

# CASHEW MARKET BULLETIN



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CASHEW  
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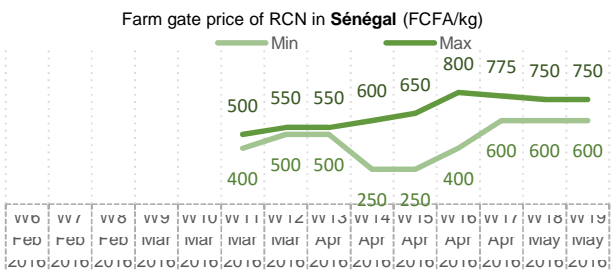
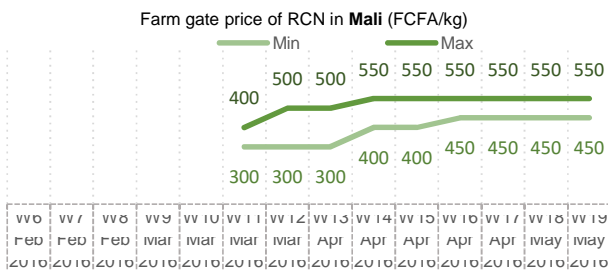
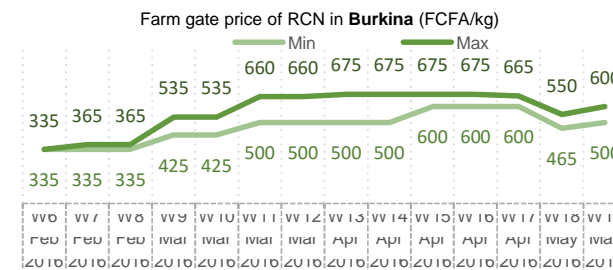
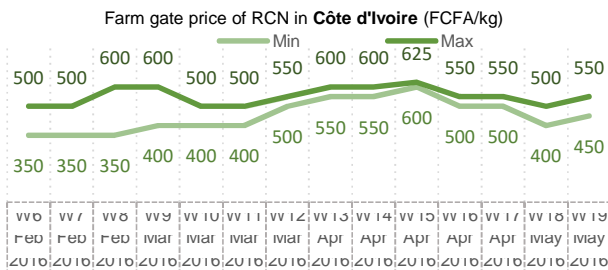
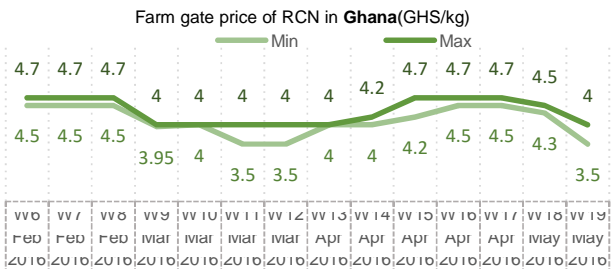
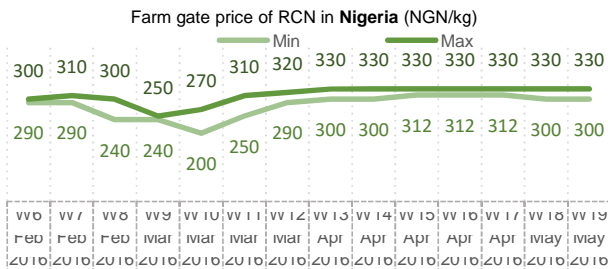
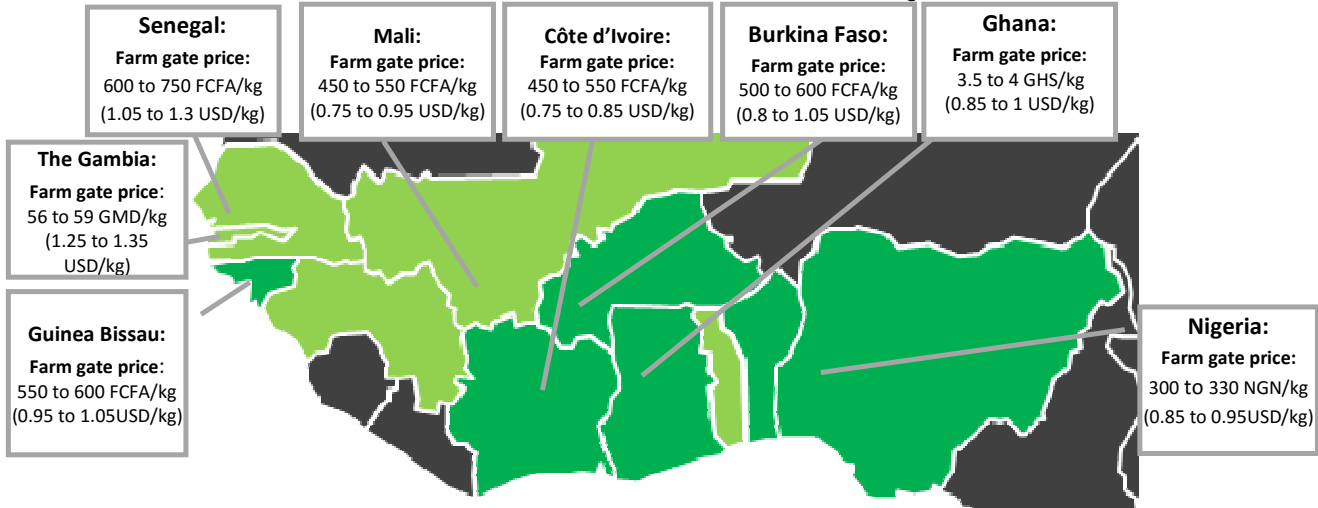
May 17<sup>th</sup>, 2016 – N°189

