

# CASHEW MARKET BULLETIN



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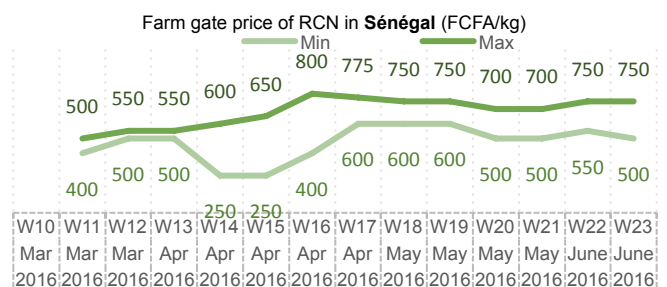
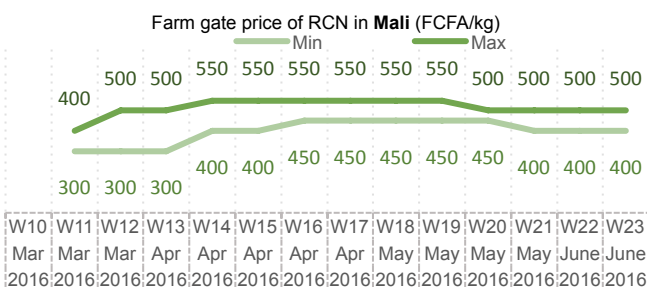
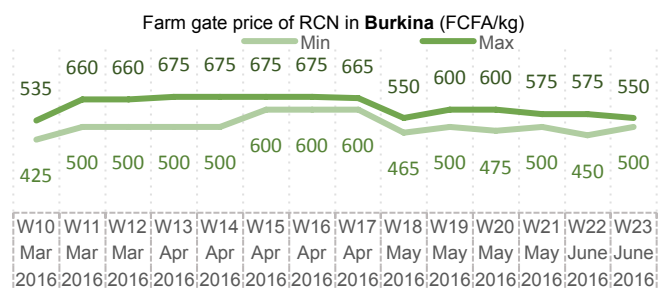
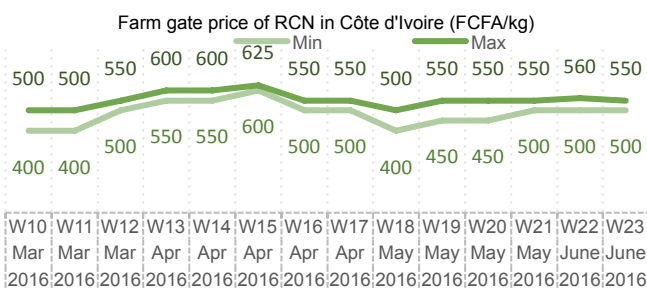
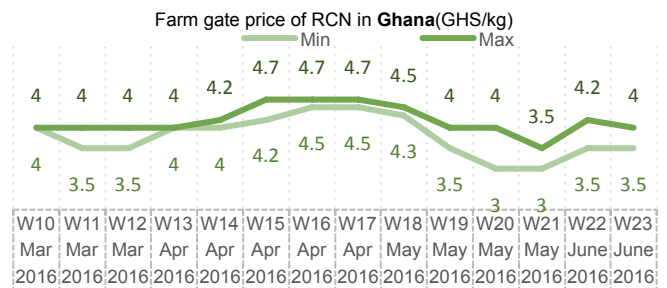
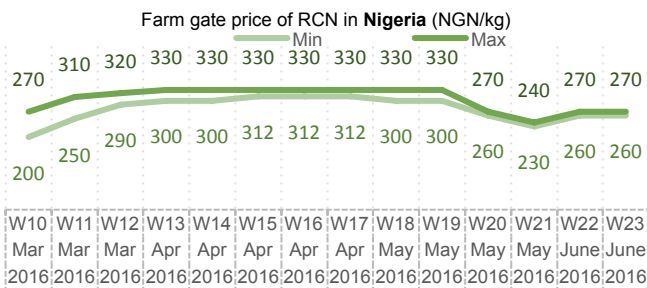
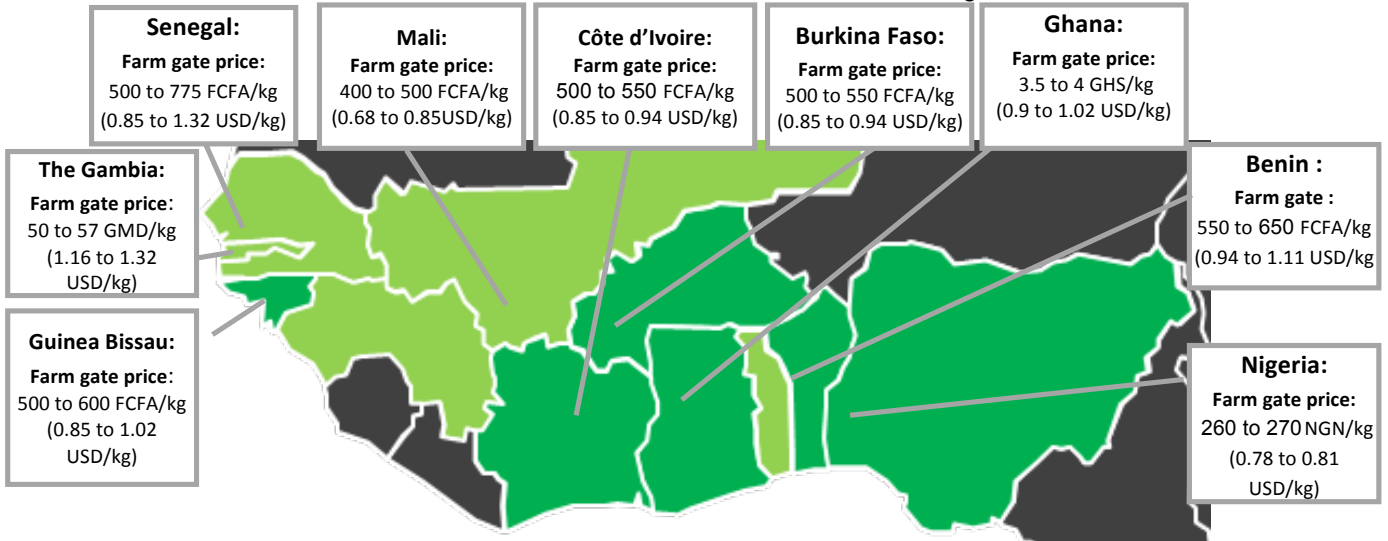
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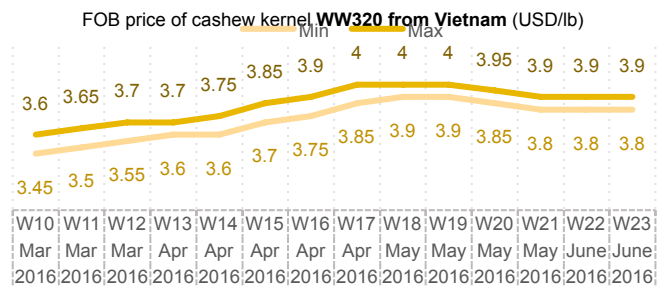
