensure that the cashew industry becomes competitive in a broad-based manner that would lead to job creation and the general well-being of all stakeholders."

Farmers are still picking RCN in all the producing areas. In the locality of Berekum some exporters companies are buying from the groups of farmers at 4 GHS/kg (1.05 USD/kg) while some agents are buying at 3.5 GHS/kg (0.92 USD/kg) in Bole district at the farm gate.

*Source: Market Analyst Cyril Alormene from MoFA*

## Burkina Faso

In Burkina Faso, the consultation meeting that was scheduled for March 22, announced in our last publication, between cashew sector actors and trade ministry representatives has been postponed to March 24<sup>th</sup> 2016 in Ouagadougou.

This week the purchase of cashew continues in all the producing areas of the country. Currently, the demand exceeds the supply of raw nuts and we therefore assist to an increase in prices compared to previous weeks. The rumors on the measures to be taken for the cashew marketing in Burkina Faso also has an impact on the market behavior.

This week in the Hauts Bassins the RCN farm gate price is between 615 and 660 FCFA/kg (1.05 and 1.13 USD/kg).

In the Cascades region and Southwest the farm gate price is between 550 and 575 FCFA/kg (0.94 and 0.98 USD/kg).

In the Central-west region, the farm gate purchases are made between 500 and 525 FCFA/kg (0.85 and 0.90 USD/kg). The RCN price from middlemen is around 550 FCFA/kg (0.94 USD/kg).

In the city of Bobo Dioulasso, the warehouse price is 675 FCFA/kg (1.15 USD/kg).

According to the board members of UNPA, RCN prices vary between 400 and 625 FCFA/kg (Between 0.68 and 1.07 USD/kg) in all the producing areas.

*Source: N'kalô Market Analyst; Manéré Ouedraogo and Mr. Nombé*

## Cote d'Ivoire

In Côte d'Ivoire, the cashew season is more active with more RCN available on the ground. The quantities harvested increases and local buyers continue to sign contracts.

However, compared to the same period of last year campaign, this year cashew market trend is slow. This could be explained by a late harvest but also by price volatility, prompting some foreign buyers and local processors not to engage fully in purchasing RCN.

Moreover, export taxes in Côte d'Ivoire and import taxes in India and Brazil seem to slow down some exporters in this current campaign.

This week, we observed some rainstorms in almost all areas of production. But without the quality of the RCN is still good enough around 48 lbs.

The farm gate prices remained stable between 400 and 500 FCFA/kg (0.68 and 0.85 USD/kg), with more sales around 500 FCFA/kg (0.85 USD/kg). The wholesale prices are ranged between 425 and 550 FCFA/ kg (0.73 and 0.94 USD/kg) according to the zones of production and buyers. Port prices vary between 550 and 580 FCFA/kg (940 and 990 USD/MT) according to buyers. But some local buyers are selling at the port around 600 FCFA/kg (1,030 USD/MT).

*Source: N'Kalô Market Analyst; Sékongou Soungari*

## The Cashew Market in East Africa

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### Kenya

No major changes are noted since last week. The RCN price at the producer level remains between 50 and 60 KES/kg (0.5 and 0.59 USD/kg) while, some middlemen buy around 40 KES/kg (0.4 USD/kg) with producers. The rainy season is starting soon and some producers are preparing their plantations for other staple crops.

*Source: Ustadi Foundation, Noel Kasololo*

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# The International Cashew Market

This week, the demand for cashew kernel has increased slightly. Therefore the prices for ww320 and ww240 have increased. This is due to the fact that the Indian and Vietnamese exports to consumer markets have fallen dramatically in February, as Asian processors no longer had enough raw cashew nuts. Many importers have therefore limited stocks of cashew kernels and start to make large orders for the 2nd and 3rd quarter of 2016.

The price of raw cashew nuts remained relatively stable thanks to sustained demand for Vietnamese processors. Indian processors are still relatively

absent on the market and are waiting for the results of negotiations with the government on tax exemptions on the import of raw nuts before starting their orders.

## International quotations in India/Vietnam

Cashew Kernel FOB Asia			
Description	Grade	Prix USD/lb	Recent Changes
Whole white 240 Kernels/lb	WW240	3.85 – 4.00	Slight Increase
Whole white 320 Kernels/lb	WW320	3.6 – 3.75	Slight Increase
Splits	FS/WS	3.1-3.2	Stable
Broken	LWP/LP	3 - 3.1	Stable

Raw Cashew Nut (RCN) CFR Asia			
Origin (Availability)	Outturn	Price USD/MT	Recent Changes
Nigeria (April)	47-48	1,200-1,300	Stable
Benin (April)	49-50	1,350-1,500	Stable
Ghana (N/O)	48-50	1,350-1,450	Stable
Côte d'Ivoire (April)	48-49	1,350-1,450	Stable
Mozambique	47-48	1,500-1,550	Stable

## Currency

Exchange Rate: 1 USD=		This Week	Last Week	Exchange Rate: 1 USD=		This Week	Last Week		
West Africa	Franco CFA	XOF	585	590	East Africa	Tanzanian Shilling	TZS	2194	2180
	Nigerian Naira	NGN	199	200		Kenyan Shilling	KES	101	101
	Ghanaian Cedi	GHS	3.8	3.9		Mozambican Metical	MZN	51	50
	Gambian Dalasi	GMD	41	40	Asia	Indian Rupee	INR	67	67
	Franco Guinéen	GNF	7600	7600		Vietnam Dong	VND	22300	22300

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