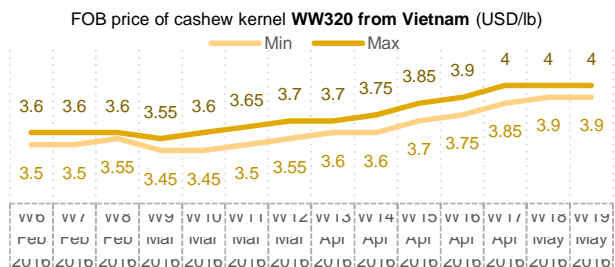
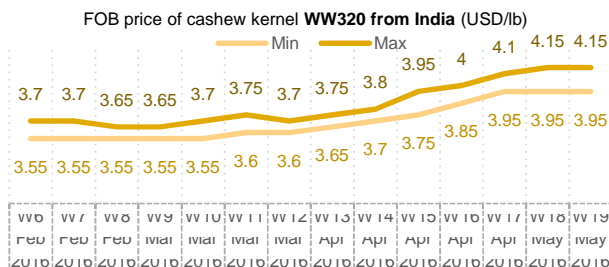
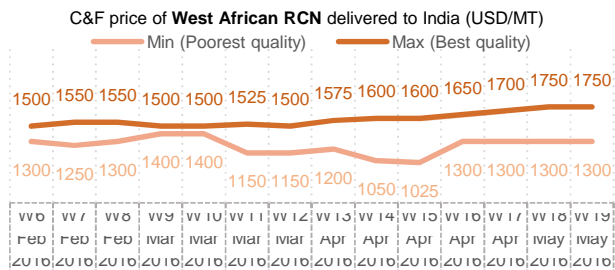
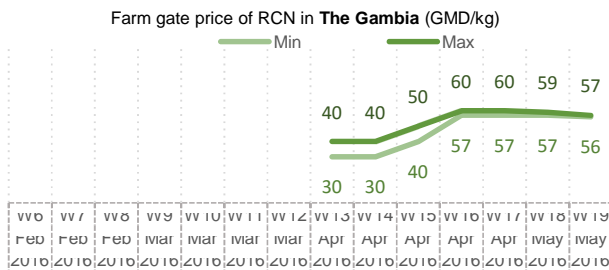
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## The Cashew Market Flash

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 317 NGN against 1 USD for 199 NGN in the official market.