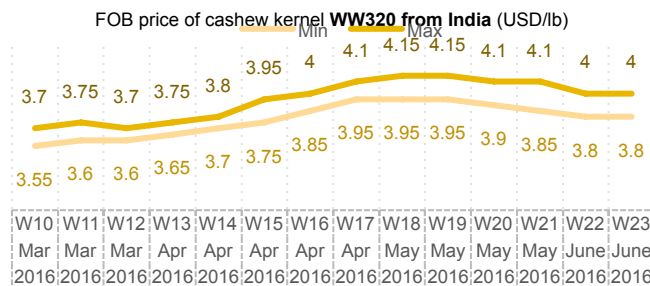
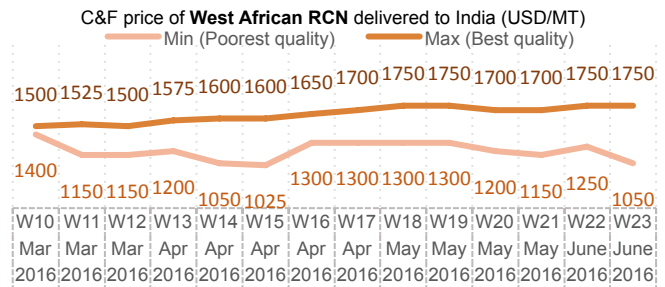
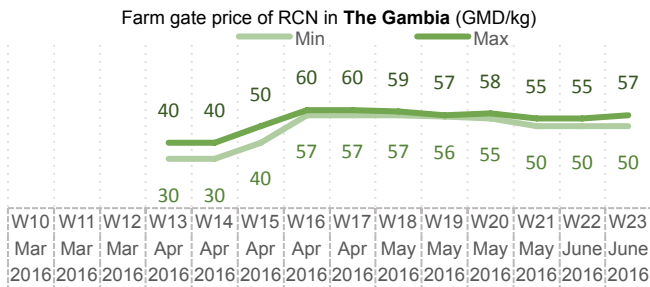
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## The Cashew Market Flash

Current RCN Price from West African Cashew Producing Countries





## The Cashew Market in West Africa

### Nigeria

This week in Nigeria, the Naira exchange rate in the informal market is: 1 USD for 330 NGN against 1 USD for 199 NGN in the official market.