The market is experiencing a low turnout of buyers which has resulted in a decrease in RCN prices. The second batch of cashew production is low and there are few crops at the farmer level. Rainy season has started in some localities and new plantations are starting up. There is not much RCN to gather in the plantations and the quality has dropped. The RCN quality is currently 43-45lbs.

In Kogi State there is a decrease of 5 to 10 naira per kilogram compared to last week. Farm gate price is between 300 to 305 NGN/kg (0.94 to 0.96 USD/kg), while the warehouse price varies among the traders between 315 to 320 NGN/kg (0.99 to 1 USD/kg). Deliveries to Lagos are being made at 350 NGN/kg (1.1 USD/kg) and above.

In Kwara and Oyo State RCN farm gate prices are between 300 and 330 NGN/kg (0.94 to 1.04 USD/kg), while the warehouse price is between 320 to 350 NGN/kg (1.1 USD/kg) depending on the trader. Deliveries to Lagos are around 365 NGN/kg (1.15 USD/kg).

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

### Ghana

In Ghana, RCN prices have decreased sharply between GHS 50 to 70 pesewa (cents) while the activities at the farm level are increasing. Some buyers are now closing for the season. However, it still seems that large stocks of RCN are available at the producers' level but this need to be confirmed. The rainy season has settled and the RCN quality is currently 45-46lbs.

The farm gate prices price has decreased from 4.3 GHS to 3.5 GHS/kg (0.92 USD/kg) in the district of Bole; and 4 GHS/kg (1.05 USD/kg) in Sampa area.

*Source: Market Analyst Cyril Alormene from MOFA*

### Burkina Faso

In Burkina Faso, there is a slight increase in RCN prices due to a good demand from local processors and many wholesalers.

The farm gate price is currently between 500 and 600 FCFA/kg (0.85 to 1.02 USD/kg) depending on the zones of production, quantities and the product quality between 44-46 lbs. Wholesale prices in the city of Bobo-Dioulasso increased this week and are between 650 and 700 FCFA/kg (1.11 to 1.19 USD/kg).

Many foreign buyers have closed for the season; therefore this increase in prices may not last.

*Source: Manéré OUEDRAOGO, Market Analyst, and N'Kalô Service*

### Cote d'Ivoire

In Côte d'Ivoire, the cashew market is active compared to last week.

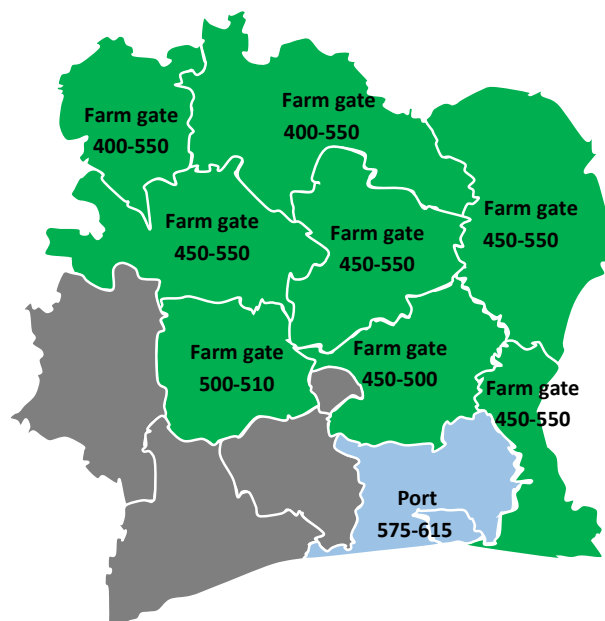
Local and foreign buyers, who had withdrawn from the market due to high prices, are back thanks to the decrease in prices recorded in recent weeks. However, they are currently financing only small orders.

The rains have settled and few trees are actually bearing fruits. Thus, the RCN quantities gathered at the farm level are decreasing. However, large stocks of RCN still exist with the producers who made long retention.

Some producers are no longer practicing the post harvest good practices (GAPs) and are directly selling the nuts they gather. Therefore, the moisture rate is high and the quality continues to decline.

RCN prices increased slightly this week in all areas of production. The farm gate prices are between 400 and 550 FCFA/kg (0.68 to 0.94 USD/kg) depending on the production areas, buyers, quantities and moisture rate. RCN wholesale prices range between 450 and 575 FCFA/kg (0.76 to 0.98 USD/kg). Port prices range between 575 and 615 FCFA/kg (0.98 to 1.05 USD/kg) compared 570 to 600 FCFA/kg recorded last week.

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



### Mali

In Mali, the cashew market is stable with no major change on the market and demand seem to be low than the offer.

Farm gate prices range between 450 and 550 FCFA/kg (0.76 to 0.94 USD/kg) with a majority of purchases between 500 and 550 FCFA/kg (0.85 to 0.94 USD/kg).

The rainy season is expected to start soon in the main production areas and the cashew season is reaching its end. The RCN arrivals are increasing in the markets and the villages.

Buyers from Burkina Faso are more active on the market. Local processors and traders are scarce in the market due to the lack of funds to run their activities.

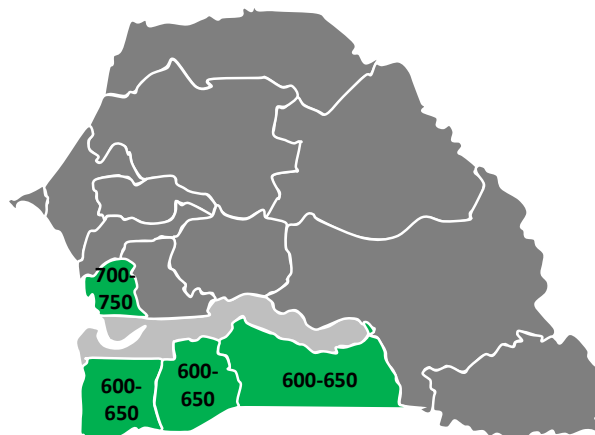
Given the general decline in prices in various neighboring countries, a slight decline in prices in Mali is expected in the coming weeks.

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

### Senegal

This week in Senegal, the RCN prices are steady in all cashew producing areas. Despite this widespread stabilization, activities in the market remained intense. The competition is still high in the region of Casamance (Ziguinchor, Kolda and Sédhiou) in Sokone.

In Sokone, there strong demand with a slight decrease in RCN quantities. Buyers are still interested in buying cashew on the weekly markets and at the farm level in order to complete



their orders. RCN farm gate price this week remained between 700 and 750 FCFA/kg (1.19 to 1.28 USD/kg) with wholesale prices approximately 775 FCFA/kg (1.32 USD/kg). Despite the quality of the nuts in Sokone some buyers are leaving the area to settle in Casamance where RCN arrivals are higher and prices are at a low range at the moment. Nevertheless, the RCN quality in Sokone remains good.

In the region of Casamance, (Ziguinchor, Kolda and Sédhiou), the season has reached its peak. Buyers are becoming more numerous and middlemen are buying in the weekly market and at the villages' level as well. In Ziguinchor and Sédhiou, good arrivals have increased the buying interest and prompted buyers to collect large quantities while in Kolda, a decrease in supply was observed this week.

Prices were stable in the regions of Ziguinchor, Kolda and Sédhiou with farm gate prices ranged between 600 and 650 FCFA/kg (1.02 to 1.11 USD/kg). Warehouse prices in Ziguinchor are still approximately 700 FCFA/kg (1.19 USD/kg).