RCN quantities are scarce at the producer level, while the market prices remained quite stable. Many buyers have already closed for the season. The RCN quality remains around 40-44lbs.

In Kogi State, the RCN farm gate price is still 260 NGN/kg (0.78 USD/kg), while the warehouse price varies between 265 and 270 NGN/kg (0.80 to 0.81 USD/kg). Deliveries to Lagos are being made this week between 285 and 300 NGN/kg (0.86 and 0.90 USD/kg).

In Kwara and Oyo State RCN the farm gate price is 270 NGN/kg (0.81 USD/kg), while the warehouse price is 275 NGN/kg (0.83 USD/kg) depending on the trader. Deliveries to Lagos are between 290 and 330 NGN/kg (0.87 and 1 USD/kg).

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

### Benin

The 2016 cashew season in Benin is coming to an end. However, small quantities of RCN are available in the districts of Borgou, Alibori, Atacora and Donga.

Rains are intensifying in Benin and the moisture content in the available RCN varies from 7.5% to 8%. The quality of the available RCN is currently 42-45lbs.

This week, the farm gate prices range between 550 and 680 FCFA/kg (0.94-1.16 USD/kg). However, in the district of Alibori, the RCN farm gate price varies between 520 and 650 FCFA/kg (0.88-1.11 USD/kg) depending on the quality.

*Source: Mr. Antoine DJOSSOU*

### Ghana

The Cashew season in Ghana is ending. Major buyers and agents have closed for the season. There are few people who are still in the market buying RCN. Rains are intensifying across all the producing areas and there is no more RCN to gather in the plantations. The RCN quality decreased sharply to 35-38lbs.

However, some farm gate purchases are still observed between 3.5 and 4 GHS/kg (0.9-1.02 USD/kg) for remaining stocks.

*Source: Market Analyst Cyril Alormene from MOFA*

## **Burkina Faso**

In Burkina Faso, the cashew season is complete in most of the production areas excepted in the region of Hauts basins where there are still small RCN arrivals. Some purchases are being made at farm gate between 500 and 550 FCFA/kg (0.85-0.94 USD/kg) against 550 and 570 FCFA/kg recorded last week. The quality of the nut dropped and most of the traders closed for the season.

In the city of Bobo Dioulasso, wholesale prices decreased slightly during the week and are currently vary between 600 and 635 FCFA/kg (1.02-1.08 USD/kg) against 625 and 650 FCFA/kg noticed last week.

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

## **Cote d'Ivoire**

In Côte d'Ivoire, the cashew market slowdown. RCN arrivals decreased sharply and the quality of the nuts dropped. Many foreign and local buyers have closed for the season due to low availability and the drop in RCN quality. However, some local producers and buyers who still hold RCN stocks continue to speculate in the production areas.

The farm gate prices remained stable between 500 and 550 FCFA/kg (0.85-0.94 USD/kg) depending on the locality and the quality. RCN wholesale prices, range between 550 and 575 FCFA/kg (0.94-0.98 USD/kg). The wholesale price at the Port increased slightly and is currently between 585 and 605 FCFA/kg (1,000-1,034 USD/MT) compared to 560 and 600 FCFA/kg recorded last week. Only a few trucks are arriving at the Port.

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

## **Mali**

In Mali, the cashew market slowed down and the number of transactions also decreased. Farm gate prices remained between 400 and 500 FCFA/kg (0.68-0.85 USD/kg). RCN prices from traders are between 575 and 600 FCFA/kg (0.98-1.02 USD/kg).

The cashew season is coming to an end while the planting season is fast approaching. The RCN stocks are scarce at the producers' level; however some producers who still hold stocks of RCN, continue to speculate. Foreign buyers are closing for the season while the local buyers are still active in the various markets. RCN stocks are mainly held by traders who are currently more focused on the market of fertilizers and other crops.

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

## **Senegal**

In Senegal, the cashew market continues to slow down. RCN arrivals have decreased significantly in all production areas.