*Source: N'Kalô Market Analyst; Cheikh Ousmane Loum*

### The Gambia

In The Gambia, the second harvest is in full swing. The market is active and prices are relatively stable. Since the closure of the border with Senegal stocks available are low on the market



place compare to last year at the same time However, prices have slightly decreased this week, as in the other cashew producing countries in West Africa.

In the North Bank (Northwest) and West Coast the farm gate price is 57 GMD/kg (1.35 USD/kg). Raw cashew nuts delivered at the warehouses in Brikama cost 58 GMD/kg (1.38 USD/kg). In the region of the Lower River (Center South) the RCN farm gate price ranges between 56 and 57GMD/kg (1.33 to 1.35 USD/kg).

In the cities of Banjul and Kanifing, deliveries to the exporters' stores are between 60 and 62 GMD/kg (1.42 to 1.47 USD/kg).

*Source: Cashew Alliance of Gambia, Alpha Jallow and N'Kalô Service, Gabriel GOMEZ*

### Guinea Bissau

Three weeks ago the raw cashew nuts stabilized and start decreasing due to the political situation. In fact since the government is shutdown traders are holding to buy and the market is less active at the warehouse level in Bissau. There is a slight decrease in RCN prices since last week. In most production areas, the RCN farm gate price is currently between 550 and 600 FCFA/kg (0.94 to 1.02 USD/kg) while the RCN price from traders which was 735 FCFA/kg last week is presently between 650 and 675 FCFA/kg (1.11 to 1.15 USD/kg).

*Source: ANCA-GB, Mr. Cardoso Tamble*

## The Cashew Market in East Africa

### Kenya

Cashew processing units are closing for the season. Companies that are still operating are collecting RCN from the Northern region of Kenya (Malanga, Matsangoni).

The raw cashew nuts remain stable at the farm gate at 55 KES/kg (0.54 USD/kg) while delivery to the processors is still at 65 KES/kg (0.64 USD/kg).

*Source: Ustadi Foundation, Noel Kasololo*

## The International Cashew Market

In the international market of cashew nuts, the price of RCN as the price of cashew kernels tended to stabilize this week.

African raw nuts arrivals in Vietnamese ports are high, which ensures better safety to processors but we notice slowly increase at the Indian ports.

In recent weeks, the cashew kernels importers made large orders and now reduce the pace of their new orders.

Overall, the currently prevailing price ranges may allow processors to take proper margin of their business.

### International quotations in India/Vietnam

Cashew Kernel FOB Asia			
Description	Grade	Prix USD/lb	Recent Changes
Whole white 240 Kernels/lb	WW240	4 - 4.4	Stable
Whole white 320 Kernels/lb	WW320	3.9 – 4.15	Stable
Splits	FS/WS	3.2 - 3.3	Flight décrease
Broken	LWP/LP	3.1 - 3.2	Flight decrease

Raw Cashew Nut (RCN) CFR Asia			
Origin (Exportation period)	Outturn	Price USD/MT	Recent Changes
Nigeria (May)	45-46	1,350 -1,450	Stable
Benin (May)	46-47	1,550 -1,650	Stable
Ghana (May)	46-47	1,500 -1,600	Stable
Côte d'Ivoire (May)	45-46	1,500 -1,600	Stable
Senegal/Gambia/GB (June)	50-52	1,750 -1,850	Stable

## Currency

Exchange Rate: 1 USD=			This Week	Last Week	Exchange Rate: 1 USD=			This Week	Last Week
West Africa	Franc CFA	XOF	585	575	East Africa	Tanzanian Shilling	TZS	2190	2190
	Nigerian Naira	NGN	199	199		Kenyan Shilling	KES	101	100
	Ghanaian Cedi	GHS	3.8	3.8		Mozambican Metical	MZN	54	54
	Gambian Dalasi	GMD	42	43	Asia	Indian Rupee	INR	67	66.7
	Franc Guinéen	GNF	7350	7490		Vietnam Dong	VND	22314	22390

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