In the southern zone of the country, the market is stable compared to last week. However, a slight increase in RCN price was observed in Sokone where significant quantities have been sold during the week. The farm gate prices increased by 25 FCFA/kg this week compared to last week and are now around 775 FCFA/kg (1.32 USD/kg), with wholesale prices ranging between 775 and 800 FCFA/kg (1.32 to 1.36 USD/kg).

In the regions of Ziguinchor and Sédhiou the market is still active while RCN arrivals are decreasing. However, in Kolda the season is almost complete due to the scarcity of the RCN. The rainy season is approaching in the region of Casamance. In Kolda, the RCN prices from producers are still at 500 FCFA/kg (0.85 USD/kg). In Ziguinchor and Sédhiou, farm gate prices vary between 550 and 650 FCFA/kg depending on the quantity. The wholesale price in Ziguinchor remained between 650 and 700 FCFA/kg (1.1-1.19 USD/kg).

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

## Gambia

Subsequent to the lull experienced during the last week, demand seems to be picking up gradually this week. A good number of collectors and traders are scouting for more nuts and this has led to increases in prices, especially at major buying points.

At export level, shipment operations are intensifying as exporters race to export their stocks before the onset of the rains.

In the **North Bank Region**, prices have increased from 50 GMD/kg to 55 GMD/kg (1.27 USD/kg) especially at major buying centers.

In the **West Coast Region** prices are between 55 and 57 GMD/kg (1.27-1.32 USD/kg) depending on the quantity and the quality.

In the **Fonis**, the third harvest is quite disappointing in terms of volume although prices have slightly increased from 50 GMD/kg to 53 GMD/kg (1.23 USD/kg).

In the **Lower River Region**, prices dipped during the weekend to 48 GMD/kg (1.11 USD/kg) but have now leveled up again to 50 GMD/kg (1.16 USD/kg) for large quantities with good quality.

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

## Guinea Bissau

The cashew market remains very active in Guinea Bissau, with many buyers on the field. Large quantities of raw cashew nuts are still available at the producer level.

Nut quality is still good despite the rains and is currently 52-54lbs.

The farm gate prices are between 500 and 600 FCFA/kg, representing a slight increase of 50 FCFA/kg compared to last week. The export process started last week and the Ministry of Commerce has approved the export of 75,675 MT of RCN for this season.

*Source: ANCA-GB, Mr. Cardoso Tamblé*

## The International Cashew Market

In the international market, RCN and cashew kernel prices fell this week.

A few contracts are being made by Vietnamese processors who offer the lowest market price at the moment for the WW320 being sold between 3.8 and 3.85 USD/lb. The key point is that the contracts are for June and July shipment.

The RCN from West Africa start to arrive in Vietnam and India. This is giving some relief to the processors on the one hand but also giving them some pressure to sell kernels as they process. However, the quality of the RCN remains a big concern for the processors at the moment. High moisture content, low yields and smaller nuts are causing higher processing costs and less returns.

### International quotations in India/Vietnam

<i>Cashew Kernel FOB Asia</i>			
Description	Grade	Prix USD/lb	Recent Changes
Whole white 240 Kernels/lb	WW240	3.95 - 4.35	Stable
Whole white 320 Kernels/lb	WW320	3.8 - 4	Stable
Splits	FS/WS	3.2 - 3.25	Stable
Broken	LWP/LP	3.05 - 3.15	Stable

<i>Raw Cashew Nut (RCN) CFR Asia</i>			
Origin (Exportation period)	Outturn	Price USD/MT	Recent Changes
Nigeria (June/July)	42-44	1,200-1,300	Stable
Benin (June/July)	44-45	1,400-1,450	Stable
Ghana (June/July)	43-44	1,350-1,450	Stable
Côte d'Ivoire (June/July)	43-44	1,350-1,400	Stable
Seneg/Gam/GB (June/July)	50-52	1,700-1,800	Stable

## Currency

Exchange Rate: 1 USD=			This Week	Last Week	Exchange Rate: 1 USD=			This Week	Last Week
West Africa	Franc CFA	XOF	585	577	East Africa	Tanzanian Shilling	TZS	2200	2185
	Nigerian Naira	NGN	199	199		Kenyan Shilling	KES	101	101
	Ghanaian Cedi	GHS	3.90	3.90		Mozambican Metical	MZN	69	57
	Gambian Dalasi	GMD	43	43	Asia	Indian Rupee	INR	67	67
	Franc Guineén	GNF	7364	7326		Vietnam Dong	VND	22307	22345

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